Mitsui Chemicals



Mitsui Chemicals Group ESG Report 2025

Contents

Top Page **5**

CEO Message **7**

Message from the Officer in Charge **11**

Sustainability in the Mitsui Chemicals Group **13**

Sustainability Management 14
Management System 14
Stakeholder Engagement 19
Support Initiatives 21

Our Material Topics 24
Material Topics and VISION 2030 24
Materiality Process 25
Non-Financial Metrics 34

Endeavor to Create a Circular Economy 37
Management System 37
Climate Change Policy 39
Carbon Neutral Strategy 41
Biomass Strategy and Recycling Strategy 44
Implementing the Recommendations of the TCFD 50

Blue Value™ / Rose Value™ 56
Management System 56
Blue Value™ — Environmental Contributions 60
Rose Value™ — QOL Improvement Contributions 63
Blue Value™ and Rose Value™ Products and Services 65

Risk and Compliance **69**

Risk Management 70
Management System 70
Initiatives 76

Compliance Management 79
Management System 79

Initiatives 82
Global Whistleblowing System 85
Compliance Training 87
Bribery Prevention 93
Tax 95
Information Security 99
Management System 99
Initiatives 101

Responsible Care 102

Responsible Care Management 103
Management System 103
Roll Out Globally 117
Safety and Prevention 119
Management System 119
Initiatives to Prevent Major Accidents 122
Accidents and Occupational Injuries 127
Safety Education and Training 132
Plant Operation Technology Training Center 135
Environmental Protection 138
Management System 138
GHG and Energy 141
Industrial Waste 146
Environmentally Hazardous Substances 149
Water 152
Biodiversity 155
Environmental Accounting/Compliance 158
Product Stewardship 160
Management System 160
Regulatory Compliance
and Providing the Safety Use Information 163
Providing Safe Products 165
Training 168
Quality of Products and Services 169
Management System 169

Initiatives 172
Logistics 174
Management System 174
Safety and Quality in Logistics 177
Stable Transportation (Sustainable Logistics) 181
Occupational Health 186
Management System 186
Health-Focused Management 188
Preventing Exposure to Harmful Substances 193

Engagement with Society 195

Respect for Human Rights 196
Management System 196
Initiatives 199
Sustainable Procurement 203
Management System 203
Supplier Evaluation and Guidance for Improvement 210
Participating in Initiatives 226
Human Resources Management 228
Management System 228
Human Resource Portfolio Transformation 233
Employee Engagement 240
Corporate Culture Transformation 250
Social Activities 261
Management System 261
Working in Harmony with Local Communities 263
Nurturing Future Generations 267
Environmental Conservation 270
International Exchange and Cooperation 273
Support for Employees' Participation in Social Activities 275
Disaster Relief 278

ESG Performance Data 280

Environment 280
Society 287
Governance 293

Others 294

Guideline Cross-Reference Tables 295
External Assessments and Sustainable Finance 309
External Assessments 309
Sustainable Finance 312
Editorial Policy 314

Sustainability

What we call "Sustainability"

Grow and develop sustainably together with society
through achievement "our ideal future society"







Sustainability in the Mitsui Chemicals Group

- Message from the Officer in Charge
- Sustainability Management
- Our Material Topics
- Endeavor to Create a Circular Economy
- Blue Value™ / Rose Value™

Risk and Compliance

- Risk Management
- Compliance Management
- Tax
- Information Security

Responsible Care

- Responsible Care Management
- Safety and Prevention
- Environmental Protection
- Product Stewardship
- Quality of Products and Services
- Logistics
- Occupational Health

Engagement with Society

- Respect for Human Rights
- Sustainable Procurement
- Human Resources Management
- Social Activities

List of Policies

Corporate Governance

ESG Performance Data

- Environment
- Society
- Governance

Others

- Editorial Policy
- Guideline Cross-Reference Tables
- External Assessments and Sustainable Finance
- ESG Information Archives

Sustainability News

2025.10.31Annual update has been made to our Sustainability Website.

2025.10.23Video Recording of ESG Presentation in September 2025

2025.10.22Q&A Summary for September 2025 ESG Presentation(PDF : 214.7KB)

Read more

Notice



CEO Message for Women's Empowerment



Human Resources Management



Annual Report

Features



BePLAYER™ / RePLAYER™



Clean-up Caravan



The Protecting Our World Natural Heritage Project

External Evaluation

Sustainability Yearbook Member

FTSE4Good

FTSE Blossom Japan Index

FTSE Blossom Japan Sector Relative Index

MSCI Selection Indexes Constituents 2025

2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

2025 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

S&P/JPX Carbon Efficient Index

JPX-NIKKEI HC100

2025 Sompo Sustainability Index

DBJ健康格付 2021

エコレールマーク

SILVER | Top 15%
ecovadis
JUN 2025

View less

CEO Message

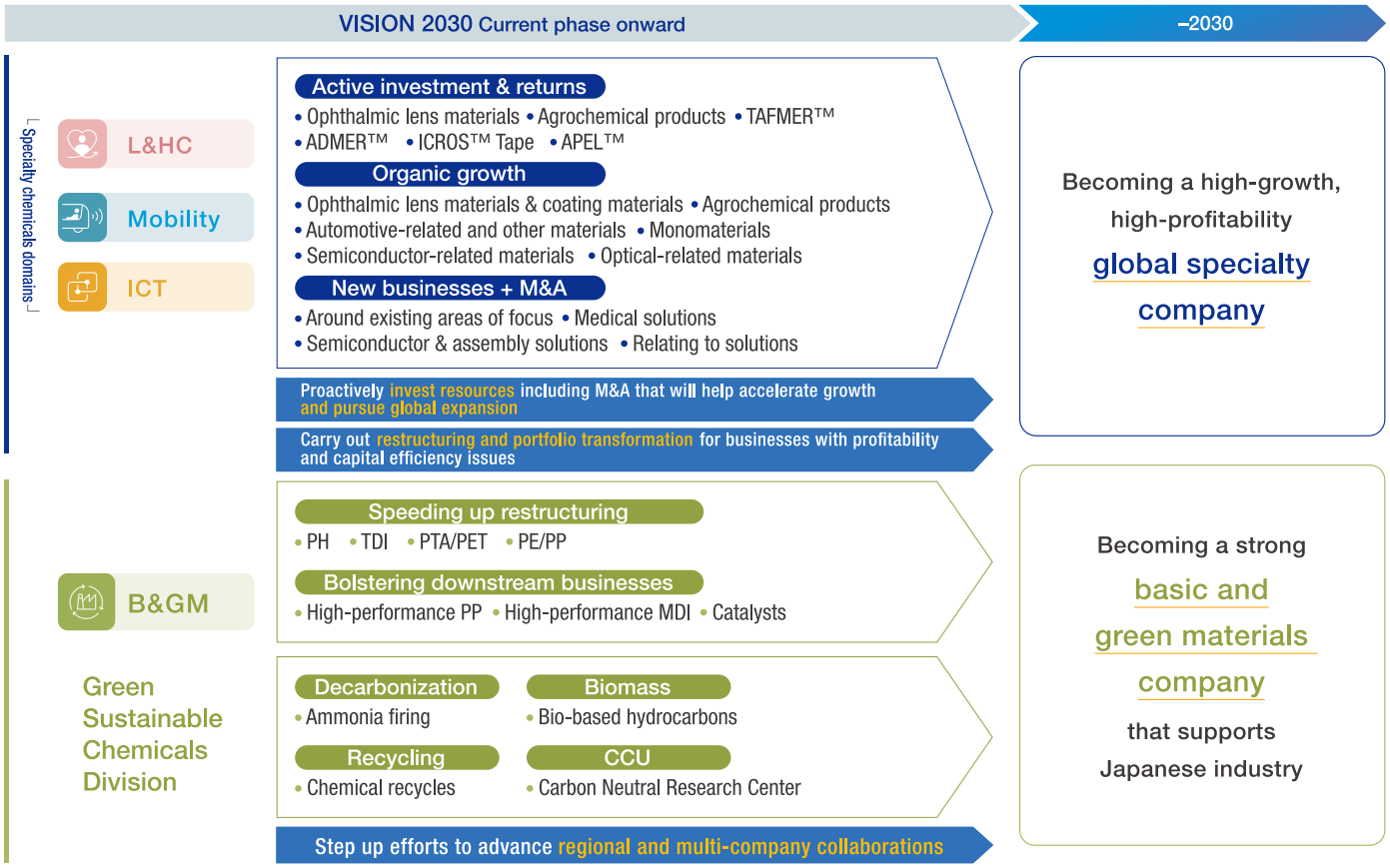


– Reflections on fiscal 2024 performance and key challenges –

Taking swift action to address emerging challenges and return to a growth trajectory.

In fiscal 2024, the Mitsui Chemicals Group achieved year-on-year growth in both revenue and profit, driven by our solid expansion in the specialty chemicals domains. However, due to the impact of a plant-related issue, we were unable to achieve the level of profit expansion we had initially projected. I recognize that while our specialty chemicals domains continue to grow steadily, the pace has yet to meet our initial expectations. I also view improving capital efficiency as an urgent and critical priority, given the low level of net income attributable to owners of the parent relative to operating income before special items.

Looking back at our initiatives in fiscal 2024, we advanced restructuring measures in the Basic & Green Materials (B&GM) business as planned, including studies aimed at optimizing cracker operations. In western Japan, we have been working toward the optimization of our production system and the transition to carbon neutrality in ethylene manufacturing facilities, through a three-company collaboration with Asahi Kasei Corporation and Mitsubishi Chemical Corporation. Based on ongoing deliberations, including potential applications for the Green Innovation Fund, I expect that we will be able to finalize a concrete grand design within fiscal 2025. I recognize that we are also making solid progress in restructuring our derivatives operations in both Japan and overseas, including bringing forward a certain facility shutdown ahead of schedule. At the same time, we are facing rising cost pressures across the Mitsui Chemicals Group, particularly in labor and facility maintenance. I view the improvement of our cost structure through stronger cash flow management as an urgent priority in our efforts to enhance capital efficiency. Going forward, we must accelerate our business portfolio transformation through focused resource allocation, with a greater emphasis on capital efficiency, to return to a growth trajectory and move toward becoming a global specialty company.



– Current business environment and future management direction –

Accelerating our business portfolio transformation with a shared sense of urgency across the Group amid an increasingly challenging landscape.

In today's global business environment, the rise of competitors—particularly in China—is exerting a significant impact. In the petrochemicals sector in particular, global markets are experiencing excess supply due to China's capacity expansion. In addition, the country has been rapidly catching up in terms of technological capabilities in high-end fields, and is becoming an increasingly significant competitive threat across a broad range of applications, including semiconductor, automotive, and healthcare.

Against this backdrop, we announced our intention to split off the B&GM business at our CEO Presentation on May 30, 2025. Over the past two to three years, we have conducted extensive internal discussions regarding the potential split. What led us to make this announcement at this juncture is the growing recognition, amid global shifts, of the urgent need for transformation across the chemical industry. Another key factor behind this announcement is that, having made progress in restructuring through our own efforts, we as a Group are now firmly convinced that our next step must be to build a strong business entity with robust domestic competitiveness and ample resources. To make this vision a reality, accelerating partnerships with other companies and industry realignment will be essential. In addition, B&GM differs from our specialty chemicals domains in terms of strategic objectives and required decision-making speed. While our specialty chemicals domains are focused on succeeding in fierce global competition, B&GM aims to become Japan's leading basic and green materials company by supporting a wide range of domestic customers—including from an economic security perspective—and realizing the shift toward green chemicals as an essential industry. These differences call for a distinct governance structure, and we have therefore set a target to complete the split by around 2027. This sense of urgency is shared both within and beyond the chemical industry, and I believe that the pace of transformation will only continue to accelerate going forward.

At the same time, we also anticipate intensifying global competition in our specialty chemicals domains. For example, Japan's manufacturing industry has historically succeeded with a business model that integrates both upstream and downstream operations. In recent years, however, emerging companies from China and other parts of Asia are on the rise even within downstream fields where Japanese firms once held a clear advantage. This is already evident in sectors such as automotive, semiconductors, and steel—and similar seismic shifts are now underway in the chemical industry as well. To remain competitive in this environment and pursue our vision of becoming a global specialty company, we must accelerate forward-looking development. Strengthening the fundamentals—technology, talent, capital, and other resources—through alliances and M&A will be our top strategic priority in the specialty chemicals domains.

– Key challenges and strategies in specialty chemicals domains –

Expanding our business globally through continued proactive investments while remaining mindful of capital efficiency.



While the overall growth rate of our specialty chemicals domains since fiscal 2019 has not reached the level we initially expected, Life & Healthcare Solutions (L&HC) is currently growing steadily at around 18%, and Mobility Solutions at approximately 9%. We believe both businesses are firmly on track to meet their targets. On the other hand, for ICT Solutions, we have set a target of doubling the current growth rate by fiscal 2030. Achieving this will require improved capital efficiency and focused, selective investment in key businesses. In 2025, we invested in Shinko Electric Industries to lay the groundwork for business expansion in semiconductor packaging materials—a field where demand is expected to grow significantly. Shinko brings strong capabilities in evaluation technologies for semiconductor manufacturing processes, and we see significant potential for synergies with our own materials technologies, particularly in back-end processes. To strengthen our presence in front-end processes of semiconductor manufacturing as well, we are also exploring additional M&A opportunities as needed.

As the global market landscape is undergoing significant changes due to the shifts in the business environment described above, it is becoming increasingly essential to accelerate the global expansion of our specialty chemicals domains, including into emerging markets. We must move away from our historically centralized structure, in which local market intelligence was first brought back to Japan for investment decisions and R&D. Going forward, we will accelerate our regional strategies by advancing localization—integrating production, sales, and R&D within each region—to respond to local needs with greater speed and precision. Under this policy, we will delegate greater authority to our regional headquarters, enabling them to take on strategic functions, including promoting collaboration with affiliates and overseeing R&D. One example of this commitment is the appointment of Antonios Grigoriou, President of Mitsui Chemicals America, as Business Sector Vice President of L&HC. This move reflects both the growing importance of the U.S. healthcare market and our focus on future expansion. Another critical initiative is breaking down silos between business sectors. By shifting away from individually optimized operations toward a more integrated management model, we aim to share assets across businesses wherever possible and enhance efficiency on the operational front. To support these efforts, our newly established Regional Strategy Division, inaugurated in 2025, will play a central role in formulating roadmaps and milestones and ensuring the swift execution of concrete measures. Additionally, the CxO Working Group, launched in 2024, has been conducting focused discussions across business sectors to drive functional strategies under each CxO's leadership.
While accelerating the execution of these initiatives, we will also take concrete steps to improve capital efficiency. To that end, it is essential not only to enhance our earning power via revenue growth but also to practice more rigorous cash flow management than ever before. We will thoroughly review the outcomes of our past investments and promptly take corrective action for any businesses or affiliates that are not generating returns commensurate with the capital invested. With a more stringent and systematic approach than in the past, we will re-evaluate the positioning of each business, including affiliates. For areas with profitability or capital efficiency issues, we will establish restructuring milestones, monitor progress annually, and, where appropriate, consider exploring more suitable owners. By thoroughly implementing these initiatives, we will move closer to achieving our numerical targets, including ROIC and ROE. In terms of cash allocation, we aim to increase our dividend levels by generating and expanding free cash flow. This, in turn, could make it possible for us to further raise our dividends on equity (DOE) target—a key focus for the Group's dividend policy—from the current 3% to the 4% range.

– Promoting new business and product development –

Driving a shift toward design thinking across all Group businesses to realize a solutions-based business model.

Since the announcement of VISION 2030, we have continued to increase investment in building solutions-based business models and in developing new products and businesses. However, I recognize that the results achieved so far have not been fully satisfactory. One of the main reasons is that our approach to business creation has remained largely within the bounds of a conventional B2B mindset. In developing B2C businesses, or B2P (business-to-professional) businesses that are central to L&HC such as oral care, it is essential to adopt a downstream perspective—one that reflects the standpoint of consumers and actual users of our products and services. The appointment of OMOTE Toshihiko as our new CTO, who brings deep expertise in these areas, is part of our broader efforts to accelerate this shift. In alignment with the regional strategy mentioned earlier, we are also reallocating R&D resources—including talent—closer to the markets and consumers. Equally important is moving away from the conventional business of supplying materials focused solely on aligning with immediate customer needs, and instead prioritizing business design from the outset. A case in point is our 2024 investment in Glydways. Our collaboration began by aligning on a shared vision for the company's envisioned next-generation transportation system, including its overall concept and ultimate form. We then identified areas—from development through to maintenance and recycling—where our Group could contribute, and adopted a holistic approach to deliver a full suite of materials and technologies. This kind of approach—first gaining a comprehensive understanding of

the overall business, then pinpointing where our strengths can be applied—is key to building strong, defensible competitive advantages that are difficult for others to replicate. This way of thinking is steadily taking root within the Mitsui Chemicals Group. Under the leadership of CTO Omote, we intend to expand this mindset beyond the New Business Incubation Center, where promising ventures have already begun to take shape, and embed it across all business segments.

– Status of non-financial KPIs and our approach to sustainability –

Believing that sustainability lies at the very heart of our business, we are committed to it with sincerity.



While we have generally met the annual targets for the non-financial KPIs set under VISION 2030, I believe it is essential to continuously assess whether these indicators are genuinely linked to financial metrics.
One particularly important set of KPIs for the Group—also factored into executive compensation—is the sales revenue ratios of Blue Value™ and Rose Value™ products. However, these ratios have recently shown signs of slowing growth. As these KPIs are fundamentally underpinned by the performance of new business and product development, I believe they will naturally improve as design thinking becomes further embedded throughout the Group and the pace of innovation accelerates.
Moreover, regarding the material topics of safety and stable production, the 2024 plant incident had a substantial impact on our financial performance. In response, we plan to rapidly reinforce our production technology framework and to undertake a comprehensive review that extends beyond technology to include our work styles and organizational structure. In other words, non-financial indicators such as safety and stable production also serve as measures of how well the organizational foundation supporting them is in place.

While we have not yet reached fully satisfactory levels in human capital-related KPIs such as the ratio of women in management positions and the number of executive officers with diverse backgrounds, we are making steady progress in advancing diversity. On the other hand, our employee engagement score in fiscal 2024 remained at the same level as the previous fiscal year, and we are currently analyzing the underlying causes for not meeting our target. However, one encouraging sign is improvement in the STRIVE category, which is strongly correlated with employee productivity. To support our digital transformation, we launched a new data scientist and specialist program in 2025. This initiative is designed to ensure appropriate compensation for highly skilled digital professionals and to create an environment where they can fully demonstrate their abilities. In addition, under the CxO Working Group, we are discussing enhancements to recruitment and development programs for professionals, as well as designing more flexible HR systems that accommodate employees' various life stages.
While there has been some recent backlash against ESG initiatives in regions such as the United States, the Mitsui Chemicals Group's view on material topics and sustainability is neither transient nor merely a means of driving business or management. Rather, it represents a fundamental corporate policy and sits at the core of our management approach. As such, I see no need to alter this stance.

– My mission as CEO –

Fulfilling our responsibilities as a corporate group and living up to the expectations of all our stakeholders.

I believe that building a company where both the organization and its employees grow together is vital. Beyond that, I see it as my responsibility as CEO to take a broader view—one that includes shareholders and all other stakeholders—enhancing corporate value while clearly communicating the direction our Group is pursuing, and guiding our journey in a way that earns their confidence and support. I also believe that our relationships with stakeholders should be built on equal footing. In line with this belief, we have introduced a stock incentive plan for employees, creating an environment in which they can share the same perspective as our shareholders and think in alignment with them. This fundamental mindset serves as a guiding principle behind our management planning framework, and it will remain unchanged. In 2025, we announced our intention to split off the B&GM business, marking a major policy shift for the Mitsui Chemicals Group. The announcement prompted significant responses from top executives of chemical companies around the world. This reaffirmed the magnitude of the decision and reminded me of the expectations placed on our Group—and the weight of the responsibility we carry. The announcement renewed my conviction that we must build a company in which all stakeholders—including our employees and shareholders—can place their full confidence. It strengthened my resolve to see that mission through to completion. Our business portfolio transformation remains a work in progress. Even amid an increasingly challenging external environment, we are committed to taking swift and necessary actions toward becoming a global specialty company with a strong global presence. Through these efforts, we aim to deliver tangible results and live up to your expectations.

Message from the Officer in Charge

Making Sustainability a Personal Matter

Since establishing our Corporate Sustainability Policy in 2018 and creating the Corporate Sustainability Division and Corporate Sustainability Committee, Mitsui Chemicals has been addressing a variety of challenges in line with broader societal trends in ESG. We have received external recognition for these initiatives, and we believe some of these initiatives are now industry-leading.Going forward, we will continue to build on these achievements and pursue initiatives that respond to society's evolving demands.
However, we recognize that these initiatives, which were undertaken in response to societal demands and praised externally, are not yet fully understood within the company, and that our employees have not yet come to take personal ownership of these efforts. Our key challenge is to help every employee see how sustainability initiatives contribute to our non-financial KPIs and future profitability, and in turn, to translate that understanding into their own individual work.
To that end, we will continue our existing training programs and activities like the ESG Link Café*, while also creating more opportunities for dialogue than ever before. Through this dialogue, we aim to cultivate an understanding that our company's sustainability is built on the personal commitment and daily actions of every single employee. We will also provide more opportunities for them to connect sustainability directly to their own job responsibilities.



* ESG Link Café :
An interactive, voluntary online event for all employees, based on the concept of "a place where anyone can feel free to join."

Key Communication and Engagement Tools

Internal and external communication

Briefings
For media & investors

- CEO Explanation Business Results & Outlook
  Held regularly (twice/year)
- ESG Presentation
  Since 2022 (once/year)

Reports Website

- Mitsui Chemicals Report
  Integrated report
  Updated regularly (once/year)
- ESG Report
  ESG information
  Updated regularly (once/year)
  + updated as needed

Internal awareness and engagement

Intranet In-house newsletter

- Intranet Corporate Sustainability Division portal
  Explanation of various topics Updated as needed
- MCI Net (in-house newsletter)
  Introduction of activities

Company-wide meetings
Discussion of issues surrounding sustainability

- Board of Directors
  Discussion of important matters
  Committee reports:
  Regularly (once/year)
- Management Committee
  Discussion of important matters
  Reports from the Corporate Sustainability Committee (at every meeting)
- Company-wide Strategy Committee
  Discussion on the direction of our response
- Corporate Sustainability Committee
  Discussion and reporting on the direction of our response
  Held regularly (4 times/year)
- Management Liaison Committee
  Reports from the Corporate Sustainability Committee (at every meeting)
  Dissemination of specific items to each division

E-Learning

- Sustainability Policy and Approach within the Group
  Mandatory
- Business and human rights
  Mandatory

Training

- New Employee Training
- Mid-career Hire Training
- Lectures
- Training requests from various divisions
- Etc.

Dialogue

- ESG Link Café
- Presidents Meetings of Domestic Group Companies
- Presidents Meetings of Overseas Affiliates
- RC Officer meetings
- Dialogue requests from various divisions
- Etc.

Climate Change Initiatives

Looking ahead to 2030, we are now on track to achieve our VISION 2030 non-financial target of a 40% reduction in GHG emissions. This will be largely driven by the shutdown and downsizing of facilities to optimize production, including the consolidation of our naphtha crackers to a single unit in the Keiyo area, as well as the development of ammonia combustion technology at our Osaka Works and the adoption of renewable energy. Energy conservation is at the core of our efforts leading up to 2030, and we are rigorously implementing energy-saving measures at our production sites.
However, looking beyond 2030, fundamental measures for low-carbonization and decarbonization will be required, necessitating large-scale capital investment. Our Group is committed to steadily implementing initiatives to achieve our major goal of carbon neutrality by 2050. While the adoption of new technologies like CCUS and the transition to renewable fuels are key priorities, there are limits to what we as a company can achieve alone. Therefore, we will also strive to collaborate with other companies and regional partners to advance these efforts.
To address Scope 3 emissions, we have expanded our calculation and disclosure to include major consolidated subsidiaries, moving beyond just Mitsui Chemicals. We have also revised our operational workflows to enable more timely data disclosure for the most recent fiscal year. By further expanding the scope of our calculations and improving the accuracy of our methods, we will gain a more precise understanding of our environmental impact throughout the supply chain, enabling better assessment and management.

Carbon Neutral Strategy >
GHG and Energy >

Expanding Our Blue Value™ and Rose Value™ Products and Services

Our Blue Value™ and Rose Value™ products and services, which contribute to the environment and improve quality of life, continue to grow steadily, although the pace of expansion has recently slowed somewhat. We use the sales revenue ratio of these certified products as a non-financial indicator to track our business portfolio transformation. As of fiscal 2024, this ratio reached 26% for Blue Value™ and 25% for Rose Value™.
To achieve the 40% target set for 2030 in our VISION 2030, we are holding ongoing discussions in forums like the Corporate Sustainability Committee about initiatives to expand our lineup of Blue Value™ and Rose Value™ products and services. As we advance product development that addresses new technologies and customer challenges through our business portfolio transformation, we are accelerating these efforts, and we believe our Blue Value™ and Rose Value™ offerings will naturally grow.
The Corporate Sustainability Division, which serves as the secretariat, will also work to update the framework to ensure we can properly assess each business division's growth strategies and efforts to solve key social challenges.

Blue Value™ / Rose Value™ >

Our Commitment to Advancing Sustainability

Recently, we have seen a trend known as the “ESG backlash,” where momentum behind sustainability is slowing due to economic downturns and other factors. Nevertheless, our Group will steadfastly continue its efforts to integrate sustainability into our management and strategy. For example, as part of our commitment to respecting human rights, we began conducting due diligence at our manufacturing sites in fiscal 2024 and will ensure its continued implementation in fiscal 2025. While remaining fully aware of societal trends, we will determine the right course of action and advance steadily, one step at a time. We will strive to help all our stakeholders understand our initiatives, while also cultivating an environment where every employee is personally committed to advancing sustainability through their daily work.

Sustainability in the Mitsui Chemicals Group



Sustainability Management

- Management System
- Stakeholder Engagement
- Support Initiatives

Our Material Topics

- Material Topics and VISION 2030
- Materiality Process
- Non-Financial Metrics

Endeavor to Create a Circular Economy

- Management System
- Climate Change Policy
- Carbon Neutral Strategy
- Biomass Strategy and Recycling Strategy
- Implementing the Recommendations of the TCFD

Blue Value™ / Rose Value™

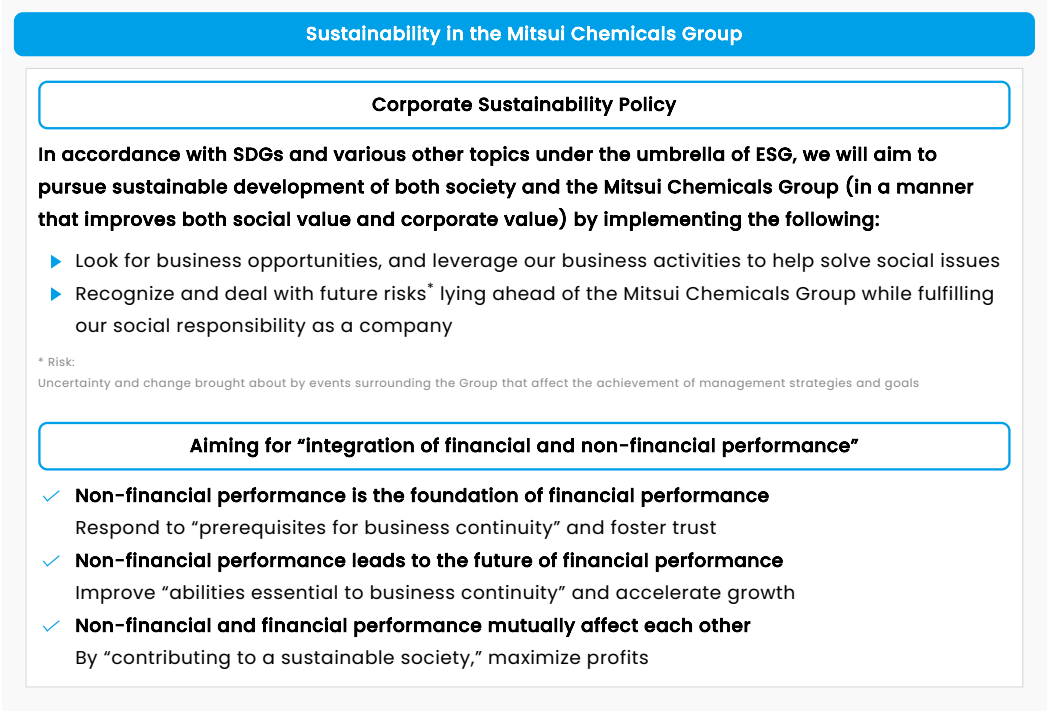
- Management System
- Blue Value™ — Environmental Contributions
- Rose Value™ — QOL Improvement Contributions
- Blue Value™ and Rose Value™ Products and Services

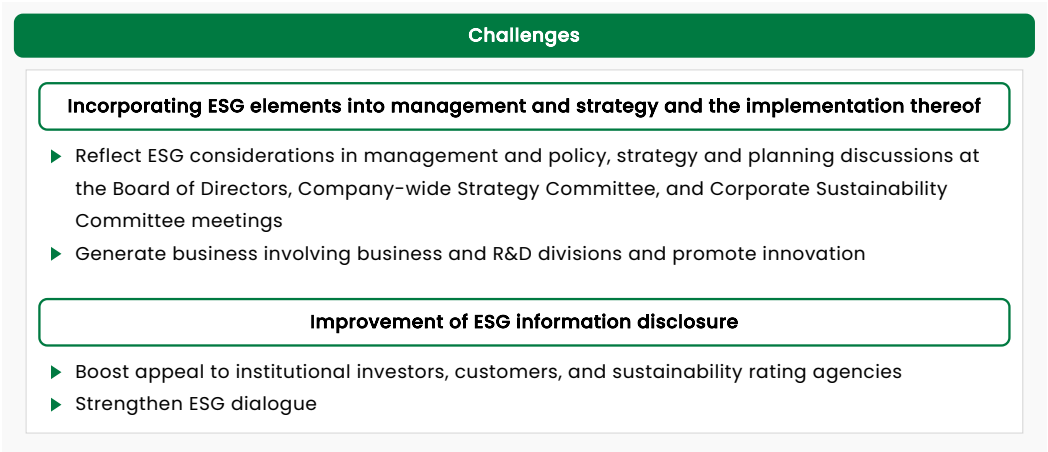
Management System

Policy and Basic Approach

Amidst efforts to achieve SDGs and overcome other social challenges, companies are facing increasing expectations and demands for proactive actions and they are expected to play ever more important roles. Under these circumstances, we recognize that the chemical industry is responsible for the foundation of society and innovation, and that it bears a great responsibility to solve social issues. In order to realize a sustainable society, it is essential for companies themselves to grow while continuously creating social value, by providing diverse solutions. To this end, it is now even more important that companies accurately identify opportunities and risks from an ESG perspective and reflect them into management.

The Mitsui Chemicals Group has been promoting a variety of initiatives since it launched its triple bottom line management of economy, environment, and society in 2006. In April 2018, we established the Corporate Sustainability Division, expressing our intention to refine the triple bottom line management approach and commit to corporate management with ESG elements at its core. In 2021, we launched VISION 2030 to further incorporate ESG elements into management and strategies, proceed to the execution phase, and strengthen our efforts to disclose ESG information to stakeholders.

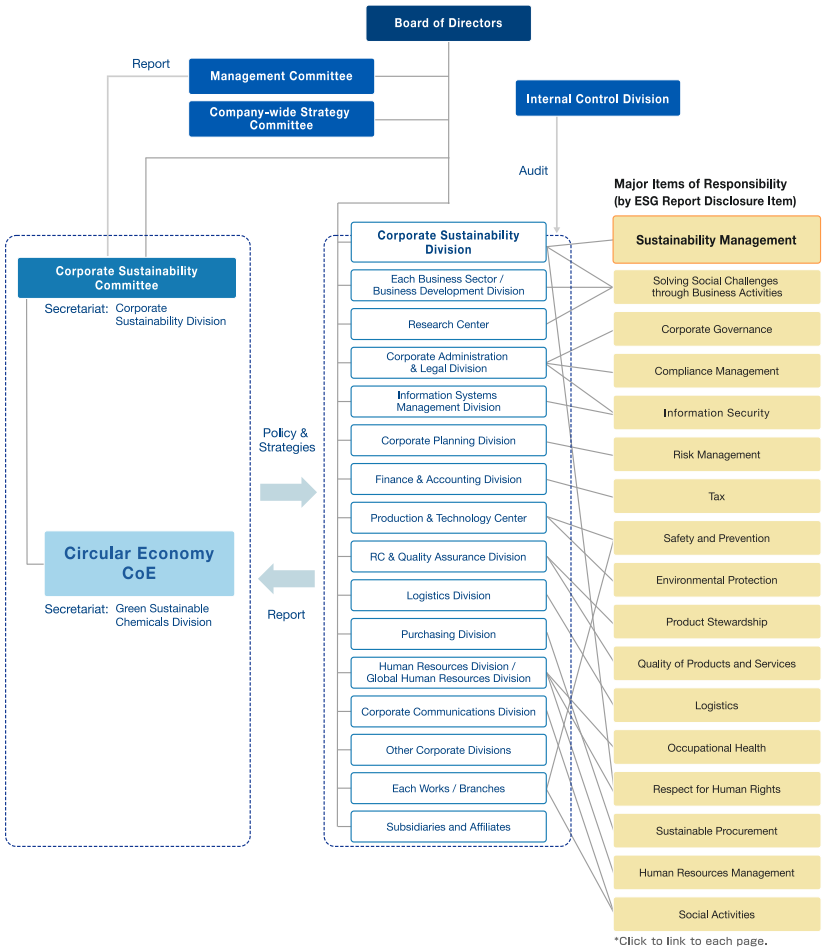




System and Responsible Officers

The person in charge is the responsible officer for the Corporate Sustainability Committee.
With ESG concerns as a central feature of the Group's sustainability management, steps are being taking to discuss the Group's overall direction at various organizations including the Board of Directors and Corporate Sustainability Committee. In addition, the progress of VISION 2030 non-financial metrics and reviewing material topics are also undertaken within this system.

Sustainability Management System



Corporate Sustainability Committee

The roles of the committee are presented as follows.

- Deliberate on the Group's policies, strategies, plans, and measures as they relate to the promotion of ESG
- Report and discussion of ESG promotion status in the Group
- Discussion of other important matters related to ESG promotion

In principle, the Corporate Sustainability Committee meets four times each year. If circumstances require us to plan new important matters related to promoting sustainability strategies and propose measures accordingly, the committee chair will establish a subcommittee to address such matters. Until FY2021, the committee has been working on addressing climate change and creating plastics strategies by establishing a dedicated subcommittee. However, the scope of activities in the subcommittee has expanded, including carbon neutrality responses, and the need for further deepening and acceleration of the subcommittee's activities has increased. In response, in FY2022, the committee restructured and upgraded the subcommittee into the Circular Economy Center of Excellence (CoE) to further strengthen the initiatives.

