

HOME # CSR # Fundamental CSR Activities # CSR Action Plan



### CSR Action Plan

The Nippon Kayaku Group practices CSR management by realizing the KAYAKU spirit, which calls for "continuously providing society with the best products through ceaseless progress and the combined forces of our consciences." The following section provides a closer look at the CSR Action Plan and how it is linked to our business activities.

#### Mid-term CSR Action Plan

The Nippon Kayaku Group has created a Mid-term CSR Action Plan 2016–2018 that is closely linked with the three-year mid-term business plan "Take a New Step 2016," launched on April 1, 2016, which contains the message "Coinciding with the centennial of our company's founding, we are on the verge of taking a new and innovative step forward."

Our goal is to realize the mid-term business vision, "Continuing to provide the best products, technologies, and services that safeguard the life and health of consumers, and support a comfortable life" through our four business segments, while creating a better and stronger company that contributes to a sustainable society and environment.

The Mid-term CSR Action Plan represents a total of 17 items carefully selected as a consensus of the Nippon Kayaku Group from the more than 400 action plans submitted by each business division, including administrative divisions, and consolidated subsidiary.



Please see the following table "Mid-term CSR Action Plan 2016-2018" for details about each action plan. The numerical data within the table matches

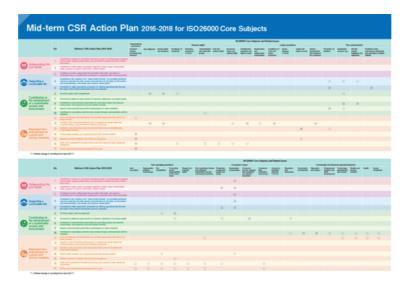
each item of the action plan.



Mid-term CSR Action Plan 2016 - 2018

### Mid-term CSR Action Plan 2016-2018 for ISO26000 Core Subjects

The Nippon Kayaku Group has created a table of correspondence between the 37 Core Issues of ISO26000 and our each item of Mid-term CSR Action Plan 2016-2018.



Mid-term CSR Action Plan 2016–2018 for ISO26000 Core Subjects

### Results of FY 2016 CSR ACTION PLAN and FY 2017 CSR Action Plan

The Nippon Kayaku Group has formulated a single-year CSR action plan for each fiscal year to achieve the Mid-term CSR Action Plan 2016–2018, and has passed PDCA. The results of the first year CSR Action Plan 2016 and the CSR Action Plan 2017 are as follows.

