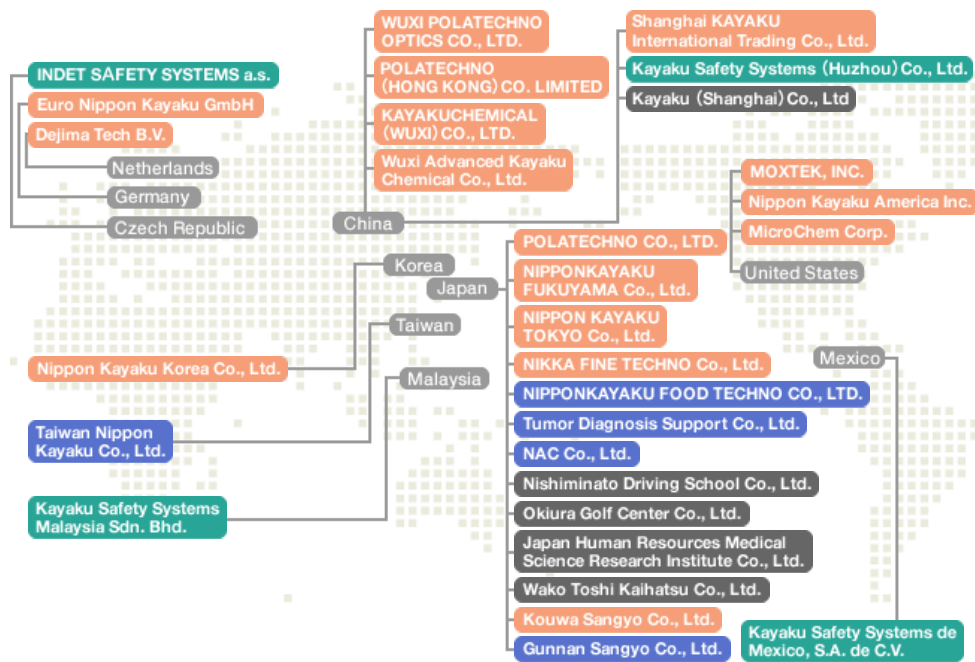




## The Nippon Kayaku Group's CSR Commitment

The Nippon Kayaku Group has business operations in nine countries around the world, comprising 17 subsidiaries in Japan and 19 subsidiaries overseas. This section presents the unified CSR commitment of 30 consolidated group companies.



### Japan Functional Chemicals Group

Representative Director & President Hiromi Morita, POLATECHNO CO., LTD

POLATECHNO Co., Ltd. operates a line of businesses based on the key words "controlling light." The products we make using this technology focus on the concepts of energy efficiency and eco friendliness from the manufacturing stage. These products also make the lives of the customers who use them more convenient and comfortable. As a company that controls light, we will continue to supply a lineup of products that meet the needs of society in terms of energy efficiency and eco friendliness, while also contributing to society.



### Japan Functional Chemicals Group

Representative Director & President Tetsuo Kando, NIPPONKAYAKU FUKUYAMA Co., Ltd.

We strive to maintain stable production with zero accidents and zero disasters, help improve the environment, safety, and health as well as quality, and promote compliance. In order to revitalize the local economy, we will continue to provide the community with sports facilities (baseball, soccer, and tennis) as well as offer support to the summer festivals and rose festival held in Fukuyama. We will also play an active role in the development of our local region through taking part in



activities outside of the office including fire and disaster prevention as well as occupational safety and health activities to enhance safety and security. Going forward, we will continue to strive to mutually benefit our society via CSR activity promotion and earn recognition from society.

#### Japan Functional Chemicals Group

##### Representative Director & President Akira Saino, NIPPON KAYAKU TOKYO Co., Ltd.

At Nippon Kayaku Tokyo, we use 3C&SQE as a keyword in our approach to corporate management. This acronym stands for compliance, community, cost savings, safety, quality and ecology. With this in mind, we contribute to society through the production of colorants for ink jet printers.

We engage the local community through the Satsuki Festival (May), rice cake-making event (December), plant tours, and internships. As a plant located in a densely populated urban area, our volunteer firefighting activities help protect the plant and also form part of the disaster assistance agreements we have signed with local community associations. We also have an AED outside for the benefit of our employees and the surrounding community.



