

# Environmental Policy and Environmental Management System

In accordance with Nippon Paint's environmental policy and environmental management system (EMS), we take part in environmental management practices by implementing a PDCA (Plan, Do, Check and Act) cycle.

## Environmental (Responsible Care) Policy

### Basic Approach

Nippon Paint's philosophy is to proactively contribute to the preservation and beautification of the environment through our business activities, which include creating colors and attractive surroundings, while conserving materials and resources. In line with this approach, all employees and internal organizations are making it their own individual mission and responsibility to cooperate in tackling environmental problems. We aim to help create a beautiful environment through mutual trust with people everywhere, including regional communities and our customers.

To this end, we have established the following policies for all business activities:

1. We will pay due attention to preserving the global environment and protecting ecosystems, while striving to conserve energy and other resources in the course of all business activities (including the provision of both products and services).
2. We will advance the development of products with low environmental impact and of technologies that reduce this impact. We will also pay due attention to the environment, safety and health at all stages of a product's lifecycle, from development to disposal.
3. We will work to reduce the impact of operations on the environment, and to secure the safety and health of local residents and employees.

### Policy

1. The following are the aims of our Responsible Care activities:
  - (1) To establish a Responsible Care management system based on international trends.
  - (2) To reduce risk through comprehensive safety management of chemicals.
  - (3) To preserve the environment and ensure safety in the course of daily business activities.
  - (4) To preserve the environment and ensure safety in the course of international business activities and transactions in chemicals.
  - (5) To earn greater trust from society.
2. We will continue to cooperate in performing the yearly management cycle of "plan, act, report, and review" as a member of the Japan Responsible Care Council.
3. We will comply with all relevant laws and regulations in Japan and overseas, as well as other commitments made by Nippon Paint. We will also continuously improve our comprehensive safety management of chemicals, using both scientific knowledge and scientific methodology. In doing so, we will take into consideration trends in Japan and overseas, and adhere to the principles of independent decision-making and responsibility.
4. We will familiarize all employees, Group companies and related companies with Nippon Paint's basic approach and policy for Responsible Care, and ensure they are disclosed to, and understood by, society at large.

### Responsible Care

Companies that handle chemicals conduct Responsible Care activities at all stages from product development to product disposal. Throughout a product's lifecycle, these companies implement self-management activities to enact and improve environment-, safety- and health-related measures (environmental protection, anti-disaster safety measures, occupational health and safety, and chemical safety).



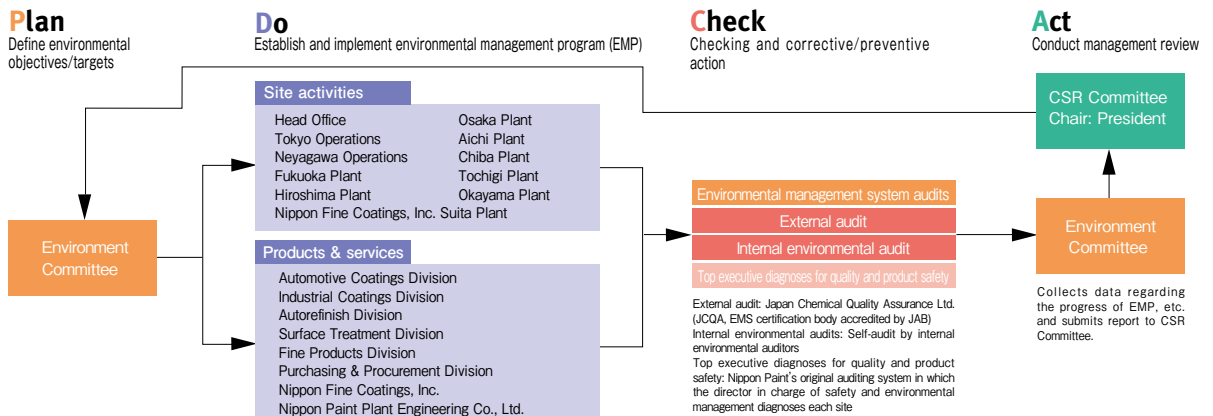
Responsible Care®

### Coatings Care

Nippon Paint has continuously practiced Responsible Care activities since becoming a member of the Japan Responsible Care Council in 1995, and has also participated in Coatings Care activities, which are coatings-oriented Responsible Care activities.



## FY2008 Environmental Management Organizational Structure and Activities



Nippon Paint simultaneously received ISO 14001 certification for all its sites in March 1999, so fiscal 2008 was our milestone year to mark the tenth anniversary of ISO certification. Over the past decade, all major affiliated companies in Japan have continued their drive to achieve ISO 14001 certification, and had become certified by the end of fiscal 2007.

In fiscal 2008, Nippon Paint Plant Engineering Co., Ltd. located within the premises of Nippon Paint was integrated into

Nippon Paint's environmental management system.

Since its acquisition of the certification, Nippon Paint has been committed to sustainable management by effective use of an environmental management system. In the future, we will implement measures to help preserve the global environment while streamlining our corporate management for the entire Nippon Paint Group, aiming for continued improvement of validity and efficiency.