Results of FY 2016 CSR Action Plan

Majoran Cité Antion Plaz (1945-1998)  Cardio de la cultifica promotal consideración como control de la confinción de la con	CRIA Addes Des 2016  Design of all designated in projection of the graph considered and projection of the graph considered and the graph considere	Colle Action Too State Of the S	Assessment to					
Spin-passing (paramount and congress with truly writides electricates.  Contribute to put to privately supplying a visitor range of advantation subtly spin-passing as visitor and paramount subtly spin-passing between advantation climates subtly spin-passing between advantation climates and passing and advantation for the passing systems of a statistication.	Disorder antifements genien wir somme dage willend delty and signit intercolonal artificial besonder traditional. Ordered by all designitions of the control of the contro	and must be proposed or minimal or for a first process or an expression of the section of the se						
tagge of administration under policies to bigacion administration under the policies of the policies Contribute to make a policies of a policies and facility of the policy and appear in conductable the policies of the technique of a conductable	articles foundate insulantes.  Geography on the specification, function and Jigaphene and common production, country on the specific control of the sp	injurienteled the denighering and expension of production systems of our Justices and common book as scheduled and regards and arrange of automatics solding components ploadly. Forcing or producting capitals of bandling quality requirements for global transfers, and carried and development of one-generation designs.	***					
tagge of administration under policies to bigacion administration under the policies of the policies Contribute to make a policies of a policies and facility of the policy and appear in conductable the policies of the technique of a conductable	repaids an inhealthic, and define high-qualify products to great subsets.  Implement real premature designs, production, and raise that and proving  real and public insulations playmed.  Control and real also and a playmed.	Forced or products capable of handing quality requirements for global tradeots, and carried and development of new-generation daughts.						
Contribute to socially colleges of the life and Social of the patter, and a pool or contribution the type contribution to contribution to the co	Control and and the section of the later of	ad development of new-generation-designs						
	Continues probably and puriosses by Espirosetting GAC investments, constituting		***					
	and Hispathing group Hisbothad assorts and bedrostages, and promoting open- trocodors with parties colocide the company.	<ul> <li>Processor joint recently with the Group's interned and exhaust request institutes.</li> <li>Contribution recent requested consent projects in collectuation with such of the consent tributations with such of the consent tributation of collectual consent projects of contribution contribution contributions and contribution contribution for adjustmention of contributions and contributions and implementation of contribution to protection the Principation of information property and contributions.</li> </ul>	490					
	Create, protect, and are marked unit such and complete a global management surrors.	Established a global management summ of interfactual property for our Otherica Drosp companies.	201					
Contribute to the creation of an "Tisper Small Society" by providing flockhows character institutes that offer aproved characteristics or at the finite of information and contraposation, and energy and resource construction."	Promote business development of spony rearis and industrial our High colorants. That contribute to educing environmental injust and energy usiges, and develop- and learch high-performance-colorants specific rearrants could specify apply	<ul> <li>Provided business development of environmentally from the apony motes and industrial over stiget optionals</li> <li>Development is exercify underway its high-performance obtains used to manufacture activity acid</li> </ul>	***					
Coethalic's statis sphrolosi includes by offering agricultural har said the rando of the radios shutconest and our customers	Great up the liameth of new insectionates, develop a unique formulation using formulation technologies, and repared approximes for existing products	Promoted registration procedures for new transforcies, and implemented internation sessions on the safe-use of agriculturiscals in each representation's print.	***					
Promote maply shall-management	Maintain a stable supply often and alteriate proteoment ride through the protection of CSM procurement, white protecting improved quality and proper purchasing	- Grapped processment risks and maintained a stable supply chain by actively communicating with suppliess frequit audits and restringations — Developed transformation and before to applies in relative to CSF processors	***					
Premis the additional improvement of customer subfacilities of conduct equals.	Continue to implement activities to maintain our record of any serious coalistes completion of Ethys analysis, cross-representatival drasting of case shalles, presenting full-spin-serio, inc.	Serious customer complaints: Zero coom?" Continued to implement quality association and installing the endiption changes through the Majorin Kaydon '8thy fifty' Analysis and quality engineering strating.	***					
	Drangton global quality assurance system in the solety systems incomes	Cotablehed the Southy Assumous Christian, and strengthered plated systems	981					
Contribute to environmental presentation day providing among and resource symposistics, and resource to prevent philosis seeming.	Promote inflations for achieving our PY2000 molecum environmental laugets.  Promote inflations to induce our energy concentration per unit by more than 1%.	Introduct to grade of exage consents object and solve of exage consents of the consents of exage consents and solve of exage consents on the consents object of exage consents and solve of exage consents on the consents of exage consents of exag						
have a reduced in secretar behavior	Senior and the employed Senioral Indonésia in Selector Bose of Alexandra	Implementary conservation impactions  Consent a revised to instrument a contract of a circles and tracks to dispared before in the sent and and and	441					