#### Japan Functional Chemicals Group • Safety Systems Group

##### Representative Director & President Shinya Fukuoka, NIKKA FINE TECHNO Co., Ltd.

NIKKA FINE TECHNO is the only Nippon Kayaku Group company in Japan that serves as a trading company. Our core business focuses on the domains of Nippon Kayaku and its group companies, and leveraging our broad product lines and technical support capabilities, our employees carry out business activities fully compliant with relevant laws and fully aware of the company's code of conduct. We will realize the KAYAKU spirit and achieve sustainable growth by carrying out CSR management that fulfills the expectations and trust of all stakeholders.



#### Japan Pharmaceuticals Group

##### Representative Director & President Chitoshi Mochizuki, NIPPONKAYAKU FOOD TECHNO CO., LTD.

NIPPONKAYAKU FOOD TECHNO CO., LTD. manufactures and sells preservatives for food quality and other products. As part of our CSR-centered management, we aim to contribute to society through the provision of highly valuable services and excellent products that emphasize food safety and food and health. As a member of the Nippon Kayaku Group and to realize KAYAKU spirit, each and every employee abides by the Nippon Kayaku Group Charter of Conduct and Code of Conduct, following an esteemed set of ethical values with safe operations, compliance and environmental consciousness receiving top priority. With this stance, we are working to develop new fields in the food industry and also live up to the trust and expectations of our customers.



#### Japan Pharmaceuticals Business

##### Representative Director & President Koichi Ono, Tumor Diagnosis Support Co., Ltd.

The TD in TD Support stands for tumor diagnosis. We support the diagnosis of pathological tissue found in mammary glands. Today, breast cancer has the highest prevalence rate of any cancer in females. However, breast cancer is believed to be an extremely difficult type of cancer to diagnose accurately with pathological tissue. Without the right diagnosis, a patient will not be able to receive the most effective treatment. As part of the Nippon Kayaku Group's commitment to CSR management, TD Support is working day in and day out to contribute to an environment where breast cancer patients can receive treatment with the best possible outcome.



#### Japan Pharmaceuticals Business

##### Representative Director & President Mituyosi Simohira, NAC Co.,Ltd.

NAC Co., Ltd. is helping to establish chemotherapy methods and develop new compounds and new preparations through the provision of high quality data by means of its experience as a contract provider in biological concentration measurement testing and standard quality testing for pharmaceuticals. Also, by supplying superior quality pathological tissue samples, we are contributing to the accurate diagnosis of breast cancer. In addition, we strive to provide comfort and gain trust in the local community through ensuring safety at Nippon Kayaku Tokyo Co., Ltd. and the Tokyo R&D Administration Office, tree-planting, and environmental protection, as well as contribute to society by providing employment opportunities to the elderly and persons with disabilities.



#### Japan Other Businesses

##### Representative Director & President Shigeyoshi Nose, Nishiminato Driving School Co.,Ltd.

Nishiminato Driving School is to help train safe and considerate drivers who will contribute to automotive society. We also host outreach programs at local elementary and high schools on traffic safety, and also organize presentations on traffic safety for seniors and companies. We actively fulfill our role as a hub for community transportation safety education.

Going forward, we will strive to become a positive company that continually contributes to society as a comprehensive base of traffic safety learning that has earned support and empathy from the community.



**Japan Other Businesses**

**Representative Director & President Hiroshi Kanazawa, Okiura Golf Center Co., Ltd.**

Okiura Golf Center was established in 1985 and began operations in 1986 with the goal of utilizing idle land. We offer one of the largest golf practice facilities in Hiroshima Prefecture, including a 250 yard driving range with 72 tee boxes, natural grass, a putting green, approach practice area, bunker practice area and even a restaurant. We are open from early in the morning to late at night and offer a host of golf lessons taught by professionals. Our facilities and services have earned us a strong reputation among customers. We have planted trees around our practice ranges being mindful of the environment. We take pride in welcoming customers of all ages, from children to seniors, to enjoy using our facilities with peace of mind. We are also promoting CSR management so that we can utilize our facilities as a venue for communication between members of the local community.



**Japan Other Businesses**

**Representative Director & President Naoki Shiota, JHMS Co.,Ltd.**

Japan Human Resources Medical Science Research Institute Co., Ltd. has a mission to contribute to society as a company providing comprehensive business support solutions to the healthcare and other fields. Our business lines span a wide range of pharmaceutical support businesses for medical devices, including video productions, human resources development, training, worker dispatch, worker recruiting, and medical statistics. We also abide by related laws and regulations and we hope to continually meet the needs of our customers, despite our small scale operations.



