

## Communication with Customers

The ADEKA Group plans to develop products that are beneficial to society through active communication with customers. Our full-time sales and other technical service staff are stationed at each site, and the emerging needs and issues collected through communication with customers are shared and reviewed across the Group, leading to the development of new products. As a materials manufacturer, we strive to provide more meaningful and valuable services to our customers, for example, by comprehensively introducing compounding and formulations that include products of other companies.

In addition, efforts are underway to create value

beyond the research laboratories. In fiscal 2017, we held discussion sessions on five themes: synthesis technology, emulsification/dispersion/powderization technology, high-purification/analysis technology, polymer technology and compounding/processing technology. And we conducted poster presentations that reported on our progress in research and development. Moreover, we



Cosmetics trade show in the Netherlands In-house technology poster session

shared these efforts and expert knowledge in each specialized area.

## Kaizen Assuring Four Areas of Safety



To ensure the sustainable development of the ADEKA Group, personnel in Japan and abroad are well aware of their mission to continue to guarantee security for customers in four basic areas of safety: occupational, quality, equipment and environmental. An increasing number of overseas Group companies participate in our semiannual workshops on *kaizen* initiatives, with a record six of them joining in fiscal 2017.

### Four Areas of Safety

#### Occupational Safety

We eliminate potential risks through risk prediction activities for the complete prevention of occupational accidents. Young and relocated employees are taught by experienced personnel who pass on their knowledge of technology and safety principles so that we can consistently maintain *kaizen* awareness. Continuous *kaizen* in the workplace environment is indispensable for employees to work in a healthy and safe manner.

#### Quality Safety

We identify the root cause of potential quality problems, implement *kaizen* and entirely prevent our own actions from causing problems. In addition, we maintain the sound management of the entire supply chain and exercise extra vigilance over chemical material management and food safety.

#### Equipment Safety

We prevent major accidents and ensure business continuity by assessing disaster risks and periodically taking steps to deal with aged equipment. We understand and brush up on our emergency response procedures and increase our security capabilities so that everyone can make an appropriate decision at any place and time.

#### Environmental Safety

We review and minimize the impact of the entire supply chain on the global environment and biodiversity. In addition, we reduce emissions and the generation of all materials that impact the environment and human health, such as greenhouse gasses and volatile chemicals.

### VOICE

#### Automatic Forklifts Lead to Occupational Safety

Ludovic Fleury  
ADEKA POLYMER ADDITIVES  
EUROPE SAS



Forklifts, while indispensable for factories, are associated with significant hazards. Our company has consistently strived to strengthen security through a number of preventive measures, such as separating lanes for pedestrians and forklifts, increasing forklift visibility and providing video-based safety training. As a further *kaizen* measure, we have introduced a revolutionary automatic forklift system, which decelerates a forklift when it detects a danger zone or person, further eliminating potential risk. This *kaizen* was the first of its kind at a production plant in southern France and has been taken up as a safety model by the labor security authorities.

# With Shareholders and Investors



Placing high priority on communication with shareholders and investors, who expect continued growth and profitability, the ADEKA Group strives to disclose corporate information in a timely and appropriate manner and maximize corporate value through business activities.

## Dialogue with Shareholders and Investors

### • Proper Disclosure of Information

ADEKA strives to disclose accurate corporate information in a fair and timely manner to all stakeholders under its disclosure policy. Moreover, the Group actively discloses important information pertaining to company management, including business plans, to enhance understanding of ADEKA. The company observes a silent period preceding the announcement of its financial results to refrain from commenting on specific topics and from disclosing any unconfirmed information prior to the announcement. However, it will disclose information should it determine that the content of its financial results could significantly impact shareholders and investors.

Disclosure Policy  
<https://www.adeka.co.jp/en/ir/disclosure/>

### • General Shareholders Meeting

We put great effort into maintaining an environment in which all our shareholders can properly exercise their rights. This includes early disclosure on the company's website and avoidance of holding our shareholder meeting on the same day as many other Japanese companies hold theirs, which facilitates productive dialogue with shareholders. To make easier the review of the agenda by overseas shareholders, we posted an English notice of invitation to the shareholders meeting to be held in June 2018.



The 156th Ordinary General Shareholders Meeting

### • IR Activities

We actively conduct IR activities such as briefings and issuing materials on our financial results for institutional investors and analysts. In fiscal 2017, we held 134 IR meetings in addition to financial results briefing sessions, which are held semiannually.

### • Listed in the SRI Index

ADEKA is included in the SRI (Socially Responsible Investment) index, which is used for making investment decisions based on CSR initiatives, and similar considerations.

- MSCI Japan Empowering Women Index (WIN)
- SNAM Sustainability Index

MSCI 2018 Constituent  
MSCI Japan Empowering  
Women Index (WIN)

Member of SNAM  
Sustainability Index  
2018

### • Returning Profits to Shareholders

ADEKA redistributes its profits to shareholders based on an overall consideration of the management environment, business performance and financial condition. With the understanding of its shareholders, ADEKA applies its internal reserves by placing priority on strengthening its management base and investing in growth businesses from a mid- to long-term perspective.

### ▶ Annual Cash dividends

