# Safety, Environmental and Social Report



#### About the Cover

Hydrogen fluoride (HF) is a raw material needed to produce Kanto Denka's signature fluorochemical products. Fluorite, the mineral form of calcium fluoride (CaF<sub>2</sub>), is a crucial resource for obtaining hydrogen fluoride. The cover motif is a photo that captures this fluorite sparkling brightly in a way that reflects the spirit of Kanto Denka Kogyo.



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This report can also be viewed on the Company website at https://www.kantodenka.co.jp/english/





Kanto Denka Kogyo Co., Ltd. takes an environmentally friendly approach in its daily activities in order to protect people's healthy lifestyles.





### **Management Principles**

Through the quest for constant corporate growth and acquisition of optimum profits, Kanto Denka is working with all its shareholders, users and employees to create a successful company and prosperous society. To achieve this end, we are endeavoring to meet the requirements of our users with our unique technologies and customer-oriented services, and to build a trusted company based on our motto, "sincerity, creativity, prompt response and harmony with nature."

#### **Principles of Conduct**

- Put the customer first at all times, and act courteously and with passion.
- Observe relevant laws and regulations as well as company regulations, and act openly.
- Practice 5S & PDCA, and make a commitment to efforts to develop a safe and people-friendly work environment.
- Strive to improve our own abilities while nurturing the next generation, and aim to be professionals at what we do.
- Develop products, using creative technology, that our customers can use with a feeling of security.
- Strive to conserve and act in harmony with the environment in order to develop an affluent society.

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### **Editorial Policy**

The Kanto Denka Group believes that we, as good corporate citizen, have a mission to society to contribute to making peoples' lives safer and more enriching. Therefore, we strive to find solutions for social issues.

We have been issuing these reports since 2000 in order to communicate the group's principles, approach, and initiatives concerning safety, the environment, and society to all stakeholders.

Report period: Although this report has been compiled using data regarding activities that took place between April 1, 2019 and March 31, 2020, content concerning matters from April 2020 and after has also been included due to its importance and urgency.

Report scope: Kanto Denka Kogyo Co., Ltd. and group companies

As a leading manufacturer of fluorochemicals, we aim to be an innovative, development-driven company, and continue to create products that contribute to society.

> Kanto Denka Kogyo is a company with a long history and tradition, and this year marks our 82nd anniversary. We have succeeded in developing the first hydrofluoric acid electrolysis in Japan with our own technology, and we have accumulated original technology and know-how with acid, alkali, chlorine, fluorine, and metallic powder as our basic materials. Today, the Company's products are indispensable as materials that support the world's most advanced technologies.

> Although the current economic climate is difficult due to the COVID-19 pandemic, as part of the chemical industry, we must also contribute to society through our business activities in order to meet the demands of global environmental and energy issues and protect people's lives.

> From FY2019, we have worked on our new three-year medium-term management plan—Journey to 1000. This is a plan to achieve consolidated sales of 100 billion yen by fiscal 2024 and to become an innovative, development-driven company. Giving the highest priority to safety, being a profitable company, and development by and for everyone have been set as the basic issues of our activities, and we are further developing our activities based on establishing safe and stable operation, improving productivity through improvement activities, and quickly creating new products.

In terms of business expansion, in order to expand and promote our growing fine chemicals business, we established and commenced operations at our first overseas plant, Kanto Denka Fine Products Korea, Co., Ltd. in October 2019. We have also started construction of a new plant in China, which is scheduled to start operations at the end of FY2021. We intend to capture the demand in China, which continues to grow.

1 Kanto Denka Kogyo Co., Ltd. Safety, Environmental and Social Report 2020



In terms of new product development, we are planning a Research & Development Center that will serve as a base for strengthening our core technologies and creating new products based on our unique and superior technologies. In addition, new products from the Shibukawa and Mizushima branches are being launched one after another as a result of our unique development activities in conjunction with our plants.

One of the core strategies in our new three-year mediumterm management plan is a shift to ESG-conscious management while increasing corporate value. Our Principles of Conduct are in line with the SDGs, and we will continue to provide the high-quality and safe products society demands in order to help solve social issues by increasing our corporate value. At the same time, we will make serious efforts to protect the global environment by further reducing emissions of waste, environmental pollutants, and global warming substances.

In response to the COVID-19, we will build systems that utilize AI and ICT to improve productivity while minimizing personnel contact.

I hope you will continue to lend your support going forward as we continue to transform our activities to become an innovative, development-driven company.

> Jun'ichi Hasegawa President



#### Fluorochemicals

LCD panels and

We provide fluorochemical

products such as gases etch-

ing, cleaning, and electrical in-

sulation. We are focusing on

the development and supply of

gases that have low global

electronic

components

warming potential.

Fluorochemicals

Nitrogen trifluoride,

Methyl fluoride,

We use our proprietary fluorination technology to supply products including various materials that are an essential part of products such as semiconductors and liquid crystals.



The market for lithium-ion rechargeable batteries is forecast to expand and we produce electrolytic products that are used as materials for these batteries.



and people's everyday lives.

#### Paper and pulp

We reach out to everyone through the raw materials we supply for making paper and pulp products, including newspapers, magazines and cardboard.

#### Fundamental chemical

Liquid caustic soda, Caustic soda flakes



#### **Flavor enhancers**

We support sanitary living by Our fundamental chemicals are providing the main materials for also used in the manufacturing soaps, bleaches, and disinfecprocesses for flavor enhancers. making food even more delicious.

#### Fundamental chemicals

Liquid caustic soda, Caustic soda flakes, Sodium hypochlorite

Fundamental chemicals

Soaps and

detergents

tants.

Hydrochloric acid

Fluorochemicals Sulfur hexafluoride Carbonvl sulfide, and others

**High capacity** 

lation.

We are helping to make high

capacity electrical substations

smaller through excellent insu-



#### **Optical fibers** electrical substations

We provide materials to fabricate the optical fibers that facilitate today's information-communication society.

Fluorochemicals Silicon tetrafluoride



**Electric vehicles** 

We are contributing to realizing a more environmentally friendly society by supplying high-grade products that meet the strict requirements for rechargeable batteries.

#### Materials of batteries

Lithium hexafluorophosphate, Lithium tetrafluoroborate



Smartphones and mobile devices

With product quality that is among the world's best, we are helping to improve the performance and lifespan of lithium-ion rechargeable batteries.