**Japan Other Businesses**

**Representative Director & President Tooru Nakata, Wako Toshi Kaihatsu Co., Ltd.**

Wako Toshi Kaihatsu engages in the real estate lease business. We own land and a six-story building located in front of Wakoshi Station in Saitama Prefecture, which is leased to retailer Itoyokado's Wako store. We also lease two company housing buildings and one employee dormitory to Nippon Kayaku as well as the building used for Asunaro House, a facility for supporting families of children with pediatric cancer, intractable diseases or who require bone marrow transplants and are being treated at specialist institutions. Our facilities, including Asunaro House, are used by a large number of people, and this is why we strive to continually update and upgrade each to ensure user safety and comfort.



**Japan Functional Chemicals Group**

**Representative Director & President Kazuki Uchida, Kouwa Sangyo Co., Ltd.**

Kouwa Sangyo mainly carries out manufacturing work at the Asa Plant. Our important health and safety initiatives include providing opportunities for employees to experience dangers and threats to their safety firsthand using apparatuses. We also offer emergency first-aid and AED training as well as support the local volunteer firefighting brigade to instill employees with the knowledge and techniques needed to quickly respond in an emergency. The Wasshoi! Kayaku Festival co-sponsored with the Asa Plant every November has become an integral event for the local community. Moving forward, we will aim to contribute to the community through the corporate activities of each and every employee.



**Japan Pharmaceuticals Business**

**Representative Director & President Yasuhiro Okabe, Gunnan Sangyo Co., Ltd.**

Gunnan Sangyo is responsible for the security of the Takasaki Plant, landscaping and greenery, as well as property management for Hisho, which is a training center used to develop the human resources of the Nippon Kayaku Group. We are working to carry out CSR activities by providing a more comfortable environment for local residents and the people that work at Takasaki Plant and the training center.

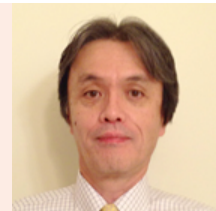


**United States Functional Chemicals Group**

**CEO & President Shigeyuki Kawamura, MOXTEK, Inc.**

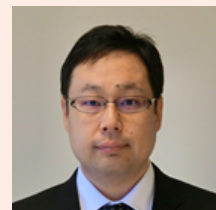
Moxtek's CSR activities are closely rooted in the local community. These include our involvement in a homeless assistance program, support for the LEGO Robotics Tournaments in support of area universities, and our sponsorship of extracurricular activities at the elementary, junior high and high school levels. We are working hard to fulfill our

commitment to be a company closely rooted in the local community by actively supporting the learning of youth and extracurricular activities in particular.



**United States** Functional Chemicals Group • Safety Systems Group  
Representative Director & President Go Mizutani, NIPPON KAYAKU AMERICA, INC.

Nippon Kayaku America sells and promotes functional chemical products and automotive safety components to customers in North America and also provides technical support. We are located in California, which has some of the most rigorous environmental regulations and worker protection measures of any state in the United States. We comply fully with these rigorous laws and market chemical products that are safe and eco friendly. We also promote products that contribute to the environment and energy efficiency and constantly work to propose even safer automotive safety components to customers. Moving forward, we will continue to proactively engage in CSR activities with the goal of practicing KAYAKU spirit to its fullest.



**United States** Functional Chemicals Group  
President & CEO Jeremiah J. Cole Jr., MicroChem Corp.

MicroChem is committed to its corporate responsibilities for the welfare of our employees and to creating economic value for the community, environment, and stakeholders. We are dedicated to helping our customers succeed through our innovative products and technologies. In addition, we ensure that our business success is in line with MicroChem's high ethical principles and societal expectations.



**China** Functional Chemicals Group  
General Manager Yoshihiro Ogawa, Wuxi Polatechno Optics Co., Ltd

Kayaku Chemical (Wuxi) was established in 2003 in Wuxi, Jiangsu Province as a plant responsible for the post processes of POLATECHNO CO., LTD. In China, local region oriented CSR activities geared towards environmental protection and social contribution have become increasingly important. It is crucial to ensure a safe work environment for each and every employee following the WPLC Charter of Conduct. We are also conducting efforts aimed to developing our company into a corporation that fulfills its responsibilities to all stakeholders.



