



Ensuring Operational Safety and Business Continuity

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.



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 and manufacturing 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.

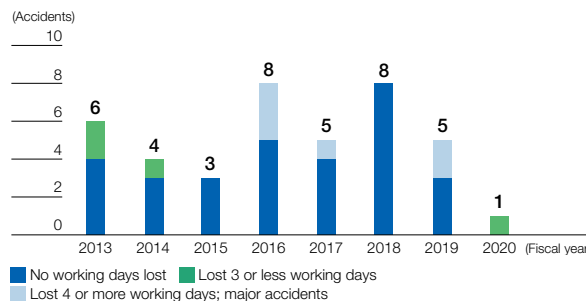
The FIRST Concept



Occurrence of Workplace Accidents

In fiscal 2020, Dexerials had one workplace accident, which was less than in fiscal 2019, but we nevertheless took it seriously as it was a case of lost time injury. We analyzed its risk assessment and carried out process improvements. The analysis found that although introducing hazard countermeasures reduces the number of hazard points, employee awareness of the risk involved may also decline (fade). Therefore, we made an improvement whereby a number of hazard points before and after the implementation of countermeasures are compared, and any difference is noticeable at first glance, thus making it easier to keep up the hazard countermeasures. In fiscal 2021, we worked on digital

Occurrence of workplace accidents

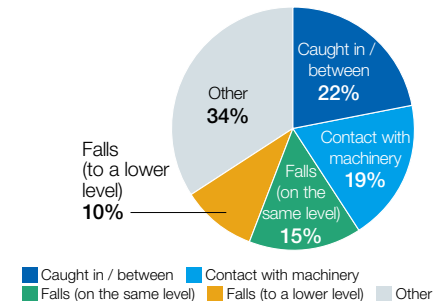


transformation in this area to improve our workers’ ability to find risks throughout the Company by making risk data searchable by item and entry of data more user-friendly.

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.

Workplace accidents by cause (Total: FY2013 - FY2020)



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.

In addition to these, we expanded our e-learning content as a means to provide training under the COVID-19 pandemic, which served as a platform for all employees to learn on topics ranging from accident prevention to volunteering.

Also, at the Tochigi Technology Center, we are preparing to set up a safety workshop where employees can experience various simulated dangers to increase their awareness and sensitivity regarding safety, which is scheduled for full-scale operation in 2021. We will work to improve the quality of and environment for safety training by upgrading educational content, such as the introduction of sensory virtual reality equipment, to train workers in various jobs—from production, development, to back-office—to be able to detect hazards.



Experiential learning at a safety workshop

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 reviewed in a workplace safety PDCA cycle. In fiscal 2020, we implemented further in-depth risk improvement measures by improving our risk assessment evaluation systems, as well as commencing remote patrolling using cameras so as to increase the variety of inspectors, and thereby prompting our workers to take actions to enhance workplace safety.

We place a particular focus on identifying risks associated with equipment, which are regarded as 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 utilities required for work.

The Group has established a Business Continuity Plan (BCP) to minimize damage during emergencies and to enable us to promptly resume production 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, distribution and sales, and support functions such as employee safety checks, and internal and external information gathering. A restoration manual has been prepared based on expected responses and actions.

With regard to the prevention of COVID-19 infection, all of our business sites including overseas sites are taking strict preventive measures—such as building a system for the preventive isolation of crucial areas, defining responses to those identified as close contacts, and establishing remote working as a permanent arrangement—in our effort to maintain the stable supply of our 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.

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

Business continuity planning (BCP) organizational structure and functional roles

