

## Responsible Care

### Responsible Care Policy

The Mitsui Chemicals Group has established a basic policy on Responsible Care (RC).

The Mitsui Chemicals Group, based on its corporate missions and action guidelines, acknowledges its business challenge is not only to comply with laws and regulations of the countries in which it does business, but to continuously contribute to the improvement of safety, health, the environment, and quality, for the sustainable development of society. We will expand our business focus while continuing to improve and maintain good communication with all our stakeholders and business partners.

- We pledge safety is our top priority and focus on achieving zero accidents and occupational injuries.
- We make efforts to assess risks of our products throughout their life cycles to ensure the health and safety of all persons and to protect the environment by reducing their environmental impact.
- We contribute to improving quality of life and protecting the environment through our business activities by developing beneficial technology and products.
- We provide high quality products and services that satisfy customer needs and respond to the trust that they place in us.
- We actively promote the well-being of all our employees.

### RC Activities

The Mitsui Chemicals Group has defined six performance fields in which it engages in RC activities. These fields are: “environmental protection,” “process safety and disaster prevention,” “occupational health and safety,” “chemical safety,” “quality,” and “transport safety.”



For detailed information, please refer to the Company's website: <http://www.mitsuichem.com/csr/index.htm>

### RC Promotion

Under the direction of the senior managing executive officer who serves as chairman of the RC Committee, RC Committee members—consisting of the general managers who are responsible for each of the six RC performance fields as well as the general managers of business sectors—are tasked with periodically implementing RC activity-related policies, strategies, and plans as well as undertaking performance evaluations and conducting reviews of the RC system across the organization as a whole. Discussions and topics covered at each meeting are approved by the Management Committee with steps taken to ensure executives' commitment to RC activities. Every effort is made to share and thoroughly promote policies, strategies, and plans on a Group-wide basis. Based on these policies, strategies, and plans, RC activities are carried out by individual departments, including works and business divisions.

■ **The Responsible Care Global Charter and Shiodome Manifesto**  
On behalf of Mitsui Chemicals, President & CEO Tsutomu Tannawa once again signed the Responsible Care Global Charter following its revision in 2014, reaffirming the commitment to Responsible Care of the entire Mitsui Chemicals Group, including subsidiaries and affiliates in Japan and overseas. To ensure that this commitment is upheld, Mitsui Chemicals formulated the Responsible Care Shiodome Manifesto, a declaration that states the Company's Responsible Care policy and sets out frameworks for subsidiaries and affiliates based on the articles of the Responsible Care Global Charter. The manifesto was prepared in Japanese as well as English and Chinese to facilitate understanding among local employees, the presidents of all Group subsidiaries and affiliates that fall within the scope of Responsible Care support, all of whom signed the document in an acknowledgement of their commitment.

### ■ A Network that Spans Five Countries and Regions and SHE\* Meetings

In order to contribute to sustainable development through the promotion of responsible care, the Mitsui Chemicals Group has built a network that spans the five countries and regions of Japan, China, Asia, Europe, and the United States. This initiative facilitates the timely collation and analysis of information, including updates on environmental policies collected from each region as well as rollout across the Group.

In addition, the Company holds SHE\* meetings for each region that are attended by the RC officers of each subsidiary and affiliate. These meetings serve as a forum to communicate the status of activities and best practices as well as to promote improvements in such areas as occupational health and safety as well as environmental protection.

\* SHE: Safety, Health, and the Environment



The Responsible Care Global Charter



Shiodome Manifesto



Mitsui Chemicals has been included in leading global socially responsible investment indices.



