

Initiatives for Sustainable Growth

Securing Safety and Disaster Prevention



Initiatives for Occupational Safety

Continuous Improvements through the Occupational Safety Management System

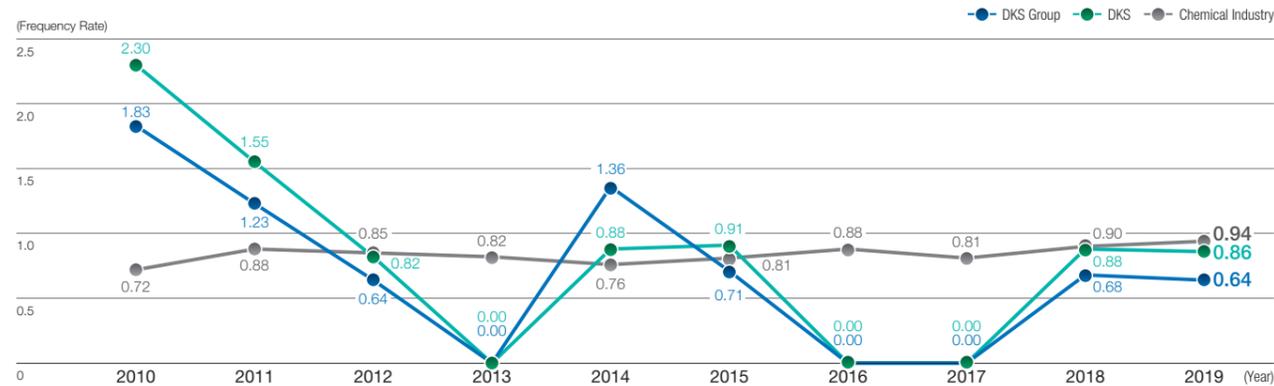
Recognizing that ensuring the safety and health of workers is the basis of our business activities, we have established Environmental Conservation and Safety and Health Management regulation policies. In addition, our Declaration of Action by Board Members and Employees states that we will strive to ensure the safety and health of the workplace and we are making efforts to eradicate accidents and ensure a comfortable working environment. In February 2017, we opened a safety training center in the Kasumi Plant of the Yokkaichi Branch and launched new safety education initiatives. From August 2018, we made efforts to acquire occupational health and safety management system certification at the Yokkaichi Branch, and in September 2019, DKS became the first chemical company to

acquire JIS Q45100 certification. We will continue efforts to acquire certifications at other factories with the aim of achieving zero accidents and creating comfortable workplaces.

Industrial Accident Frequency Rate and Industrial Accident Severity Rate (January to December 2019)

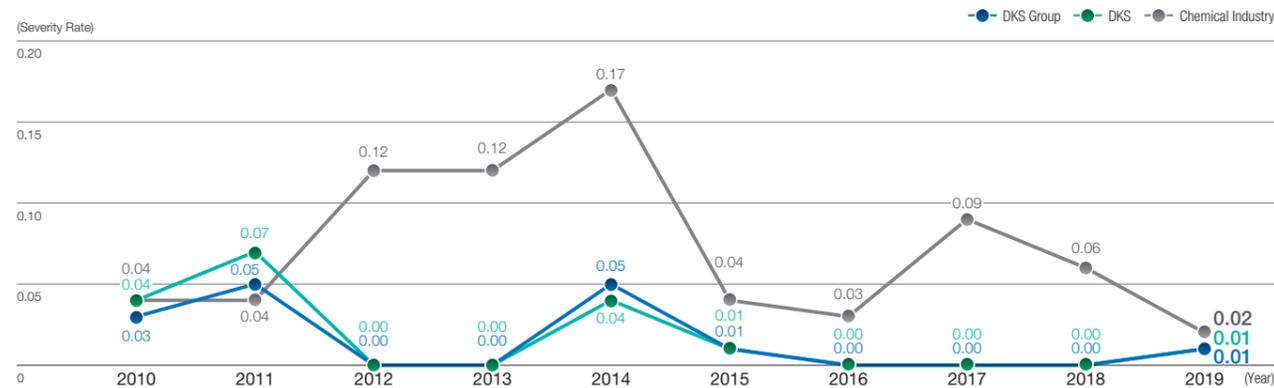
In the DKS Group, the Industrial Accident Severity Rate (accidents that cause days away from work) remained almost unchanged in 2019 due to the same number of accidents as in the previous year. We took the appropriate corrective actions and thoroughly implemented measures to prevent recurrence. In 2020, we will further strengthen safety activities with the aim of realizing zero occupational accidents (that causes days away from work).