for water troubteet	compariso, and seak out two freatment betweeping	new treatment but variagion, and activities are underway treated. Under results.	***					
Contribute to countrience with the local society filesign communication with its replaces.	Continue to final events, such as plant feethals, boar commantly occase, boar chapse activities, tree-feeton-companies, and interactive events for children of each of all feedbase and operate feet are house.	PME Material Carendary in Proportional amonto a count purpose one, including contracts through companies, in Children  - Materials events for children inducational CSPL Offered chemistry operated drives at each tourises, site and overt  - Plant instruct, local commanuful socials, dis. Implementatio according to plan  - Assaute Hasses and Express Of Children of II is notionalised used.	***					
Carry out distingue with observables for providing assertable fell-desiries in a title fell-desire.	Increase both declinear of non-francial Etimotion for deletholders, and deletion with their brothers and inventors, to provide maken understanding	process and reproved non-financial internation in the amount report.	***					
	Printed Bills		987					
Provide a most environment that forces on respect to home right, and soft the federal.	Finder an environment conduction for distance human resources to play an action role, and improved risk facility contains with fine to provide the action role of seconds in the workputs, global risk storang to pass on and diverse manufacturing technologies, etc.)	emouved the action plan and higher tools and which the Company - Cofficial of Implement being to pass or and devolutionable tay bedoning to each business who get thrug-company frauda manager amplipment side 6.7%*, Actions the legally mendated 2.7% ampligment for audiens and deadliness.						
and brosser in chand to green)	Protects inflations conducted in-accordance with the Act on Advancement of Massums to Support Fourier Sense Sense Sense purpose for childrening and narring rate, encourage ment Countrylated violationary, reduction of continue, improvement of the paid from acquirities rate, etc.)	<ul> <li>Implemented various inflatives towards Profitted Karanin certification, and plan to ledge an application.</li> <li>Consumers in the serior file floor pase.</li> <li>Consumers in a file serior file floor pase.</li> <li>Consumers for a color of bloom of distinctions and starting care to make half-day inconsents also available.</li> </ul>	***					
	Phomode beside-management that takes into account employee occupational solely and buside-continuing manifel health learning implementing stress chank upo. dental paids health pates, etc.)	"Stetlar health frating anchealth shock-gas look achieved a 100% participation rate"     trademented obers check-gas, and responded to employees with high levels of above.	***					
Martisin a sale and secure walk analysis and that is from of an identic and analysis of another than	Confined to combat activities for proceeding accidents and disasters in advance (the drifts, solely trapositions, plant impositions by managers, employee featuring, etc.)	- Published direct accidents (feet capes)* - Equipmental activities to otherwise shall be assessments bound or changillaring chemical substituces introduced.						
	Carry not health and solely activities of group companies in accordance with the Napore Repairs' lesson 11 2016 Responsible Care Policy	<ul> <li>Familiarized each Drop congeny with the congeny-with frequential Case Policy and regards beginner.</li> <li>Contract to prepared hashe and substance of the congenity of the contract of the prepared hashe and substance of the congenity beginners.</li> <li>Contract to prepared hashe and substance and each drop company became began of eachly states, OCT, meaniness began of eachly substance.</li> </ul>	***					
Service stable earlings as a constraint group with greats patiential	Optimally allocate management researces, begance capital efficiency, and carry out business spendions that focus on carriage improvement	<ul> <li>Die set artisse es ent unter plan, but activend our plan har operating income recentivess through the control of selection.</li> <li>Description of selection.</li> <li>Description of the control of the control of the control of the control.</li> </ul>	***					
Majorbain Squinzae continuity examplating an energency	Implement having adapted to the hold and review the BCP manual	- Implemented BCP training for Importational sphoon damage for the Catalants (Sention and Ass Plant - Control BCP manuals for two Catalane Group companies	111					
hold CSS management throughout the group and continue to hely improved collegistation	Continue to implement CSR and compliance beining, which includes beining for employees of group companies.	—CSR training implemented 12 times to 200 organizates, including 15 organizates in serior Group compares. —Complement training implementating peop training in Japan in 35 times for \$2,000 organizates, DVD bloomy for \$1,000 organizates (ASD organizates) or an exemple of \$1,000 organizates (ASD organizates) organizates.						
	Comply with focal lates it reach country legion, and gability and properly address legal revisions	Executed loadness operations that compled with the laws in each country teation for the uniter group, including laws solubed to district administration.	***					
	Promote measures in accordance with the revised Companies Act and the Companies Generators Code	Established apportunities for exchanging systems with persons responsible for each business and advance brindings of agencia force for the Sound of Discriptors for Custodir Discriptors.	141					
Forth coperate government broughout the group	Continue to implement and obscoppions updates of attends control and risk transportant (Top 5 risk control activities), as well as follow-up and improve on the effectiveness of internal audits	<ul> <li>- Evaluate the questing conditions of important meeting bodies, and confirmed that governance was benefiting.</li> <li>- Insulative test interest modits as planned, and control on billioning investigations on time Group comparem.</li> </ul>	***					
	Establish an information security system to strengthen coposate information natingeness.	- Continued to implement information security training for employees in addition to new cursor bites.  - Constigueurs is undersup towards the implementation of the information security policy next food year.	141					
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Result of FY 2016 CSR Action Plan