Details of the committee's deliberations and activity results are reported to the Management Committee. In addition, the committee submit particularly important agenda items to the Management Committee and Board of Directors for approval.

Composition of the Corporate Sustainability Committee

Chair	President
Vice Chair	Responsible officer for the Corporate Sustainability Committee
Members	Executive officers with specific titles, sector presidents, General Manager of the Green Sustainable Chemicals Division, General Manager of the RC & Quality Assurance Division, General Manager of the Corporate Administration & Legal Division, General Manager of the Human Resources Division, General Manager of the Corporate Planning Division, General Manager of the Finance & Accounting Division, General Manager of the Corporate Communications Division, General Manager of the Corporate Sustainability Division, and other members appointed by the Chairperson
Secretariat	Corporate Sustainability Division

*Corporate auditors also attend committee meetings and are able to offer their opinions whenever necessary.
*The chairperson is able to call on executive officers and general managers at Mitsui Chemicals who have an interest in the matters being deliberated to attend the meetings and ask for their explanation and opinion.

Main Discussion Topics of the Corporate Sustainability Committee (FY2024)

- **Material topics / non-financial KPIs review**
  - Human capital: Progress in empowerment of women in the workplace (KPI management)
  - Changes in innovation KPIs (KPI review)
  - Recognizing risks (opportunities) that capture social needs/business opportunities
  - Results against non-financial budget targets for FY2024, and setting targets for FY2025

- **Expansion of Blue Value™ and Rose Value™ products and services**
  - FY2023 performance, framework development status, review results, related investments
  - Response to greenwashing

- **Climate change**
  - Basic policy and schedule for fuel conversion
  - Circular Economy Center of Excellence (CoE) steering committee

    - Common
      Promotion system, carbon neutral/circular economy related research and development, digital marketing, carbon neutral strategy rolling, circular economy goals

    - Biomass Working Group
      Raw material procurement, sales plans/sales expansion strategies, calculation method for Product Carbon Footprint (PCF)

    - Recycling Working Group
      Raw material procurement, business feasibility studies, domestic trends (mandatory use of recycled materials), revision of guidelines for using recycled materials, calculation method for PCF

    - Climate change Working Group
      Promotion of Scope 1 + 2 reduction, expansion of Scope 3 calculation

  - GX League/GX-ETS activity status, schedule, and business flow

- **Natural capital**
  - Policy review, schedule, scoping

- **Chemicals management**
  - Policy to enhance regulated substances control

- **Respect for human rights**
  - Progress in efforts to establish a human rights due diligence system
  - Formation of a cross-functional working group

- **Information disclosure**
  - Trends in non-financial information disclosure, response schedule
  - Non-financial requests from shareholders and investors in FY2023
  - External ESG assessment results: Initiatives required of companies

- **Promoting awareness and embedding**
  - Internal education and awareness-raising system for promoting sustainability





Corporate Sustainability Committee (August 2024)

Incorporating ESG Elements into the Management System

The Mitsui Chemicals Group aims to build a management system that integrates financial and non-financial aspects by incorporating ESG elements into its management practice and strategies.

Incorporating ESG Elements in Investment and Financing Decisions

The Mitsui Chemicals Group has established a system to incorporate ESG elements and perspectives on social issues, including the SDGs, when making decisions on major investments cases. Starting in FY2019, we decided to include estimates calculated based on ICP[*1] in the investment planning form. Furthermore, in FY2022, in addition to IRRs, which were usually evaluated, we added ICP-based IRRs (c-IRR)[*2] as a reference for investment evaluation. ICP price, based on a discussion by the Corporate Sustainability Committee.

*1 ICP:
Internal carbon pricing.
*2 c-IRR:
IRR calculated by the following formula: Incremental profit ± GHG increase or decrease × ICP price

Investment Planning Form (Example)

Name of proposed project [ ]		
Name of div. [ ] Applicant [ ]		
Outline of investment plan		
Works [ ] Plant [ ] Products [ ]		
Purpose & details, total investment amount, execution plan [ ]		
Economic viability evaluation	IRR [ ] % PP [ ] years	
	c-IRR [ ] % Payback period [ ] years (The impact of ICP is taken into account.)	
Competitor analysis; business & marketing strategies; sales, profit, production, & headcount plans [ ]		
ESG elements		
◆Related SDG Targets [ ] [ ] [ ]		
◆Blue Value™/Rose Value™ contributions		
[ ] Reducing CO_2	[ ] Enriching life and society	
[ ] Conserving resources	[ ] Extending healthy life-span	
[ ] Coexisting with nature	[ ] Protecting food	
◆Social challenges [ ]		
◆GHG emissions CO_2 increase or decrease [ ] t-CO_2eq./year		
ICP equivalent: [ ] mil yen/year		

Incorporating ESG Elements in Annual Budgets

Mitsui Chemicals incorporates ESG elements into its basic company-wide budgeting policy.
In FY2020, in our efforts to accelerate the production of Blue Value™ and Rose Value™ products and services, we adopted the sales revenue of Blue Value™ and Rose Value™ products and services as performance indicators in line with the goal under VISION 2030 (40% of sales revenue by product and service). Each business division plans its annual budget based on the challenges and measures for the targets and tracks their progress.
In addition, we have set KPIs and targets that are linked to our material topics as non-financial metrics for VISION 2030. We aim to enhance our corporate value by effectively monitoring the financial and non-financial aspects of our management practice. For KPI, we have designated an officer or a general manager who is responsible for monitoring the progress, and each division manages these KPIs by incorporating them into their annual budgets and targets. In addition, the Corporate Sustainability Committee and the Company-wide Strategy Committee will review progress and related issues from the perspective of how progress toward KPIs each fiscal year will contribute to the achievement of non-financial targets for 2030 (consistency and appropriateness of KPI/target setting) and how efforts to achieve non-financial targets will contribute to the achievement of financial targets (relationship between financial and non-financial targets).



Company-Wide Promotion

ESG Link Café One-Point Lessons

In order to integrate ESG factors into management and strategy, the Mitsui Chemicals Group believes that it is essential for each and every employee to understand ESG and to incorporate it into their work.
To that end, we have been holding ESG Link Café one-point lessons since fiscal 2020—a dialogue-based online event open to all employees, designed to be easily accessible and welcoming to everyone. These lessons deal with and provide quick and simple introductions of a wide variety of ESG-related topics with high social interest, in addition to the Group's ESG-related initiatives. With time set aside for free discussion after the lesson, the events are also utilized as a place for ESG-themed internal communication.
In addition to these lessons, we also work to instill understanding in the Company in a variety of ways, including a series of posts on the internal site explaining ESG-related terminology, providing educational content, and conducting explanations and dialogue tailored to each division and site. Through a multi-layered approach, we will continue to support each and every employee in incorporating ESG-related initiatives into their own work, thereby facilitating the practice.

Main themes for ESG Link Café

- The Mitsui Chemicals Group's initiatives to promote sustainability strategies
- Certification system and application of Blue Value™ / Rose Value™ Products
- Climate change and carbon neutrality
- Plastics strategies and related initiatives
- Business and human rights

*27 times in FY2020–2024, total 2,647 participants

E-Learning

The Mitsui Chemicals Group has continuously implemented theme-based educational programs on topics such as compliance, information security, Responsible Care, and business and human rights, to deepen understanding of ESG-related topics across the Group. Furthermore, starting in fiscal 2024, we developed and launched an e-learning course titled "Sustainability in the Mitsui Chemicals Group - Policy and Basic Approach (Basic Course)" in both Japanese and English editions, to enhance understanding of our Group corporate sustainability initiatives. This training material is designed to clearly explain ESG-related concepts and terminology using diagrams and illustrations, and is mandatory for all Mitsui Chemicals, Inc. registered employees.

Overview of Each Chapter

- Chapter 1: What is sustainability?
- Chapter 2: Sustainability in the Mitsui Chemicals Group
- Chapter 3: Blue Value™・Rose Value™
- Chapter 4: Endeavor to create a circular economy
  - (1) Climate change policy and Carbon neutral strategy
  - (2) Biomass strategy and Recycling strategy
- Chapter 5: Respect for human rights in business
- Chapter 6: ESG information disclosure to communicate Mitsui Chemicals Group's initiatives

Stakeholder Engagement

The Mitsui Chemicals Group states "Contribute broadly to society" as its Corporate Mission over the five social contribution areas. We believe that we need to be sensitive to and respond to the demands and expectations of society in order to realize this mission and sustainably develop our business with society. Guided by this belief, we strive to engage in deeper communication with a diverse range of stakeholders—including shareholders, investors, customers, suppliers, local communities, industry, government, academia, and employees—who are all impacted by our business activities.

Shareholders and Investors

The Mitsui Chemicals Group fulfills accountability by holding constructive dialogs with our shareholders and investors and discloses appropriate information in a fair, transparent, and timely manner. We examine comments and we welcome feedback from shareholders and investors to improve our business management and information disclosure. We aim to enhance our corporate value through these efforts.

Priority issues	Major approaches
• Constructive dialogs • Disclosing appropriate information in a fair, transparent, and timely manner • Reflecting opinions from shareholders and investors in our business management	• General meeting shareholders (once per year) • Financial results briefing (4 times per year) • CEO presentation (twice per year) • Large-scale meetings (twice per year) • Overseas and domestic roadshows (overseas: four times per year, domestic: twice per year) • Individual meetings (approx. 400 times per year) • Engagement by outside directors (small meetings, individual interviews) • Area-specific briefings including on strategies for specific business areas and ESGs • Plant and other facility tours • Mitsui Chemicals Report & Mitsui Chemicals Group ESG Report (each once per year) • Website (updated as required) • Contact point

Customers

Making the best use of the Group's comprehensive resources, we aim to offer optimum solutions to our customers through our technologies, products, and services. The quality management of our products and services ensures that we can meet our customers' expectations.

Priority issues	Major approaches
• Providing optimum solutions • Providing high-quality products and services • Providing appropriate information about products and services	• Website (updated as required) • Product and technological presentations • Participating in exhibitions • Contact point

Suppliers

In procurement, we strive to fulfill our environmental and social responsibilities across the supply chain from a global perspective. To achieve this, we need to form strong partnerships with our suppliers. We believe this initiative will help drive the sustainable development of the suppliers and Mitsui Chemicals Group.

Priority issues	Major approaches
• Fair and honest business dealings • Form partnerships with the aim of achieving mutual sustainable development	• Awareness of the Mitsui Chemicals Group Sustainable Procurement Guidelines • Supplier sustainability evaluation and support for improvement • Global whistleblowing system

Local Communities

We would like to contribute to the sustainable development of local communities by operating our business stably and safely at each site. This cannot be attained without the trust of the community, and as part of this approach we create a number of opportunities to communicate with local residents.

Priority issues	Major approaches
• Fulfilling social responsibilities • Building trust with communities • Collaboration with NGOs and NPOs	• Opinion exchange meetings • Business site tours • Local newsletters • Laboratory Classes on the Wonders of Chemistry program • Disaster relief • Website (updated as required) • Consideration for the environment through our business

Industry, Government and Academia

We continue to expand our global business presence while complying with local laws and regulations.
In addition, in our efforts to drive sustainable development of the society and the Mitsui Chemicals Group, we endeavor to demonstrate leadership while working with industry, government, and academia.

Priority issues	Major approaches
• Appropriate payment of taxes • Compliance with laws and regulations • Understanding the latest regulation trends • Suggestions regarding industrial organizations or governmental policies • Open innovation under collaborations among industry, government, and academia	• Reports to industry, government, and academia • Participating in industry-government-academia projects • Participating in industrial and academic organizations • Joint research

Employees

The Mitsui Chemicals Group aims to attain both the “Promoting the happiness and fulfillment of employees” and the “sustainable growth of the company.” To realize these aims, we are committed to creating working environments where diverse human resources can perform their roles dynamically, exerting their full capabilities.

Priority issues	Major approaches
• Human resources development • Appropriate evaluation and compensation • Employee-friendly working environment • Diversity • Safety and prevention • Occupational health	• Intranet (updated as required) • Company newsletter (4 times per year) • Training sessions • Employee Engagement Survey (once a year) • Labor-management discussion • Health and Safety Committee meetings • Global whistleblowing system

Support Initiatives

UN Global Compact

Mitsui Chemicals signed the UN Global Compact in January 2008 in support of the objective of solving global issues and achieving sustainable growth as a responsible corporate citizen. Since then, we have participated in subcommittees of the United Nations Global Compact Network Japan in our efforts to collect a variety of information.
The Mitsui Chemicals Group will help resolve many of the challenges confronting the world today through its business activities while taking into consideration the 10 principles espoused under the United Nations Global Compact.

The 10 Principles of the UN Global Compact and Major Initiatives in the Mitsui Chemicals Group

Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	Respect for Human Rights Sustainable Procurement Human Resources Management
Principle 2	make sure that they are not complicit in human rights abuses.	
Labour		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Respect for Human Rights Sustainable Procurement Human Resources Management
Principle 4	the elimination of all forms of forced and compulsory labour;	
Principle 5	the effective abolition of child labour; and	
Principle 6	the elimination of discrimination in respect of employment and occupation.	
Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges;	Endeavor to create a circular economy Blue Value™ / Rose Value™ Responsible Care Management Environmental Protection Product Stewardship Sustainable Procurement
Principle 8	undertake initiatives to promote greater environmental responsibility; and	
Principle 9	encourage the development and diffusion of environmentally friendly technologies.	
Anti-Corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Action Guidelines Compliance Management

Task Force on Climate-related Financial Disclosures (TCFD)

In January 2019, Mitsui Chemicals declared its support for the Task Force on Climate-related Financial Disclosures (TCFD)* . We endeavor to deepen our insight into opportunities and risks that may impact our businesses and proactively disclose our initiatives.

* The Task Force on Climate-related Financial Disclosures (TCFD) was disbanded in October 2023, and its functions have been taken over by the IFRS Foundation since then.

Mitsui Chemicals announced that it would endorse the recommendations issued by the Task Force on Climate-related Financial Disclosures (TCFD).
Implementing the recommendations of the TCFD

Taskforce on Nature-related Financial Disclosures (TNFD) Forum

In October 2022, Mitsui Chemicals joined the Taskforce on Nature-related Financial Disclosures (hereinafter "TNFD") Forum. The TNFD Forum is a network of companies and organizations who support the vision and mission of the TNFD, which is an international initiative launched in June 2021 aiming to achieve "nature-positive." Its goal is to develop a framework from a natural capital and biodiversity perspective to adequately assess and disclose the opportunities and risks that impact businesses. Through participation in the Forum, we aim to deepen our understanding of the TNFD framework and enhance nature-related disclosures.

Biodiversity >

Alliance to End Plastic Waste (AEPW)

As the founding member, Mitsui Chemicals Inc. joined the Alliance to End Plastic Waste (AEPW), established in January 2019. The Alliance to End Plastic Waste (AEPW) is working to reduce plastic waste and promote a circular economy for plastics by developing, de-risking, and demonstrating solutions through more than 50 projects around the world. We aim to propose solutions for plastic waste management and the promotion of recycling through alliances with other AEPW members and related parties.

Mitsui Chemicals Joins New Global Alliance Formed to Take on Plastic Waste in the Environment >
Biomass strategy and Recycling strategy >

ZERO by 40: Agriculture Industry Unites to Help Eradicate Malaria by 2040

At the London Commonwealth Heads of Government Meeting, the Mitsui Chemicals Group and the world's leading Crop Protection companies jointly announce their commitment to support the research, development and supply of innovative products to save lives and help eradicate malaria by 2040. Utilizing our long-cultivated organic synthesis technology, the Group will provide high-performance chemicals that are effective against mosquitoes resistant to existing chemicals, thereby contributing to the resolution of the social challenge of malaria eradication, as outlined in the SDGs.

AGRICULTURE INDUSTRY UNITES TO DELIVER A PIPELINE OF INNOVATIVE VECTOR CONTROL TOOLS TO HELP ERADICATE MALARIA BY 2040 >

The World Economic Forum (WEF)

Mitsui Chemicals joined the World Economic Forum (WEF) in September 2020. The World Economic Forum is an international organization (non-profit foundation) that has been established to improve global affairs through public-private cooperation. At its annual meeting in January 2024 (commonly known as the Davos conference), discussions focused on topics such as geopolitical stability, economic growth, the use of AI, and topics related to climate, nature, and energy. To combat climate change, the WEF is leading the CEO Climate Leaders Alliance, which focuses on recommendations to achieve the 1.5-degree threshold target of the Paris Agreement. Through participation in this forum, including the CEO community and other activities, we aim to be "a sustainable corporate group with a global presence" by collaborating with international leaders to address social challenges.

International Council of Chemical Associations (ICCA) and Chemical Industry Associations in Each Country

The Mitsui Chemicals Group is taking leadership in the International Council of Chemical Associations (ICCA) and Chemical Industry Association in each country*.

*Chemical Industry Association in each country and region:
The Japan Chemical Industry Association (JCIA), the Association of International Chemical Manufacturers (AICM, China), the Taiwan Responsible Care Association (TRCA), the Singapore Chemical Industry Council (SCIC), the Federation of Thai Industries (FTI), the American Chemistry Council (ACC), the European Chemical Industry Council (Cefic), the Indian Chemical Council (ICC), and Responsible Care Indonesia (RCI).

International Council of Chemical Associations (ICCA)

ICCA is the global industry body representing the world's chemical industries. In 2021, it expressed its support for the Paris Agreement and the achievement of a climate neutral world by mid-century. ICCA focuses on four leadership groups (LGs): "Energy & Climate Change," "Chemicals Policy & Health," "Responsible Care," and "Plastics." It contributes to the global strategy formation, research and studies, dissemination of activity results, and capacity building on key issues in the chemical industry.
At ICCA, our President has served on the board of directors for six years, starting in 2014, and again in 2022. Our employees participate in each LG and proactively engage in contributions. Notably, in the Energy & Climate Change LG, our councilor served as the LG chair from 2018 for two

years. During their tenure, based on the cooperation of the member companies, the Group has compiled and published the following two reports: "Enabling the Future ," which shows how the chemical industry can contribute to climate change mitigation, and "Moving Beyond Climate Change Mitigation ," which shows how the chemical industry can contribute to climate change adaptation. These reports have been used in advocacy at international conferences such as COP. Currently, our employees continue to work as members to publish an updated version that reflects the latest information.

Japan Chemical Industry Association (JCIA)

At the Japan Chemical Industry Association (JCIA) , the President of Mitsui Chemicals serves as Vice Chairman, and the CFO chairs the Economy and Tax System Committee. In addition, several of our officers and employees actively participate as committee members in various JCIA committees.
In September 2025, JCIA formulated its position on "Achieving Carbon Neutrality and a Circular Society in Japan's Chemical Industry." This position paper frames the realization of carbon neutrality and a circular society not merely as a response to environmental regulations, but as a strategic opportunity for the chemical industry to act as a solution provider driving societal transformation. It outlines the goals, challenges, and approaches the industry should pursue, and promotes the implementation of concrete measures and social integration. Mitsui Chemicals contributes to these efforts.

Participation in the METI's "GX League Basic Concept"

In February 2022, Mitsui Chemicals expressed its support for the GX League Basic Concept, which was announced by the Ministry of Economy, Trade and Industry (METI), and joined the GX League in FY2023. The GX League is designed to bring together companies actively engaged in Green Transformation (GX) to discuss the transformation of the entire economic and social system toward carbon neutrality. Furthermore, it also aims to practice initiatives to create new markets together with players in the government, universities, and financial institutions that are tackling challenges to achieve GX. As a company that has declared its commitment to carbon neutrality, Mitsui Chemicals endorses this basic concept and participates in activities such as creating business opportunities based on the future socioeconomic system that will emerge due to carbon neutrality, creating green markets through the formation of rules and conducting voluntary emissions trading (GX-ETS). The aim is to transform the entire economic and social system and develop new markets. Participation in the GX League was decided after discussions in the Corporate Sustainability Committee, chaired by our President, and with the approval of the responsible officers. The activities of the GX League are reported as and when appropriate to the Corporate Sustainability Committee.

Other Major Initiatives Supported by the Company; Major Organizations of which the Company is a Member

Japan Business Federation (Keidanren)

As a comprehensive economic organization, Keidanren actively engages in policy discussions with the government, takes vigorous action and offers opinions on critical issues such as digital transformation (DX) and environmental energy policy, aiming to establish sustainable capitalism. Officers and employees of Mitsui Chemicals participate in various other committees to engage in active discussions.
On the issue of climate change, Keidanren has developed the Keidanren Carbon Neutral Action Plan to advance efforts towards achieving carbon neutrality by 2050. Additionally, Keidanren has launched the Keidanren Initiative for Biodiversity Conservation, which we also endorse.

Keidanren Carbon Neutrality Action Plan
Keidanren Initiative for Biodiversity Conservation

Japan Petrochemical Industry Association (JPCA)

The JPCA conducts research, produces statistics, and promotes awareness and publicity about the petrochemical industry. It also engages in discussions through various working groups. The association has also compiled Initiatives of the petrochemical industry to establish a sustainable society , promoting industry-wide collaboration to realize carbon neutrality and establish a recycling-oriented society. Our President serves as Managing Director, and our General Manager of Finance & Accounting Division chairs the Finance & Tax Committee, and our officers and employees participate in various other committees to engage in active discussions.

Our Material Topics

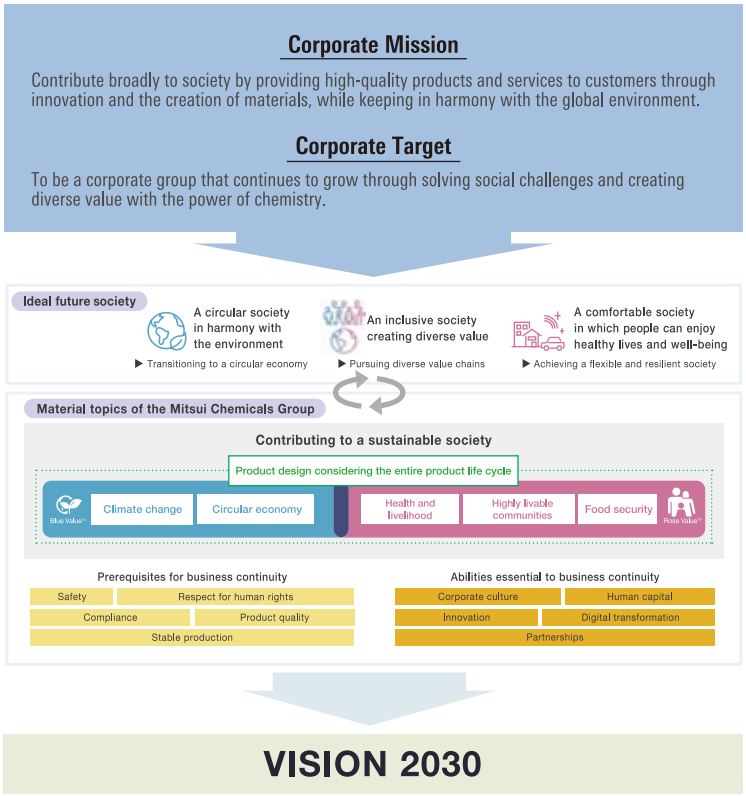
Material Topics and VISION 2030

The Mitsui Chemicals Group's Material Topics and VISION 2030

The Mitsui Chemicals Group aims to engage in business activities that help solve social challenges and sustainably grow and develop with society by deepening the triple bottom line management approach, which is founded on the three axes of economy, environment, and society, and managing the Group companies from a long-term perspective.
In FY2021, we formulated VISION 2030, a long-term business plan until 2030.
To formulate VISION 2030, we returned to the Group's purpose, which is to solve social challenges.
We hope to become an enterprise that continuously provides solutions with the power of chemistry capable of creating diverse values to address the various social issues that have arisen amidst the accelerating environmental changes, so we have defined the Group's vision to achieve in the next 15 to 20 years as follows: become a corporate group that continues to grow sustainably by solving social issues with the power of chemistry and creating diverse values.
In light of the changes and megatrends in our internal and external environments, we have defined three visions of the ideal future society that we will contribute to create, as the direction for the Group to take in order to address the numerous environmental and social issues that may arise.

The first vision is to create "A circular society in harmony with the environment." Based on our Corporate Mission of keeping in "harmony with the global environment," we aim to realize "a circular society in harmony with the environment" through the provision of products and services that contribute to reducing environmental impact and the effective utilization of resources.
The second is to create "A comfortable society in which people can enjoy healthy lives and well-being." Based on "Promoting human well-being," one of the five social contribution areas of our Corporate Mission, we aim to realize a "a comfortable society in which people can enjoy healthy lives and well-being," through the provision of products and services that contribute to improving the health, well-being, and comfort in the lives of the people from all walks of life, even in the face of various changes in the environment.
The third one is to create "An inclusive society creating diverse value." In order to fulfill our mission of "contributing to society through innovation and the creation of materials," which is set forth in our Corporate Mission, we will create new value by sparking chain reactions through recognizing and utilizing diversity, the source of innovation, thereby aiming to realize "an inclusive society creating diverse value."

The Group has identified the material topics to address in order to realize these three visions of ideal future society and has incorporated them in the basic strategies for VISION 2030. In addition, we have set KPIs and targets linked to material topics as non-financial metrics to ensure the execution of VISION 2030. Based on these non-financial metrics, we intend to improve our corporate value while implementing specific PDCA cycles.



Our Material Topics

Materiality Process

Material topics are identified through understanding requests and expectations from stakeholders, and analyzing and verifying the scale of social influence from our business activities. We regard this process as significant for the Mitsui Chemicals Group to recognize issues we need to address to help build a sustainable society. To keep abreast of changes in the business environment and update its initiatives, the Group periodically and continuously identifies the following material topics, checks changes in importance and reflects them in its business activities.

Step 1: Identify Issues

Identify issues comprehensively with reference to the following:

- ✓ Dialog with stakeholders*1
- ✓ Information gathering regarding global social challenges*2
- ✓ Guidelines for sustainability information disclosure and assessment items used by sustainability rating agencies
- ✓ Group policies such as our Corporate Mission and Action Guidelines
- ✓ Content of discussions during the formulation of VISION 2030
- ✓ Risks and opportunities raised in the Group-wide risk management process
- ✓ Content of discussions by committees

*1 Dialogue with stakeholders:
Through open and constructive discussions with various stakeholders, we aim to promote communication and build trust, while identifying expectations and needs for the Group and incorporating the findings in management practice.

・Blue Value™ and Rose Value™ assessment, review, and certification process:
We recognize environmental and social challenges and reflect them in our business activities through advice from experts.
・Human rights due diligence:
We conduct risk assessments and take other necessary measures with input from outside experts.
・Briefing on ESG sustainability:
We held briefings on ESG sustainability in April 2022, July 2023 and July 2024, during which we exchanged questions and opinions on sustainability management with stakeholders.

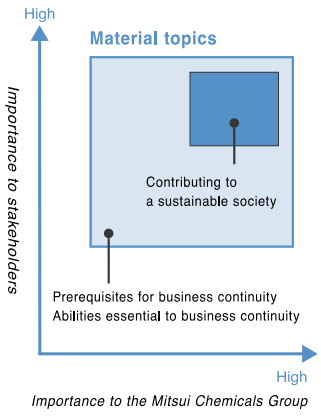
*2 Information gathering regarding global social challenges:
Mitsui Chemicals is gathering information on the latest global issues by joining the World Economic Forum. The platform aims to solve social issues by collaborating with participating members, international organizations, and national governments.

Step 2: Classify Issues by Topic

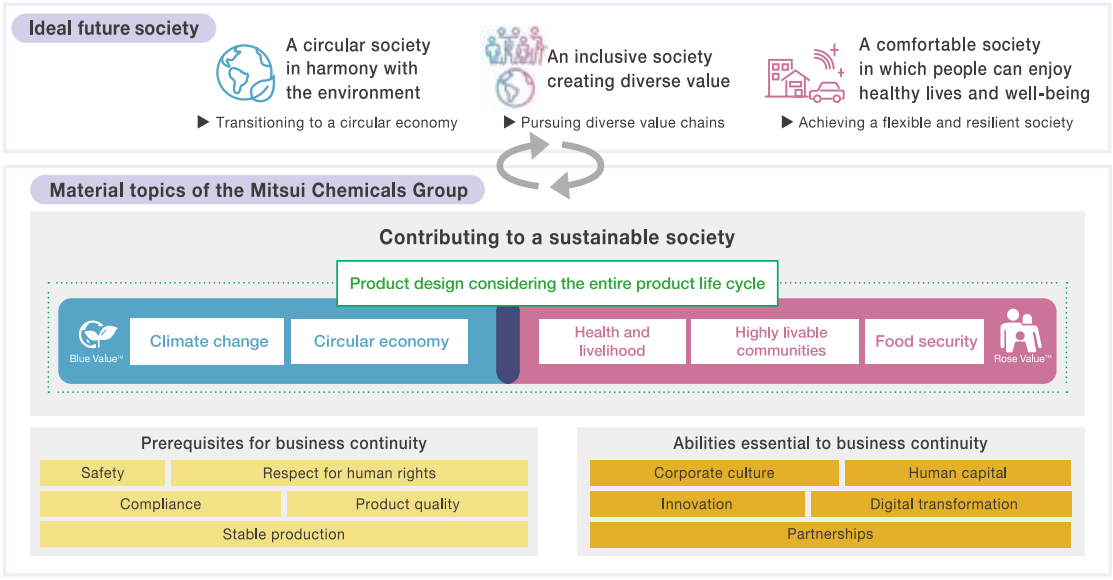
- ◆ Classify the identified issues by topic mainly with reference to guidelines for sustainability information disclosure and evaluation criteria used by sustainability rating agencies.

Step 3: Prioritize and Organize Topics

- ◆ Prioritize topics by mapping them along the two dimensions of importance to stakeholders, as well as importance to the Mitsui Chemicals Group. Then, select some candidate material topics. Discuss these decisions within the Corporate Sustainability Committee, Management Committee, and the Board of Directors.
- ◆ Identify material topics by organizing the candidate topics under the categories of "contributing to a sustainable society," "prerequisites for business continuity," and "abilities essential to business continuity."



- Confirm the validity of the identified material topics with the Corporate Sustainability Committee, Management Committee, and Board of Directors. Then, acquire final approval from the Board of Directors.
- To ensure our material topics and related KPIs take into account changes in the importance of issues and the appearance of new ones, the Corporate Sustainability Committee and Company-wide Strategy Committee review the issues and discuss the necessity of revision on an annual basis.
  In fiscal 2023, taking into account the initiation of company-wide risk management through new systems and processes, the material topics previously categorized under "Risk and Compliance Management" were revised to "Compliance." This adjustment was made because risk management is intrinsic to management itself and does not suit individual KPI settings and management as a separate material topic. The emphasis shifted from "management" to "compliance" in this context.
- Acquire approval from the Management Committee and Board of Directors regarding the revised material topics and KPIs.



Identified Material Topics

We have organized our material topics so that those directly connected to the creation of both social value and corporate value are grouped under the category of "contributing to a sustainable society," which in turn is underpinned by the categories of "prerequisites for business continuity" and "abilities essential to business continuity."
The process for selecting each of the topics entailed analysis of issues and challenges as below.

Contributing to a Sustainable Society

Product design considering the entire product life cycle

Recognition of Issues

Due to the intricately intertwined nature of social challenges, we need to adopt a big-picture approach when tackling them. Therefore, our business activities need to take into account the environment and society throughout the entire product life cycle, from raw material procurement, processing, and usage, to disposal and recycling.

Challenges of the Mitsui Chemicals Group

The Mitsui Chemicals Group aims to capture new business opportunities and help solve social challenges by cooperating with industry, government, and academia, and by designing businesses that recognize and consider the impact on the environment and society throughout the full product life cycle.

Related page link

Blue Value™/Rose Value™ 〉
Endeavor to create a circular economy 〉

Climate change

Recognition of Issues

In order to achieve the globally shared long-term goals set forth in the Paris Agreement, the realization of carbon neutrality throughout society is imperative, and efforts to achieve a decarbonized society (climate change mitigation) must be accelerated. There is also a need to adapt to environmental changes, such as the intensification of natural disasters caused by climate change.

●Opportunities and ▲risks for the Mitsui Chemicals Group (example)

●▲ Shift to EVs, renewable energies becoming mainstream	▲ Tightening of regulations such as restrictions on GHG emissions and carbon taxes
●▲ Transition to renewable raw materials	▲ Decreased demand for products with high environmental impact
● Increased demand for low-carbon and decarbonized products and technologies	▲ Shortage and depletion of water resources
● Increased demand for products that support disaster prevention/mitigation, infection control, etc.	▲ Damage to production sites from storms and flooding
	▲ Supply chain interruptions

Challenges of the Mitsui Chemicals Group

We aim to achieve carbon neutrality by 2050, by reducing greenhouse gas (GHG) emissions within our Group, and working to decarbonize the entire value chain, including all products and services. Furthermore, in order to respond to storms, flooding and droughts, which are expected to increase due to climate change, we will conduct water risk assessments, and strive to use water resources appropriately and preserve the water environment.

Related page link

Endeavor to create a circular economy >
Blue Value™—Environmental Contributions >
Rose Value™—QOL Improvement Contributions >
GHG and Energy >
Water >
Logistics >

Circular economy

Recognition of Issues

As the world's population grows and global economic activity increases, conventional linear economic activities, based on the premise of mass consumption and disposal of resources, are placing a heavy burden on the global environment. In addition, the garbage problem caused by improper disposal of waste has led to the loss of natural capital. Cooperative and collaborative efforts are required across society as a whole, in order to facilitate the transition to and strengthen support for a "circular economy," which enables greater environmental and social sustainability.

●Opportunities and ▲risks for the Mitsui Chemicals Group (example)

● Expansion of solutions business that take an ecosystem perspective	▲ Tightening of regulations on use of single-use plastics and decreased demand for plastics
● Increased demand for resource conservation and recycling technologies	▲ Tightening of regulations/international standards related to natural capital
● Increased importance of traceability throughout the product life cycle	▲ Increased litigation arising from extended producer responsibility, etc.
	▲ Reputational damage due to shift in consumer sentiment

Challenges of the Mitsui Chemicals Group

We are working to enlarge and widen the circle of the circular economy through the development of new materials, recycling systems, and value chains, in order to expand our product lineup of bio-based chemicals and bio-based plastics, promote their usage across society, and accelerate the recycling of plastic resources.

Related page link

Endeavor to create a circular economy >
Blue Value™ — Environmental Contributions >
Environmental Protection >

Health and livelihood

Recognition of Issues

Health is a fundamental human right, and good health forms the basis of social activities. Therefore, efforts are needed to create a society where each and every person can lead a fulfilling life.

●Opportunities and ▲risks for the Mitsui Chemicals Group (example)

● Increased demand for products in mobility, medical equipment, pharmaceutical packaging materials, ICT fields, and residential construction materials in line with growing demand for healthier and more affluent lifestyles for all.	● Increased demand for products that improve hygiene and prevent the occurrence and spread of infectious diseases
● Increased demand for services/products that support participation in society by all people regardless of age, gender, race, disability, etc.	▲ Uncertainty in the VUCA era
● Growing needs for comfortable and safe lifestyles and support for pre-symptomatic illness, in addition to measures concerning illness and health	▲ Increased risk of litigation in the healthcare and medical sectors

Challenges of the Mitsui Chemicals Group

We aim to support the realization of well-being by providing products and services that contribute to universal health coverage*, including vision care, dental care, medical supplies, hygiene products, and universal design products.