#### Materials of batteries

Lithium hexafluorophosphate, Lithium tetrafluoroborate





# Measures by Kanto Denka Kogyo in response to the COVID-19

We are working to ensure the safety and health of our employees and to minimize risks and losses for the Company in the event of a COVID-19 outbreak. With the aim of minimizing the impact on our business and ensuring a stable supply of products to our customers, we established an Emergency Task Force headed by the President to determine our response and implement countermeasures with reference to the status of the infection in Japan and overseas as well as government policies.

## Measures as a company

# Establishment and implementation of a telework system

Because the incidence of infected people tends to be higher in areas where our headquarters, branches, and sales offices are located than in other regions, we have gradually established a telework system from the end of February 2020, and are implementing measures to transition commuters from areas near Tokyo, Osaka, and Nagoya to telework. We also consider staggered attendance for those who commute to work by public transportation to avoid travel during busy times.

### Telework Rate at Headquarters, Branches, and Sales Offices



#### Establishing a web-based conference system

With the aim of eliminating the need for business travel and allowing teleworkers to participate in meetings, we have employed a web-based conference system for holding internal meetings. Most internal meetings are currently held online, with the exception of meetings held in our plants. We also use webbased meetings with customers, partners, and related industry organizations as needed. In addition, these measures have greatly reduced business trips and outings.

# Preventing infection through changes in work locations

Those who live in Gunma Prefecture, where the Shibukawa Plant and the Research & Development Center are located, and who used to commute to the headquarters on the bullet train, have temporarily changed their work location to the plant or the Research & Development Center in an effort to prevent infection. Employees have been able to use their time more effectively thanks to the shortening of the commute time.

# Achieving a balance with childcare through telework

When the state of emergency was declared, elementary schools, kindergartens, and nursery schools were closed, and under normal work conditions, employees would have had to take time off for childcare and other reasons under normal working conditions. However, we were able to set up a telework system early on, which allowed employees to continue work despite these difficulties.

#### Measures to prevent infection among employees

Employees are required to wear masks when coming to work and at work, take their temperature before coming to work, and wash their hands frequently and disinfect with alcohol to prevent infection. Furthermore, managers at each workplace are required to monitor the health status of each employee on a daily basis, and in the event of an employee experiencing poor health, they are required to immediately notify the relevant department and take appropriate action.



Disinfectants and partitions, etc. in each room of the workplace

#### Effects and impact of transitioning to telework

In a survey on the impact of telework in workplaces where most employees use telework, half of the employees indicated that telework had no impact on their work performance. In addition, a small number of employees indicated that business efficiency had improved. On the other hand, 40% of employees felt that some work is impeded or delayed, and there is room for improvement in written operations, internal and external communication, and on-the-job training. Going forward, we will review and improve our operations using new digital technologies and other measures to prepare for new work systems, including telework.

# Measures at plants, etc.

# Decentralization of operations in the plant through business continuity planning measures

At the Shibukawa Plant and Mizushima Plant, we are decentralizing operations in order to continue production activities from the perspective of business continuity planning in the event of a COVID-19 outbreak. Specifically, we are using conference rooms, reception rooms, and facilities near plants to expand workplaces and reduce the density of offices. We were also promoting the introduction of wireless LANs in various locations prior to this initiative.



Use of conference rooms and other facilities to reduce the density of employees

# Decentralization of changing rooms and break rooms

We have established small time differences in work attendance times to reduce congestion in the changing rooms. We are also promoting the decentralization of the changing rooms and break rooms.

# Continuing production activities by dividing production staff into teams

At some production sites, managers and production staff were divided into two groups so that if one group became infected, the other group could continue to operate.

Because the end of the COVID-19 infection can be expected to still take more time, we will continue to promote effective infection prevention measures throughout the Company, and we intend to use the lessons learned from the current situation to re-evaluate our business structure as a company.



#### Installation of partitions at various locations

Partitions have been installed in various locations to separate desks in offices and meeting rooms for visitors to reduce the risk of infection.



Installation of partitions to prevent COVID-19 infection



Installation of partitions between desks in the workplace as well

#### Thermo-camera temperature detection

A thermo-cameras has been installed at the entrance of the Mizushima Plant to check the temperature of all visitors. Preparations are also underway at the Shibukawa Plant.



Thermo-camera at the entrance of the plant

#### Shibukawa Plant Site Report

### Toward a 100-year-old factory trusted by society and making employees proud

For several years now, we have strengthened the production system of the Shibukawa Plant to meet the needs of our customers, especially in the area of fluorine products for semiconductors and liquid crystal materials. As the plant has changed over the years, during this period I have come to realize how difficult it is to set up production facilities, as well as to pass on technology and develop human resources. At the same time, there have been significant changes in our operating environment. Under these circumstances, we believe that we can contribute to society and gain the trust of the local community by flexibly responding to changes both inside and outside the plant, developing our human resources, and relentlessly continuing safe and stable operations. Sustainability and continuity are the traditions and strengths of the Shibukawa Plant, which has a history of 80 years. Without hesitation in face of change, we will review what we have built up over the years and aim to become a plant where each employee thinks about what is missing and what needs to be cut back.

°€

Yasunari Yamaguchi

Director and Executive Officer, Shibukawa Plant Manager





**Z** Daily pre-work meeting Meetings held in each workplace before work begins are always attended by staff from the Safety & Environment Department who give instructions on safety and thorough risk avoid ance (The photo shows a meeting during shut-down maintenance. Meetings usually take place indoors at each team's workplace)





6



2 Safety awareness messages Slogans to promote safety and prevent heatstroke are posted prominently in front of the main gate.

5

3



**3** Precautions against heatstroke

#### This electronic board shows the heat index (WBGT).

4 Green workplace Making the workplace more pleasant and contributing to environmental conservation.

This plant manufactures a wide range of products, ranging from fluorochemical products used in semiconductors and LCD panels through to the carriers used in copiers and printers. Through its efforts to ensure safe and stable operation and to improve its production capacity, the plant is supporting the growth of the industry.

