

Environmental Initiatives

In pursuit of “the effective use of limited resources and the realization of an affluent, sound society,” we are committed to developing products that address various social issues at the production stage and in customers’ use, recognizing that reducing environmental impact is our mission.

Environmental policy and management system

In line with our fundamental principle of coexisting with the global environment, we balance environmental protection and economic activities. In our environmental policy, we stated that we will comply with laws, consider biodiversity, help realize a decarbonized society, and effectively use resources, among others. The policy is shared within and outside the company as the foundation for all of our business activities.

Regarding our environmental management system, our business sites collaborate to implement a plan-do-check-act (PDCA) cycle under the guidance of the company-wide chief environmental administrator. These activities are reviewed and continuously improved through executive management review.

Our major business sites institutionalize and continuously improve our environmental protection activities by obtaining ISO 14001 certification and implementing internal audits and external reviews.

Environmental policy

1. The Nihon Parkerizing Group will comply with all relevant laws, regulations and agreements, and operate its business while considering biodiversity and giving the highest priority to environmental protection.
2. The Nihon Parkerizing Group will contribute to society by developing and marketing environmentally friendly products and technologies.
3. The Nihon Parkerizing Group will seek to reduce GHG emissions throughout its value chain to realize a low-carbon society.
4. The Nihon Parkerizing Group will strive to reduce the environmental impact of its business activities by effectively using resources and appropriately managing chemical substances.

(Note) Water is included as a resource in this environmental policy.



ISO 14001 certificate of registration



Annexes to ISO 14001

Initiatives to reduce the environmental impact

We streamline production processes and introduce high-efficiency equipment to reduce energy consumption and CO₂ emissions. Each business site monitors its energy use to continue improving. We have identified the proper use of water resources and wastewater management as key issues,

and we are implementing measures such as installing water-saving equipment, encouraging water reuse and monitoring water levels when using groundwater. In implementing these measures, we value harmony with the regional environment.

To realize a circular economy

Currently, we are examining ways to visualize the final disposal of industrial waste from us and our eight principal domestic consolidated subsidiaries. Based on the results of these efforts, we will set reduction targets to realize a circular economy.

Biodiversity conservation initiatives

Policies

In line with our environmental policy, we are explicitly committed to considering biodiversity and strive to recognize and mitigate impacts across all our business activities. All of our employees remain mindful of their role in nature and promote conservation activities in cooperation with local communities.

Biodiversity policy

1. Through surface modification technology, we will reduce humanity's negative impact on nature capital, including biodiversity and ecosystems, and encourage initiatives to increase our positive impact
2. More than ever before, we will examine measures to stop climate change, conserve and recycle resources and reduce environmentally hazardous substances throughout our supply chains

Participation in the Keidanren's initiative

We support and participate in the Keidanren (Japan Business Federation) Initiative for Biodiversity Conservation and contribute to protecting biodiversity across industry by facilitating knowledge sharing among companies and putting the declaration of action into practice. In collaboration with stakeholders, we will continue to develop more effective initiatives.

Water resources

We checked the water stress conditions at the group's business sites using Future Water Stress, an Aqueduct Country Ranking indicator developed by the World Resources Institute. Our business sites in India, a country with extremely high water stress, make efforts to conserve water, for example, using RO (Reverse Osmosis) membrane filters to recycle and reuse rinse water from production processes. As part of our initiative to increase water conservation, we plan to introduce a zero-liquid-discharge system.

Future Water Stress*	Business sites		Water intake	
	Number of business sites	%	Amount (m ³)	Average (m ³)
Extremely high (Extremely high: >80%)	7	10%	101,615	14,516
High (High: 40-80%)	9	13%	190,281	21,142
Medium-high (Medium-high: 20-40%)	25	37%	791,088	31,642
Low-medium (Low-medium: 10-20%)	25	37%	317,736	12,709
Low (Low: <10%)	2	3%	58,648	29,324
Total	68	100%	1,459,369	21,461

* Evaluation under the 2030 standard scenario

Water consumption

In manufacturing chemicals and conducting toll processing, we implement measures such as using steam drains, reusing filtered water from the UF filter and centralizing production by integrating lines to use water resources effectively.

		FY2022	FY2023	FY2024
Water intake	Water supply	132,604	131,058	131,974
	Groundwater	126,747	142,763	125,497
	Industrial water	115,009	117,670	105,916
Drainage	Sewage	158,565	171,797	148,238
	River	74,007	63,371	66,337
	Ocean	80,063	85,031	75,997

Unit: m³, Nihon Parkerizing alone

Promoting environmentally friendly products and the circular economy

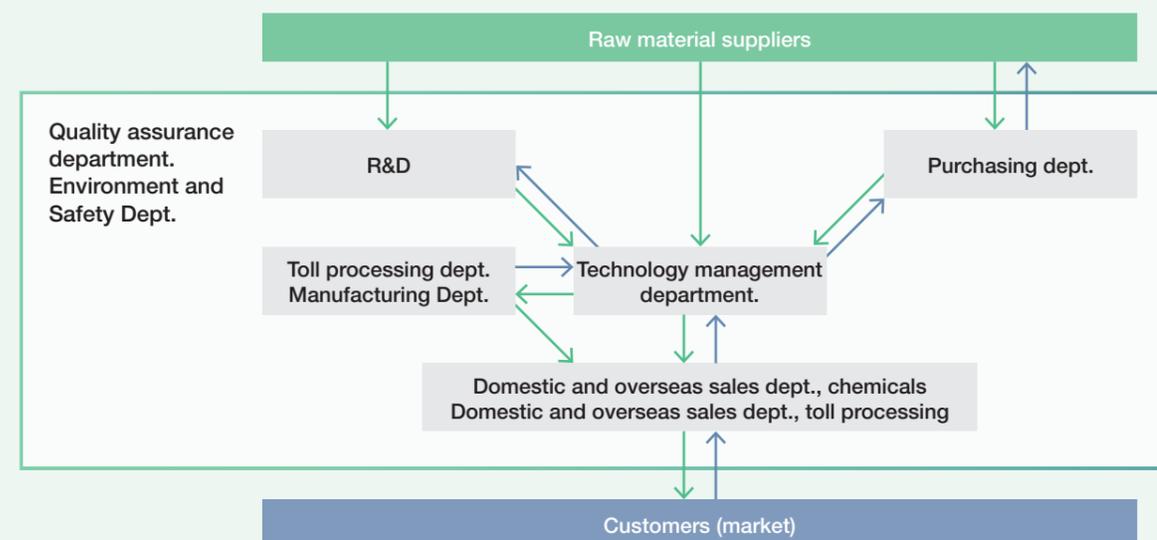
We develop products with a reduced environmental impact using surface modification technology. We are working to balance product performance with environmental considerations in this area.

We are also promoting initiatives to realize a circular economy, such as recycling process solutions, sludge management, container reuse and designing with renewable resources.

Chemical substances management

Based on the policy for managing chemical substances in products, we work thoroughly to comply with laws and regulations, meet customers' needs and manage risks. We comply with RoHS, REACH and other international rules and regulations in the design and management of products.

As part of our chemical substance management system, we have established a Chemical Substance Management System (CMS) involving nine departments. We are advancing the development of guidelines and workflows alongside centralized information management.



* Arrows indicate information flows.

Particulate matter (PM) measurement

We have two facilities where measuring particulate matter is required. Measurement is conducted twice a year. The results are as follows. From FY2022 to FY2024, there were no administrative penalties for violations of laws or regulations.

Measurement method: JIS-Z-8808 (filtration method) Measurement results: below 0.001 g/m³ (below the detection limit)