

Ensuring Operational Safety and Business Continuity



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The Dexerials Group conducts various activities so that employees can work in a healthy and reassuring environment where all workplaces are safe and hygienic. The Group implements employee training, along with systematic reinforcement and improvement work to facilities, in an effort to prevent or minimize damage from disasters and accidents that potentially could have a serious impact on business.

The FIRST Concept

With regard to equipment and operations, each and every team member is aware of:



We work to eliminate workplace accidents and fires and explosions.

very seriously and have made improvements to our risk management processes accordingly. Our risk assessment results indicated that although introducing hazard countermeasures reduces the number of hazard points, employee awareness of the degree of risk involved may also decline (fade). To address this concern, we introduced a system that clearly visualizes hazard points both before and after countermeasures.

We conduct investigations, analyses and improvements with regard to accidents that occur at the Company as minor mistakes and near misses may lead to major accidents (Heinrich's law), and then we share the information throughout the Company to prevent reoccurrence.

While preventing serious accidents, we will carry out activities to eliminate human errors, to find and eliminate risks such as dangers and health hazards in the workplace, and to make further improvements to form safe workplace environments.

Philosophy on Occupational Health and Safety, Disaster Prevention

Based on the corporate vision, "Value Matters—Unprecedented innovation, unprecedented value," the Dexerials Group is expanding activities to continually provide safe and healthy business sites as we are conscious that safety is imperative to the creation of new value and quality enhancement.

Basic Policy on Occupational Health and Safety, Disaster Prevention

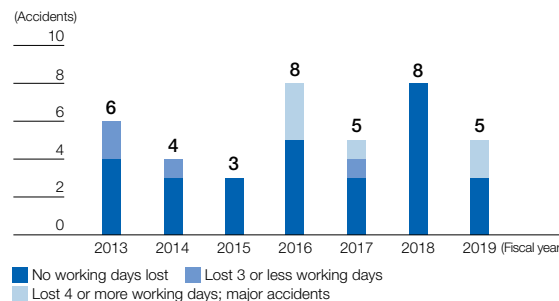
The Dexerials Group promotes Safety FIRST initiatives, as well as initiatives to improve the climate of safety in work sites in all business domains and to prevent serious accidents, which leads to reduced risk and accidents and stable business continuation.

Occurrence of Workplace Accidents

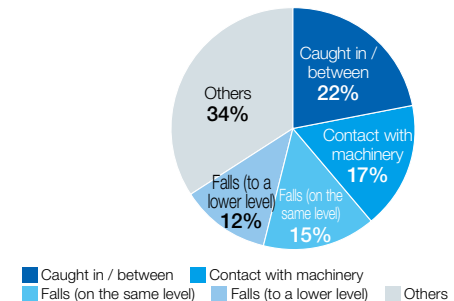
In fiscal 2019, five workplace accidents occurred in the Dexerials Group. The accidents were due to human error, not issues with equipment or safety management. Although the overall number of workplace accidents was lower than in fiscal 2018, there were some accidents that resulted in loss of work time.

We take the fact that loss of work time occurred

Occurrence of workplace accidents



Workplace accidents by cause (Total: FY2013 - FY2019)



Education and Training

At Dexerials, we prepare for emergencies by conducting a range of drills and training related to occupational health and safety/disaster prevention.

For new employees, we conduct basic education including firefighting training and disaster countermeasure training at external facilities.

Foreman education regarding safety considerations at work sites is given to employees who become the new heads of work sites, and appropriate safety education is given at the right time to employees who are engaged in special types of work including forklift operation, and handling laser machinery and various powders.

As a range of chemical substances are used in our development and manufacturing processes, we provide basic education on safe handling of chemicals on a regular basis.

We conduct disaster drills, safety confirmation system practice, and other drills for all employees in order to ensure they have the necessary skills to respond in the event of a disaster.

Also, at the Kanuma Plant, we have established a safety workshop where employees can experience various simulated dangers to increase their awareness and sensitivity regarding safety. We are currently preparing a similar facility at the Tochigi Technology Center to launch in 2021 so that a wide range of people, including those from outside the Company, can experience safety simulations firsthand.

Workplace Safety

Dexerials regularly carries out risk assessments at each workplace. The various dangers associated with regular and non-regular operations at each workplace are extracted and categorized for the level of danger. High risk items are improved and



Experiential learning at a safety workshop

reviewed in a workplace safety PDCA cycle. In fiscal 2019, we implemented further in-depth risk improvement measures by improving our risk assessment evaluation systems in order to identify risks that are managed through “soft” factors such as education and the establishment of rules, whereby linking them to initiatives to enhance workplace safety.

We place a particular focus on identifying risks associated with equipment, which are regarded particularly serious risks, and conduct safety checks prior to usage in cooperation with relevant departments to ensure that equipment is safe. We also strive to prevent accidents by constantly maintaining the safety of our equipment through independent maintenance by the user departments in conjunction with planned maintenance by the equipment specialist department.

Business Continuity Planning (BCP) Activities

Natural disasters such as earthquakes or typhoons and the outbreak of pandemics may cause damage to the personnel, equipment and lifeline required for work.

The Group has established a Business Continuity Plan (BCP) for the minimization of damage during emergencies and the return to production activities through prompt restoration activities in order to prevent the interruption of business activities.

We have clarified internal organizational roles, including the BCP Center, with regard to core functions for the supply of products to customers, such as materials procurement, production and distribution and sales, and support functions such as employee safety checks, and internal and external intelligence gathering. A restoration manual has been prepared based on expected responses and actions.

As the COVID-19 pandemic began to emerge, we established a task force at the end of January 2020, soon after the outbreak, and quickly launched company-wide countermeasures. Implementing thorough infection prevention measures at all of our offices, including those outside Japan, ensured that we were able to maintain a stable supply of products.

We also strengthened measures in the supply chain, including identifying the status of infection in each area and disruption to logistics, and thereby sharing such information.

As part of the infection prevention measures within the Company, we have established systems through which the procurement of masks, partitions, and other infection prevention supplies can be shared among our sites in and outside Japan, ensuring that all our employees have the means to prevent the spread of infection on an ongoing basis.

Going forward, we will continue strengthening the BCP to further improve our business continuity capacities.

Business continuity planning (BCP) organizational structure and functional roles