FTSE4Good



August, 2016

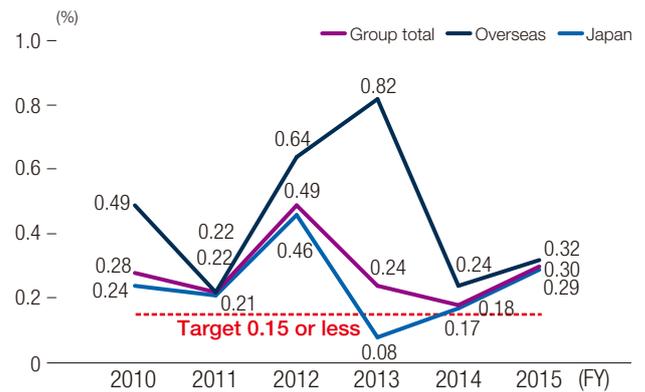
## Topic ① Initiatives Aimed at Preventing Accidents and Occupational Injuries

Guided by a management policy that makes safety a top priority, the Mitsui Chemicals Group as a whole is committed to preventing accidents and occupational injuries. At the same time, every effort is made to improve the Group's ability to ensure process safety and prevent disasters.

The Group continues to reflect seriously on the tragic accident that occurred at the Iwakuni-Ohtake Works in fiscal 2012. We remain committed to implementing all appropriate countermeasures and to promoting fundamental safety initiatives in a bid to prevent this kind of accident from ever happening again. Naturally, with the goal being to completely eliminate the incidence of major accidents, the Mitsui Chemicals Group targets a work-related significant occupational injury (WSOI)\* frequency rate of 0.15 for a world class level of safety.

In fiscal 2015, there were no serious accidents but the WSOI frequency rate rose to 0.30, as nearly half of all incidents that did occur involved workers being caught in mechanical equipment due to a lack of strict adherence to basic safety protocols. To address this issue in fiscal 2016, Mitsui Chemicals will further promote occupational injury prevention initiatives in this area.

WSOI Frequency Rate



- \* Mitsui Chemicals' definition of a work-related significant occupational injury (WSOI):
- An occupational injury that is directly related to operating activities and that resulted in days away from work or loss of life
  - A case leading to restricted work or transfer or a case requiring medical treatment where the cause is considered to be serious with the potential to lead to the loss of life or days away from work
  - Work-related significant occupational injury frequency rate: The number of deaths or WSOIs per million hours worked

## Topic ② Initiatives Aimed at Reducing Greenhouse Gas Emissions and Energy Consumption

Under the 2014 Mid-Term Business Plan, the Mitsui Chemicals Group has identified the goal of reducing greenhouse gas (GHG) emissions in Japan by 22% (compared to fiscal 2005, operating at full capacity) by fiscal 2016. In order to achieve this goal, the Group is actively promoting energy saving initiatives, taking steps to switch to alternative fuels, and developing innovative process technologies.

With the goal of reducing GHG emissions by 10,000 tons, the Group undertook thoroughgoing energy reduction efforts at its Works, including improving thermal energy recovery and enhancing refining efficiency. As a result of these endeavors, the Group was able to cut GHG emissions by 40,000 tons in fiscal 2015. Although the Group reduced energy use and shut down certain production facilities to reduce GHG emissions in compliance with Japan's Law Concerning the Promotion of Measures to Cope with Global Warming, actual emission volumes rose compared with last year due to increases in operating rates at large plants and the addition of NF<sub>3</sub> to the scope of the aforementioned law. Based on full capacity operations and including NF<sub>3</sub> emissions in calculations, the Group recorded an 18% reduction in emissions reductions compared with fiscal 2005.\*\*\*

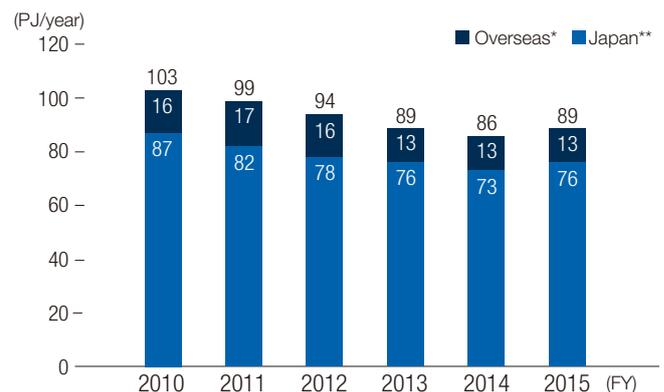
Moreover, the Group's average energy use per unit improved 2.3% over a five-year period owing to efforts to meet targets established under the Energy Conservation Law (reduce non-consolidated energy consumption per unit by over 1% annually over the mid to long term).

