The Mitsui Chemicals Group "CSR Report 2015"

Contents

Top Page
Message from the President
UN Global Compact4
CSR in the Mitsui Chemicals Group .6 Toward the Realization of CSR .10 Key Issues .11 Creating a Better Future with Blue Value™ .16 Mitsui Chemicals' commitment to ISO 26000 .18
Special Feature
Mitsui Chemicals Group's CSR TOPICS 2014
Tahara Solar-Wind™ Joint Project
Safety Initiatives .37 Initiatives at Iwakuni-Ohtake Works .40 Introduction to Events on Safety Day. .42 Main Products of the Mitsui Chemicals Group that .42
Contribute to the Sustainable Development of Environment and Society
CSR Management.48Management Framework49Goals and Results49Corporate Governance.50Risk Management Framework.54Compliance Training.56
Responsible Care .57 Mitsui Chemicals' Responsible Care Policy .59 Responsible Care Policy .59 RC Promotion System .60 Goals and Results .60 RC initiatives .61

Environmental Safety, Occupational Health, and Quality Audits64
Roll Out to Subsidiaries and Affiliates
Process Safety and Disaster Prevention
Goals and Results
Initiatives to Prevent Major Accidents
Introduction to Process Safety and Disaster Prevention
at Production Sites
External Communications75
Occupational Health and Safety
Goals and Results
Creating Safe and Secure Workplaces
Introduction to Safety Activities at Production Sites
Environmental Protection
Goals and Results
Preventing Global Warming
Reducing Industrial Waste
Substances Subject to the PRTR Act
Preserving air quality
Philosophy on Water Resource
Introduction to Activities at Production Bases
Biodiversity
Environmental Accounting
$INPUT \Rightarrow OUTPUT \dots$
Handling Environmental Complaints
Chemical Management
Goals and Results
Promotion of Chemical Management
Quality
Goals and Results
Quality Improvement Initiatives
Logistics
Goals and Results
Transporting Products Safely
Acquiring Eco Rail Mark Certification
Communication with Society
Respect for Human Rights

	Basic Philosophy on Human Rights	
	Working with Our Customers	
	In order to Satisfy Customers	
	Marketing "Meister" system	
	Working with Our Suppliers.	
	Goals and Results	
	Purchasing Policy	
	CSR Procurement	
	Working with Our Shareholders and Investors	
	Goals and Results	
	Disclosure of Information to Shareholders and Investors	128
	Working with Our Employees	130
	Goals and Results	
	Promoting and Utilizing Human Resources	133
	Creating an Employee-Friendly Working Environment	135
	Employee Health	138
	Working with Industry, Government, and Academia	142
	Goals and Results	142
	Mitsui Chemicals Catalysis Science Award and Award of Encouragement	143
	Promoting Joint Research Projects	144
	Working with Local Communities	145
	Goals and Results	145
	Dialog with Local Communities	146
	Public Recognition	148
	Social Contribution Activities	
	Goals and Results	
	Nurturing Future Generations	153
	Environment Communication	158
	Support for Employees' Social Contribution Activities	
	Disaster Relief	
	Report on Disaster Recovery Support following	
	the Great East Japan Earthquake	165
Fe	eedback from Inside and Outside the Company	
	Comments regarding our CSR Report 2014	
	Third-party Comments on CSR Report 2015	

Performance Data	.172
Guideline Cross-Reference Tables	.174
GRI Guidelines Cross-reference List	.175
Mitsui Chemicals' Commitment to ISO 26000	.188
Download CSR Reports	.190
Online version - Individual sections	.192
About CSR Report 2015	.193
CSR Report 2014 Survey	.195
CSR Site Map	.196





The chemical industry has the responsibility and potential to find creative and innovative solutions to the many social issues that we are facing, for a prosperous and sustainable future. With the new century comes a new and shared awareness that human activities are responsible for disruption of natural cycles which are causing environmental problems such as climate change, depletion of natural resources, and losses in biodiversity. These common problems can only be solved through common efforts of peoples around the world.

The Mitsui Chemicals Group, in its role as a solution provider to global social challenges and based on its management philosophy of keeping in harmony with the global environment, announced its new Mid-Term Business Plan with a focus on "Creating New Customer Value through Innovation" in fiscal 2014. With an eye towards 2020, the Plan outlines three targeted business domains—Mobility, Healthcare, and Food & Packaging—which offer growth potential rooted in social needs that the Group is making a concentrated effort to resolve as a good corporate citizen.

For the Mobility domain, our Group is strengthening its ability to provide customers with comprehensive solutions, craftsmanship, and value creation by mobilizing our Groupwide problem-solving abilities with a focus on the development of environment-friendly, lighter-weight, and next-generation automotive materials. For the Healthcare business, we launched the new brand Whole You[™] in the United States. This new healthcare brand is one of our many efforts to contribute to healthy and active lifestyles by providing creative solutions through open innovation underpinned by our material development capabilities. In the Food & Packaging domain, we continue to expand our product lines and technologies which will contribute to globally shared value chains for increased food production and hygiene. We are quickly approaching our targets set out in the 2014 Mid-Term Business Plan. This achievement is faster than expected and gives us confidence that we will be able to move forward our plans for 2020. To ensure our success, we will continue to provide our stakeholders with the solutions they require while bolstering our growth and strengthening our competitiveness.

Efforts for a Sustainable Society

Following the establishment of a CSR framework in 2005, our Group has undertaken numerous ongoing initiatives to achieve sustainable development together with society. Signing the UN Global Compact in 2008, we have endeavored to meet the requirements of international guidelines such as ISO 26000. We are augmenting efforts to strengthen corporate governance, which is not only important in enhancing corporate value, but also in an increasingly global economy and a changing Japanese industrial structure.

While exercises in corporate social responsibility have changed with a changing society, our underlying approach has remained the same. To the Mitsui Chemicals Group "CSR is in itself management". We will continue to stay true to this ideal and instill it to all our employees and in all our interactions with society.

Foundations for a Safe and Sustainable Society

Prioritizing safety in all business activities is the enduring management policy of the Mitsui Chemicals Group. We have made significant advances our safety initiatives in fiscal 2015 by opening the doors of our Plant Operation Technology Training Center to third parties to provide safety training to improve overall safety in the industry. The program, which initially was introduced in 2006 to improve frontline capabilities of our production workers and facilities, now serves society by helping to make manufacturing and business activities of the chemical industry safer. Mitsui Chemicals, by sharing its safety and risk management expertise cultivated as a chemicals manufacturer with not only its employees but also with third parties, greatly contributes to improving industry standards. Integrating our business and production activities with local communities around the world, we believe such initiatives play useful roles in fostering a safe and resilient society.

The global society is in hot pursuit of solutions to its many problems. More than ever before, people around the world are looking to the chemical industry for new materials and technology to resolve issues. The Mitsui Chemicals Group will meet these challenges head on with rare and significant innovations which are developed by our highly specialized team. Our employee-friendly work environment and respect for diversity are the cornerstones of our human resource initiatives. Our people know that they will be rightly evaluated and compensated for their skills and dedication no matter where they work in our worldwide network.

In Conclusion

Today's stakeholder expects greater and more meaningful dialogue with companies. As part of our responsibility to society, we established the Corporate Communications Division as part of our organizational restructuring in fiscal 2015. Through this new division, we are proactively communicating with stakeholders to learn of their expectations for our Group. To fulfill our responsibilities as a good global citizen, the Mitsui Chemicals Group will continue to pursue solutions to the world's social issues for the sustainable development of society through our business activities.

UN Global Compact

We signed up to the UN Global Compact in January 2008 and are determined to do our bit as a responsible corporate citizen to tackle global issues. With the publication of ISO 26000 in 2010 and demand for global initiatives greater than ever, we are a member of the Global Compact Network Japan (a local network for signatory companies in Japan) and participated in a variety of subcommittees throughout fiscal 2014. We are taking the initiative to further enhance our CSR activities by engaging in such activities as the exchange of information and participation in study workshops.



4

United Nations Global Compact 4

Cross-reference Table for the Ten Principles of the UN Global Compact

The 10 principles of the UN Global Compact			Reference pages (booklet)	Reference pages (website)
Human	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	-	Respect for Human Rights Purchasing Policy CSR Procurement Promoting and Utilizing Human Resources
Rights	Principle 2	make sure that they are not complicit in human rights abuses.	-	Respect for Human Rights Purchasing Policy CSR Procurement Promoting and Utilizing Human Resources
	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	-	Relationship between Labor and Management
Labour	Principle 4	the elimination of all forms of forced and compulsory labour;	-	Respect for Human Rights CSR Procurement
	Principle 5	the effective abolition of child labour; and	-	Respect for Human Rights CSR Procurement
	Principle 6	the elimination of discrimination in respect of employment and occupation.	-	Key Issues Respect for Human Rights Promoting and utilizing human resources
	Principle 7	Businesses should support a precautionary approach to environmental challenges;	p.6-7 p.10-14	Key Issues Creating a Better Future with Blue Value™ Special Feature 1: Realizing a cohesive society that is in harmony with the environment Preventing Global Warming Biodiversity

Environment	Principle 8	undertake initiatives to promote greater environmental responsibility; and	p.6-7 p.10-14	Key Issues Creating a Better Future with Blue Value™ Special Feature 1: Realizing a cohesive society that is in harmony with the environment Tahara Solar-Wind™ Joint Project Responsible Care Policy Purchasing Policy Promotion of Chemical Management Environmental Accounting Preventing Global Warming Reducing Industrial Waste Substances Subject to the PRTR Act Preserving air quality Philosophy on Water Resources Preserving Water Quality
	Principle 9	encourage the development and diffusion of environmentally friendly technologies.	p.6-7 p.8-9 p.10-14	Creating a Better Future with Blue Value [™] Special Feature 1: Realizing a cohesive society that is in harmony with the environment Main Products of the Mitsui Chemicals Group that Contribute to the Sustainable Development of Environment and Society Tahara Solar-Wind [™] Joint Project Responsible Care Policy Promotion of Joint Research and Projects
Anti- Corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	-	Key Issues Risk Management Framework Compliance Training

CSR in the Mitsui Chemicals Group Solving Social Challenges through Business Activities

Toward the Sustainable Development of Society

Since establishing a dedicated CSR department in 2005, the Mitsui Chemicals (MCI) Group has engaged in CSR activities based on the Group's concept of realizing its corporate mission through its main businesses. We are undertaking a diverse array of activities to be a company that is trusted and highly valued by all stakeholders and that employees can be proud of. In addition to signing the UN Global Compact in 2008, we have endeavored to meet the growing calls for international guidance.

In the 2014 Mid-Term Business Plan, we again verified the MCI Group's CSR concept and direction based on various discussions. By identifying its optimum business portfolio from those social challenges that the Group should help to resolve and based on its strong base, the MCI Group contributes to resolve social challenges through its business activities to more than ever enable the sustainable development of society and the Group.

In addition, we are constantly implementing measures in the activity areas that underpin the assumptions and foundation of our corporate existence—such as safety, legal compliance, responsible care, risk management, and social contribution —in order to earn society's trust. Positioned as a key issue from the perspective of improving corporate value, we will also redouble our efforts to enhance the Group's corporate governance.

Significance of the Mitsui Chemicals Group's Corporate Vision and its Existence

Corporate Mission

Contribute broadly to society by providing high-quality products and services to customers through innovations and the creation of materials, while keeping in harmony with the global environment.

Five social contribution areas

Five Areas	The Specific Significance of Social Contribution
Promoting human well-being	To help resolve social issues that are attracting attention on a global scale
Contributing to the value of shareholders' investments	Dividend / share price appreciation = Business expansion, increased earnings
Increasing customer satisfaction	To provide high-quality products and services
Contributing to local communities	Safety and the environment, regional employment, tax payments, regional activities
Promoting the happiness and fulfillment of employees	Employment, increased salaries and wages, improved skills / motivation, work-life balance

Corporate Target

Constantly pursuing innovation and growth to become a chemical group with an undisputed global presence

Aims of the Mitsui Chemicals Group

Action Guidelines
Responsible Care Policy
Basic Philosophy on Human Rights
Human Resources Management Policy of Mitsui Chemicals Group
Purchasing Policy
Social Activities Policy

The Mitsui Chemicals Group's Core Values

In August 2012, we set out the Core Values of the Mitsui Chemicals Group. These Core Values encapsulate the principles that underpin the Corporate Mission and Action Guidelines that we already have in place.

< The Mitsui Chemicals Group's Core Values >

Challenge Diversity One Team

The aim of these Core Values is to capture the spirit of everyone working at Mitsui Chemicals Group sites around the world and to act as a unifying force, ensuring that we are all working toward the same goals. These Core Values are also intended to serve as guidelines when making decisions and carrying out operations on a global scale.

Our Corporate Mission here at the Mitsui Chemicals Group is to create innovative materials and provide high quality products and services to customers to benefit society as a whole, while at the same time working in harmony with the environment. In order to put this into practice, we will take these values to heart, as a set of guidelines governing our day-to-day decisions, actions and communication.

Social Challenges that the Mitsui Chemicals Group Should Help to Resolve

Realizing a cohesive society that is in harmony with the environment

- Measures to address climate change (reducing GHG emissions)
- · Low environmental-footprint products and services
- The 3R principle (promotion of a recycling-oriented society), conservation of resources
- Ecosystems
- Product stewardship
- Development of renewable energy
- Shift to urbanization and smart cities

Realizing health and happiness in an ageing society

- Declining birthrates and ageing population
- Quality of life (QOL)
- · Advancement of medical and pharmaceutical fields
- Food loss and waste minimization
- Food problem

Realizing industrial platforms that are in harmony with local communities

- Stable supply of industrial materials
- · Optimization of domestic production

The MCI Group's Robust Platform

Technologies : polymer science, precision synthesis, and manufacturing process Customer base, existing businesses, and global structure



Sustainable development of society and the MCI Group

Mitsui Chemicals' Businesses That Contribute to Society

Mitsui Chemicals Business Segments

Healthcare

Developing, manufacturing, and marketing products that help to improve people's quality of life (QOL) as a part of efforts to realize health and happiness in an ageing society.

(Lens materials for glasses, medical materials, dental materials, highly functional nonwoven fabric, etc.)

Functional Polymeric Materials

Developing, manufacturing, and marketing products that contribute to improved comfort, increased safety and an environmentally friendly society.

(Products that make automobiles lighter, materials for lubricants as well as electric and electronic components, etc.)

Polyurethane

Developing, manufacturing, and marketing products that offer outstanding functionality based on unique technologies as a comprehensive polyurethane manufacturer.

(Urethane and all kinds of paint materials derived from plant-based materials.)

Manufacturing and marketing products that are used in every aspect of life. (Materials for fibers for clothing, PET bottles, and paints, etc.)

Petrochemicals

Developing, manufacturing, and marketing a variety of materials that play a key role in people's everyday lives for use in the automobile, food packaging, and related fields. (Petrochemical feedstock, polyethylene, and polypropylene.)

Food & Packaging

Developing, manufacturing, and marketing agrochemicals that contribute to stable food production as well as packing and industrial films that support a wide range of industries.

(Agrochemicals, film and sheet products are used across a broad area including food, daily commodities, electronics, the environment, and energy, etc.)

Toward the Realization of CSR

While ramping up efforts to resolve social challenges through its business activities at an unprecedented level, Mitsui Chemicals will continue to steadfastly implement activities that underpin the assumptions and foundation of its corporate existence—such as safety, legal compliance, responsible care, risk management, and social contribution—which maintain and improve the level of trust in the Group.

CSR Management

Our CSR Committee, which is chaired by the President and meets twice a year as a rule, is responsible for discussing and finalizing plans and policies relating to CSR activities within the Mitsui Chemicals Group.

Membership of the CSR Committee was extended to include the heads of all divisions within the Company (directors and business sector presidents) in fiscal 2010. This initiative was aimed at aligning the Group's business activities more closely with its CSR measures thereby facilitating efforts to help resolve social issues. At the same time, extending membership also serves to promote in-depth and specific discussions. Having clarified the direction of our CSR activities and emphasizing the need to help resolve social issues through every facet of our business, we recognize that close collaboration with each business sector through the CSR Committee forum will also become increasingly important going forward.

With this in mind, supervisory CSR departments have been set up at each of our sites, branches and affiliates. Under this structure, we are working to promote CSR in line with their respective characteristics, while also reinforcing collaboration within the Group.

CSR Promotion Framework



Coordinating CSR with the Mid-Term Business Plan

In the process of formulating our 2014 Mid-Term Business Plan, we discussed the future concept and direction of the Group's CSR and further clarified what we consider important, namely helping to solve social challenges through business activities. Going forward, we will also promote CSR activities in conjunction with the Mid-Term Business Plan.

Mid-Term Business Plan Performance Targets and Policies

Process for Identifying Key Issues

In fiscal 2007, we made a clear commitment to "three-axis management", focusing on the economy, society and the environment. Under the 2014 Mid-Term Business Plan unveiled in fiscal 2014, we clarified our aim of attaining sustainable development in society and the businesses of the Mitsui Chemicals Group in order to "realize a cohesive society that is in harmony with the environment," "realize health and happiness in an ageing society" and "realize industrial platforms that are in harmony with local communities," based on our policy of contributing to society through business activities. In taking on social challenges through business activities, the Mitsui Chemicals Group has identified key issues while considering the opinions of its stakeholders, the qualities of its businesses and the characteristics of the regions in which it operates, based on international guidelines to measure the impact of its business activities on society. Mitsui Chemicals will review as necessary these key issues in light of social trends and changes in its business activities.

Step 1: Identification

Based on international guidelines, we first screened the issues. While drawing up the 2014 Mid-Term Business Plan, the MCI Group then identified social issues that the chemicals industry must help resolve from the standpoint of contributing to society through business activities.

Step 2: Prioritization

The issues identified in Step 1 are then ranked in order of importance for stakeholders and priority for the MCI Group. We considered the importance of each issue from the standpoint of stakeholders and whether the MCI Group is expected to address the issue. In assigning priorities to the issues from the standpoint of the MCI Group, we took into account our Corporate Mission, Action Guidelines, and business strategies. Based on this evaluation, we selected 23 key issues and ranked them in terms of medium, high and very high priorities.

Step 3: Validation

We solicited opinions from outside experts and confirmed the validity of issues through the CSR Committee with respect to their fairness.

Step 4: Review

The CSR Committee will regularly review the process for identifying key issues. As a part of this review, steps will also be taken to ensure that processes and the setting of targets are in line with social conditions. Then, we will confirm the status of implementation progress.

Identification of Key Issues (Materiality)

The identified key issues were classified as "the impact of the MCI Group's business on society," "social challenges that the MCI Group should help to resolve," and "basic subjects."



Key Issues and Mitsui Chemicals' Response

Impact of the MCI Group's business on society

Key Issues

- Measures to address climate change (reducing GHG emissions)
- · Air environment preservation
- · Water resource protection and control
- · Biodiversity
- Industrial waste control
- · Efficient use of resources

Response of the MCI Group

The MCI Group uses a large amount of raw materials and energy. As a chemicals company, we think that a key issue is acting to protect the environment in two ways: by reducing the environmental impact of our business activities and by appropriately managing chemical substances.

The MCI Group remains committed to preventing global warming, saving energy, reducing the environmental impact of substances subject to the PRTR Act and volatile organic compounds (VOC), and promoting the 3Rs (Reduce, Reuse, Recycle) in order to reduce the volume of industrial waste sent to landfill. The MCI Group also identifies as a key issue the protection of water resources, a limited precious natural resource, and promotes the efficient use of water. The MCI Group works to preserve biodiversity and its sustainable use in its business operations by ensuring the safe management of chemicals, based on the fact that environmental initiatives are inextricably linked to biodiversity. The MCI Group contributes to the foundations of industry and society by promoting the sustainable use of natural resources with production technologies that are easy on the environment and people.

Key Issues

- Stable supply of industrial materials
- Optimization of domestic production

Response of the MCI Group

The MCI Group manufactures numerous products centered on materials. Through processing, these products are transformed into finished items that are used in various fields and throughout our daily lives. We believe that safely manufacturing and stably providing these materials to society is an important mission of a manufacturing company. With several production bases and other business sites in Japan, the MCI Group continues to focus its efforts on contributing to the sustainable development of regions.

Along with this, we believe training personnel to deepen frontline capabilities in all areas—manufacturing, sales and research—is essential for supporting industrial platforms.

Key Issues

· Safety and prevention

Response of the MCI Group

Safety is a prerequisite for a company to remain in business, and the MCI Group makes concerted efforts to ensure safety as a core management policy for prioritizing safety in all aspects of its operations. The MCI Group is focusing all of its efforts on thoroughly implementing safety measures in order to be recognized by society as a company with an exemplary safety record.

Key Issues

· Product stewardship

Response of the MCI Group

The MCI Group engages in sound chemical substance management as a part of efforts to support the international pledge of the World Summit on Sustainable Development (WSSD) to minimize the negative impact of chemicals on people's health and the environment by the year 2020. To this end, we evaluate the risks posed by chemical substances on people's health and the environment throughout the product lifecycle, and then take steps to ensure people's health and reduce environmental impact. Data on the outcome of our assessments is disclosed to stakeholders with the aim of creating a worry-free society.

Key Issues

• Quality of products and services

Response of the MCI Group

The MCI Group supplies various materials to a wide range of fields, from basic commodity chemicals to automotive parts, electronics materials, foods, and healthcare. The MCI Group makes every effort to increase customer satisfaction via a two-pronged approach to quality management, based on quality control ("built-in quality activities") and quality assurance ("winning customer trust activities").

Our built-in quality activities are aimed at minimizing discrepancies at every stage of the process, including purchasing, design, logistics, and sales as well as manufacturing, to enable every department to provide the same quality of product and service. Our winning customer trust activities meanwhile are aimed at resolving issues from the customer's perspective, and are spearheaded by the Quality Assurance Department, independently of our sales and manufacturing sections.

We aim to improve our trustworthiness in the eyes of customers and society by reducing quality risks across the MCI Group through the introduction of the MCI Group Global Quality Management, our core philosophy for quality management shared across the Group, in order to reduce the risk of quality issues arising from global business development and changes in our business portfolio.

Key Issues

- · Employment and human resources
- Labor conditions

Response of the MCI Group

The MCI Group is based on the fundamental principle that people need to be treated well. We respect our employees as important stakeholders in achieving our Corporate Mission. We are therefore committed to striking a balance between the sustainable growth of the the MCI Group and the happiness and self-fulfillment of our employees. In order to achieve that, our goal is to create a relationship in which the Company and its employees stimulate and actively enhance one another. We are creating an employee-friendly work environment that facilitates work, while promoting and utilizing human resources with due respect paid to human rights.

Key Issues

Communication with society

Response of the MCI Group

The MCI Group recognizes the critical need to be as receptive as possible to the requirement of stakeholders, and in an effort to maintain our sense of purpose as a member of society, to think carefully about what people want and what they expect from us. With this in mind, we are fully committed to engaging in a wide range of activities while taking to heart the importance of communication with our various stakeholders.

Issues that contribute to society through the business activities of the MCI Group

Key Issues

- · Low environmental-footprint products and services
- Development of renewable energy
- · Shift to urbanization and smart cities

Response of the MCI Group

Our initiatives to reduce environmental impact, including efforts to address climate change, as well as our response to urbanization are key issues we undertake to contribute to society as a chemicals company. The MCI Group has a global supply structure and a broad platform of technologies, including catalyst, material engineering and polymerization technologies. Through the reduction of weight and improvement of fuel economy in automobiles, higher efficiency and safety in materials for batteries, and products and services related to solar power generation, the MCI Group is taking Japan one step closer to attaining its vision for "A Low-Carbon Society", "A Sound Material-Cycle Society" and "A Society in Harmony with Nature," (Becoming a Leading Environmental Nation strategy in the 21th Century -Japan's strategy for a Sustainable Society).

🛑 Key Issues

- · Declining birthrate and aging population
- Quality of life (QOL)
- · Advancement of medical and pharmaceutical fields

Response of the MCI Group

As people live longer and societies age throughout the world, there are increasing demands for lives to be healthy and comfortable. The Mitsui Chemicals Group has positioned "realizing health and happiness in an ageing society" as one of the social challenges that it must address. We are working to provide solutions with the aim of offering improvement in the quality of life and a happy life for everyone in the terms of the five senses (allowing us to take in delightful and pleasant experiences) and the whole body (freedom of movement), in addition to our traditional business fields of vision care, oral care, and sanitary materials.

🛑 Key Issues

Food problem

Response of the MCI Group

Along with growth in the world population and rising levels of quality of life, it has become more important to increase production of food, reduce food loss, and ensure food safety and security. The MCI Group provides a variety of products and services in the food cultivation, food production and transportation fields, including agrochemicals with low environmental impact, packaging materials that preserve food longer, and its Resource Saving Crop Cultivation System, based on its strong platform of organic synthesis, material engineering, polymerization and film processing technologies.

Core Issues

🌕 Key Issues

CSR procurement

Response of the MCI Group

As we regard all of our suppliers as good partners here at the MCI Group, we formulated the MCI Group Purchasing Policy in an effort to get our suppliers involved in our CSR-oriented purchasing activities for the purpose of sustainable development in both our corporate activities. We have been purchasing supplies in accordance with this policy ever since. We procure from suppliers who comply with laws, regulations and rules, and who share our values with respect to human rights and the environment.

Key Issues

Compliance

Response of the MCI Group

We need to be entities that can be trusted by society if we are to continue to exist. With a view to accomplishing this objective, the MCI Group placed "Compliance with laws and regulations" (compliance) as the No. 1 item on the list of the "Mitsui Chemicals Group Action Guidelines" established in 2006. It is important to act in accordance with ethics and generally accepted ideas, which are not specifically defined, not to mention the importance of observing laws, regulations, and rules. In this global environment where compliance is getting more and more rigorous, It is all the more important for all the people of our Group to seriously think on our own, and take action - being ready to assume responsibility for it for ourselves, and fulfill our accountability for actions taken. The MCI Group will be able to become an excellent group of companies that will be trusted by society if each one of us considers compliance as an important issue on our own initiative and takes proper action (that is, think about the purpose and grounds of our action and be accountable).

Creating a Better Future with Blue Value™

What contribution can the chemicals industry make to create a sustainable society? We believe the answer lies in sharing value with our customers. With this in mind, we developed Blue Value™.

Product life cycles have various stages, beginning with developing and manufacturing materials, then processed into products that are transported, used and ultimately discarded. MCI's materials and products undergo various changes before being delivered to customers. We can reduce environmental load at each life cycle stage by visualizing what contribution MCI materials, products and technologies are able to make to the environment, and by promoting dialog with a wide array of stakeholders.

We established the mitsui Sustainability Index (m-SI) in 2013 as a measure for assessing environmental impact based on

LCA.* Through m-SI, we are able to assess the contribution made to reduce the environmental load within our product value chains.

MCI products and technologies evaluated utilizing m-SI based on the three environmental contribution elements of CO2 reduction (A Low-Carbon Society), resource protection (A Sound Material-Cycle Society), and co-existence with nature (A Society in Harmony with Nature), down from the six final evaluation criteria, are judged to exhibit Blue Value[™]. Products in the Mobility domain the help to "realize a cohesive society that is in harmony with the environment" promoted in the Mid-Term Business Plan have been deemed to exhibit Blue Value[™]. For example, switching from bumpers made from metal to MCI's proprietary PP compound helps reduce vehicle weight while also improving fuel efficiency. In addition, positive steps have been taken to eliminate the painting process at the fabrication stage thereby reducing GHG emissions by 13.3% through the development of paint-less exterior materials.

The MCI Group is helping to resolve social issues by expanding the use of Blue Value™ products and technologies as well as reducing environmental impacts throughout the value chain.

* LCA (life cycle assessment) :

A method of quantitatively assessing the environmental impact of products at all stages, including development, manufacturing, transport, use, and disposal.

	The MCI Group's environmental contribution elements	Blue Value™ evaluation criteria
1	CO ₂ reduction	Saving energy, electricity, fuel
	(A Low-Carbon Society)	Reduction of GHG emissions
2	Resource protection (A Sound Material-Cycle Society)	3R, easy sorting, natural resource conservation
		Ecosystem conservation (human health)
3	Co-existence with nature (A Society in Harmony with Nature)	Ecosystem conservation (environmental organisms)
		Prevention of environmental contamination

Blue Value™ evaluation criteria

Trends in Blue Value™ Product Sales



Examples of Blue Value™ Product Contributions across Various Product Life Cycle States (Products in the Mobility Domain)

	Usage	Product life cycle stage	Blue Value™	Relevant environmental contribution elements		
Product			determination reason	CO ₂ reduction	Resource protection	Co- existence with nature
ECONICOL™	Sheets	Materials	Reduce fossil fuel resource consumption through the use of bio-based raw materials	0	0	
TAFMERTM™	Bumpers	Manufacturing	Reduce energy consumption during the manufacturing stage through the use of catalysts (the promotion of chemical reactions) that enhance productivity	0		
Mitsui EPT™	Weather-strip sponge	Manufacturing	Reduce energy consumption during the manufacturing stage through the use of catalysts (the promotion of chemical reactions) that enhance productivity	0		
Polypropylene (PP) compounds	Bumpers, instrument panel	Processing	Reduce GHGs by 13.3% by eliminating the painting process	0	0	
ADMER™	Fuel tank	Use	Enable reduction in weight by 10-30% through the use of alternatives to metal tanks	0		
AdBlue™	Exhaust gas (NOx) reduction agent	Use	Reduce NOx emissions that lead to fuel conservation	0		0

* Various product life cycle stages :

Materials Manufacturing Processing Use Disposal

Mitsui Chemicals' commitment to ISO 26000

ISO 26000, the international standard for social responsibility, was released in November 2010. Applicable to all organizations not just companies, the standard provides guidance specifying an organization's social responsibilities and how they should go about fulfilling those responsibilities.

Unlike other ISO standards, there is no certification requirement with ISO 26000. As a company that has always been receptive to feedback from stakeholders and made every effort to incorporate stakeholders' opinions into its activities however, Mitsui Chemicals nonetheless operates in accordance with this ISO guidance because it helps the Company to reaffirm the importance of its initiatives and assign priorities. Moreover, in following ISO 26000, we are better positioned to confirm the nature of our various activities from an external perspective.

We will be using the following format to outline our initiatives, in line with the seven core social responsibilities subjects set out under ISO 26000.

ISO26000

Special Feature



Realizing a cohesive society that is in harmony with the environment Taking Up the Challenge of Mobility Innovation

The Mitsui Chemicals Group has identified the realization of a society that coexists in harmony with the environment as one of the social issues to contribute through business activities.

In the mobility domain, it is necessary to make vehicles lighter to improve their fuel efficiency, the source of CO_2

emissions, in order to realize a sustainable society that coexists with the environment and nature. The MCI Group has launched a framework that is able to propose comprehensive solutions, bringing together resources across the group to develop new lighter materials, increase efficiency in parts processing and manufacturing processes.

Here, we introduce our initiatives that help solve environmental problems, using the power of chemicals to create new value for customers.



Realizing industrial platforms that are in harmony with local communities Promoting a Culture of Safety in Society

The Mitsui Chemicals Group aims to realize industrial platforms that are in harmony with local communities as a social challenge that should be resolved through its operations. To be trusted by our stakeholders, we must conduct safe business activities with the cooperation of local communities around the world where our companies and bases operate along the value chain. In advanced countries, however, awareness of safety has grown thin even while productivity and automation improve, and in emerging countries, safety technologies and awareness has not kept up with rapid industrialization. Based on our management policy of making safety a top priority, in 2006 we opened the Plant Operation Technology Training Center at the Mobara Branch Factory in Chiba Prefecture as a part of our efforts to improve production skills. Since then, we have provided safety education and technical training to Group employees. In April 2015, we opened up training at our Center to people outside the Group. By spreading throughout society our knowledge of safety and stable operating skills built up as a chemicals maker, the MCI-Group aims to foster a culture of safety in cooperation with local communities by training human resources in the skills needed to create a safer and more secure world.

Special Feature 1

Realizing a cohesive society that is in harmony with the environment

Taking Up the Challenge of Mobility Innovation



A meeting of Groupwide employees about creating comprehensive solutions



Our research laboratories conduct tests on design and reliability.

Group Communications × Multi-Angled Proposals

Free from past ideas Developing new materials with fresh perspectives

The MCI Group defines mobility is every possible mode of human and commodity transportation, and considers the role that should be played by the chemicals industry to provide mobility in a safe way with minimal impact on the environment. This aim cannot be achieved using only traditional ideas. Mr. Futoshi Hoshino, Executive officer, General Manager of the R&D Strategy Division, who oversees research in the mobility business domain, stresses that a completely new paradigm is needed that is different from existing technologies in the mobility domain over the next decade or two. He says that in the automotive field, the first priority is to create shared value with customers, a "market in" approach to delivering products to customers based on their needs and specifications, while developing innovative technologies for using plastics as key materials in the skeletal frames, exterior touches, and electronics of an automobile.

Modern automobiles use around 140 kilograms of plastic in each vehicle, or 10-15% of its total weight. Plastic materials are widely used in bumpers and door trimmings, for example.

New materials that are strong and rigid enough for new applications are an important part of automakers' strategies to clear tightening environmental regulations. Plastic is a material that can meet these needs, and they are indispensable to the creation of a new world of mobility.



Futoshi Hoshino Executive Officer Center Executive, R&D Center General Manager, R&D Strategy Division

Automobile fuel economy standards and regulations in major countries

 CO_2 concentrations on the planet now exceed 400ppm, prompting countries around the world to tighten their regulations for CO_2 emissions. A new stage is coming in fiscal 2020.

	Regulation	Measurement mode	2015 regulations (converted to km/L)	2020 regulations (converted to km/L)
Japan	Fuel economy (km/L)	JC08	16.8	20.3
Europe	CO ₂ (g/km)	NEDC	17.9	24.4
U.S.	Fuel economy (mpg)	City+Hwy	15.4	19.1
China	Fuel economy (L/100km)	NEDC	14.5	20.0

* Source : Japanese Automobile Manufacturers Association (JAMA)

* A simple comparison should not be made due to the different measurement modes, car model mixes, and ratios of gasoline to diesel engine vehicles in each country and region.

Starting to create a framework for providing comprehensive solutions across the organization

As automobiles become lighter, customer needs have been diversifying while their level of expectation rises for comfort, design and safety improvements. To meet all of these needs, the MCI Group has begun to create a cross-sectional framework for providing comprehensive solutions.

Mr. Akio Hirahara, Senior Director and General Manager New Market Development (Automotive Materials) Division, says that comprehensive solutions are the ability to make proposals from various angles that encompass improvements in manufacturing at the customer, from raw materials to finished parts and materials. The technologies and products of each business division of the MCI Group marshal around the concept of mobility, giving us a framework for evaluating products from all angles, including how materials are used and combined together.

In September 2014, Mitsui Chemicals acquired Kyowa Industrial Co., Ltd. and its expertise in mold planning, engineering and prototyping. We decided that making this acquisition would augment our ability to offer comprehensive solutions. Kyowa Industrial has the parts know-how and understands the needs of automakers. Combining this with the plastic materials technologies of the MCI Group, we are in position to deliver new value to our customers.

Center for ideas that lead to making things

We are considering opening an idea center that fosters a transition from making objects to making things. Mr. Ryoji Mori, Director R&D Strategy Division, is passionate about this idea center, saying that the idea center will be a place where automakers, auto parts makers and new customers can bring their problems and pool their resources into finding solutions. We want to create value for customers that only Mitsui Chemicals can provide. The idea center will be a hub in an organically connected network of world knowledge, bringing together production and sales bases as well as external research institutions form around the globe.

In October 2012, Mitsui Chemicals entered into a comprehensive technology licensing agreement with Taisei Plas Co., Ltd., which has monolithic molding technologies of international standard (ISO). Mitsui Chemicals is working to create international standards while advancing the development of new materials the world has never seen before. One of these new materials is Polymetac[™], a metal resin integral molding technology. This material, which integrates PP and aluminum, is one third the weight of metallic parts with the same strength. The technology is compatible with injection integral molding, where metal is injected into heated plastic under pressure and filled into molds. Lapped flat seams and welding are not necessary to create the parts, thereby lowering production costs.



Akio Hirahara Senior Director General Manager, New Market Development (Automotive Materials) Division



Ryoji Mori Director R&D Strategy Division, R&D Center Mobility Integration (and) New Market Development (Automotive Materials) Division

Value chain for automotive industry

Mold makers such as Kyowa Industrial are the links in the supply chain of the automobile industry, and are key to accelerating new developments.



Global Communications × Reliable Supply

A strong partner in local production and local consumption

The MCI Group has developed business overseas in lockstep with the international ambitions of Japanese automakers and was one of the first groups to set up an overseas production base for PP compounds. The Group has put in place a structure across eight countries worldwide and is addressing the needs of global customers and has garnered the deep trust of automakers. Mr. Tetsuya Kusaka, Board Director, and General Manager of the Automotive Materials Division at Prime Polymer Co., Ltd., our production and sales company for PP compounds, makes the following statements. "We have focused our efforts at overseas bases on creating the ability to make full proposals from various approaches, such as materials, process technologies, and manufacturing technologies, to meet the requirements of the local production bases from the automakers. As a result, we have created a framework where our overseas bases can rapidly solve our customer problems and put in place a production base that is capable of realizing local production for local consumption."



Tetsuya Kusaka Board Director General Manager, Automotive Materials Division Prime Polymer Co., Ltd.

High-quality products are made when manufacturing, sales and research work together

In North America, Advanced Composites, Inc. (ACP) supplies PP compounds to the second largest region of automobiles production (more than 17.0 million units). ACP has experienced order expansion not only from Japanese automakers in North America, but also from the Big Three automakers in the U.S., (including General Motors, Ford, and Fiat-Chrysler) as well as European automakers. ACP's share of deliveries to the Big Three has risen to nearly 50% of total ACP sales. As to why, ACP President & CEO Seiji Oshima explains "Order receipts have increased because we rapidly respond to the needs of automakers with solutions integrating production, sales and research from our bases in Ohio, Tennessee and Mexico. We work closely with local automakers on the development of parts, and created materials that could be used in their key components, thereby helping automakers reduce costs."

ACP has developed high-performance materials that meet the global specifications of the Big Three automakers in the U.S., contributing to the Mitsui Chemicals Group's concept of local production for local consumption with PP compound supplied from overseas bases.



Seiji Oshima Senior Director President & CEO Advanced Composites, Inc.

Creating new value in the mobility domain is an endless journey. Mr. Futoshi Hoshino says, "I want automakers to say "Let's consult to MCI !". This is one path forward for innovation in the mobility domain, creating a future for the chemicals industry while helping solve social issues."

Integration of manufacturing, sales and research at the largest PP compound base in the ASEAN region

GSC is the largest PP compound production base in the ASEAN region in production capacity, customer numbers, and countries where its products are sold. We work tirelessly to quickly understand the needs of our customers through close-knit communications between the materials development division, marketing division, headquarters and research laboratories. We have created proprietary materials that satisfy the needs of local customers. We aim to be a company with an established presence through integrated production, sales and research, and have obtained ISO 17025, ISO 50001 and the TPM Special Award as evidence of our efforts to improve reliability and cost competitiveness.

Michitaka Suzuki

Managing Director, Grand Siam Composites Co., Ltd. (GSC)



Message from a Stakeholder



Kiyoshiba Mase General Manager, Material Development Division Toyota Motor corporation

Expecting outstanding ideas

With a strong sense of urgency, we develop new automobiles to address environmental issues and the emergence of new automakers. We examine a variety of materials when developing new cars. Plastics are an excellent material, but I think further work is needed to increase their reliability as a material, such as improving their rigidity and safety, in order to use them in a wider range of applications. Mitsui Chemicals is a key business partner that reliably delivers high-quality materials including PP compounds. However, I often get the impression that a certain material is good for only certain applications, because Mitsui Chemicals knows so much about functional plastics. Ideas that break this mold are needed to advance automobiles to the next level.

For example, we would welcome propositions that only Mitsui Chemicals can make, such as taking a product with a track record in applications outside automobiles and trying to apply it to auto parts. I hope Mitsui Chemicals comes up with ideas that help us create next-generation automobiles.

Realizing industrial platforms that are in harmony with local communities

Promoting a Culture of Safety in Society



Safety is essential for a sustainable society

A society with broad knowledge of safety

Special Feature

As advances are made in the automation of manufacturing equipment as well as equipment and facilities related to safety, the Plant Operation Technology Training Center has played a greater role because operators have had fewer opportunities to gain experience solving problems and veteran operators from the baby boomer generation are entering retirement in large numbers, posing challenges in passing their technical skills onto the next generation. Even while prioritizing safety, it is impossible to completely eliminate risks. With this in mind, we must train our employees with the skills to minimize accidents and problems should they arise and the ability to rapidly and precisely respond properly to risks. Mr.Toshihide Kihara, Manager of our Center, takes systematic steps to ensure specialized technical skills related to safety and manufacturing are passed down to the next generation, through both on-the-job training and offthe-job training on an individual works basis. However, he says that a place is needed for employees to learn the basics and principles of on-the-job training. The lessons learned at our Center have had measurable results for on-the-job training on production floors.

Since opening its doors, our Center has trained 5,000 employees of the MCI-Group. This includes 200 employees from China, Singapore and other overseas locations. Many of our customers who have visited the training center have said that they would like their own employees to train there as well.