## FY 2017 CSR Action Plan

	-		CSR Action Plan 2017								
	No	Mid-term CSR Action Pten 2016-2018 Contribute to society by promoting innovations using									
	1	our technological expertise, and by stably supplying high-quality pharmaceuticals coupled with truly reliable information.	Proceed with development of polymeric micelle anti-cancer drugs and monoclonal antibody biosimilians to cancer fields, and launch generic anti-cancer drugs without delay								
		Contribute to public solety by globally supplying a wider	Governed by safe operations, promote the strengthening and expansion of production systems at our Japanese and overseas bases, and deliver high-quality products to global markets								
Soleguarding life and health	2	Contribute to public safety by globally supplying a wider surge of automobile safety systems to improve automotive collision safety	Implement next-generation designs, production, and sales that suit growing needs in global markets as planned.								
		Contribute to society, satinguated the life and health of the guillio, and support a constrable life by executing HSD investments to consistently	From the research and development connected to the best products that accurately capture the needs of society (capture values). Element values (Element values) are captured to a secretar and development that integrates internal and external intellectual expense and provide a place for cross cargonizational research exchange, and execute corporate research								
	3	life by executing FSIC investments to consistently deliver the best products	Thereins without delays protection, and use of intellectual property, and strengthen the management system destinated and owness Group companies.								
		Contribute to the creation of an "Super Smart Society"									
Supporting a comfortable life	4	by providing functional chemical materials that offer special cheracteristics for the fields of information and communication, and energy and resource conservation?	Provide functional chemical materials that contribute to the progress of digital printing, and making semiconductors and electronic devices trimer, lighter, and more compact								
	5	Contribute to stable agricultural production by offering agrochemicals that suit the needs of the market environment and our customers	Launch new insecticides, and develop unique and improved formulations using formulation technologies, and expand applications of existing products								
	6	Promote supply chain-management	Maintain a stable supply chain and alleviate procurement risks through the promotion of CSR procureme while promoting improved quality and proper purchasing								
	,	Promote the additional improvement of oustoner satisfaction of product quality	Continue to implement the Nippon Kayaku "Why Why" Analysis, initiatives to prevent human error, widepread communication to prevent recurrence, and risk assessments to have zero serious customer completes.								
Contributing to the development		supplied of the product of the party	Continue to implement activities to strengthen the global quality assurance system in the safety system business								
of a sustainable society and	8	Contribute to environmental presentation by promoting energy and resource conservation, and measures to	Promote initiatives for achieving our FY 2020 mid-term environmental targets								
		prevent global warning Improve environmental preservation technologies	Promote initiatives to reduce our energy consumption per unit by more than 1% each year.  Investigate and implement technologies to reduce the impact of waste water and optimize the operations.								
	9	for water treatment	of waste water facilities to improve waste water treatment technologies, including those at group companies								
	10	Contribute to coexistence with the local society through communication with its residents	Continue to run events such as plant festivals, local community socials, local cleanup activities, Pink. Filtibon Campaign, and interactive events for children (educational CSF) at each of our locations								
	11	Carry out dialogue with statisholders by providing appropriate information in a timely manner	Disclose financial and non-financial information with the aim to increase corporate value in a timely, fair and importial manner white deepening the dislogue with stakeholders								
		With the same of t	Continue to implement preparations and surveys leading to introduction of IFFS								
			Fooler an environment for diverse human resources to play an active role, and implement HR training. (Diversity & Incubating, promote an active role of women in the workplace, global HR training, training to pass on and develop manufacturing technologies, etc.)								
	12	Provide a work environment that focuses on respect for human rights and work-life balance, and promote HR training and diversity	Promote initiatives conducted in accordance with the Act on Advancement of Measures to Support Reis Next Generation Children (support for childrening and number core, encourage men to participate in children of overline, improvement of the paid leave childrenin refuse, etc.)								
			Establish a work environment in accordance with the revised Gender Equality in Employment Act (addressing sexual hurassment, moternity hurassment and LGET discrimination)								
			Promote health management that takes into account employee occupational safety and health (confinue mental health training, implement stress check-ups, promote improvements for a cleaner, health workplace, etc.)								
	13	Maintain a sale and secure work environment that is free of accidents and work related disasters	Continue to conduct activities for preventing accidents and disasters in advance (Fire-drills, safety audits, comprehensive chemical management and more efficient risk assessment								
Represent the embodiment of a good and strong company			Carry out health and solely activities at group companies in accordance with the Niggon Kayyku Chup FY 2016 Responsible Care Policy, and implement environment and sofely diagnoses and training for oversease Cargo companies.								
	14	Secure stable earnings as a corporate group with growth potential	Optimally allocate management resources, improve capital efficiency, and promote business operations that focus on achieving our mid-tern business plan								
	15	Maintain business continuity even during an emergency	Implement training targeted at the workplace and continue to review the BCP manual								
	16	Instill CSR management throughout the group and continue to fully implement compliance	Continue to implement CSR and compliance training, which includes training for employees of the Group companies								
			Comply with local laws in each country/region, and quickly and properly address legal revisions								
			Implement assessments of the effectiveness of the Board of Direction and strongthen the governance system through timely exchanges of information with Outside Drectors and Outside Audit & Supervisory Board Memberseith local laws in each country/region, and quickly and properly address legal revisions								
	17	Fortify corporate governance throughout the group	Strengthen systems and continue to implement systems of internal control and risk management, and continue to conduct follow-ups and improve the effectiveness of internal audits								
			Establish an information security system to promote bolstering our corporate information management, while increasing employee assuments of the need for information management, and promote implemental information excurity systems in Goop companies.								

FY 2017 CSR Action Plan



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## Mid-term CSR Action Plan 2016-2018

	No	Mid-term CSR Action Plan 2016–2018					
	1	Contribute to society by promoting innovations using our technological expertise, and by stably supplying high-quality pharmaceuticals coupled with truly reliable information					
Safeguarding life and health	2	Contribute to public safety by globally supplying a wider range of automobile safety systems to improve automotive collision safety					
	3	Contribute to society, safeguard the life and health of the public, and support a comfortable life by executing R&D investments to consistently deliver the best products					
Supporting a comfortable life	4	Contribute to the creation of an "Super Smart Society" by providing functional chemical materials that offer special characteristics for the fields of information and communication, and energy and resource conservation*					
	5	Contribute to stable agricultural production by offering agrochemicals that suit the needs of the market environment and our customers					
	6	Promote supply chain management					
Contributing to	7	Promote the additional improvement of customer satisfaction of product quality					
the development of a sustainable society and	8	Contribute to environmental preservation by promoting energy and resource conservation, and measures to prevent global warming					
environment	9	Improve environmental preservation technologies for water treatment					
	10	Contribute to coexistence with the local society through communication with its residents					
	11	Carry out dialogue with stakeholders by providing appropriate information in a timely manner					
	12	Provide a work environment that focuses on respect for human rights and work-life balance, and promote HR training and diversity					
Represent the embodiment of a good and	13	Maintain a safe and secure work environment that is free of accidents and work-related disasters					
strong company	14	Secure stable earnings as a corporate group with growth potential					
	15	Maintain business continuity even during an emergency					
	16	Instill CSR management throughout the group and continue to fully implement compliance					
	17	Fortify corporate governance throughout the group					
*1: Partial change in wording	a from	April 2017					