#### Certifications

| ISO 9001/JQA-1009 (certified in C<br>A majority of the products are ISO certified.   | October 1995)   |
|--|---|
| ISO 14001/JQA-EM0438 (certi  | fied in May 1999)   |
| ISO 45001/JQA-OH0087 (regis<br>DHSAS-compliant management from 2005  | stration updated in July 2020)<br>to 2020   |
| Products   |   |
| Ferrochemicals   |   |
| <ul> <li>Carrier</li> </ul>  | <ul> <li>Magnetite</li> </ul>   |
| Fluorochemicals  |   |
| <ul> <li>Carbontetrafluoride</li> <li>Difluoromethane</li> <li>Ethane hexafluoride</li> <li>Octafluorocyclobutane</li> <li>Hexafluoro-1,3-butadiene</li> <li>Carbonyl sulfide</li> </ul> | <ul> <li>Methyl fluoride</li> <li>Trifluoromethane</li> <li>Octafluoropropane</li> <li>Sulfur hexafluoride</li> <li>Nitrogen trifluoride</li> <li>Iodine pentafluoride</li> </ul> |

Tungsten hexafluoride

#### Trends in CO<sub>2</sub> Emissions



#### Trends in Emission Amounts of Substances Specified in Voluntary Management Standards (index relative to FY1995 as 100)



Fluorine gas mixture

#### Trends in Plant Waste Water and COD

(index relative to FY1990 as 100) (unit: %)



#### Trends in SOx, NOx, Soot and Dust Emissions

3.0

(index\* relative to FY1993 as 100

| FY               | '15       | '16  |
|------------------|-----------|------|
| SOx              | 0.00      | 0.00 |
| NOx              | 0.53      | 1.11 |
| Soot and<br>Dust | 0.14      | 0.18 |
| * Emission/s     | hipment v | alue |

6 Combustion abatement system Striving to reduce emissions of enviro harmful substances from the processes of producing fluorochemicals and ferrochemicals

5 Risk awareness equipment Employees are trained here to enhance their risk awareness and develop their ability to detect potential hazards in their dayto-day work.



Number of employees 283 (as of March 31, 2020)



#### Trends in Energy Consumption in Crude **Oil Equivalent**

| )    |      | (unit: %) |
|------|------|-----------|
| '17  | '18  | '19       |
| 0.00 | 0.00 | 0.00      |
| 1.10 | 1.16 | 1.24      |
| 0.17 | 0.18 | 0.21      |

0.9

#### Trends in Amounts of Industrial Wastes

(index relative to FY2018 as 100)





# **Mizushima Plant**

## Making our plant safer, less harmful to the environment, and conducive to local communities and society

Site Report

I have learned a lot with the support of everyone at Mizushima Plant over the past year since I arrived at the plant. We have had to deal with the COVID-19 since February with multiple construction projects underway at various locations within the plant, and this has led to great inconvenience and hardship for our employees and partners. While it has been extremely difficult in some respects to maintain social distance while continuing construction and operation safely, we have overcome these difficulties thanks to the cooperation of everyone. We will continue to steadily implement measures to ensure stable operations at the plant going forward. Plants need to earn the trust of their stakeholders and contribute to society. We will make our plant a safe plant by raising employee awareness of safety and improving facilities to this end. In addition, we will reform our operations to become a highly productive plant, improve productivity and stabilize operations, and take on the challenge of manufacturing new products.

We also aim to make our plant an enjoyable place for everyone to work.

Masatomo Hayashi Senior Executive Officer, Mizushima Plant Manager



4 Digital signage Every workplace has a large LCD panel to draw greater attention to safety-related in-Known as Kansui-Juku, this facility is used for risk awareness training to educate workers to recognize potential risk factors formation.



3 Safety tower As a symbol of employees' commitment to safety, the tower watches over the Mizushima Plant as it strives to eliminate accidents and injuries.

This plant supplies world-leading chemical products to assist in a wide range of manufacturing processes, including fundamental chemicals that are indispensable to industry and battery materials, an area in which demand is growing year by year. It also focuses on production innovations and the development of new and original technologies.

#### Certifications

|  |   |  | 11                              |
|--|---|--|---------------------------------|
| ISO 9001/JQA-2254 (certified in Ma<br>A majority of the products are ISO certified.  | arch 1998)  |  | Contraction of the second       |
| ISO 14001/JQA-EM0437 (certified  | d in May 1999)  |  |                                 |
| ISO 45001/JQA-OH0190 (registra<br>OSHMS-compliant management from 2006 t<br>and OHSAS-compliant management from 20         | ation updated in Januar<br>to 2011,<br>111 to 2020                          | y 2020)  |                                 |
| Products   |   |  | D.S.                            |
| Fundamental chemicals  |   |  |                                 |
| <ul> <li>Liquid caustic soda</li> <li>Sodium hypochlorite</li> <li>Trichloroethylene</li> <li>Perchloroethylene</li> </ul> | <ul> <li>Caustic sod</li> <li>Hydrochlorid</li> <li>Vinylidene c</li> </ul> | a flakes<br>c acid<br>nloride  | Number                          |
| Materials of batteries   |   |  |                                 |
| Lithium hexafluorophosphate  | <ul> <li>Lithium tetra</li> </ul>   | fluoroborate   |                                 |
| Fluorochemicals  |   |  |                                 |
| <ul><li>Silicon tetrafluoride</li><li>Organic fluorine compounds</li></ul>   | <ul> <li>Chlorine trifle</li> </ul>   | uoride   |                                 |
| Trends in CO <sub>2</sub> Emissions  |   | Trends in Emission An<br>Substances Specified<br>Management Standard | nounts of<br>in Voluntary<br>ds |
| (index relative to FY1990 as 100)  | (unit: %)   | (index relative to FY1995 as 100                                     | D)                              |
|  |   |  |                                 |



### 100 🖷 80 60 40 20 11.2

100

#### Trends in Plant Waste Water and COD

(index relative to FY1990 as 100)



(index\* relative to FY1993 as 100

Emissions

(unit: %)

| FY               | '15       | '16   |
|------------------|-----------|-------|
| SOx              | 1.61      | 1.51  |
| NOx              | 75.97     | 56.96 |
| Soot and<br>Dust | 5.96      | 4.62  |
| *Emission/st     | nipment v | alue  |

in the workplac

To prevent heatstroke, candies

and oral rehydration solutions

are available at multiple loca-

tions in the plant



Number of employees 197 (as of March 31, 2020)



#### Trends in Energy Consumption in Crude **Oil Equivalent**

#### Trends in SOx, NOx, Soot and Dust

'95<sup>°</sup> '15 '16 '17 '18 '19 (FY)

11.0 11.1 10.7

| )     |       | (unit: %) |
|-------|-------|-----------|
| '17   | '18   | '19       |
| 1.13  | 0.93  | 1.06      |
| 59.45 | 48.83 | 53.74     |
| 5.07  | 4.36  | 4.38      |

(unit: %)

Trends in Amounts of Industrial Wastes

(index relative to FY2018 as 100)

(unit: %)



Fundamental Principles and Basic Policies on the **Environment and Safety Issues** 

#### Fundamental Principles

The conservation of the global environment is one of humankind's common responsibilities. In all our operational activities, based on the principle of self-responsibility, we pay due consideration to the environment and safety, from the development, manufacturing, distribution, and use of our products, to how they are disposed of.