Mr. Kihara says, "Manufacturing and safety go hand-in-hand at all levels of management. Our safety management technologies are the outcome of many long years of accumulated experience, and some of this know-how is a corporate secret that involves process technologies. However, top management made the decision to open up our Center to people outside the Group, because we believe a culture of safety is the foundation of manufacturing and providing this to society is a valuable contribution that only we can make."





Toshihide Kihara Manager, Plant Operation Technology Training Center Safety & Environmental Technology Division, Production & Technology Center

At our Center, we offer three courses: the safety training course, the equipment and operation troubleshooting course, and the operation training course. These aim of these courses is for veteran operators to pass along their technical knowledge and skills, thereby improving employee awareness of risks and dangers, their understanding of basic principles, and giving them the ability to identify problems on their own and the confidence to solve any issues.

In the safety training course, where participants learn about the dangers that can arise on production floors, emphasis is placed on practical training for awareness of five kinds of dangers: (1) pinching and rolling, (2) oxygen deficiency and poisoning, (3) falling down, falling objects, and falling over, (4) exposure to hazardous liquids, (5) fire, explosions and static electricity.

For example, in pinching and rolling training, participants place their hand under a roller with a safety shutoff, experiencing actual pain. For falling training, participants are strapped into a safety harness and dangled one meter off the ground. They also witness a training dummy falling to the ground to get a feeling of what heights are dangerous. The trainees come to understand the true meaning behind the saying "One meter height can cause one death."

By noticing where risks lie waiting, and knowing what steps to take for safety, employees become aware of even more risks. This is where a culture of safety begins.

Fostering people who ask "Why?"

Focusing on the "why" in training techniques

Since opening our Center, Mitsui Chemicals has worked to establish training techniques that deepen participants' understanding of the presence of danger and how to ensure safety.

Hiroshi Tanaka, serving as instructor, points out, "Instructors do not give any answers. They always ask why." This training technique allows participants to be surprised by their experiences, which reawakens their senses to the true nature of danger.

For training about exposure to hazardous liquids, for example, trainees are asked to put their bare hands into hot bathwater and again while wearing cotton work gloves. Even though the temperature of the bathwater is the same as usual, soaking their hands in the water with cotton work gloves on makes it unbearably hot. "Why?" the instructor asks.

For falling object training, a tool is dropped from a height of six meters, shattering a ceramic flowerpot into pieces, but the same flowerpot with a helmet is protected without a scratch from the falling tool. The instructor continues their line of questioning. "What would happen to someone if they weren't wearing a helmet?"

"There are many rules for your safety at worksites. Think about why these rules exist, and make yourselves more aware of the dangers around you." (Tanaka)

Safety is a common goal around the world

Hiroshi Tanaka Plant Operation Technology Training Center Safety & Environmental Technology Division, Production & Technology Center

Enhancing safety skills further through cultural exchange

Instructor Yamamoto says "Mutual understanding between different cultures has historically led to improvement in technical skills." For example, the important practice of pointing one's finger while confirming safety is considered rude in some countries. "Through experience, we understand there are common principles around the world for ensuring safety," explains Mr. Yamamoto.

With the understanding that safety is a common effort worldwide, some MCI-Group companies overseas have launched their own safety initiatives. Siam Mitsui PTA Co., Ltd. (SMPC) in Thailand (see the column below) and Mitsui Phenols Singapore Pte. Ltd. (MPS) in Singapore are a few examples of this. Twice a year, there is a mutual exchange between MPS and our Center, as we continue to train leaders in safety.

The opening up of our training facilities to outsiders has made it a valuable learning center for small and medium-size companies that do not have resources to train their own employees. Mr. Kihara says he "aims to improve the quality of technical training by exchanging information and wish-lists with our customers by opening the doors of the Technical Training Center to others." He believes "the center will play a vital role in fostering a culture of safety that crosses cultural boundaries in industrializing emerging countries and ensures a higher level of safety in advanced countries.



Kazumi Yamamoto Plant Operation Technology Training Center Safety & Environmental Technology Division, Production & Technology Center



In May 2015, 20 people from outside the company participated in the safety training course. For one day, the trainees learned about risks and safety in five categories.







"Safety begins with your imagination."

"Let smaller companies use the training facilities, too!"

Employee of an equipment manufacturer (30s)

"My company does not offer many opportunities to learn about safety, so I am thankful for the instruction and training here. Personally, I strongly felt the importance of being aware of danger, especially when helping out in roles different from your main job."

Employee of a gas company (20s)

"I am used to my job now after working here for three years, but I learned that there are many risks around you that you may not have thought of yet. This is due to a lack of imagination about dangers and safety, underscoring how important imagination is for ensuring safety."

Employee at an equipment manufacturer (40s)

"This spring, I was appointed the chief of the personnel and welfare department. Responsible for occupational safety, I learned about this training opportunity and decided to participate. I was able to go through safety training at Mitsui Chemicals that would have been difficult to arrange at my company, and I believe this will lead to better safety at my workplace."

Column

Independent safety initiatives taken by overseas affiliates and subsidiaries

For three companies in China that produce compounds (Mitsui Advanced Composites (Zhongshan) Co., Ltd., Zhang Jia Gang Free Trade Zone Mitsui Link-Upon Advanced Materials, Inc., and Mitsui Chemicals Functional Composites (Shanghai) Co., Ltd.), the China Compound Joint Training Seminar was held for the first time for three days in April 2014. Seven managers and heads of production departments participated as advisors, and the participants discussed safety, quality, and human resource development. Similar training has been available at the Technical Training Center in Mobara, but this marked the first time the training event was held locally.

At Siam Mitsui PTA Co., Ltd. (SMPC) in Thailand, which received the President Award for Production Section Awards in fiscal 2014, safety practices entail daily improvement in work habits centered on learning, inspection, sharing and improving throughout the workplace, as a part of ongoing Total Productive Maintenance (TPM) activities.

In addition to Ho-Ren-So (reporting, contacting, consulting), and KY (hazard prediction) activities, employees engage in a wide range of safety practices, through Process Safety Management (PSM), that SMPC started lately, such as sharing technical information, conducting Process Hazard Analysis (PHA), and strengthening Management of Change (MOC). Our culture of safety has begun to spread across national borders.



SMPC members in Thailand



Cholanat Yanaranop President SCG Chemicals Co., Ltd.

For supporting sustainable business growth

Increasing safety awareness is hard, cultivating safety culture is even harder. It is all about building right safety mindset and behaviors in people. Safety that is driven only by rules and regulations is unsustainable because people break rules, unintentionally or intentionally. Therefore it is always an uphill task to ensure that workplace is safe and people work safely. SCG Chemicals pushes hard every day to get to where safety becomes ingrained in people.

Leaders are expected to play important role in building safety culture by taking on leadership role model. We are also in the process of building a stronger process safety management to protect our operation process in order to detect and avoid any major safety incidents.

With the collaboration with Mitsui Chemicals, SCG Chemicals Operation Excellence Training Center (OETC) has been set up with the objective of training the trainers and builds on knowledge and best practices from our skillful senior trainers. The knowledge will pass on to freshmen for effective and safe petrochemicals plant operations. We believe that safety is the foundation to support sustainable business growth. Mitsui Chemicals Group's CSR TOPICS 2014



Along with the seven core principles defined in ISO 26000, we introduce the initiatives we have taken under the 2014 Mid-term Business Plan, which was created, to address social challenges that the Mitsui Chemicals (MCI) Group should help resolve.

The MCI Group aims to enhance engagement with all stakeholders through the implementation of these initiatives.



Creating Whole You" so you can enjoy life on your own terms



Beyond simply treating illness, staying healthy is essential to enjoying life as we age. However, what it means to enjoy life differs from one person to the next. To satisfy this diverse array of opinions, the materials experts, Mitsui Chemicals, have launched the WholeYou[™] brand in the United States. Through WholeYou[™], MCI provides creative health solutions by leveraging its polymer science and related processing technologies to the maximum extent possible, as well as its open innovation-based networks.

In order to enjoy everything life has to offer, WholeYou[™] has begun providing support in vision (clear eyesight), oral (improving oral function), and physical mobility (maintaining and improving the ability to walk and exercise) areas as a brand that aims to find solutions for individual patients and consumers in the areas of the five senses (allowing us to take in delightful and pleasant experiences) and the whole body (freedom of movement).

WholeYou[™] supports unlocking the possibilities of life so everyone can fully enjoy lives full of unlimited possibilities. We believe that the WholeYou[™] brand's ability to elicit support and empathy from patients, medical professionals and consumers leads to new value creation in healthcare. Beginning with the United States—the world's largest healthcare market— WholeYou[™] will contribute to improving quality of life for people around the globe.

Whole You"

The headquarters of Whole You, Inc. is located in San Jose, California, U.S.A.

Product Portfolio



Mitsui Chemicals Group donates NONROT™ benches made from Yakushima thinning cedar lumber to Yakushima

Japan's first registered World Natural Heritage site, Yakushima is an island located southwest of Kagoshima Prefecture in southern Kyushu. With over 300,000 tourists and mountain climbers visiting Yakushima annually, the lack of public benches on the island has become a problem.

MCI and the MCI Group company Mitsui Chemicals Industrial Products Ltd. donated to Yakushima Town 12 benches made by Yakusugi (ancient Yakushima cedar), craftsmen from Yakushima thinning cedar lumber painted using NONROT[™]. The donation is the first in Mitsui Chemicals' "Protecting Our Natural Heritage Project."

NONROT[™] helps protect Yakushima's breathtakingly beautiful and relaxing natural environment by protecting wood from the elements while allowing it to regulate humidity and retain its natural scent. The MCI Group will continue to contribute to society with its innovative, performance-driven technology, products, and services.





A Yakushima bench with a plaque indicating that it has been treated with NONROT[™] wood care paint

Environment Communication

Research on organisms living in paddy fields

Insect pests that feed on rice plants are the greatest threat to rice production. With the idea of raising awareness of the numerous living things other than insect pests that inhabit rice fields, the MCI Group company, Mitsui Chemicals Agro, Inc. (MCAG), has been conducting "Research on Organisms Living in Paddy Fields" using MCAG products since 2012.

Involved in the manufacture and sales of agrochemicals and fertilizers, MCAG conducts "Research on Organisms Living in Paddy Fields" annually with the full support of customers, confirming that a wide variety of organisms inhabit rice fields. MCAG surveys the effects of agrochemical use on organisms in rice paddies, which leads to the improvement and development of products that exert a low impact on the environment. Further, through the release of experts' written opinions that summarize the results of these wildlife surveys, we certify that rice was grown in rice paddies inhabited by a wide variety of organisms, which contributes to adding value to local rice.

Beginning from fiscal 2015, we conducted research on organisms as an event for farmers and neighboring elementary school children to participate in, providing them the opportunity to observe a wide variety of organisms by going into the rice fields with them. In this way, we communicate the importance of maintaining biodiversity for the next generation and also contribute to local revitalization.





A rice field organisms survey being conducted in Miyagi Prefecture

Holding Workshops for working parents



The Career Advice Office provides advice for those concerned about working and raising children as well as offers consultations to alleviate the anxiety accompanying each new life stage, such as marriage and childbirth. In response to these needs, the Career Advice Office has held workshops for working parents.

The Career Advice Office offers personalized support to address concerns and anxiety over jobs performed by employees, balancing work with life and individual development, as well as independent career development assistance. On the day of the workshop for working parents, held jointly with the Career Advice Office and the Human Resources Division's Diversity Promotion Team, around 20 male and female employees discussed their daily concerns, doubts

and opinions in the World Café.^{*} The workshop proved to be a meaningful opportunity for participants to find approaches to working that are suitable to their own lifestyles. Looking ahead, we will hold similar workshops on an ongoing basis on different themes and participants to help build career development networks.

A scene from the workshop

* The World Café :

An innovative style that facilitates theme-focused dialog in a relaxed caféstyle atmosphere with rotating groups of four to five people.

Creating an Employee-Friendly Working Environment

Tahara Solar-Wind[™] Joint Project

Pooling expertise while promoting the future of renewable energy

We report on the progress made at the Tahara Solar-Wind[™] Joint Project, which was introduced in a special feature in the CSR Report 2014.

Fiscal 2014 Report

Operations Commence at the Tahara Solar-Wind[™] Joint Project

In conjunction with Mitsui & Co. and five other companies, Mitsui Chemicals, as the representative company, began construction on the Tahara Solar-Wind[™] Joint Project, a combined solar and wind power hybrid power plant capable of generating 56MW along the coastal area of Tahara City in Aichi Prefecture in November 2012. Thereafter, commercial operations commenced on October 1, 2014 after a trial operating period of a little over four months.

Status after Commencing Commercial Operations

A completion ceremony was held one week after commercial operations commenced at the Tahara Solar-Wind[™] power plant on October 8, 2014. The ceremony was attended by numerous distinguished guests including the Governor of Aichi Prefecture, the mayor of Tahara City, and representatives of the participating companies. Over the eight months the power plant has been in operation, the generation of both solar and wind power has progressed steadily.

Details of trends in power generation to date are presented in the graph. The amount of power generated has substantially exceeded forecast estimates. In addition, the power plant is expected to have a greater effect on reducing the amount of CO_2 emissions than the 32,000 tons initially projected.

Utilizing a remote monitoring system installed onsite, internal data on the status of power generation can be retrieved as needed. This data includes the amount of hourly power generation, the amount of solar radiation, and comparative data by the type of module. To date, more than 100 people from various organizations including government authorities, overseas educational institutions, and the media have visited the power plant. Plans are also in place for elementary, junior, and senior high school students in Tahara City to tour the plant from the current fiscal year.

Over and above the stable supply of electric power, the Tahara Solar-Wind[™] power plant is helping to reduce the burden on the environment, serving as a demonstration experiment for the effective use of renewable energy, and providing a place for environmental education.

Trends in power generation






Tape cutting during the dedication ceremony

Tahara solar power generation facility (picture taken September 2014)

Launched a Diagnostics and Consulting Business for Photovoltaic Power Generation

In Europe, which leads the world in photovoltaic power generation, signs of trouble regarding poor panel power generation at power plants and other issues including faulty power generation are beginning to emerge. This is in turn driving an upswing in demand for the proper evaluation of panel quality prior to installation and the early detection of faulty panels during operations. Looking at Japan, the number of new entrants in the photovoltaic power generation business is increasing with the introduction of feed-in-tariff programs. Looking ahead, this trend is expected to trigger similar conditions as those encountered in Europe in the domestic market. Taking the aforementioned circumstances into consideration, Mitsui Chemicals launched a diagnostics and consulting business for photovoltaic power generation from March 2014. Through this business, the Company is providing services that are in tune with the lifecycles of photovoltaic power generation facilities. Principal customers include financial institutions, power generation operators, and research institutes.

Specific services that are in tune with the lifecycles of photovoltaic power generation facilities include the following.

(1) Planning phase: Diagnostic of power generation facility plan

Evaluation of the plan from a third-party perspective (various components including power generation equipment and facility design, expected electric power generation, repairs and maintenance)

(2) Construction phase: Diagnostic of solar panel quality

Evaluation of the quality and reliability of solar panels to be installed at each power generation facility; diagnostic of the power generation facility: evaluation of the status of construction and installation from a third-party perspective

(3) Operating phase: Diagnostic of electric power generation data

Evaluation to determine whether electric power generation is in accordance with plans

(4) Power generation facility resale and purchase: Power generation facility technology due diligence

Evaluation of various key parameters including the operating performance of power generation equipment and facilities, future power generation as well as essential repair and maintenance

The Mitsui Chemicals Group has been providing the world with encapsulant sheets for solar cells for more than 25 years. At the same time, Mitsui Chemicals is well versed in the damage that long-term outdoor exposure can have on solar panels. The Company also maintains several solar power generation facilities including the Tahara Solar-Wind[™] solar power generation facility (solar power: 50,000kWp), the testing facility and demonstration power plant within its Mobara Branch Factory site (located in Mobara City, Chiba Prefecture; 335kWp), and the Sodegaura Center Exposure Site (located in Sodegaura City, Chiba Prefecture; 12kWp). Taking each of the aforementioned into consideration, Mitsui Chemicals boasts considerable expertise in the key issues relating to the development of power generation facilities including repairs and maintenance. Drawing on this expertise and know-how the Company provides diagnostic and consulting services.

Working through these business activities, Mitsui Chemicals is contributing to the stable development and operation of solar power generation, which holds an important position within the push toward increase use of renewable energy.



The testing facility and demonstration power plant within its Mobara Branch Factory site

Providing services in tune with the lifecycles of photovoltaic power generation facilities



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Tahara Solar-Wind[™] Joint Project

Pooling expertise while promoting the future of renewable energy



We report on the progress made at the Tahara Solar-Wind[™] Joint Project, which was introduced in a special feature in the CSR Report 2013.

Progress on Construction

In conjunction with Mitsui & Co. and five other companies, Mitsui Chemicals began construction on the Tahara Solar-Wind[™] Joint Project in November 2012, a combined solar and wind power project capable of generating 56MW in Tahara, Aichi Prefecture. Construction has been progressing on schedule, with plans to commence solar power generation in June, trial wind turbine power generation in August, and officially launch full-scale operations in October 2014. Construction currently underway on power stations is summarized below.

Construction progress on the Tahara Solar-Wind™ Joint Project

With the exception of some electrical equipment work, construction on the solar power generation facility has been completed with the installation of approximately 215,000 photovoltaic modules.

After operational field testing, a decision was made for the Tahara solar power facility to use photovoltaic modules made by four companies in three varieties: silicon monocrystalline, silicon polycrystalline, and compound solar cells. As depicted in the photograph, four varieties of photovoltaic modules have been installed.

After operations commence, power generation data will be collected and analyzed to compare the performance of each type of photovoltaic module.



Tahara solar power generation facility (picture taken March 2014)



When construction started (left) and progress roughly one year later (right) (pictures taken December 2012 and September 2013)

With the exception of some electrical work, construction on the wind power facilities has been completed with the installation of all three wind turbines.

The wind turbine shown in the photograph is a downwind turbine with blades behind the leading edge, making it more efficient when the wind flows upward from below. The height of the tower is about 80 meters, and the diameter of the blade is about 80 meters.

The picture is of the nacelle, which is placed on top of the tower. The nacelle houses the power generator and other equipment.





The downwind turbine with blades (left) and nacelle before installation (right) (pictures taken April 2014)

Power station seen from the Mt. Zao Observatory (left) and assembly of the wind turbine tower (right) (pictures taken May 2014)

Construction progress on related equipment and facilities

With regard to work on systems, interconnections and visitor facilities, construction is proceeding on the monitoring house and observation deck.

Since the power plant is located along the coast of the Atsumi Peninsula in Aichi Prefecture, construction plans include measures to mitigate natural disasters.

The solar panels are set about 100 meters back from the coast to protect against high tides and salt corrosion. Steel materials treated with anti-corrosion coatings are used to support the solar panels. The solar panels are installed at a 10 degree angle to prevent them from flapping under strong winds during a typhoon. The ground under the solar panels was also improved in case there is liquefaction caused by an earthquake around the Nankai Trough.

As construction enters the final stage, we are also preparing for trial operations of the solar and wind power generation facilities, and developing an environmental education program.

Safety Initiatives

Implementing Fundamental Safety Measures and Promoting a Culture of Safety Learning from the Accident at Our Iwakuni-Ohtake Works Resorcinol Production Facility

The Mitsui Chemicals Group takes the explosion and fire that occurred at the resorcinol production facility at its Iwakuni-Ohtake Works on April 22, 2012 extremely seriously. Two years have now passed since April 2013 when the Group began implementing a series of fundamental safety measures to ensure that nothing like this ever happens again. Moreover, and in order to position Mitsui Chemicals as a corporate group that places the utmost priority on safety in the eyes of society, we remain united in our efforts to adhere strictly to these fundamental safety measures going forward.

Fundamental Safety Initiatives

Following the explosion and subsequent fire that occurred at the resorcinol production facility at our lwakuni-Ohtake Works, we set up the Fundamental Safety Committee, chaired by the President. This committee has carried out an extensive review of safety issues throughout the Mitsui Chemicals Group in order to implement a number of fundamental safety initiatives for the future. We are undertaking concrete actions based on 11 specific measures organized under three key issues for maintaining fundamental safety Companywide.

[Key Issues Concerning Fundamental Safety Initiatives]

- · Line manager focus and proper management of worksites
- Improve technical skills and ensure skills are passed down
- Ensure safety is the top priority, cultivate professionalism, and generate a sense of accomplishment among workers

Audits and guidance given to manufacturing facilities ensure the PDCA cycle is being followed, and evaluations are regularly conducted by issuing progress reports both inside and outside of the Company. At the end of fiscal 2014, we determined that many aspects of these measures have become entrenched, and will thoroughly maintain safety by strictly following PDCA cycles based on these measures. In terms of improving our culture of safety, we are implementing ongoing measures that incorporate external diagnoses and will take time to complete.

Reports on Results of Fundamental Safety Measures to Committees Inside and Outside the Company in Fiscal 2014

Mosting Pody	Participants (Report to)	Fiscal 2014											
меенид воау		4	5	6	7	8	9	10	11	12	1	2	3
Steering Committee	President, Vice President, Center Executive, Production & Technology Center, Works general manager			● 16					● 10				• 2
CSR Committee (fundamental safety)	CSR Committee members (President, Vice President, etc.)						• 22					• 26	
Responsible Care Committee	Responsible Care Committee members					• 4			● 17			• 2	
Promotion Leader Group (Safety & Environment Technology Div.)	Head of Production & Technology Center, Head of Safety & Environment Division, Works group leaders, etc.		● 30				● 17		● 14		● 20		

37

Iwakuni-Ohtake Works Safety Reconstruction Project	Relevant government ministries and agencies (central government office, regional offices), The High Pressure Gas Safety Institute of Japan		● 8		● 19	● 29			
Expand to other plants and review hearings	Accident Investigation Committee members					● 30 31			● 3 17
Concerned government authority report	_	● 17 28	• 8			● 30			

Fiscal 2014 Fundamental Safety Measure Progress Report

	Three key issues 11 measures	Implementation schedule (fiscal year)							
	Three key issues, 11 measures	13 and under	14	15	16 ~				
(1) Allow line managers to focus on and properly man	age worksites							
1	Reduce the workload of line managers	Established							
2	Train line managers			Established					
(2	(2) Improve technical skills and ensure skills are passed down (clarify rights & responsibilities)								
3	Train engineering staff with situational awareness			Established					
4	Build safety technology systems			Established					
5	Review technical assessment systems and structures	Established							
(3) Ensure safety is the top priority, cultivate profession	onalism, and giv	ve workers a s	sense of accom	plishment				
6	Reorganize/boost functions of Safety & Environment Division			Established					
7	Reinforce safety as a top priority (strict adherence to basics, diagnosis)								
8	Cultivate and bolster professionalism (Completely update manuals and draft supplementary materials)								
9	Improve teamwork and workplace communications								
10	Establish attractive senior positions (Human Resources Committee, etc.)	Established							
1	Measures to give workers a sense of accomplishment in safety performance and operations	Established							

• Entrenched measures are fully incorporated into PDCA cycles at each workplace (Works)

• Culture and climate-related measures (red boundaries) will be implemented on an ongoing basis and will take time to complete

Efforts at plants

Achievements of key initiatives undertaken at Works in fiscal 2014 are as follows.

1. Talks with General Managers of Works

Each Works devises and conducts talks with general managers. General managers take the initiative and, by having a keen appreciation for frontline operations and engaging in dialogs with employees on the front line, the ideas of general managers are being spread and communications within the Works are being improved. We will continue to promote active involvement among higher ranking management, business sectors, and the Production & Technology Center on the front lines of our business.

2. Safety Advisors

Safety advisors have been appointed at the Mitsui Chemicals Osaka, Iwakuni-Ohtake Works, and the Ichihara Works. In addition, we have appointed a safety proposer at the Nagoya Works. While their roles vary slightly at each Works, the advisors offer guidance and advice not only on process safety and disaster prevention but also down to the culture and climate of each workplace throughout the Works. By showcasing examples of good efforts and providing workplace operational advice to section managers, safety advisors are having a positive impact through raising safety awareness at all Works. We look for safety advisors to continue taking an active role in the area of workplace safety.

Undertaking safety culture diagnostics

In fiscal 2014, The Mitsui Chemicals Iwakuni-Ohtake Works and the Ichihara Works collaborated on the gathering of data (in the form of survey questionnaires) relating to "safety culture diagnosis" being organized by the Graduate School of System Design and Management at Keio University. This is a continuation of similar efforts undertaken at the Mobara Branch Factory and Nagoya Works in fiscal 2013. In fiscal 2015, we plan to undertake this survey at the Osaka Works and the Omuta Works. Safety culture diagnosis evaluates the current status of our organizational safety culture by rating the execution of operations in eight categories based on our organizational culture. The results of this diagnosis enable us to make general comparisons with the chemical industry for each workplace, career level, and age group. By revising safety activities at each workplace based on a recognition of their respective strengths and weaknesses, we are working to establish a solid culture of safety at Mitsui Chemicals.

Initiatives at Iwakuni-Ohtake Works

In response to the explosion and subsequent fire that occurred at the resorcinol production facility at our lwakuni-Ohtake Works, we put together a project team, headed by the General Manager of the Works, that continues undertake initiatives for reconstructing safety in order to prevent a recurrence of such an accident. The team's accident prevention measures include fundamental safety measures promoted companywide.

Iwakuni-Ohtake Works Overview of the Safety Reconstruction Project



Safety Reconstruction Project schedule



- *1: On April 22, 2012, an explosion occurred and a fire broke out at the resorcinol production facility.
- *2: On August 22, 2013, a container fire occurred at its 2WAX plant.
- *3: An internal team established to take a serious look at the fire that occurred at the 2WAX plant as part of measures promoted in the Safety Reconstruction Safety Project, identify organizational/cultural issues and propose countermeasures.

Progress Report for Safety Reconstruction Project

At the behest of the Accident Investigation Committee, the Safety Reconstruction Project involves executing concrete action plans to prevent the underlying causes of the accident, enacting measures in the Works' annual plan, and following the monthly PDCA cycle. Reports on these matters were issued five times through the end of fiscal 2014, and the Company undertook various actions based on guidance received from officials of relevant agencies as well as academics and external specialists serving on the Accident Investigation Committee.

In fiscal 2014, members of the Accident Investigation Committee indicated that changes have been made at the Iwakuni-Ohtake Works and related measures have been successfully implemented. Positioning fiscal 2015 as an important year for entrenching initiatives undertaken to date, we will continue to work together throughout the Iwakuni-Ohtake Works to maintain safety.



A Safety Reconstruction Project progress report meeting

Introduction to Events on Safety Day

To prevent the recurrence of accidents like the April 22, 2012, explosion and fire at the resorcinol production facility at our lwakuni-Ohtake Works, Mitsui Chemicals has designated 22 April as Safety Day. In 2015, Safety Day events were held at each production base in Japan. The president gave a speech about safety, the General Manager of the Works also gave a speech about safety, and experts from inside and outside Mitsui Chemicals gave lectures about safety. Through these and other activities, employees reaffirmed their commitment to making safety our top priority.

President Tannowa visited Iwakuni-Ohtake Works in 2015

At the Iwakuni-Ohtake Works, president Tannowa offered flowers at the site of resorcinol production facility and participated in "safety pledge" ceremony in front of the Works' Safety Monument. At this monument, all MCI Group employees, led by President Tannowa, vowed anew to make safety a top priority and to make sure that there are no more tragic accidents. Following the ceremony, President Tannowa invited Chairman Higashi Ito of the Japan Society for Safety Engineering to give a safety presentation. Everyone in attendance listened intently to what Chairman Ito had to say on the subject of safety, leading to a spirited Q&A session afterward.



Chairman Higashi Ito of the Japan Society for Safety Engineering giving a safety presentation

42

Events on Safety Day at each production facility

		Attending	Presentation					
Works, laboratory	Events	Directors, Head Office Manager	Internal/ external	Speaker	Presentations			
Events held throughout the Company	 A moment of silence at 2:15 p.m. Speech and recitation by President Tsutomu Tannowa 	_						
Kashima	 General Manager Matsuo of Works talked about safety Safety presentation 		External	Kenji Takahashi (Managing Executive Officer, Head of the Kashima Works, Nippon Steel & Sumitomo Metal Corporation	Kashima Works health and safety activities			
lchihara	 General Manager of Works talked about safety Safety presentation 	General Manager Hideki Matsuo	External	Nobuo Takagi (Head of the Systems Safety Consulting Ltd.)	Approaches to safety in the chemical industry			
Mobara (includes Training Center and Mobara R&D Center of the Production & Technology Center)	 General Manager of Works talked about safety Safety presentation 	Planning & Coordination Division Manager	External	Kazu Nakamura (Head of the Research Institute for Safety Engineering)	Surveys of underlying causes of accidents and chemical plant safety management			
Nagoya	 General Manager of Works talked about safety Safety presentation (April 24) 		External	Ichiro Etsujima (Professor, Nagoya Institute of Technology)	Presentation on safety ability training including non-technical skills			

Osaka	 Vice President Yasuji Omura talked about safety Safety presentation 	Vice President Yasuji Omura	External	Kazuhiko Suzuki (Professor, Okayama University)	Change starts in onsite!The workers onsite bring about change!
lwakuni- Ohtake	 Flowers offering and safety vow ceremonies Safety presentation 	President Tsutomu Tannowa Safety & Environment Technology Division Manager	External	Higashi Ito (Head of the Japan Society for Safety	Division of duties for voluntary safety activities
Tokuyama	 General Manager of Works talked about safety Safety speech (broadcast) 	_		Ligncering)	
Omuta	 General Manager of Works talked about safety Safety presentation 	Vice President Minoru Koshibe	Internal	Vice President Minoru Koshibe	Safety Day presentations
Sodegaura Center	 Managing Executive Officer, Manager Isayama talked about safety Safety presentation 	Managing Executive Officer Shigeru Isayama	External	Visiting Professor Masayoshi Nakamura (Tokyo Institute of Technology)	Safety management based on studying chemical plant accidents
Hokkaido Mitsui Chemicals	 General Manager of Works talked about safety Safety presentation 		External	Ikeno Section Chief (Sunagawa Police Station)	Crisis management (intruders/cyber attacks)
Shimonoseki Mitsui Chemicals	 General Manager of Works talked about safety Safety presentation 		External	Toshiaki Seto (Yamaguchi Prefecture Fire Prevention & Industrial Safety Division)	Training the next generation of employees
Head Office	 Looking back on the accident Viewed a JCIA safety prevention DVD 	Senior Managing Executive Officer Masaharu Kubo			

Main Products of the Mitsui Chemicals Group that Contribute to the Sustainable Development of Environment and Society

We introduce our products which contribute to the Sustainable Development.

Toward Realizing a Cohesive Society That Is in Harmony with the Environment

Toward Realizing Health and Happiness in an Ageing Society

Toward Realizing Industrial Platforms That are in Harmony with Local Communities

Toward Realizing a Cohesive Society That Is in Harmony with the Environment

Low Environmental Impact Lifestyles

■ AdBlue™

Product that helps in the reduction of exhaust gases (nitrogen oxides) and a water and nitrogen detoxifying agent that is friendly to the atmosphere

NOTIO™SN

Material used for light synthetic leather with superior durability

CHEMIPEARL[™] (Electrode binder) ● MiReT™ (Electrolytes)

Materials for lithium-ion batteries

🌑 Evolue™

Possessing superior sealant properties and exceptional strength, a raw material that contributes to lightweight, thin packaging and resource conservation

STPX™

Rice grain and grease-resistant polymer material leads to reduced water usage

SWP™

Staple-less heat seal type tea bag base paper that can be used in microwave ovens

Renewable Energy

SOLAR EVA™ • SOLAR ASCE™

Sheet that protects cells in solar power generation systems



■ ECONICOL[™] (Biomass chemicals)

Polyurethane (biopolyol) made from castor oil plant-based materials (used for automobile and furniture seat cushions, bedding, etc.)



AdBlue™







SWP™



SOLAR EVA™



ECONICOL™



castor oil plant



NOTIO™SN



трх™

Ecosystem Protection

🌑 NONROT™

Highly functional material that retains the fragrance and grain of wood while extending its life

🌑 TAFNEL™ Oil Blotter™

Possessing excellent oil absorbency and strength, sheeting that enables rapid recovery of oil

ResverAQUA (raw material for functional cosmetics that contains reveratrol)

The development of a technology that employs a plant cell culture technique to ensure the stable high purity production of the anti-aging ingredient resveratrol using vitis coignetiae (wild vine) cell cultures without tha application of coloring

Combating Climate Change (GHG Reduction)

🌑 ADMER™

Adhesive polyolefins that help reduce the weight of automobiles by enabling complex configurations. Facilitates effective use in the interior of automobiles (gasoline tanks)

● Polypropylene (PP) compounds ● TAFMER™

Olefin copolymers that help improve the design of automobiles while also making them lighter (material used for bumpers, etc.)

■ MILASTOMER™

Thermoplastic elastomer that helps to improve the quality of interior spaces by raising the freedom of design through improved chromogenic properties and texture (materials for automobile interiors such as door trims, interior panels)

● Polymetac™

Helping to reduce weight by integration with metal during plastic molding processes



NONROT™

TAFNEL[™] Oil Blotter[™]



ADMER™



MILASTOMER™







Polymetac™

Toward Realizing Health and Happiness in an Ageing Society

Quality of Life (QOL) Improvements

COPPERSTOPPER™

Copper allow coating film as well as nonwoven and woven fabric with antibacterial properties and a deodorant function

SPOIR™ (Breathable film)

Raw materials used to make disposable diapers, thanks to their breathability

SYNTEX™ (Nonwoven fabric)

Raw materials used to make thin, soft disposable diapers that offer outstanding mechanical properties

🔵 Acrylamide

Raw material that helps to purify water. A pharmaceutical material that separates out from water substances in various states that are mixed into the water effectively and more quickly



COPPERSTOPPER™



SYNTEX™ ESPOIR™

Medical / Pharmaceutical Sophistication

MR™ Series

Raw materials for light yet strong, easy to design lenses for glasses

SYNTEX™ (Nonwoven fabric)

Material for use in the manufacture of comfortable, waterresistant medical gowns

Super-Bond™

Food Problem

from wilting or losing their color.

periods of excessive concentration

🔵 Mitsuhikari 2003, 2005

🔵 Spash™

ANIKI™

fungicide iCAST™

FRUITSAVER™

realize efficient agriculture

barrier-free access laws

Resin cements used in dental adhesives with high adhesive performance and biocompatibility

In addition to preserving fresh food to keep it fresh, this film can be used to prevent vegetables, fruit and flowers

High-yield hybrid rice that enables late harvesting Helps to improve harvesting operations by avoiding

Environmentally friendly, highly safe pesticide and

A system that reduces water and fertilizer usage to

Plastic plates to guide the visually impaired Flexible, durable, high-visibility plates that comply with

Declining Birthrate / Ageing Society



MR[™] Series



Super-Bond™



Spash™



iCAST™



SYNTEX™ (Nonwoven

fabric)

Mitsuhikari



FRUITSAVER™



Plastic plates to guide the visually impaired

Toward Realizing Industrial Platforms That are in Harmony with Local Communities

Industrial Platforms

Purified terephthalic acid (PTA)

Raw material used to make polyester fibers

🦲 Prime Polypro™

Raw material for food, detergent, cosmetics and pharmaceutical containers

🦲 Mitsui PET™

Raw material for food, detergent, cosmetics and pharmaceutical containers



Prime Polypro™



Mitsui PET™





Purified terephthalic acid (PTA)

CSR Management

Management Framework

To fulfill the expectations of our stakeholders, fulfill our corporate social responsibilities, and enhance levels of trust, it is crucial to have a sound management framework in place. We believe that an effective management framework is one of the cornerstones of a successful business.

► Goals and Results	Risk Management Framework
► Corporate Governance	Compliance Training

Management Framework

Goals and Results

Corporate Governance

Compliance Training

To earn the trust of our shareholders, customers, members of the local community and all of our other stakeholders, and to fulfill our corporate social responsibilities, it is crucial to put in place and effectively operate a solid management framework, covering everything from corporate governance to risk management and compliance. Here at the Mitsui Chemicals Group, we are committed to reinforcing our management framework in order to provide stronger foundations for our corporate activities.

Goals and Results

Priorities for Fiscal 2014

- Conduct comprehensive earthquake response training incorporating flexible measures aligned to changing conditions and situations
- · Review the Company's regulations and BCP; upgrade equipment and conduct essential maintenance
- · Address revision to the Companies Act

Fiscal 2014 Results

Level achieved: A

- Conducted comprehensive earthquake response training incorporating flexible measures aligned to changing conditions and situations (on the assumption of a major earthquake in the Tokyo metropolitan area)
- Reviewed the Company's regulations and BCP; upgraded equipment and conducted essential maintenance
- Confirmed that there were no new matters requiring a response at domestic subsidiaries and affiliates

Goals for Fiscal 2015

- Conduct comprehensive earthquake response training incorporating flexible measures aligned to changing conditions and situations
- · Review the Company's regulations and BCP; upgrade equipment and conduct essential maintenance
- Respond to the formulation of the Corporate Governance Code

※ Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more, C: less than 70%

Management Framework

Goals and Results

Corporate Governance

Risk Management Framework

Compliance Training

Our Approach to Corporate Governance

Basic philosophy regarding corporate governance

Mitsui Chemicals believes that the enhancement of corporate governance is a management issue of the utmost importance in light of the critical role of corporate governance in maintaining the trust of society as a whole and fulfilling the Company's social responsibilities.

To ensure the continuous improvement of its corporate value while maintaining smooth and efficient operations, Mitsui Chemicals separates management authority and decision-making as prescribed by company regulations; clearly delineates the division of responsibilities between management oversight and business execution through the adoption of the Execution Officer System; and conducts Management Committee meetings to deliberate on important matters that need to be discussed prior to their review as agenda items by the Board of Directors. The Company also works to ensure sound and appropriate operations by adopting an internal control system that places more weight on such matters as the corporate audit function, audits that check on the appropriateness of business operations conducted by the Internal Control Division, and reliable risk management. Furthermore, in order to ensure the transparency of the Company's management, we engage vigorously in investor and public relations activities, while disclosing information in a timely and appropriate manner. At the same time, we have established various committees with the aim of further enhancing the trust of shareholders and other stakeholders by undertaking CSR activities; preserving the environment, safety, and quality; and strictly adhering to all rules and regulations.

Corporate Governance Framework



The Status of Corporate Governance Initiative Implementation

Roles and operational status of each organization

Board of Directors

The Board of Directors makes decisions regarding key management issues. Individual board members submit operational updates and reports on the Company's financial standing and results to the board. The Board of Directors is also responsible for auditing individual directors professional performance. The Board of Directors met on 11 occasions in fiscal 2014.

Board of Corporate Auditors

In addition to drawing up the audit policies and plans that underpin each corporate auditor's audit of directors and other relevant officers execution of their duties, the Board of Corporate Auditors also deliberates and determines important matters relating to audits. The Board of Corporate Auditors met on 15 occasions in fiscal 2014.

While each corporate auditor conducts audits based on the policies and other guidelines determined by the Board of Corporate Auditors, steps are also taken to attend key internal meetings, including meetings of the Board of Directors, and to exchange opinions with the President and management personnel on a regular basis. Furthermore, corporate auditors check approval forms and minutes from key meetings.

Each corporate auditor conducts audits in conjunction with independent accounting auditors and our Internal Control Division, enabling them to exchange opinions regarding matters such as annual auditing plans and audit results. The Company's corporate auditors perform audits of subsidiaries and affiliates when necessary based on the results of audits undertaken by the Internal Control Division and auditors of each Group company. The Company's corporate auditors of each Group company.

To ensure the transparency of performance evaluations and the validity of executive compensation levels, Mitsui Chemicals established the Executive Compensation Advisory Committee as a consultative body of the Board of Directors. This Committee also serves as mechanism to determine a system of executive compensation as well as to evaluate the performance of directors. Chaired by the president, the Committee is comprised of representative directors (three including the president) and outside experts (three outside auditors).

Management Committee

We established the Management Committee to discuss key operational issues and matters requiring prior consideration before they are submitted to the Board of Directors, thereby enabling us to make decisions correctly and efficiently. The Management Committee met on 24 occasions in fiscal 2014.

Our Corporate Auditors also attend committee meetings and are able to offer their opinions whenever necessary.

Executive officer system

We introduced an executive officer system to clearly delineate responsibility for supervising and executing operations. In April 2012, we introduced the post of Executive Officer as well as Executive Director, with roles clearly apportioned between the two in an effort to further clarify executive capabilities. The system is designed to reinforce and improve management procedures, by speeding up the decision making process and by facilitating and accelerating operations in each division.

Outside Directors

Manager accountability and management transparency can be achieved based on feedback obtained from highly independent outside directors at Board of Directors' meetings. Furthermore, obtaining advice based on specialized knowledge facilitates proper decision making at Board of Directors' meetings.

Corporate governance-related committees

The Company has established various types of committees to enhance its corporate governance.

1 CSR Committee

Aiming for the sustainable growth and the development of both society and the Mitsui Chemicals Group, we are working to raise corporate value by engaging in dialogs with stakeholders and resolving social challenges along the three axes of economy, environment, and society. To that end, the CSR Committee (chaired by the president & CEO) deliberates on policies, strategies and plans and then obtains approval of the Management Committee. In fiscal 2014, the CSR Committee held two meetings.

