

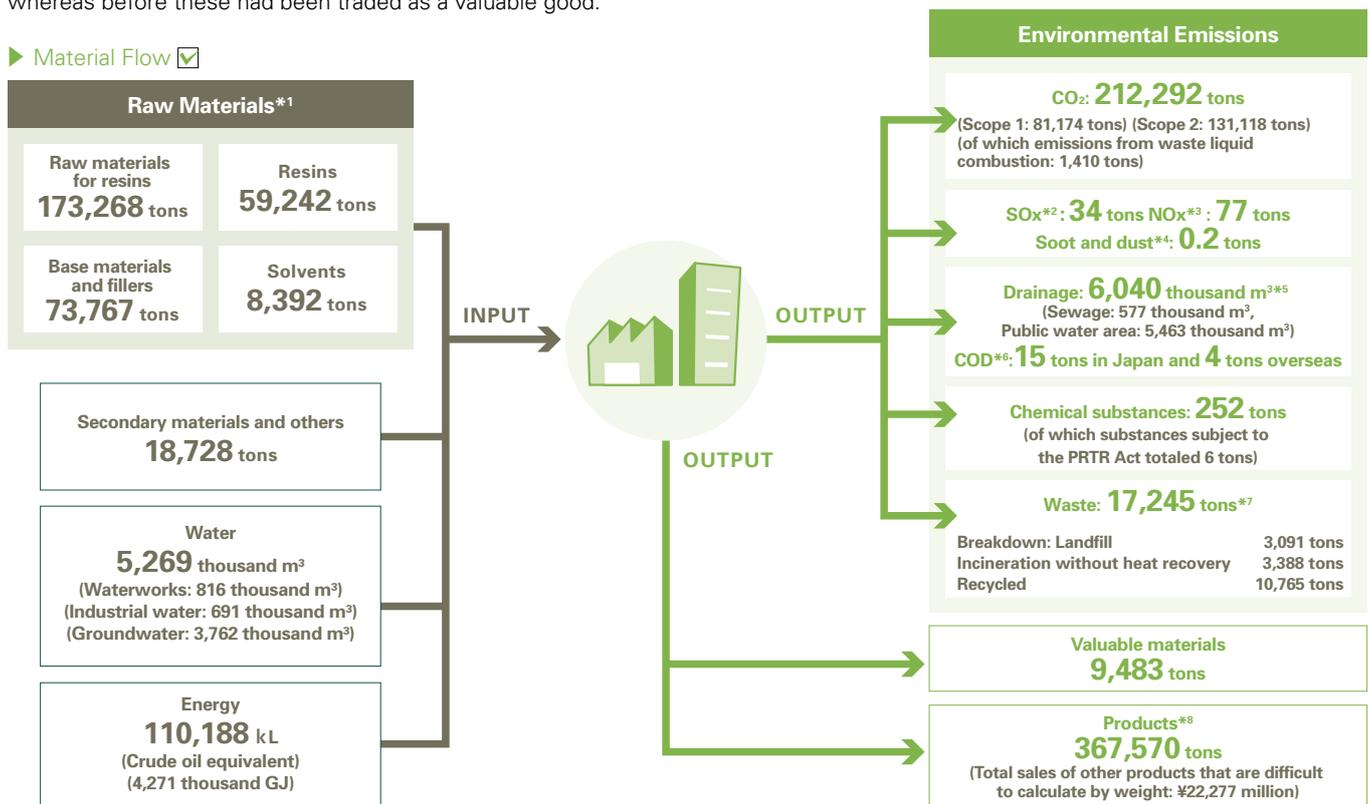
Material Flows and Investments in Environmental Protection



The figure below shows inputs, including raw materials and energy, and outputs that are products and emissions released into the environment.

The Group is working to minimize its impact on the environment by means of waste reduction and resource savings through promoting more efficient use of raw materials, energy, and water. For fiscal 2019, we reduced both our emissions of CO₂ and the amount of water used compared with the previous year through reduction efforts at our business sites. In addition, in light of the impact that the coronavirus (COVID-19) pandemic has had in terms of bringing economic activity to a standstill in the latter part of the fiscal year as a separate causal factor, we saw reductions across numerous items such as the volumes of inputs of raw materials and sales of products. Conversely, our amount of recycled waste has increased. This can be attributed to import restrictions on waste plastics in the China / Southeast Asian region, which in turn has led to an increase in waste plastics being disposed of as waste, whereas before these had been traded as a valuable good.

► Material Flow



*1 The ratio of renewable raw materials to total raw materials used is small at the current point in time, but we will continue to work on ways to increase this ratio.
 *2,3,4, and 6 See the glossary on page 108. SO_x, NO_x, and soot and dust are calculated using the company's own formula based on exhaust gas readings and fuel usage amount, among other variables. Since methods of calculating emissions of soot and dust differ among countries, this figure is compiled solely for business sites in Japan at present. COD is calculated based on the measured concentration and drainage volume. Data on overseas COD covers sites that measure COD within drainage. Data for overseas sites are stated separately because the types of oxidant (potassium dichromate is mainly used overseas) used for measurement differ from those used in Japan.
 *5 Drainage volume is determined by calculating drainage into sewages based on the breakdown of total usage. Drainage into public water areas is calculated using readings from flow meters installed at business sites; while water usage volume is used for business sites without flow meters.
 *7 The volume of hazardous waste found in our total waste volume came to 8,226 t (based on the definitions used by each country). The volume of hazardous waste is not subject to assurance.
 *8 The volume of products shipped and value of products sold are not subject to assurance.

Investments in Environmental Protection

Our Group has compiled data annually on the amounts of investments in environmental protection of all Group companies in Japan since 2000.

In fiscal 2019 we made investments of 281 million yen in total. Just as we did in fiscal 2018, we continued to implement energy-conservation measures such as increasing the efficiency of power supplies. However, since a large-scale project wound down, the amount we invested declined compared to fiscal 2018.

► Amounts of Investments in Environmental Protection in Fiscal 2019

Category	Investment amounts (millions of yen)
Emissions control	33
Energy conservation	244
Waste reduction, recycling, and treatment	4
Total	281

* Data covers the time period and business sites in Japan listed on page 3.