#### Basic Policies

- 1. Carry out comprehensive environmental and safety management in such areas as environmental protection, operational safety and disaster prevention, occupational health and safety, chemical product safety, logistics safety, and international trade safety.
- 2. Ensure the safety of employees and areas in the vicinity of company facilities by working to achieve no accidents and no operation incidents.
- З. Make efforts to save energy and resources and reduce the amount of industrial waste generated as a result of operations.
- Ensure the development and introduction of products and manufacturing processes that 4 take environmental and safety issues into account.
- 5. Strictly comply with laws, regulations and agreements related to the environment and safety, as well as establish and meet our own stricter voluntary standards in these areas.
- 6. Promote logistics safety and risk-free transactions with customers.
- Carry out the Environmental and Safety Audits. 7.
- 8. Collect information on the environment and safety related to products, and thoroughly disseminate the information to employees and customers.
- 9. Take care to ensure the protection of the environment and safety in overseas operations, technology transfers and the international trade of chemical products.
- 10. Promote risk-awareness in society by widely publicizing the details and results of our environmental and safety activities to local communities, investors, related organizations and others through environmental reports and other materials.

### Organization

#### RC Promotion Council

The RC Promotion Council is chaired by the President and consists of the chairpersons of its committees and a few members appointed by the President. With the Safety & Environment Department serving as the secretariat, the Committee is responsible for formulating RC policies for each fiscal year and over the medium- to long-term, deliberating and deciding on important issues related to company-wide RC activities, overseeing three committees, and discussing and coordinating RC promotion and audit issues.

#### Safety and Environment Committee

Promotion and audit of RC activities across all operational areas.

#### **Quality Management Committee**

Promotion and audit of quality control issues, such as PL and quality certification.

#### Logistics Safety Committee

Promotion and audit of environmental and safety preparations related to the external transport of chemical products and customers' delivery facilities, and understanding the purpose of use.

#### President **RC Promotion Council** Logistics Safety Safety and Environment Quality Management Committee Committee Committee Branch, Sales Group Research Manufacturing Headquarters Companies Office I aboratory Plant

### Audit System

Our RC audit system consists of three types of auditing: self-auditing, in which each facility evaluates its own performance; facility auditing, which is conducted by committees; and overall auditing, in which the RC Promotion Council discusses and assesses the results of facility audits. Continuous improvements are fostered as self-audit results are reflected in the next RC objectives and plans, while overall audit results are incorporated into management policies, objectives, and implementation plans for the following fiscal year.

Since FY2018, facility auditing conducted by the Safety and Environment Committee has been integrated with that conducted by the Quality Management Committee. We have introduced audit preparatory meetings and audit follow-up to implement an audit system that pays more attention to the PDCA process.





### **RC** Action Targets and Performance

### The 8th RC Action Targets

We will take the following measures to achieve the 8th RC Action Targets: (1) Actions for no accidents and no injuries: Strengthen safety measures by effectively using the PDCA cycle based on the 5S method (2) Energy-saving measures:

(4) Reduction of environmental pollutants: (5) Reduction of GHG emissions:

use of excess hydrogen generation of industrial waste



### Investment for the Achievement of RC Action Targets

#### Investment in Safety Measures

Investments are focused on building a foundation to support safety measures. We continue to invest in safety in line with the "Giving the highest priority to safety" principle. We are committed to improving working environments and systematically upgrading facilities.

Trends in Investment in Safety Measures

(unit: million ven)

1,500 1 265 1.200 900 600 300

- Foster improvements in the intensity of our high power-consuming facilities and promote the effective
- (3) Reduction of industrial wastes for landfill: Diversify recycling destinations and improve raw material consumption intensity associated with the
  - Analyze the causes of increasing pollutants and enhance countermeasures
  - Implement measures to address detailed sources toward reducing emissions of substances with high global warming potential and power-conservation measures to cut CO<sub>2</sub> emissions

|   | Results in FY2019  |
|---|--|
| Accidents<br>Accidents                            | Our activities include raising safety awareness, implementing KY before starting work each day, regularly receiving guidance from industrial safety consultants, and sharing close-call accidents. In FY2019, we successfully achieved zero facility accidents and zero workplace injuries.  |
| 0.3 <sup>%</sup><br>1.0 <sup>%</sup><br>reduction | Both plants strategically implement measures to conserve<br>energy for their high energy-consuming facilities. When ramping<br>up production, the Shibukawa Plant had to operate under a<br>load exceeding the adequate level for energy conservation,<br>which resulted in less energy-saving effects, falling short of the<br>target. The Mizushima Plant succeeded in achieving the target<br>as energy-saving measures worked effectively. |
| % increase  | The amount of industrial waste from the Mizushima Plant has<br>been increasing in line with higher production. However, the<br>size of the increase in landfill waste declined in FY2019, as<br>we found new recycling destinations.   |
| ,<br>reduction                                    | A new combustion treatment system was installed to reduce<br>the increasing emissions of organic solvents. Although this<br>measure has proved effective, we fell short of the target due<br>to the increase in alcohol emissions. While our total<br>emissions of environmental pollutants remain at low levels,<br>we intend to continue reduction efforts.  |
| vo reduction                                      | To reduce emissions of substances with high global warming<br>potential (GWP), we enhanced the collection equipment in<br>individual processes and installed multiple abatement<br>systems that use combustion treatment. This resulted in the<br>successful achievement of the reduction target. We will<br>continue measures to address detailed sources of emissions.   |

#### Investment in Environmental Measures

To conserve the environment, we continuously invest in necessary environmental measures such as promoting resource and energy saving, and reducing GHG emissions, environmental pollutants and industrial wastes.





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#### Safety Education at Kanto Denka

We engage in safety activities that are participated in by all employees in an aim to thoroughly implement the principle of "Giving the highest priority to safety." We conduct various forms of safety education aimed at improving the sensitivity of each and every employee toward safety and increasing knowledge of safety management.

