

Corporate Governance

Basic Philosophy

As a key management issue, Mitsui Chemicals places the highest priority on enhancing corporate governance in order to retain the trust of shareholders and to fulfill its social responsibilities as a company. Accordingly, we ensure compliance with relevant laws and regulations and work continually to improve management transparency. As illustrated in the diagram below, Mitsui Chemicals has established a system that ensures that major decisions are implemented only after thorough discussion and examination by relevant committees and that all such decisions are compliant with relevant laws and Company regulations. Overseen by the Internal Control Division and the Risk & Compliance Committee, our internal control system emphasizes the corporate auditor function. Moreover, to enhance the effectiveness of corporate governance, we actively promote investor relations and public relations activities involving the disclosure of information to shareholders, investors, analysts, the media and others.

Composition and Management of the Board of Directors

Chaired by the President and CEO, Mitsui Chemicals maintains a Board of Directors that comprises 15 directors as of June,24,2009.

In addition to its monthly ordinary meetings, the Board of Directors holds extraordinary meetings on an as-required basis. A total of 12 meetings were held during the fiscal year ended March 31, 2009.

Three outside executives are appointed to the Board of Directors with the aim of enhancing transparency and objectivity. This initiative also serves to strengthen the Board's ability to adequately monitor directors in their execution of business. To the extent possible, directors are required to attend Board meetings, at which they collectively reach decisions regarding major matters touching on management and oversee individual directors' execution of duties. With members boasting diverse backgrounds and experience in such areas as the legal profession, academia and finance, Board of Directors' meetings provide a forum for lively discussion and debate broadly based on the perspectives of governance and compliance.

In order to clarify the division of responsibilities between management oversight and business execution, Mitsui Chemicals has adopted an executive officer system. This system helps to accelerate the management decision-making process, facilitates the smooth and timely business execution of each division and further strengthens and enhances the Company's management structure and systems.

Corporate Governance Diagram



