

Promoting Green Factories

We strive to pursue “green factory” practices at our production plants by taking the reduction of waste, the control of chemical emissions, the prevention of air, water and soil pollution, and the suppression of noise and vibration into consideration.

Reduction of Chemical Emissions

The FDK Group has established its own “chemical control regulations” to reduce environmental burdens and control chemicals in an appropriate manner at each plant. Each plant keeps track of the amount of chemical use, emissions, and waste-derived chemicals transported away from its site.

Aim of the Fourth Environmental Action Plan

Reduce FY2000 VOC (volatile organic compounds) emission levels by 30% by the end of FY2010.

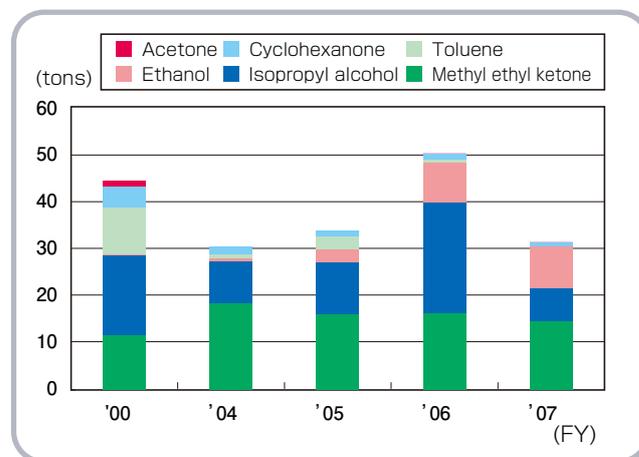
Reduction of VOC Emissions

VOC is a generic term for organic compounds that evaporate under standard temperature and air pressure, volatilizing easily into the atmosphere. VOC are suspected of contaminating soil and underground water, and if released into the air, they are suspected of becoming oxidants and SPM (suspended particulate matter) through photochemical reactions. The affect of air contamination by VOC on human health has become an issue of concern as of late.

A law regulating VOC emissions went into effect in Japan on April 1, 2006. Although the FDK Group does not own facilities emitting VOC regulated by the air pollution control law in Japan, we have been working on reducing 20 types of VOC since FY2007 in compliance with the voluntary directive issued by four industrial organizations from the electric and electronic industries. In particular, we established a plan to reduce VOC emissions by more than 1 ton per production site annually, to employ alternative chemicals and to reevaluate our production processes.

As a result, total VOC emissions at domestic production sites were reduced from FY2000 levels by 29.5% to 31.2 tons. This is 37.7% reduction from the previous term. This was made possible by the reduction measures carried out and lowered LCD module inverter production.

Transition of VOC Emissions



Aggregate Data on PRTR-Controlled Chemicals

We also disclosed the amount of domestic chemical emissions and transportation in compliance with the PRTR law in FY2007. Although the PRTR law requires reporting to the administration for the handling of controlled chemicals in amounts over 1 ton per year, FDK keeps track of and manages chemical handling in amounts over 0.1 ton per year.

Aggregate PRTR Data for FY2007

Total Amount at Domestic Plants (Handling over 100kg)

Unit: tons/year

Chemical Name	Amount of Usage	Amount of Emission		Amount Transported		Amount Consumed	Recycling
		Atmosphere	Body of Water	Waste	Sewage		
Manganese and manganese compounds	3,959.43	0.00	0.00	27.09	0.00	3,932.33	0.00
Lead and lead compounds	5.50	0.00	0.00	1.40	0.00	4.04	0.06
Bisphenol type A epoxy resins	4.63	0.00	0.00	0.00	0.00	4.62	0.00
Silver and its water soluble compounds	2.71	0.00	0.00	0.00	0.00	1.75	0.96
Nickel compounds	1.51	0.00	0.00	0.06	0.00	1.45	0.00
Poly(oxyethylene) = octylphenyl ether	0.99	0.00	0.00	0.99	0.00	0.00	0.00
Di-n-butyl phthalate	0.82	0.00	0.00	0.04	0.00	0.78	0.00
Boron and boron compounds	0.79	0.00	0.00	0.00	0.00	0.79	0.00
Toluene	0.44	0.23	0.00	0.21	0.00	0.00	0.00
Molybdenum	0.14	0.00	0.00	0.00	0.00	0.14	0.00

Waste Reduction Measures (Zero Waste Emission)

We strive to reduce the burden on the global environment by suppressing waste emissions as much as possible as well as separating and recycling generated waste according to the principle of the 3Rs (reduce, reuse and recycle). Our sister company, FDK ECOTEC CO., LTD. conducts business activities in pursuit of a sustainable society by recovering used information equipment such as PCs, as well as the separation and recycling of waste plastic, glass and metals. (see page 32)

Aim of the Fourth Environmental Action Plan

Reduce FY2006 waste emission levels by 3% by the end of FY2009.

