

Environmental Risk Management

We established a set of safety standards and a system for sharing information to implement environmental risk management throughout the NEC Electronics Group.

In addition to conventional regulations for handling and control of special gases, NEC Electronics own regulations for control of chemicals are implemented throughout the NEC Electronics Group in the effort to prevent industrial accidents. Also, reciprocal patrols are conducted by all of our manufacturing companies to reduce overall risk.

Strategies for control of special gases

In 1984, safety control standards for special gases* were established in 1984 that incorporate NEC's accumulated know-how and experience. The most recent 9th edition of the standards (as of 2006) is the result of repeated revision and updating of the standards with respect to amendments to the High Pressure Gas Safety Law, accidents that have occurred in the semiconductor industry, and lessons learned from near-miss incidents in our factories.

In addition, our manufacturing subsidiaries carry out patrols to check each other's handling of special gases and verify that all sites using special gases are implementing appropriate safety control measures in compliance with regulations. The system has proved to be very effective; no major incidents of chemical leakage or explosions have occurred since the patrols were established.

*The term special gases used by NEC Electronics signifies the group of specific high pressure gases and semiconductor material gases specified by laws and regulations such as the High Pressure Gas Safety Law.

Yearly plan for reciprocal patrol



A reciprocal patrol

Strategies for control of chemicals

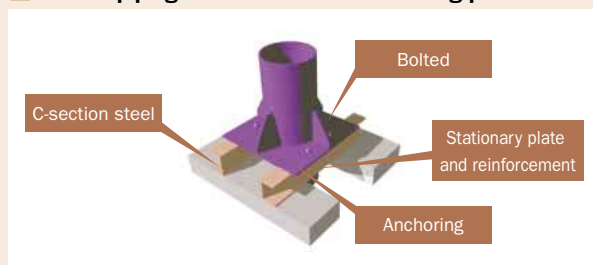
We are implementing stronger measures to prevent leakage and applying them to a greater number of chemicals. After a review of regulations, we decided that it is essential to furnish equipment using these chemicals with an automatic shutoff function. We have reinforced the safety of equipment where necessary and stepped up measures to prevent leakage for targeted equipment. In fiscal 2006, we began reciprocal patrols to check handling of chemicals in addition to handling of special gases. In fiscal 2007, patrols made the rounds of all of our production compa-

nies in Japan.

Strategies for response to earthquakes

Based on expected seismic intensity (maximum seismic intensity of 7), we established a new set of regulations for all of our companies that specify standards for installation of structural elements of factory buildings and related plant facilities, and placement and anchoring of manufacturing equipment. In fiscal 2007, we implemented stronger measures to reinforce safety where necessary in compliance with these regulations.

Vertical piping anchored with a reinforcing plate



Information sharing

As part of our environment, safety, and health effort to prevent accidents, we have compiled collections of industrial accidents and near-miss incidents that are made available on our website to facilitate information sharing. All manufacturing subsidiaries in the NEC Electronics Group use the information to develop risk management activities. The progress of these activities is checked on the occasion of environmental management audits.

The website facilitates information sharing



Soil contamination reports

In March 2007, we held a briefing session for neighboring residents to present the efforts we are making to clean up contaminated soil and polluted water in the area of NEC Yamagata's former Takahata Plant (now the plant at the headquarters of ASE Japan Co., Ltd.) where volatile organic compounds have been detected. The media was informed of the briefing session. The chemical substances detected were trichloroethylene, cis-1,2-dichloroethylene (a product of the decomposition of trichloroethylene), 1,1,1-trichloroethane, and 1,1-dichloroethylene (a product of the decomposition of trichloroethane). Until 1987, trichloroethylene and 1,1,1-trichloroethane were used at the former Takahata Plant as cleaning fluids for semiconductor products. Presumably, these substances were leaked into the soil in some way during the period when they were in use at the plant. NEC Yamagata immediately began cleanup work and hopes to return the values of chemical substances in the soil to within the standard values by the end of 2007.

Also, in April 2006 we completed cleanup of soil at the NEC Kyushu plant site and have verified that values in excess of the standards for trichloroethylene and cis-1,2-dichloroethylene detected in the soil have been brought within standard values. We disclosed this information in July. In addition, we conducted dissolution tests again in October and disclosed the results verifying that values are within standards at all check points.

Complaints from neighboring residents

In fiscal 2007, we received no complaints from neighboring residents.

Violations of laws and regulations

In fiscal 2007, as in the past, we received no fines or penalties for violations of environmentally related laws and regulations.



The briefing session held by NEC Yamagata
President Sato (March 2, 2007)



Cleanup work (NEC Yamagata's former Takahata
Plant)