2 Risk & Compliance Committee

The Risk & Compliance Committee (chaired by a director) has established as a separate entity from the CSR Committee in order to put in place specific policies, strategies, and plans in the areas of risk management and regulatory compliance. Based on Mitsui Chemicals Group Risk Management System, the Risk & Compliance Committee works to quickly identify risks and prevent them from materializing. To that end, the Committee, identifies and analyzes key risks regarding fiscal year targets for each Group company or division and steadily implements measures in accordance with PDCA cycles. In fiscal 2014, the Risk & Compliance Committee held two meetings. Important policies, strategies and plans proposed by Risk & Compliance Committee were approved by the Management Committee.

3 Responsible Care Committee

Responsible Care (RC) activities span the entire life cycle of each chemical product, from development and manufacturing to transport, use, consumption and disposal, and are aimed at protecting the environment, ensuring disaster prevention, chemical safety, and maintaining occupational health and quality. To that end, the Company has established the Responsible Care Committee (chaired by a director) as a separate entity from the CSR Committee. The Responsible Care Committee deliberates on policies, strategies, plans and evaluates the performance of RC-related activities. In fiscal 2014, the Committee convened three meetings. Important policies, strategies and plans proposed by the Responsible Care Committee were approved by the Management Committee.

We established the Internal Control Division to continually monitor and assess the implementation and operational status of internal controls within the Mitsui Chemicals Group, as required under the Companies Act and the Financial Instruments and Exchange Act, and to ensure that operational risks are kept within tolerable levels at all times. The division is also responsible for maintaining and improving internal control standards throughout the Mitsui Chemicals Group and conducting internal audits to ensure that our operations are being carried out appropriately and efficiently.

The Internal Control Division specifically focuses on the following areas.

· Self-assessment-based internal audits relating to legal and regulatory compliance

As part of a system introduced in fiscal 2008, we subject internal controls relating to legal and regulatory compliance to self-assessments and conduct internal audits based on the results at all applicable divisions and domestic affiliates. Having started to roll out the system to overseas affiliates in fiscal 2010, it is now fully up and running.

• Compliance with the Financial Instruments and Exchange Act (submission of internal control reports)

We conduct annual assessments to determine the effectiveness of internal controls relating to financial reporting, in preparation for the submission of internal control reports.

Management Framework

Goals and Results

Corporate Governance

Risk Management Framework

Compliance Training

Risk Management Framework

At the Mitsui Chemicals Group, we carefully control all risks that could potentially threaten our business activities, to earn the trust of our shareholders, customers, members of the local community and all other stakeholders, and to fulfill our corporate social responsibility.

Risk & Compliance Committee

The Risk & Compliance Committee (chaired by the director in charge of risk and compliance) was established as a separate entity in order to put in place specific policies, strategies, and plans that address risk as well as compliance concerns, a priority CSR area of the Mitsui Chemicals Group.

This Committee is charged with the responsibility of garnering the trust of the Group's stakeholders and providing support to each division as well as subsidiary and affiliated company in their efforts to manage risk and ensure that Mitsui Chemicals fulfills its corporate social responsibility.

As a result of these endeavors, there were no breaches of statutory or regulatory requirements including rules and matters of a minor nature in fiscal 2014.

Group risk management system

We introduced the Mitsui Chemicals Group Risk Management System to quickly identify risks and prevent them from materializing. The system involves identifying key risks within the annual budget of each Group company or division, undertaking an analysis of the status of risk, and implementing measures accordingly.

We also use tools such as compliance checklists as part of a risk management PDCA^{*} cycle that is designed to monitor progress with risk management measures and prevent risks from materializing.

* PDCA: Plan, Do, Check, Act

Structure of our Group Risk Management System



Risk Hotline

Our Risk Hotline enables any Group employee who has obtained information relating to risks, including details of illegal activities going on within the Company, to directly report the matter to and seek advice from the Risk & Compliance Committee or an outside attorney. Any and all information relating to risks received through the hotline is immediately and appropriately reported to the Company's corporate auditors.

Meanwhile, our Company regulations clearly state that employees using the hotline to report or seek advice about an incident must not receive unfavorable treatment.

The hotline is also open to reports and requests for advice from employees working for contractors at our works or other sites and those working for companies supplying us with items such as raw materials or parts.

Risk Hotline statistics



Business continuity plans (BCPs)

We have formulated a Business Continuity Plan (BCP)^{*} for execution in the event of a major earthquake in the Tokyo metropolitan area. The plan outlines the establishment of an emergency headquarters, to quickly establish a chain of command in the event that Head Office is unable to function, and emergency customer response centers, to provide our customers with support quickly and effectively.

Continuing on from fiscal 2014, we again intend to organize extensive BCP training, incorporating flexible measures aligned to changing conditions and situations, while also covering the potential risk of a major earthquake in the Tokyo metropolitan area, in fiscal 2015. Following on from that, we also intend to review regulations and our BCP, focus on raising awareness in the workplace and install essential equipment, as part of an effective PDCA-based approach to business continuity.

* BCP: Business Continuity Plan

Management Framework

Goals and Results

Corporate Governance

Compliance Training

To promote compliance, it is absolutely essential that each and every employee is aware of the need for compliance on an individual level and has a working knowledge of all applicable laws and regulations. To raise awareness, we organize compliance awareness training and example-based workplace discussions on legal and regulatory violations. In order to improve employees' knowledge meanwhile, we organize legal and regulatory compliance training and compile a compliance guidebook that employees can refer to at any time. These are the four key methods that we use to ensure compliance within the Mitsui Chemicals Group.

Compliance Training

Example-based workplace discussions on legal and regulatory violations

The Mitsui Chemicals Group has been organizing example-based workplace discussions on legal and regulatory violations since fiscal 2008. These discussions involve members of staff in each workplace discussing examples of compliance violations at Mitsui Chemicals and at other companies, with a focus on the causes, preventive measures and the potential for similar occurrences in their own workplace. The aim is to raise awareness of legal and regulatory compliance and reinforce interactive communication with senior members of staff. Discussions have received a positive response in many of our workplaces, with some departments voluntarily increasing the frequency of discussion sessions and others picking out examples of particularly relevant violations at other companies.

Compliance manuals

In an effort to comprehensively raise awareness of compliance on an individual level, in 2003 we compiled a compliance guidebook (revised in 2006 and 2012) summarizing important points to consider when carrying out operations as a Mitsui Chemicals Group employee and distributed copies to all Group employees. In addition to the existing Japanese and English editions, in 2009 we compiled a new Chinese edition containing information on Chinese laws and regulations. Copies were distributed primarily to our subsidiaries in China.

We use these manuals to help promote compliance on a day-to-day basis.

Compliance Guidebook (abstract) (PDF : 67KB)

Compliance awareness training

The awareness of individual directors and employees is the most important factor to ensure compliance. The required level of awareness varies however depending on each individual's position within the Company. We therefore tailor the contents of compliance awareness training to suit every level, from management to new recruits. Our goal is for individuals at every level to take the initiative and set an example for others, thereby raising levels of

compliance awareness throughout the Group and creating a more open corporate culture.

Legal and regulatory compliance training and e-learning

Here at the Mitsui Chemicals Group, we organize legal and regulatory compliance training in order to improve employees' knowledge. Training is provided via e-learning or group training sessions, both of which cover specific laws and internal regulations that our employees need to be aware of in order to carry out their duties. We also organize customized training sessions for individual divisions or subsidiaries and affiliates on request.

Required subjects vary depending on the contents of each employee's duties. We also require employees to re-take courses on a regular basis to ensure that they are aware of recent developments.

Responsible Care

This section outlines our responsible care (RC) initiatives, which form the basis of our wideranging business activities here at the Mitsui Chemicals Group. This includes occupational health and safety, process safety and disaster prevention, environmental protection, chemical management, quality and logistics, as well as our RC promotion framework.

RC Promotion System Mitsui Chemicals' Responsible Care Policy We set out basic requirements for responsible care The Mitsui Chemicals Group carries out responsible care activities throughout the Mitsui Chemicals Group. (RC) activities across six functional categories; environmental protection, process safety and disaster prevention, occupational health and safety, chemical Responsible Care Policy safety, quality, and transport safety. Goals and Results RC initiatives Environmental Safety, Occupational Health, and Quality Audits Roll Out to Subsidiaries and Affiliates Process Safety and Disaster Prevention Occupational Health and Safety Here at the Mitsui Chemicals Group, we engage in a Working as a unified Group, Mitsui Chemicals engages in variety of activities with the aim of strengthening our activities aimed at preventing accidents and occupational process safety capabilities. injuries. At the same time, we continue to focus on measures that help employees address a host of issues including lifestyle-related diseases and mental health. Goals and Results Goals and Results Initiatives to Prevent Major Accidents Creating Safe and Secure Workplaces Introduction to Process Safety and Disaster Prevention at Production Sites Introduction to Safety Activities at Production Sites External Communications Environmental Protection

Here at the Mitsui Chemicals Group, we make sure that all of our business activities are in harmony with the global environment.

Goals and Results	Introduction to Activities at Production Bases
Preventing Global Warming	► Biodiversity
► Reducing Industrial Waste	Environmental Accounting
Substances Subject to the PRTR Act	► Input⇒Output
► Preserving air quality	Handling Environmental Complaints
Philosophy on Water Resources	

Chemical Management

Mitsui Chemicals engages in sound chemical substance management as a part of efforts to support the international pledge of the Word Summit on Sustainable Development (WSSD), held in Johannesburg in 2002, to minimize the negative impact of chemicals on people and the environment by the year 2020.

Goals and Results

Promotion of Chemical Management

Logistics

Here at the Mitsui Chemicals Group, we carry out a wide range of initiatives to ensure that our products are transported safely.

Goals and Results

Transporting Products Safely

Acquiring Eco Rail Mark Certification

Quality

We are committed to continually improving the level of quality management here at the Mitsui Chemicals Group, under our Basic Policy Regarding the Environment, Safety, Occupational Health and Quality. We also make every effort to improve the quality of our products and services so as to increase customer satisfaction even further.

Goals and Results

Quality Improvement Initiatives

Mitsui Chemicals' Responsible Care Policy

Responsible Care Policy

Responsible Care Policy

The Mitsui Chemicals Group determines the basic elements of Responsible Care (RC) activities in accordance with its Basic Policy Regarding Responsible Care. It is through initiatives such as these that we strive to earn the public's trust, whilst at the same time facilitating our own business activities.

On behalf of the Company, Mitsui Chemicals' President signed the Responsible Care Global Charter, which is a commitment by the chemical industry to strengthen RC activities and improve health, safety, and environmental performance. This Charter was revised in 2014. Based on the ideas of this Charter, and in order to clarify our intentions and understanding that "safety has priority over all things," we have revised the "Responsible Care Policy" in September 2015.

둸 Responsible Care Policy 🗗

RC encompasses all of the activities that companies manufacturing or handling chemicals pledge to undertake based on the principles of self-determination and responsibility. Activities span the entire life cycle of each product, from development and manufacturing to transport, use, consumption and disposal, and are aimed at protecting the environment, ensuring safety, process safety, disaster prevention, occupational safety, chemical safety, and maintaining occupational health and quality, as a matter of basic policy. All activities are self-managed, and involve measures and improvements relating to the environment, safety, occupational health and quality.

RC Promotion System

Goals and Results	RC initiatives	Environmental Safety, Occupational Health, and Quality Audits
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Roll Out to Subsidiaries and Affiliates

The Mitsui Chemicals Group carries out responsible care (RC) activities across six functional categories; environmental protection, process safety and disaster prevention, occupational health and safety, chemical safety, quality, and transport safety.

Management System

Policy

The Mitsui Chemicals Group carries out RC activities in accordance with its Responsible Care Policy.

Responsible Care Policy

System and Responsible Officers

Under the direction of the director who serves as chairman of the Responsible Care (RC) Committee, RC Committee members—consisting of officers who oversee each of the six functional categories * as well as department managers—are tasked with revising RC activity-related policies, strategies, planning and performance evaluations, as well as the RC system. Departments in charge of each RC functional category exchange information on a daily basis to promote RC activities throughout the Group.

* Six functional categories: environmental protection, process safety and disaster prevention, occupational health and safety, chemical safety, quality, and transport safety

Monitoring Methods, Achievements and Reviews

RC Committee regularly convenes to monitor the progress RC activity plans and conduct evaluations of RC achievements, the results of which are then reflected in planning for the next fiscal year.

Goals and Results

Goals for Fiscal 2014

• Effectively implement the PDCA cycle as part of RC activities across the Mitsui Chemicals Group as a whole, through the RC Committee and various other committees

Fiscal 2014 Results and Assessment

Level achieved: A

- Held three RC Committee meetings and two separate meetings with officers responsible for RC over the course of the year (to formulate plans, monitor progress and evaluate results)
- · Held one Safety, Health, and the Environment (SHE) meeting for each region: the United States, China, and Asia

* SHE: Safety, Health, and the Environment

Priorities for Fiscal 2015

- · Expand and strengthen RC activities at overseas subsidiaries and affiliates
- 💥 Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more and less than 95%, C: less than 70%

RC Promotion System • Goals and Results • RC initiatives • Environmental Safety, Occupational Health, and Quality Audits • Roll Out to Subsidiaries and Affiliates RC initiatives RC initiatives

Mitsui Chemicals engages in activities across the six clearly defined functional categories of environmental protection, process safety and disaster prevention, occupational health and safety, chemical safety, quality, and transport safety. These functional categories conform to the RC Code of the Japan Chemical Industry Association. RC activities are undertaken across the Mitsui Chemicals Group as a whole. This includes the support provided with respect to the specific initiatives of domestic and overseas subsidiaries and affiliates by the departments that oversee each functional category.

Roll Out to Subsidiaries and Affiliates

Relationship between the RC function field and society



RC Promotion System

Our Responsible Care Committee (RC Committee), chaired by the director in charge of the RC Committee and comprised of the general managers of the department that oversee each hexagon functional category and the general managers in charge of each business sector, meets on a regular basis in order to map out RC-related policies, strategies and plans, evaluate our performance, and review our RC systems. Reports outlining discussions and topics covered at each meeting are then submitted to the Management Committee, to reinforce executives' commitment to responsible care activities.

RC Promotion System Centered on the RC Committee



We exchange information between departments in charge of RC functions on a daily basis and work to promote RC activities that involve the Company as a whole. We also appoint a member of staff in charge of RC in each division and department, and organize regular meetings so that we can roll out RC-related policies and strategies on a Mitsui Chemicals Group basis. Specific RC activities are carried out by individual departments within each works or division. Meetings are also held with domestic subsidiaries and affiliates to exchange information. Moreover, steps are taken to

share policies related to RC activities as well as activity results. Turning to overseas subsidiaries and affiliates, SHE^{*} and other meetings are held by region.

Audits are conducted on a periodic basis to assess the status of RC activity implementation. In addition to forming the base for further guidance, the results of each audit are reflected in efforts to put in place new plans going forward.

* SHE: Safety, Health, and the Environment

Environmental Safety, Occupational Health, and Quality Audits

Operational flow of RC activities

Role of the RC Committee

- (1) Formulate RC-related policies, strategies, plans and measures on a Companywide basis
- (2) Assess the results of Companywide RC activities on a yearly and quarterly basis
- (3) Publicize and raise awareness of RC within the Company
- (4) Assess the results of RC audits
- (5) Review RC systems and examine other important issues



RC Promotion System

Goals and Results

► RC initiatives

Environmental Safety, Occupational Health, and Quality Audits

Roll Out to Subsidiaries and Affiliates

Environmental Safety, Occupational Health, and Quality Audits

We conduct environmental safety (environmental preservation, process safety, disaster prevention, chemical safety, occupational safety), occupational health and quality audits every year, in order to objectively evaluate the effective implementation of responsible care (RC) activities at our works, factories, business divisions, laboratories as well as subsidiaries and affiliates all over the world, and to provide guidance. Audits are conducted in line with specific procedures, which involve the heads of the Internal Control Division and the RC & Quality Assurance Division as well as industrial physicians, and focus particularly on monitoring progress with key challenges set out in our annual plans and following up on improvements recommended during the previous year's audit.

Worldwide subsidiaries and affiliates eligible for RC support are audited on a regular basis in conjunction with the supervising division at the relevant company. In addition to ascertaining the current status of RC activities and providing guidance, audits are also aimed at improving the overall standard of RC activities throughout the Mitsui Chemicals Group. We make every effort to carry out audits as effectively as possible, and determine the frequency of audits and key criteria carefully, taking into account factors such as the level of environmental, safety, health and quality management at each subsidiary or affiliate.

[Audits conducted in fiscal 2014]

All audits were completed according to formulated plans.

Results of Environmental Safety, Occupational Health, and Quality Audits in Fiscal 2014

Country	Company		Scope of	Audit	Audits in fiscal 2014 ■ Onsite audit □ Document audit only △ Health inspection only ※Empty space indicates that the company was not covered by the fiscal 2014 audit			
		ISO	OHSAS	ISO	Others	Enviro- nment	Occu- pation	Quality
		14001	18001	9001		Safety	Health	
	Mitsui Chemicals, Inc. (Ichihara Works)	0	0	0				
	Mitsui Chemicals, Inc. (Osaka Works)	0	0	0		-		-
	Mitsui Chemicals, Inc. (Iwakuni-Ohtake Works)	0	0	0		-		
	Mitsui Chemicals, Inc. (Omuta Works)	0	0	0				
	Mitsui Chemicals, Inc. (Tokuyama Branch Factory)	0		0				
	Mitsui Chemicals, Inc. (Kashima Works)	0	0	0				

64

Mitsui Chemicals, Inc. (Nagoya Works)	0	0	0		■		
Mitsui Chemicals, Inc. (Mobara Branch Factory)	0	0	0				
Mitsui Chemicals, Inc. (Sodegaura Center)							
Mitsui Chemicals, Inc. (Mobara R&D Center)							
MC Industries, Ltd. (Shimizu Factory)	0	0	0				
MC Industries, Ltd. (Kaibara Factory)	0		0				
Saxin Corporation	0	0	0				
Sun Alloys Co., Ltd.			0				
Sun Medical Co., Ltd.							
Sunrex Industry Co., Ltd.	0		0				
Japan Composite Co., Ltd.	0		0				
Toyo Beauty Supply Corporation			0	ISO 13485			
Shimonoseki Mitsui Chemicals, Inc.	0		0				
Hokkaido Mitsui Chemicals, Inc.			0				
NIPPON ALUMINUM ALKYLS, LTD.	0		0				
Utsunomiya Chemical Industry Co., Ltd. (Utsunomiya Works)			0				
Utsunomiya Chemical Industry Co., Ltd. (Shinshiro Factory)			0				
Utsunomiya Chemical Industry Co., Ltd. (Funaoka Factory)			0				
Utsunomiya Chemical Industry Co., Ltd. (Tosu Factory)			0				
Mitsui Chemicals Industrial Products, Ltd. (Saitama Office)	0		0				
Mitsui Chemicals Industrial Products, Ltd. (Otake Office)	0	0	0				
Mitsui Chemicals Tohcello, Inc. (Head Office)	0		0				
Mitsui Chemicals Tohcello, Inc. (Anjo Factory)	0		0				
Mitsui Chemicals Tohcello, Inc. (Ibaraki	0		0				65

Japan

	Factory)							
	Mitsui Chemicals Tohcello, Inc. (Koga Factory)	0		0				
	Mitsui Chemicals Tohcello, Inc. (Katsuta Factory)	0		0				
	Mitsui Chemicals Tohcello, Inc. (Hamamatsu Factory)	0		0				
	Yamamoto Chemicals, Inc. (Head Office / Yao Factory)	ο		0				
	Yamamoto Chemicals, Inc. (Omuta Works)	0		0				
	Mitsui Fine Chemicals, Inc.							
	Mitsui Chemicals Agro, Inc. (Head Office)						-	
	Advanced Composites, Inc. Ohio	0	0	0		Δ		
	Advanced Composites, Inc. Tennessee	0	0	0		Δ		
USA	Anderson Development Company	0		0			-	
	ESCO COMPANY, LLC	SOCMA Chem Stewards	SOCMA Chem Stewards	0				
	SDC TECHNOLOGIES INC.			0				
	Mitsui Chemicals America, Inc.						-	
	IMAGE POLYMERS COMPANY						-	
Mexico	Advanced Composites Mexicana, S.A.de C.V.	0			TS 16949			
Indonesia	P.T. Cosmo Polyurethane Indonesia	0		0			-	
	P.T. PETNESIA RESINDO	0	0	0			-	
	GRAND SIAM COMPOSITES CO., LTD.	0	0	0	TS 16949			
	Mitsui Hygiene Materials (Thailand) Co., Ltd.	0	0	0		Δ		
Thailand	SIAM MITSUI PTA CO., LTD.	0	0	0				
	THAI MITSUI SPECIALTY CHEMICALS CO., LTD.	0	0	0		Δ		
	Thai PET Resin Co., LTD.	0	0	0				66
							1	

Malaysia	COSMO POLYURETHANE MALAYSIA SDN. BHD.	0		0				
	Cosmo Scientex (M) Sdn. Bhd.	0	0	0				
	MCTI SCIENTEX SOLAR SDN BHD			0			Δ	
Singapore	MITSUI CHEMICALS ASIA PACIFIC,LTD TECHNICAL CENTRE							
	MITSUI CHEMICALS SINGAPORE R&D CENTRE PTE,LTD.							
	MITSUI ELASTOMERS SINGAPORE PTE. LTD.	0	0	0			Δ	
	MITSUI PHENOLS SINGAPORE PTE. LTD.	0	0	0			Δ	
India	MITSUI PRIME ADVANCED COMPOSITES India PVT. Ltd.	0		0				
China	Foshan Mitsui Chemicals Polyurethanes Co., LTD.			0				
	Mitsui Advanced Composites (Zhongshan) Co., LTD.	0		0		-	Δ	
	MITSUI CHEMICALS SHANGHAI CO.,LTD. TECHNICAL XENTRE							
	Tianjin Cosmo Polyurethane Co., Ltd.	0		0				
	Tianjin Cosmo Polyurethane Co., Ltd.	0		0				
	Zhang Jia Gang Free Trade Zone Mitsui Linkupon Advanced Material, Inc.	0		0	TS 16949		Δ	
	Mitsui Chemicals Nonwovens. Tianjin.							
Italy	Acomon SRL	0		0				

RC Promotion System

Goals and Results

Environmental Safety, Occupational Health, and Quality Audits

Roll Out to Subsidiaries and Affiliates

Roll Out to Subsidiaries and Affiliates

RC initiatives

Responsible Care Shiodome Manifesto

President & CEO Tsutomu Tannowa once again became a signatory of the Responsible Care Global Charter on behalf of Mitsui Chemicals following its revision in 2014 reaffirming the commitment to Responsible Care across the Group as a whole. Deeming it necessary to expand RC activities to subsidiaries and affiliates in order to fulfill this commitment, Mitsui Chemicals formulated the Responsible Care Shiodome Manifesto as a declaration that promotes the Company's basic RC policies and frameworks for subsidiaries and affiliates based on the articles of the Responsible Care Global Charter. Drafting the Responsible Care Shiodome Manifesto in Japanese as well as English and Chinese to facilitate understanding among local employees, President Tannowa has pledged to support RC activities undertaken by all Group subsidiaries and affiliates.



Responsible Care Shiodome Manifesto

Five-Region Network and SHE Meetings

Centered on Japan, Mitsui Chemicals has created the Five-Region Network, which shares RC-related information across five regions where its subsidiaries and affiliates operate: China, Asia, Europe, and the Americas. This network gathers RC-related information from industrial organizations located in each region, which after being summarized and analyzed by the head office is shared throughout the Mitsui Chemicals Group.

As part of its RC programs in each region, the Company holds SHE (Safety, Health, and the Environment) meetings that gather together the staff in charge of RC of various subsidiaries and affiliates. SHE meetings provide opportunities for participants to learn from each other by analyzing accidents and other case studies as well as learning best practices.



SHE meeting (Asia Pacific)

SHE meeting (Americas)



SHE meeting (China)
Process Safety and Disaster Prevention

■ Goals and Results ■ Initiatives to Prevent Major Accidents

Introduction to Process Safety and Disaster Prevention at Production Sites
External Communications

Based on our management policy of putting safety first in everything that we do, we have continued to implement a range of safety activities throughout the Mitsui Chemicals Group. Reflecting deeply on the explosion and fire that occurred at our lwakuni-Ohtake Works in 2012, we have since implemented a series of preventive measures as well as fundamental safety measures to ensure that nothing like this ever happens again, anywhere within the Mitsui Chemicals Group. With the utmost sincerity, we have made a firm commitment to promoting safety on the understanding that safety is essential and for the benefit, not only of ourselves, but also our families, colleagues, and society as a whole. Taking this commitment very much to heart, we are thinking carefully about what we can do to ensure safety and taking all appropriate actions. As a part of our Safety Day and other activities, each and every member of the Mitsui Chemicals Group repeatedly recites his or her commitment and pledge to ensuring safety is our top priority.

Management System

Policy

Responsible care initiatives based on our Responsible Care Policy

System and Responsible Officers

The director in charge of the Responsible Care Committee also serves as the head of the committee. The Responsible Care Committee also consists of the manager of process safety and disaster prevention (the head of the Safety & Environmental Technology Division) and the heads of each business sector. The committee creates policies, strategies and plans related to safety and disaster prevention, evaluates performance and reviews the responsible care system. The departments in charge of process safety and disaster prevention strive to improve process safety and disaster prevention in Companywide responsible care initiatives while exchanging information on a daily basis.

Monitoring Methods

The Responsible Care Committee convenes periodically to review the progress of responsible care activities against targets and evaluate performance.

Achievements and Reviews

The outcome of responsible care activities is reported to the Responsible Care Committee, and this data is reflected in the following fiscal year's plans.

Goals and Results

Goals for Fiscal 2014

- · Major accidents: Zero
- Periodically confirm the status of fundamental safety measure activities: Four or more times at each Works
- Implement emergency shutdown safety checks: Once at each Works

Fiscal 2014 Results and Assessments

Level achieved: A

- · Achieved zero major accidents
- · Periodically confirmed the status of fundamental safety measure activities: Follow-up on four occasions at each Works
- Implemented emergency shutdown safety checks: Once at each Works

Priorities for Fiscal 2015

- Affirm progress on core agendas and implementation status
- Thoroughly assess risks and advance irregular risk assessments
- Leverage expertise from inside and outside the Company (accident information and third-party assessments)

* Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more and less than 95%, C: less than 70%

Process Safety and Disaster Prevention

Goals and Results

Initiatives to Prevent Major Accidents

Introduction to Process Safety and Disaster Prevention at Production Sites

External Communications

Initiatives to Prevent Major Accidents

Over the past few years, major accidents have occurred at chemical plants throughout Japan. These include the explosion and fire that broke out at the resorcinol production facility at the Mitsui Chemicals Iwakuni-Ohtake Works on April 22, 2012. Consequently, the government ministries involved issued guidance, and organizations concerned sent out action plans and guidelines. Having been party to the causing of an accident, Mitsui Chemicals is responding in a careful manner.

Top Management's Strong Commitment to Safety

Mitsui Chemicals stipulates action guidelines to realize the Group's management vision. Among those action guidelines we clearly state that "we will act with a mind-set that safety is our top priority." Based on the Mitsui Chemicals Group Action Guidelines, there is also the Responsible Care Policy, in which we undertake our uncompromising pursuit of realizing no accidents by impressing upon all employees the idea that "we put safety first in everything we do," reflecting the Policy's Safety and Occupational Health items. On fiscal 2015 Safety Day and during National Safety Week, the president repeatedly conveyed the message to all Mitsui Chemicals Group employees that they follow the management policy of "making safety their top priority in everything they do."

Fiscal 2014 results are as follows.

- (1) Safety instructions provided directly to head office staff during the opening address
- (2) Broadcasting the President's Safety Day message
- (3) Iwakuni-Ohtake Works visit on Safety Day, participating in Safety Day events at the plant, communicating safety instructions directly to employees
- (4) Company newsletter featuring interview with Japan Society for Safety Engineering (JSSE) Chairman Ito distributed to all employees
- (5) Direct safety instructions during plant visits (control room, auditorium, etc.): 9 times in fiscal 2014

We are promoting active involvement that includes the vice president and the head of the Production & Technology Center by conducting tours of plants and overseas facilities.

Measures to Boost Seismic Resistance of Existing High-Pressure Gas Facilities

In response to a notification issued by Japan's Ministry of Economy, Trade and Industry in May 2014, Mitsui Chemicals has assessed and, where necessary, enhanced the seismic resistance of its existing high-pressure gas facilities. In addition, the Company began performing detailed assessments of these facilities in fiscal 2014. In fiscal 2015, the Company is continuing these assessments and undertaking systematic countermeasures.

Thorough Risk Assessments

Learning the lessons of the explosion and fire that broke out at the resorcinol production facility at the Iwakuni-Ohtake Works, Mitsui Chemicals has promoted risk assessments related to emergency shutdowns. Following the issuance of guidance by relevant government ministries, the Company has subsequently implemented measures in this area on a continuous and constructive basis.

<Fiscal 2013>



Safety Day Speech by President Tannowa (Iwakuni-Ohtake Works)

<Fiscal 2014>

Based on the above, the reorganized Inspection Group conducted inspections of emergency stoppage procedures at all plants.

Finally, head office staff conducted follow-ups on inspection results for each plant.

Moreover, we began examining procedures for conducting risk assessments related to non-routine operation startups in fiscal 2014.

<Fiscal 2015>

Mitsui Chemicals commenced model plant applications.

Mitsui Chemicals has continued to thoroughly conduct risk assessments in the event of non-routine or emergency operations.

Process Safety and Disaster Prevention

Goals and Results
Initiatives to Prevent Major Accidents

Introduction to Process Safety and Disaster Prevention at Production Sites

External Communications

Introduction to Process Safety and Disaster Prevention at Production Sites

At Mitsui Chemicals, we hold evacuation drills to evacuation centers and emergency shutdown drills in the event of a major earthquake or tsunami. We also hold various disaster drills that include emergency activities such as firefighting, emergency call-outs and reporting as part of measures to respond to plant emergencies. Going forward, Mitsui Chemicals will continue systematically conducting various drills in tandem with relevant government agencies and local communities.

Process safety and disaster prevention drills

At Mitsui Chemicals, we are continually improving our in-house disaster prevention capabilities. In addition to conducting disaster prevention drills, including emergency activities such as firefighting, emergency call-outs and reporting, we also carry out joint drills with municipal fire and police departments, validate emergency responses and take steps to improve any shortcomings.

We formulate site-specific plans for each Works every year and conduct drills designed specifically for the operations carried out at each of our sites. We also perform drills for scenarios where something unexpected occurs during emergency shutdowns, in light of lessons learned from the accident at the resorcinol production facility. We also organize full-scale comprehensive disaster prevention drills on a regular basis at each of our Works, including joint training with municipal fire departments and volunteer firefighting units, and training involving the local police. We work with municipal fire departments and nearby companies to organize joint disaster prevention drills as a form of reciprocal training between companies.

We aim to improve our disaster prevention readiness by conducting the following drills at each site.

Ichihara Works

Participating jointly with municipal fire departments and nearby companies, we conduct comprehensive disaster prevention drills based on a scenario in which a tank leaking flammable liquid causes a fire. We have been sharing the hazardous nature of disaster prevention activities among internal departments.

Iwakuni-Ohtake Works

Hosted by Yamaguchi Prefecture, we conduct disaster drills in the event that high-pressure gas leaks from broken tanks following a traffic accident during transport. During the drill, we verified our initial response, notification, and traffic control capabilities as well as our system for cooperating with relevant authorities.

Omuta Works

We invite the police department and municipal disaster management office to observe comprehensive disaster prevention drills conducted jointly with the municipal fire department, which are intended to minimize damage in the event of an accident. Through these drills, we reaffirmed our emergency response capabilities.

Earthquake and tsunami drills

At Mitsui Chemicals, we hold evacuation drills to evacuation centers and emergency shutdown drills in the event of a major earthquake or tsunami. At the Head Office, based on a scenario entailing a large-scale earthquake in the Tokyo metropolitan area, we conduct readiness drills in line with our



Practice using fire truck high-pressure water cannons (Ichihara Works)



Practice using high-pressure water cannons on a damaged vehicle (Iwakuni-Ohtake Works)



Joint drills with the municipal fire department (Omuta Works)

business continuity plan (BCP) in order to be able to ascertain the safety of employees and obtain damage reports at our works, while communicating with the Osaka Works. The following drills are conducted at each of the Works.

Ichihara Works

Based on a scenario where a massive tsunami hits the Tokyo Bay, we conduct emergency plant shutdown drills, issue tsunami warnings, and evacuation drills to designated evacuation centers. Our employees and partner company employees participate in evacuation drills to make sure they know the location of the 14 evacuation centers at the Works, and to verify that centers are able to accommodate a suitable number of evacuees as expected and the personnel confirmation is performed rapidly.

• Nagoya Works

We held comprehensive disaster prevention drills to confirm that employees are able to take rapid and proper actions during a major Tokai/Nankai Trough earthquake and massive subsequent aftershocks. We also conducted drills to ensure that employees evacuate to the designated evacuation locations in the event of a tsunami.

Osaka Works

To prepare for an earthquake along the Nankai Trough, our employees and partner company employees perform evacuation drills to 10 evacuation centers at the Works. Evacuation drills are held to confirm that employees know the routes to designated evacuation locations at each plant and how many people each location can accommodate.

HAZOP Plant Leaders

Mitsui Chemicals has assigned a HAZOP^{*1} leader at each major Works who is responsible for accident prevention. This leader conducts safety assessments when facilities are newly constructed, expanded or modified, and performs HAZOP studies when plant risks are identified. In addition, we standardize HAZOP evaluation methodologies and train HAZOP leaders.

HAZOP leaders held training sessions for staff in charge of the actual HAZOP studies to learn more about analysis methods and investigation concepts for the entire works. We plan to periodically hold these training sessions to improve the level of safety assessment skills of HAZOP leaders.

We conduct the following drills at each site.

Iwakuni-Ohtake Works

HAZOP plant leaders hold training sessions for workplace HAZOP leaders (who play a facilitator role) and HAZOP members who work in manufacturing and technology departments and/or are involved in production technology.

• Overseas affiliated companies (TMSC*2)

HAZOP instructors were dispatched to hold training sessions for staff in charge of the actual HAZOP studies to learn more about analysis methods and investigation concepts for the entire works.

- *1 HAZOP (Hazard and Operability Study): HAZOP stands for hazard and operability study. Method of identifying all risks inherent within the Works and systematically evaluating safety measures to ensure that they are adequate.
- *2 TMSC: THAI MITSUI SPECIALTY CHEMICALS CO., LTD.



Personnel confirmation drills at the evacuation center (Ichihara Works)



Injured person rescue drills (Nagoya Works)



Evacuation drills to evacuation centers located on higher ground (Osaka Works)



Discussion during a training session (TMSC)



An instructor lectures about methodology (TMSC)

Process Safety	and Disaster Prevention	
Goals and Results	Initiatives to Prevent Major Accidents	
Introduction to Proce	ess Safety and Disaster Prevention at Production Sites	External Communications

External Communications

Reflecting on the explosion and fire that broke out at the resorcinol production facility at Iwakuni-Ohtake Works, Mitsui Chemicals actively sent out information about the events leading to the resorcinol production facility accident and our response as well as its commitment to the taking of fundamental safety measures to many sites in Japan. Taking advantage of these opportunities, we had discussions with people outside the Company and incorporated many opinions into Mitsui Chemicals safety measures.

External communications were undertaken on nine, eight, and two occasions in fiscal 2012, fiscal 2013, and fiscal 2014, respectively. Looking ahead, we will continue to actively engage in external communication.

Occupational Health and Safety

Goals and Results Creating Safe and Secure Workplaces

Introduction to Safety Activities at Production Sites

Working as a unified Group, Mitsui Chemicals engages in activities aimed at preventing accidents and occupational injuries. At the same time, we continue to focus on measures that help employees address a host of issues including lifestyle-related diseases and mental health.

Management System

Policy

Responsible care initiatives based on our basic Responsible Care Policy

System and Responsible Officers

The director in charge of the Responsible Care Committee also serves as the head of the committee. The Responsible Care Committee also consists of the managers of occupational health and safety (the heads of the Safety & Environmental Technology and the Human Resources divisions) and the heads of each business sector. The committee creates policies, strategies and plans related to occupational health and safety, evaluates performance and reviews the responsible care system.

The departments in charge of occupational health and safety strive to improve occupational health and safety in Companywide responsible care initiatives while exchanging information on a daily basis.

Monitoring Methods

The Responsible Care Committee convenes periodically to review the progress of responsible care activities against targets and evaluate performance.

Achievements and Reviews

The outcome of responsible care activities is reported to the Responsible Care Committee, and this data is reflected in the following fiscal year's plans.

Goals and Results

Goals for Fiscal 2014

- · Reinforce safety measures at overseas affiliates
- · Reinforce safety measures that focus on occupational accident and injury trends
- · Reinforce the depth of initiatives including audits

Fiscal 2014 Results and Assessments

Level achieved: B

• Frequency rate of Work-related Significant Occupational Injuries *1 0.18 (target: 0.15 or less).

In total for the Mitsui Chemicals Group (including all domestic and overseas companies), the frequency rate of workrelated significant occupational injuries was 0.18 in fiscal 2014. While still short of our target of 0.15, a world-class level of safety, the frequency rate of work-related significant occupational injuries has declined considerably at overseas subsidiaries and affiliates, resulting in the best safety record in the past five years for the entire Mitsui Chemicals Group.

Priorities for Fiscal 2015

- Strengthen measures to prevent occupational injuries
- Implement measures to prevent a reoccurrence of same occupational injury

* Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more and less than 95%, C: less than 70%

- *1 Work-related Significant Occupational Injuries (WSOIs)
 - Occupational accidents and injuries that are directly related to operations and result in days away from work cases or fatality
 - Restricted work or transfer to other job and medical treatment cases that are caused by a major incident and have the potential to result in fatality or days away from work cases
 - The data collected to calculate the frequency rate for work-related significant occupational injuries covers consolidated subsidiaries with responsible care support initiatives.

Occupational Health and Safety

■ Goals and Results
▼ Creating Safe and Secure Workplaces

Introduction to Safety Activities at Production Sites

Creating Safe and Secure Workplaces

Occupational injuries

While there are fluctuations between fiscal years, Mitsui Chemicals continues to manage its major occupational injury frequency rate in a sound manner in overall terms compared with the other industries as well as the chemical industry. Meanwhile, the Work-related Significant Occupational Injury frequency rate for the Mitsui Chemicals Group as a whole (including subsidiary and affiliates in Japan and overseas) for fiscal 2014 was 0.18. On this basis, we were unable to achieve the global standard for safety of 0.15. However, the Mitsui Chemicals Group on the whole has achieved its highest level of safety for the past five years owing to significant improvements in work-related significant occupational injury frequency rates for overseas subsidiaries.



Frequency of DAFWCs (All industries/chemical industry/Mitsui Chemicals)

- Frequency rate indicates the frequency of occupational accidents based on the number of individuals killed or injured by occupational accidents per 1 million hours of total working time.
- Average DAFWC rate for all industries in Japan and for the chemical industry. Mitsui Chemicals aggregate data for DAFWC rates up to the second half of fiscal 2012 and work-related significant occupational injuries from the second half of fiscal 2012 onward.

Sources: *1. Ministry of Health, Labour and Welfare White Paper Fiscal 2014 Survey on Industrial Accidents

*2. Japan Industrial Safety & Health Association fiscal 2015 safety index

Frequency of Work-related Significant Occupational Injuries for the Mitsui Chemicals Group (Mitsui Chemicals <employees + operation subcontractors>)



Occupational Health and Safety

Goals and Results
Creating Safe and Secure Workplaces

Introduction to Safety Activities at Production Sites

Introduction to Safety Activities at Production Sites

Each Works at Mitsui Chemicals takes a bottom-up approach to plant operations through small-group activities. Typical examples of specific activities are as follows.

Iwakuni-Ohtake Works

On March 30, 2015, the Iwakuni-Ohtake Works held a presentation of its small team work activities. In fiscal 2014, the Iwakuni-Ohtake Works resumed small team work activities, which it had previously undertaken. Over a one-year period, 152 teams (comprising of 951 employees) engaged in various activities. Of these, we announced the successful efforts of 10 teams, which were selected after conducting primary and block screening. One presenter commented: "veteran, mid-career and young employees worked together to create safe workplaces. Above all else, these efforts stimulated serious communication among a wide range of people. Job well done!"

Ichihara Works

On May 27, 2015, the Ichihara Works held a presentation of its small team work activities. The 10 teams that were announced included those from the Mobara Branch Factory, affiliated companies, and partner companies. These teams undertook activities in a variety of areas such as problem-solving, energy conservation, quality issues, and technology transfers.

Shimonoseki Mitsui Chemicals

On April 16, 2015, Shimonoseki Mitsui Chemicals held a presentation regarding its operational innovation activities, announcing the successful results of 10 teams' efforts over a one-year period. During the event, the improvement proposal award of the year was announced, and the top five most outstanding employees were honored.

At all other Works, small-group activities took place in line with the characteristic of each Works. Mitsui Chemicals promotes a One Team spirit through small-group activities.