*Universal health coverage: All people can access appropriate health promotion, prevention, treatment, and rehabilitation services at an affordable cost.

Related page link

Rose Value™—QOL Improvement Contributions >

Highly livable communities

Recognition of Issues

In order to continue providing a sense of safety and security in people's lives, there is a need to develop communities that are durable, adaptable, and able to respond to changes in the natural environment and the population structure.

●Opportunities and ▲risks for the Mitsui Chemicals Group (example)

● Increased demand for smart and resilient community development in accordance with population size (community ICT/infrastructure improvements)	▲ Recruitment and training of personnel for an advanced ICT society
● Increased demand for products that support disaster prevention/mitigation, etc.	

Challenges of the Mitsui Chemicals Group

We aim to contribute to the building of resilient communities that can flexibly respond to any type of change, by expanding our lineup of products and services that contribute to disaster prevention and mitigation, the longer service life of infrastructure, and the strengthening of networks.

Related page link

Rose Value™—QOL Improvement Contributions >

Food security

Recognition of Issues

Food shortages due to poor harvests and supply chain disruptions, which are caused by climate change and international conflicts, have become a social issue. Furthermore, particularly in developed countries, there is a need to address food loss and food waste that occur in supply chains and households.

●Opportunities and ▲risks for the Mitsui Chemicals Group (example)

●▲ Response to improvement of food preservation/distribution technologies (cold supply chains, etc.)	● Increased demand for packaging containers that contribute to reduced food loss/food waste
● Increased demand for products and services that contribute to stable production and supply of food, as well as to reduced burden on workers	▲ Tightening of regulations on agrochemicals and food packaging materials
● Development of new technologies and expansion into new markets through collaboration with food and beverage manufacturers	

Challenges of the Mitsui Chemicals Group

We are working to innovate agrochemicals and agricultural technology, as well as to improve food packaging products. By improving food productivity and ensuring safety and stability in food distribution, we aim to contribute to the reduction of food loss and food waste, and to the assurance of food security*.

*Food security: A state in which all people have physical and economic access to sufficient, safe, and nutritious food at all times

Related page link

Rose Value™—QOL Improvement Contributions >

Prerequisites for Business Continuity

Safety

Recognition of Issues

The chemical industry plays an important role in supporting the foundations of society, and if the safety of corporate activities is compromised, the human, social, and economic losses will be immeasurable. We recognize that safety assurance initiatives should be undertaken as a social responsibility.

Challenges of the Mitsui Chemicals Group

Based on our management policy of "Safety is our top priority," the Mitsui Chemicals Group is committed to maintaining a high level of safety, even as our people, facilities, and technologies become diversified in response to changes in the business environment, thereby laying the foundation for the security and trust of workers and society.

Related page link

Responsible Care Management
Safety and Prevention
Product Stewardship
Logistics
Occupational Health

Respect for human rights

Recognition of Issues

The business has become more globalized and complex, so the scope of its impact on people has also expanded. Companies are required to be properly aware of the impact of their activities on human rights throughout their supply chain and to fulfill their responsibility to respect human rights.

Challenges of the Mitsui Chemicals Group

The Mitsui Chemicals Group understands that the human rights of all people affected by its corporate activities must be respected, and pursues proper business throughout its supply chain in accordance with the Action Guidelines titled "For People and Society."

Related page link

Respect for Human Rights

Compliance

Recognition of Issues

To continue our corporate activities and fulfill our social responsibilities while earning the trust of our stakeholders, we recognize that it is essential for all officers and employees of the Group to always act in good faith with an attitude of voluntary and autonomous compliance with laws, regulations, and rules under a unified compliance promotion system.

Challenges of the Mitsui Chemicals Group

The Mitsui Chemicals Group will establish and deploy group-wide and global systems to raise compliance awareness, prevent and detect compliance violations, and implement appropriate action, including the prevention of recurrence.

Related page link

Compliance Management

Product quality

Recognition of Issues

We recognize that the ideal state of our Group is to continue to earn the trust and satisfaction of our customers through the manufacture and provision of high-quality products and services.

Challenges of the Mitsui Chemicals Group

The Mitsui Chemicals Group will promote Responsible Care activities throughout its supply chain, aiming to improve customer satisfaction through both quality control and quality assurance, thereby contributing to the sustainable development of society and the chemical industry.

Related page link

Responsible Care Management >
Quality of Products and Services >

Stable production

Recognition of Issues

The stable production and provision of products and services are fundamental to the Group's corporate activities. We recognize the urgent need to build a production system that can respond flexibly to various changes in the business environment, such as a shrinking workforce, aging facilities, soaring raw material and material prices, and more frequent natural disasters.

Challenges of the Mitsui Chemicals Group

The Mitsui Chemicals Group will maintain cost competitiveness and continue stable production by passing on technologies and skills, improving and enhancing productivity, and introducing advanced and sophisticated technologies.

Related page link

Safety and Prevention >
Logistics >

Abilities Essential to Business Continuity

Corporate culture

Recognition of Issues

In order to realize the Corporate Mission and the Corporate Target, it is important to foster a corporate culture in which employees with diverse backgrounds can share their knowledge and enthusiastically take on the challenge of creating new value.

Challenges of the Mitsui Chemicals Group

The Mitsui Chemicals Group values the diversity of all directors and corporate auditors and employees and provides them with opportunities to maximize their individual abilities, thereby creating an organization with high growth potential and employee engagement.

Related page link

Corporate Mission >
Human Resources Management >

Human capital

Recognition of Issues

Human resources are the most important capital and source of value creation and driving growth in promoting and achieving the goals of the five basic strategies of VISION 2030 , including the pursuit of business portfolio transformation. Initiatives to maximize group and global human capital from a long-term perspective are important.

Challenges of the Mitsui Chemicals Group

The Mitsui Chemicals Group actively promotes human resources with diverse values, backgrounds, and skills. In addition, through inclusive talent management, we encourage employees to exhibit self-initiative and autonomy, as well as engaging in collaborative, and we develop human resources capable of creating the various values demanded by society from a broad perspective.

Related page link

Human Resources Management >
Occupational Health >

Digital transformation

Recognition of Issues

In this era of rapid change, companies are required to create innovative products, services, and business models in an agile manner to solve social issues, and to lead the transformation of companies, industries, and society. So-called corporate transformation (CX) is required.

Challenges of the Mitsui Chemicals Group

The Mitsui Chemicals Group aims to realize CX by pursuing innovation for our operations, bolstering our development capabilities, and transforming our business models by improving our digital literacy of all members.

Innovation

Recognition of Issues

Innovation is essential for the Mitsui Chemicals Group's sustainable growth and expansion. To create innovation, it is important to foster a wide range of expertise, including reskills, a global perspective, and a desire to take on challenges, as well as to communicate freely and openly with people who have a variety of ideas.

Challenges of the Mitsui Chemicals Group

The Mitsui Chemicals Group will strengthen R&D human resource development through global industry-government-academia collaboration and more.
At the same time, we will actively collaborate with startups and other companies to update the knowledge of both parties and pursue the creation of new markets and technologies.

Related page link

Research and Development >
Blue Value™/Rose Value™ >

Partnerships

Recognition of Issues

Since each social issue has a complex relationship, it is difficult for a company to seek a solution alone. It is important to build cooperative relationships with the wide variety of stakeholders surrounding the company, especially throughout the supply chain.

Challenges of the Mitsui Chemicals Group

The Mitsui Chemicals Group will work together with internal and external partners involved in the supply chain to realize environmentally and socially conscious economic activities and stable procurement activities.

Related page link

Sustainable Procurement >

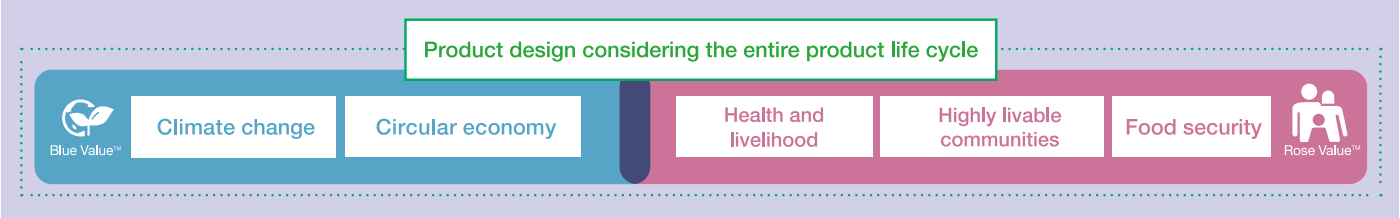
Our Material Topics

Non-Financial Metrics

We have set KPIs and targets that are linked to our material topics as non-financial metrics for VISION 2030. We aim to enhance our corporate value by effectively monitoring the financial and non-financial aspects of our management practice. For KPI, we have designated an officer or a general manager who is responsible for monitoring the progress, and each division manages these KPIs by incorporating them into their annual budgets and targets. In addition, the Corporate Sustainability Committee and the Company-wide Strategy Committee will review progress and related issues from the perspective of how progress toward KPIs each fiscal year will contribute to the achievement of non-financial targets for 2030 (consistency and appropriateness of KPI/target setting) and how efforts to achieve non-financial targets will contribute to the achievement of financial targets (relationship between financial and non-financial targets).
In the review conducted in fiscal 2023, we determined that it was difficult to clearly see the relationship between the material topics of "Stable production" and the associated non-financial KPIs, "Number of implementations of advanced manufacturing technologies with a focus on AI and IoT," and that the outcomes of introducing advanced technologies for Stable production were not sufficiently clear. As a result, we revised the non-financial KPIs to "No. of problems involving high-value losses."

Goals and Results

Contributing to a Sustainable Society



Non-financial KPIs	Blue Value™ products sales revenue ratio	
Responsible executive officer	Responsible officer for Corporate Sustainability Division	
FY2024 Results	FY2025 Outlook	FY2030 Target
26%	28%	40%

Non-financial KPIs	Rose Value™ products sales revenue ratio	
Responsible executive officer	Responsible officer for Corporate Sustainability Division	
FY2024 Results	FY2025 Outlook	FY2030 Target
25%	26%	40%

Non-financial KPIs	GHG emissions reduction rate (Scopes 1 and 2) *compared to FY2013	
Responsible executive advisor	Senior Executive Advisor responsible for Green Sustainable Chemicals Division	
FY2024 Results	FY2025 Outlook	FY2030 Target
28%	28%	40%

* Calculated based on adjusted emissions that exclude temporary factors such as fluctuations in ethylene operating rates.

Prerequisites for Business Continuity

Safety		
Non-financial KPIs	Incidence of major accidents & serious occupational injuries	
Responsible executive officer	Center Executive, Production & Technology Center	
FY2024 Results	FY2025 Outlook	FY2030 Target
2 instances	Zero	Zero (over the course of VISION 2030)

Respect for human rights

Non-financial KPIs	Response to human rights risks	
Responsible executive officer	Responsible officer for Corporate Sustainability Division	
FY2024 Results	FY2025 Outlook	FY2030 Target
• Implemented human rights due diligence (reorganization of the risk assessment process)	• Implementation of human rights due diligence (improvement of the risk assessment process)	Identification & correction of risks by setting up a human rights due diligence system for all of our bases, both domestic and abroad

Compliance

Non-financial KPIs	Incidence of major legal and regulatory violations	
Responsible executive officer	Responsible officer for Corporate Administration & Legal Division	
FY2024 Results	FY2025 Outlook	FY2030 Target
Zero	Zero	Zero (over the course of VISION 2030)

Product quality

Non-financial KPIs	Incidence of PL accidents & serious product quality incidents	
Responsible executive officer	Responsible officer for RC & Quality Assurance Division	
FY2024 Results	FY2025 Outlook	FY2030 Target
Zero	Zero	Zero (over the course of VISION 2030)

Stable production

Non-financial KPIs	Production and equipment reliability No. of problems involving high-value losses	
Responsible executive officer	Center Executive, Production & Technology Center	
FY2024 Results	FY2025 Outlook	FY2030 Target
3 instances	6 instances or less	Zero

Abilities Essential to Business Continuity

Corporate culture

Non-financial KPIs	Improvement of employee engagement Engagement score	
Responsible executive officer	Chief Human Resources Officer (CHRO)	
FY2024 Results	FY2025 Outlook	FY2030 Target
36%	40%	50%

Human capital

Non-financial KPIs	Key talent management Successor coverage rate for critical positions	
Responsible executive officer	Chief Human Resources Officer (CHRO)	
FY2024 Results	FY2025 Outlook	FY2030 Target
235%	250%	250%

Non-financial KPIs	Diversity 1. Number of executive officers with diverse backgrounds (women, non-Japanese, and mid-career hires) *Mitsui Chemicals, Inc. 2. Ratio of women in management positions (manager-level or above)*Mitsui Chemicals, Inc.	
Responsible executive officer	Chief Human Resources Officer (CHRO)	
FY2024 Results	FY2025 Outlook	FY2030 Target
1. Diversity rate of future executives: 24.1% 2. 8%	1. Diversity rate of future executives: 25% or more 2. 9% or more	1. 10 or more (including at least 3 women) 2. 15%

Non-financial KPIs	Health-focused management 1. Average rate of lifestyle-related diseases *Mitsui Chemicals, Inc. 2. Frequency of absences from work due to mental health disorders*Mitsui Chemicals, Inc.	
Responsible executive officer	Chief Human Resources Officer (CHRO)	
FY2024 Results	FY2025 Outlook	FY2030 Target
1. 10.32% 2. 0.65	1. less than 9.50% 2. less than 0.55	1. 8.0% or less 2. 0.25

Digital transformation

Non-financial KPIs	Training of DX specialists Number of data scientists	
Responsible executive officer	Chief Digital Officer (CDO)	
FY2024 Results	FY2025 Outlook	FY2030 Target
104	165 or more	165 (by FY2025)

Innovation

Non-financial KPIs	Pipeline expansion Number of development themes in the latter half of our Stage Gate System	
Responsible executive officer	Center Executive, Research Center	
FY2024 Results	FY2025 Outlook	FY2030 Target
Percentage advanced to preliminary market development stage: 11%	Percentage advanced to preliminary market development stage: 20% or more	Double or more (vs. FY2020)

Non-financial KPIs	Value creation for beyond 2030 Number of new areas of development at our Frontier Technology Center	
Responsible executive officer	Center Executive, Research Center	
FY2024 Results	FY2025 Outlook	FY2030 Target
R&D themes: 5	- Themes advanced from initial research stage to technological development: 5 or more - Identification of social challenges to engage with in future: 5 or more	3 or more areas

Partnerships

Non-financial KPIs	Sustainable procurement ratio	
Responsible executive officer	Chief Digital Officer (CDO)	
FY2024 Results	FY2025 Outlook	FY2030 Target
Dissemination to partners Briefings to explain procurement guidelines to key partners in each domain: 19 companies	Dissemination to partners Meet with suppliers amounting to 95% of total transaction value to explain procurement guidelines & get written agreement	80%

Reflection in Executive Compensation

In fiscal 2023, we revised the executive compensation system to reflect the non-financial metrics of VISION 2030 in executive compensation. A responsible officer has been assigned to each non-financial metric, and progress is incorporated into the bonuses of the respective officers as the "evaluation coefficient for performance of the division in charge." Additionally, to strongly encourage the achievement of non-financial metrics, we have selected particularly important non-financial indicators*, and their attainment levels are reflected in the bonuses of all internal directors and executive officers, excluding the Chairman of the Board, as the "evaluation coefficient for non-financial indicators."

* Particularly important non-financial indicators:
Blue Value™ products sales revenue ratio, Rose Value™ products sales revenue ratio, GHG emissions reduction rate, incidence of major accidents, incidence of major legal and regulatory violations, and engagement scores

Corporate Governance >

Endeavor to Create a Circular Economy

Management System

Basic Approach

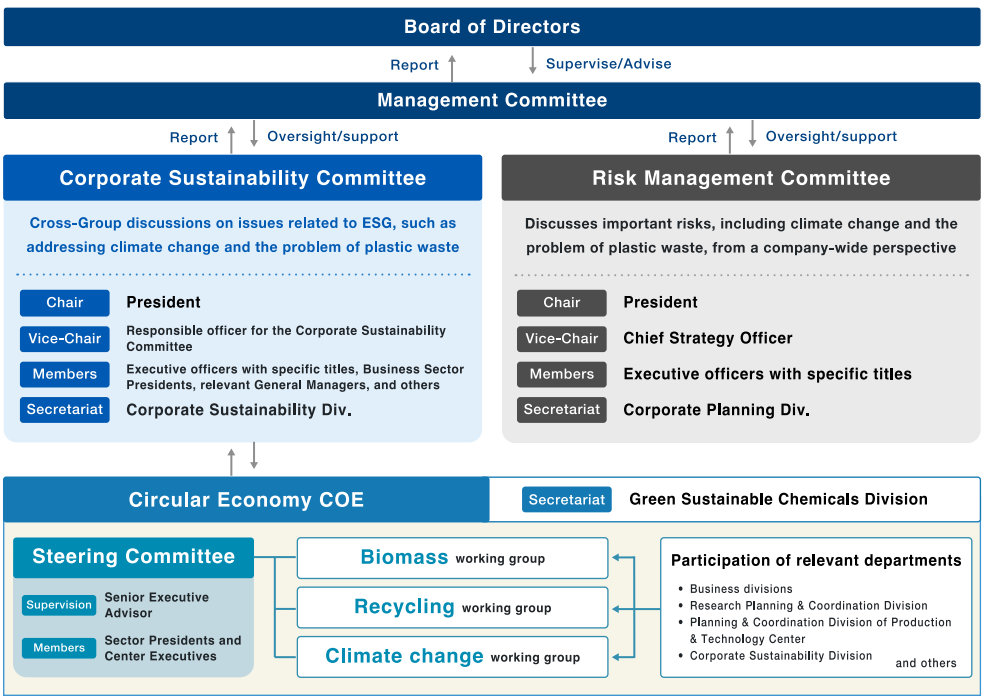
The Mitsui Chemicals Group has contributed to improving convenience in people's lives and helped solve challenges in society through the supply of chemical products and high-performance plastic products. At the same time, our business activities require the substantial use of fossil resources and energy, which emits large volumes of greenhouse gases (GHGs). Also, there are concerns over environmental pollution caused by plastic waste flowing into the oceans and other areas.
In view of these circumstances, we have positioned climate change coupled with plastic waste problems as especially important social challenges, and moved ahead with our carbon neutral strategy, biomass strategy, recycling strategy, and our initiatives to address the plastic waste problem. These strategies and initiatives help drive the recycling of resources, which we believe are aimed at realizing a transition from conventional linear economic activities, based on the premise of mass consumption and disposal of resources, to a circular economy, which allows for greater environmental and social sustainability. The Mitsui Chemicals Group contributes to solving social challenges by bolstering circular economy initiatives.

*The Mitsui Chemicals Group has identified "Circular Economy" as one of its material topics. Please see here for details.

System and Responsible Officers

ESG-related issues such as climate change and plastic waste, as highlighted in the SDGs, are discussed within the Corporate Sustainability Committee, which is coordinated by the officer in charge of the Committee. The Committee meets four times a year to discuss Group-wide policies, strategies, and plans. The results of the Committee's discussions and activities conducted are reported to the Management Committee. Furthermore, particularly important matters are determined and supervised by the Board of Directors after deliberation at the Company-wide Strategy Committee and the Management Committee.
To bolster circular economy initiatives, we have established the Circular Economy Center of Excellence (CoE) as a subcommittee under the Corporate Sustainability Committee. The Circular Economy CoE comprises the Steering Committee and three working groups on biomass, recycling, and climate change. The Senior Executive Advisor serves as the supervisor, and the Green Sustainable Chemicals Division serves as its secretariat. Through participation in each working group by related departments and information sharing and discussion, it is working to efficiently promote both projects run individually by departments and cross-organizational projects. The contents of discussions conducted by the Steering Committee are reported to the Corporate Sustainability Committee. Moreover, the policies discussed at the Steering Committee are fed back to working groups to ensure consistency with the Group-wide strategy.

Sustainability Management > System and Responsible Officers >



Risk Management and Business Strategy

The Mitsui Chemicals Group is committed to addressing “climate change” and “circular economy” as our material topics. We quantitatively evaluate and analyze the business impacts of climate change and the circular economy in terms of both risks and opportunities, reflecting them in our medium- and long-term business strategies.
We identify risks and opportunities on a Group-wide basis under our risk management system. In fiscal 2024, climate change and natural capital were designated as key Group-wide risks. We ensure the implementation of the PDCA cycle within our business plan system to address these key risks effectively.
To accelerate the promotion of various strategies towards a circular economy, we introduced internal carbon pricing (ICP) in fiscal 2019. By adding IRR (c-IRR), which takes ICP into account as a factor in decision-making for large-scale investments, we have a system that discusses the necessity of investments not only from an economic standpoint but also from the perspective of reducing environmental impact. In fiscal 2022, we revised the internal carbon price from 3,000 yen/t-CO_2e to 15,000 yen/t-CO_2e. This system supports the consideration of lower-carbon investments from the planning stage of investment projects.

Goals and Results

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
GHG emissions reduction rate (Scopes 1 and 2)* *compared to FY2013	Mitsui Chemicals Group	27%	28%	28%	40%
Blue Value™ products sales revenue ratio	Mitsui Chemicals Group	26%	26%	28%	40%

* Calculated based on adjusted emissions that exclude temporary factors such as fluctuations in ethylene operating rates.

Endeavor to Create a Circular Economy

Climate Change Policy

In order to achieve the globally shared long-term goals set forth in the Paris Agreement, the realization of carbon neutrality throughout society is imperative, and efforts to achieve a decarbonized society (climate change mitigation) must be accelerated. There is also a need to adapt to environmental changes, such as the intensification of natural disasters caused by climate change.
The Mitsui Chemicals Group considers climate change to be a top priority issue and has formulated and published a climate change policy in 2019.

Mitsui Chemicals Group Climate Change Policy

Taking climate change as a top priority issue, the Mitsui Chemicals Group will undertake initiatives for collaboration and co-creation in the global value chain.

Mitigation	Adaptation
Realizing a low-carbon society by reducing GHG emissions	Realizing a society resistant to climate change risks that ensures health and well-being
Opportunities and risks	**Opportunities and risks**
Low-carbon manufacturing • Energy conservation and renewable energy • Switching to alternative raw materials and fuels	**Improving water security** • Risk management at production sites • Effective use of water resources
Product-driven GHG reductions • Blue Value™ products	**Expanding lineup of adaptable products** • Rose Value™ products
Improved recycling technology • Innovation in materials and design	**Strengthening of value chain resilience**
Maximization of value chain contributions	

Climate change
Mitigation Measures: Realizing a low-carbon society by reducing GHG emissions

The Mitsui Chemicals Group focuses on reducing GHG emissions as one means of mitigating climate change. We aim to achieve carbon neutrality by 2050, by reducing greenhouse gas (GHG) emissions within our Group, and working to decarbonize the entire value chain, including all products and services. GHG emissions reduction is incorporated in our Carbon Neutral Strategy, which was established in FY2020, and we are now moving forward with concrete measures.

Low-carbon manufacturing

Chemical products mainly use fossil-derived raw materials, which emit a large amount of GHGs through manufacturing processes involving chemical reactions at high temperatures and fuel combustion at utility facilities for producing steam or electricity. We believe that we contribute greatly to reducing GHG emissions in the manufacturing of our chemical products by implementing various measures, including saving energy in the manufacturing process by mainly using high-performance catalysts and installing energy-efficient equipment, actively utilizing renewable energy, and switching to low-carbon raw materials and fuels.

Product-driven GHG reduction

Chemical products are involved in various stages of the product lifecycle, not only in processes in which our Group is directly involved, such as raw material procurement and manufacturing, but also indirectly in intermediate processing, use of final products, and disposal.
The Group certifies products that make significant environmental contributions as Blue Value™ products, and evaluates the GHG reduction effect over the entire product life cycle, with "CO_2 reduction" as one of the contribution categories. By expanding Blue Value™ products, we will contribute to reducing GHG emissions in the society as a whole.

Improving recycling technologies

Resource recycling not only helps reduce the use of fossil materials and fuels by efficiently utilizing such resources, but it also decreases waste plastic and GHG emissions throughout the value chain. Under its recycling strategy, the Mitsui Chemicals Group is refining its technologies for plastic waste chemical and mechanical recycling, as well as mono-material production of packaging, with the aim of commercializing such technologies.

Climate change
Adaptation Measures: Realizing a society resistant to climate change risks that ensures health and well-being

As a measure to adapt to environmental changes caused by climate change, the Mitsui Chemicals Group is working to build resilient businesses and society by strengthening the resilience of the entire value chain, including by properly assessing risks and expanding lineup of adaptable products.

Improving water security

Damage from wind, floods, and drought are expected to increase as unrelenting global warming causes major changes in climate phenomena. Population increase and economic development are also expected to trigger large-scale water shortages. Owing to the fact that a lot of water is required in the manufacturing of chemical products—for example, for heating/cooling and product purification—changes in the available water supply or its quality could have a negative impact on our business activities. Given that the Mitsui Chemicals Group maintains production sites in multiple regions around the world, we evaluate risks according to each region and take measures to minimize physical and human risks.

Water Risk Assessment >

Expanding lineup of adaptable products

Global warming is having a profound impact on people's health and lives, as well as on agriculture and the ecosystem. The Mitsui Chemicals Group certifies products that help improve QOL, such as those that "enrich life and society," "extend healthy life-span," and "protect food," as Rose Value™ products. By expanding Rose Value™ products that can help solve social issues such as infectious diseases, and prevent and mitigate disasters, we aim to realize a healthy and safe society that is resilient to climate change risks and can adapt to environmental changes.

Endeavor to Create a Circular Economy

Carbon Neutral Strategy

Carbon Neutrality Declaration

The Mitsui Chemicals Group believes that, as a chemicals company, we have an important role to play in helping to build a sustainable society that can limit the average global temperature rise to 1.5 degrees Celsius. Therefore, in November 2020, we declared our commitment to become carbon neutral by 2050. We developed a carbon neutral strategy which is centered around the two pillars of (1) reducing our own GHG emissions (Scopes 1 and 2), and (2) maximizing the avoided emissions of our products over their entire life cycle, and have implemented concrete measures that contribute to the transformation of society.
We are considering investing an amount to the scale of 140 billion yen in carbon neutrality by 2030, and we will flexibly invest funds across the entire Group.

Mitsui Chemicals Group to become carbon neutral by 2050

1. Drive our initiatives to become carbon neutral by 2050 and contribute significantly to social transformation as a chemical company
2. Aim to maximize avoided emissions through provision of our products by broadly implementing our products that help reduce GHG emissions across society with the customers

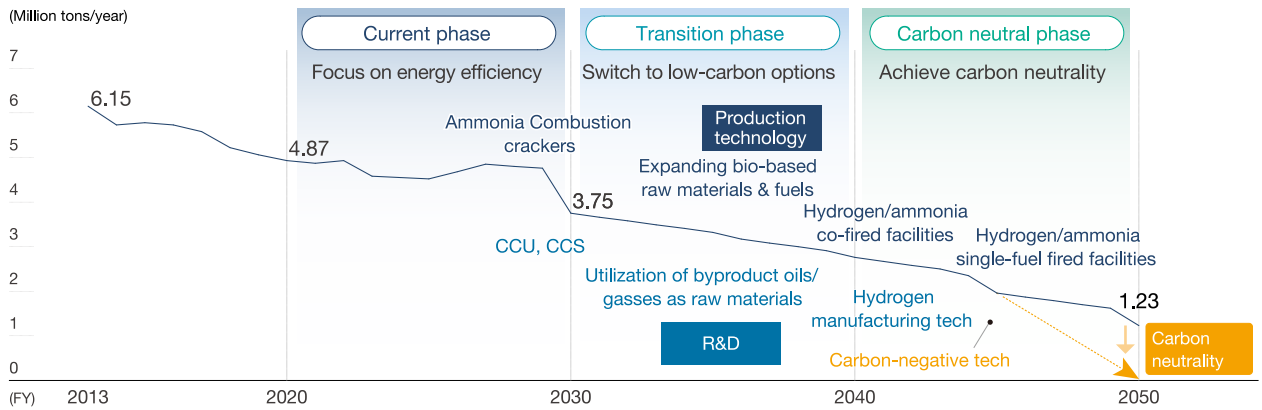
The Mitsui Chemicals Group's Carbon Neutrality Strategy

Strategy (1) Reducing GHG Emissions (Scopes 1 and 2) of the Mitsui Chemicals Group

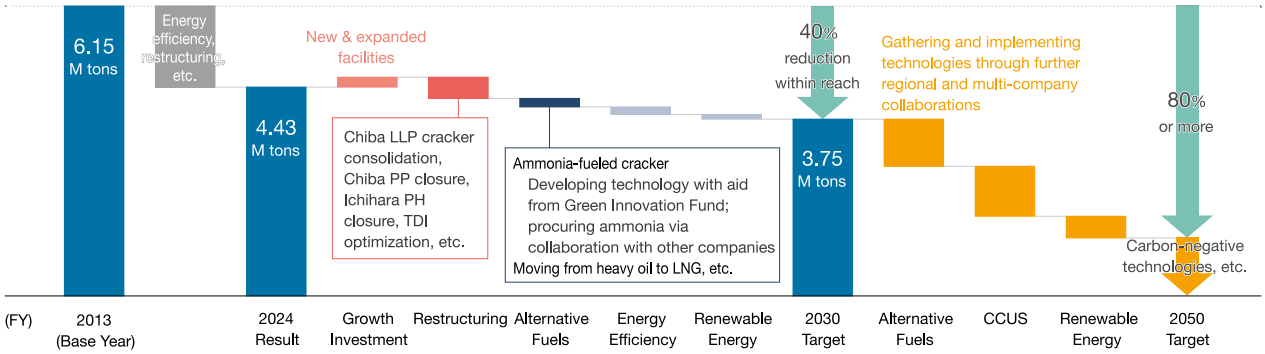
The Mitsui Chemicals Group aims to reduce its GHG emissions by 40% by fiscal 2030 relative to fiscal 2013 levels to make important progress toward the goal of achieving carbon neutrality by 2050. This is one of our non-financial targets in VISION 2030. To this end, we have made progress toward achieving our FY2030 GHG emissions reduction target by advancing discussions on several initiatives, including: the consolidation of naphtha crackers within the LLP with Idemitsu Kosan Co., Ltd. in the Keiyo area; the installation of ammonia-fueled crackers at our Osaka Works with aid from Green Innovation Fund*; and the promotion of energy efficiency and the introduction of renewable energy.
We will continue to implement low-carbon and decarbonization measures in sequence. By 2050, in addition to implementing the aforementioned measures, we intend to achieve 80% or more of these reductions mainly through the development of new technologies and the transition of our business portfolio—though this presupposes markets, customers, and other aspects of the external environment falling into place or changing. We also plan to move forward with the development and implementation of carbon-negative technologies, such as carbon capture, utilization, and storage (CCUS), to handle the remaining 20%.
Since fiscal 2019, we have implemented an internal carbon pricing (ICP). By adding internal rate of return (IRR) that takes ICP into account (c-IRR) to our investment decision-making, we are discussing the necessity of investments from the perspective of not only economic opportunities but also a risk that environmental impact may increase in the future. As a measure to accelerate our strategy, we revised our ICP from 3,000 yen/tCO_2e to 15,000 yen/tCO_2e in fiscal 2022.

*Green Innovation Fund:
A fund established by the Japanese government to help achieve carbon neutrality by 2050. It provides long-term support—from research and development through demonstration and social implementation—for companies and other organizations committed to ambitious goals to realize a decarbonized society.

Carbon Neutral Roadmap

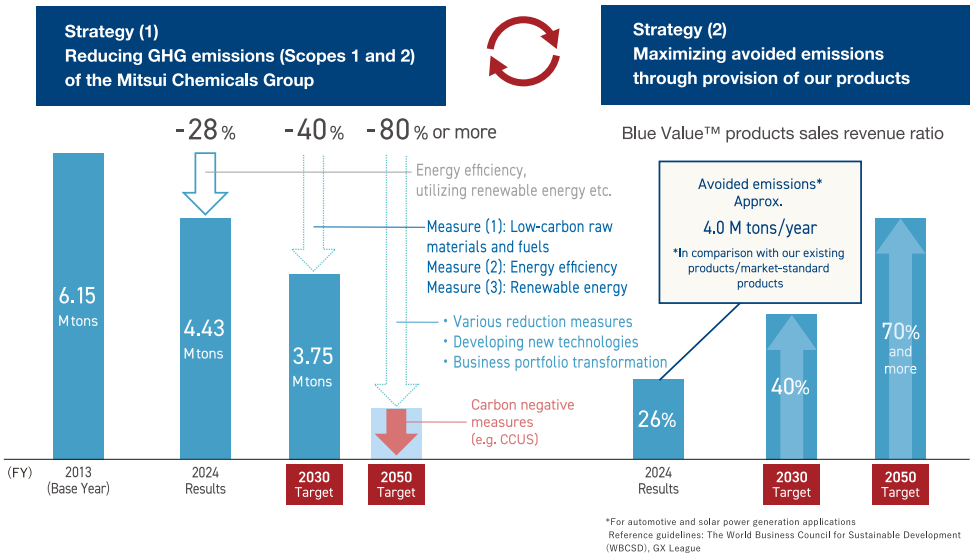


Measures and Outcomes of the Group



Strategy (2) Maximizing Avoided Emissions Through Provision of Our Products

Through our supply of Blue Value™ products that make significant environmental contributions, we aim to maximize GHG emissions avoided over the entire product life cycle. In this way, we intend to help all of society achieve carbon neutrality. We have set a 40% Blue Value™ products sales revenue ratio as one of our non-financial targets in VISION 2030, and we have reflected this in the strategy of each business. In addition, for some of our Blue Value™ products, we calculate the contribution of avoided emissions under the review of outside experts. By sharing the results of the calculations with our stakeholders, we have continued efforts to make our contributions more visible. In fiscal 2024, we estimated avoided emissions of approximately 4 million tons per year.



Initiative 1:

Transition to Low-Carbon Feedstock – Fuel Conversion of Naphtha Crackers Using Ammonia



While naphtha crackers are key for a chemicals company, they also are facilities that emit a large amount of GHGs. By switching from methane-based fuel to carbon-free ammonia in naphtha crackers, the Mitsui Chemicals Group aims to bring the amount of CO_2 generated in combustion as close to zero as possible and contribute to reduction of GHG emissions across the entire petrochemicals industry.
With Mitsui Chemicals, which has both naphtha cracker and ammonia businesses, acting as a lead company, we are proceeding with demonstration tests in collaboration with Maruzen Petrochemical Co., Ltd., Toyo Engineering Corporation, and Sojitz Machinery Corporation. The research and development period is envisaged to be the 10 years from fiscal 2021 to fiscal 2030, with a goal of completing the demonstration of entirely ammonia-fueled naphtha crackers by 2030. Currently, we have made progress as scheduled toward a goal of developing ammonia burners and test furnaces by 2026. The construction of test furnaces is scheduled to be completed in the latter half of fiscal 2025.
This project has been selected as a demonstration test for development of advanced technologies for naphtha crackers by the Green Innovation Fund program publicly solicited by the New Energy and Industrial Technology Development Organization (NEDO).