#### Safety Behavior Criteria

- 1 Pre-work Kiken Yochi (KY: hazard prediction) reminders and awareness checks shall be performed, and the causes of any hazards checked and eliminated before any work is carried out.
- 2 All work shall be monitored and checked to ensure that it is carried out in accordance with the instructions given by the manager or supervisor.
- 3 Unsafe activities shall not be tolerated under any circumstances and safety shall not be compromised.
- 4 Instructions shall be clear, detailed and appropriate for the type of work, and those responsible shall confirm that those instructions have been understood correctly.
- 5 Persons receiving instructions shall always guery any instructions that they cannot understand and shall not engage in work while they are still unsure.
- 6 Where workers lack experience, the responsible manager or supervisor shall provide detailed instructions and work permits and shall monitor the work.
- 7 Instructions and coaching shall be provided based on the principles of the "Sangen Shugi" ("three actuals" philosophy).
- 8 Managers and supervisors shall communicate orders and instructions to the employees actually carrying out the work, including partner company contractors, and shall confirm that such communication is thoroughly carried out.
- 9 Training shall be persistent and repeated until the content is fully understood.
- **10** In plants, the Production Department, Plant Protection Department and original contractor shall be fully aware of their rights and responsibilities and shall issue instructions in accordance with those responsibilities.

#### Risk Awareness Equipment

We installed risk awareness equipment at the Shibukawa and Mizushima plants in FY2017. While knowledge and experience are essential for cultivating a capacity to spot potential sources of danger during day-to-day work, we cannot allow people to experience an actual accident or disaster. By experiencing dangerous situations in safety with this risk awareness equipment, it is possible to accumulate such knowledge and experience. We are constantly introducing new devices as we work to enhance the equipment. Participants have said they have become more sensitive toward safety by experiencing conditions they do not normally experience. We will continue this form of education going forward with the inclusion of partner company contractors as well.



Experiencing the risk of getting stuck in

Experiencing the risk when using a stepladde



Experiencing the risk of residual liquid leakage

pointing and calling



#### Other Forms of Safety Education

stantly conducting pre-work meeting, work procedure improvements, and safety education according to the type of work. We also set a Safety Day every month, on which we conduct safety education and patrols so that past accidents are not forgotten. This safety education is wide-ranging and includes practical education such as protective clothing education and education for people working in high places, in addition to education on putting pointing and calling into practice, SDS reading, and individual risk avoidance. This training aims to improve the safety awareness and skills of employees. In addition, we also develop risk avoidance trainers and workplace supervisor health & safety trainers and encourage active participation in external safety and health workshops.



Training for wearing protective clothing



安全行動基準

1. 作業前に気づかせ、気づきの危険予知(KY)を行い、危険要因を

取り総合、危険な要因を確認させた後、作業を行わせること。

2 装押・影響楽は影示通りに作業を行っている力影響・確認すること 3. 不安全行動は絶対に黙認せず、妥協しないこと。

4. 指示は作業内容に応じて明確且つ具体的に行い、理解している

か確認すること

Safety guidance from an occupational safety consultant



Group education for instilling pointing and calling



Training for using full-harness type crash prevention equipment

#### Safety Activities at Our Plants

We have continued to implement a wide range of initiatives to improve the effectiveness of safety, including the introduction of the Assistant Manager system to reform safety activities at workplaces from the perspective of the production sites themselves, the thorough implementation of safe basic practices (pointing and calling, kiken yochi, etc.), and the reinforcement and diversification of safety displays.

#### No Accidents and No Injuries

#### RC action target

By giving the highest priority to safety throughout the company, Kanto Denka is endeavoring to achieve a record of no accidents and no injuries by focusing its efforts on production site-led safety activities and on raising safety awareness among its employees. In fiscal 2019, there were no workplace injuries or accidents at a company facility. Going forward, we will actively conduct suitable activities as we continue to strive for continued safe and stable operations.

| Trends in the<br>Accidents   | e Frequency of Lost Work-time Trends in Seve<br>Loss of Work T |      |      |      |      |  |                              |      |     |
|------------------------------|--|------|------|------|------|--|------------------------------|------|-----|
| FY                           | '15  | '16  | '17  | '18  | '19  |  | FY                           | '15  | '1  |
| Kanto Denka                  | 1.93   | 0.00 | 0.00 | 0.00 | 0.00 |  | Kanto Denka                  | 0.01 | 0.0 |
| Cooperating<br>Company       | 0.00   | 0.00 | 0.00 | 0.00 | 0.00 |  | Cooperating<br>Company       | 0.00 | 0.0 |
| Chemical<br>Industry Average | 0.81   | 0.88 | 0.81 | 0.90 | 0.94 |  | Chemical<br>Industry Average | 0.04 | 0.0 |

#### Speeding Up Safety Activities

We have implemented the Improvements Required Campaign (Shibukawa Plant) and Equipment Improvement Task Force (Mizushima Plant) in an effort to speed up safety activities. Tags are attached to unsafe areas discovered in the field in order to call attention. In the case of minor unsafe areas, the responsible department will make improvements as soon as possible, and if massive improvements are needed, improvements will be made in cooperation with the entire plant. Dramatic improvements have been made to unsafe areas as a result of these activities.



Handrails increased to reduce the risk of falls



#### Implementing Various Drills

Plants have their own disaster prevention groups, which run regular disaster prevention drills and rescue drills. Joint training exercises with public fire departments are also conducted regularly. We also carry out disaster prevention drills, emergency contact drills, and emergency response drills for each plant.





Joint training exercise with public fire department in preparation for a fire at a high location

Installation of a drencher system ahead of other private sector companies

#### Zero Workplace Injuries (zero workplace injuries among the employees and contractors), Zero Facility Accidents.

#### Accidents Involving

|   | '17  | '18  | '19  |
|---|------|------|------|
| ) | 0.00 | 0.00 | 0.00 |
| ) | 0.00 | 0.00 | 0.00 |
| 3 | 0.09 | 0.06 | 0.02 |

#### Trends in Occurrence of Facility Accidents

| FY                  | '15 | '16 | '17 | '18 | '19 |
|---------------------|-----|-----|-----|-----|-----|
| Number of accidents | 1   | 0   | 1   | 0   | 0   |

#### Visualization and Exhibition of Information

We promote the visualization of information by indicating safety targets and progress for each workplace. In addition, we work toward the exhibition of information through the utilization of digital signage that uses large LCD panels. These panels show various information that includes monthly safety slogans and occupational accident information, announcements for each workplace, and short comics related to safety

| 水島   | 工場<br>災害記 | 録目 | 現在    | 17    | 74 | <b>49</b> | B     |   |   | 1 | - 78: A             |
|------|-----------|----|-------|-------|----|-----------|-------|---|---|---|---------------------|
|      | Noise .   |    |       | _     |    |           | -     |   |   |   | お日本主用にリフト           |
| 1-12 | 3367      | B  |       | 16624 | B  | 144       | 16624 | B | - |   | 使用する作業第になり          |
| 1-23 | 11545     | B  | 2.63  | 16624 | B  | 248       | 16624 | 8 |   |   | 同業に見からうりたがま         |
| 2-13 | 1749      | 8  | 828   | 5174  | 8  | *8.98     | 12800 | н |   |   | MACTARL MA          |
| 3-13 | 5082      | 8  | 2.0.0 | 4865  | 8  | 827"218.8 | 2347  | 8 |   |   | し、転用のリスクを制<br>末島間発電 |

Raising awareness on no accidents and no injuries through exhibition

Introduction of examples of equipment improvements to each workplace

#### Measures for Preventing Heatstroke

We have made first aid sets including cooling materials and simple thermometers available as a measure to prevent heatstroke. We also try to help employees with salt supplementation by making a wide range of goods available that include sports drinks, candies, and pickled plums. In addition, we invite external lecturers to conduct group education with the aim of raising attention and awareness of the issue.



