

# Realization of a Recycling-Oriented Society

## Key Strategies and Targets under Eighth Environmental Management Activities Plan (FY2014–FY2016) and Fiscal 2016 Results

Promotion of the 3Rs	
<b>Targets</b> <b>1 Promoting reduction in waste generation, greater reuse and more recycling</b> Maintain zero emission status, and reduce total waste emissions per unit of sales Boost recycling rate above the previous year's level  <b>2 Promoting PCB treatment</b> Process low-concentration PCB waste appropriately through low-cost methods	<b>Results</b> Maintained zero emission status, with a final disposal ratio below 1%, and cut total waste generation per unit of sales by 10% over the fiscal 2015 level Recycling rate reached 97%, down from 98% in fiscal 2015  A total of 142 units of low-concentration PCB waste were processed

## Toward Realization of a Recycling-Oriented Society

Efforts to curb consumption of natural resources and reduce waste have acquired greater social urgency, paralleling wider economic activity and population growth.

Throughout the Group, we take great care to fully utilize the limited resources procured for our products and manufacturing processes, which consume these resources without waste. We also advocate designs that use resources effectively through such approaches as repurposing and recycling, and strive to make products lighter, more durable and more recyclable.

### 1. Reduction of Waste Generation

Our activities for reducing the total amount of waste generated through our manufacturing processes is an indication of our effective use of resources, and toward this end, we have set goals to cut waste generated per unit of sales and to achieve zero status for unrecycled waste disposed into landfills.

Toward this end, we promote the 3Rs—reduce, reuse and recycle—in activities to curb waste from manufacturing activities, repurpose materials, and turn waste into new resources. We also outsource processing to providers who are able to recycle the waste generated at our sites.

In fiscal 2016, we met our targets by achieving a 10% year-on-year reduction in waste, to 4.17 per unit of sales—t/¥100 million—and a direct-to-landfill disposal ratio of 0.3%. Moreover, the corporate recycling rate was 97%. However, total waste generation was up over fiscal 2015, paralleling increased production of ships and aircraft. Going forward, we will examine waste from the perspective of its potential reduction.

### 2. Promoting PCB Treatment

The disposal of PCB (polychlorinated biphenyl) waste is proceeding through a worldwide effort, in line with the Stockholm Convention, which stipulates procedures and requirements including proper treatment of PCBs. In Japan, disposal is undertaken in a systematic manner, mainly by the Japan Environmental Storage & Safety Corporation (JESCO), which was established by the Ministry of the Environment, and we are undertaking the treatment of our PCBs with its completion targeted ahead of the national schedule.

Toward this end, we will steadily implement steps to address PCB waste. We will stop using products and devices that contain PCBs and put such items into storage. We will confirm disposal volume, and we will look into providers with facilities to treat low-concentration PCB waste on our behalf. As of fiscal 2016, we had made favorable progress toward our target, with disposal reaching 68% on a disposal cost basis.

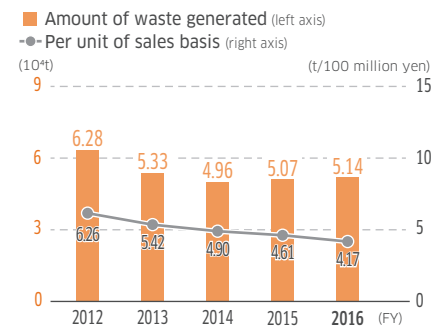


Figure 9: Amount of Waste Generated and Per Unit of Sales Basis

Note: Per unit of sales basis is a measurement obtained by dividing amount of waste generated by net sales.

## Key Strategies and Targets under Ninth Environmental Management Activities Plan (FY2017–FY2019)

Promotion of the 3Rs	
<b>Targets</b> <b>1 Reduce total waste emissions and maintain zero emission status</b> → Reduce total waste emissions per unit of sales by at least 1% from level achieved under the Eighth Plan. Push final disposal ratio below 1% <b>2 Promote reuse and recycling</b> → Boost recycling rate above 98% <b>3 Promote PCB treatment</b> → Systematically reduce high- and low-concentration PCB waste	