Launch of Pilot Project Aimed at Commercial Use of Fuel Ammonia to Naphtha Crackers >

Initiative 2:
Transition to Low-Carbon Raw Materials and Fuels– Building Hydrogen and Ammonia Supply Chains Through Cross-Industry and Regional Collaboration

The Mitsui Chemicals Group has aimed to utilize ammonia as fuels for naphtha crackers. In fact, ammonia is expected to be used in a broad range of applications, including fuels in the field of power generation, for heat utilization in the industrial field, and hydrogen carrier. Jointly with Mitsui & Co., Ltd. and IHI Corporation, we have commenced studies to establish bases for receiving, storing, and supplying ammonia in the Osaka coastal industrial zone, as well as to expand the use of ammonia in the Kansai and Setonaikai regions (announced in August 2023). As part of these efforts, we have decided to start the feasibility study on establishment of ammonia supply bases in the Sakai-Senboku area of Osaka (capable of importing and receiving, storing, and shipping ammonia). We have organized and analyzed the information necessary to determine its feasibility, aiming to start supply by fiscal 2030. In May 2024, this feasibility study project was selected for fiscal 2024 Subsidy for Measures to Promote Introduction of Non-Fossil Energy (Hydrogen Supply Infrastructure Development Project).

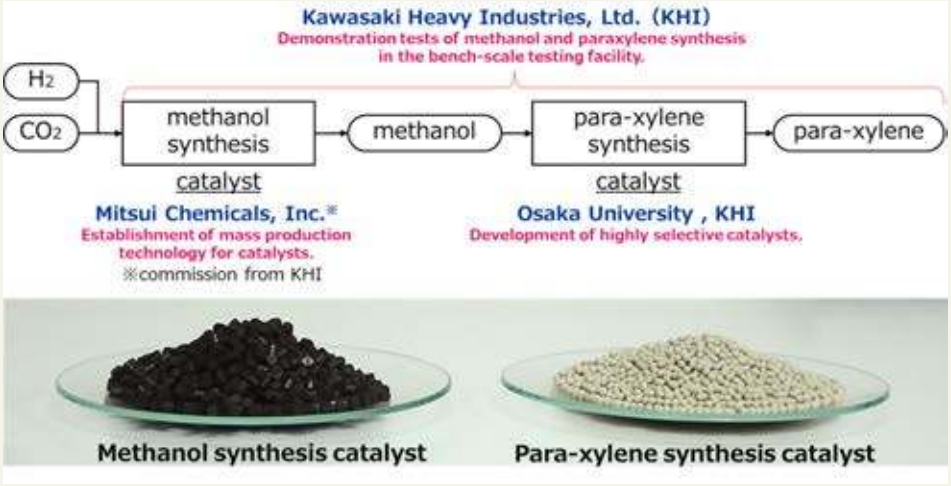


Osaka Works, a candidate site for the ammonia supply base

Launch of joint study on establishment of hydrogen and ammonia supply chain based in the Osaka coastal industrial zone 〉

Initiative 3:
Carbon-Negative Technology – Successful Demonstration of Methanol and Para-Xylene Synthesis From CO_2

Mitsui Chemicals, Inc., in collaboration with Osaka University and Kawasaki Heavy Industries, Ltd., has successfully conducted a demonstration test of a technology for synthesizing para-xylene using methanol derived from CO_2.
Methanol, in addition to its conventional use as a chemical feedstock, is now being utilized as a low-environmental-impact fuel for ships and other applications. Para-xylene is widely used in the production of polyester resins for clothing and plastic bottles. By converting CO_2—captured from the atmosphere via direct air capture (DAC) or collected from industrial emissions—into methanol and para-xylene, this approach contributes to both the reduction and fixation of CO_2 emissions.
The production method developed in this project enables a significant reduction in CO_2 emissions compared with conventional petroleum-based processes. Going forward, we will continue to advance this development and promote efforts toward commercialization, contributing to the realization of a carbon-neutral society.
This initiative was carried out as part of the Development of Technologies for Carbon Recycling and Next-Generation Thermal Power Generation project, a program run by the New Energy and Industrial Technology Development Organization (NEDO).



Osaka University, Kawasaki Heavy Industries and Mitsui Chemicals Successfully Synthesize Methanol and Para-xylene From CO2 〉

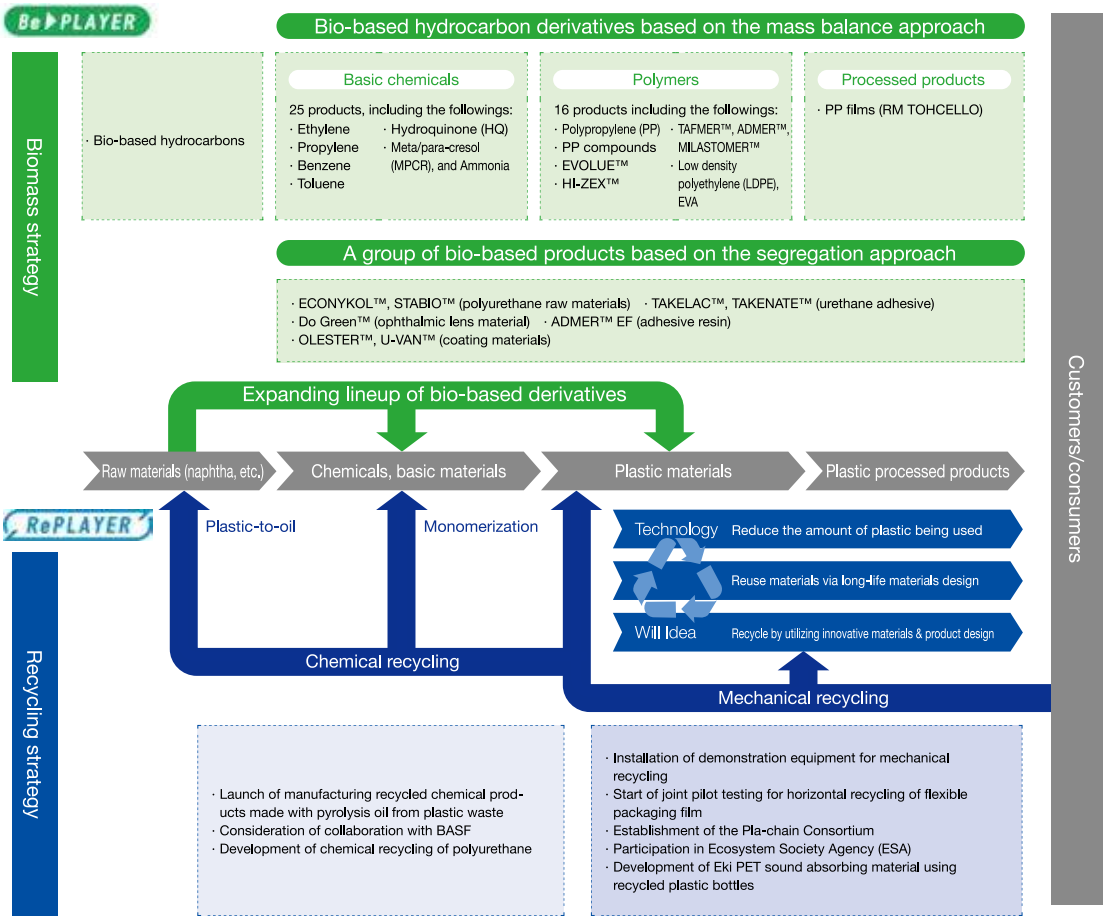
Other Initiatives

Energy Efficiency: Adoption of Energy-Saving Process Using LNG Cold Energy 〉
Renewable Energy: Installation of Solar Power Generation Facilities under a PPA Model at Nagoya Works 〉

Endeavor to Create a Circular Economy

Biomass Strategy and Recycling Strategy

Conventional linear economic activities, based on the premise of mass consumption and disposal of resources, are placing a heavy burden on the global environment. For over 100 years, the Mitsui Chemicals Group has supported rich and comfortable living through our philosophy of innovating and creating materials as a materials manufacturer. Going forward, we will continue to contribute to solving social challenges by bolstering circular economy initiatives which enhance environmental and social sustainability.
Based on this thinking, the Basic Strategy of VISION 2030 calls for building circular economy-based business models for all businesses. We are focusing on biomass and recycling strategies with a view to the entire supply chain for plastics, which are the Group's main products. By implementing these two strategies and addressing the problem of plastic waste, we will continue to promote resource recycling and endeavor to create a circular economy.

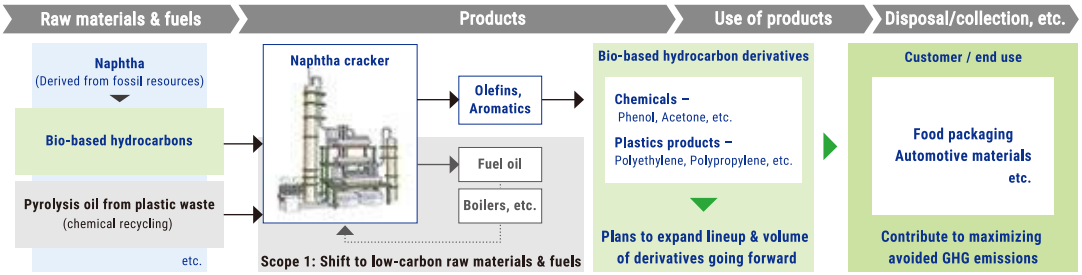


Biomass Strategy: Expanding Lineup of Bio-Based Plastic Products

As we believe that a shift to bio-based raw materials encourages resource recycling, curbs the further use of fossil resources, and therefore helps mitigate climate change, we aim to expand our lineup of bio-based plastic products.
Starting in fiscal 2021, we have been using bio-based hydrocarbons produced from waste cooking oil and other materials as raw material for our naphtha cracker, thereby converting the various chemicals and plastics derived from it into bio-based products. In order to expand the lineup of bio-based hydrocarbon derivatives that we can offer, we are working to obtain ISCC PLUS certification for each product, and as of September 2025, approximately 40 products have been certified, including products produced from naphtha and their downstream products.

Initiative 1: Production and Sales of Bio-Based Chemicals and Plastics from Bio-Based Hydrocarbons

The Mitsui Chemicals Group has procured and introduced bio-based hydrocarbons as feedstock for our naphtha crackers at the Osaka Works ethylene plant. At the same time, we are producing and marketing chemicals such as phenol and acetone, as well as plastics products such as polyethylene and polypropylene under the mass balance approach, which allows for the attribution of bio-based content to specific products.
In order to expand the lineup of bio-based hydrocarbon derivatives that we can offer, we are working to obtain ISCC PLUS certification for each product, and as of September 2025, approximately 40 products have been certified, including products produced from naphtha and their downstream products. Through our collaborations with partners like Teijin Limited, which uses the Group's biomass-derived bisphenol A to develop and produce biomass-derived polycarbonate resins, and efforts to promote sales of BePLAYER™ products, we will establish a social foothold for biomass and propel the spread of both bio-based chemicals and bio-based plastics.



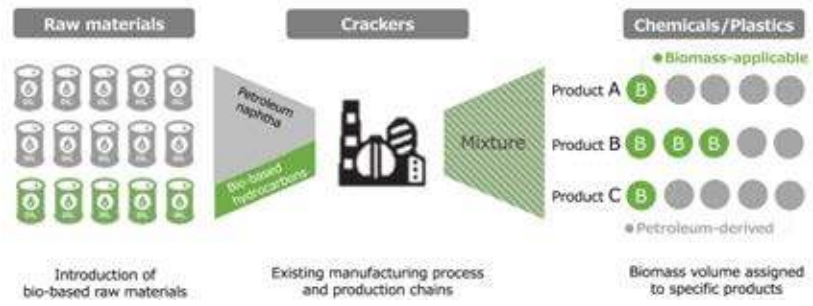
Initiative 2: Food Packaging by Japanese Consumers' Co-operative Union Using the Group's Prasus™ Biomass PP Obtains Eco Mark for the First Time for Its Mass Balance Method

Prasus™, a mass-balanced bio-polypropylene (PP) manufactured and sold by Prime Polymer Co., Ltd.—a Mitsui Chemicals Group company—has been adopted by the Japanese Consumers' Co-operative Union for use in food packaging, becoming the first plastic container and packaging using bio-attributed plastics to receive the Eco Mark*.

*Eco Mark:
An environmental label that is given to various products and services operated by the Japan Environment Association, which are recognized as having a low environmental impact throughout their life cycle from production to disposal and as being useful for environmental preservation. Bio-attributed plastics (i.e., bio-based plastics produced under the mass balance method) were newly added to the Eco Mark certification criteria on February 1, 2023.

Mass Balance Method

Mitsui Chemicals produces bio-based chemicals and plastics by mixing fossil-derived naphtha with bio-based hydrocarbons in the manufacturing process. These products are made of mixtures of fossil-derived and bio-based raw materials, but we allocate the share of bio-based raw materials used during production only to specific products and provide them to customers. This method is called the mass balance method. By using this method, a portion of the finished product can be considered "100% biomass-derived" depending on the amount of biomass-derived feedstock input, thus making it possible to meet the diverse biomass product needs of customers. We have acquired a third-party certification (ISCC PLUS certification) to prove that we properly manage and run the mass balance method in a reliable way. The Group believes that this method will play an important role not only for biomass products, but also as a scheme to help expand the portfolio of recycled chemical products.



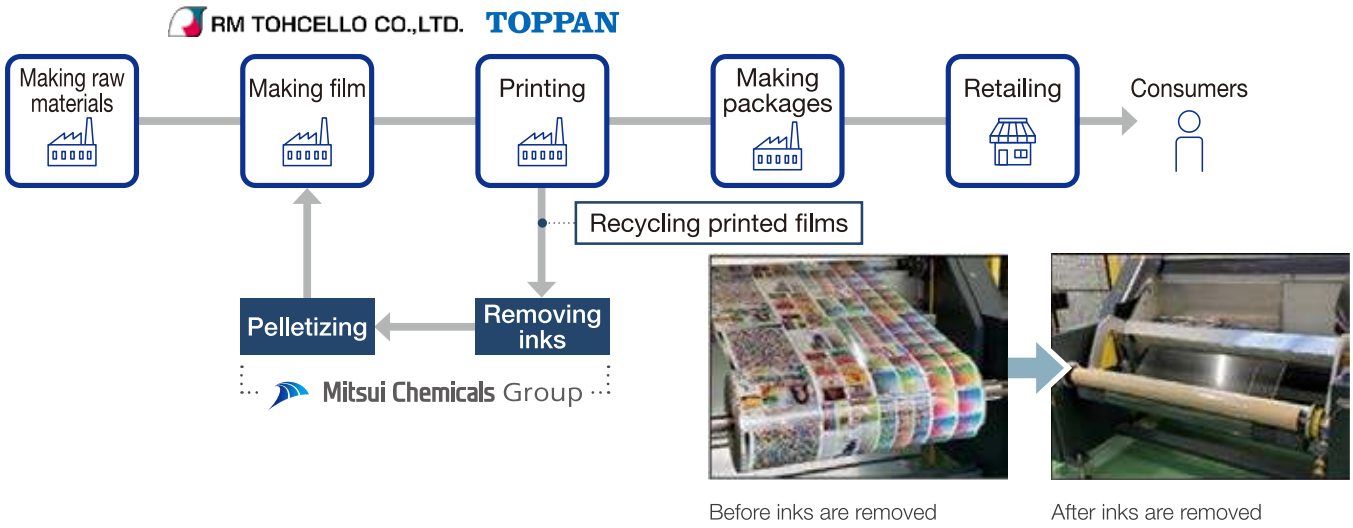
Recycling Strategy: Promoting Plastic Recycling

As social challenges related to waste management, such as resource depletion and problem of marine plastic waste, become more serious, the Group regards waste plastic and other materials as resources and is working to make effective use of them. We believe that promoting resource recycling can contribute not only to the effective use of resources such as the reduction of the use of fossil raw materials and fuels, but also to the reduction of waste through the recycling of waste plastics and to the reduction of GHG emissions throughout the entire value chain.
Specifically, we supply products through mechanical recycling, in which waste plastics and other waste are considered as raw materials and reused as raw materials for products, and chemical recycling, in which used resources such as waste plastics are chemically and thermally processed and decomposed into raw materials and monomers, and then recycled as plastics and chemicals. In addition to this, we will expand the circle of the circular economy through the development of new materials, recycling systems, and value chains, such as the conversion of packaging materials to monomaterials to promote recycling, and the provision of the digital resource circulation platform that realizes traceability of plastic recycling.

Initiative 1: Mechanical Recycling – Development of a Pouch Made From Horizontally Recycled Flexible Packaging Film

Since May 2022, the Mitsui Chemicals Group has been promoting "RePLAYER™ – Renewable Plastics Layer System," an initiative for mechanical recycling of flexible packaging film. The system serves to recover film waste after printing from converters, remove the ink, and then pelletize the waste before turning it back into flexible packaging film. In December of the same year, Toppan Inc., RM Tohcello Co., Ltd., and Mitsui Chemicals began discussing the basis of the joint pilot testing, and in fiscal 2023, the three companies shifted to full-fledged joint pilot testing. In these tests, we verified the suitability of mass production processes including printing, laminating, and pouch forming, and since the pouch met physical property requirements such as seal strength and tear strength, we began providing samples of this film starting in October 2024.
Specifically, printed film waste generated by Toppan Inc. is collected and sent to Mitsui Chemicals' Nagoya Works, where the ink is removed and the material is pelletized. The pellets are then converted into film by RM Tohcello Inc. The recycled film undergoes mass production testing at TOPPAN Inc.'s packaging facilities, confirming its suitability for printing, laminating, and pouch forming. Physical property evaluations have also been conducted on the pouch form, verifying its functionality as packaging.
The companies hope to see their new material adopted in society within fiscal 2025, with an eye toward further developing and popularizing the horizontal recycling of flexible packaging film.

Joint Project Develops Pouch Made From Horizontally Recycled Flexible Packaging Film >



Initiative 2: Chemical Recycling – Effort to Implement Chemical Recycling Technology for MR™ Ophthalmic Lens Materials

As a leading manufacturer of ophthalmic lens materials, Mitsui Chemicals provides lens manufacturers worldwide with the highest quality products. These products offer high weather resistance and a variety of refractive indices, including the MR™ series of high-refractive-index lens materials. Mitsui Chemicals is committed to technology and offers coating materials that help improve the lifespan and performance of ophthalmic lenses through our subsidiaries. In fiscal 2024, we launched the development of a new technology that chemically recycles shavings and waste lenses generated from the production and processing of MR™ ophthalmic lens materials so that they may be repurposed into MR™ ophthalmic lens materials. The company has also launched efforts toward the practical implementation of this technology.
Ophthalmic lenses go through various processes on their way to becoming final products, including lens molding by the lens manufacturer, prescription processing, surfacing, edging, and fitting into frames at retail stores. Currently, most of the lens swarf and

waste lenses generated throughout these processes are simply discarded. With a revolutionary new effort, Mitsui Chemicals aims to recover the lens swarf and waste lenses to subject them to chemical recycling utilizing the company's new technology. This new technology allows the materials to then be reused for MR™ ophthalmic lens materials while maintaining the highest quality standards. This requires high levels of transparency, strength and more. Mitsui Chemicals aims to achieve a circular economy by building a business model that spans the entire ophthalmic lens value chain.

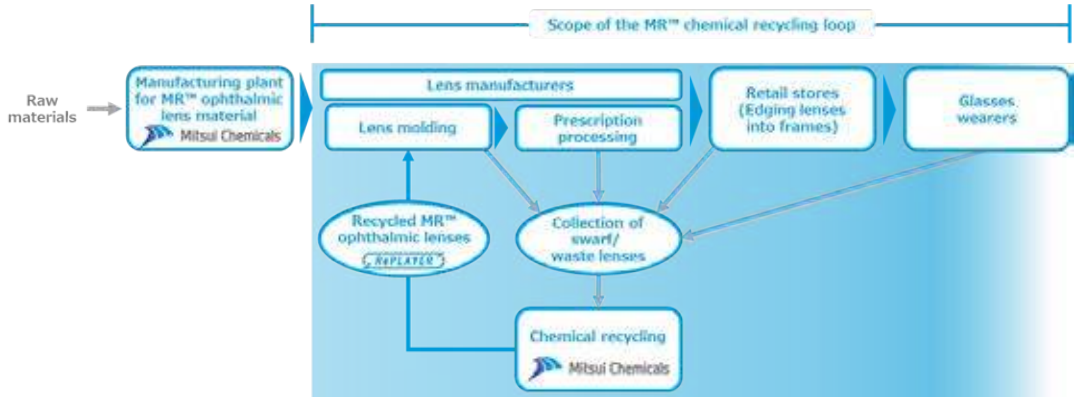
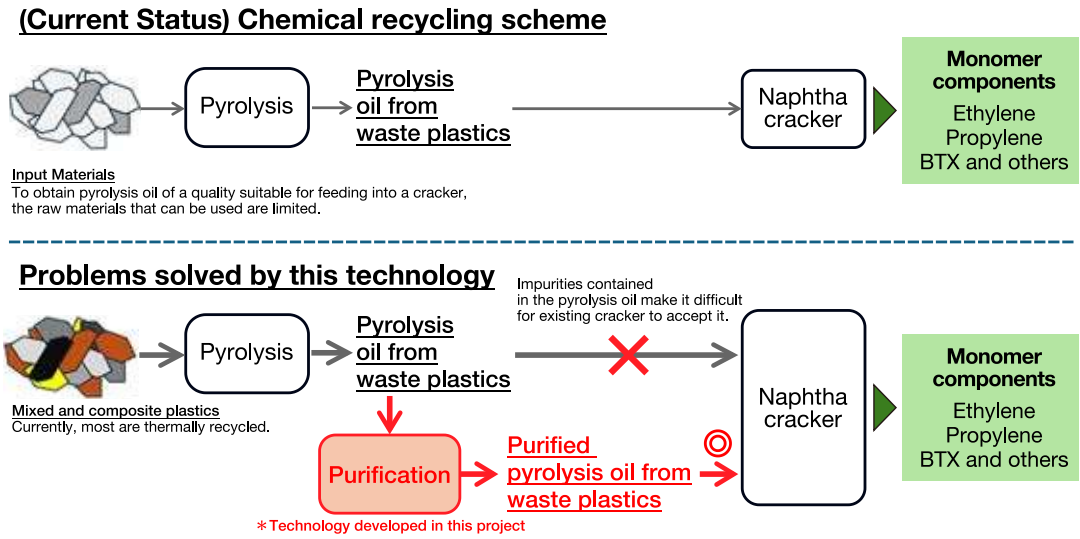


Diagram showing the chemical recycling scheme for MR™ ophthalmic lens materials

Mitsui Chemicals Launches Effort to Implement Chemical Recycling Technology for MR™ Ophthalmic Lens Materials >

Initiative 3: Chemical Recycling – NEDO Grant Awarded for Development of Purification Technology for Pyrolysis Oil from Waste Plastic

The Mitsui Chemicals Group is advancing the development of pyrolysis chemical recycling technologies aimed at realizing a circular economy. These technologies involve the pyrolysis of waste plastic to produce pyrolysis oil, which is then fed into a naphtha cracker to generate new monomers that can be converted into recycled plastics.
To obtain pyrolysis oil of sufficient quality for use in naphtha crackers, it is necessary to carefully select the waste plastic used as feedstock and appropriately control the concentration of impurities in the resulting oil. Waste plastics currently subjected to thermal recycling (energy recovery) often contain mixed and composite plastics. When these are pyrolyzed, the resulting pyrolysis oil tends to contain high concentrations of impurities, posing a challenge for its use in naphtha crackers.
Hydrotreating is a well-known method for removing such impurities; however, since it requires high temperature and pressure, it consumes a large amount of energy. We have initiated the development of a technology to purify waste plastic pyrolysis oil, which efficiently removes impurities through optimized pyrolysis conditions combined with chemical processing at room temperature and atmospheric pressure, thereby achieving an estimated energy saving of approximately 70% compared to conventional methods. The practical implementation of this technology is expected to enable the use of mixed and composite plastics—previously destined for thermal recycling—as feedstock for pyrolysis chemical recycling, thereby making a significant contribution to the realization of a sustainable society.
This project has been selected for inclusion in the Program to Develop and Promote the Commercialization of Energy Conservation Technologies to Realize a Decarbonized Society (Phase of Developing Practical Application) under the initiative of the New Energy and Industrial Technology Development Organization (NEDO), a National Research and Development Agency.



Renewing the world from the material of materials. BePLAYER™ and RePLAYER™ for regenerative lifestyles.

A significant social transformation is necessary to realize carbon neutrality and a circular economy society. As a materials manufacturer that supports life infrastructure of the population, the Mitsui Chemicals Group has the potential to change people's lifestyles from the ground up. Recognizing this strength and purpose, we have the responsibility to broadly provide cross-Group solutions to society. In order to fulfil this responsibility, it is important to continue proactive communications and gain societal recognition as a comprehensive solutions company in the field of carbon neutrality and circular economy. To this end, the Group has launched two brands with the key messages of "we explore the materials of materials" and "we're reshaping the world from a material level"—BePLAYER™, which achieves carbon neutrality with biomass, and RePLAYER™, which creates a circular economy through recycling. By promoting both of these solution brands, which aim to utilize renewable resources and manage stock resources, we aim to resolve multi-faceted and complex social challenges, and take sustainability a step further and provide regenerative lifestyles from the material level.
Looking back, the history of Mitsui Chemicals is also a history of switching to alternative raw materials. Starting with the production of chemical fertilizers from the byproduct gas of coal coke in 1912, we have expanded our business while switching raw materials and shifting to the chemical business using gas and petroleum naphtha as raw materials. Now is the time for a shift to the chemical business using biomass and recycled resources as raw materials. With the two brands at the center of communications with society, we aim to contribute to the realization of carbon neutrality and a circular economy society and achieve further growth by once again switching to alternative raw materials.

Problems with Plastic Waste

The problem with plastic waste stems from plastics that have escaped from the process for resource recycling and ended up in environments due to inappropriate waste management. To prevent leakage into rivers and oceans, it requires a united effort by companies in the entire plastics value chain.
We have worked to manage plastic waste properly and promote its recycling by participating in global and Japanese alliances such as the Alliance to End Plastic Waste (AEPW) and Japan Clean Ocean Material Alliance (CLOMA).

Alliance to End Plastic Waste (AEPW)

Established in 2019, the AEPW is a global alliance of companies involved in the plastic value chain, including chemical and plastic manufacturers, retailers, and waste management firms. AEPW is working to reduce plastic waste and promote a circular economy for plastics by developing, de-risking, and demonstrating solutions through more than 50 projects around the world.

Mitsui Chemicals Joins New Global Alliance Formed to Take on Plastic Waste in the Environment >



Panel discussion at the AEPW Tokyo Summit (September 2023)

The alliance was established in January 2019 as a platform to strengthen coordination among a broad range of stakeholders across various industries. CLOMA aims to achieve a 100% recycling rate for plastic products by 2050, with a milestone of 30% recycled content usage in plastic packaging by 2030. To this end, the organization facilitates technical information sharing among members, business matching, and the verification of technologies and business models through demonstration projects.



Implementing the Recommendations of the TCFD

The Mitsui Chemicals Group announced its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in January 2019. As a chemical company, we are committed to sincerely addressing climate change, deepening our understanding of the opportunities and risks that affect our business, and disclosing our related initiatives.

Disclosure Item 1: Governance

Policy, strategy, and planning to address climate change are discussed at the Corporate Sustainability Committee. The results of these discussions are reported to the Management Committee, and particularly important matters are discussed at the Company-wide Strategy Committee and deliberated by the Management Committee before being decided and supervised by the Board of Directors.
Furthermore, we have established the Circular Economy Center of Excellence (CoE) as a subcommittee under the Corporate Sustainability Committee. The Mitsui Chemicals Group recognizes the need to address climate change, plastic resource circulation, and plastic-related waste management as interconnected issues, and has strengthened its response to the circular economy through this CoE. The Circular Economy CoE comprises the Steering Committee and three working groups on biomass, recycling, and climate change. The Senior Executive Advisor serves as the supervisor and the Green Sustainable Chemicals Division serves as its secretariat. It conducts detailed discussions on climate change, and raises matters requiring management-level discussion to the Corporate Sustainability Committee.

Endeavor to Create a Circular Economy >

Disclosure Item 2: Risk Management

We deploy the risk management system throughout the Group, and identify “key Group-wide risks” that require precise implementation of the PDCA cycle in the management planning system. These key Group-wide risks, together with the series of processes involving confirmation and improvement of the monitoring status, are set twice a year.
We manage risks posed by climate change across the entire Group by integrating such risks into our Group-wide risk management system. We identify climate change-related risks as our key Group-wide risks and reflect them in the management planning system, such as rolling strategic plans*, annual budgets, and action plans, thereby implementing the PDCA cycle.

* Rolling strategic plans:
Review of business plans for the next three years to be conducted annually based on the long-term business plan.

Risk Management >
Risk Management & Business Strategy >

Disclosure Item 3: Strategy

We analyzed risks posed by and opportunities arising from climate change based on views of potential worlds (scenarios) that reflect predictions of how climate change may affect our Group’s business environment. We also reflect the results of the analyses in VISION 2030—our transition plan for achieving a low-carbon society—and our carbon neutral strategy to guide progress.

1. Identifying and Defining Range of Scenarios

We selected the scenarios of a “3–4°C world” and a “1.5–2°C world” by referencing scenarios from the United Nations Intergovernmental Panel on Climate Change (IPCC), the IEA World Energy Outlook (2022 edition), and other sources. These scenarios were used to anticipate changes in our business environment associated with climate change.

Time Horizon

Present day to 2050 (references data through 2100 on physical risks and opportunities)

External Data Used

Data on transition to low-carbon economy: IEA SDS, 2DS, B2DS, NZE2050, The Future of Petrochemicals
Data on physical aspects: IPCC RCP2.6, RCP8.5

Potential Worlds

3-4°C world (A world where responses to abnormal weather are crucial)	1.5-2°C world (A world where bringing about a carbon-free society is the top priority)
Implementation of current climate change policies only • Existing carbon taxes unchanged and applied to certain developed countries only • Expansion in demand for fossil energy and raw materials • Continuing sales of gasoline vehicles	**Implementation of ambitious climate change policies** • Large increase in carbon tax • Suspension of sales of gasoline vehicles/switch to EVs • Increases in expenses for policy compliance • Increases in business opportunities for products that contribute to a carbon-free society
A society dependent on fossil resources • Rises in prices of coal, gas, and oil • Rises in the price of fossil-fuel generated electric power	**Circular economy society** • Renewable energies in the mainstream • Decarbonization of raw materials (Spread of recycled raw materials and bio-based/CO_2-based chemicals)
Catastrophic worsening of natural disasters caused by abnormal weather • Changes in vegetation distribution and migration ranges	**Worsening of natural disasters caused by abnormal weather** • Higher-level, farther-reaching disaster countermeasures

2. Quantifying Business Impacts

We have estimated the anticipated Group-wide impact upon implementing decarbonization measures toward VISION 2030, including the carbon neutral strategy.

Group-Wide Risks

Classification	Events	Impact calculation target	Calculation approach	Impact	
				Medium-term (2030)	Long-term (2050)
3-4°C world					
Physical risks	Catastrophic worsening of natural disasters	Increase in damage at production sites due to river and coastal flooding	Calculated asset damage and economic losses from suspended operations at production sites due to flooding, taking into account the probability of occurrence*1*2	¥-10bn	¥-33bn
1.5-2°C world					
Transition risks	Strengthened laws and regulations	Increased costs due to introduction of carbon tax*3	Cost increases calculated assuming that no decarbonization measures are taken	¥-104bn	¥-185bn
			Cost increases calculated assuming that decarbonization measures are taken*4	¥-78bn (GHG emissions reduction rate (Scopes 1 and 2) compared to FY2013: 40%)	¥0 (GHG emissions reduction rate (Scopes 1 and 2): 100%)
	Market changes	Increased cost of fuel and electricity	Cost increases of fuel and electricity calculated based on inflation rate*5*6	¥-15bn	¥-23bn *2040

*1 FY2020 baseline.
*2 Reference: IPCC RCP8.5
*3 Carbon tax calculated based on predicted carbon price (with reference to IEA NZE2050) and FY2021 GHG emissions.
*4 Investments related to the carbon neutral strategy up to 2030 are estimated at 140 billion yen.
*5 FY2018 baseline for fuel and electricity costs.
*6 Reference: IEA WEO, EIA, and Agency for Natural Resources and Energy forecasts

Group-Wide Opportunities

Classification	Events	Impact calculation target	Calculation approach	Impact	
				Medium-term (2030)	Long-term (2050)
3-4°C world					
Opportunities	Increased demand for products and services that contribute to adaptation	Increased sales revenue of Rose Value™ products, which contribute to disaster prevention/mitigation measures and prevention of the spread of infectious disease, etc.	Set as a non-financial metric *1*2	Rose Value™ products sales revenue ratio: 40%	-
1.5-2°C world					
Opportunities	Increased demand for products and services that contribute to mitigation	Increased sales revenue of Blue Value™ products, which contribute to reduction of GHG emissions	Set as a non-financial metric *3*4	Blue Value™ sales revenue ratio: 40%	Blue Value™ sales revenue ratio: 70%

*1 FY2024 Rose Value™ product results: sales revenue of 450 billion yen, sales revenue ratio of 25%
*2 Reference: our Group's VISION 2030
*3 FY2024 Blue Value™ product results: sales revenue of 480 billion yen, sales revenue ratio of 26%
*4 Reference: our Group's VISION 2030

Risks and Opportunities for Individual Business Segments

We examined business risks and opportunities in the 1.5-2°C world, 3-4°C world, and scenario-independent market environment, accounting for changes in related markets.

