What is our goal

The goal of Konishi Chemical Industry Co., Ltd. is to make the company permanent. In other words, to continue to generate profits from now to the future, and to continue to be recognized by society. We believe there are three important factors in reaching this goal.

- I . Identify your business
- ${\rm I\hspace{-.1em}I}$. Embed the persistence mechanism
- III. Putting the greatest emphasis on human resource development

Management system integration policy

The purpose of our management is to clarify the needs and expectations of our customers and stakeholders inside and outside the company, to satisfy them and to establish a competitive advantage. To achieve this objective effectively and efficiently, we will use and deploy a management system throughout our organizational activities. We will use integrated management systems in our Responsible Care activities such as safety and disaster prevention, environmental protection, occupational health and safety, chemical safety and quality assurance, and work to improve the overall performance of our organizational activities in addition, we will seek to establish a management system in which employees will always take a management perspective and work across the business activities in a cross-organizational manner in terms of risks that exist outside the management system, organization and boundaries.

- 1. The PDCA cycle of each management system is closely linked to the PDCA cycle of management with the top of the medium-term management plan, aiming to achieve a synergistically effective spiral-up and improve overall management performance.
- 2. When promoting PDCA and projects for organizational activities, the first step is to clarify the overall plan. With 5W2H in mind, we will always be able to visualize the entire process schedule, role responsibilities, issues, and progress within the company. If a sudden change occurs, the plan will be revised immediately even during the PDCA cycle, and the PDCA cycle will be rotated vigorously at a speed that can respond to environmental changes.
- 3. We work on continuous improvement to improve the effectiveness and efficiency of our management system, and do not hesitate to make drastic reforms and restructuring if necessary. To that end, we will actively introduce and utilize logical approaches such as the process approach. We will systematically enhance internal education so that employees can manage these activities effectively, and improve organizational capabilities and performance.
- 4. If a defect or problem occurs, as well as a non-conformity, we will respect the culture of gathering and discussing quickly in the company, and immediately start taking action according to the procedure. In the operation of the conference body, efficiency and effectiveness are important, and we always make discussions that directly look at the essence and draw conclusions from a management perspective.
- 5. We will continually work to strengthen our auditing function, aiming to build a comprehensive risk management that ensures that customers' perspectives, stakeholders inside and outside the company, and the perspective of environmental change are complete. Employees, on the other hand, actively try to visualize internal processes and always make suggestions for improvement.
- 6. Develop and implement plans to comply with applicable legal and other requirements in all aspects of business activities. In addition, we will develop education to nurture employees with a high spirit of compliance, including internal rules.

September 7, 2009 Konishi Chemical Industry Co., Ltd. Hironori Konishi, President

Safety policy

We regard safety as the first condition of corporate continuity, maintain operation without accidents and disasters, and ensure the safety of local communities and employees by continuously improving the performance of risk management.

- 1. We conduct risk assessments at each stage, from R & D to equipment operation, maintenance, improvement, change, disposal, and distribution through equipment design and construction, and implement processes to ensure that safety is assured. In particular, we always conduct a risk assessment before making any changes to confirm that there will be no impact on business activities or the management system.
- 2.For process hazard assessments, we will collect sufficient scientific data on the handling of materials and process safety. And we will conduct risk management with active brainstorming by actively introducing and utilizing universal and rational methods such as HAZOP.
- 3. We conduct timely investigations on incidents, including human errors and near misses, and lead to essential corrections, preventions, and improvements.
- 4. Develop effective and efficient safety management programs to avoid and reduce risks related to accidents and disasters.
- 5. We will establish a system that allows managers to directly monitor and follow up on the status of risk response through patrols and communication, as well as management reviews.
- 6. In the unlikely event of a crisis, we will establish emergency measures in advance and repeatedly implement emergency drills to make improvements.

Environmental policy

We take the current location of our factories seriously and always keep in mind the local environment. Consider the impact on the environment at all stages of the life cycle, from product development, production, to disposal, and use thorough risk management and management systems to prevent contamination, leakage, and outflow, and to ensure that pollution-free plants continuously.

- 1. We will accurately understand the environmental impact of overall production activities based on material balance data, etc., and utilize it in environmental protection activities in all business activities, including process design and equipment design.
- 2. Develop effective and efficient environmental management programs, actively promote resource- and energy-saving activities with the participation of all employees in production activities, continuously reduce unit consumption, and waste water and waste from factories. We will promote the reduction of material generation, recycling and reduction of chemical substance emissions.

Quality policy

We work with all employees to improve the quality we provide to our customers and the level of quality control that guarantees them, and win the trust of our customers. We aim to be a company that can create products that are truly loved by our customers and ourselves, and we want to be a company that we can be proud of.

- 1. We will actively and continuously improve our management system in order to eradicate customer complaints. Improvements always clarify the effectiveness and efficiency of the system.
- 2. In the unlikely event that a customer makes a complaint or request or finds a shortcoming in the company's system, we will immediately develop a rational process approach to pursue the root cause. And that is always the essential and best choice for the customer.
- 3. In the process of improvement such as recurrence prevention / prevention measures, we try to solve the real problem by cutting off the root cause discovered through active brainstorming without falling into coping therapy like moles.
- 4. Thoroughly implement quality assurance efforts from the R & D stage, and aim to improve performance for customers by promoting a speedy and concurrent engineering design and development management system.

September 7, 2009

Konishi Chemical Industry Co., Ltd.
Hironori Konishi. President