<sup>\*1:</sup> Partial change in wording from April 2017

# Mid-Term CSR Action Plan 2016-2018 for ISO26000 Core Subjects

				ISO26000 Core Subjects and Related Issues																	
			Mid-term CSR Action Plan 2016-2018	Organizational governance									ı	_abor practice	es		The environment				
	N			Decision- making processes and structure	Due diligence	Human rights risk situations		Resolving grievances (※N/A)	Discrimination and vulnerable groups		Economic, social and cultural rights	Fundamental principles and rights at work	Employment and employment relationships	Conditions of work and social protection	Social dialogue (※N/A)	Health and safety at work	Human development and training in the workplace	Prevention of pollution	Sustainable resource use	Climate change mitigation and adaptation	Protection of the environment, biodiversity and restoration of natural habitats
	Safeguarding life	1	Contribute to society by promoting innovations using our technological expertise, and by stably supplying high-quality pharmaceuticals coupled with truly reliable information																		
<b>4</b>	and health	2	Contribute to public safety by globally supplying a wider range of automobile safety systems to improve automotive collision safety																		
		3	Contribute to society, safeguard the life and health of the public, and support a comfortable life by executing R&D investments to consistently deliver the best products																		
	Supporting a comfortable life	4	Contribute to the creation of an "Super Smart Society" by providing functional chemical materials that offer special characteristics for the fields of information and communication, and energy and resource conservation*															0	0	0	
		5	Contribute to stable agricultural production by offering agrochemicals that suit the needs of the market environment and our customers															0			0
		6	Promote supply chain management		0	0	0												0		
t	Contributing to the development	7	Promote the additional improvement of customer satisfaction of product quality																		
	of a sustainable society and	8	Contribute to environmental preservation by promoting energy and resource conservation, and measures to prevent global warming																0	0	
	environment	9	Improve environmental preservation technologies for water treatment															0	0		
		10	Contribute to coexistence with the local society through communication with its residents						0												
		11	Carry out dialogue with stakeholders by providing appropriate information in a timely manner	0																	
		12	Provide a work environment that focuses on respect for human rights and work-life balance, and promote HR training and diversity		0	0					$\circ$	0	0	0			0				
	Represent the	13	Maintain a safe and secure work environment that is free of accidents and work-related disasters													0		0			
	embodiment of a good and strong company	14	Secure stable earnings as a corporate group with growth potential	0																	
		15	Maintain business continuity even during an emergency	0												0					
		16	Instill CSR management throughout the group and continue to fully implement compliance	0			0		0	0	0	0									
		17	Fortify corporate governance throughout the group	0																	
	*1. Dantiel about in																				

<sup>\*1:</sup> Partial change in wording from April 2017

			Fair operating practices					Consumer issues							Community involvement and development								
		Mid-term CSR Action Plan 2016-2018	Anti- corruption	Responsible political involvement	Fair competition	Promoting social responsibility in the value chain	property	Fair marketing, factual and unblased information and fair contractual practices	consumers' health and	Sustainable consumption	Consumer service, support, and complaint and dispute resolution	Consumer data protection and privacy	Access to essential services (※N/A)	Education and awareness	Community involvement	Education and culture	Employment creation and skills development	Technology development and access	income	Health	Social investment		
Safeguarding life	1	Contribute to society by promoting innovations using our technological expertise, and by stably supplying high-quality pharmaceuticals coupled with truly reliable information								0													
and health	2	Contribute to public safety by globally supplying a wider range of automobile safety systems to improve automotive collision safety							0	0													
	3	Contribute to society, safeguard the life and health of the public, and support a comfortable life by executing R&D investments to consistently deliver the best products								0													
Supporting a comfortable life	4	Contribute to the creation of an "Super Smart Society" by providing functional chemical materials that offer special characteristics for the fields of information and communication, and energy and resource conservation*								0													
	5	Contribute to stable agricultural production by offering agrochemicals that suit the needs of the market environment and our customers							0	0													
	6	Promote supply chain management			0	0																	
Contributing to the development	7	Promote the additional improvement of customer satisfaction of product quality				$\circ$			0					$\circ$									
of a sustainable society and	8	Contribute to environmental preservation by promoting energy and resource conservation, and measures to prevent global warming																					
environment	9	Improve environmental preservation technologies for water treatment																					
	10	Contribute to coexistence with the local society through communication with its residents												0	0	0	0	0	0	0	0		
	11	Carry out dialogue with stakeholders by providing appropriate information in a timely manner						0										$\circ$	$\circ$	$\circ$	0		
	12	Provide a work environment that focuses on respect for human rights and work-life balance, and promote HR training and diversity																					
Represent the	13	Maintain a safe and secure work environment that is free of accidents and work-related disasters																					
embodiment of a good and	14	Secure stable earnings as a corporate group with growth potential			$\circ$					$\circ$													
strong company	15	Maintain business continuity even during an emergency				0																	
	16	Instill CSR management throughout the group and continue to fully implement compliance	0	0	0	0	0	0	0			0											
	17	Fortify corporate governance throughout the group	0	0	0	0	0	0				0											
*1: Partial change in wording from April 2017																							