Instruction in Hazard Prediction, Pointing and Calling

At the Safety & Environment Technology Division, we have been supporting efforts to eliminate occupational accidents at affiliated companies inside and outside Japan since fiscal 2006.

With the particular aim of entrenching hazard prediction activities, we have been cultivating KY (kiken yochi: hazard prediction) instructors in order to enable hazard prediction education at each affiliated company.

In fiscal 2014, domestic subsidiaries and affiliates were able to plan and implement their own training sessions thanks to our proactive efforts to develop a system that utilizes KY instructors who have studied various training methods. We will lend our wholehearted support to overseas subsidiaries and affiliates that have voluntarily begun to develop KY instructors and create their own training systems.



Training at Mitsui Hygiene Materials (Thailand)



The Iwakuni-Ohtake Works small teams work presentation

KY training sessions

	FY2013	FY2014
Domestic Subsidiaries &	157 attendees at	206 attendees at
Affiliates	8 sessions	12 sessions
Overseas Subsidiaries &	201 attendees at	160 attendees at
Affiliates	7 sessions	7 sessions
Total	358 attendees at 15 sessions	366 attendees at 19 sessions



Domestic Group presentation at Utsunomiya Kasai's Funaoka Plant

Best Plants Awards in Fiscal 2014

The Best Plants Awards were bestowed in fiscal 2013. Since fiscal 2014, Mitsui Chemicals has recognized through these awards the successes and hardships of manufacturing units with a focus on safety processes in addition to safety records. In fiscal 2014, the following business units were recognized with awards.

President's Award for Best Plant

Siam Mitsui PTA Co., Ltd. Siam Mitsui PTA (Thailand), Manufacturing Section

Executive's Award for Best Plants

Omuta Works, Fine Chemicals Manufacturing Dept., Health Care Section

Osaka Works, Manufacturing Dept.-2, Chemical Section

Sunrex Industry Co., Ltd. No. 2 Manufacturing Group, 8SB Production Team

Mobara Branch Factory Manufacturing Dept., Functional Product Section

Mitsui Chemicals Tohcello, Inc., Nagoya Works, No.2 Manufacturing Dept., ICROS Section

Siam Mitsui PTA Co., Ltd.'s manufacturing section was selected for the President's Award in recognition of its enthusiastic efforts to maintain workplace safety and a passion for work that set it apart from all other workplaces.

In addition to the aforementioned awards, the winners of the General Manager of Works' Award as well as General Managers of Headquarters Awards were also announced.



Commemorative photo of recipients of the President's Award for Best Plant

Employee Health

Employee Health

Environmenta	I Protection					
▼ Goals and Results	► Preventing Glo	obal Warming	► Reducir	ng Industrial Waste		
Substances Subjec	t to the PRTR Act	► Preserving a	air quality	► Philosophy on W	ater Resources	
► Introduction to Acti	vities at Production	Bases ⊩ Bio	odiversity	► Environmental Ac	ccounting	
► Input⇒Output	Handling Environn	nental Complain	ts			

As a chemical company, we act to protect the environment in two ways: by reducing the environmental impact of our business activities and by appropriately managing chemical substances.

Specific initiatives include preventing global warming, saving energy, promoting the 3Rs (Reduce, Reuse, Recycle) in order to reduce the volume of industrial waste sent to final disposal (landfill), and reducing the environmental impact of substances subject to the PRTR Act and volatile organic compounds (VOC).

We also publish environmental accounting figures and run eco-efficiency assessments in relation to our environmental impact and economic activities, in an effort to ascertain the impact of our activities and pave the way for sustainable development.

Management System

Policy

Responsible care initiatives based on our basic Responsible Care Policy

System and Responsible Officers

The director in charge of the Responsible Care Committee also serves as the head of the committee. The Responsible Care Committee also consists of the manager of process safety and disaster prevention (the head of the Safety & Environmental Technology Division) and the heads of each business sector. The committee creates policies, strategies and plans related to safety and disaster prevention, evaluates performance and reviews the responsible care system. The departments in charge of process safety and disaster prevention strive to improve process safety and disaster prevention in Companywide responsible care initiatives while exchanging information on a daily basis.

Monitoring Methods

The Responsible Care Committee convenes periodically to review the progress of responsible care activities against targets and evaluate performance.

Achievements and Reviews

The outcome of responsible care activities is reported to the Responsible Care Committee, and this data is reflected in the following fiscal year's plans.

Goals and Results

Goals for Fiscal 2014

- Implement greenhouse gas reduction plans : At least 20,000 tons
- Steadfastly implement plans aimed at minimizing industrial waste^{*1}

Fiscal 2014 Results and Assessments

Level achieved: A

- Reduced greenhouse gas emissions: Reduction of over 50,000 tons, compared to target of at least 20,000 tons
- · Industrial waste

Domestic manufacturing sites: Achieved industrial waste minimization targets at all domestic manufacturing sites for the fourth straight year

Overseas affiliates $*^2$: Achieved average final disposal ratio of 0.4%, less than the target of 1% for the sixth consecutive year

Priorities for Fiscal 2015

- Implement greenhouse gas reduction plans: At least 10,000 tons
- · Steadfastly implement plans aimed at minimizing industrial waste

* Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more and less than 95%, C: less than 70%

- *1 Minimization of industrial waste: Maintaining a final disposal (landfill) rate of 1% or less of industrial waste generated
- *2 For statistical purposes, "domestic and overseas affiliates" refers to production sites operated by consolidated subsidiaries and companies eligible for RC support (22 in Japan, 22 overseas)

Environmental	Protection								
► Goals and Results	▼ Preventing Glo	obal Warming	► Reducir	ng Industrial Waste					
► Substances Subject t	Substances Subject to the PRTR Act Preserving air quality Philosophy on Water Resources								
► Introduction to Activi	ties at Production	Bases • B	iodiversity	► Environmental A	ccounting				
► Input⇒Output ► F	Handling Environn	nental Complai	ints						

Reducing greenhouse gas emission volumes

Preventing Global Warming

As part of its Mid-Term Business Plan from fiscal 2014 onwards, the Mitsui Chemicals Group set itself the target of reducing greenhouse gas (GHG) emissions by 22% (compared with fiscal 2005, operating at full capacity) primarily at six of its domestic manufacturing sites and 14 domestic consolidated subsidiaries by fiscal 2016. We are working to realize a low-carbon society by actively promoting energy saving, switching to alternative fuels, and creating innovative processes. Against a fiscal 2014 GHG reduction target of 20,000 tons through energy saving and switching to alternative fuels, we achieved a reduction of 50,000 tons by installing small-sized steam compressors to recover low-pressure steam, optimizing plant boiler operations, and thoroughly reducing energy use. As part of our efforts to fundamentally innovate our business organization, we reduced a total of 4.28 million tons of actual emissions (see chart below) in fiscal 2014, 21,000 tons less than the previous fiscal year (down 28% vs. 2005); this includes partial production facility stoppages and changes in production operations.

Moreover, to maximize nationwide GHG emissions reduction contributions from solar/wind power hybrid generators, we commenced a solar and wind power joint project in Tahara, Aichi Prefecture in October 2014.

We tallied for fiscal 2013 indirect corporate CO_2 emissions (Scope 3) on a non-consolidated basis along the entire supply chain, from the purchase of raw materials and product usage by customers to disposal. As a result, we discovered that the highest CO_2 emissions came from purchased goods and services. We plan to disclose calculations for all Scope 3 categories.

Greenhouse Gas Emissions



Scope3 CO2 Emissions (Non-consolidated Fiscal 2013 Emissions)

Grouping	Category	Emissions (Thousands of tons CO ₂ /year)
1	Purchased goods and services	5,265
2	Capital goods	60
3	Fuel- and energy-related activities (not included in Scope 1, 2)	223
4	Transportation/distribution(upstream)	47
5	Waste generated from operations	37
6	Business travel	5
7	Employee commuting	6
8	Leased assets (upstream)	1
11	Sold product specifications	3,675
12	Sold product disposals	1,887
15	Investment	712
	Scope1	3,460
	Scope2	970

【 Calculation Method 】

Basic Guidelines for Calculating Greenhouse Gas Emissions Via Supply Chains (Ver. 2) published by the Ministry of the Environment and Ministry of Economy, Trade and Industry

Used emission factors provided by IDEA and the Act on Promotion of Global Warming Countermeasures calculation/reporting/disclosure system, and emission units formulated by the Ministry of Environment based on Basic Guidelines for Calculating Greenhouse Gas Emissions Via Supply Chains Basic Database (Ver. 2) published by the Ministry of the Environment and Ministry of Economy, Trade and Industry

Status of CO₂ fixation technologies

Mitsui Chemicals took part in the CO_2 fixation project launched by the Research Institute of Innovative Technology for the Earth (RITE) and has continued with the development of catalysts that will synthesize methanol from CO_2 and hydrogen. Having constructed a pilot plant inside its Osaka Works in 2009, Mitsui Chemicals commenced operations toward the commercial application of methanol synthesis technologies that utilize as feedstock the CO_2 contained in exhaust gases. As a result of a variety of verification tests, we were able to verify and confirm that methanol can be synthesized from CO_2 and hydrogen in 2010.

Since then, we have also been able to examine a variety of business models, including whether a manufacturing plant would be good as a source of CO_2 , or good as a source of hydrogen, or whether locations with an abundance of natural energy would be better.

The current status is that we are continuing our investigations to improve commercialization accuracy, but the securing of hydrogen supplies is presenting a major hurdle. We are looking into biomass-derived hydrogen to overcome this problem.

Environment	al Protection						
► Goals and Result	s ► Preventing Glo	obal Warmir	ng T Reducin	g Industrial Waste			
► Substances Subject to the PRTR Act ► Preserving air quality ► Philosophy on Water Resources							
► Introduction to Ac	ctivities at Production	Bases	Biodiversity	► Environmental A	ccounting		
► Input⇒Output	► Handling Environn	nental Com	plaints				

Reducing Industrial Waste

The Mitsui Chemicals Group has identified the ongoing targets of minimizing ^{*1} industrial waste at domestic manufacturing sites and achieving an average percentage of industrial waste by overseas affiliates of 1% or less. The Group was again successful at minimizing industrial waste at all domestic production sites including domestic affiliated companies in fiscal 2014 and has continued to minimize industrial waste for four consecutive years since fiscal 2011.

With an average landfill rate for final industrial waste at our overseas affiliates $*^2$ of approximately 0.4%, we have now maintained a rate of 1% or less for six straight years since fiscal 2009. In spite of the numerous challenges that we need to overcome to promote minimization at our overseas sites, with waste treatment regulations and industrial structures varying from one country to another, we are nonetheless committed to reducing and recycling waste at all of our companies in order to conserve resources. We will continue to work as a group to reduce final landfill waste.

- *1 Minimization of industrial waste: Maintaining a final disposal (landfill) rate of 1% or less of industrial waste generated
- *2 For statistical purposes, "domestic and overseas affiliates" refers to production sites operated by consolidated subsidiaries and companies eligible for RC support (22 in Japan, 22 overseas)



The industrial waste process (Mitsui Chemicals nonconsolidated)

- * Does not include results for domestic and overseas affiliates
- * Any minor discrepancies in percentages are due to rounding.
- *1 Waste generated: Sludge (dry weight), waste plastics, soot and dust, etc.
- *2 Amount reduced: Amount reduced as a result of waste plastic incineration, waste acid neutralization, etc.
- ± 3 Amount recycled: Includes waste plastic recycling and the reuse of waste oil as fuel

Average landfill disposal rate for industrial waste



Mitsui Chemicals

- Off-site domestic consolidated subsidiaries
- Overseas consolidated subsidiaries
- * Ongoing efforts to minimize final disposal rate (1% or less) at manufacturing sites of Mitsui Chemicals in fiscal 2011 and off-site domestic consolidated subsidiaries from fiscal 2010 onward

The process of reducing industrial waste disposal



Environmenta	I Protection					
Goals and Results	Preventing Glo	obal Warmir	ng 🕨 Reducin	g Industrial Waste		
Substances Subject	to the PRTR Act	▶ Preserv	ving air quality	Philosophy on W	ater Resources	
Introduction to Activ	vities at Production	Bases	Biodiversity	Environmental A	ccounting	
► Input⇒Output	Handling Environn	nental Com	plaints			

Substances Subject to the PRTR Act

In accordance with the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (PRTR*1 Act), we submit a report to the Japanese government each year declaring the amounts of designated substances produced or used by Mitsui Chemicals that were released into the environment or transferred elsewhere.

The amount of emissions decreased approximately 120 tons in fiscal 2014. This was mainly due to the decrease in operating rates at each Works.

As calls for the management of chemical substance emissions to be improved and strengthened increase going forward, we will continue to manage emissions and to further strengthen our endeavors in fiscal 2015.

* PRTR: Pollutant Release and Transfer Register

PRTR data for individual sites (PDF : 527.2KB)

Emissions of substances subject to the PRTR Act



PRTR data for individual sites

We have calculated the top ten PRTR substances emitted by Mitsui Chemicals at each of our Works (substances handled in annual volumes of at least one ton), and figures for dioxins.

Kashima Works

Substance	Ordinance		Emit	tted		Transferred	
Substance	number	Air	Water	Soil	Total	Sewage	Off-site
Toluene	300	60.00	0.00	0.00	60.00	0.00	0.00
Dichlorobenzene	181	25.00	0.00	0.00	25.00	1.00	18.00
Benzene	400	4.40	0.00	0.00	4.40	0.17	0.37
Chlorodifluoromethane	104	1.60	0.00	0.00	1.60	0.00	0.00
Tetrachloromethane	149	0.71	0.00	0.00	0.71	0.01	0.00
2,2-Dichloro-1,1,1-Trifluoroethane	164	0.45	0.00	0.00	0.45	0.00	0.00
Formaldehyde	411	0.17	0.00	0.00	0.17	32.00	0.00
Tolylene diisocyanate	298	0.14	0.00	0.00	0.14	0.00	3.60
Acetaldehyde	12	0.13	0.00	0.00	0.13	0.00	0.00
Toluidine	299	0.00	0.00	0.00	0. 00	4.30	0.00
Dioxins	243	0.0012	0.0000	0.0000	0.0012	0.0010	0.0090

Ichihara Works

Cubatanaa	Ordinance		Emit	tted		Trans	Transferred	
oubstance	designation number	Air	Water	Soil	Total	Sewage	Off-site	
N-Hexane	392	270.00	0.27	0.00	270.27	0.00	0.00	
Cumene	83	53.00	0.01	0.00	53.01	0. 00	0.00	
Toluene	300	15.00	0.01	0.00	15.01	0.00	0.00	
Boron compound	405	0.00	4.30	0.00	4.30	0.00	0.00	
Xylene	80	3.80	0.01	0.00	3.81	0.00	0.00	
Ethylbenzene	53	2.00	0.00	0.00	2.00	0.00	0.00	
Epichlorohydrin	65	1.80	0.00	0.00	1.80	0.00	0.00	
Benzene	400	1.40	0.01	0.00	1.41	0.00	0.00	
Hydrogen fluoride and salts	374	0.00	1.00	0.00	1.00	0.00	0.22	
Zinc compounds (water-soluble)	1	0.00	0.68	0.00	0.68	0.00	0.00	
Dioxins	243	0.0000	0.0840	0.0000	0.0840	0.0000	0.0000	

Mobara Branch Factory

Substance	Ordinance		Emitted				Transferred	
Substance	number	Air	Water	Soil	Total	Sewage	Off-site	
Styrene	240	0.2300	0.00	0.00	0.2300	0.00	29.00	
Methyl methacrylate	420	0.0680	0.00	0.00	0.0680	0.00	10.00	
Toluene	300	0.0600	0.00	0.00	0.0600	0.00	11.00	
N-Butyl acrylate	7	0.0450	0.00	0.00	0.0450	0.00	2.70	
Xylene	80	0.0330	0.00	0.00	0.0330	0.00	10.00	
Acrylic acid	4	0.0120	0.00	0.00	0.0120	0.00	0.00	
1,3,5-Trimethylbenzene	297	0.0100	0.00	0.00	0.0100	0.00	0.26	
Acrylamide	2	0.0040	0.00	0.00	0.0040	0.00	0.00	
N-Butyl methacrylate	419	0.0010	0.00	0.00	0.0010	0.00	0.98	
Ethyl acrylate	3	0.0010	0.00	0.00	0.0010	0.00	4.00	

Nagoya Works

Cubatanaa	Ordinance	ce Emitted		tted	Transferred		ferred
Substance	number	Air	Water	Soil	Total	Sewage	Off-site
1,2-Epoxypropane	68	1.50	0.04	0.00	1.54	0.00	0.25
Styrene	240	0.29	0.00	0.00	0.29	0.00	0.01
Toluene	300	0.19	0.00	0.00	0.19	0.00	46.00
Ethylene oxide	56	0.16	0.00	0.00	0.16	0.00	0.04
Formaldehyde	411	0.12	0.00	0.00	0.12	0.00	0.00
Phenol	349	0.02	0.00	0.00	0.02	0.00	63.00
N,N-Dimethylacetamide	213	0.02	0.00	0.00	0.02	0.00	0. 83
Acrylonitrile	9	0.01	0.00	0.00	0.01	0.00	5.80
Methyl acrylate	8	0.00	0.00	0.00	0.00	0.00	4.30

Errors in the emissions data (air) shown on this page have been corrected. Corrections for this data from FY2010 to FY2014 have been submitted to the Japanese Ministry of Economy, Trade and Industry.

Osaka Works

Unit:Tons/year (Dioxins:mg-TEQ/year)

Cubatanaa	Ordinance	Emitted				Transferred	
Substance	designation number	Air	Water	Soil	Total	Sewage	Off-site
Cumene	83	15.00	0.00	0.00	15.00	0.00	0.12
Chloroethylene	94	6.00	0.01	0.00	6.01	0.00	0.00
Benzene	400	5.50	0.11	0.00	5.61	0.00	0.00
Zinc compounds(water-soluble)	1	0.00	3.60	0.00	3.60	0.00	0.30
Toluene	300	2.90	0.02	0.00	2.92	0.00	7.10
Dicyclopentadiene	190	2.10	0.00	0.00	2.10	0.00	0.00
Acrylonitrile	9	1.60	0.00	0.00	1.60	0.00	4.50
1,4-Dioxane	150	1.10	0.08	0.00	1.18	0.00	0.00
Methyl methacrylate	420	1.20	0.00	0.00	1.20	0.00	0.23
Trichlorofluoromethane	288	1.10	0.00	0.00	1.10	0.00	49.00
Dioxins	243	0.0000	0.0310	0.0000	0.0310	0.0000	0.0860

Iwakuni-Ohtake Works

Cubatanaa	Ordinance		Emit	ted		Trans	Transferred	
Substance	designation number	Air	Water	Soil	Total	Sewage	Off-site	
N-Hexane	392	290.00	0.00	0.00	290.00	0.00	0.00	
Xylene	80	22.00	0.00	0.00	22.00	0.00	0.00	
Toluene	300	16.00	0.02	0.00	16.02	0.00	0.00	
1,4-Dioxane	150	0.00	6.90	0.00	6.90	0.00	0.00	
Cumene	83	6.30	0.00	0.00	6.30	0.00	0.00	
Bromomethane	386	6.10	0.00	0.00	6.10	0.00	0.00	
Benzene	400	1.90	0.00	0.00	1.90	0.00	0.00	
Acetaldehyde	12	0.88	0.00	0.00	0.88	0.00	0.00	
Etylene glycol monomethyl ether	58	0.47	0.00	0.00	0.47	0.00	1.50	
Phenol	349	0.01	0.17	0.00	0.18	0.00	0.00	
Dioxins	243	0.0000	0.1000	0.0000	0.1000	0.0000	86.0000	

Tokuyama Branch Factory

Substance	Ordinance	Emitted				Transferred	
Substance	number	Air	Water	Soil	Total	Sewage	Off-site
1,2-Epoxypropane	68	22.00	0.00	0.00	22.00	0.00	0.00
Ethylene oxide	56	0.14	0.00	0.00	0.14	0.00	0.00
Acrylonitrile	9	0.01	0.00	0.00	0.01	0.00	12.00
Ethylenediamine	59	0.01	0.00	0.00	0.01	0.00	0.01
Phthalic anhydride	413	0.01	0.00	0.00	0.01	0.00	0.02

Omuta Works

Substance	Ordinance	Emitted				Transferred	
Substance	number	Air	Water	Soil	Total	Sewage	Off-site
Toluene	300	290.00	1.40	0.00	291.40	0.00	310.00
Toluene (Yotsuyama area)	300	20.00	0.00	0.00	20.00	0.00	0.46
Dichlorobenzene	181	16.00	0.19	0.00	16.19	0.00	170.00
Epichlorohydrin	65	6.10	0.00	0.00	6.10	0.00	0.00
N,N-Dimethylformamide	232	0.14	5.60	0.00	5.74	0.00	0.02
Phenol	349	1.70	0.00	0.00	1.70	0.00	0.41
Nitrobenzene(Yotsuyama area)	316	1.30	0.00	0.00	1.30	0.00	0.00
Formaldehyde	411	0.00	1.00	0.00	1.00	0.00	0.30
Aniline	18	0.64	0.00	0.00	0.64	0.00	22.00
Acetonitrile	13	0.00	0.44	0.00	0.44	0.00	0.09
Dioxins	243	0.0000	2.1000	0.0000	2.1000	0.0000	0.0000

Sodegaura Center

Substance	Ordinance	Emitted				Transferred		
Substance	number	Air	Water	Soil	Total	Sewage	Off-site	
Dichlorobenzene	181	0.37	0.00	0.00	0.37	0.00	0.98	
Dichloromethane	186	0.24	0.00	0.00	0.24	0.00	0.77	
Toluene	300	0.01	0.00	0.00	0.01	0.00	1.30	
Tolylene diisocyanate	298	0.00	0.00	0.00	0.00	0.00	0.85	
Methylenebis(4,1-phenylene)=diisocyanate	448	0.00	0.00	0.00	0.00	0.00	1.50	

Environmental Protection						
► Goals and Results	► Preventing Glo	obal Warming	► Reducin	ig Industrial Waste		
► Substances Subject to the PRTR Act Treserving air quality ► Philosophy on Water Resources						
► Introduction to Activi	ties at Production	Bases ► Bi	odiversity	► Environmental Ac	ccounting	
► Input⇒Output ► I	Handling Environn	ıental Complair	nts			

Preserving air quality

Of the hazardous air pollutants specified under the Air Pollution Control Act, we are particularly focused on reducing emissions of priority substances that pose a significant health risk.

Emissions of sulfur oxide (SOx) have decreased since fiscal 2013 due to a variety of measures including successful efforts to curtail the amount of fuel consumption.

Our emissions of other substances have remained largely unchanged in recent years, mainly due to substantial reductions made during the early part of the 2000s.



Emissions of hazardous air pollutants

Emissions were lower in fiscal 2011 and 2012 due to the fact that tanks were not opened as of statutory inspections at our Osaka Works.

Volatile Organic Compounds (VOC) emissions



♦ VOC emissions in FY2000 : 8,523 tons

Government target (30% reduction compared to FY2000 by FY2010) : 5,966 tons or less

Mitsui Chemicals target : 3,000 tons or less

NOx emissions



Soot and dust emissions



SOx emissions



Environmental Protection						
► Goals and Results	► Preventing Glo	bal Warming	► Reducin	g Industrial Waste		
Substances Subject	to the PRTR Act	► Preserving a	air quality	▼ Philosophy on W	ater Resources	
► Introduction to Activ	vities at Production	Bases ⊩ Bio	odiversity	► Environmental Ac	counting	
⊩ Input⇒Output	Handling Environm	ental Complain	ts			

Philosophy on Water Resources

The Mitsui Chemicals Group works to manage efficient water usage and water preservation.

Basic Philosophy on water resources

- 1. We recognize that water is a finite and precious resource, and regard water preservation as a key priority on a global scale.
- We make every effort to use water efficiently as we recognize quality water resources are crucial to our operations.
- 3. We appropriately manage water on a case-by-case basis for each country and region in which we operate, in recognition of the fact that water resources distribution varies both geographically and temporally.

Preserving Water Quality

We are committed to reducing emissions of water contaminants such as chemical oxygen demand (COD), nitrogen and phosphorus, to preserve water quality.

Emissions at all of our domestic manufacturing facilities are significantly lower than levels required by law or other legislation. The Mitsui Chemicals Group is committed to preserving water quality on an ongoing basis.



Total nitrogen emissions

Total phosphorous emissions



Water consumption



COD emissions



Wastewater



Environmental Protection						
Goals and Results	► Preventing Glo	bal Warming	► Reducin	g Industrial Waste		
Substances Subject	to the PRTR Act	► Preserving	g air quality	▶ Philosophy on W	ater Resources	
▼ Introduction to Activ	ities at Production	Bases ⊩ E	Biodiversity	► Environmental A	ccounting	
▶ Input⇒Output	Handling Environm	nental Compla	ints			

Introduction to Activities at Production Bases

Mitsui Chemicals' production bases hold meetings to exchange opinions with members of local communities regarding its environmental preservation initiatives.

• Nagoya Works

On March 24, 2015, the annual meeting on environmental issues was held with local representatives. We invited the heads of six school districts from around the plant, the head of the women's association and members of the Minami Ward Office Community Promotion Office to attend the annual meeting. We discussed our efforts at Nagoya Works to preserve the environment and improve safety, and listened attentively to the opinions and requests of local residents with the intention of reflecting them in the management of the plant. We also fielded many questions from the local residents.

Ichihara Works

On December 2, 2014, we exchanged information with local residents, including the representatives of nine neighboring towns, explaining the nature of our business at the plant and our initiatives to ensure safety and environmental preservation.

Iwakuni-Ohtake Works

On February 13, 2015, we held an informational meeting to discuss initiatives underway to conserve the environment and enhance safety at the plant, as well as explain recent conditions at the company, with local residents including representatives from community associations and regional groups.

We are implementing the same measures that are being conducted at other plants.



Informational meeting about the environment at Nagoya Works

Environmental Protection						
► Goals and Results	► Preventing Glo	obal Warming	► Reducir	ng Industrial Waste		
► Substances Subjec	t to the PRTR Act	► Preserving a	air quality	► Philosophy on W	ater Resources	
► Introduction to Acti	vities at Production	Bases T Bio	odiversity	► Environmental Ac	ccounting	
► Input⇒Output	Handling Environm	nental Complain	ts			
Biodiversity						

The MCI Group strives to protect biodiversity and promote business activities that encourage sustainable use based on its corporate mission to "contribute broadly to society by providing high-quality products and services to customers through innovations and the creation of materials and products while keeping in harmony with the global environment."

Basic Approach to the Preservation of Biodiversity

- 1. We conduct our business activities in gratitude for the blessings of nature and biodiversity and recognize that environmental preservation is a globally important issue.
- 2. We contribute broadly to society by encouraging the preservation of biodiversity through the supply of environmentally friendly materials, products, and services.
- 3. We will comply with international biodiversity agreements.
- 4. We strive to preserve biodiversity by cooperating with relevant parties in Japan and abroad and within and outside the company and taking into account its effect in the supply chain.
- 5. To protect biodiversity, we will promote employee social contribution activities that have our stakeholders trust.

Although we make every effort to incorporate biodiversity into all of our day-to-day business activities here at the Mitsui Chemicals Group, we are particularly increasing our focus on areas such as chemical safety and management, based on the fact that environmental initiatives are inextricably linked to biodiversity. Moreover, the Group as a whole including subsidiaries and affiliates is undertaking a variety of measures including cleanup initiatives in a bid to help create an environment that allows plant life and living organisms to thrive.

On January 22, 2010, the Group signed up to the Japan Business Federation's (Keidanren) Declaration of Biodiversity as a Promotion Partner. This means that the Group support the seven principles set out in the declaration and that we intend to take the initiative in our business activities and act in accordance with the declaration and accompanying action policy.

Keidanren Declaration of Biodiversity

- 1. Appreciate nature's gifts and aim for corporate activities in harmony with the natural environment
- 2. Act from a global perspective on the biodiversity crisis
- 3. Act voluntarily and steadily to contribute to biodiversity
- 4. Promote corporate management for sustainable resource use
- 5. Create an industry, lifestyle and culture that will learn from biodiversity
- 6. Collaborate with relevant international and national organizations
- 7. Spearhead activities to build a society that will nurture biodiversity

Participating in Wakayama Prefecture's Company forest scheme

As part of its environmental activities, our affiliate Honshu Chemical Industry Co., Ltd. signed a Forest Conservation and Management Agreement with Wakayama Prefecture and Hidakagawa Town on September 7, 2010, with the aim of participating in Wakayama Prefecture's Company Forest conservation scheme.

As part of the Company Forest scheme, Wakayama Prefecture works in partnership with companies and other organizations to effectively harness the prefecture's rich natural environment and get local people involved in environmental preservation.



Employees who participated in weeding activities in fiscal 2014

In November 2010, Honshu Chemical Industry held a tree planting event. As part of this event, employees and members of their families planted approximately 1,500 trees on a 1.32-hectare area of forestland in Hidakagawa Town (Hidaka-gun, Wakayama Prefecture). The forest was also given the official title "Hidakagawa Honshu Chemical Industry Forest."

On July 26, 2014, 33 people including employees and their families participated in the cutting of weeds at the Hidakagawa Honshu Chemical Industry Forest under the guidance of the Nakatsu Forestry Cooperative, which has been entrusted with the forest's local management. This activity was conducted for the first time in two years because it was canceled last year due to rain. Participants worked while struggling with difficult footing and the waist-high undergrowth, but were able to cut the undergrowth in about one hour.

Wildlife survey on rice fields

Pests that feed on rice plants are the greatest threat to rice production. With the idea of raising awareness of the numerous living things other than pests that inhabit rice fields, Mitsui Chemicals Group company, Mitsui Chemicals Agro, Inc. (MCAG), has been conducting the "Wildlife Survey on Rice Fields" using MCAG products since 2012.

Involved in the manufacture and sales of agrochemicals and fertilizers, MCAG conducts the "Wildlife Survey on Rice Fields" annually with the full support of customers, confirming that a wide variety of wildlife inhabit rice fields. MCAG surveys the effects of agrochemical use on wildlife in rice paddies, which leads to the improvement and development of products. Further, through the release of experts' written opinions that summarize the results of these wildlife surveys, we certify that rice was grown in rice paddies inhabited by a wide variety of wildlife, which contributes to adding value to local rice. Beginning from fiscal 2015, we conducted a wildlife survey as an event for farmers and neighboring elementary school children to participate in, providing them the opportunity to observe a wide variety of wildlife by going into the rice fields with them. In this way, we communicate the importance of maintaining biodiversity for the next generation and also contribute to local revitalization.



Weeding activities



Rice field activities

Preservation Activities at Omuta Works

At the Omuta Works (Fukuoka Prefecture), Mitsui Chemicals has a protected forest that spans approximately 5.4 hectares, and engages in ongoing activities to preserve this area. In 2009, we cooperated on a survey of the natural environment in the forest around our property (the southern side of Mt. Takatori) at the request of Omuta City, which considers the preservation of the natural environment an important issue. The survey conducted by Omuta City Natural Environment Survey Association examined rare plants and species of living organisms in areas managed by Omuta Works, and presented its findings in the Omuta City Natural Environment Survey Results Report.



Rare wildlife found in survey (example)

Plants	Serissa japonica, tree of a thousand stars
	Selaginella moellendorffii
Amphibians	Japanese brown frog
Insects	Cydnidae, Parastrachia japonensis

View of Shinomuta Station from Mt. Takatori

Environmental Protection						
► Goals and Result	s ► Preventing GI	obal Warming	► Reducin	ng Industrial Waste		
► Substances Subj	ect to the PRTR Act	► Preserving	air quality	▶ Philosophy on W	ater Resources	
► Introduction to A	ctivities at Productior	Bases ⊫ Bio	odiversity	▼ Environmental Ac	ccounting	
► Input⇒Output	► Handling Environ	nental Complain	ts			

Environmental Accounting

Mitsui Chemicals invests as much as is necessary in responsible care (RC), including environmental initiatives and occupational health and safety. We also compile and publish our environmental accounts in accordance with the Environmental Accounting Guidelines set out by the Japanese Ministry of the Environment in 2005.

In fiscal 2014, we invested approximately ¥1.2 billion on protecting the environment.

In addition, expenses totaled around \ 23.8 billion on the back of higher research and development as well as other costs. Including conserved resources and saved energy, the economic impact of our environmental activities this year was equivalent to approximately ¥2.4 billion.

Moving forward, we will continue to actively focus on environmental protection activities.



Trends in environmental accounts (Scope of compilation: Domestic manufacturing sites)

Environmental preservation costs

	Category	Main initiatives	Investment	Expenditure
	Business area costs (Cost of reducing the environmental imp within our business area)	act of production and service activities	1,171	17,201
1	1-1 Cost of preventing pollution	Measures to prevent air pollution, water contamination, odors, etc	395	14,346
	1-2 Cost of protecting the global environment Energy saving measures		756	200
	1-3 Cost of recycling resources	Recycling industrial waste, etc.	20	2,655
2	Upstream / downstream costs (Cost of reducing the environmental imp in upstream or downstream areas)	act of production and service activities	0	0

97

3	Management activity costs (Cost of environmental management activities)	Maintaining environmental management systems, training employees, etc.	0	459
4	R&D costs (Cost of environmental research and development activities)	Developing products and processes to protect the environment, reduce environmental impact, etc.	0	5,100
5	Social activity costs (Cost of environmental social activities)	Increasing greenery, funding measures to combat pollution, etc	0	256
6	Environmental damage costs (Cost of remediating environmental damage)	Remediating pollution, etc.	14	735
	Total	1,185	23,751	

Impact of environmental activities

	Category	Details	Item (unit)	FY 2012	FY 2013
			PRTR substances (tons)	1,336	1,214
			Harmful air pollutants (tons)	28	24
			Volatile organic compounds (VOC) (tons)	2,095	2,235
		Emissions of air	Nitrogen oxides (NOx) (tons)	2,539	2,924
1	Preventing pollution	pollutants and water	Sulfur oxides (SOx) (tons)	425	329
		contaminants	Dust (tons)	138	130
			Chemical oxygen demand (COD) (tons)	1,042	1,029
			Total nitrogen (tons)	1,143	948
			Total phosphate (tons)	32	35
			CO ₂ emissions (thousand tons)	4,220	4,037
	Proconving the		Water usage (million m^3) [*]	454	466
2	environment		Wastewater treatment (million m ³)	62	62
			Final effluent (million m ³)	428	446
			Industrial waste sent offsite (tons)	89,052	88,687
3	Recycling		Industrial waste sent to landfill (tons)	292	381
	resources		Recycling rate (%) [Waste recycled / Waste sent offsite]	67.4	70.9

% Total water used, including mains water, groundwater, industrial water and seawater

Economic impact of environmental initiatives

Unit : Million yen

	Category	Main benefits	Monetary value
1	Income from recycling	Recycling waste into resources	533
2	Income from saving energy	Saving energy	1,520
3	Income from saving resources	Improving our raw material intensity index	317

Environmental Protection	
► Goals and Results ► Preventing Global Warming ► Reducing Industrial Waste	
► Substances Subject to the PRTR Act ► Preserving air quality ► Philosophy on Water Resources	
► Introduction to Activities at Production Bases ► Biodiversity ► Environmental Accounting	
▼ Input⇒Output	
INPUT⇒OUTPUT	

We publish input-output reports explaining the volume of resources that we have consumed and the environmental impact of our business activities throughout the Mitsui Chemicals Group. We are actively working to save resources and reduce environmental impact throughout our business activities in the interests of sustainable development.

Input⇒Output data (Mitsui Chemicals)



*Fluorocarbons: Subject to the Act on the Recovery and Destruction of Fluorocarbons

Input⇒Output data (domestic subsidiaries and affiliates)



Fluorocarbons: Subject to the Act on the Recovery and Destruction of Fluorocarbons

Input⇒Output data (overseas affiliates and subsidiaries)



*Fluorocarbons: Subject to the Act on the Recovery and Destruction of Fluorocarbons

INPUT⇒OUTPUT Data for Individual Sites (PDF : 684KB)

INPUT \Rightarrow OUTPUT Data for Individual Sites

Kashima Works

Relaunched in its current form in April 2009, our Kashima Works manufactures a wide range of products, from raw materials for bathtubs, furniture and other items for the home through to industrial products such as automotive parts, building materials and materials for fishing boats.

http://jp.mitsuichem.com/corporate/group/domestic_09.htm



	(thousand tons)	246.2
	GHG(thousand tons)	124
	Fluorocarbons(tons)	2.1
	NOx (tons)	47.3
4	SOx (tons)	17.6
	Hazardous air pollutants (tons)	4.7
	VOC (tons)	84.6
	Soot and dust (tons)	2.4
1		
	Total Industrial waste (thousand tons)	0.5
	External recycling (thousand tons)	0.3
	External landfill (thousand tons)	0.05
	COD(tons)	160.0
	Total nitrogen (tons)	2.9
	Total phosphorous (tons	s) 0.4
	Effluent(thousand m ³)	3,380
- 1		

Ichihara Works

We commenced operations at our Ichihara Works in 1967. It is one of the leading comprehensive petrochemical Works in the country, manufacturing various resins, chemical products and other derivatives around a central ethylene plant. Production activities continue to go from strength to strength, as our core Works for petrochemical and basic chemical products.

Total fuel heat (thousand GJ) 27,090				Products shipped (thousand tons)	2,364
Raw materials (thousand tons) 2,454		Icł		GHG (thousand tons)	1,360
Purchased materials 7.6	1	lih		Fluorocarbons (tons)	0.0
(Lhousand Lons)		ar		NOx (tons)	1,039.8
Tap water (thousand m ³) 0		a W	7	SOx (tons)	149.6
Underground water (thousand m ³) 129		ork		Hazardous air pollutants (tons)	^s 1.4
Industrial water 22,273		S		VOC (tons)	592.0
Seawater 283,297				Soot and dust (tons)	38.1
				Total Industrial waste (thousand tons)	12.4
				External recycling (thousand tons)	12.4
				External landfill (thousand tons)	0.00
				COD(tons)	55.0
				Total nitrogen (tons)	26.7
				Total phosphorous (tor	ns) 2.0
				Effluent (thousand m ³)	289,464

$http://jp.\,mitsuichem.\,com/corporate/group/domestic_02.\,htm$

Mobara Branch Factory

We commenced operations at our Mobara Branch Factory in 1957, with the aim of expanding the chemical industry using natural gas as a raw material. These days, it specializes in manufacturing highly functional products. We established our Plant Operation Technology Training Centeronsite in 2006, as an educational facility and a focal point for transferring skills throughout the company.

http://jp.mitsuichem.com/corporate/group/domestic_08.htm

Total fuel heat (thousand GJ)	780		×
Raw materials (thousand tons)	44		lobai
Purchased materials (thousand tons)	1.4		a Br
			പ്
Tap water	_		n
(thousand m ³)	5	7	ch
(thousand m ³) Underground water (thousand m ³)	5 538		ch Fac
(thousand m ³) Underground water (thousand m ³) Industrial water (thousand m ³)	5 538 376	7	ch Factory

	Products shipped (thousand tons)	48.8
	GHG(thousand tons)	42
	Fluorocarbons (tons)	0.0
	NOx (tons)	16.3
4	SOx (tons)	0.0
	Hazardous air pollutants (tons)	0.0
	VOC (tons)	13.0
	Soot and dust (tons)	0.6
	Total Industrial waste (thousand tons)	2.4
	External recueling	
	(thousand tons)	2.4
	(thousand tons) External landfill (thousand tons)	2.4 0.00
	(thousand tons) External landfill (thousand tons)	2.4 0.00
	COD(tons)	2.4 0.00 16.4
	(thousand tons) External landfill (thousand tons) COD(tons) Total nitrogen (tons)	2.4 0.00 16.4 5.8
	(thousand tons) External landfill (thousand tons) COD(tons) Total nitrogen (tons) Total phosphorous (tons)	2.4 0.00 16.4 5.8 1.7
	COD(tons) Total phosphorous (tons) Effluent (thousand m ³)	2.4 0.00 16.4 5.8 1.7 786

Nagoya Works

We were the first in Japan to use our own unique technology to manufacture polyvinyl chloride resins at our Nagoya Works in 1951, using unique technology that had never previously been used in Japan. These days, the works has transformed into a production hub specializing in electronic and IT materials and products. Its main products include processing tape for manufacturing integrated circuits(IC) and sealant sheets for solar cells.

http://jp.mitsuichem.com/corporate/group/domestic_03.htm

Total fuel heat (thousand GJ)	850			Products shipped (thousand tons)
Raw materials (thousand tons)	52	Z		GHG(thousand tons)
Purchased materials	2	ag		Fluorocarbons(ton
(LHOUSANG LONS)		bya		NOx (tons)
Tap water (thousand m ³)	6	A N	7	SOx (tons)
Underground water (thousand m ³)	0	ork		Hazardous air polluta (tons)
Industrial water (thousand m ³)	4,679	S		VOC (tons)
Seawater (thousand m ³)	0			Soot and dust (tons
(
				Total Industrial was (thousand tons)
				Extornal requeling

Products shipped (thousand tons)	50
GHG(thousand tons)	44
Fluorocarbons (tons)	0.2
NOx (tons)	5.3
SOx (tons)	0.0
Hazardous air pollutants (tons)	0.3
VOC (tons)	2.8
Soot and dust (tons)	0.1
Total Industrial waste (thousand tons)	3.5
External recycling (thousand tons)	2.2
External landfill (thousand tons)	0.01
COD (tons)	11.5
Total nitrogen (tons)	7.0
Total phosphorous (tons)	0.4
Effluent (thousand m ³)	3,649

Osaka Works

Located in the Sakai Senboku Coastal Industrial Zone, one of the leading industrial areas in Japan, our Osaka Works has a large dock capable of accommodating 100,000-ton tankers. Production activities make the most of the Works' ideal location, in terms of operations and distribution, with nearly half of all products and raw materials transported by ship.

http://jp.mitsuichem.com/corporate/group/domestic_04.htm

Total fuel heat 24,450 (thousand GJ)			Products shipped (thousand tons) 2,00
Raw materials 1,873 (thousand tons)			GHG(thousand tons) 1,44
Purchased materials 2.0)sa		Fluorocarbons(tons) 2.
	A	_	NOx (tons) 977.39
Tap water (thousand m ³) 65			SOx (tons) 43.
Underground water 0 (thousand m ³)	ork		Hazardous air pollutants 13.
Industrial water (thousand m ³) 20,671	0,		VOC (tons) 96.
Seawater (thousand m ³) 56,456			Soot and dust (tons) 1
			Total Industrial waste (thousand tons) 8.
			External recycling (thousand tons) 7.
			External landfill (thousand tons) 0.0
			COD(tons) 259.
			Total nitrogen (tons) 433.
			Total phosphorous (tons) 6.
			Effluent (thousand m ³) 65 97

Iwakuni-Ohtake Works

We commenced operations at our Iwakuni-Ohtake Works in April 1958, as Japan's first comprehensive petrochemical works. It manufactures PTA, the raw material in polyester fibers, and PET resin, which is used to make plastic bottles, and is one of the largest scale facilities of its kind in the country.

http://jp.mitsuichem.com/corporate/group/domestic_05.htm

Total fuel heat (thousand GJ)	6,070	ΛT
Raw materials (thousand tons)	378	anu
Purchased materials (thousand tons)	^s 2.6	
		<u> </u>
Tap water (thousand m ³)	131	ΠLα
Underground water (thousand m ³)	0	20
Industrial water (thousand m ³)	29,395	
Seawater (thousand m ³)	28,909	ΰ

	Products shipped (thousand tons)	386
	GHG(thousand tons)	445
	Fluorocarbons(tons)	0.0
	NOx (tons)	273.8
4	SOx (tons)	106.2
	Hazardous air pollutants (tons)	2.7
	VOC (tons)	911.1
	Soot and dust (tons)	33.8
	Total Industrial waste (thousand tons)	6.8
	Total Industrial waste (thousand tons) External recycling (thousand tons)	6.8 6.3
	Total Industrial waste (thousand tons) External recycling (thousand tons) External landfill (thousand tons)	6.8 6.3 0.03
	Total Industrial waste (thousand tons) External recycling (thousand tons) External landfill (thousand tons)	6.8 6.3 0.03
	Total Industrial waste (thousand tons) External recycling (thousand tons) External landfill (thousand tons) COD(tons)	6.8 6.3 0.03 186.2
	Total Industrial waste (thousand tons) External recycling (thousand tons) External landfill (thousand tons) COD(tons) Total nitrogen (tons)	6.8 6.3 0.03 186.2 23.1
	Total Industrial waste (thousand tons) External recycling (thousand tons) External landfill (thousand tons) COD(tons) Total nitrogen (tons) Total phosphorous (tons)	6.8 6.3 0.03 186.2 23.1 \$) 12.0

Tokuyama Branch Factory

Relaunched in its current form as part of our Iwakuni-Ohtake Works in April 2009, our Tokuyama Branch Factory manufactures PPG, a raw material used in polyurethane. It is our main production hub for PPG in western Japan, shipping to automotive companies in Kyushu and exporting products to Southeast Asia.