Equipping workplaces with multiple first aid sets for heatstroke



Heatstroke prevention training held online to prevent the Three C's (Closed spaces owded places. Close-contact settings

#### Quality Safety Measures

To fulfill our pledge of the best quality and safety to customers, we conduct a variety of initiatives in an aim to improve the awareness of guality through education and improve productivity through revisions to operations and efficiency improvements.

#### Introduction of Cutting-edge Analysis Technologies

Kanto Denka works to improve analysis technologies in both intangible and tangible aspects. During FY2019, we proactively invested in the adoption of cutting-edge analysis technologies, mounted high-sensitivity analyzer to improve the accuracy of analysis, and actively conducted trials and studies on new analysis technologies in order to assess high-quality products in a more multi-faceted and correct manner.

Also, focused on quality education, we conduct education to enhance quality control levels, including quality trend management points, cause analysis methods, and quality risk identification tools. Analysis engineers work to acquire and hone skills in advanced technologies through active participation in seminars by external specialist organization, in addition to internal education and training.



High-sensitivity gas analyzer







Promotion of Analysis Automation

prove operational efficiency.

trillions.

The Company is promoting the gradual automation of analysis

work. We are using automation to prevent human errors and im-

When installing high-sensitivity analyzers, the external environment,

such as contaminants, cannot be allowed to interfere with analysis

results. We are enhancing our clean rooms to ensure analysis is

conducted in spaces with a high degree of cleanliness in order to

enable the analysis of minute volumes, even at orders of part per

Analysis Operations in a Clean Analysis Environment

Essential equipment for analysis automation



Analysis being carried out in a clean room

#### Logistics Safety

Kanto Denka is making every effort to minimize potential risk factors in product distribution. To ensure safety in times of emergency, we require employees to always carry a yellow card and safety data sheet, and we have also entered contracts with external disaster prevention organizations and established systems for responding to leaks and fires.



Yellow Cards

Special gas transport vehicle

#### Customer Facility Improvement Activities

Customer facility improvement activities are activities for developing an environment that enables the safe delivery of products. We work together with distributors that actually deliver our products to customers and conduct independent investigations on defects after delivering to the customer's facilities. In addition, we ask customers for cooperation to make improvements and take to actions based on the results of these investigations. A total of 148 improvement measures have been implemented up until now as a result of these activities that have been conducted for more than 20 years. For customers to use our products safely and securely, we will continue working together with customers and distributors, helping to ensure safety in product delivery.



Safety data sheets



PL labels

#### Cooperation with Distributors

We have established the Distribution Safety Sectional Meeting in both the Shibukawa and Mizushima regions as part of the Logistics Safety Committee that is a subordinate organization of the RC Promotion Council. As a forum for cooperation and mutual growth, the Distribution Safety Sectional Meeting is formed of the Company and distributors, and contributes to improvements in distribution quality. In the Meeting activities, we make various efforts including the lively exchange of opinions and sharing of information for the safe and secure transport of products, in addition to joint safety patrols on distribution equipment at our plants. As a company that handles hazardous materials, we will work together to fulfill our responsibility to customers and society by collaborating with distributors for improving distribution quality through the Meeting activities going forward.

## Environmental Initiatives

### Reduction of PFCs, SF<sub>6</sub> and NF<sub>3</sub> Emissions

**JCIA Voluntary Action Plan** 90% reduction in PFCs emission intensity and 90% reduction in SF<sub>6</sub> emission intensity of 1995 levels, and maintain this level. 60% reduction in NF<sub>3</sub> emission intensity of 1995 levels by 2020 and 85% by 2030.

The Company works to reduce emissions of PFCs, sulfur hexafluoride (SF6) and nitrogen trifluoride (NF<sub>3</sub>) that have a high global warming effect in cooperation with seven other companies in Japan as part of Japan Chemical Industry Association's (JCIA) Voluntary Action. The reductions in unit emissions for FY2019 by the Company in FY2019 were 98.1% for PFCs, 98.9% for SF<sub>6</sub>, and 99.9% for NF3, and the targets in JCIA's Voluntary Action have been achieved.



### Reduction of GHG

#### RC action target

Reduce CO<sub>2</sub> equivalent greenhouse gases (GHG) emissions by 86% of FY1990 levels. Reduction of 0.7% every year.

The substances contributing to global warming that we are trying to reduce are emissions of CO<sub>2</sub>, PFCs, HFCs, SF<sub>6</sub>, and NF<sub>3</sub>, and we set and conduct activities based on RC action targets to reduce the total emissions of these substances. Going forward, we will focus on reducing CO<sub>2</sub> emissions.

Trends in GHG Emissions





(unit: %)

#### Trends in Reduction of PFCs and SF6 Trends in Reduction of NF<sub>3</sub> Emissions

#### Reduction of CO2



We met our target of a 10% reduction on FY1990 levels in 1998 and have since continued to achieve sustained reductions of at least 10%. In future years, we will focus on realizing a low-carbon society by reducing electric power consumption per unit of output.



#### Trends in Emission Amounts of Substances Specified in Voluntary Management Standards

Reduce emissions of voluntarily controlled substances (specified in the JRCC's standards) released from manufacturing facilities.

Kanto Denka has designated trichloroethylene, tetrachloroethylene. Ethylene dichloride and dichloromethane as four voluntarily managed substances\* and it is reducing total emissions by working to reduce its atmospheric emissions. We will strengthen measures in response to trichloroethylene that accounts for a high percentage of emissions in the future.

\* These substances were designated using the 12 substances prioritized by the Japan Responsible Care Committee (JRCC) for reductions in atmospheric emissions as a reference.

#### Reduction of Environmental Pollutants

#### RC action target

Reduce the emission intensity of chemicals specified as PRTR by JCIA by 30% of FY2018 levels.

