

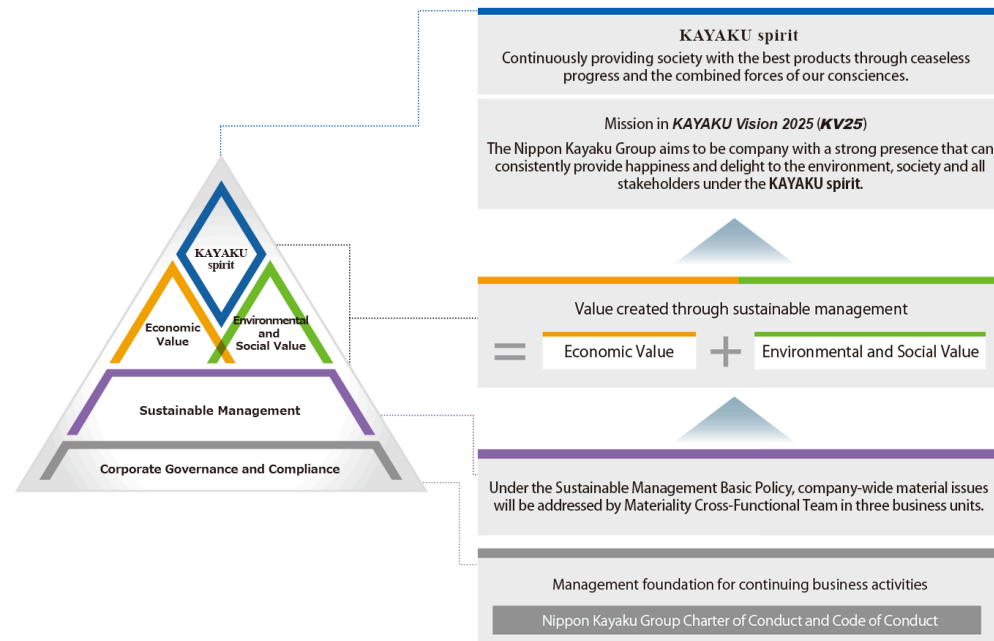
Policies and System

Corporate Vision

KAYAKU spirit

Continuously providing society with the best products through ceaseless progress and the combined forces of our conscience.

Through the implementation of sustainable management guided by our **KAYAKU spirit**, we at the Nippon Kayaku Group are aspiring to create both environmental and social value in our quest to realize a sustainable society and increase corporate value. To make the **KAYAKU spirit** a reality, we have fixed a [Nippon Kayaku Group Code of Conduct and Charter of Conduct](#) to define our scope and boundaries for action. We are thus, through various corporate activities, showing respect for basic human rights, performing proper compliance, conducting business fairly, and repaying the trust of our stakeholders.

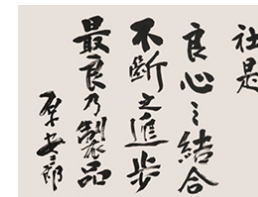


Origins of the KAYAKU spirit

1916: Company established

1962: Company creed determined

1962 saw our company creed decided upon by our third president, the long-serving Yasusaburo Hara, who wished to simply convey to both executives and employees the important ideas they should jointly share.



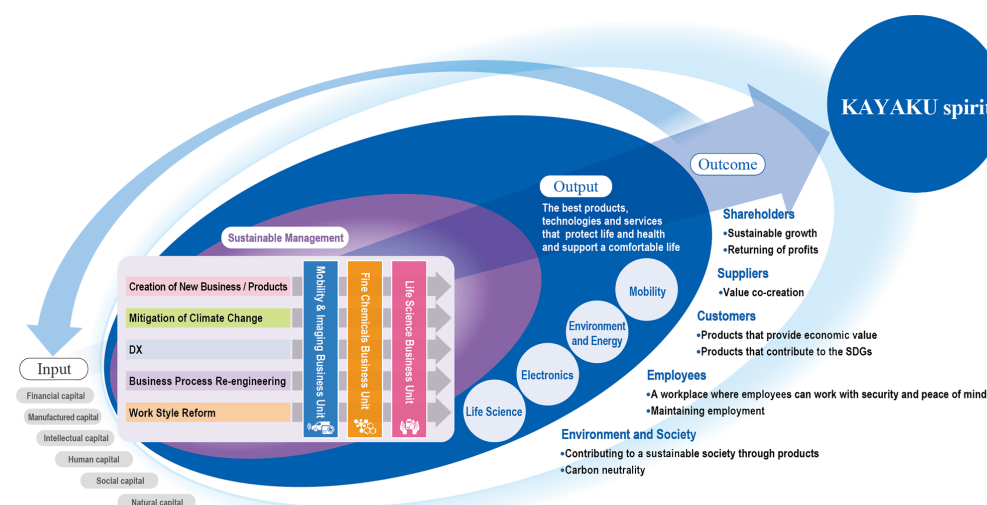
Policy and Basic Approach

Basic Policy on Sustainable Management

Under its corporate vision, the **KAYAKU spirit**, the Nippon Kayaku Group will practice sustainable management that responds to the trust placed in it by all of its stakeholders, by ensuring transparency and fairness in management and contributing to the creation of a sustainable environment and society through its business activities.

