



Compliance

Raising Awareness about Compliance

The Nippon Kayaku Group believes that compliance holds a position of the utmost importance in its business activities. Compliance not only involves abiding by laws and company rules, but also responding to the needs of social norms and society as a whole. To promote and foster awareness about compliance, we take specific steps on the frontlines that include training and having each workplace create their own action plan. In fiscal 2015, [the Nippon Kayaku Group Charter of Conduct and Code of Conduct](#) was revised and translated into English, Chinese, Spanish, Czech and Malay, and distributed to every Nippon Kayaku Group company.



Training at a Group company in China

Compliance Promotion Activities

Every October, which is designated Compliance Month, we conduct a compliance survey. Issues concerning the promotion of compliance are identified for each business site, and feedback is provided in the form of a report that includes comments for improvements. Each business site incorporates this information into their action plans for the following fiscal year to continue raising awareness of compliance. In fiscal 2015, we entered into a new contract with a survey analysis firm, and also shared objective feedback with each workplace, such as comparisons with other companies and improvement proposals, with requests for improvements to be made.

Compliance Training for Nippon Kayaku Group Companies

Organized by the Internal Control Management Division, compliance training consists of group training sessions which focus on a specific theme determined for each year, along with study sessions held during regular meetings at each workplace, and training sessions based on actual case studies. Training sessions are recorded on DVD and distributed to employees who could not attend so that training opportunities and programs are provided to all for improved awareness of compliance. In fiscal 2015, group training on case studies in organized fraud was held a total of 52 times, which 3,259 employees attended.

Raising Awareness at Overseas Group Companies

We work closely with overseas group companies to promote greater compliance awareness while also being mindful of local cultures and customs as well as legal risks. In fiscal 2015, we continued to educate employees mainly at our subsidiaries in China about the Nippon Kayaku Group corporate slogan and the Nippon Kayaku Group Charter of Conduct and Code of Conduct and held group training sessions by rank on the topic of legal compliance led by a local lawyer on six occasions, reaching 206 employees.

The Nippon Kayaku Group's whistle-blower system

We have set up whistle-blower hotlines for employees both inside and outside the company. Through these hotlines we strive to quickly remedy situations and also prevent violations of laws, company rules and our code of business conduct before they occur.

● Nippon Kayaku Group Compliance Hotline