ISO26000 Core Subjects and Related Issues

## **CSR Action Plan 2016 Achievements**

★★★ Target achieved ★★☆ Almost achieved

★☆☆ Under-going efforts toward improvement

☆☆☆ Not achieved

	No	Mid-term CSR Action Plan 2016–2018	CSR Action Plan 2016	CSR Action Plan 2016 Achievements	Assessment levels				
	1	Contribute to society by promoting innovations using our technological expertise, and by stably supplying	Proceed with development of polymeric micelle anti-cancer drugs	Results from joint international trials of NK105 in patients with breast cancer did not meet the prespecified statistical criteria of the primary endpoint, and planning for future clinical trials is underway	***				
Safeguarding life and health		high-quality pharmaceuticals coupled with truly reliable information	Develop and launch generic anti-cancer drugs without delay and supply monoclonal antibody biosimilar treatments	Brought three generic drugs to market and proceeded with development of biosimilars favorably	***				
	2	Contribute to public safety by globally supplying a wider range of automobile safety systems to improve	Governed by safe operations, increase our Japanese and overseas production capacity as scheduled, and deliver high-quality products to global markets	Implemented the strengthening and expansion of production systems at our Japanese and overseas bases as scheduled, and supplied a wider range of automobile safety components globally	***				
	Ĺ	automotive collision safety	Implement next-generation designs, production, and sales that suit growing needs in global markets as planned	Focused on products capable of handling quality requirements for global markets, and carried out development of new-generation designs	***				
	3	Contribute to society, safeguard the life and health of the public, and support a comfortable life by executing R&D investments to consistently deliver the best products	Create new products and businesses by implementing R&D investments, coordinating and integrating group intellectual assets and technologies, and promoting open innovations with parties outside the company	<ul> <li>Promoted joint research with the Group's internal and external research institutes</li> <li>Launched three new corporate research projects in collaboration with each of the research laboratories</li> <li>Held a company-wide research presentation meeting and an exchange meeting for analytical evaluation technologies, and implemented initiatives to promote the integration of intellectual property and technologies</li> </ul>	<b>★★</b> ☆				
			Create, protect, and use intellectual assets and establish a global management system	Established a global management system of intellectual property for our Chinese Group companies	***				
Supporting a comfortable life	4	Contribute to the creation of an "Super Smart Society" by providing functional chemical materials that offer special characteristics for the fields of information and communication, and energy and resource conservation*1	Promote business development of epoxy resins and industrial-use inkjet colorants that contribute to reducing environmental impact and energy usage, and develop and launch high-performance catalysts used to manufacture acrylic acid	<ul> <li>Promoted business development of environmentally-friendly epoxy resins and industrial-use inkjet colorants</li> <li>Development is earnestly underway for high-performance catalysts used to manufacture acrylic acid</li> </ul>	***				
	5	Contribute to stable agricultural production by offering agrochemicals that suit the needs of the market environment and our customers	Gear up for launch of new insecticides, develop a unique formulation using formulation technologies, and expand applications for existing products	Promoted registration procedures for new insecticides, and implemented information sessions on the safe use of agrochemicals in each representative's area	***				
	6	Promote supply chain management	Maintain a stable supply chain and alleviate procurement risks through the promotion of CSR procurement, while promoting improved quality and proper purchasing	<ul> <li>Grasped procurement risks and maintained a stable supply chain by actively communicating with suppliers through audits and investigations</li> <li>Developed familiarization activities for suppliers in relation to CSR procurement</li> </ul>	***				
	7	Promote the additional improvement of customer satisfaction of product quality	Continue to implement activities to maintain our record of zero serious customer complaints (5-Whys analysis, cross-organizational sharing of case studies, preventing human error, etc.)	Serious customer complaints: Zero cases <sup>2</sup> Continued to implement quality assurance activities for making the workplace stronger through the Nippon Kayaku "Why Why" Analysis and quality engineering training	***				
			Strengthen global quality assurance system in the safety systems business	Established the Quality Assurance Division, and strengthened global systems	***				
Contributing to the development of a sustainable	Ω	Contribute to environmental preservation by promoting energy and resource conservation, and measures to	Promote initiatives for achieving our FY2020 mid-term environmental targets	Reviewed FY 2020 mid-term environmental targets based on the achievements of FY 2015, and started initiatives towards stricter targets	***				
society and environment	0	prevent global warming	Promote initiatives to reduce our energy consumption per unit by more than $1\%$ each year	Promoted the update of energy-conserving equipment and review of energy consumption methods, and implemented energy conservation inspections	***				
	9	Improve environmental preservation technologies for water treatment	Review existing wastewater treatment technologies, including those at group companies, and seek out new treatment technologies	Planned a project to implement a review of existing wastewater treatment technologies and seek out new treatment technologies, and activities are underway towards future results	***				
	10	Contribute to coexistence with the local society through communication with its residents	Continue to hold events, such as plant festivals, local community socials, local cleanup activities, Pink Ribbon Campaign, and interactive events for children at each of our locations and operate Asunaro house	<ul> <li>Pink Ribbon Campaign: Implemented activities at each business site, including overseas Group companies, in October</li> <li>Interactive events for children (educational CSR): Offered chemistry experiment shows at each business site and event</li> <li>Plant festivals, local community socials, etc.: Implemented according to plan</li> <li>Asunaro House: used by over 104 families (51% occupancy rate)</li> </ul>	***				