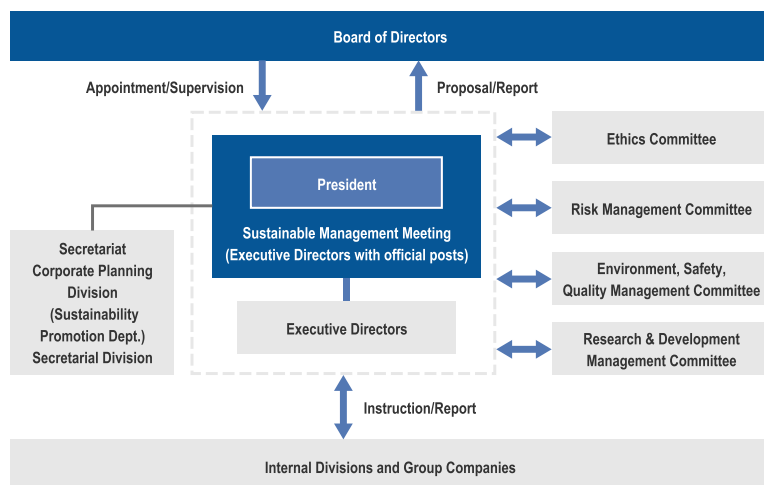
The Nippon Kayaku Group's Value-creation Process

Our **KAYAKU Vision 2025 (KV25)** Medium-term Business Plan seeks to furnish society with the best products, technologies and services in the four fields of Mobility, Environment & Energy, Electronics and Life Sciences through the input of six forms of capital and the united sustainable management practices of our three business units and the M-CFT. (The latter takes a company-wide cross-cutting approach towards the five important issues of Creation of New Business and Products, Mitigation of Climate Change, DX, Business Process Re-engineering, and Work Style Reform). Through creating economic, environmental and social value for all our stakeholders do we aim to raise our sustainable corporate value.



System

Under the direct supervision of our Board of Directors, and via our Sustainable Management Meeting with our president as chair, the Nippon Kayaku Group is promoting sustainability across the entire organization. In principle, the Sustainable Management Meeting agrees to meet once a week to discuss and receive reports upon general matters related to the sustainability of the company, society and the environment. Matters approved by this Meeting are referred to the Board of Directors for further discussion. Operating under this Meeting are four committees on Ethics; Risk Management; Environment, Safety and Quality Management; and Research and Development Management. All committees meet on both a regular and ad hoc basis (when required), and their reports to the Sustainable Management Meeting serve to guarantee transparency and fairness in management.



Company-wide Diffusion

When it comes to our corporate vision and sustainable management policies, the Nippon Kayaku Group utilizes a variety of communication tools to deepen employee understanding and achieve group-wide permeation. Such communication tools include: Business Management meetings, Medium-term Management Strategy meetings, group training sessions such as those for new recruits and new managers, e-learning, and company bulletins.

In conjunction with the 2022 launch of our **KAYAKU Vision 2025 (KV25)** Medium-term Business Plan, we released explanatory pamphlets on our corporate vision, sustainable management, **KV25** itself, and the Nippon Kayaku Group Human Rights Policy. We also created mobile phone cards and notice boards emblazoned with our Group's corporate vision and a statement on the ideal form we are working towards, which can therefore be checked at any time. Thus do our diffusion efforts aim at achieving a situation whereby decisions and actions are fully based on our corporate vision and ideal future form. The contents of our pamphlets, mobile phone cards and notice boards have been translated into the language of every overseas country hosting a Nippon Kayaku manufacturing base (English, Chinese, Spanish, Malaysian and Czech) and distributed to all Group executives and employees.

By diffusing our corporate vision and sustainable management policies to employees with a diverse array of jobs across the world - be they working in manufacturing, development, sales or management - can we aim for a style of Group management with a greater unity of purpose.



Explanatory pamphlet

Notice board

KAYAKU spirit

最良の製品を
 不断の進歩と
 良心の結合により
 社会に提供し続けること

日本化薬グループのありたい姿
 KAYAKU spirit のもと、存在感をもって、
 永續的に環境、社会、すべてのステークホルダーに
 幸せやうれしさを提供できる会社であること

世界的な持続可能性
 日本化薬

Japanese

KAYAKU spirit

Continuously providing society
 with the best products through
 ceaseless progress and
 the combined forces of
 our consciences.