Reduction of 10% every year.

Kanto Denka uses the JCIA method\* to manage chemical substances. In FY2019, Kanto Denka handled 18 PRTR target substances using the JCIA method with a total weight of 232,000 t. Emissions totaled 18.2 t, which equates to 78 g of unit emissions per ton handled. Going forward, we will strengthen measures in response to methyl alcohol that had high volumes of emissions

\* The JCIA method covers a greater number of substances than PRTR target substances under the law and requires more stringent management.

#### Reduction of Energy Consumption

#### RC action target

Reduce energy consumption (crude oil equivalent) per unit of production volume by 3% of FY2018 levels. Reduction of 1% every year.

Breakdown of Emissions (18.2 t)

alcohol 48.2%

in FY2019

Others

11.8%

Methyl-

8.3%

**14.1**%

ethyl ketone

1.1-dichloroethylene

While we have been proactive with initiatives such as making improvements at high power-consuming facilities and reducing vapor intensity, increased production led to a high operation load, meaning that energy use failed to decrease in FY2019, remaining roughly level with the previous fiscal year. At the Mizushima Plant, we improved intensity through the effective use of excess hydrogen.



Breakdown of Emissions in FY2019



Trends in Emission Amounts of Substances Specified in Voluntary Management Standards (unit: %)



#### 80 60 40 20 85 8.2 66 6.2 54 '95 '17 '18 '19 (FY) '15 '16

#### Trends in Emissions of PRTR-specified **Chemical Substances**

(index relative to FY2018 as 100) (unit: %)



103.2

101.9 100.9

'16

'17

'18

'19 (FY

🚧 Mizushima Plant

(unit: %)

#### Reduction of Plant Waste Water and COD

#### Reduction of the amount of plant waste water and COD emissions.

Kanto Denka has been working to reduce volumes of plant waste water and COD emissions via actions like the recovery of pollutant substances in our manufacturing facilities. In recent years, the effects of global warming have led to a trend of water for industrial use getting warmer during summer, so we are advancing additional measures to reduce usage volumes.



### Reduction of SOx, NOx, and Soot and Dust Emissions

Reduction of emissions in accordance with voluntary management standards.

We are working to reduce the emissions of atmospheric pollutants, namely SOx (sulfuroxides), NOx (nitrogen oxides) and Soot and Dust through stable operation of abatement equipment. Going forward, we will continue to enhance facility management and operations management so that we can maintain low emissions levels.

#### Reduction of Industrial Wastes

#### RC action target

Reduce landfill industrial emissions outside our plant by 15% of FY2018 levels by raising the recycling ratio. Reduction of 5% every year.

Although industrial waste destined for landfill has continued to increase in recent years due to increased production, results were achieved in FY2018 from the recycling of the sludge that was produced. We will implement measures to improve the raw material yield in order to reduce the amount of sludge produced in the future.

#### The Emissions of Greenhouse Gases Report Based on the Act on **Promotion of Global Warming Countermeasures**

Kanto Denka reports data in accordance with the "Mandatory Greenhouse Gas Accounting, Reporting and Disclosure System." The volume of emissions in FY2019 amounted to 250,000 t of CO2. We have focused on reducing emissions.

|                                    | 2015 (official) | 2016 (official) | 2017 (official) | 2018 (official) | 2019 (reported) |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Originating from energy            | 22.4            | 21.9            | 22.4            | 22.4            | 22.2            |
| Emissions of PFCs, etc.*           | 6.4             | 6.7             | 3.9             | 5.0             | 1.8             |
| Emissions of NF3                   | 7.5             | 18.9            | 3.6             | 1.2             | 0.4             |
| Originating from distribution fuel | 0.6             | 0.7             | 0.7             | 0.7             | 0.6             |
| Total                              | 36.9            | 48.2            | 30.6            | 29.3            | 25.0            |

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#### Trends in Plant Waste Water and COD

(unit: %)



Discharged water (cleaned at the plant)

| Trends | in | SOx, | NOx, | Soot | and | Dust | Emis- |
|--------|----|------|------|------|-----|------|-------|
| sions  |    |      |      |      |     |      |       |

| (index*  | relative | to | FY1993    | as | 100) |
|----------|----------|----|-----------|----|------|
| (III GOX | 10101110 | .0 | 1 1 10000 | ao | 100) |

'15 '16 '17 '18 '19 FY SOx 0.06 0.07 0.05 0.04 0.05 NO× 2.82 3.22 3.13 2.91 3.19 Soot and Dust 0.53 0.53 0.53 0.49 0.53 Emissions

\* Emission/shipment value

### Trends in Industrial Wastes

(index relative to FY2018 as 100)

(unit: %)

(unit: %)



#### Official and Reported Values from 2015 to 2019

\* Emissions of PFCs, etc.: Total emissions of PFCs + HFCs + SF6

(Unit: 10.000 t of CO<sub>2</sub>)

### Compliance



#### Internal Auditing Department

From an independent viewpoint as an organization under the direct supervision of the President, the Internal Auditing Department evaluates and expresses opinions on whether the Company's business activities are in compliance with laws and regulations, the articles of incorporation, and related rules and whether they are being managed effectively and efficiently. It also conducts audits that contribute to the achievement of management targets by working to correct and prevent fraud and malpractice. The Department also evaluates the status of development and administration of the internal control system in accordance with the Basic Policies on Financial Reporting set forth by the Board of Directors.

#### Internal Notification System

In order to respond promptly to breaches of compliance or to prevent them from happening, directors and employees of Kanto Denka are required to swiftly report information on breaches of compliance. Such information is reported to the General Manager of the Personnel Department, General Manager of the Legal and General Affairs Department, the Standing Auditor, or to lawyers outside the company. Kanto Denka responds appropriately to these issues after investigating the facts, and the corporate rules stipulate that the person making the notification must not be treated disadvantageously.

#### Measures to Prevent Information Leaks

We have clarified rules on the retention and disposal of information, including the Information Security Guidelines concerning the prevention of the leakage of internal data, as well as the Basic Policy on the Protection of Personal Information, the Rules for the Protection of Personal Information, and the Rules for the Handling of Specific Personal Information concerning the protection of personal information. We have set forth various stipulations, some of which require ex-employees of Kanto Denka to thoroughly observe the confidentiality, thereby preventing the leakage of information.

