

Environment Management

■ Protecting the Environment

As awareness of environmental problems grows throughout the world, protection of the environment and limited natural resources has become not only the clear responsibility but also a social mission of every company doing business. As part of our company-wide efforts to make environmental protection a top priority, Ono established an Environmental Management Office in July 1998 and formulated an Environmental Self-regulating Action Plan, which delineates Ono's course of action in environmental protection. Certification of compliance with ISO 14001 environmental management standards has been obtained for both the Fujiyama Plant (November 2002) and the Joto Plant (February 2004). We remain committed to maintaining our environmental management system and engaging in environmental protection throughout our operations.

■ Medium- to Long-Term Vision on Environmental Protection

Because we do not conduct any synthesis of pharmaceutical substances at Ono, our

discharge volumes of CO₂, wastes and chemical substances have remained lower than the industry average and are within ranges that do not cause concerns to society. We have never experienced any environment-related accidents or litigations, and have never received any complaints concerning noise, malodor or vibration. However, the Kyoto Protocol requires reduction by 2010 of the total volume of CO₂, waste and chemical substances down to below 1990 levels: the volumes discharged at Ono are higher than the 1990 levels. This is attributable to the company's growth resulting in the doubling of sales and tripling of R&D investment compared to those in 1990. Despite our continued efforts to reduce environmental impact during the period, increase of environmental impact associated with company growth has exceeded the volume that has been reduced. We recognize that future reduction of the environmental impact measured by total volume will continue to be an agenda for Ono to tackle. We will continue our efforts to consider all aspects of environmental action and achieve the targets in volume reduction before 2010.



Environmental Guidelines

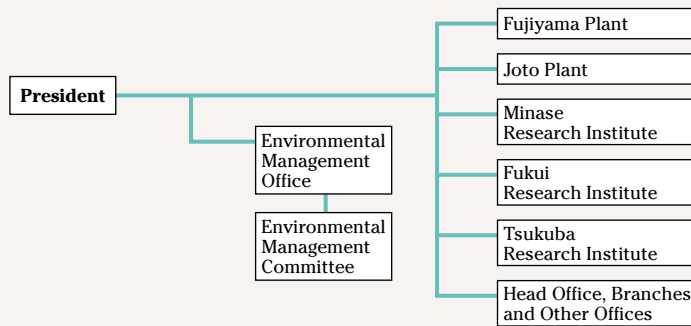
We recognize that our company has a social responsibility regarding the environment, and we will work to protect and preserve the global environment in all of our business operations.

- In addition to fully complying with all environment-related laws and regulations, we will establish targets and action plans in a continuous effort to protect and preserve the environment and natural resources.
- In all of our business operations we will implement environment-focused measures such as saving resource and energy, recycling, reducing waste and preventing pollution.
- We will endeavor to produce eco-friendly products and will cooperate with society.
- With the participation of every employee, we will strive to further understand environmental issues and to promote environment-related activities.

Environmental Management Organization

The Environmental Management Office is responsible for all environment-related issues at Ono. Meanwhile, the Environmental Management Committee consisting of members from sections across the company gages the current situation and promotes environmental management.

In addition, facilities that have greater environmental impact such as a research institute or a manufacturing plant has a subcommittee at each site working on environmental issues.



Environmental Self-regulating Action Plan

In compliance with the Environmental Guidelines, we have set specific action plans and targets in 6 areas and strive to achieve these targets.

Objectives	Targets
Measures to save energy and to counter global warming	Energy consumption in terms of CO ₂ emission in 2010 will be reduced to a level lower than that in 1990.
Control of chemical substances	Discharge and displacement of first class PRTR chemicals is around 10 tons or less. However, we will not only strengthen compliance with laws and regulations but also tackle as much discharge reduction as possible.
Waste reduction measures	By 2010 final disposal of wastes will be reduced to 20% of the volume disposed in 1990.
Measures against air and water pollution	Emission standards will be thoroughly complied with and our efforts will continue so as to prevent any environmental accident or complaint from local communities.
Environmental accounting	Environmental accounting has been disclosed in accordance with the guidelines of the Ministry of the Environment.
Community relations	In local communities, we participate in cleanup activities. We endeavor to prevent any workplace accidents involving employee injury.