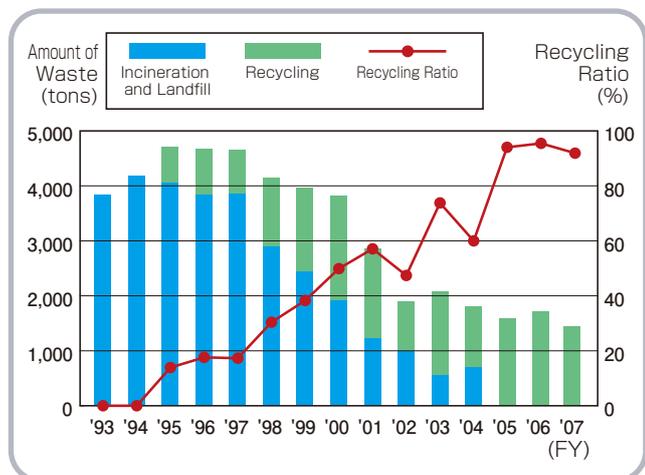
Outcome of Our Waste Reduction Efforts

Owing to the rising market price of metals and resources during FY2007, we pursued the advancement of resale of valuable recyclable materials. We also replaced cardboard boxes with containers, recycled raw material waste within processes that was discarded in the past and reused palettes and plastic containers in-house. As a result, our waste emissions were reduced to 1,079 tons. With the additional effect of the reduced production of LCD back light modules, our waste generation for FY2007 was 16.6% less than it was in the last term.

Continuing with Zero Emissions

As a result of our continued efforts to follow zero emissions guidelines, we achieved zero waste emission in FY2007 as well. We have totally eliminated waste emissions since the end of FY2004.

Amount of Waste Emissions and Recycling Ratio



Effective Use of Various Wastes

- Sludge: used as cement mix and base course material
- Plastic waste: Recycled as plastic material and fuel for furnace
- Acid and alkali waste: neutralizing agent
- Oil waste: regenerated oil and supplementing fuel
- Paper waste: recycled paper, cushion material for packaging, and thermal recycling
- Metal waste: Reprocessed for iron manufacturing material
- Food waste (from cafeteria): compost

Zero Waste Emissions at FDK

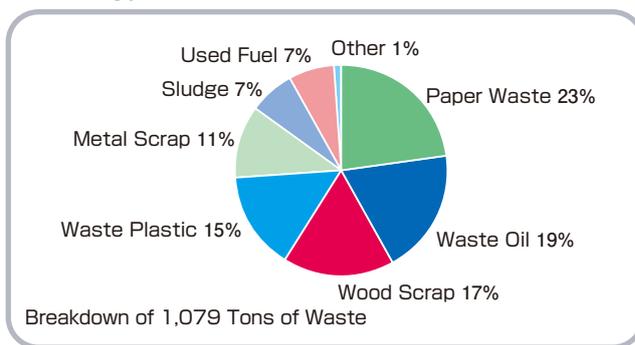
Definition

Making effective use of all waste generated from each plant to totally eliminate simple incineration and landfill

The Scope of Materials

Sludge, waste acid, waste alkali, waste plastic, waste oil, metal scrap, glass and ceramic pieces, wood scrap, paper waste, fabric waste, food waste, and sludge from purification cistern

Waste Type Status



Reevaluating Waste Categories

We reorganized and reevaluated existing waste definitions and categories in FY2007. Until the last term, we calculated the recycling ratio while excluding waste categories that were not targeted by the zero emission guidelines. Upon achieving 100% recycling ratio (zero emissions) under this condition, we decided to change these guidelines to include all waste categories. As a result, the recycling ratio during FY2007 reached 92%.