		Carry out dialogue with stakeholders by providing	Increase both disclosure of non-financial information for stakeholders, and dialogue with shareholders and investors. to promote mutual understanding	Improved optional items in business reports, and explained the corporate value creation process and improved non-financial information in the annual report.	***				
	11	appropriate information in a timely manner	Timely and appropriate disclosure of financial information and preparations to introduce IFRS	Continued to implement activities for the project to review the adoption of IFRS.	***				
	12	Provide a work environment that focuses on respect for human rights and work-life balance, and promote HR training and diversity	Foster an environment conducive for diverse human resources to play an active role, and implement HR training (conform with the law to promote the active role of women in the workplace, global HR training, training to pass on and develop manufacturing technologies, etc.)	<ul> <li>Created an action plan for initiatives to promote the active role of women in the workplace, and announced the action plan and targets inside and outside the Company</li> <li>Continued to implement training to pass on and develop manufacturing technologies at each business site and Group company</li> <li>(Female manager employment rate: 6.7%<sup>2</sup>, Achieved the legally mandated 2.1% employment for workers with disabilities<sup>2</sup>)</li> </ul>	<b>★★</b> ☆				
		and promote HR training and diversity	Promote initiatives conducted in accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children (support for child-rearing and nursing care, encourage men to participate in child raising, reduction of overtime, improvement of the paid leave acquisition rate, etc.)	<ul> <li>Implemented various initiatives towards Platinum Kurumin certification, and plan to lodge an application on our achievements at the end of the fiscal year</li> <li>Changed the system of leave for child-rearing and nursing care to make half-day increments also available</li> </ul>	★★☆				
			Promote health management that takes into account employee occupational safety and health (continuing mental health training, implementing stress check-ups, developing data health plans, etc.)	<ul> <li>Mental health training and health check-ups both achieved a 100% participation rate<sup>-2</sup></li> <li>Implemented stress check-ups, and responded to employees with high-levels of stress</li> </ul>	***				
	13	Maintain a safe and secure work environment that is free of accidents and work-related disasters	Continue to conduct activities for preventing accidents and disasters in advance (fire drills, safety inspections, plant inspections by managers, employee training, etc.)	<ul> <li>Incidence of major accidents: Zero cases'<sup>2</sup></li> <li>Implemented activities to internally instill risk assessments focused on strengthening chemical substance management</li> </ul>	***				
Represent the embodiment of a good and			Carry out health and safety activities at group companies in accordance with the Nippon Kayaku Group FY 2016 Responsible Care Policy	<ul> <li>Familiarized each Group company with the companywide Responsible Care Policy and targets together with confirming the status of these initiatives with environmental health and safety diagnostics</li> <li>Continued to implement health and safety activities at each Group company (various types of safety training, KYT, near-miss training, etc.)</li> </ul>	**☆				
strong company	14	Secure stable earnings as a corporate group with growth potential	Optimally allocate management resources, improve capital efficiency, and carry out business operations that focus on earnings improvement	<ul> <li>Did not achieve our net sales plan, but achieved our plan for operating income nevertheless through promotion of cost reductions</li> <li>Ensured appropriate inventory management to focus on capital efficiency, and promoted the sale of idle assets</li> </ul>	***				
	15	Maintain business continuity even during an emergency	Implement training adapted for the field and review the BCP manual	<ul> <li>Implemented BCP training for hypothetical typhoon damage for the Catalysts Division and Asa Plant</li> <li>Created BCP manuals for two Chinese Group companies</li> </ul>	***				
	16	Instill CSR management throughout the group and continue to fully implement compliance	Continue to implement CSR and compliance training, which includes training for employees at group companies	<ul> <li>CSR training: Implemented 12 times for 260 employees, including 73 employees in seven Group companies</li> <li>Compliance training: Implemented group training in Japan in 33 times for 2,023 employees, DVD training for 1,422 employees, and for 506 employees in management roles in six overseas Group companies</li> </ul>	***				
			Comply with local laws in each country/region, and quickly and properly address legal revisions	Executed business operations that complied with the laws in each country/region for the entire group, including laws related to chemical substances	***				
			Promote measures in accordance with the revised Companies Act and the Corporate Governance Code	Established opportunities for exchanging opinions with persons responsible for each business and advance briefings of agenda items for the Board of Directors for Outside Directors	***				
	17	Fortify corporate governance throughout the group	Continue to implement and strengthen systems of internal control and risk management (Top 5 risk control activities), as well as follow-up and improve on the effectiveness of internal audits  • Evaluated the operating conditions of important meeting bodies, and confirmed that governance was functioning • Implemented internal audits as planned, and carried out follow-up investigations on three Group companies						
			Establish an information security system to strengthen corporate information management	<ul> <li>Continued to implement information security training for employees in addition to new career hires</li> <li>Development is underway towards the implementation of the information security policy next fiscal year</li> </ul>	<b>*</b> *☆				
			*1: Partial change in wording from April 2017 *2: Nippon Kayaku non-consolidated basis	o figuroe					

