

Initiatives for Society

With operations located around the world, the Nippon Kayaku Group stands committed to actively communicating with the local communities in which it operates because they represent one of its most important stakeholders.

Ambulance Donated to the Municipality of Salinas Victoria - Kayaku Safety Systems de Mexico, S.A. de C.V.

Kayaku Safety Systems de Mexico, S.A. de C.V(KSM) is located in the municipality of Salinas Victoria outside Monterrey in Northern Mexico. As an overseas subsidiary of Nippon Kayaku's Safety Systems Group, KSM has been manufacturing micro gas generators for vehicle seatbelts since 2009.

During the meeting with city officials to receive approval for the construction of KSM's factory, the company learned that the municipality needed to replace its aging ambulance but could not secure the budget for this outlay. As a result, KSM decided to donate an ambulance to the municipality as part of its contributions to the local community. The ambulance was donated in November 2011 at a presentation ceremony attended by the Mayor of Salinas Victoria.





Ambulance donated by KSM and the presentation ceremony

Initiatives for Japan's Aging Society - Nippon Kayaku Medical Care Co., Ltd.

Nippon Kayaku Medical Care Co., Ltd. is a provider of nursing care services that was established in April 2003. Today, the company operates four daytime nursing care service centers in Tokyo's Shinjuku Ward, with monthly users totaling about 2,000 seniors. Because it was founded by Nippon Kayaku, a manufacturer of pharmaceuticals, the company's service programs that seek to improve motor skills and mouth function were developed in a tie-up with research institutions affiliated with a university and other organizations.

Since the start of its long-term care insurance system, Japan has been in need of high-quality, efficient nursing care services. For service providers, this means the development of more leaders capable of managing outlets has fast become an important task facing the sector.

In fiscal 2009, the Japanese Consumers' Cooperative Union, Kawaijuku Educational Institution Group, and Nippon Kayaku Medical Care were selected to participate in a research program for improving employment management of care workers run by Japan's Ministry of Health, Labour and Welfare called Improving the Skills of Onsite Managers and Promoting Career Advancement. As part of the program, the three companies created human resource development programs for managers in the sector. Later, Nippon Kayaku Medical Care's Manager Development Program became highly sought after by care service providers located across Japan. To date, more than 6,000 managers of care centers have taken part in this program, illustrating that the company has achieved strong results in the development of human resources working in the field. Nippon Kayaku Medical Care believes its mission is to focus on its core business of daytime care services as well as to offer this program to managers of care centers in every corner of Japan to help improve and evolve their management abilities.

Nippon Kayaku Medical Care Co., Ltd.

Donation of Large Intestine Endoscopes for the Early Detection of Cancer - INDET SAFETY SYSTEMS a.s.

INDET SAFETY SYSTEMS (ISS) is a subsidiary of the Nippon Kayaku Group situated in the city of Vsetin in the Czech Republic that manufactures safety components for the auto industry. In November 2011, ISS donated self-propelled large intestine endoscopes to Vsetin Hospital. These particular endoscopes are highly manoeuvrable and are capable of detecting even very small early stage cancers. Over the years ISS has also donated portable gastrofiberscopes, pulse oximeters, and portable ultrasound devices. The

recent donation of large intestine endoscopes was featured in a local newspaper.

Vsetin Hospital shared the following statement, "These new large intestine endoscopes have enabled us to design surgeries better tailored to patient conditions, which helps reduce impacts on the body and minimizes the amount of large intestine we need to remove. Although we are using these devices for the first time, we have used them on a number of occasions since they were donated. For example, during the follow up period, we discovered changes in the condition of a patient who had undergone surgery a year and a half earlier. We used one of the donated endoscopes to find and remove a cancerous tissue using a minimally invasive procedure. Such procedures are very advantageous to our patients."



Donated endoscopes

ISS recognizes that hospital facilities are critical for not only the local communities where it operates, but also for its employees and their families using them. ISS stands committed to maintaining its sound partnerships with Vsetin Hospital going forward and making further contributions to the local community.

• INDET SAFETY SYSTEMS a.s.