Turning to initiatives that contribute to the reduction of GHG emissions throughout society, one of Japan's largest hybrid solar and wind power joint projects commenced commercial operations in October 2014 in Tahara City, Aichi Prefecture.

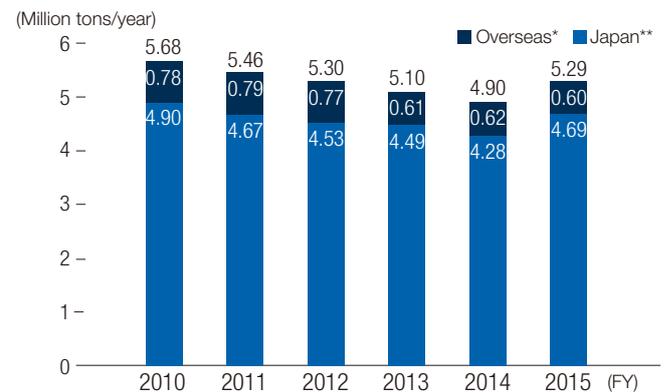
Mitsui Chemicals also calculates indirect CO<sub>2</sub> emissions (Scope 3) in conjunction with Scope 1 and Scope 2 emissions attributable to its business and production activities in order to identify GHG emissions along the entire supply chain, from the purchase of raw materials and after-sale product usage to disposal.

<b>Scope 1</b>
Direct emissions attributable to the use of fuels and plant processes.
<b>Scope 2</b>
Indirect emissions attributable the use of purchased energy and heat.
<b>Scope 3</b>
All other indirect emissions.

Energy Consumption



Greenhouse Gas Emissions



\* Overseas: GHG emissions calculated in accordance with Japan's Law Concerning the Promotion of Measures to Cope with Global Warming (2005 Amendment) based on energy consumption figures for overseas consolidated subsidiaries. (22 companies in FY2015)

\*\* Japan: Six manufacturing sites and domestic consolidated subsidiaries (15 companies in FY2015)

\*\*\* Management targets based on operations at full capacity  
Graph display based on operating results

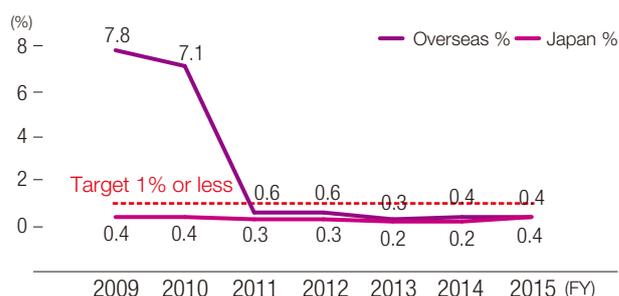
### Topic ③ Initiatives Aimed at Minimizing Industrial Waste

The Mitsui Chemicals Group is working to reduce the amount of industrial waste sent to landfill by promoting the 3Rs (Reduce, Reuse, Recycle). Our commitment to minimize\* industrial waste at all domestic manufacturing sites remains unchanged. We have also maintained the ongoing target of reducing the average landfill rate for industrial waste at overseas affiliates to below 1%.