(MitsuiChemicals & SKC Polyurethanes Inc. Tokuyama Works from July 1, 2015)



	Products shipped (thousand tons)	39
	GHG(thousand tons)	10
	Fluorocarbons (tons)	0.0
	NOx (tons)	4.4
4	SOx (tons)	2.0
	Hazardous air pollutants (tons)	0.2
	VOC (tons)	21.9
	Soot and dust (tons)	0.3
	Total Industrial waste (thousand tons)	4.7
	External recycling (thousand tons)	4.3
	External landfill (thousand tons)	0.00
ĺ	COD(tons)	18 4
	Total nitrogen (tons)	0.2
	Total phosphorous (tons)	0.0
	Fffluent (thousand m ³)	6 8 3 3

Omuta Works

We commenced operations at our Omuta Works in 1912 and continued to operate as a coal complex through to the early 1960s, using byproducts from Mitsui Mining's coke ovens. These days, the Works specializes in organic synthesis technology and serves as our main fine chemical facility, primarily manufacturing functional chemicals.

http://jp.mitsuichem.com/corporate/group/domestic_06.htm

Total fuel heat 7,2 (thousand GJ)	40				Products shipped (thousand tons)	515
Raw materials (thousand tons) 3	33				GHG (thousand tons)	558
Purchased materials 11	1.1)mu		Fluorocarbons (tons)	0.2
			ťa		NOx (tons)	560.0
Tap water (thousand m ³) 3	52		Wc	7	SOx (tons)	10.0
Underground water (thousand m ³)	0		orks		Hazardous air pollutants (tons)	³ 1.1
Industrial water 7,2 (thousand m ³)	96				VOC (tons)	512.9
Seawater (thousand m ³)	0				Soot and dust (tons)	38.0
				I	Total Industrial waste (thousand tons)	49.4
					External recycling (thousand tons)	24.6
					External landfill (thousand tons)	0.10
					COD(tons)	322.0
					Total nitrogen (tons)	449.0
		Total phosphorous (tons) 12.		ns) 12.7		
					Effluent (thousand m ³)	17,840

Sodegaura Center (R&D Center)

Including affiliates, our R&D center brings together around 1,000 researchers, all of whom continue to create new technologies and materials in an effort to make society a more comfortable place.

http://jp.mitsuichem.com/corporate/group/domestic_07.htm

Total fuel heat (thousand GJ)	260	
Raw materials (thousand tons)	0	Sod
Purchased materials (thousand tons)	0	egal
		<u> </u>
Tap water (thousand m ³)	73	ra
Underground water (thousand m ³)	30	Cen
Industrial water (thousand m ³)	0	ter
Seawater (thousand m ³)	0	

Products shipped (thousand tons)	0							
GHG(thousand tons)	14							
Fluorocarbons (tons)	0							
NOx (tons)	0							
SOx (tons)	0							
Hazardous air pollutants (tons)	0							
VOC (tons)	0							
Soot and dust (tons)	0							
Total Industrial waste (thousand tons)	0.9							
External recycling (thousand tons)	0.5							
External landfill (thousand tons)	0.00							
COD(tons)	0.3							
Total nitrogen (tons)	0.3							
Total nitrogen (tons) Total phosphorous (tons)	0.3 0.0							
Environmental Protection								
---	--	--	--	--	--	--	--	--
► Goals and Results ► Preventing Global Warming ► Reducing Industrial Waste								
 Substances Subject to the PRTR Act Preserving air quality Philosophy on Water Resources 								
► Introduction to Activities at Production Bases ► Biodiversity ► Environmental Accounting								
► Input⇒Output Thandling Environmental Complaints								
Handling Environmental Complaints								

In response to environmental complaints, we have issued apologies to local residents as well as government authorities, talked the situation over and come to an understanding.

The Works in question thoroughly reviewed each complaint and dealt with the matter quickly and effectively.

Response to environmental complaints

Works	Details	Response		
Ichihara	Substantial flames being emitted from flare stack during work for periodic maintenance	Explained the temporary nature of the situation to local residents and the authorities in advance and gained their understanding		
lwakuni- Ohtake	Noise during trial operations after conducting maintenance work on bridge/flare stacks	Noise levels were reduced by stabilizing combustion in the flare stack after reviewing operating conditions		

Chemical Management

Goals and Results

Promotion of Chemical Management

Management System

Policy

Responsible care initiatives based on our Responsible Care Policy

System and Responsible Officers

The director in charge of the Responsible Care Committee also serves as the head of the committee. The Responsible Care Committee also consists of the manager of chemical substance management (the head of the RC and Quality Assurance Division) and the heads of each business sector. The committee creates policies, strategies and plans related to chemical substance management, evaluates performance and reviews the responsible care system. The departments in charge of chemical substance management strive to improve chemical substance management in Companywide responsible care initiatives while exchanging information on a daily basis.

Monitoring Methods

The Responsible Care Committee convenes periodically to review the progress of responsible care activities against targets and evaluate performance.

Achievements and Reviews

The outcome of responsible care activities is reported to the Responsible Care Committee, and this data is reflected in the following fiscal year's plans.

Goals and Results

Goals for Fiscal 2014

- · Strengthen statutory and regulatory compliance in line with globalization
- Strengthen safety assessment in line with business portfolio transformation
- Promote activities that raise product value

Fiscal 2014 Results and Assessments

Level achieved : A

- Strengthen statutory and regulatory compliance in line with globalization: We are systematically preparing for and addressing revisions to relevant laws in each country. We established the global chemical products regulatory response team as an internal cross-organizational entity.
- Safety assessment in line with business portfolio transformation: We took steps to consider an assessment system for medical equipment. We introduced a simple method for assessing hazard severity.
- Activities that raise product value: We are systematically promoting the assessment of existing product risk in a bid to achieve our targets for 2020.

Priorities for Fiscal 2015

- · Respond appropriately to trends in the chemical statutory and regulatory requirements of each country
- Strengthen the chemical safety technologies that support priority businesses
- · Promote activities that raise product value

* Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more and less than 95%, C: less than 70%

Chemical Management

► Goals and Results ▼ Promotion of Chemical Management

Promotion of Chemical Management

Strengthen statutory and regulatory compliance in line with globalization

Countries around the world have been revising their laws and regulations concerning chemical products, such as the REACH regulations in Europe, in order to achieve WSSD objectives. In the Asia region in particular, laws that had been lagging are now being modernized at a brisk pace. In Korea, the Chemicals Control Act has been revised, and the K-REACH law was enacted in January 2015. At the same time, Taiwan revised the Toxic Chemical Substance Control Act and Occupational Safety and Health Act. These are just a few examples of how the legal environment has changed considerably in various countries.

In order to engage in business globally, Mitsui Chemicals must accurately understand and comply with the latest developments in government policies, laws and regulations for the management of chemical substances in each country. To address these changes, Mitsui Chemicals has been reinforcing its ability to comply with laws and regulations at the local level, while upgrading its information management systems in order to comply with globally changing laws and regulations for chemical products.

In fiscal 2014, Mitsui Chemicals established its new Global Chemical Regulation Response Team as an extension of the REACH Team. This team has enabled the Company to upgrade its Companywide systems to conform to legal regulations in various countries worldwide, share throughout the Company the latest moves to strengthen chemical regulations that are accelerating globally, and speed up Companywide efforts to address legal revisions.

Countries strengthening laws for chemical substance management

	Countries strengthening laws for chemical substance management								
	Revisions to laws that began in Europe have and on to the US and the rest of Asia	e spread	to Japan and China	(year)					
	2005	2010	0 2015	2020					
European Union	• REACH regulations • CLP regulations								
Japan	 Law Concerning the Examination and Regulation of Manufacture of Chemical Substances Industrial Safety and Health Act 	n							
★: China	 Provisions on the Environmental Administration of New Chemical Substances Regulation on the Safe Management of Hazardous Chemical Substances 	f iemicals							
Korea	• K-REACH								
* Taiwan	 Toxic Chemical Substance Control Act Occupational Safety and Health Act 								
ASEAN countries	• Mixture of GHS systems in each country								
U.S.	 Toxic Substances Control Act (TSCA) Occupational Health and Safety Act (OSHA) 								



Instill a management system based on our chemical safety information system

In 2012, Mitsui Chemicals launched operations of an integrated management system (SAP–EHS) with respect to information on the physical properties and safety of chemical substances as a basis for chemical substance management. With this system, we are able to integrate the management of information on products, raw materials, and chemical components, and link this to basic business processes. In doing so, it is possible to automatically create safety information

such as multilingual SDS and MSDSplus^{*}, in addition to making it easier to confirm compliance with relevant laws and regulations inside and outside Japan. As a result, we are able to more rapidly provide information to our customers and strengthen compliance with chemical laws and regulations.

As for specific examples of how this system is used, we deploy the integrated management system as a tool for collecting data on the volume of substances, such as for reports on production and import volumes that are mandated by the Law Concerning Examination and Regulation of Manufacture and Handling of Chemical Substances, and for ascertaining whether a product is on the existing chemical substance lists of each country when shipping overseas (automated gate checks). Moreover, the system allows for the efficient transmission of information along the supply chain, thanks to an integrated database of information about chemical substances contained in products, whether they contain hazardous substances, and relevant laws and regulations.

* MSDSplus:

A basic information sheet for conveying information about chemical substances contained in products, as recommended by the Joint Article Management Promotion (JAMP) consortium.

Linked to business processes:

Traceable information related to feedstock and products at an individual chemical substance level (volume, application, legal information, safety information, etc.)

(2) Legal compliance :

Gate checks for volume and legal compliance at time of shipment Identification and collation of data on production and import volumes and applications

(3) Product information management and communication :

Creation and issuance of SDS, labels, and MSDSplus for each country based on GHS



Strengthening of Safety Assessment Technologies in Line with the Transformation of Our Business Portfolio

Mitsui Chemicals takes a risk-based approach to managing the safety of chemical products based on the principles of product stewardship (PS)^{*}.

Based on internal rules, new products are assessed for risks within the context of the workers handling the products, the environment, and consumer application (foods, drugs, etc.) before they reach market. For example, new plastics for food packaging are assessed for health-related risks, such as whether impurities originating from raw materials are introduced into the food. Only after passing safety checks are those products released to market.

With new products with food- and medical-related applications increasing along with the transformation of our business portfolio, the importance of more rapidly and efficiently assessing the safety of these products is increasing. To address this need, the Company has introduced and is putting into practical use new risk assessment methods. For example, we have used QSAR Toolbox (hazardousness measurement tool) developed by OECD to establish methods to accurately assess the harmful effects of our chemical products. The successes of a few of these efforts were announced at the Chemical Substance QSAR/In Silico Use seminar held by the Japan Chemical Industry Association (JCIA) in March 2015.

* Product stewardship (PS):

Activities focusing on preserving the environment, human health, and safety across the entire life cycle of products, from development to final disposal.

Risk assessments of food packaging materials



Promote activities that raise product value

From 2011, we started to conduct risk assessments for existing products too, in conjunction with activities carried out by

the International Council of Chemical Associations (ICCA) and JIPS^{*} at the Japan Chemical Industry Association (JCIA). In order to effectively assess all products by 2020, we will categorize products (SDS basis) based on exposure amount and hazardousness, and then systematically conduct risk assessments starting with high-priority products. The outcomes of the risk assessments are communicated to stakeholders as safety summary sheets. To date, we have created safety summary sheets for 48 products and disclose this information on our website.

* JIPS (Japan Initiative of Product Stewardship): An initiative of the Chemical Industries Association to promote PS in Japan.

Safety summary sheets



Quality

We are committed to continually improving the level of quality management here at the Mitsui Chemicals Group, under our Basic Policy Regarding the Environment, Safety, Occupational Health and Quality. We also make every effort to improve the quality of our products and services so as to increase customer satisfaction even further.

Management system

Policy

Under our Basic Policy Regarding the Environment, Safety, Occupational Health and Quality, we have established and are carrying out basic items for quality management to provide quality products and services that have gained the trust and satisfaction of our customers.

Basic Policy Regarding the Environment, Safety, Occupational Health, and Quality

System and Responsible Officers

The director of the Responsible Care Committee is the person responsible and the RC & Quality Assurance Division controls quality management for the entire Mitsui Chemicals Group in Japan and overseas and works to improve product and service quality in all divisions and further raise customer satisfaction.

Monitoring Methods

Review and approve quality management and quality assurance systems at the product and service design and development stages. After launch, analyze quality complaints and perform quality audits on business divisions, plants, and subsidiaries and affiliates, and inspect the implementation status of quality management.

Achievements and Reviews

Analyzed customer complaints and malfunctions in the production process and horizontally deployed that which should be shared to plants and subsidiaries and affiliates. These results and the quality management implementation status in each division were consolidated by the RC & Quality Assurance Division and reviewed by the Responsible Care Committee and then shared Companywide.

Goals and Results

Goals for Fiscal 2014

 Reduce quality risks with a focus on minimizing quality complaints in pursuit of customer satisfaction and transform the business portfolio.

Fiscal 2014 Results and Assessment

• The Company took steps to minimize customer complaints by responding to customer complaints, including information on customer needs and, and pursuing customer satisfaction.

Level achieved: A

 Quality complaints for the past three years have remained at the lowest level ever and we achieved the fiscal 2014 single-year target. Expanding into a new business, we established a dedicated team to build a quality assurance system that complies with laws and regulations in the medical equipment business field.

Priorities for Fiscal 2015

- Build a quality assurance system for medical equipment that extends throughout the Company for continuously creating new products that comply with the Pharmaceutical and Medical Device Act and various laws and regulations.
- Uncover high-quality risk factors and consider preventive measures while addressing customer complaints as a matter
 of course for all products.
- * Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more and less than 95%, C: less than 70%

Quality

Goals and Results Quality Improvement Initiatives

Quality Improvement Initiatives

Quality management system

The Mitsui Chemicals Group makes every effort to increase customer satisfaction via a two-pronged approach to quality management, based on quality control ("built-in quality activities") and quality assurance ("winning customer trust activities").

Our built-in quality activities are aimed at minimizing discrepancies at every stage of the process, including purchasing, design, logistics, and sales as well as manufacturing, to enable every department to provide the same quality of product and service.

Our winning customer trust activities meanwhile are aimed at resolving issues from the customer's perspective, and are spearheaded by the Quality Assurance Department, independently of our sales and manufacturing sections.

Quality management system



Reference: ISO9000 (Quality management systems - Fundamentals and vocabulary) Quality assurance: Part of quality management, focused on providing confidence that quality requirements will be fulfilled

Quality control: Part of quality management, focused on fulfilling quality requirements

Improving the standard of quality management

Our efforts to improve quality management standards revolve primarily around quality auditing and training. We provide all departments within the Mitsui Chemicals Group, including our Head Office, works, factories, laboratories, and domestic and overseas facilities, with support in order to improve quality management through quality auditing. Please click the link below to view the results of quality audits in fiscal 2014.

In terms of quality training meanwhile, we have formulated a training program and are educating employees through elearning. We have also put in place an English language e-learning program and are implementing for the benefit of overseas subsidiaries and affiliates. Moreover, we have been implementing frontline measures to prevent quality issues on

the shop floor (QRG activities *) since fiscal 2010, with the aim of identifying and eliminating risks that could lead to quality issues. These measures are being carried out at all of main Company's works and factories while also being rolled out to subsidiaries and affiliates.

We are constantly working to encourage and raise the level of quality awareness on the frontline, and give out awards to departments or individuals that have particularly helped to improve frontline quality standards, to coincide with our annual nationwide Quality Month campaign.

* QRG activities are carried out by Quality Risk Reduction Groups in an effort to reduce quality risks.

Responding to the voices of customers

Whenever we receive a complaint from one of our customers regarding our products or services, business and manufacturing divisions together with the Quality Assurance Department work in unison to identify the cause of the complaint and to take corrective action. In this manner, every effort is made to implement preventive measures across the organization as a whole.

As one such initiative, all members of the Quality Assurance Department take the time to reassess the cause of each complaint, reconsider appropriate countermeasures, and confirm progress on a weekly basis. At the same time, energies are channeled toward extracting important case studies, particularly where there is a substantial risk to customers, and where the potential exists for similar cases to arise. These case studies are then shared across the entire Company.

Society's interest toward the impact of chemical substances on people's health and the environment continues to rise. Against this backdrop, chemical substance regulations are becoming increasingly stringent with growing importance placed on the higher level of management of products containing chemical substances.

Under these circumstances, the Mitsui Chemicals Group has not only set up an information database in response to inquiries regarding products containing chemical substances from customer, but also established a designated department to under appropriate research. Through these means, we are working diligently to reply accurately to each inquiry in a timely manner.

Customer-specific initiatives:

initiatives aimed at ensuring statutory, regulatory, and authentication compliance

The Mitsui Chemicals Group takes steps to ensure compliance with all applicable statutory, regulatory, and authentication requirements on an individual product application basis and conducts internal risk assessments before bringing a particular product to market.

Moreover, we look to confirm the status of statutory, regulatory, and authentication compliance through periodic inspections regarding after products have been launched.

Logistics

Goals and Results

Transporting Products Safely

Here at the Mitsui Chemicals Group, we carry out a wide range of initiatives to ensure that our products are safe and transported in a manner that takes into consideration the environment.

Management system

Policy

Based on responsible care policy and companywide regulations for the risk and crisis management, the Company has established "Off-Premise Logistics Environment, Safety, and Quality Management Bylaws" and strives to maintain and improve the logistics environment, safety and quality (logistics RC). Each year, targets are set based on the previous year's RC results (number of accidents, complaints, etc.) and the various policies and measures (audit of logistics subcontractors, education, on-site discussion, campaigns, etc.) are incorporated into the "Annual RC Plan" and then the PDCA cycle is steadily turned.

System and Responsible Officers

Responsible Care (RC) results are reported and views are exchanged through regular meetings with the companywide Responsible Care Committee and the director in charge of logistics

Monitoring Methods

In addition to the above-mentioned RC results and Annual RC Plan progress, regular verification is carried out at the logistics division's meetings (weekly and monthly meetings)

Achievements and Reviews

The Company continues to have zero major accidents and zero major worker injuries. The number of complaints has declined over the medium term.

Goals and Results

Goals for Fiscal 2014

· Continue to improve the environmental safety and quality of logistics operations

Fiscal 2014 Results and Assessment

Level achieved: B

- Major accidents: 0
- Complaints: 12
- * As of April 1, 2015

Priorities for Fiscal 2015

- · Continue to improve the environmental safety and quality of logistics operations (ongoing)
- * Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more and less than 95%, C: less than 70%

Logistics

Goals and Results

Transporting Products Safely

Acquiring Eco Rail Mark Certification

Transporting Products Safely

Dialog with Logistics Contractors

We are committed to conducting safety activities in partnership with our logistics contractors here at the Mitsui Chemicals Group.

The department responsible for logistics at each of our works organizes logistics meetings with the works' logistics contractors, usually once a month, in order to share information about accidents and other relevant matters, review details

of hiyari-hatto (near-miss)^{*1} incidents, carry out onsite patrols and training, and improve communication. We also make every effort to prevent accidents as part of our logistics operations by requiring contractors to undergo responsible care audits and engage in safety dialog with onsite operators, based on the principle of Shichigen Shugi, or "the seven

actuals *2". Energies are also directed toward preventing incidents relating to the logistics process. This includes the elimination of erroneous shipment and delivery as well as the product leakage.

Third party logistics (3PL)^{*3} companies take the lead in managing 3PL products. The aforementioned activities are also undertaken with the departments responsible for logistics at each works playing a supporting role.

- *1 Near-miss: Any narrowly-avoided major accident or disaster
- *2 The seven actuals: Solving problems by going to the actual location (genba), inspecting the actual situation (genbutsu) and ascertaining the actual facts (genjitsu) while placing the utmost importance on actual principles (genri), actual rules (gensoku), the actual basics (genten), and actual people (ningen)
- *3 Third Party Logistics (3PL): A form of logistics operations where a third party undertakes all or a portion of the logistics function on a contract basis

Safety measures using SDS and yellow cards

As we deal with high-pressure gas and numerous hazardous or toxic chemicals that are required by law to be managed and handled in a certain manner, we take the utmost care to ensure that our products are transported safely. In order to provide logistics contractors with information about essential precautions when handling and storing our products (e.g. hazardous or toxic

products), we supply them with safety data sheets (SDS^{*1}), which includes products for which there are no statutory submission requirements. We also require drivers and other operators transporting our products to carry yellow cards outlining measures that need to be taken and information that needs to be reported in the event of an accident irrespective of whether the products transported are hazardous materials or not.

Yellow card

*1 SDS: Safety Data Sheet

Documentation issued by one operator to another when transporting chemicals or other such substances, containing information such as the name of the substance, the name of the supplier, hazard/toxicity levels, safety measures and emergency procedures

Eliminating transport-related and occupational accidents

Logistics operators have to perform tasks in high places. Filling a tanker for instance involves working at a height of at least three meters off the ground. In the interests of safety, operators are obligated to wear safety harnesses to prevent them from falling. They are also required to wear protective gear to prevent burns or injuries from exposure to chemicals. In addition, we are committed to promoting awareness toward and enforcing basic safety rules.

1. If you cannot see clearly, get out of the truck and make sure it is safe before reversing.

2. When parking, make sure that the brake lock is on and put stoppers under the tires.

3. Always do a full walk-around inspection to check that everything is safe before starting the truck.

Moreover, we are also running a variety of nationwide campaigns to reduce and eliminate accidents as part of our logistics operations.

Minimizing damage in the event of an accident

In an effort to minimize damage in the event of an accident whilst transporting our products, we have introduced a set of regulations outlining the Mitsui Chemicals Group Logistics Emergency Network (MENET). The network is divided into six areas covering different parts of the country and can be mobilized 24 hours a day. We also conduct emergency contact and mobilization drills twice a year.

MENET support bases



Logistics

Goals and Results Transporting Products Safely

Acquiring Eco Rail Mark Certification

Acquiring Eco Rail Mark Certification

The Mitsui Chemicals Group has continued to streamline costs while at the same time actively promoting the use of marine shipping and rail freight transportation that have relatively small per-unit energy consumption rates. Mitsui Chemicals was certified as an organization that engages in railway freight transportation that is friendly to the global environment by the Eco-Rail Mark Management and Certification Committee of Japan's Ministry of Land, Infrastructure and Transport.

Looking ahead, we will continue to actively promote the reduction of greenhouse gas emissions as well as the prevention of air pollution.

Company Eco-Rail Mark Certification Criteria

The Eco-Rail Mark is awarded to companies that use rail to transport at least 15% of their long-distance freight (500 kilometers or more) and where

• the total annual amount is 15,000 tons or more, or

· at least 150 million ton-kilometers (weight times distance) per year

Certified Products

Acrylamide, hydroquinone, isopropyl alcohol, COSMONATE™ MDI, COSMONATE™ TDI, Dorocrawl, Mitsui PET™, and high-purity terephthalic acid (PTA)



Certification ceremony



Eco-Rail Mark Certification (Company Certification) Eco-Rail Mark Certification (Product Certification)

Communication with Society

Here at the Mitsui Chemicals Group, we recognize the critical need to be as receptive as possible to the requirement of stakeholders, and in an effort to maintain our sense of purpose as a member of society, to think carefully about what people want and what they expect from us. With this in mind, we are fully committed to engaging in a wide range of activities while taking to heart the importance of communication with our various stakeholders.

Respect for Human Rights

Respect for human rights is one of the fundamental principles that underpin our business activities all over the world. Here at the Mitsui Chemicals Group, we regard human rights as universal values and make every effort to put people first in all of our corporate activities.

Basic Philosophy on Human Rights

Working with Our Suppliers

We purchase items from our suppliers fairly and in good faith, and make every effort to ensure mutually sustainable growth.

- Goals and Results
- Purchasing Policy
- CSR Procurement

Working with Our Employees

We are committed to providing the best environment for our employees, so that they feel a sense of personal and professional motivation.

- Goals and Results
- Promoting and utilizing human resources
- Creating an Employee-Friendly Working Environment
- Employee Health

Working with Local Communities

The Mitsui Chemicals Group is committed to working in harmony with local communities on a range of initiatives to ensure that our sites are always open.

- Goals and Results
- Dialog with Local Communities
- Public Recognition

Working with Our Customers

We work as a team to meet the needs of our customers here at the Mitsui Chemicals Group, so that we can be of service and help make people's everyday lives easier and more comfortable.

- In order to Satisfy Customers
- Marketing "Meister" system

Working with Our Shareholders and Investors

We provide our shareholders and investors with all the information they need on an ongoing basis, through general meetings of shareholders and other investor relations (IR) activities, in an effort to repay the trust that they have placed in us.

Goals and Results

Disclosure of Information to Shareholders and Investors

Working with Industry, Government, and Academia

We are committed to promoting collaboration with industry, government, and academia, through initiatives such as organizing symposiums and engaging in joint research projects with industrial, government and academic bodies.

Goals and Results

- Mitsui Chemicals Catalysis Science Award and Award of Encouragement
- Promoting Joint Research and Joint Research Projects

Social Contribution Activities

We undertake a range of activities in accordance with the Mitsui Chemicals Group Social Activities Policy, in line with the expectations and best interests of our stakeholders.

- Goals and Results
- Nurturing Future Generations
- Environment Communication
- Support for Employees' Social Contribution Activities
- Disaster Relief
- Report on disaster recovery support following the Great East Japan Earthquake

Respect for Human Rights

Basic Philosophy on Human Rights

Respect for human rights is one of the fundamental principles that underpin our business activities in Japan and all over the world. Here at the Mitsui Chemicals Group, we regard human rights as universal values and make every effort to put people first in all of our corporate activities.

Basic Philosophy on Human Rights

1. Maintaining international standards

We signed the UN Global Compact in January 2008. We uphold and take steps to prevent any violation of internationally proclaimed basic human rights, including the Universal Declaration of Human Rights.

2. Respect for basic labor rights

We respect basic labor rights, including freedom of association and the right to collective bargaining.

3. Elimination of forced, compulsory, and child labor

We will not engage in any form of forced, compulsory or child labor as part of our corporate activities, in any country or region.

4. Elimination of discrimination

We will not engage in any form of discrimination on any grounds, including race, gender, nationality, age, or religion.

Everything we do as a company depends on "people". That is why we consider our employees to be our most important assets and pay particular attention to the following points.

- Promoting and utilizing human resources
- Training and securing global human resources
- Promoting a work-life balance
- Work-life balance support schemes
- Respect for diversity and individuality
- Employee health
- Risk Hotline

Although our employees are key stakeholders, we are equally committed to respecting the human rights of all of the stakeholders who are in some way linked to our business activities. As part of our relationship with our suppliers for instance, we have clearly set out the Mitsui Chemicals Group Purchasing Policy and are constantly working to ensure legal compliance, provide equal opportunities and improve transparency, as well as maintaining and promoting fair and impartial business practices. We have also extended our Risk Hotline so that it is now accessible to suppliers and are determined to keep on building stronger partnerships in the future.

Mitsui Chemicals Group Action Guidelines
 Human Resources Management Policy of Mitsui Chemicals Group
 Purchasing Policy

Working with Our Customers

In order to Satisfy Customers Marketing "Meister" system

Under its Mid-Term Business Plan, which began from fiscal 2014, Mitsui Chemicals is working diligently to create new customer value through innovation and to help solve social challenges through business activities. To achieve these goals, we are endeavoring to provide optimal solutions that take into consideration such issues as utility value for final consumers across the full range of our technologies, products, and services.

In order to Satisfy Customers

Under its 2014 Mid-Term Business Plan, the Mitsui Chemicals Group identified Mobility, Healthcare, and Food & Packaging as the Group's three core target business domains offering the most substantial growth potential. Accordingly, the Group is focusing on expanding its activities in each of these domains.

Among a host of endeavors, the Group is maintaining its focus on the existing core businesses of the Mobility domain, one of the areas identified as offering growth potential. At the same time, energies will be directed toward developing new businesses that incorporate components and parts. In this manner, we will provide solutions that cut across the entire organization thereby making the most of our collective strengths to help solve social challenges.

Utilizing our online contact form, we are attending to customers' inquiries, complaints, and requests for information about individual products in a timely manner.

Inquiries

Working with Our Customers

In order to Satisfy Customers

Marketing "Meister" System

Marketing "Meister" System

Accurately grasping and addressing customer needs is vital in the conduct of business activities. Against the backdrop of increasingly fierce global competition, particularly in areas of cost and quality, and amid dramatic and daily changes in the world in which we live these days, it is becoming all the more crucial to identify customers' needs quickly and accurately and to meet their requirements.

It was with this in mind that we introduced the Marketing "Meister" scheme in July 2010, in an effort to recognize the scope of actions and attitudes that provides outstanding customer service and serve at the Mitsui Chemicals Group. Marketing is about more than just selling products. It is becoming increasingly important to get more involved than that, to get customers to tell you what they want and what they are struggling with, and to work with them to resolve problems if necessary. As the word "marketing" suggests, you really need to take initiatives focused on the "market." Here at the Mitsui Chemicals Group, we believe that attitude is crucial to earning the customer's trust and building a close, friendly relationship. Of equal importance are the knowledge and skills necessary to instruct and develop younger and junior employees. We therefore select one or two Marketing Meisters from different divisions every year, based on recommendations from Business Sector General Managers and the approval of Business Sector Directors.

A total of 34 staff have been selected as Marketing Meisters to date with an additional seven newly selected in fiscal 2014.

Main Products of the Mitsui Chemicals Group that Contribute to the Sustainable Development of Environment and Society

Working with Our Suppliers

Goals and Results
Purchasing Policy
CSR Procurement

Here at the Mitsui Chemicals Group, we regard all of our suppliers as good partners. We always purchase items from our suppliers fairly and in good faith so as to ensure mutually sustainable growth.

Management System

Policy

Falling under Mitsui Chemicals' Purchasing Policy, CSR Procurement involves the following stipulations. When selecting suppliers, we will give priority to and seek to build stronger partnerships with companies that satisfy the following requirements.

- · Strict compliance with laws and social norms
- · Respect for human rights and consideration for working environments
- · Commitment to environmental preservation and safety assurance
- Sound management
- · Commitment to maintaining and improving appropriate standards in areas such as quality, price and delivery dates

System and Responsible Officers

Executive officers oversee purchasing operations, while the Purchasing Division convenes a meeting once per month to determine the status of CSR procurement.

Monitoring Methods, Achievements and Reviews

The Purchasing Division regularly conducts surveys of suppliers to determine the status of their CSR procurement activities. Such surveys determine the progress of CSR procurement action plans set in the mid-term business plan and yearly budgets as well as achievements, which are then reflected in plans for the next fiscal year.

Goals and Results

Goals for Fiscal 2014

- · Analyze second round survey results
- · Conduct hearings with suppliers as a part of efforts to assist with improvement measures

Fiscal 2014 Results and Assessment

Level achieved : A

- Visited and conducted hearings with three suppliers that require assistance with improvement measures following an analysis of second round survey results
- · After analyzing survey results, visited and conducted hearings with respect to three good practice example suppliers

Priorities for Fiscal 2015

- · Information gathering to improve procurement activities
- Information gathering to formulate efficient methods for conducting surveys and revise survey content (participate in Global Compact's Supply Chain Advisory Group meetings)
- * Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more, C: less than 70%

Working with Our Suppliers

■ Goals and Results ▼ Purchasing Policy ■ CSR Procurement

Purchasing Policy

As we regard all of our suppliers as good partners here at the Mitsui Chemicals Group, in April 2006 we formulated the Mitsui Chemicals Group Purchasing Policy in an effort to get our suppliers involved in our CSR-oriented purchasing activities. We have been purchasing supplies in accordance with the relevant policy ever since.

Mitsui Chemicals Group Purchasing Policy

As we rely on our suppliers to help us to enhance the group's corporate value through our purchasing activities, we regard all of our suppliers as good partners. We always deal with our suppliers fairly and in good faith and make every effort to ensure the mutually sustainable development of our corporate activities. As such, all purchasing divisions within the Mitsui Chemicals Group engage in purchasing activities in accordance with the following Purchasing Policy.

1. Legal compliance

We will strictly comply with all laws and social norms as part of our purchasing activities.

2. Equal opportunities and transparency

We will be wide open with our suppliers, both domestic and overseas, and provide equal opportunities for fair trade in good faith.

3. Harmony with the environment

We will endeavor to purchase goods and materials that have less impact on the environment.

4. CSR-oriented selection

When selecting suppliers, we will give priority to and seek to build stronger partnerships with companies that satisfy the following requirements.

- · Strict compliance with laws and social norms
- · Respect for human rights and consideration for working environments
- · Commitment to environmental preservation and safety assurance
- Sound management
- Commitment to maintaining and improving appropriate standards in areas such as quality, price and delivery dates

Green purchasing

In October 2008, we established a new companywide purchasing system called PRECS* and introduced green purchasing for office supplies and equipment. We have expanded the range of office supplies listed in the catalog every year since then, in an effort to offer users greater convenience. This has also led to an increasing number of product categories. Our overall green purchasing rate for fiscal 2014 was 48%.

* PRECS: PRECS was named after an appeal for suggestions from our employees and stands for "procurement" followed by "rigidification" (strict compliance), "efficiency," "control" and "standardization," four key words that form an essential part of our procurement activities.

Policy on conflict minerals

We are fully aware of the essential need to address so-called conflict minerals here at the Mitsui Chemicals Group. We have conducted our own investigation and confirmed that we do not purchase or use any conflict minerals associated with inhumane acts committed by armed groups on the ground in the Democratic Republic of Congo or any of its neighboring countries. That includes gold (Au), tantalum (Ta), tungsten (W) and tin (Sn). If it comes to light that we have used any conflict minerals in the future, we will immediately halt procurement of the relevant minerals.

* In July 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act was enacted in the U.S. The act came about as a result of reports regarding serious human rights violations and damage to the environment, stemming from inhumane acts committed by armed groups on the ground in the Democratic Republic of Congo and its neighboring countries. As this has become a serious international issue, there are growing concerns that trade in conflict minerals could be used to fund armed groups in those countries, either directly or indirectly.

Working with Our Suppliers

Goals and Results

Purchasing Policy

CSR Procurement

CSR Procurement

The following is a timeline of our CSR procurement activities.

FY2006	Formulated the Mitsui Chemicals Group Purchasing Policy
FY2007	Conducted first CSP survey
FY2008	
FY2012	Visited 18 suppliers with a survey score of less than 10 and assisted with improvements
FY2013	Conducted a second CSR survey
FY2014	After receiving the results of the second round survey, visited and conducted hearings with supplier as a part of efforts to assist with improvement measures and good practice suppliers

Survey and feedback concerning CSR procurement

The 20 requirements included in our "CSR Survey ", which was conducted in fiscal 2013, are as follows.

CSR Survey

Category			Requirements
		1	Has set out management principles, corporate action guidelines, etc. and provides employees with training to ensure legal and regulatory compliance
		2	Takes steps to prevent, quickly detect and respond to illegal acts (internal whistleblowing system (risk hotline), committees, etc.)
1	Corporate governance/ CSR	3	Implements a code of conduct, CSR policy, etc. and has an internal framework (responsible departments/directors) in place to promote corporate social responsibility (CSR)
		4	Conducts surveys, etc. to confirm that partners (raw material suppliers, subcontractors, etc.) have in place their own CSR frameworks (respecting human rights, reducing environmental impact, etc.)
	Fair trade/ ethics	5	Understands anti-corruption legislation (relating to political contributions/donations, bribery, etc.) and provides employees with training in order to prevent unethical relations with government officials, dealings with antisocial groups and organizations, etc.
2		6	Does not abuse its position to disadvantage suppliers or engage in conduct that could hinder fair, transparent and free competition Does not give or receive inappropriate benefits to or from concerned parties
		7	Actively provides and discloses information relating to the company via its website, pamphlets, etc. (details of business activities, finances, results, environmental activities, damage caused by large-scale disasters, negative impact on the environment and/or society, detection of serious legal violations, etc.)
2	Quality/	8	Provides customers with important information regarding its products and services, including quality, usage instructions and recalls
3	safety	9	Has a framework and procedures in place for handling customer complaints relating to the quality of products or services

	Health and safety/ risk management	10	Maintains an environment in which employees can work safely and healthily, including improving working conditions, taking safety measures and providing health checkups for employees			
		11	Monitors and manages risks associated with equipment and processes, including machinery safety measures, minimizing physical impact on employees, and implementing noise and dust control measures			
4		12	Strives to prevent industrial and unforeseen accidents, and always ensures that the necessary safety equipment and emergency supplies are available in the event of a natural disaster or other emergency			
		13	Has pre-arranged procedures in place between all concerned parties in the event of a disaster or accident, including means of contacting the authorities and external measures to protect local residents and customers			
		14	Has a clear internal framework in place in the event of a large-scale disaster, including formulating a business continuity plan (BCP), establishing an internal communication network and designating external points of contact			
5	Environment	¹⁵ Makes an effort to implement energy saving activities, reduce greenhou emissions (prevent global warming), minimize waste, etc.				
		16	Respects universal human rights and makes an effort to prevent human rights violations based on an accurate understanding and awareness of human rights issues			
6	Human rights/ labor	17	Takes steps to prevent child labor, forced labor and unreasonably cheap labor			
		18	Provides employees with training in an effort to eliminate discrimination with regard to recruitment, assignment, training, evaluation or remuneration, based on gender, age, disability, etc.			
	Information/	19	Manages its own intellectual property, including patents, copyrights and trademarks, and respects intellectual property belonging to third parties			
7	security	20	Adequately manages personal information, including that belonging to customers and employees, and confidential information obtained from customers and other third parties			

CSR procurement survey results

We have compiled the results of the second round of surveys conducted in fiscal 2013. In fiscal 2013, responses were collected from 1,647 companies, with an average score of 17.8 (out of 20). Please see the graph below for full details. Questions relating to legal compliance, human rights, and the fundamental rights of workers attracted high execution rates.