### Interaction with Employees

#### Work-Life Balance

We promote the creation of comfortable working environments so that employees can feel secure in achieving a balance between work and family life. We have introduced a variety of systems to this end including a flex-time system, accumulated paid leave system, various special leave systems, maternity leave and child rearing leave, nursing care leave, and re-employment for employees reaching retirement age. We aim to create a more comfortable working environment through repeated improvements including increasing the number of years that can be acquired for reduced working hours for childcare and increasing the limit on half-day leave that can be acquired in a year. The annual leave acquisition rate is 74.3%, and a high acquisition rate has been maintained for many years thanks to an environment that makes it easy to acquire leave.

#### Promoting the Active Participation of Women

We have set targets as a general business owner action plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace, and we are strengthening the appointment of women to career-track positions and the promotion of women to management positions. In addition, we are supporting the participation of women in various positions through systems including nursing care leave, maternity/childcare leave, and reduced working hours, as well as nursing leave for children that can be acquired in half-day units.

#### Human Resources Education

At Kanto Denka, we conduct various in-house training, such as languages, anti-harassments, and trainee-specific training according to age and rank, as well as a wide range of optional correspondence courses. In addition, we are actively engaged in human resources education including first-aid and emergency medical care workshops by instructors from the fire department, exhibitions on maintenance and servicing, lectures by occupational health physicians, and internal education related to safety, the environment, and quality by the responsible department.



#### Health Management

#### Medical Examinations

Regular medical examinations are conducted every year for all employees. If there are any findings in the examination or re-examination is required, the Company covers the costs for the re-examination, and health guidance is provided by an occupational health physician or public health nurse. In addition, special medical examinations based on the Industrial Safety and Health Act are conducted, as well as medical examinations before and after overseas assignments for employees assigned overseas.

#### Mental Health Care

We focus on not only physical health care, but also mental health care so that employees can live healthy lives. We open a Mental and Physical Health Contact point, and assign a mental health representative to each office. Also, we provide information on partner organizations and public institutions involved with mental health through the internal intranet. In addition, we have a structure capable of enabling a smooth return to work in coordination with an occupational health physician for people who have taken leave.

#### Barrier Free -

In order to realize a workplace where many employees can work more comfortably, we are making the Shibukawa Plant barrier free, including the entrance. Going forward, we will strive to make all facilities barrier free and welcoming for people with disabilities.



#### Labor Union

Kanto Denka and the Kanto Denka Labor Unions have established positive labor-management relationships based on respect and trust for their mutual positions. Opinions are exchanged between labor and management with the aim of realizing a better work environment at the Health and Safety Committee held every month and the Regular Labor-management Negotiation Meeting that is held twice a year.

### Aiming for Vibrant Workplaces

#### Cultural Festival

A cultural festival is held each year at the Mizushima Plant. Employees and their families contribute many photographs, craft works, bonsai, and other creations which are put on display in the entrance, corridors, and meeting rooms. These works can also be viewed by visitors, and the event has been well received.



#### Ryoyukai Activities

The Ryoyukai runs various activities, such as viewings, bowling outings and staff travel that provide an opportunity for workers to get to know each other. The club brings employees together away from work through events such as tennis and futsal tournaments open to people from any division or workplace, or hiking trips with retired employees, where they can talk about other things and deepen their friendships.



### **Company Information**

#### Green Workplace

Kanto Denka is greening its factory precincts in order to create more pleasant workplaces and preserve the environment. The Company also encourages the active participation of employees through efforts including memorial tree planting for the coming of age and the establishment of green areas under the name of departments.



In recent years there has been a growing awareness of "Kojo Moe" (industrial aesthetic) in regard to chemicals plants, in which grim-looking structures such as manufacturing facilities and rack-mounted pipework dominate a plant site. Within such an environment, green-fingered volunteers have been growing decorative vegetation such as flower beds and potted plants throughout the Mizushima Plant site based on the concept

of a "breath of fresh air." One of the things that makes this uniquely difficult to do is the dryness caused by being surrounded by man-made materials. Although watering the plants in summer is tough, we remember how much people love to see them and take care of them every day.



Masaki Morioka

#### NPO "Shibukawa Wide Area Manufacturing Council"

Shibukawa Plant employees take part in the activities of the Shibukawa Wide Area Manufacturing Council aimed at beautifying the local environment and combating global warming by growing flowers and greenery. Planting flowers along roads helps to significantly decrease the litter that is thrown away by passing cars and people. These activities provide a channel for deeper engagement with people in the local community.



#### Internship

By taking part in the Kanto Denka internship program, students gain a deeper understanding of the company and the chemicals industry.

#### Participation in Regional Events

Kanto Denka takes part in local festivals and other events so that our employees can each engage with local residents and get to know them better.

#### Clean-up Activities

As well as regular clean-ups in the areas around its plants that include weeding and picking up trash, Kanto Denka also participates in city or district group clean-up events and clean-up activities organized by neighboring communities in an aim to beautify the environment around the plant.



#### Plant Tours

Plant tours are available at any time for a wide range of age groups in order to deepen understanding of Kanto Denka, and they offer an opportunity to exchange views on safe operations and environmental activities that are then used to influence plant management.

#### Blood Donation Activities

Large numbers of employees have cooperated in donating blood for many years, resulting in several commendations over the years from Japanese Red Cross Society and the Ministry of Health, Labour and Welfare. We continue such as efforts as a form of social contribution going forward.



#### Local Community Social Gathering

These events are held several times a year for people living in neighborhoods adjacent to our plants. These social gatherings are aimed at building trust in the community by responding to the questions and doubts of people from the local community.

#### Interaction with Neighboring Companies

Regular meetings are held with three neighboring companies at the Shibukawa Plant and with five neighboring companies in the industrial complex at the Mizushima Plant. We consider coordination between companies and safety in the local community through exchanging opinions regarding safety and environmental activities.

#### Activities to Prevent the Spread of COVID-19

When the COVID-19 pandemic raised demand for masks and put pressure on supplies, we donated a portion of the masks we had stored as an infection prevention measure to public institutions. medical facilities, social welfare councils, and other organizations. While this was just a small action, we will continue to search for ways we can contribute so that we can overcome this difficult period together.

### Corporate Profile

| Company Name: | Kanto Denka Kogyo Co., Ltd.  |  |
|---------------|--|--|
| Established:  | September 22, 1938   |  |
| Headquarters: | Yusen Building,<br>2-3-2, Marunouchi, Chiyoda-ku, Tokyo<br>100-0005, Japan |  |
| Phone:        | +81-3-4236-8801  |  |
| President:    | Jun'ichi Hasegawa  |  |
| Capital:      | ¥2.877 billion   |  |
| Employees:    | 651 (as of March 31, 2020)   |  |
| Sales:        | ¥47.791 billion  |  |
|               |  |  |



#### Network

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