

FY2023

Environmental Activities and Data

(Other Than Climate Change)

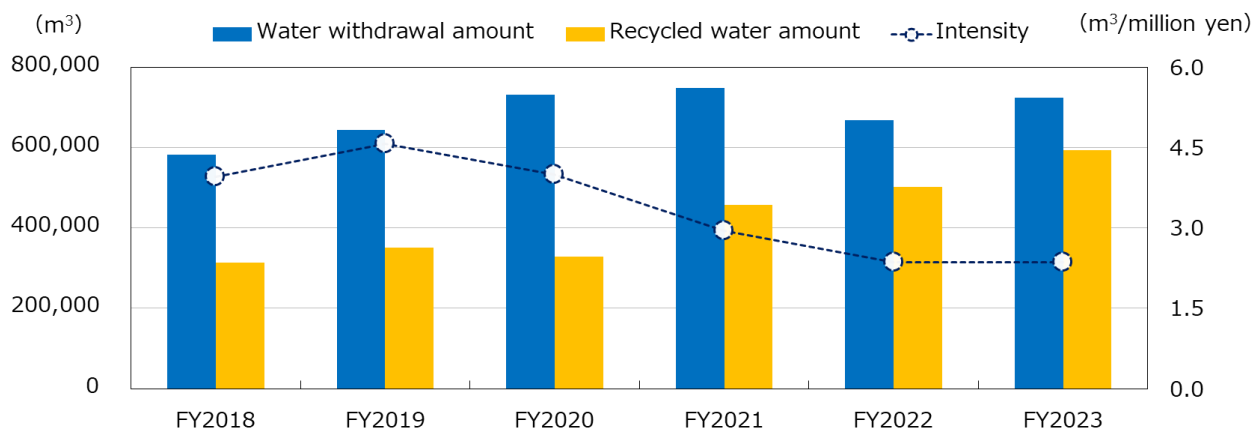
April 1, 2023 – March 31, 2024

Oct. 31, 2024

Environmental Data

1. Water Withdrawal and Water Drainage

This graph indicates the amount of water withdrawal and recycled water of the entire DISCO Group and the sales intensity of the water withdrawal amount. We are carrying out water recycling and water conservation activities, and the sales intensity has been showing a decreasing trend in recent years.



*1 Aggregate range: DISCO Corporation and all consolidated subsidiaries (however, excludes consolidated subsidiaries whose water withdrawal is exceedingly small).

*2 Recycled water is the water regenerated using wastewater treatment equipment.

*3 Intensity: Sales intensity (water withdrawal (clean water, industrial water, well water, rain water) divided by consolidated sales).

Data for each office (water withdrawal)

		(m³)				
		FY2019	FY2020	FY2021	FY2022	FY2023
Domestic	Head Office / R&D Center, Haneda R&D Center	224,568	200,193	188,595	199,769	218,215
	Kuwabata Plant, Kure Plant	303,804	421,625	446,315	326,708	331,819
	Chino Plant	16,767	15,767	10,121	13,726	25,013
	Other	1,765	1,422	1,874	2,199	3,964
	Domestic total	546,904	639,007	646,905	542,402	579,011
Overseas	DISCO HI-TEC AMERICA, INC.	4,862	2,355	238	505	478
	DISCO HI-TEC EUROPE GmbH	78,922	79,203	89,094	103,189	113,567
	DISCO HI-TEC (SINGAPORE) PTE. LTD.	3,464	2,101	1,655	3,887	4,459
	DISCO HI-TEC CHINA CO., LTD.	6,000	4,029	5,159	6,080	5,937
	DISCO HI-TEC TAIWAN CO., LTD.	3,075	3,776	2,685	4,249	13,189
	DISCO HI-TEC KOREA Corporation	151	267	245	117	141
	DISCO HI-TEC (MALAYSIA) SDN. BHD.	—	—	7	235	296
	DISCO HI-TEC (THAILAND) CO., LTD.	—	—	1,062	5,525	6,171
	DISCO HI-TEC (VIETNAM) CO., LTD.	—	—	397	1,881	1,178
	Overseas total	96,474	91,731	100,543	125,668	145,416
Total		643,378	730,738	747,448	668,070	724,427

*1 Aggregate range: DISCO Corporation and all consolidated subsidiaries (however, excludes consolidated subsidiaries whose water withdrawal is exceedingly small).