## **CSR Action Plan 2017**

	No	Mid-term CSR Action Plan 2016-2018	CSR Action Plan 2017							
	1	Contribute to society by promoting innovations using our technological expertise, and by stably supplying high-quality pharmaceuticals coupled with truly reliable information	Proceed with development of polymeric micelle anti-cancer drugs and monoclonal antibody biosimilars for cancer fields, and launch generic anti-cancer drugs without delay							
Safeguarding life	2	Contribute to public safety by globally supplying a wider	Governed by safe operations, promote the strengthening and expansion of production systems at our Japanese and overseas bases, and deliver high-quality products to global markets							
and health	2	range of automobile safety systems to improve automotive collision safety	Implement next-generation designs, production, and sales that suit growing needs in global markets as planned							
	3	Contribute to society, safeguard the life and health of the public, and support a comfortable life by executing R&D investments to consistently deliver the best products	Promote research and development connected to the best products that accurately capture the needs of society (customer values) (Execute cross-sectional research and development that integrates internal and external intellectual assets, operate and provide a place for cross-organizational research exchange, and execute corporate research themes without delay)							
			Promote the creation, protection, and use of intellectual property, and strengthen the management system for domestic and overseas Group companies							
Supporting a comfortable life	4	Contribute to the creation of an "Super Smart Society" by providing functional chemical materials that offer special characteristics for the fields of information and communication, and energy and resource conservation*1	Provide functional chemical materials that contribute to the progress of digital printing, and making semiconductors and electronic devices thinner, lighter, and more compact							
	5	Contribute to stable agricultural production by offering agrochemicals that suit the needs of the market environment and our customers	Launch new insecticides, and develop unique and improved formulations using formulation technologies, and expand applications of existing products							
	6	Promote supply chain management	Maintain a stable supply chain and alleviate procurement risks through the promotion of CSR procurement, while promoting improved quality and proper purchasing							
	7	Promote the additional improvement of customer satisfaction of product quality	Continue to implement the Nippon Kayaku "Why Why" Analysis, initiatives to prevent human error, widespread communication to prevent recurrence, and risk assessments to have zero serious customer complaints							
Contributing to the development		Satisfaction of product quality	Continue to implement activities to strengthen the global quality assurance system in the safety systems business							
of a sustainable society and	8	Contribute to environmental preservation by promoting energy and resource conservation, and measures to	Promote initiatives for achieving our FY 2020 mid-term environmental targets							
environment		prevent global warming	Promote initiatives to reduce our energy consumption per unit by more than 1% each year							
	9	Improve environmental preservation technologies for water treatment	Investigate and implement technologies to reduce the impact of waste water and optimize the operations of waste water facilities to improve waste water treatment technologies, including those at group companies							
	10	Contribute to coexistence with the local society through communication with its residents	Continue to run events such as plant festivals, local community socials, local cleanup activities, Pink Ribbon Campaign, and interactive events for children (educational CSR) at each of our locations							
	11	Carry out dialogue with stakeholders by providing appropriate information in a timely manner	Disclose financial and non-financial information with the aim to increase corporate value in a timely, fair and impartial manner while deepening the dialogue with stakeholders  Continue to implement preparations and surveys leading to introduction of IFRS							
			Foster an environment for diverse human resources to play an active role, and implement HR training							
			(Diversity & Inclusion), (promote an active role of women in the workplace, global HR training, training to pass on and develop manufacturing technologies, etc.)							
	12	Provide a work environment that focuses on respect for human rights and work-life balance, and promote HR training and diversity	Promote initiatives conducted in accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children (support for child-rearing and nursing care, encourage men to participate in child raising, reduction of overtime, improvement of the paid leave utilization rate, etc.)							
			Establish a work environment in accordance with the revised Gender Equality in Employment Act (addressing sexual harassment, maternity harassment and LGBT discrimination)							
			Promote health management that takes into account employee occupational safety and health (continue mental health training, implement stress check-ups, promote improvements for a cleaner, healthier workplace, etc.)							
_ Represent the	13	Maintain a safe and secure work environment that is free of accidents and work-related disasters	Continue to conduct activities for preventing accidents and disasters in advance (Fire drills, safety audits, comprehensive chemical management and more efficient risk assessments, etc.)							
embodiment of a good and strong company			Carry out health and safety activities at group companies in accordance with the Nippon Kayaku Group FY 2016 Responsible Care Policy, and implement environment and safety diagnoses and training for overseas Group companies							
	14	Secure stable earnings as a corporate group with growth potential	Optimally allocate management resources, improve capital efficiency, and promote business operations that focus on achieving our mid-term business plan							
	15	Maintain business continuity even during an emergency	Implement training targeted at the workplace and continue to review the BCP manual							
	16	Instill CSR management throughout the group and continue to fully implement compliance	Continue to implement CSR and compliance training, which includes training for employees of the Group companies							
			Comply with local laws in each country/region, and quickly and properly address legal revisions							
			Implement assessments of the effectiveness of the Board of Directors and strengthen the governance system through timely exchanges of information with Outside Directors and Outside Audit & Supervisory Board Memberswith local laws in each country/region, and quickly and properly address legal revisions							
	17	Fortify corporate governance throughout the group	Strengthen systems and continue to implement systems of internal control and risk management, and continue to conduct follow-ups and improve the effectiveness of internal audits							
			Establish an information security system to promote bolstering our corporate information management, while increasing employee awareness of the need for information management, and promote implementing information security systems in Group companies							