Note	
	Opportunity for Blue Value™ products
	Opportunity for Rose Value™ products
	Risk

Life & Healthcare Solutions Business Sector

Changes in related markets	Risks and opportunities
3-4°C world	
(1) Stable food supply	Creation of agrochemical active ingredients and expansion of overseas operations
(2) Infrastructure service-life extension and disaster prevention/mitigation	-
(3) Public health and hygiene	Development and marketing of new insecticides for malaria vector mosquitoes to help eradicate the disease
	Provision of high-performance antibacterial and anti-mold agents
	Growing needs and expanded demand for simple testing and diagnosis solutions to prevent the spread of infectious diseases
1.5-2°C world	
(1) Reduction of environmental impact in the supply chain	Expanded demand for lens materials using plant-derived raw materials (Do Green™ products)
	Development of chemical recycling technology for ophthalmic lens materials
	Sales promotion for highly active biocatalysts (acrylamide, etc.)
(Reference) Scenario-independent market environment	
(1) Economic growth, population growth, and urbanized, health-conscious lifestyles in emerging countries	Further spread of high-refractive-index ophthalmic lens materials (MR™)
	Expanded demand for oral care and oral diagnostics
	Pursuit of higher quality medical care and longer healthy life expectancy: Entry into new business areas (orthopedics, testing and diagnosis, nucleic acid medicine CDMO, nutrition)
(2) Changes in the mobility market	-
(3) Consideration of environmental impact	Expanded demand for agrochemicals derived from natural materials
	Waste reduction/labor saving by producing dental prosthetics through 3D printing and related products
Measures for risks and opportunities	
-	Improve production and supply capacity to cope with market changes and meet expanding demand
	Further increase the resilience of global supply chains
	Create new products and businesses that help address social challenges
Financial information related to Blue Value™ and Rose Value™ products	
Rose Value™ products sales revenue ratio	76% (FY2024) 85% (FY2030)
Businesses with strengths (FY2024 information)	Ophthalmic lens materials: Global market share 45% (Market growth: 3% annually)
	Agrochemical products: Sales revenue 150 billion yen (2030)
Financial target (FY2030 operating income before special items)	86 billion yen Rose Value™ products make a major contribution

Mobility Solutions Business Sector

Changes in related markets	Risks and opportunities
3-4°C world	
(1) Stable food supply	-
(2) Infrastructure service-life extension and disaster prevention/mitigation	-
(3) Public health and hygiene	-
1.5-2°C world	
(1) Reduction of environmental impact in the supply chain	Expanded demand for parts for renewable-energy applications (highly durable TAFMER™)
	Expanded demand for products contributing to reductions in painting processes (PP compounds)
	Creation of products utilizing renewable raw materials
	Expanded demand for lithium-ion battery components
	Expanded demand for the development of materials to reduce the weight of EVs, extending their driving range (rigid and lightweight PP)
	Expanded demand for EV components due to the shift to EVs
	Difficulties in passing on the costs of decarbonization measures
	Reduced demand for components for gasoline vehicles as the shift to EVs continues

(Reference) Scenario-independent market environment	
(1) Economic growth, population growth, and urbanized, health-conscious lifestyles in emerging countries	Development of module concepts for vehicle interiors, etc. that help enhance comfort in mobile spaces
	Decline in number of new vehicles being manufactured
(2) Changes in the mobility market	-
(3) Consideration of environmental impact	-
Measures for risks and opportunities	
-	Improve production and supply capacity to cope with market changes and meet expanding demand
	Further increase the resilience of global supply chains
Financial information related to Blue Value™ and Rose Value™ products	
Blue Value™ Product sales revenue Ratio	54% (FY2024) 80% (FY2030)
Businesses with strengths (FY2024 information)	PP compounds: Market share No.2 in the world, No.2 in Asia
	Weight reduction and unpainted design of bumpers, instrument panels, and other components
	Raw materials for various battery components
Financial target (FY2030 operating income before special items)	93 billion yen Blue Value™ products make a major contribution

ICT Solutions Business Sector

Changes in related markets	Risks and opportunities
3-4°C world	
(1) Stable food supply	Expanded demand for ICT products with spread of smart agriculture technology (semiconductor components/gas-permeable films)
(2) Infrastructure service-life extension and disaster prevention/mitigation	Expanded demand for components for solar panels and stationary-storage batteries as corresponding needs grow
	Expanded demand for drinking-water filters
	Expanded green-infrastructure demand for nonwovens
(3) Public health and hygiene	-
1.5-2°C world	
(1) Reduction of environmental impact in the supply chain	Expanded demand for eco-friendly packaging materials (coating materials and paper replacements for plastic)
	Growing needs for recycling (mono-material packaging)
	Improved functionality of semiconductor components and expanded demand for such components
(Reference) Scenario-independent market environment	
(1) Economic growth, population growth, and urbanized, health-conscious lifestyles in emerging countries	Expanded semiconductor & assembly solutions market
	Expanded smartphone and XR markets
	Expanded demand for disposable diapers
(2) Changes in the mobility market	Expanded demand for automotive lenses and sensors
	Expanded demand for EV batteries
(3) Consideration of environmental impact	-
Measures for risks and opportunities	
-	Shift to solutions-based business
Financial information related to Blue Value™ and Rose Value™ products	
Blue Value™ products sales revenue ratio	35% (FY2024) 56% (FY2030)
Rose Value™ products sales revenue ratio	48% (FY2024) 60% (FY2030)
Businesses with strengths (FY2024 information)	ICROS™ tape: Global market share No.1
	Pellicles: Global market share No.1
	APEL™ cyclic olefin copolymer: Global market share No.1 (smartphone convex lens market)
Financial target (FY2030 operating income before special items)	73 billion yen Blue Value™ and Rose Value™ products make a major contribution

Basic & Green Materials Business Sector

Changes in related markets	Risks and opportunities
3-4°C world	
(1) Stable food supply	Expanded demand for packaging raw materials that help maintain food quality
(2) Infrastructure service-life extension and disaster prevention/mitigation	Expanded demand for raw materials for polyethylene pipes, etc.

(3) Public health and hygiene	-
1.5-2°C world	
(1) Reduction of environmental impact in the supply chain	Expanded demand for the development of materials to reduce the weight of EVs, extending their driving range (rigid and lightweight PP, polyurethane materials)
	Expanded demand for eco-friendly packaging materials
	Difficulties in passing on the costs of decarbonization measures
	Expanded demand for lithium-ion battery components for EVs
	Reduced demand for components for gasoline vehicles as the shift to EVs continues
(Reference) Scenario-independent market environment	
(1) Economic growth, population growth, and urbanized, health-conscious lifestyles in emerging countries	Development of module concepts for vehicle interiors, etc. that help enhance comfort in mobile spaces
	Decline in number of new vehicles being manufactured
(2) Changes in the mobility market	-
(3) Consideration of environmental impact	-
Measures for risks and opportunities	
-	Reliable supply of raw materials for growth businesses
	Strengthening of response to green chemical products
	Expanded provision of high value-added products
Financial information related to Blue Value™ and Rose Value™ products	
Blue Value™ products sales revenue ratio	10% (FY2024) 12% (FY2030)
Businesses with strengths (FY2024 information)	Production of derivatives using bio-based raw materials, development of advanced recycling technology
	Provision of green materials to other business divisions
Financial target (FY2030 operating income before special items)	36 billion yen

Toward Minimizing Risks

- We assess the business impact of catastrophic worsening of natural disasters from the perspective of asset damage and economic losses from suspended operations. We will incorporate the business impact identified through the assessment into the Basic Strategy of VISION 2030, “Accelerating management and business transformation,” in order to respond thereto.
- The business impact of increased costs due to introduction of carbon tax and increased cost of fuel and electricity will become large over the medium- to long-term. As part of our carbon neutral strategy measures, we will promote carbon-free raw materials and fuels and energy efficiency, while also pushing forward with introducing renewable energy by fiscal 2030. Furthermore, we will progress with steady reductions of GHG emissions through further considerations.
- The cumulative investment estimated by our Group for the carbon neutral strategy through 2030 amounts to 140 billion yen. Considering that our decarbonization measures are expected to reduce the annual carbon tax burden by 26 billion yen, we believe that the investment amount to be appropriate in scale.

Toward Maximizing Opportunities

- By reflecting many potential opportunities for Blue Value™ and Rose Value™ products identified through the impact assessment in our Group-wide strategy, we will work to contribute to the building of a sustainable society and seize more opportunities for our Group.
- Reductions in GHG emissions are deeply related to expanding the revenue of our Group, and it is therefore necessary to not only execute the announced carbon neutral strategy measures but also continually examine and add further measures.
- In addition to further increasing the resilience of our global supply chain by adding to the number of our raw-materials suppliers and production sites, we will also improve our production and supply capacity to cope with market changes and meet market needs as we look to successfully seize business opportunities.
- As capturing the opportunities listed in the table links into the growth of our Group, we have set them as VISION 2030 business targets (non-financial targets) and will continue to manage their progress.

Improving Resilience

- The results of the scenario analyses validated the resilience of our strategies for the 1.5–2°C and 3–4°C worlds.
  We will continue to enhance the precision of our impact assessments.
- In our Group-wide strategies, including our business strategies and site strategies, we will work to improve the Group’s resilience in the aim of minimizing risk and maximizing opportunities.

Disclosure Item 4: Metrics and Targets

Our Group sets metrics and targets for use in managing climate-related risks and opportunities.
We have positioned these as non-financial metrics and business targets for VISION 2030 and are managing their progress.

	Classification	Metric	FY2024 results	Target (FY2030)	Target (FY2050)
Mitigation	GHG emissions reduction (Scopes 1 and 2)	GHG emissions reduction rate (vs. FY2013)*	28%	40%	100%
	Maximization of avoided emissions	Blue Value™ products sales revenue ratio	26%	40%	70%
Adaptation	Contribution to disaster prevention/mitigation measures and prevention of infectious disease, etc.	Rose Value™ products sales revenue ratio	25%	40%	-

* Calculated based on adjusted emissions that exclude temporary factors such as fluctuations in ethylene operating rates.

In addition, information in accordance with the climate-related metrics categories is as follows.

(1) GHG emissions (FY2024)	• Scope 1: 3.53 million tCO_2e • Scope 2: 0.90 million tCO_2e • Scope 3: 16.21 million tCO_2e • Per unit of sales revenue for Scopes 1 and 2: 2.45 tCO_2e/billion yen
(2) Transition risks	Outlined in “Disclosure Item 3: Strategy”
(3) Physical risks	Outlined in “Disclosure Item 3: Strategy”
(4) Climate-related opportunities	Outlined in “Disclosure Item 3: Strategy”
(5) Capital deployment	Investments related to carbon neutral strategy up to 2030 are expected to be on the scale of 140 billion yen.
(6) Internal carbon pricing (ICP)	ICP is set at 15,000 yen/tCO_2e, and IRR that takes ICP into account (c-IRR) is used as a factor in decision-making for large-scale investments.
(7) Executive compensation	• The attainment levels for the target GHG emissions reduction rate and Blue Value™ and Rose Value™ products sales revenue ratios, which are non-financial indicators in VISION 2030, are reflected in the bonuses of all internal directors and executive officers, excluding the Chairman of the Board, as the "evaluation coefficient for non-financial indicators." • Executive officers are assigned to be in charge of progress in their respective areas on the GHG emissions reduction rate and Blue Value™ and Rose Value™ products sales revenue ratios, which are non-financial indicators in VISION 2030. The attainment levels for those targets are reflected in the bonuses for each executive officer in charge as an “evaluation coefficient for performance of the division in charge.” • The Blue Value™ and Rose Value™ products sales revenue ratios for each business segment are part of the business segments’ budget targets for each fiscal year. The attainment levels for those targets are reflected in the bonuses for each executive officer in charge as an “evaluation coefficient for performance of the division in charge.”

Blue Value™ / Rose Value™

Management System



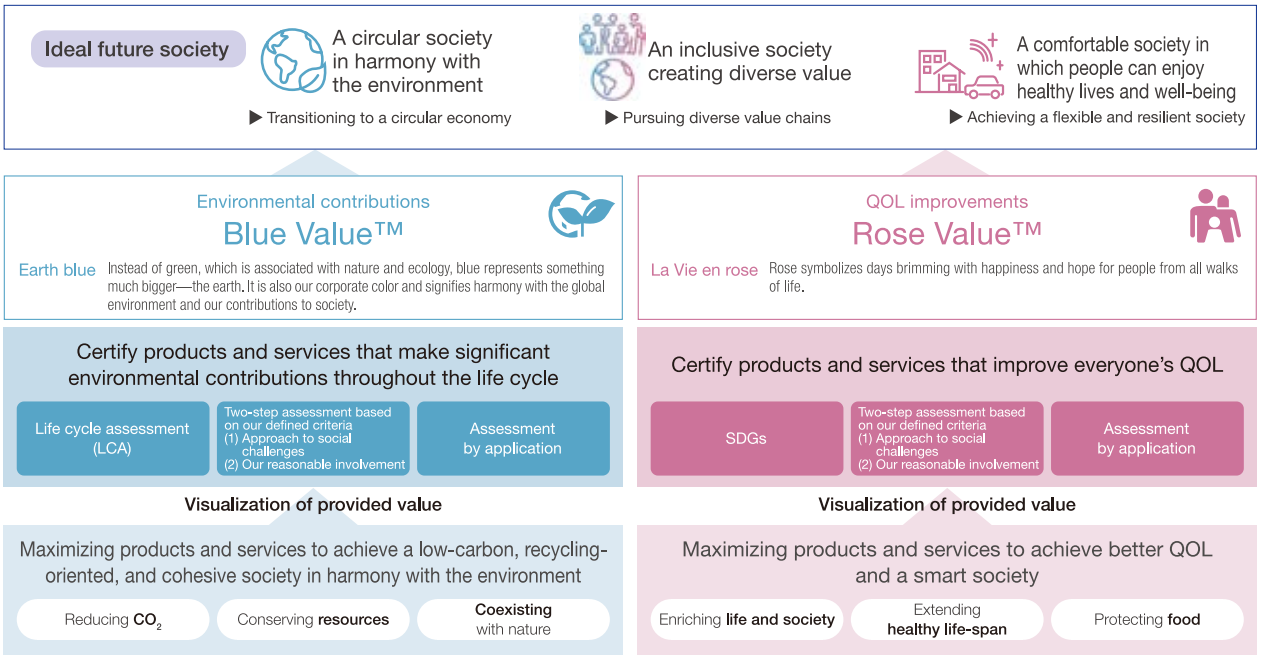
Policy and Basic Approach

The Mitsui Chemicals Group lists "a circular society in harmony with the environment," "a comfortable society in which people can enjoy healthy lives and well-being" and "an inclusive society creating diverse value" as its ideal future society and aims to realize this through its business activities. However, as the Group belongs in the upstream process and provides products and services broadly to a variety of industries, it is not easy to fully grasp the environmental impacts that the features and characteristics of our products and services have within the supply chain, likewise for the roles and values they fulfill across all applications. That is why, in order to truly contribute to the ideal future society through the business we do, the Group believes it is important to share with our various stakeholders, including direct and indirect customers, the impact on and contributions of our products and services towards the global environment and society throughout their life cycles.

With this philosophy in mind, we have developed Blue Value™, which makes assessments regarding environmental impact throughout the life cycle of a product, and visualizes its value, and Rose Value™, which makes assessments with a focus on contributions to improving quality of life, and visualizes their value. Assessments and reviews for both are based on our defined criteria, and products meeting these criteria are certified as Blue Value™ products or Rose Value™ products.

We also believe Blue Value™ and Rose Value™ inform our efforts to address the following material topics of our Group, which were set in order to realize our ideal future society: climate change, a circular economy, health and livelihood, highly livable communities, food security, and product design considering the entire product life cycle.

By maximizing our contributions throughout the entire product life cycle through expanding and providing Blue Value™ and Rose Value™ products and services, we hope to achieve corporate growth for the Group and realize our ideal future society.



Alignment with Management Policy

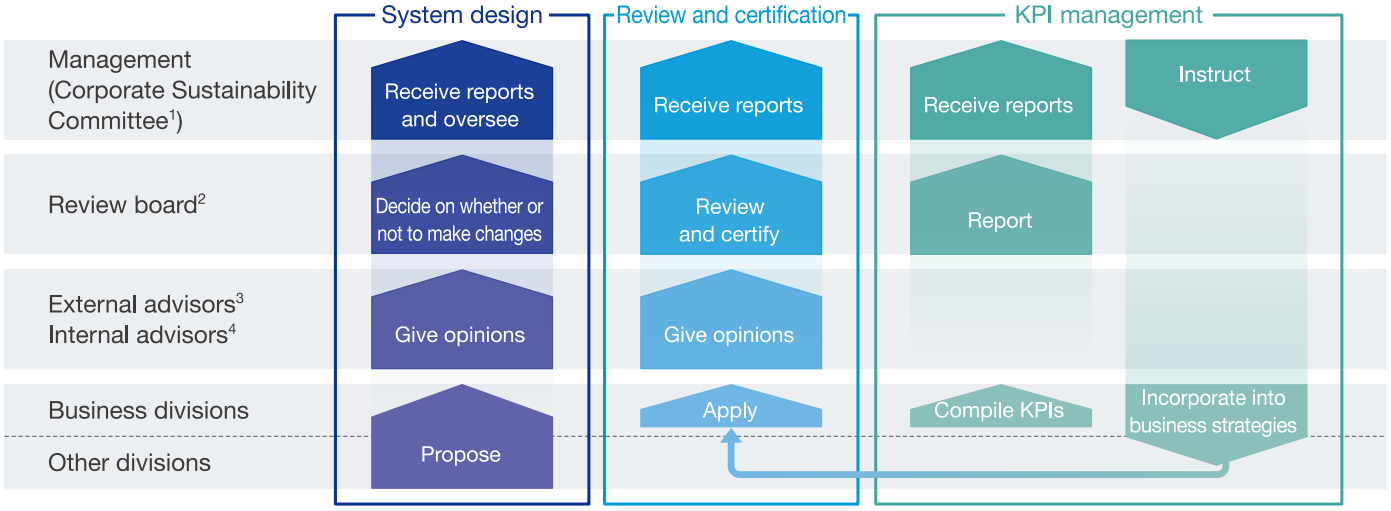
The Group has made “pursuing business portfolio transformation” the first basic strategy of VISION 2030.We are working to extend the social issue perspective across all businesses, promote the “building of solutions-based business models,” and promote the creation of circular economy-based business models by “bolstering circular economy initiatives.”
Blue Value™ and Rose Value™ products and services are designed to help solve social challenges, and the expansion of sales revenue from certified applications reflects progress in transitioning towards solutions-based and circular economy-based business models. To certify products and services, we have established our defined criteria (certification and decision item) based on our material topics and business strategies, ensuring that the development of Blue Value™ and Rose Value™ products and services aligns with our management policy.

	Management policy	Blue Value™/Rose Value™
Ideal future society	• A circular society in harmony with the environment • An inclusive society creating diverse value • A comfortable society in which people can enjoy healthy lives and well-being	Blue Value™ Rose Value™
Material topics	• Contributing to a sustainable society • Product design considering the entire product life cycle • Climate change • Circular economy • Health and livelihood • Highly livable communities • Food security	Contribution category (certification item) • Reducing CO_2 • Conserving resources • Coexisting with nature • Enriching life and society • Extending healthy life-span • Protecting food
Strategy	• Pursuing business portfolio transformation • Pursuing solutions-based business models • Bolstering circular economy initiatives • Corporate transformation through DX • Management and business transformation • Business strategies of each sector, etc.	Social challenges and actions aimed at helping solve social challenges for each certification item (decision item) **Example**: Protecting food **Social challenge**: Food safety **Action**: Ensuring harmful substances are not present in food
Goals	• Overcoming an uncertain business environment to enhance corporate value • Operating income before special items: 250 billion yen (2030)	• Increasing added value and expanding business opportunities • Sales revenue ratio: 40% (2030)

In line with this philosophy, in VISION 2030, we set the ratios of sales revenue from Blue Value™ and Rose Value™ products and services to consolidated sales revenue as non-financial metrics, with their targets both set at 40%. Each business division sets an annual goal of increasing sales revenue from certified product and services and incorporates this into its business strategies.

System and Responsible Officers

The officer in charge of the Corporate Sustainability Division serves as the responsible officer, overseeing discussions on policies, strategies and plans to promote the expansion of Blue Value™ and Rose Value™ products within the Corporate Sustainability Committee. The deliberation results are reported to the Management Committee, further deliberated in the Company-wide Strategy Committee and the Management Committee where necessary, and finalized and supervised by the Board of Directors. Additionally, a review board, chaired by general manager of the RC & Quality Assurance Division, has been established as the organization responsible for reviewing and certifying Blue Value™ and Rose Value™ products.
Under this framework, we have set up processes, involving management and the review board, for system design, review and certification, and KPI management to align the Blue Value™ and Rose Value™ system with our management policy and to visualize the contributions our products and services make.



*1 The Corporate Sustainability Committee is comprised of president (chair), responsible officer for the Corporate Sustainability Committee, executive officers with specific titles, business sector presidents, and relevant general managers
*2 The review board is comprised of general manager of the RC & Quality Assurance Division (chair), general managers of business divisions, and general managers of the New Business Incubation Center, Corporate Planning Division, Research Planning & Coordination Division, and Corporate Sustainability Division
*3 External advisors are Dr. ITSUBO Norihiro (Blue Value™ advisor), Professor, School of Creative Science and Engineering, Waseda University and Japan Research Institute, Limited (Rose Value™ advisor).
*4 Internal advisors are director of the Chemicals Safety Department, general manager of the Intellectual Property Division, and director of the Co-Creation Promotion Department

System Design

All divisions, including business divisions, can propose revisions to the certification criteria to align their respective policies and strategies. Once a proposal is made, the review board holds discussions and determines whether to revise the criteria, based on the opinions provided by external and internal advisors from the perspective of consistency with social demands. For revisions that significantly affect our management policy—such as redefining the social issue areas to which we should contribute through our products and services—the Corporate Sustainability Committee also holds discussions, and the responsible executive makes the final decision, which is then reported to the Management Committee.
In this way, management oversees the system through the Corporate Sustainability Committee from the perspective of consistency with our management policy.

Review and Certification

Business divisions assess the contributions their own products and services make to the environment and improved QOL based on the Blue Value™ and Rose Value™ criteria, and submit an application to the review board. When submitting an application, applicants also provide evidence of the product or service's contribution impact and whether there are any negative impacts or other factors throughout the entire life cycle. The review board decides on whether or not to certify the product or service under application, taking into account the opinions of external and internal advisors, in order to objectively verify consistency with social demands, etc.
The review board uses a two-step review process to confirm factors such as the rationale behind the assessment of the contributions and whether the concept and selling points of the product or service under application meet the Blue Value™ or Rose Value™ criteria.

Step 1: Approach to Social Challenges

In assessing our Group's products and services to confirm whether they meet the Blue Value™ and Rose Value™ criteria, we set contribution categories (certification items) that indicate in what areas our products and services contribute to solving social challenges based on our material topics, along with actions aimed at helping solve social challenges (decision item), which define types of approaches to addressing these challenges. The review board assesses our Group's products and services from such viewpoints as where in the supply chain they work in line with these items and whether they are expected to have a positive impact on solving social challenges.

Step 2: Our Reasonable Involvement

The review board assesses how the value provided by our Group's products and services contributes to the approach to social challenges assessed in the first step. Since our Group is located upstream in the supply chain and offers a wide range of products and services to various industries, the review board assesses the value of our products and services over their entire life cycle; the review board not only assesses our own direct contributions, but also visualizes and assesses a wide range of contributions along the supply chain, including product processing at our customers' sites and end product use situations.

Additionally, certification is conducted according to the envisaged use of the product or service. This is because the same product or service could have a different impact on the environment or QOL throughout the entire life cycle based on its envisaged use.

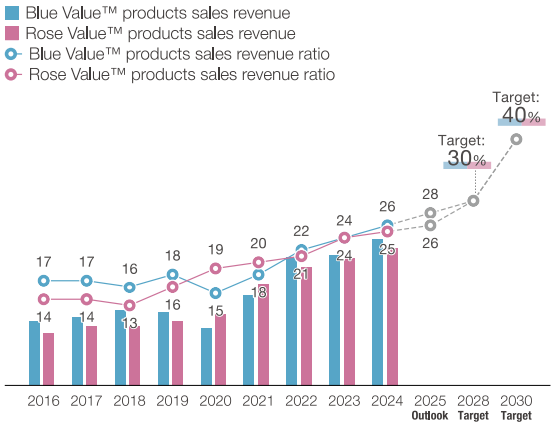
KPI Management

The Blue Value™ and Rose Value™ products sales revenue ratios, which were set as non-financial metrics in VISION 2030, are subject to regular reporting to the Corporate Sustainability Committee. This allows management to instruct business divisions, for example, to reconsider their strategies according to the progress of KPIs. Each business division then works to incorporate measures into their business strategies, such as promoting business development and reviewing sales strategies to increase sales revenue of certified products. Through this cycle of KPI management, we aim to both achieve our corporate growth and realize our ideal future society through the system.

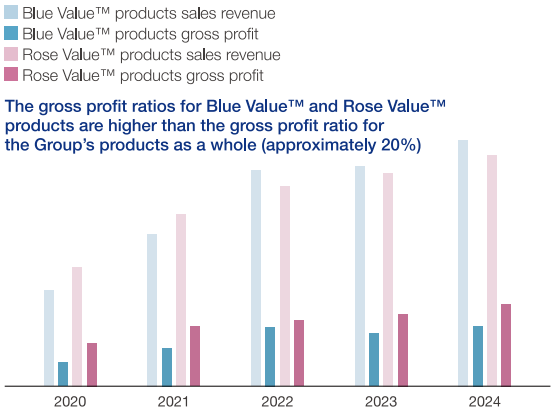
Goals and Results

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Blue Value™ products sales revenue ratio	Mitsui Chemicals Group	26%	26%	28%	40%
Rose Value™ products sales revenue ratio	Mitsui Chemicals Group	26%	25%	26%	40%

Blue Value™ and Rose Value™ products sales revenue ratios



Blue Value™ and Rose Value™ products gross profit



The gross profit ratios for Blue Value™ and Rose Value™ products are higher than the gross profit ratio for the Group's products as a whole (approximately 20%)

Blue Value™ — Environmental Contributions

Earth blue

Instead of green, which is associated with nature and ecology, blue represents something much bigger the earth.
It is also our corporate color and signifies harmony with the global environment and our contributions to society.

The Goals of Blue Value™

The Mitsui Chemicals Group, whose Corporate Mission is "harmony with the global environment," lists "a circular society in harmony with the environment" as one of its ideal future society and aims to realize this through its business activities. In our VISION 2030, we have established a basic strategy to bolster circular economy initiatives to transform our business structure through efforts such as building circular economy-based business models and rolling out circular economy-compatible products by transitioning to alternative raw materials and fuels. We seek to contribute to the realization of a low-carbon, circular society that coexists with nature by addressing challenges like climate change and the circular economy, alongside business growth.
As a tool to track progress, we have defined the environmental contributions of our products and services as Blue Value™, certifying those that meet our defined criteria through our assessment and review processes. By maximizing our contributions throughout the entire product life cycle through expanding and providing Blue Value™ products and services, we hope to achieve corporate growth for the Group and realize our ideal future society.

How We Assess Blue Value™

For impact assessment, we use a proprietary method based on LIME2[*2], one of the environmental impact assessment methods based on life cycle assessment[*1].
When certifying Blue Value™ products and services, we assess their environmental contributions from three perspectives: "Reducing CO_2" "Conserving resources" and "Coexisting with nature." These contributions are assessed as objectively as possible from two aspects: "Approach to social challenges" and "Our reasonable involvement."

*1 Life cycle assessment (LCA):
A technique to quantitatively assess environmental impacts associated with all the stages of a product's life, from raw materials, to manufacturing, processing, use, and disposal.
*2 LIME2 (Life-cycle Impact assessment Method based on Endpoint modeling):
Damage assessment-type life cycle environmental impact assessment method based on environmental conditions in Japan.

Approach to Social Challenges

(1) Scope of Evaluation

In the Blue Value™ initiative, we have established three contribution categories (certification item)—"Reducing CO_2," "conserving resources," and "coexisting with nature"—based on the Group's material topics, such as "Product design considering the entire product life cycle," "climate change," and the "circular economy." These categories are derived from the impact areas of LIME2, a life cycle impact assessment method.

(2) Scenarios

When applying for certification, a scenario is created to determine how comparative assessments will be conducted within the specific supply chain relevant to the product or service. The review board confirms the appropriateness of the selected comparison targets by considering factors such as current technology and market conditions, including general products on the market, our own existing products, and approaches when there are no suitable comparison products.

(3) Evaluation Criteria

For the three contribution categories, we have established actions aimed at helping solve social challenges (decision item) from the perspectives of material use, energy consumption, waste emissions and other factors. These criteria define the types of data required to

demonstrate environmental contributions and the information necessary to verify trade-offs. Based on this, the review board assesses whether the Group's products and services sufficiently contribute to solving social challenges for the targeted contribution categories for certification. They also assess whether the actions taken result in any negative impacts in other areas, while considering the environmental impact across the entire life cycle of the products and services.
Additionally, if a product or service is deemed likely to be used to promote any socially harmful impacts, it is considered inappropriate for certification as a Blue Value™ product or service. In such cases, regardless of the individual contribution content, certification is avoided.

Examples of uses where certification is avoided

- Tobacco (due to health concerns)
- Fertilizer coatings (identified as a source of microplastics, which negatively impact the environment), etc.

(4) Simplifying the Assessments

In some cases, it can be challenging to gather all the necessary information to assess the environmental impact of downstream industries that use our products and services. In the Blue Value™ assessment process, we allow for the assessment based on certain approximations and assumptions to simplify calculations. The review board ensures that these approximations and assumptions are applied appropriately.

Blue Value™ Contribution Categories and Actions Aimed at Helping Solve Social Challenges

Contribution categories (certification item)	Impact areas (LIME2)	Actions aimed at helping solve social challenges (decision item)
Reducing CO_2	Global warming Ozone layer depletion	• Change to materials with lower greenhouse gas (GHG) emissions intensity • Reduce use of raw materials • Change to renewable raw materials • Improve energy efficiency of equipment and machinery • Change to energy sources with lower GHG emissions among other actions
Conserving resources	Resource consumption Land use Waste	• Reduce use of chemical raw materials (fossil resources), mineral resources, etc. • Change to chemicals derived from renewable resources among other actions
Coexisting with nature	Acidification Urban air pollution / indoor air pollution Photochemical oxidants Toxic chemical substances Ecotoxicity Eutrophication	• Avoid use of toxic materials • Reduce emissions of hazardous waste among other actions

Our reasonable involvement

We evaluate the extent to which the Group's products and services contribute to our approach to social challenges identified in the first stage of assessment. This evaluation considers not only the Company's direct contributions, but also aims to visualize the broader impact across the supply chain, including processing by customers and the use of the final products.

Overview of Recent Review Results

At the FY2024 review board, 66 products and services were certified as Blue Value™. Chemical products derived from bio-based hydrocarbons and plastic raw materials made from recycled materials have been newly certified as Blue Value™. In addition, during the certification renewal review conducted every five years to reflect changes in societal demands and the market environment, products such as release films that improve product yields during press processing have been recertified.
On the other hand, applications that lack trade-off information, those that set comparison targets that do not take into account improvements in technological standards, and those that provide insufficient explanation of environmental contributions are deemed inappropriate and are not certified.
By applying this two-step assessment—considering both the approach to social challenges and our reasonable involvement, while also taking into account prerequisites and trade-offs—we strive to evaluate as objectively as possible whether a product or service truly contributes to solving social challenges. Additionally, we base our reviews on the advice and views from external advisors regarding the validity of certification in terms of the impact of social contribution throughout the entire supply chain.

External Advisors

When determining the assessment methods and review criteria for Blue Value™ products, we receive advice from Professor Norihiro Itsubo of the School of Creative Science and Engineering at Waseda University, who serves as an external advisor and provides insights from a specialist perspective. In addition, prior to the review board meeting, we also take into account his expert opinions on the level of contribution made by the applicant products, and the review board determines whether they meet the criteria.

Decarbonization and a circular economy are central to solving the world's problems, as well as to corporate growth strategies, and businesses need to promote cross-industry eco-innovation. Blue Value™ helps visualize the reduction in environmental impact of products from a product life cycle perspective. This is extremely important information for quickly achieving a carbon neutral and recycling-oriented society. Mitsui Chemicals has adopted the sales revenue ratio of Blue Value™ products as a key performance indicator for its long-term business plan targets, which contributes to the rapid spread of eco-products. So, I strongly support its activities.



Blue Value™ advisor
Dr. ITSUBO Norihiro
Professor,
School of Creative Science and Engineering,
Waseda University

*Each affiliation is from the time when the article was created.

Rose Value™ — QOL Improvement Contributions

La Vie en rose

Days brimming with happiness and hope for people from all walks of life.
La Vie en rose

The Goal of Rose Value™

The Mitsui Chemicals Group, which includes "promoting human well-being" as one of the five social contribution areas in its Corporate Mission, lists "a comfortable society in which people can enjoy healthy lives and well-being" and "an inclusive society creating diverse value" as its ideal future society and aims to realize this through its business activities. In VISION 2030, we have established the building of solutions-based business models as a basic strategy. This involves expanding the social issue perspective across all our businesses and offering solutions that combine services beyond just material supply. Through this approach, we aim to contribute to improving quality of life by addressing areas such as "health and livelihood," "highly livable communities," and "food security," alongside business growth.
As a tool to track progress, we have defined the contributions that our products and services make to improving quality of life as Rose Value™, certifying those that meet our defined criteria through our assessment and review processes. By maximizing our contributions throughout the entire product life cycle through expanding and providing Rose Value™ products and services, we hope to achieve corporate growth for the Group and realize our ideal future society.

How We Assess Rose Value™

The functions and features of the Group's products and services are often described in terms of their physical properties, such as "high rigidity" or "low density." We visualize the value of how these functions and features contribute to solving social challenges and define it as Rose Value™. To visualize the value means to clearly express the connection between the functions and features of our products and services and their social value. For example, the high rigidity of food packaging reduces damage during transportation, leading to a decrease in food loss.
When certifying Rose Value™ products and services, we assess their contributions to improving quality of life from three perspectives: "Enriching life and society," "extending healthy life-span" and "protecting food." These contributions are assessed as objectively as possible from two aspects: "Approach to social challenges" and "our reasonable involvement."

Approach to Social Challenges

(1) Scope of Evaluation

In the Rose Value™ framework, three key contribution categories (certification criteria) have been established in relation to our material topics, such as "health and livelihood," "highly livable communities" and "food security." These are defined as "enriching life and society," "extending healthy life-span" and "protecting food."

(2) Evaluation Criteria

For each of the three contribution categories, we have identified actions aimed at helping solve social issues (decision item) based on needs in areas such as universal design and amenities, resilience and smart city, universal health coverage, and food security. These actions include providing clean water and living environments, ensuring safe and stable medical and welfare services, and securing safe and stable food supplies. The actions aimed at helping solve social issues are regularly reviewed to reflect changes in the environment and shifts in our corporate strategy. We made an amendment in FY2019 to add a category for contribution to sustainable communities, including disaster prevention/mitigation and longer infrastructure life. The review board assesses whether our products and services are likely to have a positive impact by considering at which stage of the supply chain they align with the actions aimed at helping solve social challenges.
Additionally, if a product or service is deemed likely to be used to promote any socially harmful impacts, it is considered inappropriate for certification as a Rose Value™ product or service. In such cases, regardless of the individual contribution content, certification is avoided.

Examples of uses where certification is avoided

- Tobacco (due to significant health concerns)
- Fertilizer coatings (identified as a source of microplastics, which negatively impact the environment), etc.

Rose Value™ Contribution Categories and Actions Aimed at Helping Solve Social Challenges

Contribution categories (certification item)	Actions aimed at helping solve social challenges (decision item)
Enriching life and society	• **Disasters** Reduce the impact of occurrence of disasters or the impact of disasters on human lives and daily life • **Products and services that form the basis of daily life** Ensure a stable and permanent supply of products and services that serve as essential infrastructure for social life • **Livelihood activities (1) (improvement of safety)** Reduce the risk of injury and other risks associated with unavoidable activities in daily life • **Livelihood activities (2) (inclusive society)** Improve disadvantages for certain vulnerable groups that are associated with unavoidable activities in daily life
Extending healthy life-span	• **Living environment** Enable the social and economic sustenance of water and sanitary living conditions for all people to maintain their health • **Personal health** Ensure that all people have access to the products and services they need to maintain and improve their health • **Medical and social services** Ensure that all people have access to medical and social services when they need them
Protecting food	• **Food** Ensure that all people have access socially and economically to safe food in the quantities and at the times they need it

Our Reasonable Involvement

We evaluate the extent to which the Group's products and services contribute to our approach to social challenges identified in the first stage of assessment. This evaluation considers not only the Company's direct contributions, but also aims to visualize the broader impact across the supply chain, including processing by customers and the use of the final products.