Mission in KAYAKU Vision 2025 (KV25)
 The Nippon Kayaku Group aims to be a company
 with a strong presence that can consistently provide
 happiness and delight to the environment, society
 and all stakeholders under the KAYAKU spirit.

Global "ukuma" Ideas
 NIPPON KAYAKU

English

KAYAKU spirit

通过不断进步与
 良知的结合，
 持续向社会提供
 最优质的产品。

日本化薬集团的应有的面貌
 在 KAYAKU spirit 之下，成为具有存在感，
 并持续向环境、社会和所有利益相关方提供
 幸福和喜悦的公司。

Global "ukuma" Ideas
 NIPPON KAYAKU

Chinese

KAYAKU spirit

Proporcionar continuamente a la
 sociedad los mejores productos
 mediante el progreso
 constante y la
 unión de conciencias.

La forma ideal del Grupo Nippon Kayaku
 Ser una empresa que pueda proporcionar felicidad y
 alegría al medio ambiente, a la sociedad y a todas
 las partes interesadas de forma duradera, con un
 sentido de presencia bajo el KAYAKU spirit.

Global "ukuma" Ideas
 NIPPON KAYAKU

Spanish

KAYAKU spirit

Untuk terus menyediakan
 masyarakat dengan produk
 terbaik melalui gabungan
 kemajuan berterusan dan
 hati nurani kita.

Visi Kumpulan Nippon Kayaku
 Menjadi sebuah syarikat yang dapat memberikan
 kebahagiaan dan kegembiraan kepada alam sekitar,
 sosial, dan semua pihak berkepentingan secara
 berkekalan dengan kehadiran tersendiri di bawah
 KAYAKU spirit.

Global "ukuma" Ideas
 NIPPON KAYAKU

Malay

KAYAKU spirit

Trvale poskytovať spoločnosti
 ty najlepšie výrobky skrze
 neustály pokrok a sdílené
 morálne hodnoty.

Poslání skupiny Nippon Kayaku
 V souladu s KAYAKU spirit chceme být společností,
 která neustále přispívá životnímu prostředí a svou
 existencí přináší štěstí a radost lidské společnosti
 i všem zainteresovaným stranám.

Global "ukuma" Ideas
 NIPPON KAYAKU

Czech

KAYAKU spirit Diffusion Activities with the aid of Kayaku-ma

For the purpose of getting all of our globalizing Nippon Kayaku Group employees to easily familiarize themselves with the **KAYAKU spirit**, we have created a **KAYAKU spirit** Diffusion Mascot: Kayaku-ma. Kayaku-ma now appears in our company bulletins, adding to our reader-friendly visual explanations of model sustainability activities and exemplary implementation of our corporate vision. And our efforts to ensure Kayaku-ma – the embodiment of our corporate vision – is never far away from employee eyes have included putting him on memos, plastic files, meeting room entrances and lockers. Kayaku-ma is already a registered trademark, and, as a Nippon Kayaku Group mascot, appears on company advertising and even on novelty goods at company festivals.

[Kayakuma's Room](#)

Diffusion Mascot Kayaku-ma

Meeting room and locker

Development Activities & Training Chart

Training type	Main contents	Chiefly targeted at	FY	Format	Number of times	Take-up rate
Sustainability training	Corporate Vision and Sustainable Management, KV25 Materiality, respect for human rights, SDGs, anti-corruption, identification of human rights risks	Executives, employees, (including contract and part-time employees), temporary employees	2023	E-learning	6	84% (average)
New hire training*	Climate change measures and respect for human rights in relation to Nippon Kayaku Group Sustainable Management	New recruits	2023	Group training	1	100%
New manager training*	Climate change measures and respect for human rights in relation to Nippon Kayaku Group Sustainable Management	New managers	2023	Group training	2	100%

* Held annually

Nippon Kayaku Group Sustainability Report 2024

SDGs Endorsement and Action Plan

The Sustainable Development Goals (SDGs), unanimously adopted by United Nations Members, represent the 17 social, economic and environmental targets that institutions, organizations and bodies must strive to meet by FY 2030 in order to construct a sustainable world.

The thinking behind these SDGs is practically synonymous with the Nippon Kayaku Group's corporate vision, expressed as:

"Continuously providing society with the best products through ceaseless progress and the combined forces of our conscience." We therefore believe that, although the scale and targets are different, the corporate activities undertaken to realize the **KAYAKU spirit** are very much aligned with the SDGs.

Nippon Kayaku Group's [Sustainability Action Plan](#) makes use of the SDG Compass to tie all our important issues to the 17 SDG targets.

Hence, through creating environmental, social and economic value, and pursuing both a sustainable society and increased corporate value, are we also contributing to the achievement of the 17 SDGs.

SUSTAINABLE DEVELOPMENT GOALS