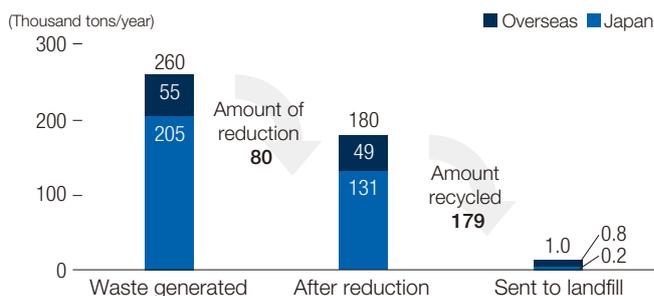
We were again successful in achieving our minimization goal at all domestic manufacturing sites, including domestic affiliates\*\* in fiscal 2015, an unbroken record that has continued since fiscal 2011. Moreover, the Group has maintained an average landfill rate for industrial waste at overseas affiliates\*\* of under 1% since fiscal 2009 with the rate coming in at around 0.4% in fiscal 2015. Efforts to promote minimization overseas are hindered by a variety of issues. This is largely attributable to differences in industrial waste disposal legislation and the structure of industry from country to country. Each Group company is working vigorously to promote resource recycling while reducing the amount of waste. The Group as a whole is working in unison to reduce the amount of industrial waste sent to landfill.

\* Maintaining a landfill disposal rate of 1% or less of industrial waste generated.  
 \*\* Domestic and overseas affiliates refer to production sites operated by consolidated subsidiaries and companies eligible for RC support (22 companies in Japan and 23 companies overseas).

Average Landfill Ratio for Industrial Waste



Progress in Reducing Industrial Waste Disposal (Fiscal 2015)



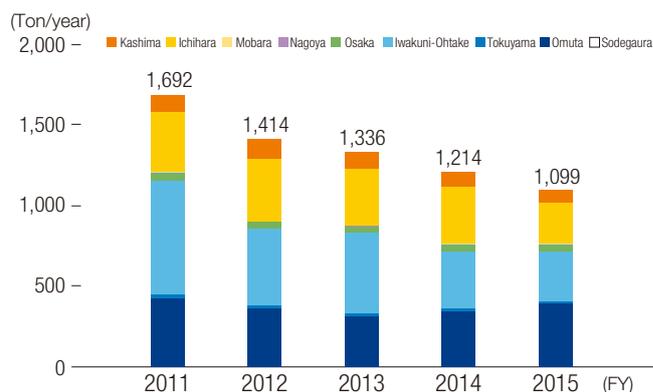
### Topic ④ Initiatives Aimed at Preserving Air and Water Quality

The Mitsui Chemicals Group continues to promote efforts aimed at preserving air and water quality and maintains emission levels of hazardous air pollutants as well as water contaminants, including chemical oxygen demand (COD), nitrogen and phosphorus, well below the required limits set under Japan's Air Pollution Control Act and all other applicable legal and regulatory requirements.

In addition, we submit a report to the Japanese government each year declaring the amounts of designated substances produced or used by the Company that were released into the environment or transferred elsewhere 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\* Act). The amount of emissions fluctuated between manufacturing sites in line with operating levels. In overall terms, emissions declined in fiscal 2015.

As the required level of chemicals management continues to increase, we will engage in thoroughgoing activities aimed at managing and reducing emissions in the future.

Emissions of Substances Subject to the PRTR Act



\* PRTR: Pollutant Release and Transfer Register

### Topic ⑤ Awards for Our Responsible Care Activities

Ichihara Works has been actively undertaking responsible care activities and contributing to the local community on an ongoing basis for many years in an effort to be a reliable and safe production facility for various stakeholders. In recognition of its efforts, Ichihara Works received the Responsible Care Award from the Japan Chemical Industry Association (JCIA) in May 2016.

In Singapore, Mitsui Phenols Singapore Pte. Ltd. (MPS) was presented the RC Award by the Singapore Chemical Industry Council (SCIC) in the health and safety category in recognition of MPS's outstanding track record of success in this area.