Overview of Recent Review Results

At the FY2024 review board, 42 products and services were certified as Rose Value™. Newly certified Rose Value™ products include breathable film that reduces discomfort caused by leaks and stuffiness in masks and diapers, and a business that recycles industrial waste into chemicals used as raw materials for semiconductors and other products. During the certification renewal review, which is conducted every five years to reflect changes in societal demands and the market environment, products such as water pipe that are less likely to break during earthquakes was once again certified.
On the other hand, applications that lack trade-off information or provide insufficient explanation of contributions to improving quality of life (QOL) are deemed inappropriate and are not certified. Additionally, applications in which the role of our products in solving social challenges is unclear are also not certified.
By applying this two-step assessment—considering both the approach to social challenges and our reasonable involvement, while also taking into account prerequisites and trade-offs—we strive to evaluate as objectively as possible whether a product or service truly contributes to solving social challenges. Additionally, we base our reviews on the advice and views from external advisors regarding the validity of certification in terms of the impact of social contribution throughout the entire supply chain.

External Advisors

When determining the assessment methods and review criteria for Rose Value™ products, we receive advice from the Japan Research Institute, Ltd., which serves as an external advisor and provides insights from a specialist perspective. In addition, prior to the review board meeting, we also take into account the expert opinions provided by the institute on the level of contribution made by the applicant products, and the review board determines whether they meet the criteria.

In fiscal 2024, regarding the application for electronic materials that contribute to the advancement of smartphone functionalities, our advisor pointed out the need to more specifically identify the impact from the perspective of solving social challenges. In response, the applicant clarified how the enhanced functionality of its product contributes to maintaining infrastructure and improving convenience in daily life through better smartphone service performance. As a result, the review board recognized the connection between the product's functionality and the resolution of social challenges, and the product was certified as a Rose Value™ product.



Meeting with the advisor

Rose Value™ Advisor
The Japan Research Institute, Limited

Blue Value™ and Rose Value™ Products and Services

Some of our Blue Value™ and Rose Value™ products and services are shown below.

Blue Value™ Products and Services

Blue Value®

Contributions in the Manufacturing Processes of Our Group

We certify products and services that can reduce the use of raw materials and energy in our manufacturing processes, as well as products that use renewable raw materials.

Main certified products and services	Certified use
SP-PET™	Release films for MLCC
Acrylamide	Polymer flocculants and paper-strengthening agents
ADMER™	Bio-based packaging and compatibilizer for recycling
ICROS™ Tape	Tape for semiconductor manufacturing (water-based)
TAFMER™	Automotive parts, packaging materials, sports equipment, electric wires, etc.
MITSUI EPT™	Automotive parts, electric wire sheathing, industrial rubber parts, etc.
Bio-based hydrocarbon derivatives	Raw materials
Econykol™	Vehicle seating materials, furniture, bedding, etc.

Contributions in the Supply Chain (e.g. processing at the customer's site or end product use)

Materials (during manufacturing and processing)

We certify products and services that improve the yield in the manufacture of various materials, including chemical products and resin films; reduce energy consumption by changing the heating temperature and operating time of manufacturing equipment; and control the use and discharge of hazardous chemical substances.

Main certified products and services	Certified use
AAQ-H / AAQ-R	Catalyst for hydrogen peroxide production
TPX™	CFRP, mandrels and sheaths for rubber hoses, and release paper in the manufacture of synthetic leather
EVOLUE™	Extrusion lamination, heavy duty bags, and rice bags
CHEMIPEARL™	Primer for non-fluorinated water repellent zippers, and heat sealants
TAKELAC™A TAKENATE™A	Food packaging adhesives
HI-ZEX MILLION™	High-strength fibers
BARIASTAR™	Thermal label cover coating
BEAULON™	Floor heating pipes, and cold and hot water supply pipes
FORTIMO™	Spandex
Prime Polypro™	Food containers
MIPELON™	Film AB agent
UNISTOLE™	Heat seal coatings for packaging materials
LUCANT™	Coating additive
MITSUI EPT™	Automotive parts, electric wire sheathing, industrial rubber parts, etc.

Automobiles (during manufacturing and processing)

When manufacturing automotive parts, we certify products and services that enable the same strength to be achieved with less material, or that reduce the energy consumption of manufacturing equipment.

Main certified products and services	Certified use
PP compounds	Automotive parts
MILASTOMER™	Rubber parts for automobiles, interior materials, etc.
LUBMER™	Automotive parts

Automobiles (during use)

We certify products and services that help reduce the weight of automotive parts to improve fuel efficiency while driving, products and services that reduce energy loss while driving, and EV-related products and services that contribute to the electrification of automobiles.

Main certified products and services	Certified use
FTR™	Fuel-efficient tire modifier
MOSDIO™	Rear car doors
ARLEN™	ABS pistons and thermostat housings
PP compounds	Automotive parts
AdBlue™	NOx reducing additive
ADMER™	Adhesives for plastic fuel tanks and Li-ion battery materials
AURUM™	Sealring for turbo charger
MIPELON™	Windshield wipers
MILASTOMER™	Oil-resistant parts for automobiles
LUCANT™	Automotive lubricants

* AdBlue™ is a registered trademark of the Verband der Automobilindustrie (VDA)

Machinery and Electronics (during manufacturing and processing)

We certify products and services that can improve the defect rate in the manufacture of electronics-related products, including semiconductors, and reduce the energy consumption of manufacturing equipment.

Main certified products and services	Certified use
MITSUI PELLICLE™	Dust cover for photo mask
SP-PET™	Release films for MLCC
TPX™	Release films
APEL™	Optical lens
Struct Bond™	Liquid crystal sealant
HI-ZEX MILLION™	Li-ion batteries separators

Machinery and Electronics (during use)

We certify products and services that reduce energy consumption for electronics-related products, including electrical appliances, and industrial machinery.

Main certified products and services	Certified use
Struct Bond™	Materials for flexible electronic devices
MIPELON™	Additives to printing ink and resin modifiers
LUBMER™	Resin modifiers
LUCANT™	Industrial lubricants

Paint and Coating Materials (during use)

We certify products and services that reduce the use and generation of harmful substances when using paints and coating materials, and that reduce the energy required for curing and other processes.

Main certified products and services	Certified use
MT-OLESTER™	Coating materials
STABiO™	Hardener for coatings
U-VAN™	Coating materials

Rose Value™ Products and Services

Rose Value®

Enriching Life and Society

Disaster

We certify products and services that help reduce the impact of occurrence of disasters or the impact of disasters on human lives and daily life.

Main certified products and services	Certified use	
Tufnel™, Oil Blotter™	Hazardous substance adsorbent materials	Minimizing the impact of leaked substances

Hygienic insecticide	Termiticide	Preventing the deterioration of the earthquake resistance of wooden houses
Measures to improve the living environment	Comprehensive termite control, pest control, and insulation and moisture-proofing services	
EVOLUE™	Water transport bags	Carrying water in times of a water outage

Products and Services That Form the Basis of Daily Life

We certify products and services that help ensure a stable and permanent supply of essential infrastructure of social life.

Main certified products and services	Certified use	
BEAULON™	Floor heating pipes, and cold and hot water supply pipes	Prevention of damage from earthquakes and other natural disasters, and prevention of deterioration over time
TPX™	NiH battery materials	Electricity supply in times of disaster
SOLAR ASCE™	Photovoltaic encapsulants	
NEO-ZEX™	Gas pipes	Longer lifespan of social infrastructure and faster recovery times in the event of damage
HI-ZEX™	High stiffness polyethylene pipes, water pipes, water pipe fittings, and sewer pipes	
SWP™	Cement construction materials	Improving the durability, weather resistance, waterproofing, etc., of buildings

Livelihood Activity (1) (improving of safety)

We certify products and services that help reduce the risk of injury and other risk associated with unavoidable activities in daily life.

Main certified products and services	Certified use	
Cosmetics Manufacturing Technology Services	Cosmetics (contract manufacturing)	Reducing the risk of contamination from harmful substances, etc.
TPX™	Storage containers	Impact resistance
MILASTOMER™	Grips	Non-slip, easy to grip

Livelihood Activity (2) (inclusive society)

We certify products and services that help improve disadvantages for certain vulnerable groups that are associated with unavoidable activities in daily life.

Main certified products and services	Certified use	
MR™ Do Green™ MR-174™ RAV 7™	Material for eyeglass lenses	Vision correction
Oral care products	Dental materials and equipment	Fit to the mouth of each individual
HI-ZEX MILLION™	Artificial limb material	Durability and fit to the affected area
Oxidized dye	Hair color ingredients	Hair dyeability and color retention
LUBMER™	Automotive parts	Reducing the stress of noise in the car
MIPELON™	Automotive parts (grease, etc.)	
FORTIMO™	Women's underwear	Breathability and wash durability
TPX™	Heat-resistant food container	Heat resistant for microwave cooking
TAKELAC™A	Packaging adhesives	Packaging that can be opened even with weak force
ADMER™	Adhesives for plastic fuel tanks	Downsizing of welfare vehicles through the freedom of tank shape design

Extending Healthy Life-Span

Living Environment

We certify products and services that help ensure that all people have social and economic access to the water and sanitary living conditions they need to maintain their health.

Main certified products and services	Certified use	
BEAULON™	Floor heating pipes	Thermal retention of houses
LUBMER™	Robot sliding parts	Reducing the noise of robots
Measures to improve the living environment	Comprehensive termite control, pest control, and insulation and moisture-proofing services	Pest control, insulation, and moisture prevention
NOSTRA™	Anti-fogging films	Resistance to dirt and ease of washing
Hygienic insecticide	Vector control agents	Controlling pests that transmit infectious diseases
YOHTOL™DP95	Anti-mold agents	Mold prevention
SWP™	Water purification filter	Removal of contaminants from water
MIPELON™	Sintered filter binder	
BEAULON™	Water supply and hot water pipes	Reducting of rust-infected water generation

Personal Health

We certify products and services that help ensure that all people have access to the products and services they need to maintain and improve their health.

Main certified products and services	Certified use	
SunSensors™	Material for eyeglass lenses	Blocking harmful UV light
TEKNOROTE™	Mask	Preventing droplet
Hygienic insecticide	Vector control agents	Controlling pests that transmit infectious disease
Mitsui Masking Tape™	Masking film (PC chassis, building materials, etc.)	Reducing the risk of exposure to solvents and other substances while working
LUBMER™	Robot sliding parts	Reducing the burden on the lower back by making commercial equipment lighter
MITSUI PELLICLE™	Dust cover for photo mask	Healthcare support using wearable devices
SWP™	Plasma filter	Improving the functionality of medical devices by separating blood components
MIPELON™	Sintered filter binder	Improving the functionality of medical devices with good filtration
TPX™	Hollow fiber membrane for artificial lung	Improving the functionality of medical devices through gas permeability
Oral care products	Dental materials and supplies	Dental materials and supplies for dental clinics

Medical and Social Services

We certify products and services that help ensure that all people have access to medical and social services when they need them.

Main certified products and services	Certified use	
D-/DL-serine	Raw materials for pharmaceuticals	Stable supply of pharmaceuticals
PLGA™	Sustained release pharmaceutical base material	Provision of sustained release pharmaceuticals
UNISTOLE™	Medical packaging material	Maintaining the quality of pharmaceuticals, and healthcare worker safety by replacing glass containers
APEL™	Medical packaging materials and pre-filled syringes	
MIPELON™	Rubber stoppers for medicine bottles	Improved workability due to easy insertion and removal

Protecting Food

We certify products and services that help ensure that all people have access socially and economically to safe food in the quantities and at the times they need it.

Main certified products and services	Certified use	
Taurine	Energy drinks, pet food, infant formula, and feed	Absence of harmful impurities and stable supply
TPX™	Food containers and plastic wrap	Extension of the edible period of the contents
SWP™	Teabags	Ensuring safety during production and consumption by not using metal staples
Agrochemicals (insecticide)	Agrochemical products	Protecting crops from pests and weeds
Agrochemicals (fungicide)		
Agrochemicals (herbicide)		
Saxin NewLight™	Agricultural plows (surface protection)	Improving the efficiency of farm operation
CHEMIPEARL™ TAKELAC™A TAKELAC™WPB ADMER™	Food packaging	Reducing food loss due to deterioration and damage during transportation
EVOLUE™ ULTZEX™	Extrusion lamination, sealants, heavy duty bags, and rice bags	

Risk and Compliance



Risk Management

- Management System
- Initiatives

Compliance Management

- Management System
- Initiatives
- Global Whistleblowing System
- Compliance Training
- Bribery Prevention

Tax

Information Security

- Management System
- Initiatives

Risk Management

Management System | Initiatives

Management System

Policy and Basic Approach

Risks are becoming more complex as uncertainty in the business environment increases, such as worsening climate change, geopolitical conflicts and tensions, and global epidemics of infectious diseases. Under these circumstances, the Mitsui Chemicals Group believes that it is essential to comprehensively and integrally manage "risks," which are uncertainties and changes that could affect our management and business strategies, from a medium- to long-term and continuous perspective, while covering both threats and opportunities. Therefore, we are working to establish a new company-wide risk management system to minimize threats posed by risks and maximize opportunities.
The Group will pursue sustainable growth and increased corporate value by utilizing risk management in corporate management while continuously reviewing and improving its systems.

System and Responsible Officers

The Board of Directors is responsible for the development and supervision of the overall risk management system of the Mitsui Chemicals Group. Under the supervision of the Board of Directors, the President assumes the ultimate responsibility for the risk management of the entire Group, while the Chief Strategy Officer (CSO) is responsible for overseeing the risk management system and execution of the entire Group.
In addition, the President and CSO shall establish a “Risk Management Committee” as a specialized committee for risk management of the entire Group.
As a risk owner, each executive officer with a specific title is responsible for overseeing risk management in the business areas under their jurisdiction and responsibility, and executes risk management by utilizing the various committees (Corporate Sustainability Committee, Compliance Management Committee, Responsible Care Committee and Corporate DX Committee, etc.) and other committees under their control (Company-wide Strategy Committee, investment deliberation meetings, etc.).

First Line

The head of each division (Head Office divisions, Works, R&D sites, Branches, and Affiliates) and the head of the headquarters division in charge are responsible for the day-to-day risk management, under the responsibility of an executive officer with a specific title who is the risk owner of their own line. Specifically, they identify and assess risks based on the risk model, appropriately identify risks, and design and implement organizational controls to address those risks. They also supervise and provide guidance on risk management at affiliates under their jurisdiction.

Second Line

In order to ensure that each division manages risks, the heads of headquarters functional divisions with expertise in their areas of responsibility support the risk management of first-line-of-defense divisions, their own divisions, and affiliates from a professional standpoint, under the responsibility of executive officers with specific titles who are their own risk management owners. They also implement Group-wide risk management measures in the relevant area.

Third Line

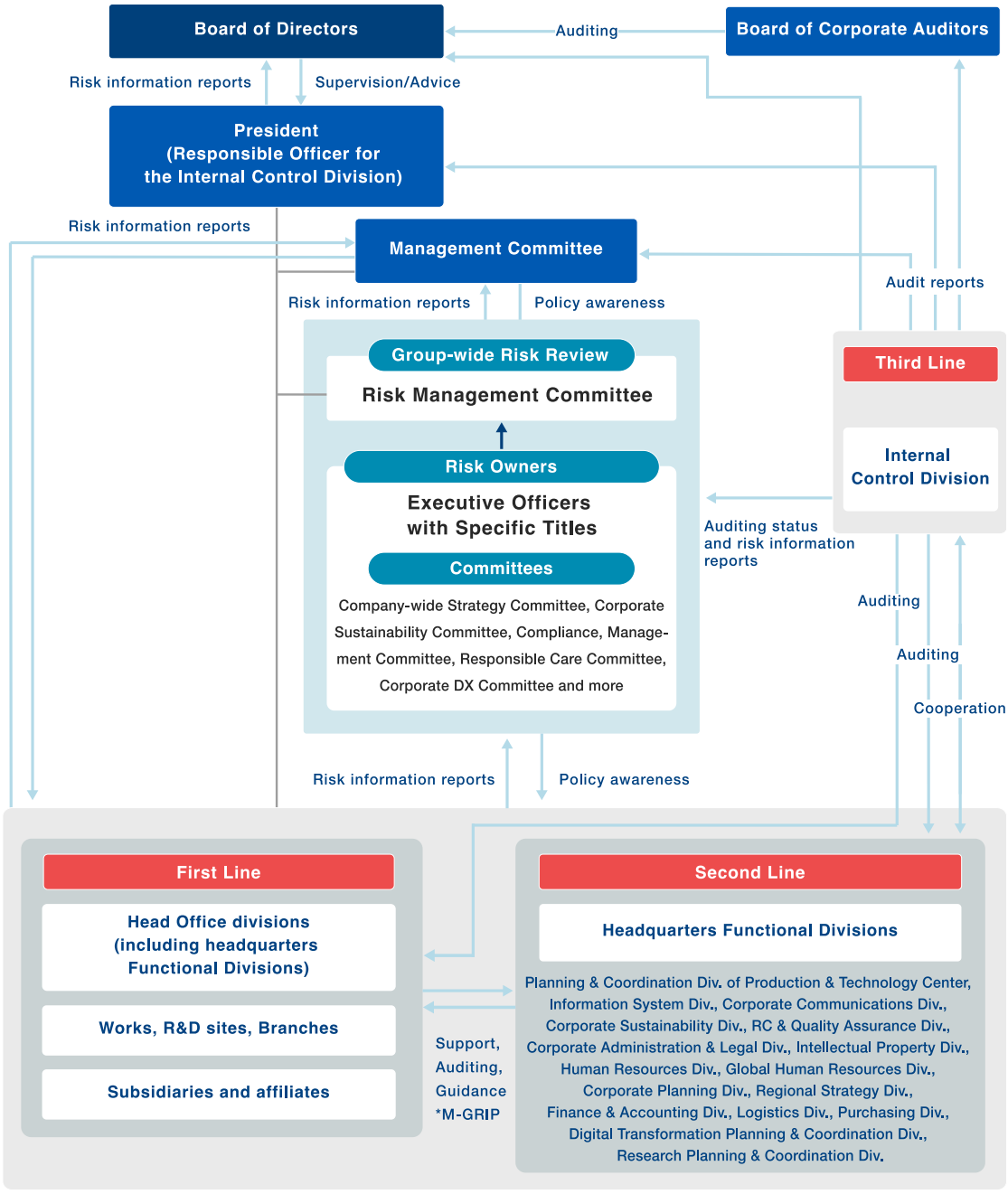
The Internal Control Division independently audits operations in both the first and second lines and provides assurance to top management and the Board of Directors. The Internal Control Division conducts business audits and responsible care audits to maintain and strengthen the level of internal control in the Mitsui Chemicals Group and works to keep existing business risks at an acceptable level. At the same time, the Division conducts continual inspections and assessments of the design and operation of internal controls relating to financial reporting for the entire Mitsui Chemicals Group, as required under the Financial Instruments and Exchange Act, as the J-SOX assessment as a part of the statutory audit and directs its efforts to ensuring the correct and efficient execution of operations. The audit results are regularly reported directly to the Board of Directors and the Board of Corporate Auditors.

The business audit includes an internal audit process based on self-assessment of internal controls utilizing the compliance checklist. The compliance checklist includes items related to compliance with the competition law, prevention of bribery and corruption, insider trading and

harassment, compliance with the securities export control regulations, appropriate handling of corporate and personal information, human rights, information systems security, risk management, credit management, fair accounting and tax administration, and organization and operation of appropriate internal controls. The checklist is revised every year. As process owners for each of the above items, the headquarters functional divisions are audited on the state of their operations. Additionally, audits are conducted based on topics selected each fiscal year from the risk status both in and outside the organization.

From among the responsible care audits (environment & safety audit, occupational health audit, quality audit, and chemical safety audit), the Internal Control Division is responsible for executing the environment & safety audit and the occupational health audit. The Internal Control Division also audits quality audit and chemical safety audit conducted by the headquarters functional divisions to determine whether they have been executed appropriately. In addition to on-site audits, we have established a remote audit system that can be conducted even when it is difficult to visit our sites because of infection control or other reasons.

Risk Management System



*M-Grip:
The abbreviation of "Mitsui Chemicals - Global Risk Management & Business Support Improvement Platform".

Role of the Risk Management Committee

- Deliberation of proposed basic policies, strategies, plans, measures for our Group-wide risk management and other important issues related thereto (including measures to improve risk management processes and tools and raise awareness and literacy regarding risk management among employees)
- Deliberation of key Group-wide risks (draft) through Group-wide risk review
- Discussion of individual key important risks (including discussions on the impact that each of the individual risks have on our Group and policies for handling such risks)
- Report on and discussion of the status of our Group-wide risk management

Composition of the Risk Management Committee

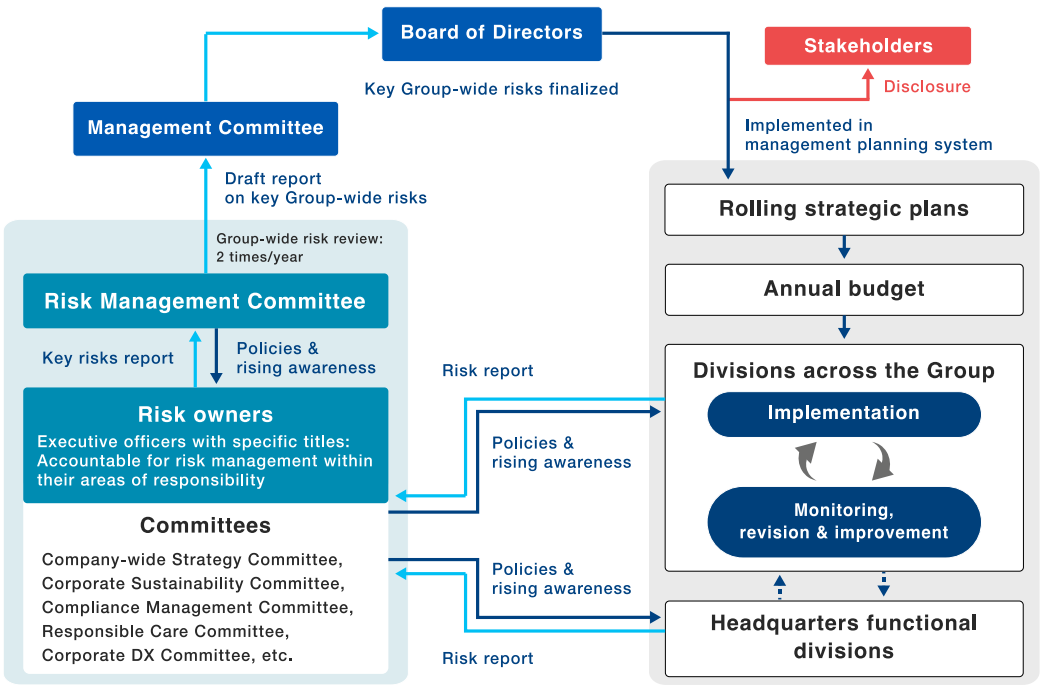
Chair	President
Vice Chair	CSO
Members	Executive officers with specific titles
Observer	Full-time Audit & Supervisory Board Member
Secretariat	Corporate Planning Division (Collaboration among the Corporate Sustainability Division, Corporate Administration & Legal Division, Human Resources Division, Finance and Accounting Division, Production & Technology Planning Division, RC & Quality Assurance Division and headquarters functional divisions designated by the Chief Strategy Officer)

Risk Management Process

We deploy the aforementioned risk management system throughout the Group, and identify "key Group-wide risks" that require precise implementation of the PDCA cycle in the management planning system. These key Group-wide risks together with the series of processes involving confirmation and improvement of the monitoring status ("Group-wide risk review") are to be set twice a year in accordance with the following procedures:

(1) Each risk owner (executive officer with specific title) shall extract risks in the business areas under their control through the rolling strategic plans*, understand and prioritize them comprehensively and thoroughly, and report to the Risk Management Committee on risks that are deemed to be of Group-wide importance.
(2) The Risk Management Committee shall evaluate the materiality of risks reported by each risk owner by long-term, medium-term, and short-term from a bird's-eye view and comprehensive perspective, and formulate a draft report on key Group-wide risks.
(3) Key Group-wide risks (draft) are deliberated by the Management Committee and determined as key Group-wide risks by resolution of the Board of Directors.
(4) The key Group-wide risks established shall be rolled out across the Group's business plan system, including rolling strategic plans, annual budgets, action plans, among other things, and they are practiced by each division under the responsibility of each risk owners.
(5) The Risk Management Committee shall consistently monitor the key Group-wide risks and take timely measures to, for example, respond to changes in risk as a result of environmental changes.

*Rolling strategic plans:
Review of business plans for the next three years to be conducted annually based on the long-term business plan



M-GRIP, a Platform for Globally Strengthening Governance of Affiliates and Sharing Best Practices

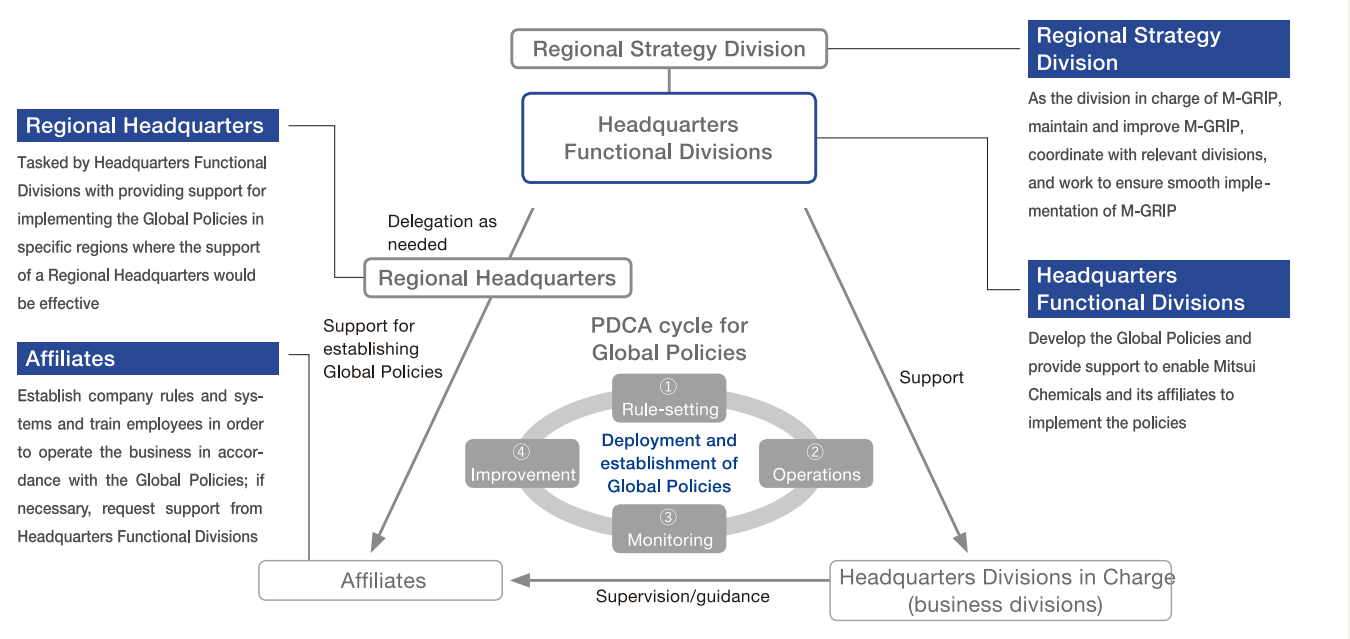
With the goals of reducing the risks that have grown as globalization accelerates and of further transforming and expanding the business of the Mitsui Chemicals Group, in fiscal 2020 we began deploying the Mitsui Chemicals Global Policy Platform (M-GRIP), which is a shared indirect operations platform for the Group. M-GRIP is the mechanism that lays out Global Policies (G/Ps) comprising measures that are common to the entire Group regarding indirect operations such as human resources, accounting, and logistics. By ensuring that each company within the Group implements those measures, it allows the execution of proper business operations and ongoing improvements. It is also intended to support the activities of affiliates through the effective use of the Group's economies of scale. In FY2023, we established a new G/P for Group Compliance Management. As a result, we have counted 18 G/Ps since rolling this out in FY2020, and are steadily moving toward establishment. By FY2025, we plan to reach a milestone by organizing and expanding the necessary G/Ps. By fostering a common awareness throughout the Group and supporting sustainability management and thorough crisis management, which helps improve corporate value, we aim to realize a corporate group that enjoys sustainable growth by working to reduce and avoid risk and improve business efficiency.

Global Policies (G/Ps) Developed to Date

Established G/P Field	Year Established
Compliance with Competition Laws Position Management Procurement Operations Logistics Management Transportation and Storage of Dangerous Goods Idle Cash Management Information System Security Quality Management Chemicals Management	FY2020
Authorization Anti-Bribery Information Security Protection of Personal Information Governance of Group Company Officers	FY2021
Environmental Preservation and Occupational Safety Management Security Export Control Regulation Insider Trading Management	FY2022
Group Compliance Management	FY2023

M-GRIP Deployment Chart

The headquarters functional divisions, the regional headquarters, the affiliates, and the Affiliates Coordination Division are working together, each playing its respective role.



Response to the Occurrence of Risks

The Mitsui Chemicals Group has established a crisis management framework based on the Crisis Management Regulations and related company rules to prepare for situations in which risks materialize into actual crises. When a crisis occurs—whether within the Group or at an affiliated company—the division where the crisis originated promptly contacts the relevant divisions designated in advance, depending on the type of crisis.
The relevant divisions then hold discussions and, based on predefined criteria and the need for a cross-functional response, submit a proposal to the President regarding the establishment of a crisis response headquarters. If the President decides to establish the headquarters, a company-wide response is swiftly initiated to bring the situation under control. Even in cases where a response headquarters is not established, we have put in place committees where relevant divisions share information, consider, and promote countermeasures, with a system that enables transition to a full-scale response headquarters depending on the situation.

* Examples of potential crisis types include:
Disasters at plants or other facilities, accidents involving product quality or safety, legal violations, outbreaks of infectious diseases.

Basic Principles of Crisis Response (as Defined in the Crisis Management Regulations)

- Respect for human life, and consideration for safety and the environment
- Consideration for local communities
- Compliance with social norms

Risk Models

External Factors

1. Shareholder trends
2. Competitors
3. Customer needs
4. Fundraising
5. Technology innovation
6. Country risks
7. Financial and exchange market
8. Climate change
9. Carbon neutral strategy
10. Terrorism/Vandalism
11. Natural disasters
12. Cyber attacks
13. Infectious diseases
14. Raw material price fluctuations
15. Loss of natural capital
16. Industrial policy in Japan
17. Chemical substances control regulations
18. Economic security

Business Activities

19. Management resources allocation
20. Investment decisions
21. External partnership
22. Sales channel policy
23. Business innovation
24. New business and products (Innovation)
25. Business cycles (Innovation)

Value chain

26. Product brands
27. R & D
28. Product development
29. Intellectual properties
30. Purchasing & Procurement
31. Production engineering
32. Technical services
33. Marketing & Sales
34. Sales prices
35. Logistics
36. Outsourcing production
37. Contract management
38. Customer relations
39. Quality control
40. Production facilities
41. Import and export control
42. Business processes
43. Business continuity (BCP)
44. Safety and prevention

Management Base

45. Internal communication
46. Corporate brand
47. Management philosophy
48. Sustainable growth
49. Corporate culture
50. Effectiveness of the Board of Directors
51. Organizational structure (authority/responsibility/ segregation of duties)
52. Group governance
53. Corporate ethics/Code of conduct
54. Social issue perspective marketing
55. Business models
56. Business portfolio
57. Occupational health
58. Human resources management
59. Diversity, Equity & Inclusion
60. Human rights
61. Credit & Credit Management
62. Accounting
63. Taxation
64. Compliance
65. Litigation/Disputes
66. Personal information management
67. Information systems
68. Digital transformation (DX)
69. Information security
70. Insurance contracts
71. Public relations (external)
72. Investors (institutional and individual)
77. Work style

External Report

73. Internal control assessment
74. Financial information disclosure
75. Non-financial information disclosure
76. Reporting to supervisory authorities

Initiatives

Identification of Key Group-Wide Risks

We identify priority key Group-wide risks by conducting a Group-wide risk review in accordance with the risk management process to identify risks in the business areas under the control of each risk owner, and prioritizing them based on the degree of impact and probability of occurrence, etc.

The Most Important Risks for Fiscal 2024

The most important risk identified for fiscal 2024, "Business Continuity Plan (BCP)," has been incorporated into the budgets of all divisions, enabling verification and enhancement of response status from a Group-wide perspective. In addition to the traditionally recognized BCP risks such as major accidents and natural disasters, we have also considered a wide range of issues, including rising international tensions, social demands related to ESG, and cybersecurity, striving to strengthen resilience on a Group and global level.

Examples of Responses

- Promotion of mutual utilization of global production sites across products
- Promotion of the multiple routing of logistics by strengthening collaborations with domestic and international logistics and shipping companies
- Development of a tool to track GHG emissions and reduction achievements during transportation using DX technology
- Strengthening of vulnerability countermeasures based on information system security check results of domestic and overseas subsidiaries and affiliates
- Implementation of measures to strengthen protection against internal information leakage through cross-divisional projects within the Company

In divisions where progress had been delayed, concrete improvements such as the development of business continuity plans were initiated, contributing to an overall enhancement of the Group's management capabilities. Additionally, to ensure swift and appropriate cross-functional responses when risks materialize into actual crises, the Group updated its crisis management rules to better mitigate potential damage.

Key Group-Wide Risks for Fiscal 2025

In fiscal 2025, based on the status of responses to the most important risk for fiscal 2024, the following have been set as key Group-wide risks through the Group-wide risk review.
For key Group-wide risks, in order to flexibly respond to environmental changes and reflect them in our business and strategies in a timely manner, we will conduct periodic Group-wide risk reviews and update them as necessary, including the degree of impact and probability of occurrence. Currently, risks arising from U.S. trade policy developments have emerged, and the Group is continuously monitoring their impact from a company-wide perspective and taking appropriate measures as necessary.

