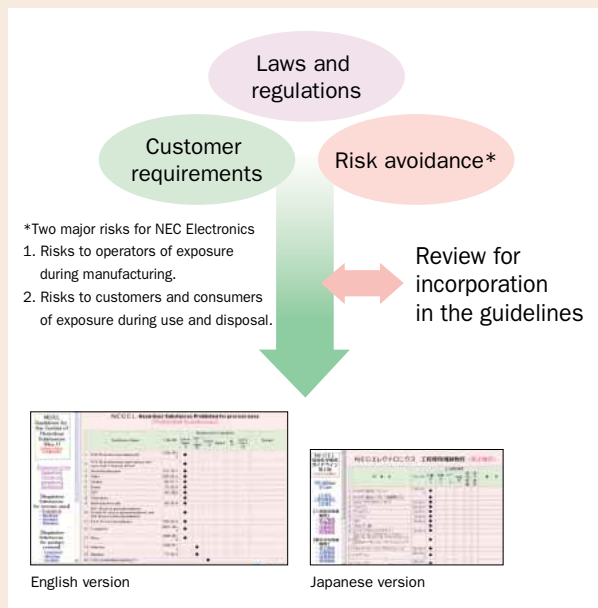


Management of Banned Chemical Substances

We manage regulated chemical substances according to a set of voluntary guidelines that are more exacting than requirements of relevant laws.

In addition to responding to social trends reflected in relevant laws and regulations and the requirements of our customers, we perform voluntary toxicity tests on each chemical substance used and evaluate potential risks. The results are recorded in our Guidelines for the Handling of Chemical Substances, which are more exacting than those of relevant laws. Substances are graded and classified into four categories—banned, phased out, avoided, and controlled—and are strictly managed in accordance with the guidelines.

Voluntary corporate guidelines for regulated chemical substances



Greenhouse Gas Emission Reduction

We promote measures to reduce greenhouse gas emissions in our volume-production factories.

Greenhouse gases used by the NEC Electronics Group consist primarily of perfluorocarbon (PFC) gases used for cleaning reaction chambers* used in the semiconductor manufacturing process. Reducing PFC emissions is an urgent issue because of its long atmospheric life and high global warming potential some 10,000 times that of CO₂.

In light of this urgency, NEC Electronics is at work developing technologies that will enable reduction of PFC gas emissions to

no more than 90% of the 1995 level by 2010.

In 2006, production volume was 25% higher compared to the previous year and we expected emissions to increase by 15%. By accelerating the implementation of various emission reduction measures such as use of substitute gases and installation of extraction equipment, we were successful in holding the rise in emissions to 2%. In future, higher production volumes will no doubt be accompanied by a rise in greenhouse gas emissions. However, we will persevere in the effort to achieve our targets for reduction of greenhouse gases by introducing various technologies in our volume-production factories for optimization of gas usage conditions and use of substitute gases, and also accelerate introduction of extraction equipment.

*A reaction chamber is a vessel into which process gases are introduced to deposit thin films on wafers. Cleaning gases are used to clean reaction chambers.

Transition in greenhouse gas emissions, reduction target

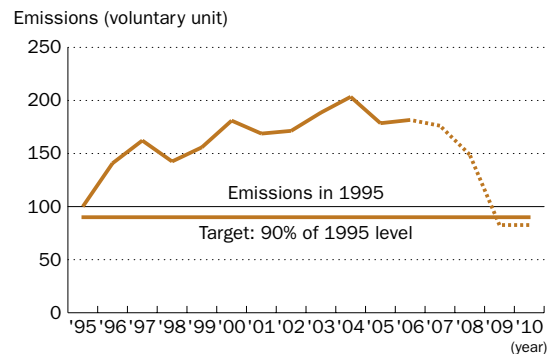


Diagram of greenhouse gas emission reduction strategies