Efforts to promote the development of a CSR structure in upstream areas of the supply chain including surveys exhibited low execution rates (question 4). This was followed by efforts to build an internal structure at the time of a large-scale disaster where the execution rate was 68% (question 14).

Drawing on the results of the survey concerning CSR procurement an exchange of opinions was undertaken with companies that were thought to exhibit good practices. This in turn helped to deepen understanding toward the importance of CSR procurement.

Score distribution

Fiscal 2013 CSR Survey Results Distribution





Extending Risk Hotline access to suppliers

We have extended access to our Risk Hotline internal reporting system to include external parties since July 2010. In fiscal 2014, activities were undertaken to again bring the Risk Hotline service to the attention of 1,800 suppliers. This means that, if any supplier obtains information relating to issues such as potential compliance violations within the Mitsui Chemicals Group, they can report the matter to our Risk Hotline.

Goals and Results Disclosure of Information to Shareholders and Investors

In addition to continually enhancing the corporate value of the Mitsui Chemicals Group, through a range of measures aimed at reinforcing corporate governance and increasing management transparency, we also publish information in an appropriate and timely manner and make every effort to repay the trust placed in us by our shareholders and investors.

Goals and Results

Priorities for Fiscal 2014

- · Expand and improve information distributed to shareholders
- · Further strengthen two-way communication with institutional investors

Fiscal 2014 Results

Level achieved : A

- Explained in an easy-to-understand manner details of the Company's 2014 Mid-Term Business Plan using various tools including charts, diagrams, and photographs in materials attached to the Convocation Notice and Shareholders' Report
- Prepared a special feature article for inclusion in the Shareholders' Report outlining how the Company's in each field identified under the 2014 Mid-Term Business Plan contribute to society
- Conducted a survey following the general meeting of shareholders
- Selected by Nikko Investor Relations Co., Ltd. as one of the 80 most comprehensive websites of all listed companies in Japan in fiscal 2014
- Received a 2014 Internet IR Commendation Award (116 firms) from Daiwa Investor Relations Co., Ltd.
- Received the Award for Excellence in the NIKKEI Annual Report Awards from the NIKKEI INC.
- Received the "Best IR Award" (fiscal 2014) from the Japan Investor Relations Association (JIRA)

Goals for Fiscal 2015

- · Expand and improve information distributed to shareholders
- * Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more, C: less than 70%

Working with Our Shareholders and Investors

Goals and Results Disclosure of Information to Shareholders and Investors

Disclosure of Information to Shareholders and Investors

General meetings of shareholders

We regard general meetings of shareholders, the highest organ of decision-making, as an opportunity for important discussion between our shareholders and management. We are therefore committed to responding openly and clearly to any questions our shareholders may have, to provide a more in-depth understanding of the Mitsui Chemicals Group. At our general meeting of shareholders on June 24, 2015, we positioned members of staff outside the venue to exhibit and provide information about the Mitsui Chemicals Group's products and CSR activities. Explanations were also provided after the meeting. On conclusion of the general meeting of shareholders, directors took part in discussions outside the venue, providing the opportunity to talk to shareholders in greater depth.

Publishing IR information

We disclose IR information as and when necessary in an appropriate manner, to give shareholders and investors a better understanding of the Mitsui Chemicals Group. We make every effort to expand and improve the content of information disclosed as well as the manner in which it is presented in order to ensure that the information is accurate and easy to understand.

We post IR information, including summary financial statements, security reports and information subject to timely disclosure, on our website as soon as it has been disclosed (via a press release).

We also work actively to provide information that is not subject to timely disclosure via press releases and our website.

In addition to the aforementioned, we are constantly working to improve the provision of IR information on other fronts too, including publishing an annual report, updating details such as financial highlights and corporate governance, and releasing a variety of IR materials such as documents from briefings for analysts and institutional investors. Moreover, we post copies of shareholder reports and materials relating to the general meetings of shareholders on our website. We also send out a video message from the President for shareholders and investors twice a year.

In fiscal 2014, the IR section of our website was selected by Nikko Investor Relations Co., Ltd. as one of the 80 most comprehensive websites of all listed companies in Japan. We were also one of 116 firms to receive the 2014 Internet IR Commendation Award from Daiwa Investor Relations Co., Ltd. and was honored with the Award for Excellence in the NIKKEI Annual Report Awards from Nikkei Inc. for efforts to upgrade and expand the content of our annual report.

💮 Annual Report Receives Nikkei Award for Excellence 🔂 Investor Relations

Dialog with institutional investors and securities analysts

We actively engage in communication with institutional investors and securities analysts, to give them a better understanding of our business activities and strategies.

We also arrange online conference calls (telephone briefings) to coincide with our quarterly results. We also hold around 300 individual meetings in Japan and overseas.

Management places emphasis on personally explaining matters of particular interest to stakeholders. Twice a year, we organize management briefings. Other briefings are held depending on changes in the business environment.

We regularly organize briefing sessions on the Company's medium-term strategies and business activities as well as plant tours and R&D briefings, to offer a more in-depth understanding of our main business activities and strategies. Detailed explanations are also provided by the officers responsible for each activity at our operating, production or research facilities. This is an opportunity to directly meet our employees and experience our products first-hand. In addition to gaining a deeper understanding of the Company and its activities, these initiatives provide the forum for direct dialog with officers responsible for each division and department as well as management.



A meeting conducted by management to explain the Company's mid-term strategies

In an effort to improve understanding amongst individual investors, since fiscal 2011, we have been organizing Company briefings to coincide with seminars hosted by securities firms in Tokyo and other major cities around Japan.

Mitsui Chemicals received the "Best IR Award" (fiscal 2014) from the Japan Investor Relations Association (JIRA) in recognition of these activities.

This recognition acknowledges the efforts of management to participate in briefing sessions as well as tour and to engage in the direct exchange of opinions with investors. The award is also an accolade for our endeavors to improve our IR activities and materials aimed at upgrading and expanding explanatory meetings and facility tours as well as financial results and management briefing sessions.

Public Recognition

Best IR Award



Basic Policy on Profit Sharing

We recognize enhancing corporate value through our business growth and expansion is most important. At the same time, we position that profits return to our shareholders is also critical management priorities.

We adopt a holistic approach to profit sharing, including profits return to our shareholders and enhancing retained earnings in preparation for future strategic growth and expansion.

Regarding dividends, over the medium to long term perspective, we endeavor profit return and pay out dividends constantly based on our consolidated performance.

We aim to maintain a consolidated dividend payout ratio of at least 25% and DOE(dividend on equity) of at least 2%. We use retained earnings to active investing to accelerate our target business fortforio and, research and development to create innovative new technology for further growth and improvement in our performance.

Working with Our Employees Goals and Results Promoting and Utilizing Human Resources Creating an Employee-Friendly Working Environment Employee Health

Here at the Mitsui Chemicals Group, we are committed to giving our employees a sense of personal and professional motivation, with the goal of helping them find happiness and self-fulfillment.

We encourage our employees to take good care of their health and make every effort to provide appropriate working environments, placing top priority on occupational health.

Management System

System and Responsible Officers

The Human Resources Division plays a central role in setting the mid-term plan for human resources management as well as fiscal year budgets.

With the director of human resources in charge, the Human Resources Division implements policies for the Company along with domestic and overseas offices, subsidiaries, and affiliates. Meetings are held periodically with HR managers from domestic and overseas offices to share information and develop HR policies.

Monitoring Methods, Achievements and Reviews

Priority issues of the fiscal year budget are reported to the director in charge on a quarterly basis and plan progress and results are evaluated. Important managerial issues are discussed by the directors' committee.

Human resources management policy

The Mitsui Chemicals Group Human Resources Policy outlines our attitude towards our employees and society as a whole. It is based on the fundamental principle that people need to be treated well, to enable the Company and its employees to stimulate and actively enhance one another as they work to create a better future. We aim to strike a balance between the sustainable growth of the Mitsui Chemicals Group and the happiness and self-fulfillment of our employees. That is the cornerstone of our human resource practices at all of our Group companies around the world.

Mitsui Chemicals Action Guidelines

Human Resources Management Policy of Mitsui Chemicals Group

1. "Always In Good Faith"

- 1. The Mitsui Chemicals Group (MCI) will require employees to "act in good faith" as stipulated in "The Action Guidelines", highly appreciate such employees and offer an appropriate environment for them to give full rein to their strengths.
- 2. MCI will comply with all labor and employment laws wherever it operates.
- MCI will disclose its rules and operate fairly and with justice according to the rules regarding recruiting, assignment, training, evaluation and compensation of employees without any discrimination against gender, race, nationality, age, religion and disabilities.

2. "For People and Society"

- MCI will require employees to "have a high regard for people and society" as stipulated in "The Action Guidelines", highly appreciate such employees and offer an appropriate environment for them to give full rein to their strengths.
- 2. MCI will protect employees' safety and health in the workplace.
- 3. MCI will not tolerate any form of harassment, support and respect the protection of human rights.

3. "Dream-Inspiring Innovation"

- 1. MCl will expect employees to uphold the following actions stipulated in "The Action Guidelines", highly appreciate such employees and offer an appropriate environment for them to give full rein to their strengths :
- To challenge unflinchingly with full trust in our potential without fear of failure.
- To create novel values by enhancing our sensitivity.
- To consider and act proactively based on the actual data and facts at workplace.
- To aim to be world-class professionals with a global view.
- To cultivate the next generation by passing on our experiences and technologies.
- To integrate individual strength into the organization through active communication.

The Company established three Core Values to capture the spirit of everyone working at Mitsui Chemicals Group sites around the world and to act as a unifying force, ensuring that we are all working toward the same goals. The "spirit of challenge," "respect for diversity," and "teamwork" established in the Action Guidelines are each connected to the three core values of Challenge, Diversity, and One Team.

4. MCI, based on the aforementioned, will conduct Human Resources Practices under the following policies :

	Toward sustainable growth of the Company.	Toward happiness and fulfillment of employees.
Organization	To create an organization based on the strategy and conduct job allocation suited for realization of the strategy.	To conduct job allocation in consideration of each personal motivation and capability.
Recruiting	To carefully recruit human resources that contribute to the organization's growth.	To give opportunities for employment equally to motivated and capable human resources.
Assignment	To promote proactively human resources that yield fruitful results.	To allocate suitable jobs for employees so that they can exercise their motivation and capabilities.
Training	To foster world-class professionals from a long-term perspective.	To assist employees in making self-reliant efforts to become world-class professionals.
Evaluation	To evaluate achievement appropriately.	To conduct fair evaluation that leads to enhancement of motivation and capability.
Compensation (Remuneration)	To conduct compensation system that is competitive from the aspects of cost.	To conduct compensation system that is competitive from the aspects of securing motivated and capable human resources.

Overview of human resource management: Relationship between the company and individuals



Goals for Fiscal 2014

- · Improve human resources and organizational performance by cultivating a coaching culture.
- Offer career development opportunities. (Career interviews, Career Counseling Office, career training)
- Reduce the rate of obesity by implementing health programs.

Fiscal 2014 Results and Assessment

Level achieved: B

In addition to reinforcing leadership through individual coaching of director and management class personnel, we
conduct training for line managers to strengthen the skill development of subordinates. Through fiscal 2014, 120 people
have received this training.

 \Rightarrow We will continue this training in 2015 and establish a culture rooted in coaching, thereby reinforcing organizational capacity through coaching.

- Establish career interviews with superiors and their subordinates using "the ability development career sheet."
 ⇒ From fiscal 2015, convert the ability development career sheet into a database and use it online.
- The Career Counseling Office held about 90 sessions with employees (an average of 4.7 sessions per month). The sessions helped employees to have a clear career vision.
- About 45 employees in their 40s and 50s participated in career training. The participants were able to look back on their past career, reaffirm their values and strengths, and understand the Company's expectations.
 ⇒ We will continue this training in fiscal 2015.
- Although the rate of obesity has increased slightly, we offer insurance guidance for each eligible person with the aim of early improvement.

Priorities and Goals for Fiscal 2015

<Recruitment>

Hire employees based on the development of new businesses such as healthcare (the hiring of new employees to address expanding needs)

<Assignment> Practice placing the right person in the right job globally (Goal: Establish a foundation for global talent management)

<Training> Reinforce leadership through coaching (Goal: Set up and implement leadership training system for management class)

<Evaluation>

- Strengthen human resource development through performance evaluation system (Goal: Implement accountable evaluation feedback)
- Implement evaluation system based on shared global framework (Goal: Establish global evaluation policy)

<Compensation (Remuneration)> Disseminate global compensation policy (Goal: Help spread compensation system focused on subsidiaries and affiliates in the China region)

<Health Management Office> Reduce risk of lifestyle diseases and mental disorders

* Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more, C: less than 70%

Working with Our Employees							
Goals and Results	Promoting and Utilizing Human	Resources					
► Creating an Employe	e-Friendly Working Environment	▶ Emplovee He	alth				
		1.17					
Promoting and Utilizing Human Resources							

We will actively promote capable talent for the right position based on our Human Resources Management Policy.

Our approach to human resource development

We aim to develop global talent and offer a wide range of internal and external training programs. We are constantly striving to achieve growth through innovation and to forge a robust global presence as a chemical corporate group. In order to secure the happiness and self-fulfillment of our employees, we have positioned efforts aimed at creating optimal environments that allow employees to continuously improve their own abilities through dialog with others at the heart of our approach towards human resources development.

Companywide training framework



From fiscal 2013 to 2014, a total of 80 managers participated in leadership development training. This program, which runs for approximately six months, is undertaken to develop leadership skills that enable participants to address workplace organizational issues while obtaining a better understanding of their own values.

Amid increases in the diversification of employee values and staff members who work limited hours due to childcare or nursing responsibilities, managers are being called upon to display more sophisticated managerial skills. To meet this need, this course focuses on coaching and other skills training to further staff development. To date 120 employees have participated in our leadership enhancement training courses.

In addition, we are working to strengthen the language and multi-cultural abilities of young and mid-career employees. To this end, we expanded the Overseas Dispatch Training Program in fiscal 2011, which now involves dispatching Mitsui Chemicals employees to overseas subsidiaries and affiliates while taking in employees from these overseas companies. With 20-30 employees participating in this program each year, we are working to promote global managers and skills acquisition.

Global Talent Management

To strengthen global management capabilities, the Mitsui Chemicals Group focuses on human resources development. We expect employees to be capable of leading global business in a strategic and efficient manner as well as promoting corporate activities that match the attributes of each region in a timely manner. As common platforms to implement the global talent management system, we established global competencies, personnel databases, and global grading, assignments, and compensation policies.

In fiscal 2015, we integrated these platforms into the global talent management system, to globally share a common framework for recruitment, assignment, development, evaluation, and compensation. In addition, we are working to create a system to select and develop candidates, who will serve as next-generation leaders, and are preparing succession plans for major positions worldwide. For global talent management, we set up the "MCI Academy" to offer Group-wide education and to strengthen our corporate culture, understand core values, and develop leadership skills.

We established the Global HR Development Advisory Committee (HRDAC) in 2014 to solve global Group-wide issues by organizing taskforce teams composed of members from headquarters, regional headquarters, subsidiaries, and affiliates.

Overview of Global Human Resources Management



Passing on skills and techniques (Plant Operation Technology Training Center)

Since it was established in fiscal 2006, our Plant Operation Technology Training Center in Mobara (Chiba Prefecture) has provided training for approximately 5,000 employees at all levels, with a focus on new recruits, through to fiscal 2014. This reflects our ongoing commitment to passing on essential skills, to ensure safe and reliable operations throughout the Mitsui Chemicals Group, and instilling safety awareness based on first-hand experience. The unique experience-based training that the center provides has received glowing feedback from overseas customers. To date, the center has opened its doors to approximately 600 trainees and customers from China, South Korea, Singapore, India, Thailand and numerous other countries.

Working with Our Employees						
Goals and Results	► Promoting and Utilizing Human	Resources				
Creating an Employe	e-Friendly Working Environment	► Employee He	alth			

Creating an Employee-Friendly Working Environment

We provide a wide range of programs to support the different lifestyles of each individual employee.

Promoting a work-life balance

We respect our employees as important stakeholders in achieving our corporate mission. We are therefore committed to striking a balance between the sustainable growth of the Mitsui Chemicals Group and the happiness and self-fulfillment of our employees. In order to achieve that, our goal is to create a relationship in which the Company and its employees stimulate and actively enhance one another.

With that in mind, we have established an employee-friendly working environment complete with a full range of support programs, from childcare and family care schemes, such as reduced work hours, nursing care leave and subsidies for babysitting and home-care services, to welfare support.

We will continue making necessary improvements in order to meet the diversified needs of employees and also to help each employee maintain a work-life balance.

General Business Owner Action Plan in accordance with the Next Generation Nurturing Support Measures Promotion Law

On May 21, 2012, we were certified as a "standards-compliant general business owner" and were granted the "Kurumin" next-generation certification mark by the Ministry of Health, Labour and Welfare's Tokyo Labour Bureau, in accordance with the Next Generation Nurturing Support Measures Promotion Law. We have always tried to create an environment that is rewarding for our employees, on both a professional and personal level. We have continued to improve conditions based on our employees' increasingly diverse needs, from reduced work hours and nursing care leave and the option to work from home, to subsidies for babysitting and home-care services. The fact that we were granted certification was in recognition for our efforts to formulate and implement action plans for activities such as these.

In fiscal 2015, we are working toward achieving the targets set in fiscal 2014 under the new action plan to create an environment that is supportive of an even wider range of working styles.

We will continue to actively promote a healthy work-life balance in the future, to create a harmonious environment in which employees find their work rewarding and are happy in their private lives.



"Kurumin" next-generation certification mark

List of Support programs

Time off and leave	 Childcare and family care schemes Nursing care leave Childcare leave Special leave Family care leave (eligibility extended to enable employees to take leave when family members are certified as being in need of support) 	
Working hours	 Reduced work hours for childcare Reduced work hours for family care Limitation of overtime (childcare / family care) Limitation of late night work (childcare / family care) Work-from-home program (childcare / family care) Company childcare center 	
Income	 Maternity pay Childcare assistance Maternity allowance Family care assistance Subsidies for home-care services Subsidies for babysitting services 	135

Use of Childcare and Nursing Care Leave

		FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
	Females	25	20	21	23	32	29
Number of employees taking childcare leave	Males	36	54	58	48	49	67
·	Total	61	74	79	71	81	96
Number of employees taking family care leave		0	0	0	1	1	1

Employee Comment

I took around three weeks of childcare leave from the day before my wife gave birth to our second son. During the few days she was in hospital, I stayed at home with my eldest son. While he was old enough to enjoy a normal diet, he did not like meals that were hard to chew or had a strong taste. This made it quite difficult to prepare dishes that he would willingly eat. After my wife left the hospital and returned home, it was a while before she got back to her normal stride. Over this period, I tried my best to support and comfort her which brought us all closer together as a family. I genuinely believe that this time spent at home with the family was extremely significant.

After the three weeks of childcare leave, I spent another week working at home. Working at home, before my son woke up and while he was at preschool, allowed me to fully support my wife in taking care of our children. I was required to think about how to concentrate in a limited time in order to finish my work more efficiently.

Without the help and understanding of the Company and my colleagues at work, I would not have been able to take childcare leave as I did during this time. Even if the necessary programs are in place, it is difficult to take this kind of leave without the support of others. Recently, as many male employees are taking childcare leave at Mitsui Chemicals, I feel that most employees are positive about it. However, I was anxious when it came to taking childcare leave. I would like to thank my manager and colleagues for supporting me.



Head Office **Akira Hirose** Planning and Coordination Division, Basic Chemicals Business Sector

Ichihara Dream Plaza Mitsui Chemicals Daycare Center

We opened our own daycare center "Ichihara Dream Plaza" in April 2009 near the Sodegaura Center and Ichihara Works, to provide support for our employees with children.

By the end of fiscal 2009, the number of children had risen to 20, the maximum capacity of the center. Therefore, we increased the center's capacity to 25 children in fiscal 2010 and 30 children in fiscal 2011. The center has under-floor heating as well as a south wall made with windows to allow natural light to brighten up the rooms. The "Ichihara Dream Plaza" is always full of children's laughter.

Respect for Diversity and Individuality

Our aim here at the Mitsui Chemicals Group is to actively harness diversity and create a company in which each and every employee can put their all into their work. We established the Promotion and Development of Women Team in 2006 and started promoting human resource diversity with an emphasis on gender equality.

In response to a changing environment as a result of rapid globalization, we reorganized activities in fiscal 2011 to include cross-cultural awareness and renamed the team the Diversity Promotion Team, creating a stronger framework through which to actively encourage diversity.

The team's priorities and goals include the following

(1) Promoting a corporate culture that actively encourages diversity

Holding line manager training and educational seminars to change diversity awareness Setting up a help desk for foreign employees to assist them with work and lifestyle issues

(2) Providing career development support

Promoting female employees to managerial positions and assigning foreign employees to global positions Establishing the Career Advice Office to support the career development of employees

(3) Helping employees to achieve a work-life balance

Holding workshops and activities about work-life balance and reviewing childcare and nursing care schemes

About the promotion of female employees to managerial positions, the managers and the Human Resources Division are taking steps to prepare individual development and training plans for each candidate. While the number of women in managerial positions has been increasing since 2009, there is still the need to promote women to higher positions.

The Mitsui Chemicals Group is also committed to creating jobs for disabled people. The legally required rate of disabled employment was 2.12% in fiscal 2014. We have maintained the legally required rate of disabled employment since fiscal 2004. We will continue to improve working environments in the future, so as to create a corporate culture in which disabled employees can put their all into their work.

Promoting diversity



		FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
	Ratio of female employees(%)	10.8%	11.2%	11.4%	11.7%	11.9%	11.93%
Fomalo	Manager and above	107	115	125	133	140	159
remaie managers	Ratio of women (%)	3.20%	3.60%	4.00%	4.15%	4.86%	5.41%
	Ratio of women in line manager positions	1.22%	1.35%	1.51%	1.59%	1.59%	1.79%

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
Rate of disabled employment	1.91%	1.84%	1.89%	1.82%	2.18%	2.12%

Outline of our Health Mileage Campaign

Goals and Results
Promoting and Utilizing Human Resources

and ounzing numan Resources

Creating an Employee-Friendly Working Environment

Employee Health

Employee Health

Here at the Mitsui Chemicals Group, we provide our employees with the support they need to take good care of their health, via industrial physicians, nurses and other healthcare professionals. We believe that healthy employees make for a healthy company. Based on that philosophy, we assign full-time industrial physicians, nurses and healthcare managers to healthcare sections at our Head Office, Sodegaura Center and all five of our works. We also assign part-time industrial physicians, nurses and other healthcare professionals to our smaller plants and to major plants operated by our subsidiaries and affiliates, in an effort to improve the health of all Group employees.

Once again in fiscal 2014, at our domestic bases, we continued to focus on preventing mental health conditions and lifestyle-related diseases, and on reducing hygiene risks. We paid particular attention to metabolic syndrome, and focused on improving workplaces based on work stress surveys.

At our overseas bases, our industrial physicians go overseas every year to make the rounds, conducting health interviews with all employees working overseas, including their families if they so desire. We offer support to our employees for both mental and physical ailments.

Taking good care of Mitsui Chemicals employees

We are committed to reducing occupational health risks and improving working conditions via the Occupational Safety and Health Management System (OHSAS 18001) scheme and through onsite inspections conducted by industrial physicians and healthcare managers.

In fiscal 2014, we focused our priorities on conducting onsite inspections and education on the proper use of protective gear on a Companywide basis. Occupational health education was conducted at 217 workplaces and attended by an aggregate total of 3,160 employees. In addition to improving chemical risk assessment methods, Mitsui Chemicals concluded the basic design of a proprietary risk assessment system based on control banding. In fiscal 2015, considerable emphasis will be placed on confirming the status of statutory and regulatory compliance as well as measures aimed at uncovering carcinogenic substances through workplace inspections. Weight will also be placed on providing guidance in those areas that require attention, while running new risk assessment trial programs and introducing workplace systems. As a part of efforts to minimize occupational health risks at overseas subsidiaries and affiliates, industrial physicians from the Company's Head Office travel to overseas bases and systematically inspect workplaces while pointing out areas in need of improvement for occupational safety. In fiscal 2014, our industrial physicians visited eight overseas bases and trained local managers. In addition, educational materials regarding back pain were published in English and used to train local officers responsible for occupational health and safety in Thailand. Moving forward, Mitsui Chemicals will continue to promote these initiatives in fiscal 2015.



Plastic curtains installed in the areas immediately surrounding local ventilation systems to help increase the efficiency of operating spaces around the section where raw materials are inserted into each system

Health management

We promote good health via activities such as medical examinations and health guidance, carried out by industrial physicians, nurses and other healthcare professionals.

We are now in our seventh year since we introduced comprehensive medical check-ups, combining regular medical examinations with special medical check-ups and cancer screening. We have achieved an uptake of almost 100% for medical check-ups and managed to stabilize the rate of special health guidance (aimed at combating metabolic syndrome) at around 60%. In fiscal 2014, uptake rates for cancer screening were essentially unchanged from fiscal 2013. In specific terms, screening rates were maintained at a high level. The rate for stomach cancer was 71%, 99% for lung cancer, 83% for bowel cancer, 94% for prostate cancer, 60% for breast cancer, 62% for uterine cancer and 72% for abdominal ultrasound. On this basis, almost all employees have taken the necessary detailed examinations. As a result, while the number of sick days taken off for cancer (malignant tumors) deteriorated slightly compared with the number reported in fiscal 2013, the overall number has declined from 2,652 in fiscal 2008 to 1,066 in fiscal 2014.

Follow up guidance and health improvement activities have helped to reduce the rate of high blood pressure, which can be

seen by the decrease in detection rates from 9.1% in fiscal 2008 to 5.5% in fiscal 2014. Unfortunately, the rate of obesity has increased in fiscal 2014, even though it showed a decrease in fiscal 2013.

In terms of total absent days due to circulatory diseases, the number declined from 1,882 days in fiscal 2009 to 719 days in fiscal 2012 and to 470 days in fiscal 2013. The total number of absent days due to circulatory diseases was 522 days in fiscal 2014.

In fiscal 2015, we will promote obesity countermeasures focusing mainly on young employees.

Positive Diagnosis Results





Breakdown of Days Off due to Illness

Despite an increase in the total number of absent days for cancer, the number attributable to mental disorders declined.

The incidence of new mental health disorders is showing a downward trend.

Mental health initiatives

In fiscal 2014, we continued to implement mental health initiatives such as training (for new recruits, managerial staff, line managers, etc.), conduct interviews undertaken by industrial physicians, while providing counseling and e-learning for new recruits.

We asked all employees to answer a new workplace stress questionnaire (occupational stress and mental health), with a greater emphasis on identifying areas for improvement in the workplace. Individuals are provided with feedback based on the results, and in addition, managers in each workplace are also given details of the results of their workplace. We have formulated and implemented stress reduction plans (communication improvement plans) in workplaces deemed to be particularly susceptible to high stress levels, and we are also working to identify good practices in workplaces with a positive mental health environment in order to apply them to other workplaces.

Looking back at past results, the rate of employees answering that their workplaces have a positive atmosphere and low stress environment increased from 35% in fiscal 2012 to 37.9% in fiscal 2013. In fiscal 2014, this percentage fell to 27.2%. In addition, the total number of absent days for mental disorders declined from 6,777 days in fiscal 2013 to 5,344 days in fiscal 2014. Survey results show that a growing number of employees are feeling that their workplaces have a positive atmosphere and a low stress environment.



(%)	Good atmosphere, low risk	Neutral atmosphere, neutral risk	Bad atmosphere, high risk	
Fiscal 2011	23.4	68.7	7.9	
Fiscal 2012	35.0	56.1	8.9	
Fiscal 2013	37.9	54.0	8.1	
Fiscal 2014	27.2	62.2	10.6	

Decrease in workplaces with a good atmosphere and low risk Increase in workplaces with a bad atmosphere and high risk

Horizontal rollout of good practices; ongoing improvement

* Total health risk : a measurement on the subjective sensory scale of workload, sense of control, and empathy from superior and coworkers. (A relative measurement that uses 100 as the national average. A workplace score of 120 implies that the rate of health problems is 20% higher than the average.)

Mental health atmosphere : a scale-based measurement of the appropriateness of command and control, labor management, cooperation, and training opportunities. (A relative measurement that uses 50 as the national average. Higher figures imply a better workplace atmosphere.)

A wide range of health management programs

We run a wide variety of programs for the health management of our employees, primarily though our healthcare section and health insurance union.

In fiscal 2014, we held programs such as the Healthy Mileage Campaign, walking events, fitness classes, dietary and nutrition education classes, mini marathons, non-smoking challenges, and healthy menus in employee cafeterias. In particular, our Healthy Mileage Campaign was carried out throughout the Company, with the number of employees joining the campaign increasing each year; 2,037 in fiscal 2012, 5,255 in fiscal 2013, and more than 8,000 employees in fiscal 2014.




三井化学健康保険組合の補助により実施されております。



Slow jogging class

Yoga class

プログウムは.

Workplace exercise break



Handout of our Healthy Mileage Campaign

Relationship between Labor and Management

We are committed to establishing a stable, cohesive relationship between labor and management, based on the principles of communication and understanding. In April 2008, we revised our labor agreement and set out a clear emphasis on cooperation between labor and management in areas such as improving productivity, achieving our Grand Design, and developing human resources. We will continue two-way communication between labor and management to lay the necessary foundations for employee satisfaction.

Working with Industry, Government, and Academia

Goals and Results Mitsui Chemicals Catalysis Science Award and Award of Encouragement

Promoting Joint Research Projects

The Mitsui Chemicals Group is promoting market-drive R&D while working to deepen collaboration among industry, government, and academia through symposiums and joint research projects, with the ultimate aim of contributing to the sustainable development of chemistry and the chemicals industry. In 2004, we created the Mitsui Chemicals Catalysis Science Award of Encouragement to recognize researchers that have made outsized contributions to the field of catalysis science.

Management System

Working through its R&D divisions, the Mitsui Chemicals Group is actively employing open innovation including the use of joint research projects with industry, government, and academia while promoting market-drive R&D in a bid to help resolve a wide range of social issues.

Among a host of initiatives, a monthly R&D strategy meeting is held in order to determine whether an R&D theme should be continued or reviewed. Steps are taken to monitor and management the progress of R&D.

Goals and Results

Goals for Fiscal 2014

- · Send researchers to and promote joint research with research institutes in Japan and overseas
- Provide placements for interns
- Present the "2014 Mitsui Chemicals Catalysis Science Award"

Fiscal 2014 Results and Assessment

Level achieved: A

- · Participated in the Strategic Innovation Promotion Program (SIP), a new project initiated by the Cabinet Office of Japan
- Continued to participate in and promote the Artificial Photosynthesis Project, initiated by the Japan Technological Research Association of Artificial Photosynthetic Chemical Process (ARPChem), and the development of a non-edible plant-based chemical manufacturing process, initiated by NEDO
- Provided placements for interns
- Presented the "2014 Mitsui Chemicals Catalysis Science Award"

Priorities for Fiscal 2015

- · Send researchers to and promote joint research with research institutes in Japan and overseas
- Provide placements for interns
- Make preparation to present the "2016 Mitsui Chemicals Catalysis Science Award"
- * Levels of achievement based on self-assessment : A: 95% or more, B: 70% or more, C: less than 70%

Working with Industry, Government, and Academia

Goals and Results

Mitsui Chemicals Catalysis Science Award and Award of Encouragement

Promoting Joint Research Projects

Mitsui Chemicals Catalysis Science Award and Award of Encouragement

The Mitsui Chemicals Group strives to build a global science network and deepen collaboration among industry, government, and academia through symposiums and joint research projects, with the ultimate aim of contributing to the sustainable development of chemistry and the chemicals industry.

In 2004, we created the Mitsui Chemicals Catalysis Science Award and the Mitsui Chemicals Catalysis Science Award of Encouragement to recognize researchers that have made outsized contributions to the field of catalysis science. These awards are presented once every two years. In 2014, which was the fifth time we have given out these awards, the winners were as follows.

Mitsui Chemicals Catalysis Science Award (one person)

F. Dean Toste (Professor, University of California, Berkeley)

Mitsui Chemicals Catalysis Science Award of Encouragement (two people) Shunsuke Chiba (Associate Professor, Nanyang Technological University) Naoya Kumagai (Chief Researcher, Institute of Microbial Chemistry)

Winners of the "2014 Mitsui Chemicals Catalysis Science Award"

Working with Industry, Government, and Academia

Goals and Results Mitsui Chemicals Catalysis Science Award and Award of Encouragement

Promoting Joint Research Projects

Promoting Joint Research Projects

We send Mitsui Chemicals Group researchers out to other research institutions, both in Japan and overseas, and promote joint research and joint research projects with industrial, governmental and academic bodies in an effort to develop innovative, commercially viable technologies as quickly as possible. In addition to environmental, resource and energy-related projects, we are also actively involved in the development of new materials in the information and communication sector.

Participating in the Artificial Photosynthesis Project

We have signed up to participate in the Artificial Photosynthesis Project, launched by the Ministry of Economy, Trade and Industry in fiscal 2013. Following the establishment of the Japan Technological Research Association of Artificial Photosynthetic Chemical Process (ARPChem) in fiscal 2012, a technical development project was launched with the aim of (1) producing hydrogen utilizing photocatalysts, (2) separating hydrogen using membranes, and (3) manufacturing basic chemicals from hydrogen and carbon dioxide. In particular, we are working with three other private companies to develop hydrogen production technology (1) and are promoting work on a joint research project in conjunction with the University of Tokyo, Kyoto University and the Tokyo University of Science. In the third year of the project, an interim audit was conducted in fiscal 2014. The audit resulted in a high assessment with solar energy conversion efficiency coming in at more than double the identified target.

Participating in the Cross-ministerial Strategic Innovation Promotion Program (SIP) of Japan's Cabinet Office

Mitsui Chemicals is a participant in the energy carrier project launched in 2014. The energy carrier project is one of the 10 core themes of SIP, an initiative that is being promoted by the Council for Science, technology and Innovation of Japan's Cabinet Office. As one component of the energy carrier project, Mitsui Chemicals is also taking part in the ammonia energy carrier project together with four other private firms while engaging in joint research with Kyoto University. In advancing this project, consideration is being given to the three (1) direct, (2) internal decomposition, and (3) external decomposition (autothermal) power generation methods for solid-oxide fuel cells (SOFCs) that use ammonia. Mitsui Chemicals is working with Kyoto University and one other private firm to conduct joint research into (1) and (2).

Participating in the development of a non-edible plant-based chemical manufacturing process

Mitsui Chemicals is a participant in a joint research project between industrial, governmental and academic bodies administrated by the New Energy and Industrial Technology Development Organization (NEDO). Participating since fiscal 2013, the Company is assisting in efforts to develop a non-edible plant-based chemical manufacturing process. Working with five other private companies as well as the Niigata University of Pharmacy and Applied Life Sciences, energies are being channeled toward the development of an innovative process that will enable the manufacture of target chemicals at low cost.

Joint research in Singapore

Mitsui Chemicals has been engaging in joint research and development with the Singapore Government's Agency for Science, technology and Research (A*Star) since 2004. A joint symposium was held in Singapore in October 2014 as a part of celebration to market the 10th anniversary of collaboration.

At the Mitsui Chemicals Singapore R&D Centre, which serves as an overseas research and development base, several joint research and development projects are underway in each of the three Mobility, Healthcare, and Food & Packaging priority fields identified under the 2014 Mid-Term Business Plan in collaboration with various agencies of the Singapore Government including A*Star.

Working with Local Communities

Goals and Results Dialog with Local Communities Public Recognition

Here at the Mitsui Chemicals Group, we try to ensure that our sites are always open to the local community. We are committed to maintaining communication with members of the local community at all of our sites, organizing a range of next-generation initiatives for children and the environment, and working in harmony with local communities.

Management System

Mitsui Chemicals recognizes the importance of building ongoing ties of mutual trust with the community. Based on this understanding, each site interacts with the local community and holds meeting to exchange opinions in line with individual circumstances and conditions. The manner in which the Company operates its works also takes into account feedback obtained through dialog with stakeholders including residents of each local community.

Details of initiatives implemented are published in the newsletter of each region. By sharing this information through a database, good practices can be incorporated into the following fiscal year's activities.

Goals and Results

Goals for Fiscal 2014

Conduct meetings to exchange opinions on various issues that attract the interest of residents within the local community

Fiscal 2014 Results and Assessment

Level achieved : A

- Undertook a variety of measures including meetings to exchange opinions with local residents living in areas around all
 of our works
- · Conducted meetings to exchange opinions in line with the circumstances and conditions of each region

Priorities for Fiscal 2015

- Interact with stakeholders by actively engaging in dialog at meetings held to exchange opinions with residents of local communities
- * Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more, C: less than 70%

Working with Local Communities

Goals and Results

Dialog with Local Communities

Public Recognition

Dialog with Local Communities

The Mitsui Chemicals Group provides a range of opportunities for communication with local residents living in the vicinity of our facilities, who we consider to be important stakeholders.

As a member of the community, the Group believes relationships of trust based on close-knit relations with communities are crucial to the normal and stable operation of its businesses.

To build close-knit relations with local communities, we arrange community meetings to discuss environmental preservation and safety initiatives in the areas where our works are located, and organize plant tours. We also attend meetings with neighborhood associations and participate in local events, all in an effort to promote mutual understanding with the community.

Our five domestic works also publish newsletters at least twice a year. These are made accessible to local residents so as to enable communication on a broader basis.

Promoting communication with local communities

Once again in fiscal 2014, we invited local residents living in the vicinity of our five domestic works to come and engage in dialog with us on a number of occasions. As well as providing an introduction to each works and an overview of our efforts to protect the environment, ensure safety and contribute to society, community meetings also give us an insight into what local people are feeling on a day-to-day basis and enable us to actively exchange opinions, including any requests local residents may have.

Our Osaka Works celebrated its 50th anniversary in 2014. To commemorate the occasion and to show its appreciation to the local community, government authorities, and employees, the Company held an event on October 3, 2014. The event was attended by many dignitaries including the mayor of Takaishi City, who participated in the planting of a dwarf Chinese holly tree, which is said to be a symbol of success and good fortune. Through ongoing earnest and steady activities, Mitsui Chemicals is looking to further promote deep mutual understanding.



Tree planting ceremony to mark the works' 50th anniversary



Social gathering to commemorate the works' 50th anniversary



A panel outlining the history of Osaka Works displayed in the 1st floor lobby of the main office

In an effort to boost relations with the community, members of the local women's association, who have little or no contact with Ichihara Works, were invited to tour the facility and to receive a brief introduction on November 11, 2014. Town councilors were also invited to a meeting to exchange comments and opinions on December 2, 2014. These initiatives were an excellent opportunity to open the Works and laboratory to local residents, who would not normally have the chance to gain a first-hand look into the Company's daily operations.



The commemorative event to mark the works' 50th anniversary



Annual Meeting with local town councilors at Ichihara Works

At Nagoya Works, we held the 10th Annual Meeting on Environmental Issues with the heads of neighborhood school districts and member of the Minami City Hall urban development promotion office on March 24, 2015. The meeting was an opportunity to provide participants with an introduction to the Company's environmental and safety activities and to deepen understanding toward the daily operations of the works.

The heads of local residents' associations were invited to attend the 1st Community Meeting at Iwakuni-Ohtake Works on February 13, 2015. This meeting was an opportunity for the works and its operations to gain valuable information through the direct exchange of opinions with representatives of the local community and to restore some of the credibility lost as a result of the resorcinol incident three years ago.

A large number of comments were received on the day including inquiries regarding the operating procedures of the works and the systems in place to communicate with local residents in the event of an emergency.

The 8th Annual Community Meeting was held with participants from neighboring school districts, city halls, police departments and fire stations at Omuta Works on October 3, 2014. The exchange of opinions centered mainly on the works process safety and disaster prevention activities.

We are equally committed to communication at our domestic subsidiaries and affiliates and engage in various activities depending on the scale and location of each of our facilities, including organizing plant tours and taking part in local events. Ongoing Group company initiatives such as these help us to promote mutual understanding with the local community.



Annual Meeting on environmental issues at Nagoya Works



Annual Meeting at Iwakuni-Ohtake Works



First responder training in the event of a tanker truck accident



Annual Meeting at Omuta Works

Publishing newsletters

We publish newsletters at each of our works, focusing on their respective activities. As well as showcasing products manufactured at each works and safety measures at each works, newsletters mainly provide information on subjects such as applications and progress with environmental initiatives. All of our works' newsletters are designed to capture the essence of the local area, with features such as helpful health tips, methods of conducting chemical experiments and information about our environmental improvement and cleanup activities. We also use our newsletters to promote two-way communication, by printing comments from members of the local community and our responses.



Local newsletters

Working with Local Communities

Goals and Results

Dialog with Local Communities

Public Recognition

Here at the Mitsui Chemicals Group, we are committed to a wide range of initiatives both in Japan and overseas, including improving safety standards, reducing environmental impact and contributing to community development. As a result of such initiatives, we have received a number of awards and commendations in recognition of our achievements.

In Japan, Mitsui Chemicals was awarded the "Best IR Award" in recognition of its exceptional investment relations activities focusing on shareholders and investors, both of whom are important stakeholders.