Changes in Industrial Accident Frequency Rate



Note: Frequency Rate = (Number of persons absent from work due to occupational accidents) / (Total actual working hours) x 1,000,000
This is a numerical value representing the degree of frequency of victim occurrence per 1 million working hours.

Changes in Industrial Accident Severity Rate



Note: Severity Rate = (Days of lost work) / (Total actual working hours) x 1,000
This is a numerical value representing the degree of severity of an occupational accident based on the number of days of lost work per 1,000 working hours.

Conducting Hands-on Safety Training

The manufacturer's mission is to maintain safe and stable operations; thus, it is essential to repeatedly conduct safety education to prevent occupational accidents and raise safety awareness. The Safety Training Center, which was established in February 2017 in the Kasumi Plant of the Yokkaichi Branch, has installed hands-on training equipment aimed at increasing sensitivity to abnormalities and dangers. We also introduced a mini-plant to foster an understanding of basic principles with respect to equipment and processes.

In fiscal 2019, we constructed a full-scale plant for educational purpose in the Chitose Plant of the Yokkaichi Branch. Using these educational facilities, in fiscal 2019, we conducted safety training for employees in the R&D and Production Headquarters nine times each.



We will continue to provide training to convey safety knowledge and the importance of stable operations, as well as raise safety awareness on an individual basis.

Initiatives for Logistics Safety

DKS entrusts external vendors with its logistics operations that involve product storage and transport. However, in adherence to the spirit of Responsible Care, our activities are guided by our stance that we will secure logistics safety and preserve the environment, as well as offer to customers guarantees of logistics quality and service delivery, among other principles. We work in close collaboration with our vendors to promote initiatives for logistics safety to realize these goals. One particular aim we have is to eliminate accidents in logistics. To achieve this we hold regular committee meetings to share information, consult and educate on maintaining safe transport and traffic order, amendments to laws, delivery operations' safety and environmental

standards, shipping specifications, and other topics.

In addition, in the case an accident occurs during the transport of chemicals, so that drivers can take proper measures, we provide Yellow Cards* (emergency contact cards when products are being delivered) that indicate the Emergency Response Guidebook (ERG) number and the UN number as well as Container Yellow Card indicating the same on the product labels.

* Yellow Card: An emergency contact card used when products are being delivered. In preparation for the event that an accident occurs during the delivery of chemical substances, this emergency contact card indicates the measures that should be taken by the relevant people.

Initiatives for Disaster Prevention

Response in Emergency Situations (Conducting Disaster Prevention Drills)

As preparations for the case an emergency situation arises due to fire or explosion, earthquake, leakage, power outage or other event, we have constructed a framework for disaster prevention at every Branch and repeat disaster prevention drills in accordance with fiscal year plans. We have also taken measures to prepare in the event of such accidents, and have developed a disaster prevention manual for emergencies based upon the incidents of large-scale fires and explosions that have occurred at chemical plants in Japan in recent years. Disaster prevention drills are also performed with the

cooperation, and in unison, with local fire departments and/or public fire brigades. We continue to work on disaster prevention activities that will prevent accidents and disasters unique to a chemical manufacturer so as to ensure that they do not occur in the first place.

Disaster Prevention Measure Investment

Fiscal 2019 investment into disaster prevention measures amounted to ¥286.4 million. Investments mainly went to measures to respond to explosions, fires and leakages, as well as measures to deal with aging equipment, and measures to improve work safety and working environments.



Joint drills with public fire brigade (Yokkaichi Branch)



Joint drills with public fire brigade (Shiga Branch)



Joint drills with public fire brigade (Ohgata Branch)



Joint drills with fire department (Kyoto Headquarters/Laboratory)