List of Key Group-Wide Risks

Risk categories	Envisaged threats and opportunities	Closely related material topics
(1) Business continuity risks	Business Continuity Plan (BCP), Supply chain disruptions, Overseas contingencies, Plant-related problems	Stable production, highly livable communities, food security, health and livelihood, digital transformation
(2) Production/quality risks	Safety and environment, Quality management, Chemicals regulations	Safety, stable production, product quality
(3) Compliance risks	Compliance, Strengthening and revision of laws and regulations	Compliance
(4) Technological innovation risks	Creation of new businesses, Technological innovation	Innovation, product design considering the entire product life cycle
(5) Climate change risks	Execution of the carbon neutral strategy	Climate change, circular economy, product design considering the entire product life cycle
(6) Natural capital risks	Plastic waste problem, Conservation of natural capital	Circular economy, product design considering the entire product life cycle
(7) Human rights risks	Respect for human rights	Respect for human rights, partnerships

(8) Business infrastructure risks	Human resources management, DE&I promotion, Stakeholder communication	Corporate culture, human capital, partnerships
(9) Digital transformation risks	Use of DX technologies, Information security, Updates of business systems	Digital transformation, stable production, product design considering the entire product life cycle
(10) Corporate management and supervision risks	Management with awareness of capital efficiency, Allocation of management resources, Investment decisions, M&A and business transfers	-
(11) Macroenvironmental risks	Intensifying competitiveness in markets, Strengthening of strategic alliances, Changes in market needs, Rise in product costs, Global expansion	-

*Underlined items: Risks to be prioritized for management, as described below

For details on each key Group-wide risks, please refer to the Securities Report, "Part II. Business Overview, 3. Business Risks, (2) key Group-wide risks."
Securities Reports

Priority Risks to be Managed

In fiscal 2025, based on the Group-wide risk review, we further organized and classified the key Group-wide risks from the perspectives of financial and non-financial aspects and risk management time frames. As a result, five priority risks were selected for the Mitsui Chemicals Group to manage.
Risk owners have been assigned to each of these risks. Each risk owner is responsible for visualizing the Group-wide risk management status for their assigned risk, providing advice to relevant areas as needed, and reporting to the Risk Management Committee. In addition, by consolidating the risk management policies of the respective risk management owners, risk owners aim to ensure consistency and uniformity across the organization, thereby enhancing management efficiency and achieving better outcomes.

Execution of the Carbon Neutral Strategy

Key Group-wide risks categories		(5) climate change-Related Risks
Envisaged events	Threats	Reputation decline due to delays in GHG emissions reduction plans, cost increases associated with carbon pricing, and failure to achieve value appeal due to sluggish development and sales of Blue Value™ and Rose Value™ products and services
	Opportunities	Achievement of both corporate growth and mitigation of the impact of increased carbon costs resulting from GHG emissions reduction
Risk owner (Sub-owner)		Senior Executive Advisor responsible for the Production & Technology Center and Green Sustainable Chemicals Division (Executive officer with specific titles responsible for the Production & Technology Center/Executive officer with specific titles responsible for the Research Center)
Response		Appropriate promotion of the following initiatives under the carbon neutral strategy: • Transition to low-carbon raw materials and fuels • Energy conservation through the introduction of high-efficiency equipment • Introduction of renewable energy • Development and implementation of carbon-negative technologies such as CCUS • Development of biomass-based and recycled products • Expansion of Blue Value™ and Rose Value™ products and services • Reduction of costs associated with carbon pricing, etc.

Human Resources Management

Key Group-wide risks categories		(8) Business infrastructure risks
Envisaged events	Threats	Failure to recruit and retain necessary talent, resulting in the inability to execute the growth strategy
	Opportunities	Achievement of corporate culture transformation through the acquisition and utilization of new talent.
Risk owner (Sub-owner)		Executive officer with specific titles responsible for the Human Resources Division and Global Human Resources Division (CTO/Senior Executive Advisor responsible for the Production & Technology Center and Green Sustainable Chemicals Division)
Response		• Continued implementation of planned regular and mid-career recruitment • Promotion of Group-wide talent utilization (including women, senior employees, and direct hires in Japan and overseas), and reskilling • Review of the post-retirement reemployment system • Development of internal systems that enable innovators and specialists to thrive • Operational efficiency improvements and process enhancements

Information Security

Key Group-wide risks categories		(9) Digital transformation risks
Envisaged events	Threats	Significant damage to performance and reputation caused by data leaks due to cyberattacks or inadequate internal access management
Risk owner (Sub-owner)		Executive officer with specific titles responsible for the Corporate Administration & Legal Division (Executive officer with specific titles responsible for the Information System Division)
Response		• Strengthening the company's information management framework in response to internal and external environmental changes • Establishing a preventive framework, including company rules development and internal controls, and ensuring swift root cause analysis and countermeasure planning in the event of incidents • Proper management of information storage and transfer methods • Enhancing security awareness through training opportunities and ensuring thorough communication of company rules

Strengthening of Strategic Alliances

Key Group-wide risks categories		(11) Macroenvironmental risks
Envisaged events	Threats	Growing importance of responding to industry transformation, mainly driven by domestic competitors
	Opportunities	Transformation to capital-efficient businesses through appropriate responses to industry transformation movements, including expansion of regional and multi-company collaborations
Risk owner (Sub-owner)		Executive officer with specific titles responsible for the Corporate Planning Division (Executive officer with specific titles responsible for the Basic & Green Materials Business Sector)
Response		Improvement of capital efficiency by considering options available to the Company, including collaboration with other companies, in response to environmental changes

Global Expansion

Key Group-wide risks categories		(11) Macroenvironmental risks
Envisaged events	Threats	Competitive disadvantage and loss of growth opportunities overseas due to inability to respond to diversified needs and pain points in each country/region
	Opportunities	Realization of global business growth through timely responses to market environments in each region
Risk owner (Sub-owner)		Executive officer with specific titles responsible for the Regional Strategy Division (Executive officer with specific titles responsible for the Corporate Planning Division)
Response		Strengthening the Group's ability to develop region-specific business strategies and products, and achieving global business growth through timely responses to local market environments, by implementing the following initiatives: • Formulation of regional strategic grand designs • Establishment of a global communication framework • Development of local talent • Enhancement of business development capabilities through the discovery of business ideas originating from individual countries and regions

The five priority risks identified include not only those requiring urgent action but also those that demand focused attention from a long-term perspective to achieve the Mitsui Chemicals Group's corporate philosophy and Long-Term Business Plan, VISION 2030. For example, while the information security risk is recognized as an urgent issue that could threaten the continuity of the Group, the risk related to the execution of the carbon neutral strategy has been identified as material topics directly linked to our corporate philosophy. It represents an opportunity that is essential for realizing VISION 2030, and therefore requires proactive engagement from this point forward. All of these risks are considered to be cross-functional in nature and should not be addressed by individual divisions alone, but rather managed through coordinated efforts across the entire Group.
Following discussions at the Risk Management Committee on appropriate management approaches tailored to the characteristics of each risk, it was determined that the information security risk, due to its urgency and the need for efficient visualization of cross-functional initiatives, will be incorporated into the annual plans of all divisions in fiscal 2025. Specific measures will be formulated, and progress will be reviewed by the Risk Management Committee. For the other four risks, executive officers with specific titles responsible for individual business or functional strategies have been appointed as risk owners, ensuring that risk management is integrated with strategic execution.

Key Group-Wide Risks Classification Table

	Short-term risks	Medium- to long-term risks
Financial	● Management with awareness of capital efficiency ● Supply chain disruptions ● Rise in product costs ● Intensifying competitiveness in markets ● Business Continuity Plan (BCP) ● M&A and business transfers ● Allocation of management resource	● Strengthening of strategic alliances ● Changes in market needs ● Creation of new business ● Investment decisions
Non-financial	● Overseas contingencies ● Plant-related problems ● Quality management ● Information security	● Strengthening and revision of laws and regulations ● Chemicals regulations ● Safety and environment ● Compliance ● Use of DX technologies ● Technological innovation ● Updates of business systems ● Stakeholder communication ● Global expansion ● Human resources management ● Execution of the carbon neutral strategy ● Plastic waste problem ● DE&I promotion ● Respect for human rights ● Conservation of natural capital

In red: Priority risks to be managed

Compliance Management

Management System

Policy and Basic Approach

In order to continue our corporate activities and fulfill our social responsibilities while earning the trust of our shareholders, customers, local communities, and all other stakeholders, it is essential for all officers and employees of the Mitsui Chemicals Group to always act in good faith with an attitude of voluntary and autonomous compliance with laws, regulations, and rules under a unified compliance promotion system.

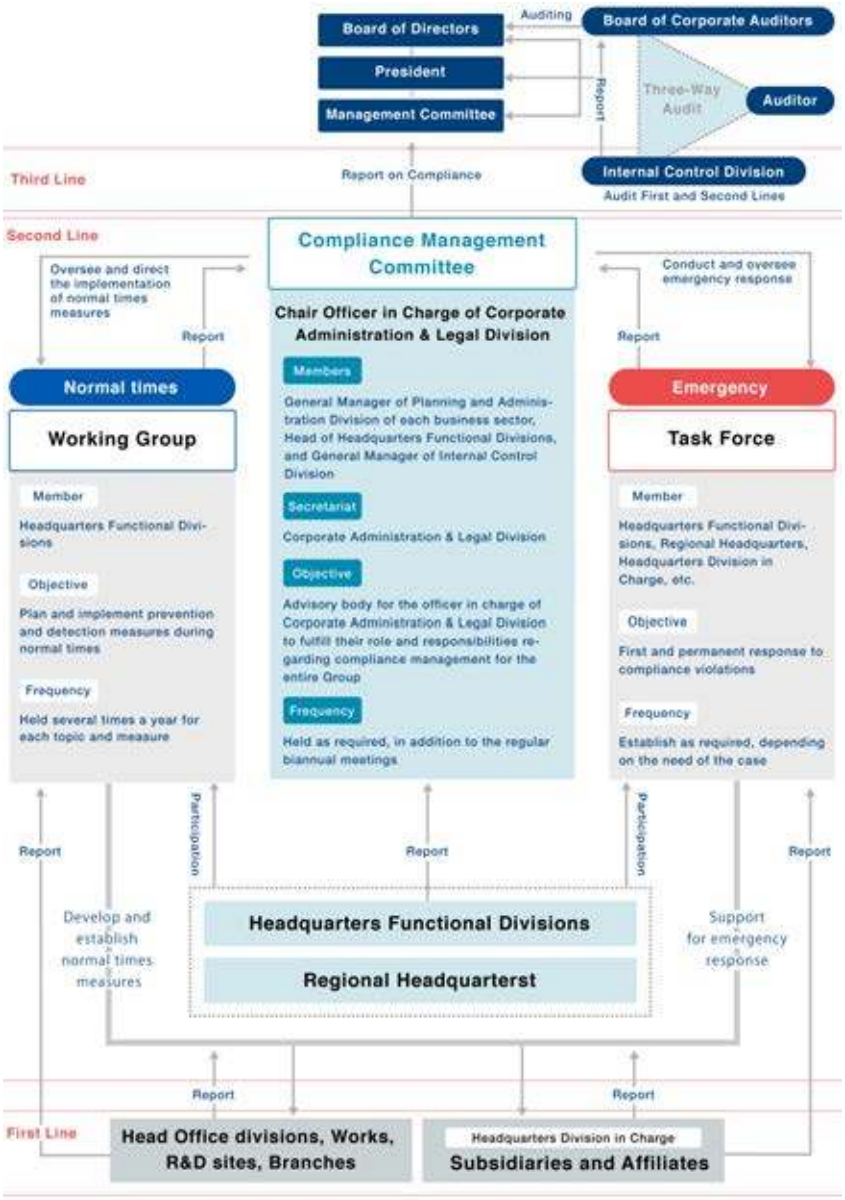
In February 2006, the Mitsui Chemicals Group formulated its Action Guidelines, which provide the basis for the actions of all its personnel, and introduced two maxims: "always act in good faith" and "have a high regard for people and society." By acting in accordance with these action guidelines and group compliance management rules (Company Rules), we will retain the trust of our stakeholders and fulfill our corporate social responsibility.

Amid recent major changes in the social and economic environment and growing social concern about compliance, the Group has made compliance one of its material topics as “prerequisites for business continuity.” Furthermore, the Group formulated its global policy on compliance management, classifying it into four phases: “prevention” and “detection” in normal times, and “initial response” and “permanent response” for emergency situations, and implements various measures at each phase on a group-wide and global basis, which will lead to the realization of VISION 2030.

System and Responsible Officers

The Officer in Charge of Corporate Administration & Legal Division is responsible for overseeing, directing, and supervising compliance management throughout the Mitsui Chemicals Group. The Officer in Charge of Corporate Administration & Legal Division shall establish a Compliance Management Committee as an advisory body to fulfill his or her roles and responsibilities regarding the compliance management of the entire Group. Furthermore, by reporting on the operational status of compliance management and the activities of the committee to the Management Committee and the Board of Directors, the Officer in Charge of Corporate Administration & Legal Division ensures that the top management maintains oversight over compliance management throughout the Group.
In addition, in order to develop a compliance system and ensure the efficient and effective deployment and establishment of related measures, a working group consisting of representatives from each of the headquarters functional divisions will formulate specific measures for the prevention and detection of compliance violations.
Furthermore, in the event of a compliance violation at the Mitsui Chemicals Group, a task force consisting of members selected from each division will quickly and appropriately implement initial response measures and formulate a permanent response plan, depending on the necessity of the case.

Group Compliance Management System



Role of the Compliance Management Committee

- Deliberation on basic policy, medium- to long-term plan, annual plan policy, annual plan, and various measures concerning compliance management of the entire Mitsui Chemicals Group
- Discussion of the status of the Group's compliance management

Composition of the Compliance Management Committee

Chair	Officer in Charge of Corporate Administration & Legal Division
Members	General Manager of Planning and Administration Division of each business sector, Head of Headquarters Functional Divisions, and General Manager of Internal Control Division
Secretariat	Corporate Administration & Legal Division

Role of Each Division

First Line	**Each Division (Head Office divisions, Works, R&D sites, Branches and Affiliates)** • Establish a compliance management system in each division and maintain and operate it on a daily basis. • Adhere to the Global Policy on Compliance Management. • Take initial response against compliance violations that occur in own division, and prevent recurrence. • The headquarters division in charge supervises and provides guidance to the affiliates under its control.

Second Line	**Headquarters Functional Divisions** • Implement group-wide measures for the prevention and early detection of compliance violations from a professional perspective related to the functional area for which they are responsible. • Take initial response in the event of a compliance violation, formulate and deploy measures to prevent recurrence, and implement permanent measures throughout the Group. • Support activities related to compliance management in each of the first-line divisions.
Third Line	**Internal Control Division** • Audit both first and second line operations from an independent standpoint and provide assurance to top management and the Board of Directors.

Goals and Results

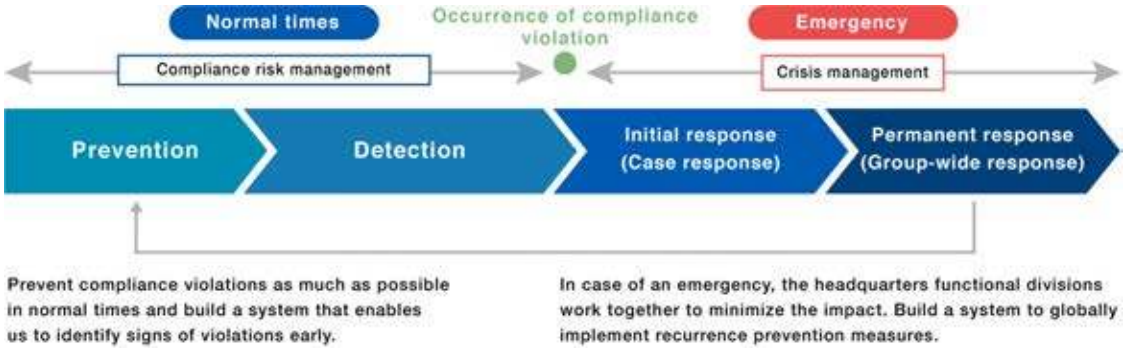
Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Incidence of major legal and regulatory violations	Mitsui Chemicals Group	0	0	0	0

Compliance Management

Initiatives

Vision of the Group Compliance Framework

The Mitsui Chemicals Group is working to build a compliance infrastructure that is a prerequisite for achieving VISION 2030, so that each Group company can focus on its business with sufficient knowledge of how to manage compliance matters.
Specifically, the Group classifies compliance management into four phases: "prevention" and "detection" in normal times, and "initial response" and "permanent response" for emergency situations, and implements various measures at each phase in a comprehensive manner. With these initiatives, we aim to develop and establish the PDCA cycle on a Group and global level, as well as to further raise compliance awareness.



Prevention

Key Control Measures

In order to prevent compliance violations, the Group will analyze past cases of compliance violations that have occurred in the Group, summarize control actions and procedures that are effective in preventing frauds as key control measures, and incorporate them into the Group's overall business processes. Each Group company then verifies its own operational processes based on the key control measures and manages and oversees its operations to prevent compliance violations, thereby ensuring autonomous control. By fiscal 2024, 79 companies in our Group will have started implementation (35 completed). We plan to gradually expand the number of companies introducing the system from now on as well.

Compliance Level Assessment

We have initiated a Compliance Level Assessment to help each Group company identify its own compliance management status and challenges. Each Group company implements its own improvement activities based on the assessment results, and the headquarters functional divisions support each Group company, identify challenges that need to be addressed by the Group as a whole, and develop necessary measures. By fiscal 2024, 21 companies in our Group have implemented this assessment. We plan to gradually expand this going forward as well.

Detection

The Group has introduced a whistleblowing system to detect compliance violations as quickly as possible. Since fiscal 2022, we have strengthened our framework in stages and completed implementation across all regions by May 2025. Currently, it is being operated as a global whistleblowing system (Compliance Hotline).

Global Whistleblowing System (Compliance Hotline) >

Initial Response (Case Response)

To implement a prompt and appropriate initial response in the event of a compliance violation, we have established standards and processes for Group companies to report to the head office, as well as clearly defining the organizational structure, roles, and response process for a task force comprising members from headquarters functional divisions with expert knowledge of the matter.

Permanent Response (Group-Wide Response)

For each case of compliance violation that occurs, we formulate and deploy Group-wide measures to prevent recurrence, and clearly define the roles of the task force and headquarters functional divisions, as well as the response process.

Fostering a Culture of Respect for Compliance

It is essential to foster a culture where compliance is respected so that the Mitsui Chemicals Group officers and employees will voluntarily and autonomously comply with laws, regulations, and rules. In January 2023, we issued a message from the President & CEO and at the same time launched an internal portal site that consolidates compliance-related information to ensure that officers and employees have more opportunities to understand the importance of compliance.
In addition, in order to foster a strong psychological awareness of the importance of compliance, we are deploying a "Compliance education video" based on dramatized past compliance violation through e-learning throughout the Group, as well as conducting workplace discussions on compliance.

Compliance management for a new era (PDF : 226 KB)


Tackling Compliance as a United Mitsui Chemicals Group

Top message from the President & CEO regarding initiatives to ensure compliance in the company newsletter

Nurturing flexible responsiveness

Compliance management for a new era

How should a company be flexible and grow strongly in an era of rapid change? MCI Group President Osamu Hashimoto and attorney Kazuo Imai—a leading expert in corporate compliance—discussed compliance management for a new era, with an eye to the future.

IMAI Kazuo
Toranomon Chuo Law Firm
Attorney at Law

HASHIMOTO Osamu
President & CEO



— What are your thoughts on the relationship between corporate value and compliance?

HASHIMOTO In my conversations with employees, I always communicate the importance of (1) safe and stable operation and health, (2) compliance, (3) self-initiative, autonomy, and collaboration, and (4) perseverance in taking on challenges. I tell them that all of these are essential for improving corporate value and growth, and that they should be strongly aware of (1) and (2)—compliance—in particular.

IMAI As you say, compliance is the foundation for corporate activities. While safety and stable operation are the first priority for a manufacturer like MCI, compliance is still the foundation. Although generally translated in Japanese as horei junshu ('legal compliance'), did you know that the word 'compliance' actually also has the meaning of 'flexibility'?

HASHIMOTO That sounds interesting.

IMAI In physics, an object is said to have high compliance when it is flexible and bends well from side to side without breaking. Conversely, a rigid object is said to have low compliance.
If we translate this into corporate management terms, it can be said that a company can survive and increase its corporate value by identifying market needs, changes in the business environment, and global trends with sensitivity and responding flexibly to them. I believe that this is the essence of compliance management.

HASHIMOTO I see. I guess that means we need to rethink the meaning of the word compliance. I think that this is a common concept in risk management as well. Traditionally, a risk has been regarded as something negative that poses a crisis or threat. But positive opportunities are also a type of risk, and must be carefully identified. After listening to you, I feel that compliance is a broad issue, and that it is important to respond in a way that matches the times.

IMAI I call the ability to respond flexibly in this way 'nice compliance'. In Japan, the focus has always been on the aspect of 'legal compliance'. owing to a series of corporate scandals and misconduct during the period when the concept of compliance became widespread. But actually I would like all employees to recognise that compliance is a broader concept, and that it promotes corporate growth.

— To achieve VISION 2030, we need to take on challenges in areas where we have no experience. How should we respond to situations where the boundaries of compliance violations are unclear?

IMAI If I were to offer any advice, it would be, 'Don't be in such a hurry'.
If there are any doubts about whether you are really taking the right direction, I hope that employees will have the presence of mind to check with the Legal Division or others before moving forward. It is also important to work as a team, to incorporate diverse perspectives by consulting with all relevant departments. Compliance violations do not generally occur among highly motivated people. Excitement in taking on the challenges of the unknown leads to customer satisfaction and social contributions, which in turn lead to a sense of fulfilment and purpose in life. I believe it is important to create such a state.

HASHIMOTO Right now, we are working to create a seamless organisation through internal and external collaboration. If the organisation becomes siloed due to its business division system, ideas will not spread and motivation will decrease, and this may lead to compliance issues. I want us to increase active communication across all boundaries. You know case studies from various companies. Is there anything else we should be aware of?

IMAI One unexpected pitfall is that veteran employees are often the ones to cause compliance violations. As they gain experience, employees they may lose their sense of urgency, thinking that things will be fine, and make unexpected mistakes.
The important thing to remember is to take pride in being a member of the company. I hope that all employees will keep their motivation high by continuing to think about what MCI does as a company, what it aims to achieve, how it should contribute to society, and what each of us should do to achieve these goals.

POINT

01 Compliance promotes corporate growth

02 Presence of mind and teamwork prevent violations

03 Creating a motivational work environment is key

— What kind of mindset is needed to ensure that each employee values compliance and addresses it in a positive manner?

IMAI This company has an outstanding spirit of challenge that enables it to respond flexibly to the changing of the times, and a track record built up through over 100 years of experience. Saying that you value compliance is one thing, but if you simply say that various things are not allowed, then both motivation and loyalty to the company will decline. I hope that you will continue to send out positive messages from top-level management, and that you will continue to produce steady results without rushing, while freely expanding ideas utilising the abundant management resources at your disposal.

HASHIMOTO Thank you. Going forward, we will continue working to create an environment where everyone can speak freely, be given equal opportunities, and work with a high level of motivation, with compliance as the foundation for our growth.

Remember to take pride in being a member of the company

Let's increase activate communication across all boundaries!

Compliance Management

Global Whistleblowing System

Our whistleblowing system, known as the Compliance Hotline, enables individuals who have obtained information related to risks—such as acts in violation of laws or regulations that have been or are about to be committed by Mitsui Chemicals Group employees or related personnel—to directly report the matter to and consult the Corporate Administration & Legal Division, Human Resources Division, or an outside attorney.

Overview of the Global Whistleblowing System (Compliance Hotline)

- The system is open not only to officers, corporate auditors, and employees, but also to all parties with an interest in the Group's business activities, including the families of officers, corporate auditors, employees, retired employees, contractors at our works or other sites, and suppliers. (However, this excludes consultations or reports made with defamatory or malicious intent.)
- Any and all information related to risks received through the whistleblowing system is immediately and periodically reported to the Company's corporate auditors, and important information is reported to the Company's Board of Directors if necessary.
- Our "Whistleblower Management Regulations" clearly stipulate that whistleblowers will not be subject to penalty and retaliation because of whistleblowing. We also have established disciplinary measures and strictly enforce them for those who violate the regulations.

Reporting and Consultation Desk

■ This contact desk is established to receive reports and consultations regarding compliance violations, etc., by employees and related personnel of our Group. For general opinions or inquiries regarding our Group, please use the 'Contact Us' section.
■ There are three contact desks: the Corporate Administration & Legal Div. desk, the external lawyer's desk in Japan, and the harassment and human rights consultation desk (HR).

Reporting Desk

Target Case Studies (The following are examples only)

- Violation of safety, environment, and chemicals regulations
- Bribery
- Illicit gain
- Quality fraud
- Information leakage
- Accounting and tax fraud
- Discrimination and harassment
- Problems related to the employment environment
- Human rights [forced labor, child labor etc.]
- Misconduct in research and development (This item is open to anyone, regardless of their relationship with the Company.)

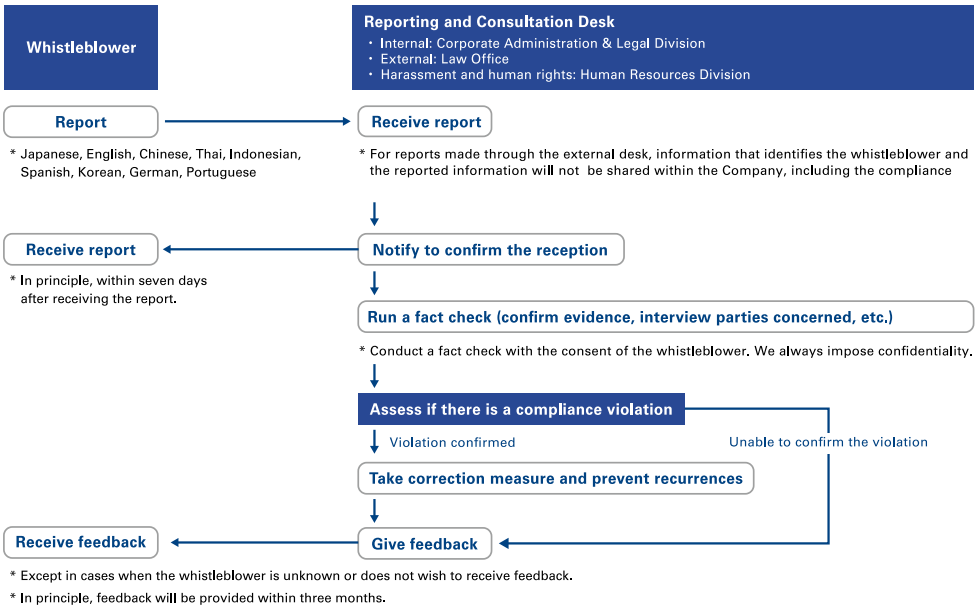
etc.

Operation of the Whistleblowing System

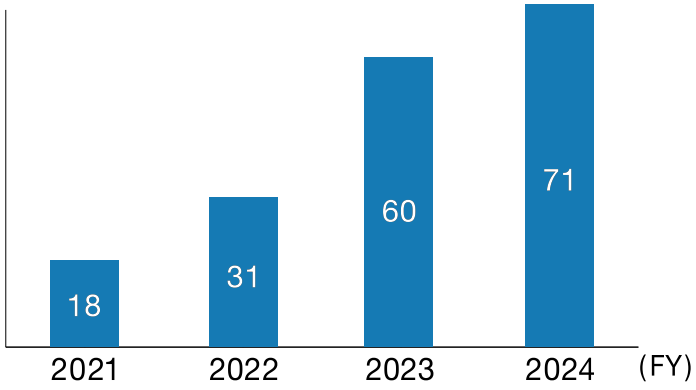
- Anonymous reports and requests for advice by letter or e-mail are accepted. However, please be aware that in the event that a person cannot be contacted by the Company's Risk & Compliance Committee or an external contact, it may not be possible to fully understand the situation and take steps, such as conducting an appropriate investigation or implementing measures.

- The Group restricts the people who are able to view the e-mails and letters received by the Risk & Compliance Committee or the external point of contact to some members of the Secretariat of the Committee. Furthermore, those who are able to view the correspondence strictly observe confidentiality with regard to the name or position of the person making the report or seeking advice or with regard to the content of their report, etc. (including acts that would make it easy to ascertain the name or position of the person making the report or seeking advice, or the content of their report), which is not disclosed to anyone other than the minimum number of officers, employees, or attorneys required for the investigation.
- Internally stipulated regulations safeguard the information against further disclosure or leakage.
- The Group will keep confidential any information related to people who are cooperating in the investigation or information gained through the investigation will not be disclosed to anyone who is not involved. However, information on reported and consulted cases may be notified to the Group's officers, corporate auditors, and employees in a way that will not identify the person who reported or sought advice in order to educate the others and prevent recurrence.
- Any person who has reported, sought advice, or cooperated in an investigation is not subject to penalty and retaliation as a result of making the report, seeking advice, or cooperating in the investigation. However, this does not apply to cases where the person who used the system to report or seek advice did so for the purpose of deceiving others, for example by deliberately conveying false information, or cases in which a report was made for the purpose of violating a law, regulation, etc., such as coercion or blackmail.
- A prompt and careful investigation will be conducted for all reports and consultations. If a legal or regulatory violation or a situation that may lead to such a violation is discovered, necessary corrective action, etc., will be taken properly. In addition, such corrective action, etc., is shared across the Group to ensure that a similar problem will not happen again within the Group.
- The details and usage of this system are appropriately communicated through Compliance training and other forums to employees and related personnel of our Group.

Whistleblowing Procedure



Whistleblowing System Operating Performance (cases)



* Breakdown of FY2024 reporting and consultation cases by instance:
Harassment: 33 cases; illicit gains and bribery: 5 cases; safety and environment: 2 cases; violation of quality and chemicals regulations: 0 case; others: 18 cases; 13 cases received through the external desk.

Compliance Management

Compliance Training

As an indication of the priority given to compliance with laws and regulations over any pursuit of profit, the Mitsui Chemicals Group has identified compliance with all laws and regulations as the first item in the Action Guidelines formulated in February 2006. In addition to establishing a compliance management system, we believe that it is important to thoroughly educate each and every employee that operates the system, and we will implement educational measures throughout the Group to raise awareness and promote knowledge of compliance.

Communicating Top Messages

In January 2023, President & CEO Hashimoto communicated a message to the directors and corporate auditors and employees of the Group regarding the importance of compliance. In January 2025, we held a dialogue titled "Compliance management for a new era" between President Hashimoto and an attorney, and shared it with all employees across our Group. Furthermore, starting from fiscal 2023, we require that the management of each Group company issue a top message on compliance within their respective organizations once a year. We will continue to communicate top messages from the management of the Company and each company of our Group.

Compliance management for a new era (PDF : 226 KB)

Compliance Guidebook

The Compliance Guidebook (issued in 2006) sets out the President & CEO's ideas about the need to comply with all laws and regulations at the beginning and summarizes basic points that Group directors and corporate auditors, and employees should consider when carrying out their duties. Specifically, we have written and made timely revisions such as adding and expanding the list of cases of bribery, product data falsification, infringement of intellectual property rights, and other violations that have been identified as problems under the laws and regulations of different countries and in the domestic media coverage, as well as things to keep in mind regarding corporate and personal information when using social media. The content of the Compliance Guidebook also states that it is prohibited to have any relationship with anti-social forces and commit acts that cause a conflict of interest, including receiving any personal benefit that may cause a loss in the profit of the company, to increase awareness throughout the Group.
We have compiled a guidebook on the theme of antitrust laws and bribery prevention for the Asia-Pacific region and added a Chinese version containing information on Chinese laws and regulations and risks to the Japanese and English versions.

Compliance Guidebook (Excerpt) (PDF : 86 KB)

Workplace Discussions Covering Case Studies of Violations of Laws and Regulations

Mitsui Chemicals and its domestic subsidiaries and affiliates have been organizing workplace discussions covering case studies of violations of laws and regulations 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 between staff and their managers. 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 their departments. We also updated the examples to discuss, adding cases of quality-related misconduct, inappropriate donations, illicit gain, personal information mismanagement, and software license mismanagement in fiscal 2024.

Examples of Topics of Workplace Discussions of Violations of Laws and Regulations

- Falsification of quality data
- Illicit gains
- Bribery
- Failure to submit notifications required by the regulatory laws
- Price cartels
- Violation of the Subcontracting Law
- Insider trading
- Concealment of misconduct
- Abuse of authority
- Sexual harassment
- SOGI harassment
- Leakage of company information
- Excessive business entertainment, etc.

Stratified Training on Compliance

The awareness of individual directors and corporate auditors, 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 education and training to suit every level, from new recruits to employees newly promoted to a management position, newly appointed line managers, newly appointed presidents and officers of affiliates, and each management rank.
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.

Key Achievements of Stratified Training >

Legal and Regulatory Compliance Training

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 rules 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. 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. Participation in these training initiatives is audited by the Internal Control Division.

e-Learning and Group Training Themes

- Industrial safety and health legislation
- Process safety legislation
- Environmental legislation
- Quality control
- Harassment
- Intellectual property (patent, copyrights, and trademark)
- Finance and taxation
- Information management
- Contracts
- Antimonopoly legislation
- Bribery and corruption
- Credit control
- Export control
- Purchasing rules

Overseas Compliance Training

A Compliance Guidebook on the competition law and bribery prevention has been published and distributed throughout the Mitsui Chemicals Group. In addition, the China regional headquarters and the Asia-Pacific regional headquarters have individually prepared handbooks on the competition law, bribery, and corruption that are considered particularly high-risk and have distributed them to local subsidiaries and affiliates. In addition, training on competition law, bribery prevention, personal information management and company information management and others by lawyers is regularly held in each region.

～For compliance with laws and rules～

Compliance Guidebook

Mitsui Chemicals, Inc.

～For compliance with laws and rules～

Compliance Guidebook

December 1, 2003	First Edition
May 30, 2006	Second Edition
December 1, 2012	Third Edition(Electronic Publishing)
February 1, 2016	Fourth Edition(Electronic Publishing)
November 1, 2016	Fifth Edition (Electronic Publishing)
July 1, 2017	Sixth Edition (Electronic Publishing)
January 10, 2023	Seventh Edition (Electronic Publishing)

MITSUI CHEMICALS, INC.　Corporate Administration & Legal Division

This Guidebook is based upon Japanese law, regulation and customs and refers to Japanese cases. It may be possible that the cases in the Guidebook do not apply in any jurisdictions except Japan.

Aiming to Become a Reliable Mitsui Chemicals Group
- Striving to Be a Trusted Entity -

In February 2006, our company established the "Mitsui Chemicals Group Action Guideline" as part of our efforts to promote Corporate Social Responsibility (CSR) activity. The Action Guideline was established in order for our Group to continue contributing broadly to society and to be a presence trusted by all stakeholders. The Action Guideline is intended to help ensure that each of our executives and employees of our Group thoughtfully consider what is important and should be acted upon with great care, i.e., to be our norms and standards of conduct. Accordingly, the first priority of the Action Guideline given by our Group is "Compliance with laws and regulations."

At the very beginning of the Action Guideline, our Group declares that "we will give top priority to compliance with laws and regulations over the pursuit of any profit." Should you have to make the ultimate choice between profit and compliance with laws and regulations, never hesitate to prioritize compliance over profit-seeking.

In the media, reports of incidents of product data falsification and violations of laws and regulations, including fraudulent accounting, by publicly listed companies continue to persist. Public opinion towards companies violating these laws and regulations is becoming increasingly severe, and there are cases where companies violating a single law or regulation find themselves losing in a single day, the credibility and reputation they had built up over many years. As long as social trust and prestige, and not just profit, constitute corporate value, we must be keenly aware that "compliance with laws and regulations" is a major premise of the company's existence, and that without it we cannot sustainably develop and fulfill our social responsibilities.