*2 Shows the total amount of clean water, industrial water, well water, and rain water per office.

Water withdrawal and drainage amount by water source

		(m ³)				
		FY2019	FY2020	FY2021	FY2022	FY2023
Water withdrawal	Clean water (city water)	534,323	605,446	607,338	579,238	648,745
	Reclaimed water (industrial water)	97,895	118,935	128,198	72,281	61,140
	Surface water from rivers and lakes	0	0	0	0	0
	Seawater, water sourced from the ocean	0	0	0	0	0
	Well water, groundwater from boreholes	11,160	6,357	2,664	4,951	6,181
	Water extracted from quarries	0	0	0	0	0
	Rain water	–	–	9,248	11,600	8,361
	Total water withdrawal	643,378	730,738	747,448	668,070	724,427
Water drainage	Ocean	0	0	0	0	0
	Other surface water (rivers, lakes)	919	781	927	1,200	1,010
	Well water, groundwater	0	0	0	0	0
	External water processing plant (sewer)	642,446	729,924	719,342	640,379	690,637
	Water provided to third parties, other	0	0	0	0	0
Total water drainage	643,365	730,705	720,269	641,579	691,647	
Recycled water amount	351,590	327,718	457,054	501,958	592,817	
Recycling rate (%)	35	31	38	43	45	
Water withdrawal from water-stressed regions	–	–	5,159	6,080	5,937	
Water withdrawal sales intensity (m ³ /million yen)	4.56	4.00	2.95	2.35	2.36	

*1 Aggregate range: DISCO Corporation and all consolidated subsidiaries (however, excludes consolidated subsidiaries whose water withdrawal is exceedingly small).

*2 Water is drained mostly to the sewers, but in some offices, domestic wastewater is treated in septic tanks and discharged to rivers.

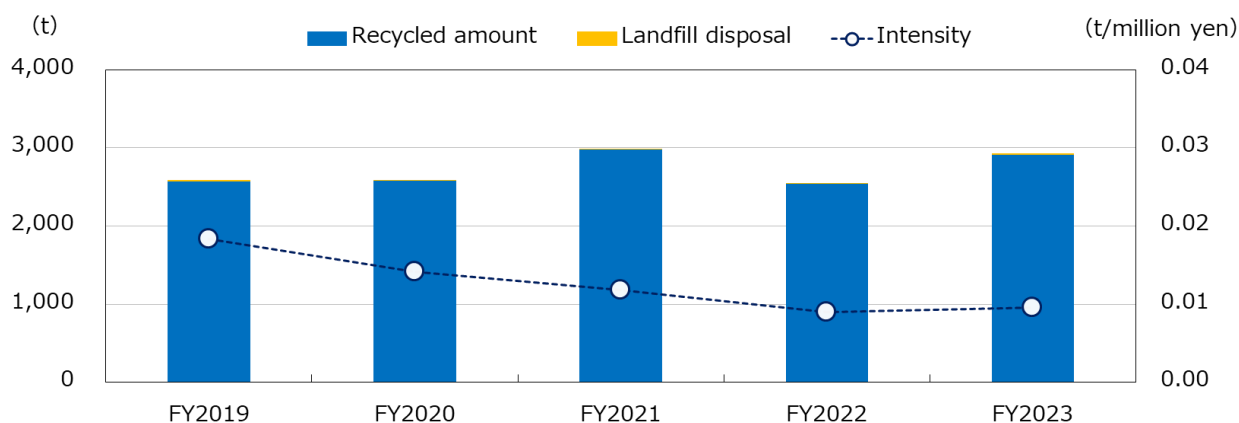
*3 The amount of water drained to the sewers is expressed as water withdrawal minus the water included in products, water that has evaporated from air conditioning facilities, etc., and water discharged to rivers.