Involvement in Children's Chemistry Experiment Show 2011 -Showcasing the Wonders of Chemistry to the Next Generation

The Nippon Kayaku Group took part in the Children's Chemistry Experiment Show 2011 event for elementary and junior high school students held at the National Museum of Emerging Science and Innovation (Odaiba, Tokyo) on November 26 and 27, 2011. Experiments during the show, which was held during the International Year of Chemistry, focused on the theme. "Know, see and immerse vourself in the adventure of color."

Experiments taught participants about color and how inkjet printers are able to print a variety of different colors. They also included dyeing an illustration on an actual bag. The event welcomed 200 participants over the two day period. These children took part in experiments and listened intently to the presentations given by Nippon Kayaku Group employees.



An experiment during the event

The Children's Chemistry Experiment Show was started in 1993 in order to educate children and the general public on the wonders of and contributions chemistry has made to society. The year 2011 was the International Year of Chemistry to commemorate the 100th anniversary of Marie Curie winning the Nobel Prize for Chemistry and the Nippon Kayaku Group once again took part in this event as part of its commitment to being a member of the chemical industry.

This engagement also forms part of our commitment to actively teach children about the interesting nature of chemistry and in the process develop the future leaders of the industry.

Involvement in the Wakachiai (Sharing) Civic Charity Fair in Remembrance of 3.11 - Nishiminato Driving School

On Sunday, June 10, 2012, the first Wakachiai (Sharing) Civic Charity Fair in Remembrance of 3.11 was held in the Kokurakita Ward of Kitakyushu City at Nippon Kayaku Group company Nishiminato Driving School, which is a member of the fair's executive committee that consists of companies and organizations from the city.



The day of the fair featured a variety of events and performances. These Lecture by a journalist that covered the Great East Japan Earthquake included the collection of donations to help serve people in need for a

decade after the Great East Japan Earthquake as well as panel displays and lectures on the earthquake and tsunami. There were also booths selling specialty items and gourmet food items from the Tohoku region, food vendors selling local specialty meals, a charity raffle and a Kokura Gion Taiko drum performance. More than 3,000 people attended, making the event quite a success. The executive committee plans to make the fair an annual event going forward.

Donations provided at the fair will be used to benefit children orphaned by the earthquake and tsunami.

Nishiminato Driving School Co., Ltd.

Sponsor of the 66th National Sports Festival and the 11th National Sports Festival for the Disabled

The 66th National Sports Festival and the 11th National Sports Festival for the Disabled were held between October 1 and 11 and October 22 and 24 in Yamaguchi Prefecture, respectively, in support of the Great East Japan Earthquake recovery effort. Both events ended in great success after heated competition across the entire prefecture.

Nippon Kayaku's Asa Plant made a 5 million yen cash donation to both these events and also donated 40 multi-function wheelchairs. The plant also hosted a booth at the main venue tent for both events to provide support and aid each.

Asunaro House - Supporting Families of Children with Intractable Diseases

The Nippon Kayaku Group, as part of the commemorative projects marking its 80th anniversary and under the motto of providing a helping

hand to children with intractable diseases



Asunaro House features self-locking doors making it possible for users to leave and enter the facility during holidays and nighttime hours.

and their families, owns and operates Asunaro House, an extended-stay facility for caregivers in Saitama City, Saitama Prefecture. Asunaro House, which first opened in December 1998, provides caregivers of children fighting intractable diseases, such as childhood cancer, with a safe haven to live while their child undergoes treatment or a bone marrow transplant at nearby specialist medical institutions. In fiscal 2010, Asunaro House was used by 178 families.

Asunaro House is equipped with everything needed for extended stays. Together with safeguarding the privacy of users, the facility also features a shared kitchen, cafeteria and living space so that parents of children battling disease can meet and support one another, as the other goal of the facility is to alleviate the mental stress on caregivers. A playroom is also made available for children.

The Nippon Kayaku Group, through its business activities and social contribution activities, is committed to fulfilling its role toward society as a good corporate citizen.

The Pink Ribbon Campaign

While cases of breast cancer are increasing each year on a worldwide basis, the death rate from the illness is falling in the US and Europe yet rising in Japan. Early and proper diagnosis, as well as treatment, is critical to lowering the death rate.

With a goal to improve the quality of healthcare and to disseminate information on the appropriate use of our products, Nippon Kayaku assists in organizing study groups throughout Japan on diagnostic imaging (mammography and sonography, etc.) and treatment methods for medical staff.

