Business Activity

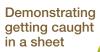
Safety Comes First—Nothing Is More Precious than Human Life

The Nitto Denko Group's core business stems from the use of manufacturing technology. The manufacturing industry by its very nature exposes employees to many potential physical dangers within the workplace. It is because of this that we prioritize occupational health and safety, from both an educative and equipment safety check perspective.

Virtual Risk Training Apparatus

Nitto Denko Corporation introduced "Virtual Risk Experience Apparatus" in the Kameyama and Toyohashi Plants in 2005 and the Onomichi and Tohoku Plants in 2006. This equipment enables employees through simulation exercises to acquire safe work practices, thereby minimizing or preventing exposure to potential risk situations. In March 2007, Nitto Denko introduced a "Virtual Risk Experience Vehicle." This vehicle has allowed a greater number of employees to engage in simulation safety training exercises.

At our Global Technology Conference in 2006, a request was made to provide employees from all overseas group companies with occupational health and safety training especially relating to the safe use of industrial machinery. It was decided that the safety training would first be completed domestically and would then be reviewed with the view in mind of making any improvements prior to offering it to our overseas employees.





Safety confirmation-based systems and risk detection-based systems

Using a machine motor housed in a cubicle with an access door, employees are able to learn the difference between safety confirmation-based systems and risk detection-based systems. In the confirmation-based systems, the door does not open unless the motor stops completely. In contrast when the door is opened on a risk detection-based system the power supply of the motor is cut off, however the motor freewheels and is not fully safe until the motor stops completely.



Demonstrating getting caught in a V-belt

In the simulation vehicle, employees can receive training in better managing the following risk scenarios:





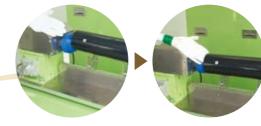


Demonstrating getting caught in a roller



Demonstration of the danger of being wedged in a press machine

Demonstration of the dangers of being wedged in a chucking machine





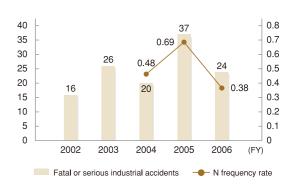
Demonstration of being cut by a constant-length

Demonstration of an organic solvent explosion

Employees are given the opportunity to conduct an experiment involving the igniting of vaporized organic solvent with sparks. This exercise allows participants to experience how a small amount of organic solvent is able to generate considerable energy. It allows participants to learn about the correct ways of handling organic solvents and the potential dangers associated with fire accidents, even in situations where no trace of fire is evident.

Fatal Accidents

As indicated in the chart below, some fatal industrial accidents have occurred involving staff of the Nitto Denko Group. It is because of this that initiatives such as the Virtual Risk Experience Vehicle have been implemented. The Nitto Denko Group strongly wishes to be an enterprise without accidents and aims to reduce the number of accidents to as close to zero as is humanly possible.



Fatal industrial accidents: Industrial accidents with after effects
Serious industrial accidents: Industrial accidents with the potential for after effects

Annotation

- Since fiscal 2005 we have put in place official criteria which clearly clarify the difference between serious industrial accidents and fatal industrial accidents.
- Prior accidents have been reexamined having the contents of their "accident prompt reports" assessed against our new safety criteria.

The N frequency rate of industrial accidents is an original figure and differs from the general indicator.

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