*4 Water-stressed regions are regions whose Baseline Water Stress is "High" or above according to the Aqueduct Water Risk Atlas disclosed by the World Resources Institute (WRI).

*5 Recycling rate: Ratio of recycled water amount to total water amount (total water withdrawal + recycled water amount).

2. Waste Amount

This graph indicates the waste generated by all domestic offices including production sites (plants) and the sales intensity of the generated waste. We are carrying out activities to recycle and reduce our waste, and the sales intensity has been showing a decreasing trend in recent years. In addition, our current recycling rate of generated waste is over 99%.



*1 Aggregate range: DISCO Corporation and all domestic consolidated subsidiaries (however, excludes consolidated subsidiaries whose waste generation is exceedingly small).

*2 Recycled amount: Amount of reused waste excluding disposal through landfills.

*3 Intensity: Sales intensity (total amount of waste generated divided by consolidated sales).

Data for each office (total waste amount)

	(t)				
	FY2019	FY2020	FY2021	FY2022	FY2023
Head Office / R&D Center, Haneda R&D Center	635	351	402	332	547
Kuwabata Plant, Kure Plant	1,859	2,080	2,407	2,037	2,125
Chino Plant	–	–	–	174	247
Other domestic offices	91	154	181	9	11
Total	2,585	2,585	2,990	2,552	2,930

*1 Aggregate range: DISCO Corporation and all domestic consolidated subsidiaries (however, excludes consolidated subsidiaries whose waste generation is exceedingly small).

*2 Indicates the waste amount (total) per office.

*3 From FY2022 onward, Chino Plant has been specified separate from other domestic offices.

Waste amount and recycling rate

	(t)				
	FY2019	FY2020	FY2021	FY2022	FY2023
Hazardous waste	345	173	242	162	247
Landfill disposal	15	9	12	7	15
Recycled amount	2,570	2,576	2,978	2,545	2,915
Recycling rate (%)	99.4	99.7	99.6	99.7	99.5
Waste amount sales intensity (t/million yen)	0.0183	0.0141	0.0118	0.0090	0.0095

*1 Aggregate range: DISCO Corporation and all domestic consolidated subsidiaries (however, excludes consolidated subsidiaries whose waste generation is exceedingly small).

*2 Hazardous waste: Controlled industrial waste based on Japanese disposal regulations.

*3 Recycling rate: Ratio of amount recycled to amount of total waste.

3. Chemical Substance Management

This table indicates the amount of chemical substances subject to the PRTR Act that are released by all domestic offices including production sites (plants). In FY2023, six chemicals out of those used in the production sites, etc. were required to be reported under the PRTR Act.

Chemical substances subject to the PRTR Act (FY2023)

		(kg)				
Name of Specified Chemical Substance		Phenol	Boron compounds	Methylene Chloride	Silicon Carbide	Manganese compounds
Amount released	A. Released to the atmosphere	199	–	2,456	–	–
	B. Released to public water	–	–	–	–	–
	C. Released to soil at applicable facilities (Other than D)	–	–	–	–	–
	D. Disposed through landfills at applicable facilities	–	–	–	–	–
Amount transferred	A. Transferred to the sewers	–	815	–	11,270	–
	B. Transferred outside the applicable facilities (Other than A)	–	–	90	16,910	200

*1 Aggregate range: DISCO Corporation and all domestic consolidated subsidiaries

*2 Chemicals that are applicable under Japan's PRTR (Pollutant Release and Transfer Register) Act.

4. Water Quality Management of Drainage Water

For R&D or at production sites, where a large amount of water is used, the water that is drained as a result of business activities is purified using internal water processing facilities and then discharged to the sewers. In this way, the water quality of drainage water is periodically monitored.