In addition, during each October, which is designated as Pink Ribbon Campaign Month, we hand out various campaign-related items at our business establishments in order to educate the general public on the importance of early detection, early diagnosis and early treatment. In 2010, we displayed a mascot stuffed toy together with posters in the reception area of each of our business locations as well as used Pink Ribbon bumper stickers to raise awareness among our stakeholders.



Kayami

– the Nippon Kayaku Pink Ribbon Campaign character



Breast Cancer Info Navi

- An informative website
supported by the Nippon Kayaku Group(Japanese only)

Providing Support for LRI Activities

The Long-range Research Initiative (LRI) is a joint initiative of the chemical industries of Japan, the United States and Europe. Part of the voluntary activities of International Council of Chemical Associations (ICCA), LRI supports long-term research into the effects of chemicals on human health and the environment, with focus on endocrine disrupting effects, neurotoxicity, chemical carcinogenesis, immunotoxicity and elaborating risk factors.

Nippon Kayaku has actively backed LRI from its start in 1999 by offering financial support for LRI activities.

[LRI] http://www.j-lri.org/english/ [ERI]

Community Relations

Interacting with the Local Community at the Childrearing Kannon Festival and Summer Bon Odori Dance Festival – Takasaki Plant

Nippon Kayaku's Takasaki Plant actively takes part in the Childrearing Kannon Festival and Summer Bon Odori Dance Festival, both

local traditions of the Iwahana neighborhood of Takasaki City, as a member of the local community. The Childrearing Kannon Festival is an annual event that was held at the Kannon Temple located in the Iwahana neighborhood. During the festival held on August 20, 2011, many people visited the temple to pray for the healthy development of their children, and they also especially offered their prayers for a speedy recovery following the Great East Japan Earthquake. The event also has a parade carrying the temple's mikoshi, or portable shrine. Many Takasaki Plant employees, including new hires, carried the company mikoshi along the parade route, enlivening the festival.

The neighborhood's Summer Bon Odori Dance Festival was held on August 23, 2011. Prior to the event, the Takasaki Plant's team spent a lot of time practicing whistles and taiko drums for a local traditional song, which is popular as the song of the choreographed routine, Joshu Nidan-otoshi. The team also devoted itself to building a tall wooden stage. On the day of the festival they showed off what they had practiced atop the stage. Local residents also took part in their song and dance routine, helping make the festival fun for all. The Takasaki Plant takes part in these traditional events to broaden interaction with the local community and to maintain its commitment to engage in its operations with an eye on the local community.





Joint Exercises with the Tokyo Fire Department

On June 8, 2012, the annual training exercises of the Tokyo Fire Department and Tokyo Hazardous Materials and Disaster Preparedness Joint Assistance Council were held at the offices of Nippon Kayaku in Tokyo.

The six blocks of the Tokyo Hazardous Materials and Disaster Preparedness Joint Assistance Council, which consist of between five and 11 companies, take turns hosting the location of this annual joint training exercise. Nippon Kayaku's Tokyo office is situated in Block B and 2012 was our turn to provide the site for the exercise. This proved to be a very valuable learning experience for us because we do not often get the opportunity to host such a large-scale training exercise.

On the day of the exercise, 17 fire department vehicles, including ladder trucks, hose trucks, water supply trucks, pump vehicles, chemical response units, emergency vehicles and command vehicles took part in the huge exercise. Through this important event, we were able to build up relationships with fire fighting officials, including local fire stations, strengthen our support framework among Tokyo Hazardous Materials and Disaster Preparedness Joint Assistance Council members and check the capabilities of our own onsite firefighting units.



Stage 1

Nippon Kayaku firefighting units launch start-up activities after the earthquake strikes

Stage 2:

Lifesaving activities for people unable to escape from a fire at the research building and activities by Nippon Kayaku firefighting units as well as the Tokyo Hazardous Materials and Disaster Preparedness Joint Assistance Council' team to secure facilities with hazardous substances following the issuance of a tsunami warning

Stage 3:

Firefighting and water supply activities to help put out vehicle fires

• Letter of Appreciation from the Akabane Station Chief







Drill in action