

Effectively Managing Chemical Substances, Conducting Risk Management

Sharp ensures the unified control and management of consumption and discharge of all chemical substances used through its chemical substance management system. Sharp reduces discharges of chemical substances placed under high-priority control and promotes a preferential reduction in chemical substances with greater impact on human health by conducting risk assessment. Sharp also discloses risk information and promotes good risk communication with local communities.

Objectives for Fiscal 2005	Achievements	Objectives for Fiscal 2006	Objectives for Fiscal 2008
● Reduce discharge risk*1 by 30% or more compared to fiscal 2003 at Sharp Corporation production sites in Japan	➔ Reduced by approx. 48% compared to fiscal 2003	● Reduce by 55% or more compared to fiscal 2003	● Reduce by 60% or more compared to fiscal 2003

*1 Discharge risk: Total of all numerical values assigned to each chemical substance released into the atmosphere. Values are calculated as per: Discharged amount (concentration at site boundary) X Risk to human health coefficient

Effective Management of Chemical Substances

Risk assessment audits are mandatory when new chemical substances are introduced as well as when handling equipment is installed, taking the environment, safety and health into account. Sharp also provides education and training programs and conducts audits on the environment and safety. Through these measures, accidents are prevented and environmental impact is reduced.

For all 10 Sharp Corporation domestic production sites and 15 out of 22 overseas production sites, Sharp has introduced S-CMS (Sharp Chemical Management System), and it conducts centralized management of the quantities of all chemical substances consumed or discharged.

Sharp also reduces discharge of and conducts appropriate management of chemical substances placed under high-priority control (460 chemical substance groups, including 354 substance groups specified by the PRTR*2 Law and 106 additional ones, such as hazardous air pollutants).

*2 PRTR: Pollutant Release and Transfer Register. A system to collect and publicize data, such as the amount of harmful chemicals handled and discharged.

Reducing Chemical Substance Emissions and Discharge Risks

Of the chemical substances covered by the PRTR Law, the number of chemicals handled in quantities greater than 500 kg in fiscal 2005 at all Sharp Corporation production sites in Japan amounted to 16 substances or 6,354 tons (up 55% over the previous fiscal year). Although the use of PRTR chemicals increased when production went up, emissions fell by 9% to 12.4 tons from the previous fiscal year by thoroughly treating and recycling harmful substances.

In 2005 Sharp introduced the concept of risk assessment, and has promoted a preferential reduction in chemical substances with a greater impact on human health. In fiscal 2005, discharge risks were reduced around 48% over fiscal 2003.

In the current fiscal year, Sharp is stepping up reduction of VOCs (volatile organic compounds), which are handled in large volumes, in order to comply with regulations enacted this April in Japan. Further reductions of chemical substances are being implemented.

Risk Communication and Information Disclosure

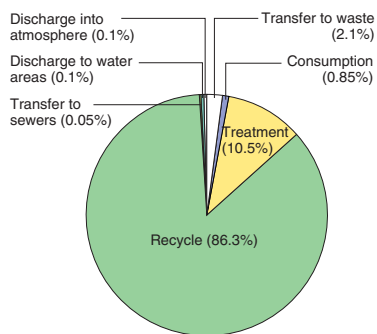
Sharp has selected and trained "risk communicators" at each domestic site, who disclose risk information associated with business activities and promote communication through mutual understanding among Sharp, neighboring residents and the local government. Sharp also discloses information with environment exhibitions at Sharp Festivals and the publication of site reports at each site.

A survey conducted in 1998 on soil and groundwater identified chlorine solvent pollution within the Nara, Yao, Tenri and Katsuragi sites. With the exception of the Nara site, all sites have reduced contamination levels to lower than those of the environmental standard via biotechnology. Sharp is continuing purification at the Nara site, and regularly notifies local municipalities and residents of the cleanup progress.



Sharp's Large-Scale IC Group received the grand prize at the 2005 PRTR Awards in Japan, sponsored by the Center for Environmental Information Science, in recognition of its continuous risk communication with the local community.

Destinations of PRTR-covered chemical substances in Japan (Sharp Corporation)



Chemical substances released by Sharp Corporation into the atmosphere and water areas in Japan

Main chemical substances	Amount of release (tons) in FY2005	Proportion (%)	Amount of release (tons) in FY2004 (reference)	Destination
Hydrogen fluoride & its water-soluble salts	8.7	69.7	9.3	Water areas
2-Aminoethanol	1.8	14.3	1.9	The atmosphere
Xylene	0.6	4.7	0.5	
2-Ethoxyethyl acetate	0.6	4.5	1.0	
Phenol	0.4	3.0	0.5	
1,3,5-Trimethylbenzene	0.3	2.8	0.4	
Others	0.1	1.0	0.1	