**China** Functional Chemicals Group  
General Manager Teruo Uchida, POLATECHNO (HONG KONG) CO., LIMITED

POLATECHNO (HONG KONG) is an important sales company that accounts for more than 70% of the POLATECHNO Group's sales. Our direct customers include Chinese LCD manufacturers and Japanese project manufacturers, but our end products are widely used around the world in final products for automobile, LCD projectors, electricity and water meters, medical devices, and home electronics. These products include products indispensable to our daily lives and many more are associated with energy efficiency, safety and health. We are committed to contributing to society, albeit indirectly, through the sales and marketing activities for our products.



**China** Functional Chemicals Group  
General Manager Kazuyuki Murata, KAYAKU CHEMICAL (WUXI) CO., LTD.

China is faced with many environmental issues and other problems associated with its rapid economic growth, which has heightened the challenging nature of the business environment here. CSR management has become more important in terms of continually growing our business in this environment. We find it extremely important for each and every one of our employees to take action based on our corporate principles and behavioral standards in order to practice CSR management for the realization of KAYAKU spirit. We will continue to contribute to society by continually supplying products of the highest quality, in the wider sense, demanded by customers, through actions based on individual ethical values, instead of what others are doing, while respecting the local culture, history and business practices.



**China** Functional Chemicals Group  
General Manager Tadayuki Kiyoyanagi, Wuxi Advanced Kayaku Chemical Co., Ltd.

China's President Xi Jinping has called for a shift from the country's focus on GDP to setting and achieving indicators for worker's income and environmental protection. As a result, China's environmental regulations are becoming more

rigorous and thoroughly implemented, which has caused issues in the raw materials supply chain of certain chemicals companies, such as operating restrictions or forced shutdowns for raw materials manufacturers.

Wuxi Advanced Kayaku Chemical has introduced a new biological effluent treatment system this fiscal year as part of its further response to tighter regulation. We are also strengthening our relationships with raw materials manufacturers to ensure the stable supply of our products, which is considered an important CSR issue.



#### **China** Functional Chemicals Group

**General Manager Hiroshi Shichijo, Shanghai KAYAKU International Trading Co., Ltd.**

Shanghai KAYAKU International Trading (SKT) sells dyes, ink for industrial ink jet printers and heat-sensitive developing agents to the China and ASEAN markets. Environmental and energy conservation issues in these regions will only grow importance moving forward. In particular, environmental consideration and energy efficiency are very important issues facing customers who dye textiles. We are actively rolling out dyes that take about half the normal time to complete, which contributes to our customers' production efficiency, energy conservation and reduction in wastewater.



#### **China** Safety Systems Group

**General Manager Shigeyuki Kawamura, Kayaku Safety Systems (Huzhou) Co., Ltd.**

Kayaku Safety Systems (Huzhou) Co., Ltd. has created a corporate vision focused on the five key word phrase of "safety number one, commitment to quality, technological improvement, employee development, and market-focused" in an effort to realize KAYAKU spirit. We have a TS-16949 based system in place for stable quality and enhancing customer satisfaction, while in terms of safety and the environment, we have advance our efforts based on ISO 14001 and OHSAS 18001.

In addition, we focus on training in order to heighten employee awareness and input in our CSR-centered management. We offer training in Japan as well as training and lectures led by outside institutions and employees visiting from Nippon Kayaku, which have delivered positive results to date. We will continue to contribute to the improved safety of automotive society and benefit society, while ensuring all employees keep KAYAKU spirit close at heart.



#### **China** Other Businesses

**General Manager Masayuki Arakawa, Kayaku (Shanghai) Co., Ltd**

Kayaku (Shanghai) Co., Ltd. implements activities to mitigate management risks of Nippon Kayaku Group companies in China. We implement regular compliance training to ensure employees of group companies are cognizant of correct compliance information while carrying out their daily duties. In addition, we also provide accurate information regarding financial and legal matters to promote appropriate and efficient business operations.