Two-way communication with institutional investors and analysts
 Mitsui Chemicals Receives the "Best IR Award"

Mitsui Chemicals received the RC Special Recognition Award in recognition of Groupwide initiatives to spread responsible care activities to subsidiaries and affiliates. Our responsible care activities emphasize the environment, safety and occupational health through self-directed initiatives in all product stages, from the development and production of chemical substances to their distribution, use, final consumption and then disposal and recycling. We proactively engage in dialog and communication with society by disclosing the results of these activities.

Mitsui Chemicals Receives RC Special Recognition Award

Moreover, Mitsui Chemicals received the RC Merit Award from the Association of International Chemical Manufacturers (AICM) in China. This award was not only in recognition of the Company's RC activities and performance in China, but also reflected the high esteem in which Mitsui Chemicals' efforts to contribute to the sustained growth and development of the chemical industry in China through cooperation in maintaining statutory and regulatory requirements with respect to chemical products are held.

RC Merit Award presented by the Association of International Chemical Manufacturers (AICM) in China

Elsewhere in the world, group companies in Thailand such as Thai Mitsui Specialty Chemicals, Mitsui Hygiene Materials (Thailand) and Siam Mitsui PTAhave received a number of awards in recognition of their CSR and environmental activities, including from the Thai Ministry of Industry.





Award ceremony



Award ceremony



Award ceremony

Yoshiko Sugawara, Deputy General Manager of the Intellectual Property Division, was awarded the 2014 Commissioner's Award for Patent Information Dissemination Activities, the highest merit award presented by the Japan Patent Information Organization ("JAPIO").

JAPIO bestows Patent Information Dissemination Merit Awards on individuals and groups that have shown exemplary efforts in bolstering the understanding, use, and research of patent information, as well as human resource development. This award recognizes Sugawara's activities and contributions over the course of 20 years.

Ms. Yoshiko Sugawara received the award in recognition of her research and education activities at the Japan Intellectual Property Association (JIPA), her involvement in patent analysis and research at government institutions such as the Japan Patent Office, her participation in human resource development such as for collaborative training of personnel at plants in emerging countries, and her management of the Patent Search Competition, a competition which serves to evaluate and bring recognition to persons working in fields related to patenting and patent research.

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Presentation ceremony

Main awards received from third parties in FY2014

Recipient	Date	Award	Reason for award	Awarding body
Mitsui Chemicals	Nov. 2014	Best IR Award	Awarded for specific activities among its ongoing high level investor relations	Japan Investor Relations Association.
Mitsui Chemicals	May 2015	RC Special Recognition Award	Awarded for Group-wide responsible care activities	Japan Chemical Industry Association
Mitsui Chemicals	June 2015	RC Merit Award	Awarded for contributions to the sustained growth and development of the chemical industry in China	Association of International Chemical Manufacturers
Nagoya Works	Oct. 2014	2014 Green Cross Award	Recognition of distinguished track record in working to improve industrial safety and occupational health in Japan	Japan Industrial Safety & Health Association
Nagoya Works	Mar. 2015	Social Contribution Commendation Award	Awarded for contributing to police activities	Chief, Minami Police Station, Aichi Prefectural Police Department
Osaka Works	Sep. 2014	Japan Petrochemical Industry Association Maintenance Award	Outstanding workers	Japan Petrochemical Industry Association
lwakuni-Ohtake Works	Nov. 2014	Outstanding Boiler Engineering Award	Awarded for outstanding management in such areas safety control systems, status of inspection/maintenance and safe operations	Japan Boiler Association
Hokkaido Mitsui Chemicals	Jul. 2014	Safety & Health Achievement Award	Contributions to improvements in industrial safety and occupational health by following occupational health and safety management protocols for many years	Hokkaido Labor Standards Association

Saxin Corporation	May 2014	10th No accidents Certification	Awarded for 2,500 days without an accident (October 11, 2006 to August 14, 2013)	Shiga Labor Standards Association
Japan Composite	May 2014	Zero Accident Business Site Award	No accidents for over five years	Japan Chemical Industry Association
Sun Medical	May 2014	Zero Accident Business Site Award	No accidents for over five years	Japan Chemical Industry Association
Utsunomiya Kasei Kogyo	Nov. 2014	Excellent Business Site Award	Youth health promotion activities and various social contributions centered on prevention of juvenile delinquency in local communities	Tochigi Prefecture Workplace Police Communication Association
Thai Mitsui Spcialty Chemical Co.,Ltd.	Nov. 2014	Thailand 5S Award - Golden Level	Contribution to 5S	Technology Promotion Association (Thailand- Japan)
Mitsui Hygiene Materials (Thailand) Co., Ltd.	Oct. 2014	CSR - DIW Continuous Award 2014	Contributions to local communities	Department of Industrial Works, Ministry of Industry
Mitsui Hygiene Materials (Thailand) Co., Ltd.	Oct. 2014	The Outstanding Establishment on Labor Relations & Welfare for Year 2014 (5th consecutive year)	Attainment of prescribed standards (selected by three individuals: the labor safety / welfare duty officer and management and union representatives)	Ministry of Labour
Mitsui Hygiene Materials (Thailand) Co., Ltd.	Jul. 2014	The Certificate of Good Safety Performance (National Level)	Attainment of prescribed standards (selected by the labor safety / welfare duty officer)	Department of Labour Protection and Welfare, Ministry of Labour
Mitsui Hygiene Materials (Thailand) Co., Ltd.	Sep. 2014	The Certificate of Corporate Good Governance Award in 2013	Excellent efforts in corporate governance	Department of Business Developments
Siam Mitsui PTA Co.,Ltd.	2014	National Occupational Safety and Health Award	Outstanding initiatives in the areas of safety, occupational health and the environment	Ministry of Labour in thailand
Siam Mitsui PTA Co.,Ltd.	Oct. 2014	CSR - DIW Continuous Award 2014	Contributions to local communities	Department of Industrial Works, Ministry of Industry
Mitsui Phenols Singapore Pte Ltd	Dec. 2014	Award for RC (Responsible Care) codes :	Contributions to responsible care	SCIC (Singapore Chemical Industry Council)

Social Contribution Activities					
Goals and Results	Nurturing Future Generations	► Environment Cor	mmunication		
Support for Employe	es' Social Contribution Activities	► Disaster Relief			
Report on Disaster Recovery Support following the Great East Japan Earthquake					

The Mitsui Chemicals Group is committed to facilitating social development and helping to resolve issues facing society through a range of initiatives under the Mitsui Chemicals Group Social Activities Policy, including initiatives suggested and organized by employees themselves. We believe that we can effectively help to resolve social issues by harnessing our strengths and unique characteristics as a chemical company. With that in mind, we incorporate our chemical technologies and products into a wide range of activities, such as chemistry lab classes and disaster relief efforts.

We encourage our employees to get involved in social contribution activities and operate a donation fund that is run by employees on a voluntary basis.

Management Systems

We are engaging in voluntary and ongoing activities in line with the Group's Social Activities Policy.

Mitsui Chemicals Group Social Activities Policy

The Mitsui Chemical Group will continually strive to:

- 1. Harness and improve its chemical technologies to contribute to society as a whole
- 2. Work in harmony with local communities and ensure that its sites are as open as possible
- 3. Do its bit to nurture future generations, on whose shoulders the future rests
- 4. Carry out activities aimed at protecting the environment
- 5. Engage in active international exchange and cooperation
- 6. Create a corporate environment in which individual employees can actively participate in social activities

System and Responsible Officers

The CSR Committee, which is chaired by the president, convenes twice a year to confirm the status of social contribution activities.

Monitoring Methods

The Division responsible for CSR conducts a survey of the results of social contribution activities once a year to confirm activity details. Pertinent points drawn from this survey are reflected in the CSR Report and shared across the Group as a whole.

Achievements and Reviews

In addition to submitting reports to the CSR Committee as topics, the details of the survey as well as social contribution activities are reflected in plans for the next fiscal year.

Goals and Results

Goals for Fiscal 2014

- 1. Increase the number of employees taking part in activities via existing and new social contribution programs
- 2. Look into sustainable support for those affected by the Great East Japan Earthquake

Fiscal 2014 Results and Assessment

1. Results

• Expanded activities through the implementation of overseas (Singapore) laboratory "The Wonder of Chemistry" classes

2. Level achieved: A

- · Organized "The Wonder of Chemistry" laboratory classes as part of social activities in conjunction with NPOs
- Donated the proceeds from selling charity lunches in staff canteens to NPOs working in the area affected by the earthquake

Priorities for Fiscal 2015

- Increase the number of employees taking part in activities via existing and new social contribution programs and work to build a better activity structure and systems
- · Look into sustainable support for those affected by the Great East Japan Earthquake
- · Look into programs concerning biodiversity
- * Levels of achievement based on self-assessment: A: 95% or more, B: 70% or more, C: less than 70%

Social Contribution Activities						
► Goals and Results	Nurturing Future Generations	Environment Communication				
► Support for Employee	es' Social Contribution Activities	Disaster Relief				
Report on Disaster Recovery Support following the Great East Japan Earthquake						

Nurturing Future Generations

The future rests on our children's shoulders. With that in mind, we carry out various activities aimed at teaching children that chemicals are all around us, and showing them how fun, interesting and mystifying chemistry can be, as well as getting them interested in chemical technologies, and inspiring them to create the technologies of the future.

Laboratory class in the Wonders of Chemistry

We started the laboratory class in the wonders of chemistry because we wanted to share the fun and possibilities of chemistry with future generations of children.

Since 2006, we have organized various types of classes, from off-site classes, whereby members of staff from each of our sites go out to local schools, summer-vacation events and festivals, to laboratory classes combined with tours round our works and research centers. In fiscal 2014, we organized a total of 42 classes at 11 sites.

We are always trying to come up with new ways to teach children about chemistry in a fun and easy- to-understand context. Activities at each of our sites are based on the theme of chemistry in our everyday lives, to make children feel closer to chemicals through fun experiments. The aim is to show children just how crucial chemicals are in their everyday lives and to demonstrate what they can achieve with the power of chemistry. More than 5,200 children took part in classes over the course of fiscal 2014. We have received feedback on classes from lots of children, including comments such as "I like science a lot more now" and "I'm going to try this experiment again when I get home"

In March 2015, we registered with the Ministry of Education, Culture, Sports, Science and Technology as a Saturday Learning Support Group and will work to spread education to even more children.



Employees showing chemistry experiments at an elementary school



Children try stretching out a big ball of slime



Conducting an experiment during summer vacation

Laboratory Classes in the Wonders of Chemistry Experiments

*Experiment titles are subject to change

No.	Experiment title	Field / area / format		Description	
1	Foamy urethane experiment	Chemistry	Chemical reactions	Demonstration MCI products	Participants watch urethane, whose uses include cushion materials, specially designed pillows and refrigerator insulation, being foamed and experience reaction heat and differences in hardness

2	Slime • Making your own slime • Making jumbo slime together • Shiny slime • Slime ball	Chemistry	Polymer properties	Hands-on	Participants learn about the principles of dilatant fluid and confined water, by making sticky, stretchy, mysterious "slime" (i.e. cross- linking polyvinyl alcohol, water and borax)
3	Light experiments with polarizing plate	Physics	Light	Hands-on	Participants learn about the passage of light through a polarizing plate with an element that converts natural light into linear light, as used in mobile phones and other such devices, by making a kaleidoscope
4	Chromatography art	Chemistry	Adsorption and separation	Hands-on	Participants learn that the ink in a water-based pen contains a mixture of various different colors (pigments)
5	Plastic board	Chemistry	Polymer properties	Hands-on	Participants learn about the properties and separation of plastics, by using the heat shrinkable properties of polystyrene to make their own original accessories (key holders)
6	Cartesian divers	Physics	Buoyancy	Hands-on	Participants learn about buoyancy and pressure, by making a Cartesian diver from a PET bottle and a plastic soy sauce container
7	Red cabbage color experiment	Chemistry	Acid and alkali	Hands-on	Participants learn about chemical analysis and the properties of acids and alkalis, by extracting anthocyanin from red cabbage and investigating the properties of everyday liquids
8	Spongy polymers	Chemistry	Polymer properties	Hands-on Related to MCI products (nonwoven fabric)	Participants learn about the principle of water retention, by making an air freshener from a water-absorbing polymer, as used in disposable diapers, gardening supplies and other such products
9	Rainbow tower	Physics	Specific gravity	Hands-on	Participants learn about the specific gravity (relative density) of fluids, by pouring colored waters with varying concentrations together to make a tower
10	Let's make a freezer!	Chemistry	Heat of solution	Hands-on MCI products (urea)	Participants learn about the principle of heat adsorption via the heat of solution of urea, as used in such products as fertilizer and moisturizing cream

11	Learn how bubble bath works!	Chemistry	Reaction of acid and salt	Hands-on	Participants learn about how carbon dioxide is produced, by making bubble bath from baking soda and citric acid
12	Learn about acid rain!	Chemistry	Acid and alkali Oxidation / reduction	Hands-on	Participants learn about acid rain and what causes it, by measuring the pH of red cabbage extract and conducting a bleaching experiment using iodine
13	Let's make paper!	Technology	Making paper / recycling	Hands-on Related to MCI products (acrylamide)	Participants learn about how paper is made and recycled, by experiencing papermaking using everyday implements
14	Let's make stickers from melted plastic!	Chemistry	Polymer properties	Hands-on Related to MCI products (general thermoplastics)	Participants learn about the properties of thermoplastics, which melt when heated, by using a glue gun to melt resin and make stickers
15	Experience the wonders of shrinking films!	Chemistry	Polymer properties	Hands-on Related to MCI products (film, PET, etc.)	Participants learn about the principle of heat shrinkage, by making their own PET bottle from shrinkable film, as used for PET bottle labels and packaging materials
16	See the power of air! (air cannon experiment)	Physics	Hydrodynamics	Demonstration	Participants learn about air resistance, by observing air rings emitted from an air cannon
17	Let's make snow on pine cones!	Chemistry	Crystals	Hands-on MCI products (urea)	Participants learn about crystal deposition, by observing dissolved urea being sprayed onto pinecones and drying
18	Let's make light like a firefly!	Chemistry	Enzymes	Hands-on	Participants learn about the difference between bioluminescence and chemiluminescence by making light from luciferase enzymes taken from fireflies and using mineral-based chemicals



ミッケリーナちゃん やりのある良き理解者で、 探検隊のきとめ役。 大村 にすら好きなガオ 何をして遊ぼうから

The logo used for laboratory classes

Mascots used in laboratory classes

Placements for interns

A Mitsui Chemicals Group company, Yamamoto Chemicals (Head Office: Osaka; production and sale of paints, pigments and other chemical products), provides an internship program at the Omuta Plant at the request of local schools. This internship program has been held 14 times, once a year since 2000 (with the exception of 2002).

Date:	August 25-27, 2014 (three days)
Participants:	Fukuoka Prefecture Miike Industrial High School Industrial chemistry: one student
Content:	 Introduction to the company Tour of the works Environmental, safety and quality training Overview of production management Hands-on training at production sites Practice using analytical equipment Composition of a final report



Intern being shown a control panel



Interns and members of Omuta Works

These internships focused on hands-on training to give the students opportunities to learn about manufacturing and the basics of safety, quality, and production floors. The students said that the experience was invaluable. Through grass-roots activities with communities like this, Mitsui Chemicals aims to convey the excitement of working in chemistry to future generations.

Chosei High School SSH Corporate Partnership Classes

Super Science High Schools (SSH) are schools designated by the Ministry of Education, Culture, Sports, Science and Technology in a program that began in fiscal 2002 to nurture international science and technology leaders of the future. High schools that teach advanced science and mathematics are designated as SSHs, which receive support and cooperation from universities, research organizations, and private-sector companies.

Located in Mobara, Chiba Prefecture, Chosei High School received the SSH designation in 2010. From the outset, our Mobara Research and Development Center has supported Chosei High School through corporate partnership classes. In fiscal 2014, we provided opportunities for students to learn about how chemistry contributes to society and our lifestyles through hands-on experiments in laboratory settings, and we also described the nature of our business while researchers gave guidance to students.

The students said that they enjoyed learning about the challenges faced by researchers after experiencing the large number of detailed steps that must be taken. Our employees that participated in the classes were also impressed, saying that the experience of watching high school students react with surprise and excitement took them back to their first days of wonderment.

The students that took our class became more interested in chemistry and biology, and we hope that they will eventually choose careers that support science and technology in Japan.



A hands-on class

Support for intellectual property education for college students

At the request of Ariake National College of Technology in Omuta, we have been organizing intellectual property education for students since fiscal 2007. In fiscal 2014, we once again organized an intensive training seminar for technical college students providing an overview of intellectual property rights and how they are used, as part of the college's own curriculum based on partnerships in the local area on January 6, 2015.

The six-hour seminar included intensive lectures and a lively question and answer sessions. Our activities definitely helped to stimulate the interest of the students in intellectual property, which is set to become even more important as they go on to shoulder the future of industry. We will continue to assist with community activities such as these in the future.

Cosponsoring the 8th National College Students Chemical Engineering Design Competition

Mitsui Chemicals cosponsored the 8th National College Students Chemical Engineering Design Competition in 2014, which it has done ever since the inaugural contest. The winning team was presented with the Hengyi-Mitsui Chemical Cup along with cosponsor Sinopec, a textiles maker in China. This contest is popular with university chemical engineering majors in China, receiving 1,546 team entries (a total of 7,730 students) nationwide this year. Held at Changzhou University in Jiangsu Province on August 20, the 48 participating teams that made it to the finals fought a pitched battle for the title. With the acclaim of this contest in the Chinese chemical industry increasing yearly, Mitsui Chemicals is contributing to Chinese society in the field of chemical engineering through its ongoing role as cosponsor.



Contest finals

Exchange with Hope Elementary School in Anhui Province, China

As part of activities to celebrate the company's 10th anniversary in 2010, Mitsui Chemicals (China) Management Co., Ltd. (MCCN) donated the necessary funds to rebuild aging buildings at Hope Elementary School in Anhui Province in China, in conjunction with Mitsui Chemicals Head Office. As well as providing ongoing support, we also helped in constructing a sports ground, which was completed in July 2014. In November 2014, the 4th sports festival was held and attended by such dignitaries as Ms. Liu, Director of the Anhui Province Youth Development Foundation and Mr. Wang, Secretary of the Communist Youth League Committee of Hanshan County. In addition to stationary and computers, scholarships were also granted during the festival.

The Mitsui Chemicals Group intends to keep on contributing to local areas in the future and to support the local community through interaction with Hope Elementary School students.

Cooperating in educator training by private-sector companies

The Japan Institute for Social and Economic Affairs was the main sponsor of the fiscal 2014 Experiential Study Programs for Teachers. This year, ten elementary school teachers from Suginami Ward schools participated in a threeday training program. This marked the ninth consecutive year that Mitsui Chemicals has welcomed educators for training. At the Head Office, the educators listened to presentations about our corporate philosophy, responsible care initiatives, and human resource development. They also saw a demonstration of the laboratory class in the wonders of chemistry as a part of the introduction to our CSR activities. At Ichihara Works, a tour of the works was given to explain the basics of manufacturing, while discussions covered safety measures. At the Plant Operation Technology Training Center, the educators participated in hands-on laboratory training. With education a point in common shared between the educators and the researchers, the educators and researchers had many fruitful conversations about their experiences, impressions and discoveries. The educators, who were unfamiliar with the daily happenings of a materials maker like Mitsui Chemicals, were able to see firsthand the production of materials for the many products used in their daily lives, while learning about the steps taken to ensure safety, environmental protection and quality. The educators were impressed at the extent that a company would go to achieve these objectives. We hope that these educators can apply what they have learned in the classroom.



The school festival



Providing grants during the festival



Laboratory Class in the Wonders of Chemistry



Training at the Plant Operation Technology Training Center

Social Contribution Activities						
Goals and Results	► Nurturing Future Generations	▼ Environment Communication				
Support for Employee	es' Social Contribution Activities	► Disaster Relief				
Report on Disaster Recovery Support following the Great East Japan Earthquake						

Environment Communication

Participation in Junior Eco-Club Nationwide Festival 2015

In March 2015, Mitsui Chemicals participated in the Junior Eco-Club Nationwide Festival 2015 to help children learn more about the environment. On the day of the event, participants conducted experiments with containers full of water and a sheen of oil floating on top to see which substance could absorb the most oil —cotton or TAFNEL[™] Oil Blotter[™], a product made by Mitsui Chemicals that reduces environmental damage caused by accidental oil spills. A participant said, "I was surprised at the big difference materials make in the amount of oil that can be absorbed. I now understand how the power of chemistry can help make our oceans and rivers cleaner."

* Junior Eco-Club

The Junior Eco-Club is a project run by the Japan Environment Association for the purpose of helping children participate in environmental preservation and learn more about the environment. To date, more than 2 million children have joined the club, and around 100,000 children registered in fiscal 2014. The Junior Eco-Club Nationwide Festival is an event where members who represent their community can introduce to each other the activities they have done through articles and drawings. The members also visit special booths set up by companies and interact with other members from around Japan.



Experiment using Mitsui Chemicals' product TAFNEL™ Oil Blotter™

Mitsui Chemicals Group donates NONROT™ benches made from Yakushima thinning cedar lumber to Yakushima

Thailand Group Company Activities in Thailand

The Mitsui Chemicals Group's Thailand-based company Mitsui Hygiene Materials (MHM) undertook the following initiatives as part of its environmental conservation activities.

Period :	October 2014
Name :	4 th Green Project
Location :	Southern Thailand Rayong
Details :	Planting of 350 mangrove trees The first mangrove trees we planted have grown bigger, and this year we planted trees in a different place.







Volunteer with mangrove seedlings

Participants planting trees

Participants in the tree planting project

Another Mitsui Chemicals Group Thailand-based company, Thai Mitsui Specialty Chemicals (TMSC), held a "Grow the Coral" event at Toeygnam Beach in central Thailand in December 2014. This event involved planting coral branches to revive the coral reef in this area.

From the standpoint of protecting the ecological lifecycles of coastal coral reefs, as well as raising awareness of our relationship to the environment, a total of 74 people (employees and family members) participated in this project organized by TMSC.

Proposing this project to the Thai Island and Sea Natural Historical Museum and attending lectures from university specialists, TMSC employees and their family members took it upon themselves to venture into the ocean to plant coral.



Participants in the Grow the Coral project





Lecture about coral

Coral planting

Social Contribution Activities							
Goals and Posults	Nurturing Future Constations	Environment Communication					
	F Nurturing Future Generations						
Support for Employee	es' Social Contribution Activities	► Disaster Relief					
Benort on Disaster Recovery Support following the Great East Japan Earthquake							
	Report on Disaster Recovery Support following the Great East Japan Earthquake						

Support for Employees' Social Contribution Activities

Since fiscal 2008, we have had two programs in place to provide support for employees participating in social contribution activities: the One-Coin Club (a donation fund that employees contribute to directly from their wages) and a social activity leave program. In 2011, we introduced a special leave system to help employees get involved in voluntary disaster relief activities.

These programs are designed to raise awareness of social issues and provide support for employees who contribute to society.

One-Coin Club

We set up the One-Coin Club in November 2007. Employees who join the club choose an amount to be deducted from their wages or bonuses, which is then donated to organizations involved in social activities.

The club currently has around 870 members, who between them donated approximately ¥4.1 million to the fund in 2014. Donations were given to a total of 15 organizations involved in a range of social activities, based on proposals submitted by employees. Before being selected, organizations are reviewed by the One-Coin Club Management Committee, a voluntary panel made up of club members. The organizations receiving these donations have been selected based on an awareness of their connection to Mitsui Chemicals' businesses.

In fiscal 2014, we donated a total of ¥6 million in support of organizations and activities, via the One-Coin Club and

matching donations from the company*.

Events are also held in collaboration with the organizations. Since 2012, we have been inviting the Guide Dog & Service Dog Association of Japan to "Family Day" held at the Head Office in Shiodome City Center on every third Sunday of November. During the event, this organization puts on a service dog demonstration. Serving as an opportunity to raise awareness of the important role played by service dogs, the demonstration is always a big hit with the guests. Since fiscal 2014, workers and management have participated in a walking event put on by the United Nations' World Food Programme, which affords employees an opportunity to help raise awareness of world hunger.

In fiscal 2014, we donated a total of ¥6 million in support of organizations and activities, via the One-Coin Club and matching donations from the company^{*}. We also held events in collaboration with the organizations.

* The matching donation scheme is designed to encourage employees to get involved in social contribution activities. Whenever an employee makes a donation to a social or environmental organization, the company matches it with a donation of the same amount.



The One-Coin Club Management Committee



Guide Dog & Service Dog Association of Japan at "Family Day" held by Mitsui Chemicals



Workers and management at event for United Nations' World Food Programme

Support for employee volunteer activities (social activity leave program)

In August 2008, we introduced a social activity leave program to provide support for employees participating in social activities, by enabling them to take paid leave up to two days a year. In fiscal 2014, employees used the program 175 times for a wide range of activities, including assisting with reconstruction following the Great East Japan Earthquake, coaching and supervising local baseball and soccer teams, and serving as officials for local governments.

To help employees get involved in voluntary relief activities, we have also been allowing employees since 2011 to take up to eight days special leave each year, so that they can engage in social activities aimed at providing disaster relief.

Participating in "Fureai" programs and concerts

We have been providing support for activities carried out by the "Fureai (Friendship) Trio", which aims to bring classical music to people throughout Japan, ever since 2003.

The Fureai Trio's activities focus on the three areas of education, culture and welfare. This includes "Fureai Programs" aimed at elementary school children who rarely get the opportunity to experience live music, "Fureai Concerts" designed to get more people interested in classical music, and "Fureai Markets" held in conjunction with social welfare facilities. The trio has put on 402 performances in 162 different towns and cities around Japan to date,

encouraging over 94,000 people to get involved in exchange through music. Employees volunteered to assist with performances for disabled audiences in Osaka and Tokyo in fiscal 2014. They provided general assistance and helped members of the audience to share in the wonders of classical music, through activities such as trying to play the violin.



A concert held in Tokyo

Thirteen employees from Iwakuni-Ohtake Works volunteered at performances held in May at elementary schools and the Oshima Culture Center in Suo-Oshima Town, Yamaguchi Prefecture.



Visitors try playing the violin



Volunteers and concert performers



A performance at Suo-Oshima Town, Yamaguchi Prefecture

CSR Activities at Mitsui Chemicals India

At Mitsui Chemicals India (MCIND), a CSR team was set up in fiscal 2014 to solicit CSR-related ideas from all employees, sort them by topic, and examine and discuss ways to pursue these ideas. For the initial fiscal year, the team made a decision to begin CSR activities in India in three fields: 1) healthcare & family welfare, 2) education and 3) water supply, including drinking water.



A water purifier donated to a school



Cooperation with NPO in India that takes care of orphans

Campaign to Eliminate Occupational Accidents at Advanced Composites

At Advanced Composites, Inc. (ACP) in the U.S., since 2013 employees in manufacturing have followed on a daily basis a safety program called "Proactively Observing Will Eliminate Risk (P.O.W.E.R.)". The overall safety goal of ZERO Injuries should be viewed as essential to the well-being of the organization. Achieving this goal requires commitment by leaders and employees to engage everyone as partners in improving safety. Peer-to-peer observations are the primary tools in this process. When these observations are performed, the data is collected, and feedback is given to sustain safe behavior.

This promotes behavioral change and uncovers barriers to a safe working environment. In doing so, we can all aid in creating a positive climate regarding safety. This approach to safety has led to fewer injuries at ACP.

ACP also used the POWER program to help our communities. At the end of 2014, we launched a special two-month campaign where the company donated \$1 along with food and toys to the Salvation Army NPO in Ohio and Tennessee, every time an employee observes the actions taken by another employee. This campaign tied activities to eliminate occupational accidents to charitable contributions.



Donation for the Salvation Army NPO

Social Contribution Activities						
► Goals and Results	Nurturing Future Generations	► Environment Communication				
Support for Employed	es' Social Contribution Activities	▼ Disaster Relief				
Report on Disaster Recovery Support following the Great East Japan Earthquake						
Disaster Relief						

Whenever a major disaster occurs, we make every effort to engage in relief activities and provide support for social and charitable organizations, making the most of our strengths and unique characteristics as a company.

Disaster relief activities

Our disaster relief activities here at Mitsui Chemicals originated from suggestions submitted by employees, who wanted to help those affected by earthquakes and other major disasters by providing them with useful Mitsui Chemicals products. In fiscal 2009, we set up warehouses to store relief supplies at two of our sites – the Iwakuni-Ohtake Works (Yamaguchi Prefecture) to cover West Japan and the Mobara Branch Factory (Chiba Prefecture) to cover East Japan – and put in place the necessary framework to send out supplies upon request from local governments and other such organizations. We currently have stockpiles of items such as polyurethane mattresses (cushioned materials to lay on the floors of gymnasiums being used as evacuation shelters), and waterproof tarps (to cover buildings damaged by water or landslides) at both of these warehouses and are ready to send them out whenever necessary.

As well as sending emergency relief supplies to the area affected by the Great East Japan Earthquake in March 2011, in August 2014 we delivered relief supplies to Waki Town in response to their request for aid in rebuilding after torrential downpours in areas around the Iwakuni-Ohtake Works (Iwakuni City and Waki Town in Yamaguchi Prefecture and Otake City in Hiroshima Prefecture) and to prepare for broader damage from a typhoon that was expected to strike the region soon thereafter. Also in August 2014, we provided relief supplies made with our products to evacuation centers, disaster relief volunteer centers, and fire stations as assistance for damage caused by landslides in the northern section of Hiroshima City. Mitsui Chemicals also donated ¥3 million to the Hiroshima Community Chest. In recognition of this support, the Hiroshima City Council of Social Welfare sent the Mitsui Chemicals Group an official letter of appreciation. Looking ahead, the Mitsui Chemicals Group is committed to rapidly providing disaster relief closely in line with people's needs in the affected area, by working closely with NPOs and listening to what emergency supplies local authorities actually want in the event of a disaster.

Mitsui Chemicals' emergency relief activities



Evacuation site for landslide victims in Hiroshima City



Relief supplies being delivered from Mitsui Chemicals to an evacuation site



Letter of appreciation from Hiroshima City Council of Social Welfare



*MCI : Mitsui Chemicals, Inc.

Disaster Recovery Support					
► Goals and Results	Nurturing Future Generations	Environment Communication			
Support for Employed	es' Social Contribution Activities	► Disaster Relief			
▼ Report on Disaster Recovery Support following the Great East Japan Earthquake					
Report on Disaster Recovery Support following the Great East Japan Earthquake					

Laboratory class in the wonders of chemistry

As an ongoing activity that supports reconstruction after the Great East Japan Earthquake, we have continued working with an NPO* to organize a series of laboratory classes in the wonders of chemistry in Minamisanriku (Miyagi Prefecture) since 2013, getting lots of children to join in experiments using Mitsui Chemicals products.

In addition to making jumbo slime, which is a big hit every year, in 2014 we made calendars with chromatographic art using an analysis technology called chromatography. This program was thought up by an employee that uses chromatography in their work. The class using this experiment was a major success.

A member of the NPO we are collaborating with felt that "the classroom experiments gave children in regions affected by the disaster an opportunity to learn and play outside of school." One of the volunteers visiting the affected area for the first time mentioned that "seeing the smiling faces of the children and people in the neighborhood gave me courage" and "being able to see first-hand the conditions in these areas was a good experience."

We also sold "One-Coin" charity lunches in the "Nagomi Salon" section of our staff canteen. We then matched the total amount raised and donated the proceeds to NPOs that are continuing to provide support in the area affected by the Great East Japan Earthquake.

* NPO: Peace Winds Japan (PWJ), Minamisanriku Reconstruction Network

* NPO: Peace Winds Japan (PWJ), Minamisanriku Reconstruction Network









Children holding the calendars they made

Recovery assistance provided by everyone! Shopping at the Minamisanriku Reconstruction Shopping Street

Answering the voices of those at the Head Office who want to lend a hand, and in cooperation with the NPO that helped us hold laboratory classes in the wonders of chemistry in affected areas, we sold liquor and snacks available at Minamisanriku's Reconstruction Shopping Street at the Head Office's "Nagomi Salon" while sharing reflections on these activities.

The volunteers who participated in the Minamisanriku laboratory classes in the wonders of chemistry carefully selected and purchased various types of local liquor and snacks directly from Reconstruction Shopping Street stores. These items were then sold and all the proceeds were given back to those stores.



Minamisanriku goods for sale

Donation of Land for Building Tsunami Evacuation Facility

Du Pont-Mitsui Fluorochemicals (MDF), an affiliate of Mitsui Chemicals, donated (for free) to Shizuoka City a parcel of land at the Shimizu Factory (Miho, Shimizu Ward, Shizuoka City, Shizuoka Prefecture) for the construction of a tsunami evacuation facility being promoted by the city to help the region. In a show of appreciation, Shizuoka City Mayor Nobuhiro Tanabe presented the president of MDF with a letter of thanks in the mayor's office.

On the 2,180 square meters of land donated by MDF, Shizuoka City plans to construct by September 2015 the city's first tsunami evacuation facility in the shape of a hill. The tsunami evacuation facility can accommodate 800 people and is designed to have vegetation around the facility for a pleasing appearance. It can also be used as an area for local residents to take a stroll and relax.

MDF prioritizes safety in its business activities, and has undertaken a variety of activities for the local community in line with its focus on safety. As a member of the local community, MDF will proactively work to ensure safety and security for all local residents.



Letter of Appreciation from Mayor of Shizuoka

Feedback from Inside and Outside the Company

Comments regarding our CSR Report 2014

Results of surveys regarding our CSR Report 2014

CSR Report 2014 Survey Results

Third-party Comments on CSR Report 2015

Third-party Comments on CSR Report 2015

Comments regarding our CSR Report 2014

The Mitsui Chemicals Group conducts surveys to obtain extensive feedback from those inside and outside the company, so that improvements can be made to activities and reports in the future. The results of surveys regarding the online version of our CSR Report are as follows. Thank you to those who took part.

CSR Report 2014 Survey Results



Q1: What is your relationship to Mitsui Chemicals?

Note: Percentages may not add up to 100% or the respective total due to rounding.



Q2: What did you think of the report?

Note: Percentages may not add up to 100% or the respective total due to rounding.

Q3: Which sections of the report did you find interesting? (multiple responses)



Q4: How would you rate the Mitsui Chemicals Group's CSR activities?



* Note: Percentages may not add up to 100% or the respective total due to rounding.

Third-party Comments on CSR Report 2015

Mr.Eiichiro Adachi have provided us with comments regarding the Mitsui Chemicals Group's CSR activities.

Eiichiro Adachi Head of the ESG Research Center The Japan Research Institute, Limited



Carrying on from the previous fiscal year, I would like to offer the following third-party comments about the Mitsui Chemicals Group's corporate social responsibility (CSR) activities and this report, in my capacity as someone who provides financial institutions with corporate information for the purpose of socially responsible investment.

Last fiscal year, I called on the Mitsui Chemicals Group to openly disclose: (1) its understanding of social challenges; (2) the unique attributes of its products and trends in their use, and; (3) an assessment of the impact of its social contributions in its CSR Communication 2015 report and beyond. I would like to express my appreciation to all concerned for outlining in such a detailed manner the social challenges that the Group believes it should help to resolve through a process of key issue determination. Under its 2014 Mid-Term Business Plan, the Mitsui Chemicals Group has already identified efforts to realize a cohesive society that is in harmony with the environment, health and happiness in an aging society, and industrial platforms that are in harmony with local communities as achievement targets while clarifying new business fields. Building on these objectives, the Group has further outlined in greater detail the strategic need to create new customer value through innovation and to help resolve social challenges through its business activities.

The 2030 Agenda for Sustainable Development was adopted by the United Nations in September 2015. The 17 goals and 169 targets of the Agenda overlap considerably with the social challenges that the Mitsui Chemicals Group should help to resolve. Looking ahead, I would hope that the Group will focus increasingly on disclosing specific details of how it has indeed achieved its objectives through its businesses and products.

In the 2015 report, I commend the Mitsui Chemicals Group for its special feature and the introduction of specific products through which it is taking up the challenge of mobility innovation. Having said this, however, I feel there is still room for improvement. I would hope that in future, the Group will disclose more information on how it is measuring the impact of its products. Turning to the Group's other business fields, Mitsui Chemicals has more ambitiously outlined its expansion plans for the Healthcare as well as Food & Packaging domains under its 2014 Mid-Term Business Plan. Again, I would ask that the Group more actively disclose information on its ability to embody and realize its aspirations through its business and products in each of these domains.

As a chemicals manufacturer, it is a natural imperative that the Mitsui Chemicals Group minimizes the negative impact on the environment and society of its business activities. In this regard, continued efforts in each country to strengthen the management of chemical substances is in particular attracting growing attention worldwide. In the CSR Communication 2015 report, the Group has limited its disclosure to how efforts are being made to systematically promote the assessment of existing product risk in a bid to achieve its targets for 2020 as well as the creation of safety summary sheets for 48 products and disclosure of this information on the Company's website. The Group's endeavors in these areas are inextricably linked to enhancing its competitive strengths. I would therefore like to see more detailed disclosure on the progress made and pending issues.

At the same time, the environmental pollution and risks to human health caused by micro plastics that drift in the ocean has also received considerable interest in recent years. It is important that the Mitsui Chemicals Group outlines its thoughts on such new environmental issues that are a cause for growing concern together with specific countermeasures.

Meanwhile, I again payed particular attention to the question of employee health, which is a major feature of the Group's CSR activities. As the concept of health management becomes increasingly accepted throughout society at large, there are indications of a renewed awareness toward the synergy effects between employee health and efforts to improve corporate productivity and reduce national healthcare expenditure. The Mitsui Chemicals Group plays a leading role in promoting employee health. I look forward to the Group sharing its know-how in this area with the rest of industry and to link the development of new businesses and products to further advances in the healthcare domain.

These comments draw no conclusions regarding the accuracy of this report, including whether or not figures have been recorded and calculated in accordance with generally accepted environmental standards, and whether or not any material facts have been omitted.

Response

On behalf of the Mitsui Chemicals Group, I would like to express sincerest appreciation to Mr. Adachi for his invaluable comments and suggestions in regard to our CSR activities.

The CSR Report 2015 focuses on key issues (Materiality) identified in our Group's 2014 Mid-Term Business Plan and reviews our business activities from the standpoint of "contribution" and "impact" to society. Additionally, it definitively clarified exactly how we are attempting to resolve social issues and contribute to society through our business activities.

In fiscal 2015, we revealed that we are challenging social issues in the mobility domain by coordinating Group activities and by developing a unique environmental contribution benchmark called "Blue Value™." We introduced our Group's expanding activities to develop more products and technologies to resolve social issues and support a sustainable society. In line with our 2014 Mid-Term Business Plan, we will also direct our efforts towards the healthcare and food & packaging domains and accelerate our pace in providing information on our contributions to resolving social challenges while disclosing the impact our business activities and products might have on society.

In addition, the Mitsui Chemicals Group announced its new Responsible Care Policy to reflect the principles of the Responsible Care Global Charter, which was revised in 2014, and the Group's pledge to place "safety as a top priority". As a chemical manufacturer, we continue to be committed to reporting and disclosing information regarding the progress of measures aimed at managing chemical substances.

The Mitsui Chemicals Group takes its responsibility to society seriously. We will continue to strengthen our communication with our stakeholders and society, and seek their understanding by actively reporting on our social contributions and business activities. We ask for the continued support of our stakeholders while we challenge social issues to make a better society for all.

Satoshi Ozawa Senior Director General Manager, Corporate Communications Division

Performance Data

Here at the Mitsui Chemicals Group, we are committed to protecting the environment through initiatives such as reducing environmental impact and saving energy. We also place great importance on communication with local communities. The Mitsui Chemicals Group engages in a variety of CSR activities to ensure that its employees garner the trust and respect of stakeholders while allowing all staff to carry out their duties with pride and to foster a close affinity with society.

The following table provides a summary of our activities. If you would like to know more about any category, please click on the relevant data.