Water quality measurement results

Item	Measurement results											
	Head Office / R&D Center			Kure Plant			Kuwabata Plant			Chino Plant		
	FY2021	FY2022	FY2023	FY2021	FY2022	FY2023	FY2021	FY2022	FY2023	FY2021	FY2022	FY2023
pH	7.7	7.8	7.1	7.2	7.7	7.5	7.0	6.7	7.4	8.2	8.5	7.5
BOD	37	65	96	25	16	20	12	42	21	230	86	228
Suspended solids	47	121	244	120	165	253	87	71	180	83	128	118
n-Hexane extracts (mineral oil)	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	1
n-Hexane extracts (animal and plant oil)	ND	ND	ND	2	0.8	1.1	2.5	2.4	0.6	6	9	9
Cadmium	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND
Cyan	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND
Lead	ND	ND	0.04	ND	ND	ND	ND	ND	ND	ND	ND	ND
Chromium	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND
Hexavalent chromium	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND
Arsenic	0.01	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND
Copper	ND	ND	0.4	0.01	0.02	ND	0.01	0.02	ND	ND	ND	ND
Zinc	ND	ND	0.1	0.17	0.18	ND	0.34	0.5	2	ND	ND	ND
Dissolved iron	ND	ND	ND	ND	ND	1	ND	ND	ND	ND	ND	ND
Dissolved manganese	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND	ND
Fluorine compounds	ND	ND	ND	9.2	0.4	3	0.6	2.1	2.5	ND	ND	ND
Boron	ND	ND	ND	16	6	8	7	11	17	ND	ND	ND
Total nitrogen	19	13	14	ND	ND	ND	ND	ND	ND	70	38	49
Iodine consumption	6	6	19	ND	ND	ND	ND	ND	ND	ND	ND	ND

*1 Aggregate range: Offices that are measuring the water quality based on the Sewerage Act (Head Office/R&D Center, Chino Plant, Kure Plant, Kuwabata Plant).

*2 The unit is mg/L (excluding pH).

*3 ND ("not detected") indicates less than the detectable lower limit or none contained.

*4 If the water quality was measured multiple times in a year, the average of those values is indicated.

Water-related expenditure (FY2023)

	(million yen)
Expenditure amount	
Water-related investment amount (CAPEX)	819
Water-related maintenance and management costs (OPEX)	17
Water-related R&D expenses	48

*1 Water-related investment amount (CAPEX): Defined as facility investment amount for the purpose of water purification or recycling.

*2 Water-related maintenance and management costs (OPEX): Defined as operating costs of the internal water drainage processing facilities.

*3 Water-related R&D expenses: Defined as R&D costs in order to suppress water-related risks.

5. Compliance with Environmental Laws (FY2023)

Compliance with environmental laws		
Atmosphere related	No. of violations	0
	Amount fined (millions of yen)	0
Water quality related	No. of violations	1
	Amount fined (millions of yen)	0
Sound, vibration related	No. of violations	0
	Amount fined (millions of yen)	0
Odor related	No. of violations	0
	Amount fined (millions of yen)	0
Soil related	No. of violations	0
	Amount fined (millions of yen)	0

*1 Aggregate range: DISCO Corporation and all domestic consolidated subsidiaries

6. Environmental Management System Certification Status (ISO14001)

Affiliate office	No. of certified offices	Ratio of certification
Production site	3	75%
Non-production site	3	38%

*1 This data includes all 4 production sites and 8 other non-production sites excluding small-scale sales affiliate offices.

*2 Out of the production sites, Kure, Kuwabata, and Chino Plants have acquired the certification.

*3 Out of the non-production sites, DISCO HI-TEC(SINGAPORE) PTE.LTD., DISCO HI-TEC EUROPE GmbH, and DISCO HI-TEC CHINA CO.,LTD. have acquired the certification.