#### **The Netherlands** Functional Chemicals Group

**Managing Director Henk Kalsbeek, Dejima Tech B.V.**

Dejima aims to conduct its business in a socially responsible and ethical manner, to contribute to the community in which it operates and to respect the needs of employees, shareholders, customers, suppliers, regulators and other stakeholders. Dejima is committed to maintain a healthy and safe working environment that ensures tolerance, respect and dignity for all its employees. Dejima is committed to providing equal opportunity in all aspects of employment and will not engage in or tolerate unlawful workplace conduct, including discrimination, intimidation, or harassment. Dejima recognizes that pollution prevention, biodiversity and resource conservation are key to a sustainable environment, and will effectively integrate these concepts into its business decision-making. All its employees are responsible and accountable for contributing to a safe working environment, for fostering safe working attitudes, and for operating in an environmentally responsible manner.



#### **Europe** Functional Chemicals Group

**Representative Director & President Naoya Miyachi, Euro Nippon Kayaku GmbH**

In Germany, there is a labor court that exclusively handles labor issues and companies are required to carry out business activities following CSR management and give consideration to their employees. In this regard, people are very aware of CSR in Germany. At Euro Nippon Kayaku we use printed versions of the KAYAKU spirit to broaden understanding of CSR management, and to ensure employees safety and create healthy workplaces, we strive to prevent all accidents and injuries during the commute and make sure employees take all their paid leave. Moving forward, we are committed to actively carrying out CSR activities in consideration of the local community.



#### **Europe** Safety Systems Group

## President Susumu Tokutake, INDET SAFETY SYSTEMS a.s.

In 2014, INDET SAFETY SYSTEMS a.s. celebrated its 15th anniversary and through commemorative events we worked to broaden employee understanding about CSR. In addition, we continue to deepen relationships with local communities through our activities at hospitals, schools, and welfare facilities. The automotive industry continues to globalize and today more than ever we must supply parts of the highest possible quality. Our promise to stakeholders is to supply great products around the world and in the process help to protect human life from traffic accidents.



## South Korea Functional Chemicals Group

### Representative Director & President Keitaro Tada, Nippon Kayaku Korea Co., Ltd.

Nippon Kayaku Korea (NKK) imports Nippon Kayaku's functional materials to sell to customers in South Korea. Functional materials are chemical substances, so prior approval must be received for their import to South Korea. On January 1, 2015, South Korea enacted a new law and regulation on chemicals called K-REACH as well as a separate law on chemical substance controls. NKK will steadfastly comply with this new regulation and law on chemicals.



## Taiwan Pharmaceuticals Group • Functional Chemicals Group

### General Manager Jiro Hanada, Taiwan Nippon Kayaku Co., Ltd.

Taiwan Nippon Kayaku markets products from the Pharmaceuticals Group and Functional Chemicals Group and also carries out market research. Currently, Taiwan Nippon Kayaku is carrying out daily activities to realize the KAYAKU spirit. Our commitments include: (1) correctly understanding customer needs and striving to improve quality of daily work, conveying these practices to related departments; (2) contributing to cultural and economic exchange by actively participating and supporting activities and events of the Interchange Association Japan and the Taiwan Chamber of Commerce; and (3) displaying corporate vision boards primarily inside to constantly raise awareness of the KAYAKU spirit and carrying a card at all times that contains our corporate vision. Moving forward, we will continue to proactively carry out CSR activities for the benefit of the local community.



## Mexico Safety Systems Group

### Representative Director & President Yoshitsugu Kawata, Kayaku Safety Systems de Mexico, S.A. de C.V.

Kayaku Safety Systems de Mexico (KSM) is a young company that is only eight years old, but we continue to grow everyday as each and every employee works to fulfill KAYAKU spirit. We carry out activities with the goal of becoming a company recognized in the local community for its four missions. These include: (1) listening to and understanding the voice of customers; (2) constantly and continually striving to improve products; (3) create an expansive culture inside the company with accountability and pride, and (4) fulfilling responsibilities as an organization and a member of society.



## Malaysia Safety Systems Group

### Representative Director & President Yoichiro Wada, Kayaku Safety Systems Malaysia Sdn. Bhd.

Kayaku Safety Systems Malaysia is a young company established in Malaysia in December 2012 to manufacture and sell automotive safety components. In 2015, we finally initiate the shipment of mass produced products. Because we are a young company, our workforce is also youthful as well as pliable and sensible. We constantly share the message of KAYAKU spirit within the company to raise employee morale. With safety of paramount importance, we supply only the highest quality products knowing that these products can directly affect the lives of our customers and have helped to reduce the number of automobile accident fatalities in the community. We are also mindful of the environment and constantly work to generate added value for the community, while improving quality of life and economic activity.