Category		Data	
UN Global Compact		Cross-reference table for the ten principals of the UN Global Compact	
CSR in the Mitsui Chemicals Group	Mitsui Chemicals' commitment to ISO 26000	Mitsui Chemicals' Commitment to ISO 26000	
Main Products of the Mitsui Chemicals Group that Contribute to the Sustainable Development of Environment and Society		Main Products of the Mitsui Chemicals Group that Contribute to the Sustainable Development of Environment and Society	
CSR Management	Management Framework	Risk Hotline Statistics	
		Goals and Results	
	RC Promotion System	Results of Environmental Safety, Occupational Health, and Quality Audits in Fiscal 2014	
	Process Safety and Disaster Prevention	Goals and Results	
	Occupational Health and Safety	Goals and Results	
		Frequency of DAFWCs (All industries/chemical industry/Mitsui Chemicals)	
		Frequency of Work-related Significant Occupational Injuries for the Mitsui Chemicals Group (Mitsui Chemicals < employees + operation subcontractors >)	
		KY training sessions	
		Goals and Results	
		Greenhouse Gas Emissions / Scope3 CO ₂ Emissions	
		The industrial waste process (Mitsui Chemicals non- consolidated)	
		Average landfill disposal rate for industrial waste	
RC Promotion System		The process of reducing industrial waste disposal	
		PRTR data for individual sites (Kashima Works / Ichihara Works / Mobara Branch Factory / Nagoya Works / Osaka Works / Iwakuni-Ohtake Works / Tokuyama Branch factory / Omuta Works / Sodegaura Center)	
		Emissions of substances subject to the PRTR Act	
		Preserving air quality with respect to five items	
	Environmental Preservation	Preserving water quality with respect to five items	
		Trends in environmental accounts	

		Environmental preservation costs
	-	Impact of environmental activities
		Economic impact of environmental initiatives
		Input⇒Output Data (Mitsui Chemicals)
		Input⇒Output Data (domestic subsidiaries and affiliates)
		Input⇒Output Data (overseas affiliates and subsidiaries)
		INPUT⇒OUTPUT Data for Individual Sites (Kashima Works / Ichihara Works / Mobara Branch Factory / Nagoya Works / Osaka Works / Iwakuni-Ohtake Works / Tokuyama Branch factory / Omuta Works / Sodegaura Center)
		Response to environmental complaints
	Chemical Management	Goals and Results
	Quality	Goals and Results
	Logistics	Goals and Results
		Goals and Results
	Working with Our	CSR Procurement
	Suppliers	Fiscal 2013 CSR Survey Results Distribution
		Execution rate by item
	Working with Our Shareholders and Investors	Goals and Results
		Goals and Results
		List of Support Programs
		Use of Childcare and Nursing Care Leave
	Working with Our Employees	Promoting diversity
Communication with		Positive Diagnosis Results
		Breakdown of Days Off due to Illness
		Fiscal 2013 Workplace Stress Survey Results
	Working with Industry, Government, and Academia	Goals and Results
	Working with Local	Goals and Results
	Communities	Main awards received from third parties in FY2014
	Social Contribution Activities	Goals and Results
		Laboratory Classes in the Wonders of Chemistry Experiments
		Report on disaster recovery support following the Great East Japan Earthquake
Feedback from Inside and Outside the Company	Comments regarding our CSR Report 2014	CSR Report 2014 Survey Results
Guideline Cross-reference		GRI Guidelines Cross-reference List
Iables		Mitsui Chemicals' Commitment to ISO 26000

Guideline Cross-Reference Tables

GRI Guidelines Cross-reference List

GRI Guidelines Cross-reference List

Mitsui Chemicals' Commitment to ISO 26000

Mitsui Chemicals' Commitment to ISO 26000

GRI Guidelines Cross-reference List

An official partner of the United Nations Environment Programme (UNEP) based in the Netherlands, the Global Reporting Initiative (GRI) is an NGO whose purpose is to develop and promote guidelines relating to corporate sustainability reports. The GRI Guidelines are a set of international guidelines for businesses, to ensure that they take environmental and social factors into consideration as part of the process of economic development.

The following table shows booklets/web sections corresponding to items of the GRI Guidelines.

* Complies with the "Core" option of the GRI Sustainability Reporting Guidelines G4.

GENERAL STANDARD DISCLOSURES					
	Aspects	Indicators		Corresponding Sections	
		G4-1	Statement from the most senior decision-maker of the organization	Message from the President	
	Strategy and Analysis	G4-2	Description of key impacts, risks, and opportunities	 Toward the Sustainable Development of Society Toward the Realization of CSR Key Issues Creating a Better Future with Blue Value™ RC initiatives Initiatives to Prevent Major Accidents 	
		G4-3	Name of the organization	Corporate Overview	
	G4-4	Primary brands, products and services	 Mitsui Chemicals' Businesses That Contribute to Society Mitsui Chemicals Group's CSR TOPICS 2014 Business & Products Main Products of the Mitsui Chemicals Group that Contribute to the Sustainable Development of Environment and Society 		
		G4-5	Location of the organization's headquarters	Corporate Overview	
		G4-6	Number and names of countries where the organization operates	 Special Feature 1 Realizing a cohesive society that is in harmony with the environment Overseas Subsidiaries & Affiliates Public Recognition Environmental Safety, Occupational Health, and Quality Audits 	
	G4-7	Nature of ownership and legal form	Corporate Overview		
	G4-8	Markets served	 Overseas Subsidiaries & Affiliates Fact Book 		

Organizational Profile	G4-9	Scale of the reporting organization	 Overseas Subsidiaries & Affiliates Fact Book INPUT⇒OUTPUT 		
	Profile	G4-10	Details of workforce Details of workforce Corporate Overview Coverseas Subsidiaries & Affiliates Other data		
		G4-11	Percentage of total employees covered by collective bargaining agreements		
		G4-12	organization's supply chain	Key Issues	
Identified Material Aspects and Boundaries		G4-13	Significant changes during the reporting period		
		G4-14	Whether and how the precautionary approach or principle is addressed by the organization	 Mitsui Chemicals' commitment to ISO 26000 Risk Management Framework Chemical Management Promotion of Chemical Management 	-
		G4-15	Externally developed charters, principles, or other initiatives to which the organization subscribes or endorses	 UN Global Compact Mitsui Chemicals' commitment to ISO 26000 Biodiversity 	
	G4-16	Memberships of associations and national or international advocacy organizations	 Status of CO₂ fixation technologies Promotion of Chemical Management Promoting Joint Research Projects Cooperating in educator training by private-sector companies 		
		G4-17	All entities included in the organi z ation's financial statements or equivalent documents	 Organization 	
		G4-18	Process for defining report content and Boundaries	■ About CSR Report 2015	
		G4-19	All the material Aspects identified in the process for defining report content	 Toward the Realization of CSR Key Issues 	
	G4-20	Report the Aspect Boundary within the organization. About CSR Report 2015			
	G4-21	Report the Aspect Boundary outside the organization	■ About CSR Report 2015		
		G4-22	The effect of any restatements of information provided in previous reports, and the reasons for such restatements		
		G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries		176
					1
	G4-24	Stakeholder groups engaged by the organization	 Disclosure of Information to Shareholders and Investors Dialog with Local Communities Nurturing Future Generations CSR Report 2014 Survey Results 		
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	G4-25	Basis for identification and selection of stakeholders	_		
Stakeholder Engagement	G4-26	Approach to stakeholder engagement	 Quality Improvement Initiatives CSR Procurement Disclosure of Information to Shareholders and Investors Dialog with Local Communities Nurturing Future Generations CSR Report 2014 Survey Results 		
	G4-27	Key topics and concerns raised through stakeholder engagement	Fundamental Safety Initiatives		
	G4-28	Reporting Period for information provided	About CSR Report 2015		
	G4-29	Date of most recent report	_		
	G4-30	Reporting cycle	Download CSR Reports		
	G4-31	Contact point for questions	Contact FormContact Us		
Report Profile	G4-32	Report the 'in accordance' option chosen, content index, and external assurance report	GRI Guidelines Cross- reference List		
	G4-33	Organization's policy and current practice with external assurance of the report			
	G4-34	Governance structure of the organization	 Toward the Realization of CSR Corporate Governance Risk Management Framework 		
	G4-35	Process for delegating authority for sustainability topics from the board to senior executives and other employees	 Toward the Realization of CSR Corporate Governance 		
	G4-36	Whether the organization has appointed an executive–level position or positions with responsibility for sustainability topics	 Toward the Realization of CSR Corporate Governance 		
	G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	 Corporate Governance Disclosure of Information to Shareholders and Investors 		

	G4-38	Composition of the board and its committees	 Toward the Realization of CSR Corporate Governance Risk Management Framework 	
Governance	G4-39	Whether the chair of the board is also an executive officer	Corporate GovernanceBoard of Directors	
	G4-40	Nomination and selection processes for the board and its committees	Coming Soon	
	G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed	 Corporate Governance 	
	G4-42	Board's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainability impacts	 Toward the Realization of CSR Corporate Governance 	
	G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	 Toward the Realization of CSR Corporate Governance 	
	G4-44	Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics	_	
	G4-45	Board's role in the identification and management of sustainability impacts, risks, and opportunities, and in the implementation of due diligence processes	 UN Global Compact CSR Management Responsible Care Policy 	
	G4-46	Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	 Toward the Realization of CSR Risk Management Framework 	
	G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	 UN Global Compact CSR Management Responsible Care Policy 	
	G4-48	Highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered	 Toward the Realization of CSR Corporate Governance 	178

	G4-49	Process for communicating critical concerns to the highest governance body	 Corporate Governance Disclosure of Information to Shareholders and Investors
	G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	
	G4-51	The remuneration policies for the board and senior executives, and the linkage between performance criteria and the organization's sustainability objectives	■ Annual Report > Corporate Governance 🄁
	G4-52	Process for determining remuneration	■ Annual Report > Corporate Governance
	G4-53	How stakeholders' views are sought and taken into account regarding remuneration	 Corporate Governance Disclosure of Information to Shareholders and Investors
	G4-54	Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees in the same country	
	G4-55	Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees in the same country	
	G4-56	Organization's values, principles, standards and norms of behavior	 Toward the Sustainable Development of Society Toward the Realization of CSR Responsible Care Policy
Ethics and Integrity	G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity	 Risk Management Framework Extending Risk Hotline access to suppliers
	G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity	 Risk Management Framework Extending Risk Hotline access to suppliers

SPECIFIC STANDARD DISCLOSURES				
			DMA	Key Issues
		G4- EC1	Direct economic value generated and distributed	
	Economic Performance	G4- EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	■ Key Issues ■Tahara Solar-Wind™ Joint Project
		G4- EC3	Coverage of the organization's defined benefit plan obligations	
		G4- EC4	Financial assistance received from government	
Economic	Market Decourses	G4- EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	
	Market Presence	G4- EC6	Proportion of senior management hired from local community at significant locations of operations	
	Indirect Economic Impacts	DMA		Key Issues
		G4- EC7	Development and impact of infrastructure investments and services supported	 Nurturing Future Generations Disaster Relief Report on Disaster Recovery Support following the Great East Japan Earthquake
		G4- EC8	Significant indirect economic impacts, including the extent of impacts	 Safety Initiatives
	Procurement Practices	G4- EC9	Proportion of spending on local suppliers at significant locations of operation	
			DMA	Key Issues
	Materials	G4- EN1	Materials used by weight or volume	■ INPUT⇒OUTPUT
Waterials		G4– EN2	Percentage of materials used that are recycled input materials	
			DMA	Key Issues
		G4– EN3	Energy consumption within the organization	■ INPUT⇒OUTPUT
		G4- EN4	Energy consumption outside of the organization	_
	Energy	G4- EN5	Energy intensity	
		G4- EN6	Reduction of energy consumption	Preventing Global Warming

		G4– EN7	Reductions in energy requirements of products and services	 ■ Tahara Solar-Wind[™] Joint Project ■ Preventing Global Warming 	
			DMA	Key Issues	
		G4– EN8	Total water withdrawal by source	 Preserving water quality INPUT⇒OUTPUT 	
	Water	G4– EN9	Water sources significantly affected by withdrawal of water	_	
		G4- EN10	Percentage and total volume of water recycled and reused	_	
			DMA	Key Issues	
		G4- EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		
Biodiversity	Biodiversity	G4- EN12	Significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	 Environmental Protection Biodiversity 	
		G4- EN13	Habitats protected or restored	 Biodiversity 	
		G4- EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	_	
	Emissions		DMA	Key Issues	
		G4- EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	 Preventing Global Warming INPUT⇒OUTPUT 	
		G4- EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	 ■ Preventing Global Warming ■ INPUT⇒OUTPUT 	
E		G4- EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)		
		G4- EN18	Greenhouse gas (GHG) emissions intensity	_	
		G4- EN19	Reduction of greenhouse gas (GHG) emissions	Preventing Global Warming	
		G4- EN20	Emissions of ozone- depleting substances (ODS)	 Substances Subject to the PRTR Act INPUT⇒OUTPUT 	
		G4- EN21	NOx, SOx, and other significant air emissions	 Preserving air quality INPUT⇒OUTPUT 	
			DMA	Key Issues	
		G4- EN22	Total water discharge by quality and destination	 Preserving water quality INPUT⇒OUTPUT 	181
					-1

	G4- EN23	Total weight of waste by type and disposal method	 ■ Reducing Industrial Waste ■ INPUT⇒OUTPUT 	
	G4- EN24	Total number and volume of significant spills	 Handling Environmental Complaints 	
Effluents and Waste	G4- EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally		
	G4- EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff		
		DMA	Key Issues	
Products and	G4- EN27	Extent of impact mitigation of environmental impacts of products and services	Reducing Industrial Waste	
Services	G4- EN28	Percentage of products sold and their packaging materials that are reclaimed by category		
		DMA	Key Issues	
Compliance	G4– EN29	Monetary value of significant fines and total number of non-monetary sanctions for non- compliance with environmental laws and regulations	 Environmental Safety, Occupational Health, and Quality Audits 	
Transport	G4- EN30	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	 Preventing Global Warming Acquiring Eco Rail Mark Certification 	
Overall	G4- EN31	Total environmental protection expenditures and investments by type	 Environmental Accounting 	
		DMA	Key Issues	
Supplier Environmental Assessment	G4- EN32	Percentage of new suppliers that were screened using environmental criteria	Purchasing PolicyCSR Procurement	
	G4- EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	Purchasing PolicyCSR Procurement	182
			1	

	Environmental Grievance Mechanisms	G4- EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	_
			DMA	Key Issues
		G4- LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	
	Employment	G4- LA2	Benefits provided to full- time employees that are not provided to temporary or part-time employees, by significant locations of operation	Creating an Employee- Friendly Working Environment
		G4- LA3	Return to work and retention rates after parental leave, by gender	Creating an Employee- Friendly Working Environment
Labor/Management Relations	Labor/Management Relations	G4- LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	
			DMA	Key Issues
	Occupational Health and Safety	G4- LA5	Percentage of total workforce represented in formal joint management– worker health and safety committees that help monitor and advise on occupational health and safety programs	
		G4- LA6	Type and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work– related fatalities, by region and by gender	 Creating Safe and Secure Workplaces
		G4- LA7	Workers with high incidence or high risk of diseases related to their occupation	Employee Health
		G4- LA8	Health and safety topics covered in formal agreements with trade unions	
Labor Practicos	DMA		DMA	■ Key Issues
and Decent Work		G4- LA9	Average hours of training per year per employee by gender, and by employee category	 Compliance Training Process Safety and Disaster Prevention > Goals and Results Quality Improvement Initiatives Promoting and Utilizing Human Resources

Training and Education	G4- LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	 Special Feature 2 Realizing industrial platforms that are in harmony with local communities Promoting a Culture of Safety in Society Promoting and Utilizing Human Resources
	G4- LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	
Diversity and Equal Opportunity	G4- LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	 Creating an Employee- Friendly Working Environment
Equal Remuneration for Women and Men	G4- LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	
		DMA	Key Issues
Supplier Assessment for	G4- LA14	Percentage of new suppliers that were screened using labor practices criteria	 Purchasing Policy CSR Procurement
Labor Practices	G4- LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	Purchasing PolicyCSR Procurement
Labor Practices Grievance Mechanisms	G4- LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	
	G4- HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	
Investment	G4- HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	
Non-discrimination	G4– HR3	Total number of incidents of discrimination and corrective actions taken	_

	Freedom of Association and Collective Bargaining	G4- HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	
	Child Labor	G4- HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	 CSR Procurement
Human Rights	Forced or Compulsory Labor	G4- HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	 CSR Procurement
	Security Practices	G4- HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	
	Indigenous Rights	G4- HR8	Total number of incidents of violations involving rights of Indigenous Peoples and actions taken	
	Assessment	G4- HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	
			DMA	Key Issues
	Supplier Human Rights Assessment	G4- HR10	Percentage of new suppliers that were screened using human rights criteria	 Purchasing Policy CSR Procurement
		G4- HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	 Purchasing Policy CSR Procurement
	Human Rights Grievance Mechanisms	G4- HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	
			DMA	Key Issues
	Local Communities	G4- SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	

	G4- SO2	Operations with significant actual and potential negative impacts on local communities	 Safety Initiatives Handling Environmental Complaints
		DMA	Key Issues
Anti-corruption	G4- SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	 Environmental Safety, Occupational Health, and Quality Audits
	G4- SO4	Communication and training on anti–corruption policies and procedures	Compliance Training
	G4- SO5	Confirmed incidents of corruption and actions taken	_
Public Policy	G4- SO6	Total value of political contributions by country and recipient/beneficiary	_
		DMA	■ Key Issues
Anti-competitive Behavior	G4- SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	There were no instances where the Group was involved in legal action
	DMA		■ Key Issues
Compliance	G4- SO8	Monetary value of significant fines and total number of non-monetary sanctions for non- compliance with laws and regulations	There were no transgressions
	DMA		Key Issues
Supplier Assessment for	G4- SO9	Percentage of new suppliers that were screened using criteria for impacts on society	Purchasing PolicyCSR Procurement
Impacts on Society	G4- SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	Purchasing PolicyCSR Procurement
Grievance Mechanisms for Impacts on Society	G4- SO11	Number of grievances about impacts on society files, addressed, and resolved through formal grievance mechanisms	
		DMA	Key Issues
	G4- PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	 RC Promotion System Promotion of Chemical Management Quality Improvement Initiatives
	Anti-corruption Public Policy Anti-competitive Behavior Compliance Supplier Assessment for Impacts on Society Grievance Mechanisms for Impacts on Society Grievance Mechanisms for Impacts on Society	Image: Constraint of the state of the s	Operations with significant actual and potential negative impacts on local communitiesAnti-corruption $ \begin{bmatrix} 4-\\ SO3 \end{bmatrix} Precentage of operationsassessed for risks related tocorruption and thesignificant risks identified $

Product Responsibility	Customer Health and Safety	G4- PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	_
	Product and Service Labeling	G4- PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	 Creating a Better Future with Blue Value™ Main Products of the Mitsui Chemicals Group that Contribute to the Sustainable Development of Environment and Society Instill a management system based on our chemical safety information system Responding to the voices of customers
		G4- PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	
		G4- PR5	Results of surveys measuring customer satisfaction	 Quality Improvement Initiatives In order to Satisfy Customers Marketing "Meister" System
		G4- PR6	Sale of banned or disputed products	 Responding to the voices of customers
	Marketing Communications	G4- PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	
	Customer Privacy	G4- PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	
			DMA	Key Issues
	Compliance	G4- PR9	Monetary value of significant fines for non- compliance with laws and regulations concerning the provision and use of products and services	 Customer-specific initiatives

Mitsui Chemicals' Commitment to ISO 26000

Released by the International Organization for Standardization (ISO) in November 2010, ISO 26000 is an international standard that sets out social responsibility guidelines for all organizations.

The standard outlines seven principles for social responsibility (accountability, transparency, ethical behavior, respect for stakeholder interests, respect for the rule of law, respect for international norms of behavior and respect for human rights) and seven core subjects relating to social responsibility (organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues, and community involvement and development), and provides guidance without any obligation to obtain third-party certification.

The following table cross-references our initiatives against the seven core subjects set out under ISO 26000.

Core subject	Issues	Refer to
		CSR in the Mitsui Chemicals Group
		Management Framework
		RC Promotion System
Organizational governance	Organizational governance	Basic Philosophy on Human Rights
<u>g</u> e :		 Disclosure of Information to Shareholders and Investors
		 Dialog with Local Communities
		Feedback from Inside and Outside the Company
	Issue 1:Due diligence	RC Promotion System
	Issue 2:Human rights risk situations	Basic Philosophy on Human Rights
	Issue 3: Avoidance of complicity	Working with our Suppliers > Goals and Results
Human rights	Issue 5:Discrimination and	■ Purchasing Policy
naman ngino	vulnerable groups Issue 6:Civil and political rights	■ CSR Procurement
	Issue 7:Economic, social and cultural rights Issue 8:Fundamental principles and rights at work	Respect for Diversity and Individuality
		 Special Feature 2: Realizing industrial platforms that are in harmony with local communities
	Issue 1:Employment and employment relationships Issue 2:Conditions of work and social protection Issue 3:Social dialogue	Occupational Health and Safety > Goals and Results
		 Creating Safe and Secure Workplaces
Labour practices		 Introduction to Process Safety and Disaster Prevention at Production Sites
	work	Working with Our Employees > Goals and Results
	Issue 5:Human development and training in the workplace	Promoting and Utilizing Human Resources
		Creating an Employee-Friendly Working Environment
		■ Employee Health
		■ Tahara Solar-Wind™ Joint Project
		 Special Feature 1: Realizing a cohesive society that is in harmony with the environment
		 Main Products of the Mitsui Chemicals Group that Contribute to the Sustainable Development of Environment and Society
		Environmental Protection > Goals and Results
	Issue 1: Provention of pollution	■ Responsible Care Policy
	issue i. Prevention of pollution	

	Issue 2:Sustainable resource use	■ RC initiatives		
The environment	issue 3:Climate change mitigation and adaptation Issue 4:Protection of the environment, biodiversity and restoration of natural habitats	Preventing Global Warming		
		Reducing Industrial Waste		
		Substances Subject to the PRTR Act		
		Preserving air quality		
		Philosophy on Water Resources		
		■ Biodiversity		
		Environmental Accounting		
		■ INPUT⇒OUTPUT		
		 Handling Environmental Complaints 		
	Issue 1:Anti-corruption Issue 2:Responsible political involvement Issue 3:Fair competition Issue 4:Promoting social responsibility in the value chain Issue 5:Respect for property rights	 Compliance Training 		
Fair operating		RC initiatives		
		 Basic Philosophy on Human Rights 		
practices		Working with our Suppliers > Goals and Results		
		Purchasing Policy		
		■ CSR Procurement		
	Issue 1:Fair marketing, factual and unbiased information and fair contractual practices	 Special Feature 1: Realizing a cohesive society that is in harmony with the environment 		
		 Safety Initiatives 		
	health and safety	Handling Environmental Complaints		
	Issue 3:Sustainable consumption Issue 4:Consumer service, support, and complaint and dispute resolution Issue 5:Consumer data protection and privacy Issue 6:Access to essential services	Chemical Management > Goals and Results		
Consumer issues		Promotion of Chemical Management		
		Quality > Goals and Results		
		 Quality Improvement Initiatives 		
		RC Promotion System		
	awareness	 Working with Our Customers 		
		 Special Feature 2: Realizing industrial platforms that are in harmony with local communities 		
	Issue 1:Community involvement Issue 2:Education and culture Issue 3:Employment creation and skills development Issue 4:Technology development and access Issue 5:Wealth and income creation Issue 6:Health Issue 7:Social investment	■ Tahara Solar-Wind™ Joint Project		
		 Safety Initiatives 		
		 Handling Environmental Complaints 		
		Promoting and Utilizing Human Resources		
		 Creating an Employee-Friendly Working Environment 		
Community		Promoting Joint Research Projects		
development		 Dialog with Local Communities 		
		Social Contribution Activities > Goals and Results		
		Nurturing Future Generations		
		Environment Communication		
		Support for Employees' Social Contribution Activities		
		■ Disaster Relief		
		Report on Disaster Recovery Support following the Great East Japan Earthquake		

Download CSR Reports

All CSR Communication, CSR Report and Responsible Care Report publications issued to date by the Mitsui Chemicals Group, whether online or in print, are available as PDF files or in digital book format.

We hope that publishing printed and online reports will encourage communication with all of our stakeholders and enable us to keep on expanding and improving our activities in the future. We hope you enjoy reading our reports.

Digital Books



[Online version] CSR Report 2012 Full report (PDF: 2.83MB) ₿¢

[Online version] CSR Report 2011

FY2011 online version (PDF :2.56MB) Þ



[Printed version] CSR Communication

Full report (PDF: 7.59MB) 🔁 Digital book 🗗

CSR Report



CSR Report 2010 Full report (PDF : 5.58MB) 🔁 Digital book 🗗



CSR Report 2006 Full report (PDF : 3.24MB) 🔁 Digital book 🗗



CSR Report 2009 Full report (PDF : 4.78MB) ☆ Digital book ₽



CSR Report 2005 Full report (PDF : 1.77MB) ∰ Digital book ₽



CSR Report 2008 Full report (PDF : 2.59MB) ₿ Digital book ₽



CSR Report 2007 Full report (PDF : 1.62MB) € Digital book ₽

Responsible Care Report

Please click below to view our RC reports regarding environment, safety, occupational health, and quality.



Responsible Care Report 2004 Full report (PDF : 1.19MB) 🔂 Digital book 🗗



Responsible Care Report 2003 Full report (PDF : 1.34MB) 🔁 Digital book 🗗



Responsible Care Report 2002 Full report (PDF : 690KB) 🔁 Digital book 🗗



Responsible Care Report 2001 Full report (PDF : 950KB) 🔂 Digital book 🗗



Responsible Care Report 2000 Full report (PDF : 582KB) 🔁 Digital book 🗗

Online version - Individual sections -

Top Page(PDF:333KB) 🔁
Message from the President(PDF: 41.6KB) 🔁
UN Global Compact(PDF : 26.7KB) 🔁
CSR in the Mitsui Chemicals Group(PDF:172.8KB) 🔁
Special Feature(PDF:235.3KB) 🔂
Mitsui Chemicals Group's CSR TOPICS 2014(PDF: 235.3KB) 🔁
Tahara Solar-Wind™ Joint Project(PDF : 108.3KB) 🔁
Safety Initiatives(PDF : 415KB) 🔂
Main Products that Contribute to Sustainable Development of the Environment and Society (PDF : 194.4KB) 🔂
CSR Management(PDF:18.16KB) 🔁
Management Framework(PDF:176.3KB) 🔁
Process Safety and Disaster Prevention (PDF : 249.45KB)
Occupational Health and Safety (PDF: 217.27KB)
Chemical Management (PDF : 308.85KB)
Quality (PDF : 134.31KB)
Logistics (PDF : 217.95KB) 🔁
Communication with Society (PDF : 23.4KB)
Respect for Human Rights (PDF : 22 5KB)
Working with Our Customers (PDF: 22.3KB)
Working with Our Suppliers (PDF: 130.9KB)
Working with Our Shareholders and Investors (PDF: 106.18KB)
Working with Industry Government and Academia (PDE: 87.4KB)
Working with Local Communities (PDF: 290.9KB)
Social Contribution Activities (PDF : 730.8KB)
Feedback from Inside and Outside the Company(PDF:103.7KB) 🔂
Performance Data (PDF : 42.35KB) 🚯
Guideline Cross-Reference Tables(PDF : 16.2KB) 🔂
GRI Guidelines Cross-reference List(PDF:182.05KB) 🔂
Mitsui Chemicals' Commitment to ISO 26000(PDF : 72.47KB) 🔁
Download CSR Reports(PDF : 147.92KB) 🔂
About CSR Report 2015(PDF : 47.2KB) 🔁
CSR Report 2015 Survey(PDF:26.29KB) 🔁
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About CSR Report 2015

We produce comprehensive and detailed reports on the Mitsui Chemicals Group's CSR initiatives, taking advantage of the unique features of online media.

Editorial Policy

In producing the CSR Communication 2015 Report, our goal is to maintain a dialog with our stakeholders as we work toward the sustainable growth and development of society. The report shines a light on the Group's three-axis management (economy, environment and society), with a focus on environmental and social initiatives. Please see our Annual Report for a more in-depth look into the Group's economic-axis management. In addition to its existing activities, the Mitsui Chemicals Group is looking to create new customer value through innovation and to help resolve social challenges through its business activities under its Mid-Term Business Plan, which began in fiscal 2014. In this report, we present details of various initiatives taken to provide Group-wide cross-sectional solutions with a view to also expanding into new business fields.

Investor Relations

Website

We will be posting the full version of the MCI Group's CSR Report on our website, to provide comprehensive and detailed content. We have also edited our report with the aim of making it more varied, readable, and accessible. We hope you will take the time to read about our wide-ranging CSR activities online.

Printed version

Rather than an abridged version of our online report, the printed version focuses on aspects of the MCI Group's activities that people particularly want to read about.

In fiscal 2015, we highlighted the Group's Mobility business and the goal of realizing a cohesive society that is in harmony with the environment from the perspective of securing the sustainable growth of society and the MCI Group. At the same time, we introduce details of safety activities conducted at the Plant Operation Technology Training Center in Mobara City, which reflects the importance of realizing industrial platforms that are in harmony with local communities.

Scope of the Report

Coverage

Our 2015 report covers activities during fiscal 2014 (April 1, 2014 to March 31, 2015). It may also include data relating to more recent activities however, from April 2015 onwards.

Scope of Compilation Data

Unless specifically indicated to include affiliates or subsidiaries, all data in this report refers to Mitsui Chemicals.

Referenced Guidelines

- ISO26000
- Global Reporting Initiative(GRI): 4 version
- Environmental Reporting Guideline 2012 (Ministry of the Environment)
- Environmental Accounting Guideline 2005 (Ministry of the Environment)

We adopted the handicapped person's artwork for the cover of the CSR Communication 2015 Report. With a corporate mission that emphasizes harmony with the environment, we closely identified with this picture of the world's flora and fauna living in symbiotic cooperation.

Able Art Company

Able Art Company serves as a conduit between artists with disabilities and commercial end users interested in incorporating their art into designs and products. http://www.ableartcom.jp/aboutusdb/about_eng.html

Born in the Jungle (Artist: Mikiko Hata)

Since her accident, Ms. Hata decided to take up painting and to live life to fullest doing as she pleased. Taking the time to do everything on her own right through to the mixing of paints, each painting takes between two to three months to complete.

Animals are unable to assert themselves in the same way that humans do, this painting expresses the wish that all living things show a deep respect and understanding of the right of all to live and share in this planet.

CSR Report 2015 Survey

We welcome your comments and feedback on our CSR Report 2015 in e-mail format.

We will not use your personal information obtained through the survey for any purpose unless it is strictly necessary, such as in a case where our subsidiaries or affiliates request for it to reply to your inquiries.

Please refer to our Privacy Policy for more details.

Questionnaire

CSR Site Map

The following is a full list of the contents of the CSR section of the Mitsui Chemicals Group website. Click on the links (Booklet P00) to view the relevant pages of CSR Communication 2015 in PDF format.

Message from the President

Message from the President Booklet P4-5 (PDF: 163KB) 18

UN Global Compact

- UN Global Compact
- CSR in the Mitsui Chemicals Group
 - Toward the Sustainable Development of Society Booklet P6-7 (PDF: 295KB) 🚯
 - Toward the Realization of CSR
 - Key Issues
 - Creating a Better Future with Blue Value™
 - Mitsui Chemicals' commitment to ISO 26000

Special Feature

- Special Feature
 - Special Feature 1

Realizing a cohesive society that is in harmony with the environment Taking Up the Challenge of Mobility Innovation

- Booklet P10-13 (PDF: 1.05MB) 🔂
- Special Feature 2 Realizing industrial platforms that are in harmony with local communities Promoting a Culture of Safety in Society
 Booklet P14-17 (PDF: 1.49MB)

Mitsui Chemicals Group's CSR TOPICS 2014

- Mitsui Chemicals Group's CSR TOPICS 2014 Booklet P18-19 (PDF: 673KB) 🔁
- ► Tahara Solar-Wind™ Joint Project
- ▶ Operations Commence at the Tahara Solar-Wind[™] Joint Project

Safety Initiatives

- Fundamental Safety Initiatives
- Initiatives at Iwakuni-Ohtake Works
- Introduction to Events on Safety Day
- Main Products of the Mitsui Chemicals Group that Contribute to the Sustainable Development of Environment and Society
- Main Products of the Mitsui Chemicals Group that Contribute to the Sustainable Development of Environment and Society Booklet P8-9 (PDF: 468.9KB)

CSR management

- Management Framework
 - Goals and Results
 - Our Approach to Corporate Governance
 - The Status of Corporate Governance Initiative Implementation
 - Internal Control
 - Risk Management Framework
 - Compliance Training

Responsible Care

- Mitsui Chemicals' Responsible Care Policy
 - Responsible Care Policy
- RC Promotion System
 - Management System
 - **Goals and Results**
 - **RC** initiatives
 - Environmental Safety, Occupational Health, and Quality Audits
 - Roll Out to Subsidiaries and Affiliates
- Process Safety and Disaster Prevention
 - Management System
 - **Goals and Results**
 - Initiatives to Prevent Major Accidents
 - Introduction to Process Safety and Disaster Prevention at Production Sites
 - HAZOP Plant Leaders
 - External Communications
- Occupational Health and Safety
 - Management System
 - Goals and Results
 - Creating Safe and Secure Workplaces
 - Introduction to Safety Activities at Production Sites
 - Instruction in Hazard Prediction, Pointing and Calling
 - Best Plants Awards in Fiscal 2014
 - Employee Health
- Environmental Protection
 - Management System
 - **Goals and Results**
 - Preventing Global Warming
 - Reducing Industrial Waste
 - Substances Subject to the PRTR Act
 - Preserving air quality
 - Philosophy on Water Resources
 - Preserving Water Quality
 - Introduction to Activities at Production Bases
 - **Biodiversity**
 - Environmental Accounting
 - INPUT⇒OUTPUT
 - Handling Environmental Complaints
- Chemical Management
 - Management System
 - Goals and Results
 - Promotion of Chemical Management
- Quality
 - Management System
 - Goals and Results
 - Quality Improvement Initiatives
- Logistics
 - Management System

- Goals and Results
- Transporting Products Safely
- Acquiring Eco Rail Mark Certification

Communication with Society

- Respect for Human Rights
 - Basic philosophy on human rights
- Working with Our Customers
 - In order to Satisfy Customers
 - Marketing "Meister" system
- Working with our Suppliers
 - Management System
 - Goals and Results
 - Purchasing Policy
 - SCSR Procurement
- Working with Our Shareholders and Investors
 - Goals and Results
 - Disclosure of Information to Shareholders and Investors
 - Basic Policy on Profit Sharing
- Working with Our Employees
 - Management System
 - **Goals and Results**
 - Promoting and Utilizing Human Resources
 - Creating an Employee-Friendly Working Environment
 - Respect for Diversity and Individuality
 - Employee Health
 - Relationship between Labor and Management
- Working with Industry, Government, and Academia
 - Management System
 - Goals and Results
 - Mitsui Chemicals Catalysis Science Award and Award of Encouragement
 - Promoting Joint Research Projects
- Working with Local Communities
 - Management System
 - Goals and Results
 - Dialog with Local Communities
 - Public Recognition
- Social Contribution Activities
 - Management Systems
 - **Goals and Results**
 - Nurturing Future Generations
 - Environment Communication
 - Support for Employees' Social Contribution Activities
 - SR Activities at Mitsui Chemicals India
 - Seampaign to Eliminate Occupational Accidents at Advanced Composites
 - **Disaster Relief**
 - Report on Disaster Recovery Support following the Great East Japan Earthquake

Feedback from Inside and Outside the Company

- Comments regarding our CSR Report 2014
 - Results of the Survey
 - Third-Party Comments Regarding CSR Report 2015

Performance Data

Performance Data

Guideline Cross-Reference Tables

- GRI Guidelines Cross-reference List
- Mitsui Chemicals' Commitment to ISO 26000

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 - Editorial Policy
 - Scope of the Report
 - Referenced Guidelines
- CSR News
- CSR Report 2015 Survey
- CSR Site Map

~For compliance with laws and rules~ Compliance Guidebook

Mitsui Chemicals, Inc.

Aiming to Become a Reliable Mitsui Chemicals Group - Striving to Be a Trusted Entity -

In February 2006, we established "Mitsui Chemicals Group Action Guidelines" as part of our Corporate Social Responsibility (CSR) strategy. These Guidelines were compiled to present the guidelines for actions for the officers and employees of the Mitsui Chemicals Group. These Guidelines are intended to be referred to by them when they consider what they should value most in their behavior in order for the Group to continue to contribute widely to society and become an entity that earns the trust of its stakeholders. The top priority item set forth in these Guidelines is "Compliance with the laws and regulations".

At the outset of the Action Guidelines, the Mitsui Chemicals Group declared "We will give priority to compliance with laws and regulations over pursuit of any profit". If you are forced to choose either profit or compliance with laws and regulations, please do not hesitate to give priority to compliance with laws and regulations. We should never repeat the violation of the High Pressure Gas Safety Law or cartels (for polypropylene, gas distribution pipe, etc.), among other things.

In recent years in Japan, cases of violations of laws, regulations and rules have been frequently reported by the press. These cases include the incidents of product data fabrication and accounting fraud by listed companies and an emission gas scandal of a powerful carmaker having global operations. Society is keeping an ever increasingly sharp eye on these corporations having committed the offenses. In these situations, they are facing a possibility that as a consequence of their single breach of a law, regulation or rule, they may devastatingly lose their social confidence that they have built over many years and the foundation of their existence as corporations may be shaken. We must have a strong realization that compliance with laws, regulations and rules is the major premise of the existence of any corporation and without it any corporation can neither continue to exist nor fulfill its social responsibility.

Furthermore, in light of the global development of our businesses that are growing year by year, it is all the more important for us to have a greater awareness of the importance of compliance with the laws, regulations and rules of foreign countries as well as those of Japan. We are required to have an accurate understanding of various regulations of foreign counties and consider at all times whether or not our own actions are appropriate. In particular, the concerns about the problems of injustice and corruption including cases of bribery involving foreign public officials are rapidly growing in the world. This is an issue to be seriously addressed by the whole Mitsui Chemicals Group for the sake of our moving forward with global business operations, among other reasons.

I firmly believe that if all of our officers and employees take actions in good faith, keeping compliance with laws, regulations and rules in mind, we will gain greater social confidence and be able to lay the foundations for the sustainable development of our Group.

February, 2016



Tsutomu Tannowa, President

~For compliance with laws and rules~ Compliance Guidebook

Table of Contents

	Introduction	
	1. Purpose of This Guidebook	1
	2. Mitsui Chemicals Group Action Guidelines	2
	3. MCI's Risk Management System	3
	4. Risk Hotline (Contact for Report and Consultation)	4
Π	As a Member of Society	
	1. Compliance with Various Business Laws	5
	2. Safety and Environmental Preservation	7
	3. Confrontation with Antisocial Forces	9
	4. Healthy Relations with Public Officials	11
Ш	To Customers and Suppliers	
	1. Prohibition of Excessive Gifts or Entertainment	13
	/Prohibition of Collusive Relationship with Customers or Suppliers	
	2. Ensuring the Quality and Safety of Products and Dealing Sincerely with	15
	Customers	10
	3. Compliance with Regulations Concerning Exports and imports	18
IV	Relations with Companies in the Same Business	
	1. Compliance with Antitrust Law	20
	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition 	20 22
	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law 	20 22
V	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law To Shareholders and Investors 	20 22
V	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law To Shareholders and Investors Prohibition of Insider Trading 	20 22 24
V	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law To Shareholders and Investors Prohibition of Insider Trading Proper Accounting Practice, Keeping Proper Transaction Records, and 	20 22 24 26
V	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law To Shareholders and Investors Prohibition of Insider Trading Proper Accounting Practice, Keeping Proper Transaction Records, and Compliance with Tax Law 	20 22 24 26
V	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law To Shareholders and Investors Prohibition of Insider Trading Proper Accounting Practice, Keeping Proper Transaction Records, and Compliance with Tax Law As Employees of the Mitsui Chemicals Group 	20 22 24 26
V	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law To Shareholders and Investors Prohibition of Insider Trading Proper Accounting Practice, Keeping Proper Transaction Records, and Compliance with Tax Law As Employees of the Mitsui Chemicals Group Compliance with Bylaws, Etc. 	20 22 24 26 28
V	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law To Shareholders and Investors Prohibition of Insider Trading Proper Accounting Practice, Keeping Proper Transaction Records, and Compliance with Tax Law As Employees of the Mitsui Chemicals Group Compliance with Bylaws, Etc. Confidentiality Obligations, Company Information Management and Privacy 	20 22 24 26 28 30
V	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law To Shareholders and Investors Prohibition of Insider Trading Proper Accounting Practice, Keeping Proper Transaction Records, and Compliance with Tax Law As Employees of the Mitsui Chemicals Group Compliance with Bylaws, Etc. Confidentiality Obligations, Company Information Management and Privacy Protection 	20 22 24 26 28 30
V	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law To Shareholders and Investors Prohibition of Insider Trading Proper Accounting Practice, Keeping Proper Transaction Records, and Compliance with Tax Law As Employees of the Mitsui Chemicals Group Compliance with Bylaws, Etc. Confidentiality Obligations, Company Information Management and Privacy Protection Respect of Company Property/Honest and Accurate Report on Travel Expenses, 	20 22 24 26 28 30 32
V	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law To Shareholders and Investors Prohibition of Insider Trading Proper Accounting Practice, Keeping Proper Transaction Records, and Compliance with Tax Law As Employees of the Mitsui Chemicals Group Compliance with Bylaws, Etc. Confidentiality Obligations, Company Information Management and Privacy Protection Respect of Company Property/Honest and Accurate Report on Travel Expenses, Entertainment Expenses, Etc. 	20 22 24 26 28 30 32
V	 Compliance with Antitrust Law Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law To Shareholders and Investors Prohibition of Insider Trading Proper Accounting Practice, Keeping Proper Transaction Records, and Compliance with Tax Law As Employees of the Mitsui Chemicals Group Compliance with Bylaws, Etc. Confidentiality Obligations, Company Information Management and Privacy Protection Respect of Company Property/Honest and Accurate Report on Travel Expenses, Entertainment Expenses, Etc. Prohibition of Discrimination, Power Harassment and Sexual Harassment 	20 22 24 26 28 30 32 34 25