

November 5, 2021
DIC Corporation

DIC Initiatives Aimed at Enhancing the Work Environment in the Logistics Industry through Support for the White Logistics Movement

Tokyo, Japan—DIC Corporation is a supporter of the White Logistics Movement,¹ which is being put forward by three Japanese government ministries—the Ministry of Land, Infrastructure, Transport and Tourism, the Ministry of Economy, Trade and Industry, and the Ministry of Agriculture, Forestry and Fisheries—to improve the work environment in the logistics industry. In December 2019, DIC submitted its own declaration of voluntary action to the movement’s secretariat. Since then, the Company has advanced a variety of initiatives in the declaration’s seven categories. Below the table, DIC outlines some of the initiatives it is promoting in two of these categories: “Use of pallets and other containers” and “Modal shift (switch to transport by rail and ship).”

Summary of DIC’s Declaration of Voluntary Action

Categories	Details
Cooperation with and proposal of measures to improve logistics	In the event a customer or logistics firm requests, for example, a shortening of loading times, manual unloading by drivers or the rationalization of incidental work, DIC will engage sincerely in discussions and proactively offer proposals.
Use of pallets and other containers	DIC will reduce cargo handling times by using pallets, roll box pallets, folding containers and reusable cartons, among others.
Use of expressways	If a logistics firm seeks to discuss the use of expressways and responsibility for paying tolls, DIC will negotiate earnestly.
Modal shift (switch to transport by rail and ship)	For long-distance transport, DIC will switch from trucks to ferries, roll-on/roll-off (RORO) ships and rail. When doing so, revise cargo contents and cost burdens as necessary.
Promotion of written contracts of carriage	DIC will encourage the use of written contracts of carriage.
Consideration of legal and regulatory compliance when selecting logistics firms to contract	When selecting logistics firms to contract, DIC will give consideration to compliance with relevant laws and regulations.
Cancellation/suspension of operations in the event of extreme weather	DIC will avoid making unreasonable transport requests when a typhoon, heavy rain, heavy snowfall or other extreme weather occurs or is expected. Should a logistics firm determine it is necessary to cancel or suspend operations to ensure driver safety, DIC will respect that company’s judgment.

Initiatives associated with the use of pallets and other containers

DIC is working with its logistics partners to promote the use of returnable (reusable) pallets² at some of its distribution bases. This eliminates the need to transfer cargo from production facilities to one-way (single use) pallets³ when warehousing, thereby reducing the labor requirements of cargo handling. By also using returnable pallets for delivering products to customers, which it then retrieves,

DIC is helping to ensure reuse and reducing CO₂ emissions attributable to the disposal of one-way pallets.

Initiatives associated with modal shift (switch to transport by rail and ship)

DIC has long promoted a shift to transport by ship for long-distances in Japan. Shipping using fuel that complies with SOx emissions regulations, which exerts less of an impact on the environment, has recently become standard across the domestic logistics industry. However, because the surcharge on this fuel is higher than that on bunker C fuel oil, previously the standard, its use will increase costs for logistics firms. As a supporter of the White Logistics Movement, DIC, having received requests to consider the issue from logistics firms, resolved to appropriately bear the surcharge incurred by these companies to use SOx emissions regulation-compliant fuel beginning in 2020.

In addition to these efforts, DIC will continue to strengthen communication and collaboration with its logistics partners with the aim of contributing to the promotion of the White Logistics Movement and to the realization of a sustainable society.

– Ends –

- 1 The White Logistics Movement is a program introduced to address a critical shortage of qualified truck drivers, thereby ensuring the provision of stable logistic services—crucial to both consumers and industrial activities—while also supporting economic growth. The goals of the movement are to improve the productivity of truck transport and enhance the efficiency of logistics overall, as well as to create work environments that welcome women and drivers over 60.
- 2 Returnable pallets are reusable. Repeated use lowers environmental impact by reducing waste disposal.
- 3 One-way pallets are for single use, after which they become waste and must be disposed of.

Related press release

DIC Participates in the White Logistics Movement (December 20, 2019) (Japanese only)

<https://www.dic-global.com/ja/news/2019/csr/20200116114750.html>

About DIC Corporation

DIC Corporation is one of the world's leading fine chemicals companies and the core of the DIC Group, a multinational organization comprising over 170 companies around the globe, including Sun Chemical Corporation, in more than 60 countries and territories. The DIC Group is recognized as a global leader in the markets for a variety of products essential to modern lifestyles, including packaging materials, display materials such as those used in television and computer displays, and high-performance materials for smartphones and other digital devices, as well as for automobiles. Through such products, the Group endeavors to deliver safety and peace of mind, and color and comfort, to people everywhere. The DIC Group also seeks to contribute to a sustainable society by developing innovative products that respond to social change and which help address

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