Environmental Activities

1. Waste Reduction Measures

DISCO has been actively carrying out waste reduction measures with the aim of creating a sustainable society. We introduced a system to measure the volume of waste at Hiroshima Works in 1997 and currently conduct waste measurement and management at all our domestic sites. By implementing management through measurement, each department has become aware of the waste that they produce, and by thoroughly implementing measures to reduce and categorize waste, we have managed to achieve an effective use of resources.

One of our activities to reduce waste was to introduce a drainage processing equipment for waste liquid generated by plating, which made up for 50% of our effluent, at our Hiroshima Works in 2001. The system includes a coagulation sedimentation process and a sludge dehydration process for heavy metals, and allows us to recycle around 120 tons of heavy metal sludge per year. This greatly contributes to our ability to effectively make use of scarce resources.

2. Effective Use of Water Resources

As a large amount of water is used at DISCO's manufacturing and R&D sites, water recycling facilities to treat and reuse drainage water have been installed at offices that use a large amount of water, such as all the production plants and the Head Office / R&D Center, to reduce the water withdrawal of clean water. In addition, when the Aqueduct Water Risk Atlas (water risk evaluation tool disclosed by the World Resources Institute (WRI)) was used to evaluate our offices, only one sales office in China was situated in a water-stressed region. Although DISCO has not experienced water-related risks such as a water shortage thus far, we are implementing water conservation initiatives by installing water recycling facilities at sales offices that use a relatively large amount of water for services such as test cuts (USA, China, Germany, Osaka, etc.).

In addition, as water outages pose a risk to our business continuity, in addition to implementing water recycling facilities as mentioned above, underground water tanks and wells have been set up at production sites, enabling continued production for approx. 10 days even in a water outage.

Other initiatives include cost reduction activities that are performed every year as part of the company's Management by Objective (MBO) activities that all employees participate in, where the achievement level is reflected on the employees' bonus as well. For these activities, by placing a larger weight on reductions in utility costs, water and energy conservation activities are promoted and encouraged.

3. Environmental Preservation Activities and Green Certification

As part of our environmental policy, DISCO promotes making all of our manufacturing sites green. With the aim of achieving further harmony with the local natural environment, the Green Club (with over 100 members) carries out activities to promote the protection of forests that preserve diverse plants and animals.

In recognition of these activities, the DISCO Kuwabata and Chino Plants have been certified by SEGES (Social and Environmental Green Evaluation System) as being "Excellent Stage 3" and "Excellent Stage 2," respectively.

In 2020, the Kuwabata Plant received the Green Social Contribution Award in recognition of their continuous green-oriented activities and contribution to the local community.



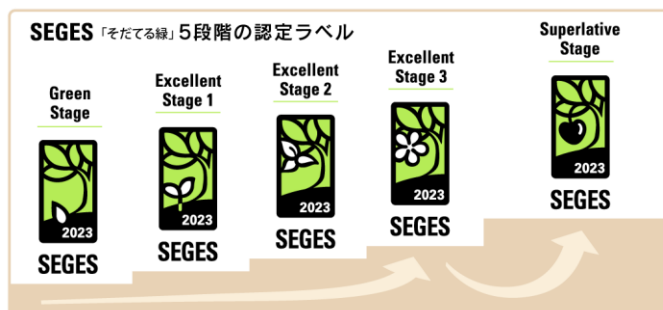
Kuwabata Plant surrounded by nature



Forest conservation activities

•SEGES (Social and Environmental Green Evaluation System)

SEGES is a system that evaluates green spaces, daily activities, and initiatives created by companies and organizations, and recognizes well-maintained green spaces that contribute to the society and environment. There are five stages of SEGES certification. Currently Kuwabata Plant has the “Excellent Stage 3” certification and Chino Plant has the “Excellent Stage 2” certification.



Source: SEGES website, Five Stages of Certification, <https://seges.jp/schema.html> (Japanese)



Excellent Stage 3 Certification
(Kuwabata Plant)



The Green Social Contribution Award