

► Total Environment, Health and Safety Assessment System

Since 1995, Daicel has administered its unique Total Environmental, Health and Safety Assessment System (“Total EHS Assessment System”). Assessments based on this system are undertaken in accordance with the Basic Policies for Responsible Care.

Under the Total EHS Assessment System, a prior assessment of diverse risks associated with all business operations—including planning, R&D, production, consumption, and disposal—is initiated in order to ensure thorough consideration of environmental, health and safety issues. From a risk management perspective, the implementation of Total EHS Assessment System is indispensable to ensuring effective corporate management.

In fiscal 2014, Daicel launched Product Crisis Assessments as a measure to prevent the outflow of defective products as well as prevent the occurrence and spread of product accidents with the aim of reinforcing product safety assessments. In addition, we are considering establishing a system whereby a third party objectively examines the results of tests conducted on the potential hazards and toxicity of products that are handled directly by people.

The number of Total EHS Assessments performed by headquarters, which evaluates new plans ranked by scale and importance (new processes, etc.) with the highest ranking, has approached 690 since the system was introduced. In accordance with global business expansion, the Total EHS Assessment System has been implemented at overseas production bases since 2010.

Breakdown of Total EHS Assessment System

Categories of the Total EHS Assessment System	
Legal compliance	Evaluate conformity with laws
Environmental preservation	Evaluate based on environment-related laws and regulations
Operational safety at facilities	Evaluate risk of explosion and fire Assess results of other evaluations and fitness of relevant facilities
Occupational health and safety	Evaluate conformity in context of preventing labor accidents
Distribution safety	Evaluate distribution safety
Chemical substances safety	Evaluate hazards posed by all chemical substances handled
Product safety	Evaluate products for risk of causing bodily injury
Safety of production outsourcing, purchasing and sales	Evaluate from perspectives of the environment, safety and preventing occurrence of health problems

Details of New Plans

- New product launches
- New projects
- Establishment, expansion and renovation of facilities
- Changes in matters (e.g. raw materials, synthesis methods, processes) related to manufacturing
- New contracts/changes in distributors, customers and sales applications
- Acquisition and transfer of properties and equipment
- New contracts/changes in manufacturing outsourcing and purchasing/sales
- New/change in waste management