In recent years, our Group has regrettably confirmed multiple incidents of misconduct in our business activities, including product data falsifications, both in Japan and globally. Considering that further global business activities will progress to achieve the goals of VISION 2030 in the future, awareness of compliance within the Group at a global level will also become extremely important in order to avoid damage to our Group-wide value. We must each diligently work to "comply with laws and regulations" to eliminate misconduct within our entire Group.

There is an old proverb that says "Heaven knows, Earth knows, I know, People know" (Cf. "the day has eyes and the night has ears," "truth will out."). This means that, when it comes to misconduct, even if you think no one else knows, you know that you have acted wrongly; the fact of misconduct remains, and someday it will become known to others. In order to prevent misconduct, it is necessary for all executives and employees of our Group to voluntarily and independently act in good faith and accumulate good actions through an attitude of complying with laws and regulations, and to coordinate and work together within the entire Group to pursue this goal.

We are confident that compliance awareness and action will enable the Mitsui Chemicals Group to earn the trust of society and lay the foundation for our sustainable development.

January, 2023



HASHIMOTO Osamu, President & CEO

～For compliance with laws and rules～

Compliance Guidebook

Table of Contents

Ⅰ 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

Ⅱ 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

Ⅲ To Customers and Suppliers

1. Prohibition of Excessive Gifts or Entertainment /Prohibition of Collusive Relationship with Customers or Suppliers 14
2. Ensuring the Quality and Safety of Products and Dealing Sincerely with Customers 16
3. Compliance with Regulations Concerning Exports and Imports 19

Ⅳ Relations with Companies in the Same Business

1. Compliance with Antitrust Law 21
2. Respect of Intellectual Property Rights and Compliance with Unfair Competition Prevention Law 23

Ⅴ To Shareholders and Investors

1. Prohibition of Insider Trading 25
2. Proper Accounting Practice, Keeping Proper Transaction Records, and Compliance with Tax Law 27

Ⅵ As Employees of the Mitsui Chemicals Group

1. Compliance with Bylaws, Etc. 29
2. Confidentiality Obligations, Company Information Management and Privacy Protection 31
3. Respect of Company Property/Honest and Accurate Report on Travel Expenses, Entertainment Expenses, Etc. 33
4. Prohibition of Discrimination, Power Harassment and Sexual Harassment 35
5. Prohibition of Acts Causing Conflict of Interest/Prohibition of Political or Religious Activity within the Company 36

Bribery Prevention

Policy and Basic Approach

With business taking on an increasingly global nature with each passing year and in light of the world's heightened focus on bribery in recent years, the further development and strengthening of an international bribery prevention framework is an important task to be addressed by the Mitsui Chemicals Group as a whole. The Mitsui Chemicals Group will comply with all regulations aimed at preventing bribery in the countries and regions in which the Mitsui Chemicals Group is engaged in business, including the Unfair Competition Prevention Act of Japan, the Foreign Corrupt Practices Act of the U.S., and the Bribery Act of the U.K. (all such regulations, the "Bribery Regulations"). Whenever it is faced with choosing between profits or compliance, the Mitsui Chemicals Group will never hesitate in prioritizing compliance. With the aim of preventing bribery by clearly stating matters such as the basic stance of the Mitsui Chemicals Group towards bribery and the rules to be followed by its personnel, the Mitsui Chemicals Group has formulated this Policy. This Policy applies to all personnel of the Mitsui Chemicals Group.

The Mitsui Chemicals Group Policy on Bribery Prevention

1. Prohibition of bribery
   Personnel of the Mitsui Chemicals Group will not engage with any other person in any act of making or receiving a bribe.

2. Development of a bribery prevention framework
   The Mitsui Chemicals Group will strive to operate its compliance-related departments, and whistleblowing notification centers in a fair and equitable manner, and will maintain and operate organizations and systems designed to prevent acts of bribery.

3. Education and training
   The Mitsui Chemicals Group will continually provide education and training to personnel in order to further ensure an ethical mindset aimed at preventing bribery and to secure the operation of its bribery prevention framework.

4. Audits and system reviews
   The Mitsui Chemicals Group will perform periodic audits to confirm whether its bribery prevention framework is actually functioning and, based on the results of such audits, will continually review the effectiveness of the bribery prevention framework of the Mitsui Chemicals Group (including this Policy) and make improvements as necessary.

5. Recording and storing of transaction details
   In order to evidence its compliance with the Bribery Regulations of each country and with this Policy, the Mitsui Chemicals Group will use appropriate internal control systems to factually and accurately record approval documents, accounting books, and the like relating to expenditures, and will appropriately store all relevant ledgers and forms.

6. Disciplinary action
   If an employee violates this Policy, the Mitsui Chemicals Group will take appropriate and swift disciplinary action in accordance with work rules and the like.

Definition of Terms

(1) "Making a bribe" means giving, or offering or promising to give, any money or other benefits to a public officer, etc., directly or indirectly, for the purpose of having the public officer, etc. act or refrain from acting in a particular way in relation to his or her duties, or having the public officer, etc. use his or her position to influence another public officer, etc. to act or refrain from acting in a particular way in relation to that officer's duties, in order to obtain illicit gains in business.
For example, providing hospitality or gifts to an instructor or staff member of a national public university, or to a physician or staff member of a national public hospital, would constitute "making a bribe."
(2) "Receiving a bribe" means receiving, or demanding or promising to receive, any money or other benefits in relation to one's own duties for the purpose of obtaining illicit gains for oneself or a third party.
(3) "Bribery" means the act of making a bribe or receiving a bribe.

(4)"Public officer, etc." includes any of the following persons:
(i) A person engaged in public duties for the national or local governments of his or her own or a foreign country ("Governments");
(ii) A person who engages in the affairs of an entity established under a special law or regulation to carry out specific affairs related to the public interest;
(iii) A member of staff of any of the following public companies or entities ("companies, etc.") granted special privilege by a Government:
(a) A company, etc. in which a Government directly or indirectly holds a majority of the voting shares or paid-in capital;
(b) A company, etc. the majority of whose officers are appointed or nominated by a Government;
(c) A company, etc. otherwise substantively controlled by a Government;
(iv) A political party or a staff member thereof;
(v) A candidate for public office;
(vi) A person engaged in public duties for a public body;
(vii) A person engaged in the affairs of Government or public body as authorized thereby; or
(viii) Any other person similar to any of (ⅰ) through (ⅶ) above
(5)"Personnel" means all officers, employees, and temporarily employed persons of the Mitsui Chemicals Group.

Established in December 2016

Development of Bribery Prevention Frameworks in Japan and Overseas

The Mitsui Chemicals Group established a "Global Policy on Anti-Bribery" in 2021, which requires Mitsui Chemicals Head Office and all subsidiaries to institute internal rules and compliance systems to prevent bribery, thereby strengthening the Group's global bribery prevention system.
In addition, the Mitsui Chemicals Head Office revised its existing rules for managing business entertainment and gifts, and established "Bribery Prevention Regulation" in March 2023. The Bribery Prevention Regulation prohibits bribery of public officials and private business partners, etc., and provides for approval processes regarding entertainment and gifts, as well as evaluation of business partners when using third parties such as agents and consultants, etc.
The business audit conducted by the Internal Control Division also includes an internal audit process based on self-assessment of internal controls utilizing the compliance checklist, which also covers items related to bribery.

Education and Training

Including the Mitsui Chemicals Group Policy on Bribery Prevention and other content on bribery, the Compliance Guidebook increases awareness throughout the Group. With regard to high-risk areas, we prepare and distribute manuals to employees and are focusing on initiatives, such as group training sessions, to prevent bribery.
Additionally, in order to deepen understanding of risks, regulations, and internal rules related to bribery and corruption, an e-learning course titled “Bribery Prevention” was launched in April 2025. In addition to making it mandatory for employees at the Mitsui Chemicals Head Office who interact with business partners and public officials to participate in such programs, we also provide these to our domestic subsidiaries and encourage their use.

Compliance Training >

Tax

Policy and Basic Approach

The tax regulations of countries and regions across the globe affect the business activities carried out by the Mitsui Chemicals Group in various ways, and complying with such regulations is one of the important responsibilities companies must fulfill. To adequately fulfill this responsibility, our Group will formulate a tax policy.

The Mitsui Chemicals Group Tax Policy

1. Background and purpose of establishment
   The Mitsui Chemicals Group (or hereinafter, "our Group" or "we") is constantly engaged in business activities to realize our Corporate Vision, which comprises our Corporate Mission and Corporate Target. Our Group recognizes that efforts to achieve effective corporate governance as part of the process will allow us to achieve sustainable growth and increased corporate value over the medium to long term.
   The tax regulations of countries and regions across the globe affect the business activities carried out by our Group in various ways, and complying with such regulations is one of the important responsibilities companies must fulfill. To adequately fulfill this responsibility, our Group will formulate a tax policy in order to achieve our Corporate Mission and as a result we will avoid not only tax litigation, additional taxes and penalties, but also prevent our Group and its various stakeholders from facing the negative repercussions which arise from such events.

2. Compliance
   Our Group will not only comply with the tax laws and regulations of each relevant country and region but also respect the spirit of them, and file tax returns and make appropriate tax payments (i.e. using values neither excessive nor insufficient).
   Furthermore, to ensure accurate tax processing, our Group will apply proper accounting procedures in accordance with the relevant laws and regulations.

3. Structure for taxation business
   The CFO of Mitsui Chemicals Inc. has responsibility for building our Group's tax governance structure.
   To ensure that the foregoing structure functions properly, our Finance and Accounting Division carries out the following practical tasks and operational management in cooperation with the Finance and Accounting Divisions of each company of our Group.
   - Concerning matters that need to be dealt with on a global basis, such as tax audits and transfer pricing regulations, we continuously strive to improve group-level management in cooperation with the Finance and Accounting Divisions of each company of our Group.
   - Concerning matters that can be handled to a certain degree within the Finance and Accounting Divisions of each company of our Group, we provide the assistance to each company as necessary to handle tax matters appropriately.

   Our Finance and Accounting Division uses the information received from each company of our Group to monitor the tax governance of each group company and each tax item from a group perspective, and implements corrective measures when necessary and reports the status of management to our CFO as needed.

4. Tax planning
   Our Group manages tax planning in a fair and appropriate manner commensurate with our business activities. Furthermore, we comply with international tax rules and the laws and regulations of each country in which we conduct business activities, and make an effort to minimize tax risks.
   Our Group does not arrange tax avoidance through the use of tax-free or low-tax countries or regions (so-called tax havens) and does not transfer value created through tax planning in a manner not commensurate with our actual business conditions.

5. Initiatives to minimize tax risks
   Although our Group strives to deal with taxes in accordance with the tax regulations of each relevant country, there is a certain degree of probability that the tax implications our Group has determined to be appropriate may not be agreed by the tax authorities of the respective country.
   Our Group will seek tax advice from third-party tax professionals as necessary researching, evaluating and considering enough multiple options, and make appropriate decisions. We believe that this minimizes the risk of tax litigation, additional taxes and penalties.

6. International taxation
   (1) Transfer pricing
   Our Group believes that tax payment will be made appropriately in each respective country and region by allocating income internationally to each group company in accordance with their degree of contribution. Based on this understanding, our Group complies with international regulations such as the OECD Transfer Pricing Guidelines, applies transfer pricing methods based on the results of function and risk analyses and determines prices for transactions conducted with foreign related parties.
   In order to reduce tax risk pertaining to transfer prices, our Group receives advice from third-party professionals and utilizes the advance pricing agreement (APA) program and other systems offered by tax authorities.

(2) Elimination of double taxation

If double taxation occurs whereby taxes are levied by multiple countries and regions on the same economic benefits, our Group will strive to eliminate double taxation by taking advantage of the tax treaties and mutual agreement procedures provided by the relevant countries.

7. Relations with tax authorities

Our Group will respond as necessary to inquiries or requests to provide information from tax authorities and maintain good relations with tax authorities.

In order to reduce uncertainty surrounding tax operations and to ensure tax transparency, our Group will apply tax implications in a manner for which rational explanations can be provided and will strive to immediately resolve matters of opinion between our company and tax authorities.

Furthermore, with regard to guidance received from tax authorities, we will take measures to prevent its recurrence.

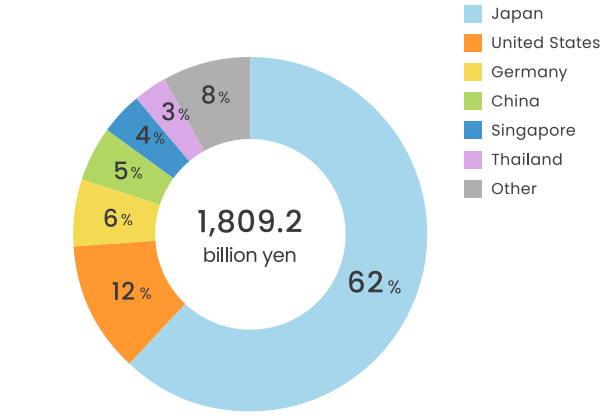
System and Responsible Officers

The CFO of Mitsui Chemicals Inc. has responsibility for building a tax governance structure. Our Finance and Accounting Division continuously strives to improve group-level management in dealing with tax audits, transfer pricing regulations, and other matters so that the relevant structure will function properly in cooperation with the Finance and Accounting Divisions of each company of our Group. Concerning matters that can be handled to a certain degree within the Finance and Accounting Divisions of each company of our Group, we provide the assistance to each company as necessary to handle tax matters appropriately.

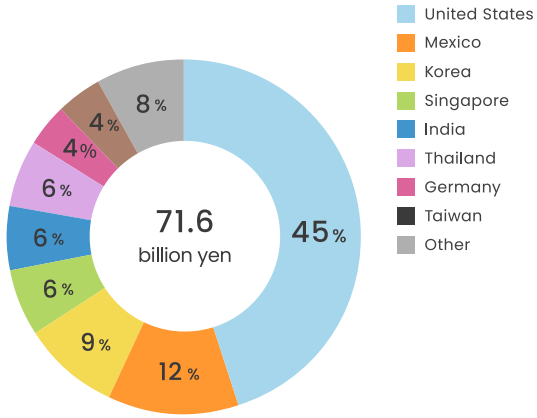
Our Finance and Accounting Division uses the information received from each company of our Group to monitor the tax governance of each group company and each tax item from a group perspective, and implements corrective measures when necessary and reports the status of management to our CFO as needed.

Country-by-Country TAX Data (As of the end of FY2024)

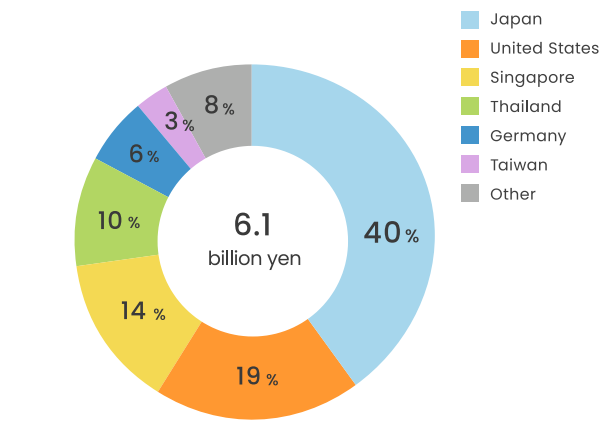
Revenue*



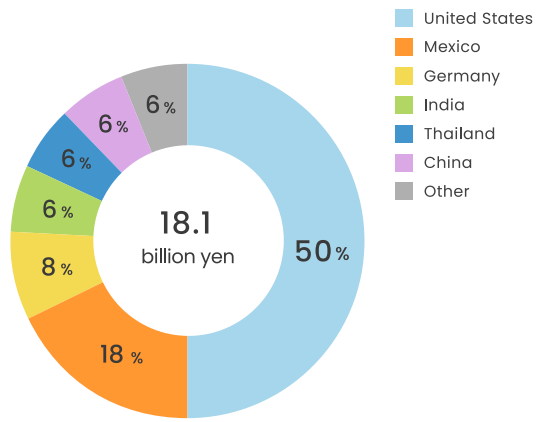
Profit (Loss) Before Tax



Income Tax Accrued



Income Tax Paid



*Since the revenue disclosed in the tax data is aggregated based on the country of origin, the numerical value may differ from other data shown on this site.

Number of Employees, Group Entities, and Main Business Activities by Country

Number of Employees, Group Entities, and Main Business Activities by Country (FY2024)

Tax Jurisdiction	Number of employees	Company Name	Main business activity (ies)												
			Research and Development	Holding or Managing intellectual property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support	Provision of Services to unrelated parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding shares or other equity instruments	Dormant	Other
Japan	11,000	321FORCE Global Innovation Fund L.P.											✓		
		ARRK Corporation				✓	✓			✓	✓		✓		
		Chiba Chemicals Manufaturing LLP				✓									
		Evolue Japan Co., Ltd.				✓									
		Hokkaido Mitsui Chemicals, Inc.				✓	✓								
		Honshu Chemical Industry Co., Ltd.	✓	✓		✓		✓							
		Honshu Kosan Co., Ltd.						✓							
		Japan Composite Co., Ltd.		✓		✓									
		Katsuzai Chemicals Corporation					✓								
		Kulzer Japan Co., Ltd.					✓								
		Kyowa Industrial Co., Ltd.				✓							✓		
		MC Business Support, Ltd.						✓				✓			
		MC Crop & Life Manufacturing Co., Ltd.				✓									
		MC Dental Holdings International LLC, Japan											✓		
		MC Ryokka Co., Ltd.					✓								
		Mitsui Chemical Analysis & Consulting Service Inc.						✓	✓						
		Mitsui Chemicals Asahi Life Materials Co., Ltd.				✓							✓		
		Mitsui Chemicals Crop & Life Solutions, Inc.	✓	✓			✓						✓		✓
		Mitsui Chemicals EMS Corporation				✓									
		Mitsui Chemicals ICT Materia, Inc.				✓									
		Mitsui Chemicals Industrial Products, Ltd.				✓	✓						✓		
		Mitsui Chemicals MC, Ltd.				✓									
		Mitsui Chemicals Operation Services Co., Ltd.						✓	✓						
		Mitsui Chemicals Sun Alloys Co., Ltd.				✓									
		Mitsui Chemicals, Inc.	✓	✓	✓	✓	✓	✓	✓	✓			✓		
		Mitsui Fine Chemicals, Inc.					✓								✓
		Nippon Epoxy Resin Manufacturing Company LTD.				✓									
		Nippon Tensar Ltd.				✓									
		Osaka Petrochemical Industries, Ltd.				✓									
		Polaris Chemicals, Inc.				✓									
		Prime Polymer Co., Ltd.	✓	✓		✓	✓	✓		✓			✓		✓
		Sansei Kaihatsu Co., Ltd.							✓						
		Saxin Corporation Co., Ltd.				✓									✓
		Shimonoseki Mitsui Chemicals, Inc.				✓			✓				✓		
		Sun Medical Co., Ltd., Japan				✓									
		Sunrex Industry Co., Ltd.				✓									
		Tokuyama Polypropylene Co., Ltd.				✓									
		Toyo Beuty Supply Corporation				✓									
		Toyo Kohsan Co., Ltd.							✓						
		Toyo Phosphoric Acid, Inc.				✓									
		Yamamoto Chemicals, Inc.		✓		✓							✓		✓
China	827	ARRK Dongguan Co. Ltd.				✓									
		ARRK Engineering (Shanghai) Co., Ltd.						✓							
		Foshan Mitsui Chemicals Polyurethanes CO., LTD.				✓	✓								
		KOC Optical Trading Co., Ltd.					✓								
		Kulzer Dental Ltd.				✓	✓								
		Kulzer Dental Trading Ltd.												✓	
		Mitsui Advanced Composites (Zhongshan) Co., Ltd.				✓									
		Mitsui Chemicals (China) Co., Ltd.					✓	✓							
		Mitsui Chemicals Functional Composites (Shanghai) Co., Ltd.				✓									
		SDC Technologies Chemical Consulting (Shanghai) Ltd.						✓							
		SHANGHAI KH MOULD TECHNOLOGY CO., LTD.					✓								
		Tianjin Cosmo Polyurethane Co. Ltd				✓									
		Ziang Jia Gang Free Trade Zone Mitsui Linkupon Advanced Materials, Inc.				✓									
Germany	873	ARRK Engineering GmbH							✓				✓		
		COTEC GmbH				✓	✓								
		Hi bis Gmbh				✓									
		Kulzer GmbH	✓	✓	✓	✓	✓	✓							
		MC Dental Holdings Europe GmbH, Germany								✓			✓		
		Mitsui Chemicals Europe GmbH				✓	✓	✓					✓		
		Scientific Glass GmbH, Germany				✓									
		ARRK Product Development Group Ltd German Branch RCO					✓								
India	182	Coburn Technologies PVT LTD							✓						
		Mitsui Chemicals India, Pvt. Ltd.					✓	✓							
		Mitsui Prime Advanced Composites India Pvt. Ltd.				✓									
		Solinnos Agro Sciences Pvt.Ltd.					✓	✓							

Tax Jurisdiction	Number of employees	Company Name	Main business activity (ies)												
			Research and Development	Holding or Managing intellectual property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support	Provision of Services to unrelated parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding shares or other equity instruments	Dormant	Other
Korea, Rep of	68	Kulzer Korea Co., Ltd.					✓								
		Lotte Mitsui Chemicals, Inc.				✓									
		Mitsui Chemicals Crop & Life Solutions Korea Co., Ltd.					✓								
		Mitsui Chemicals Korea, Inc.					✓								
		ML Tech Co., Ltd.			✓	✓	✓		✓						
		Yongsan Mitsui Chemicals, Inc.				✓									
Mexico	393	Advanced Composites Mexicana S.A. de C.V.				✓	✓								
		ARRK MEXICO, S.A. de C.V.				✓									
		Kulzer Mexico S.A. de C.V.					✓								
Singapore	358	ARRK (Malaysia) Sdn. Bhd(Singapore Branch)					✓								
		Coburn Technologies, PTE LTD.							✓						
		Mitsui Chemicals Asia Pacific, Ltd.			✓		✓	✓					✓		
		Mitsui Chemicals Singapore R&D Centre Pte. Ltd.						✓							✓
		Mitsui Elastomers Singapore Pte. Ltd.				✓	✓								
		Prime Evolue Singapore Pte. Ltd.				✓	✓	✓							
		SDC Technologies Asia Pacific, Pte. Ltd.				✓	✓	✓							
Taiwan	294	ARRK Taiwan Co., Ltd				✓									
		Mitsui Chemicals ICT Materia, Inc. - Taiwan agent					✓								
		Taiwan Mitsui Chemicals, Inc.					✓								
		Mitsui ICT Functional Sheet, Inc.				✓									
Thailand	1,101	ARRK CORPORATION (THAILAND) LTD.				✓									
		Asahi Kasei Spunbond (Thailand) Co., Ltd.				✓									
		Grand Siam Composites Co., Ltd.				✓									
		Mitsui Chemicals (Thailand) Co., Ltd.					✓	✓							
		Mitsui Hygiene Materials Thailand Co., Ltd.				✓		✓							
		Thai Mitsui Speciality Chemicals Co., Ltd.				✓	✓	✓							
United States	1,063	Advanced Composites, Inc.	✓	✓		✓		✓					✓		
		Anderson Development Company				✓									
		ARRK North America, Inc.					✓	✓					✓		
		Coburn Technologies, Inc.			✓	✓	✓	✓							
		FSI Coating Technologies, Inc.		✓		✓	✓								
		Kulzer LLC				✓	✓								
		Kyowa Industrial Co., Ltd., USA				✓									
		Mitsui Chemicals America, Inc.				✓	✓	✓					✓		✓
		SDC Technologies, Inc.	✓	✓		✓	✓	✓					✓		
United Arab Emirates		MC Dental Holdings Europe GmbH - Dubai branch					✓								
Australia		Kulzer Australia Pty Ltd.					✓								
Austria		Kulzer Austria GmbH					✓								
Brazil		Kulzer South America Ltda.					✓								
Brazil		Mitsui Chemicals Do Brasil Representacao Comercial Ltda.					✓	✓					✓		
Brazil		Mitsui Prime Advanced Composites do Brasil Industria e Comercio de Compostos Plasticos S.A.				✓									
Canada		Coburn Technologies Canada, Inc.							✓						
Croatia		Kulzer d.o.o.					✓								
France		ARRK LCO PROTOMOULE				✓	✓								
France		Kulzer France S.A.S.					✓								
France		Mitsui Chemicals Europe GmbH - France branch						✓							
Hungary		Kulzer Hungary Kft.					✓								
Indonesia		PT Mitsui Chemicals Polyurethanes Indonesia				✓									
Italy		Acomon S.r.l.				✓									✓
Italy		ARRK LCO PROTOMOULE (Italy Branch)					✓								
Italy		Kulzer S.r.l.					✓								
Malaysia		ARRK (Malaysia) Sdn. Bhd.					✓								
Malaysia		MC Tohcello (Malaysia) Sdn. Bhd.					✓								
Malaysia	1,161	MCTI SCIENTEX SOLAR Sdn. Bhd				✓									
Malaysia		Mitsui Chemicals Polyurethanes Malaysia Sdn. Bhd.				✓									
Malaysia		Mitsui Chemicals Scientex Sdn. Bhd.				✓	✓								
Netherlands		Cavex Holland B.V., Nederlands				✓	✓								
Netherlands		Kulzer Benelux B.V.					✓								
Netherlands		Mitsui Prime Advanced Composites Europe B.V.				✓									✓
Netherlands		SPG Pre-Series Tooling & Prototyping B.V.					✓								
Panama		COSMO SEATRADE S.A.													✓
Philippines		ARRK DESIGN DATA CENTER (PHILS.) INC.						✓							
Romania		ARRK Research & Development SRL						✓							
Romania		Kulzer SRL				✓		✓							
Saudi Arabia		MC Dental Holdings Regional Headquarters Company					✓								
Spain		ARRK EUROPE LIMITED BARCELONA, SUCURSAL EN ESPANA				✓									
Spain		Kulzer Iberia S.A.					✓								
Sweden		Kulzer Nordic AB					✓								
Turkey		Kulzer Turkey Dis Sagligi Urunleri Limited Sirketi					✓								
Ukraine		Kulzer Ukraine LLC					✓	✓							
United Kingdom		ARRK Europe Ltd.				✓									
United Kingdom		ARRK Product Development Group Limited.						✓			✓		✓		
United Kingdom		Coburn Technologies Limited							✓						
United Kingdom		Kulzer Ltd.					✓								
United Kingdom		SDC Technologies, Inc. - UK branch					✓								

Information Security

Management System | Initiatives

Management System

Policy and Basic Approach

With the advancement of digitalization and the increasing sophistication of cyberattacks, strengthening information security has become a critical challenge. The Mitsui Chemicals Group recognizes the importance of protecting customer and corporate information handled in its business activities. We ensure that all employees understand the significance and responsibility of information security, and we implement appropriate management practices to prevent incidents such as data leaks or tampering. These efforts are aimed at safeguarding our social credibility and ensuring business continuity. In particular, with regard to our information systems, we conduct continuous threats monitoring and ongoing improvements to our information security systems to ensure the confidentiality, integrity, and availability of data.

As concrete measures, we have established a Global Policy on information security, information system security, and personal information protection, and have extended this policy to our subsidiaries and affiliates. The Mitsui Chemicals Head Office and all subsidiaries and affiliates are obligated to ensure information security through establishing company rules, etc., and are making efforts to strengthen the Group's information security.

In particular, with respect to protecting personal information, we respect the privacy of individuals and recognize that it is an important social responsibility to handle and protect personal information appropriately. Accordingly, we have established the "Declaration on Personal Information and a Specific Personal Information Protection Policy (Privacy Policy)" to protect personal information and specific personal information.

Privacy Policy >

Global Policy	Main items
Global Policy on Information Security	• Procedures for creating, obtaining, using, disclosing, sending, storing, and discarding information assets • Strict handling of confidential information • Confidentiality after resignation • Provision of education on information security • Disciplinary actions based on the work regulations at the time of the violation of the aforementioned procedures/rules
Global Policy on Information System Security	• Strict management of information system usage authorities • Prohibition of access to systems and information that is unnecessary for business operations • Acquiring and storing access log of information • Obligation to report security incidents when they occur • Provision of education on personal information protection • Disciplinary actions based on the work regulations at the time of the violation of the aforementioned procedures/rules
Global Policy Protection of Personal Information Protection	• Compliance with personal information regulations • Acquisition and procession of personal information within the scope necessary to carry out operations • Restrictions on provision of personal information to third parties • Implementation of security control measures for personal information • Retention of records regarding the processing of personal information • Response to infringement of personal information • Provision of education on personal information protection • Disciplinary actions based on the work regulations at the time of the violation of the aforementioned procedures/rules

System and Responsible Officers

With regard to information security, we are comprehensively managing risks under our risk management system. The officer in charge of the Corporate Administration & Legal Division serves as the chief officer, while the officer in charge of the Information Systems Division serves as the deputy chief officer. Comprehensive management is ensured through collaboration between the Corporate Administration & Legal Division, which oversees all aspects of information management, and the Information Systems Division, which is responsible for system-level information security, with each division utilizing its respective areas of expertise.

Monitoring

The Corporate Administration & Legal Division and the Information System Division work in cooperation with relevant divisions to regularly monitor the status of information security protection. Furthermore, we analyze and investigate the causes of information security incidents occurring throughout the Group, and communicate appropriate response measures accordingly.

As part of the business audit conducted by the Internal Control Division, we have introduced an internal audit process based on self-assessment of internal controls utilizing the compliance checklist. In addition, we conduct audits of our business systems, covering areas such as system development and maintenance, operation and management, access control, system security, and external outsourcing contracts.

Business Audit	Audit Division	Internal Control Division
	Target Audience	Mitsui Chemicals divisions and Mitsui Chemicals Group subsidiaries and affiliates
	Details	We ensure appropriate information security by assessing the proper handling of information and the management and operation of information system security, based on self-evaluation of internal controls.
	Frequency	Once every three to five years (depending on the size, business type, and management level of the audited organization).

Information Security

Management System | Initiatives

Initiatives

In order to address evolving environmental changes such as the intensification of cyberattacks, the proliferation of specialized applications, increased workforce mobility, and growing demands for the use of generative AI as well as the diversification of associated risks, Mitsui Chemicals Group recognizes Information Security as a critical management issue. We are continuously implementing the following Initiatives and will further strengthen our systems going forward.

Initiatives Based on Technology and Systems

- Ensuring the rigorous enforcement of information management rules through the establishment and operation of internal regulations related to information security, including the Rules for Administration of Company Information, Company Information Handling Procedures, Personal Information Protection and Management Rules, Information System Management Rules, Detailed Rules for Information System Security, Information System Security Procedures for Users, Control System Security Management Procedures.
- Preventing unauthorized access to confidential information in our business systems through managed access.
- Establishing rules for including confidentiality clauses in contracts when engaging in transactions with third parties such as suppliers.
- Building and operating a security operation center (SOC) that is responsible for detecting attacks and determining countermeasures.
- Raising awareness of the obligation to report to the Security Incident Response Team (SIRT) when suspicious events occur.
- Implementing assessments and vulnerability diagnostics via external agencies regarding security measures.

Initiatives Based on Training

- Developing and reviewing business continuity/contingency plans and incident response procedures, along with the execution of recovery drills according to these procedures (annually).
- Training and education on security risks for Group employees and monitoring the level of their information security literacy. (with mandatory e-learning on information security for all employees once a year)
- Targeted email attack response training for Mitsui Chemicals and domestic affiliated companies and follow-up training for specific persons.
- Providing education to our employees on information security and personal information protection. (mandatory e-learning course)

Responsible Care



Responsible Care Management

- Management System
- Roll Out Globally

Safety and Prevention

- Management System
- Initiatives to Prevent Major Accidents
- Accidents and Occupational Injuries
- Safety Education and Training
- Plant Operation Technology Training Center

Environmental Protection

- Management System
- GHG and Energy
- Industrial Waste
- Environmentally Hazardous Substances
- Water
- Biodiversity
- Environmental Accounting/Compliance

Product Stewardship

- Management System
- Regulatory Compliance and Providing the Safety Use Information
- Providing Safe Products
- Training
- Safety Summary Sheet

Quality of Products and Services

- Management System
- Initiatives

Logistics

- Management System
- Safety and Quality in Logistics
- Stable Transportation (Sustainable Logistics)

Occupational Health

- Management System
- Health-Focused Management
- Preventing Exposure to Harmful Substances

Management System

Policy and Basic Approach

Responsible Care is an activity that the world's chemical industry is integrally promoting to improve the quality of life (QOL) by chemical products and to contribute to the sustainable development of society. All companies voluntarily implement activities designed to ensure safety, health, and product quality as well as protect the environment throughout the entire life cycles of their chemical products, publicize the results of their activities, and engage in dialog with the local communities where they operate. As Responsible Care activities span entire life cycles, it is believed that the philosophy behind these activities is applicable not only to the chemical industry that manufactures the chemical products but also universally by all industries that use them.

The Mitsui Chemicals Group formulated the Responsible Care Policy as the Group's approach to ensuring safety, based on the philosophy of the Responsible Care® Global Charter drawn up by the International Council of Chemical Associations (ICCA).
In addition, the Group has established guidelines to disseminate this policy, which states the Group's principles and rules for safety, the environment, and product quality, throughout the entire Group. We have established individual rules and regulations in accordance with this policy for activities related to Responsible Care, such as safety and prevention, environmental protection, product stewardship, quality of products and services, logistics, and occupational health.
Through these Responsible Care activities, we are committed to addressing the expectations and earning the trust of society as well as the local community while also contributing to the sustainable development of the public at large and the chemical industry.

The Responsible Care® Global Charter: Company Signatories

Responsible Care Policy

Based on its Corporate Mission and Action Guidelines, the Mitsui Chemicals Group acknowledges that its business challenge is not only to comply with laws and regulations of the countries in which it does business, but also 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 that safety is our top priority and will focus on achieving zero accidents and occupational injuries.
- We will assess the risks to people and the environment from our products throughout their lifecycles, while working to ensure the health and safety of all persons and to reduce the environmental impact of those products.
- We will contribute to improve quality of life and protect the environment through our business activities by developing beneficial technologies and products.
- We will provide high-quality products and services that satisfy the needs of our customers and respond to the trust that they place in us.
- We will actively promote the well-being of all our employees.

Effective October 1, 1997
Revised September 1, 2015

We translated the Responsible Care Policy and guidelines into eight languages, including English, Chinese, Korean, and Malay, and sent them throughout the Group as a whole.

In addition, to further expand Responsible Care activities at subsidiaries and affiliates, Mitsui Chemicals established the Shiodome Manifesto (in Japanese, English, and Chinese editions). Based on the articles of the Responsible Care® Global Charter, the Manifesto serves as a declaration that promotes the Group's Responsible Care policy and frameworks for subsidiaries and affiliates. The presidents of Group subsidiaries and affiliates that manufacture and market chemical substances signed this manifesto in acknowledgement of their commitment.

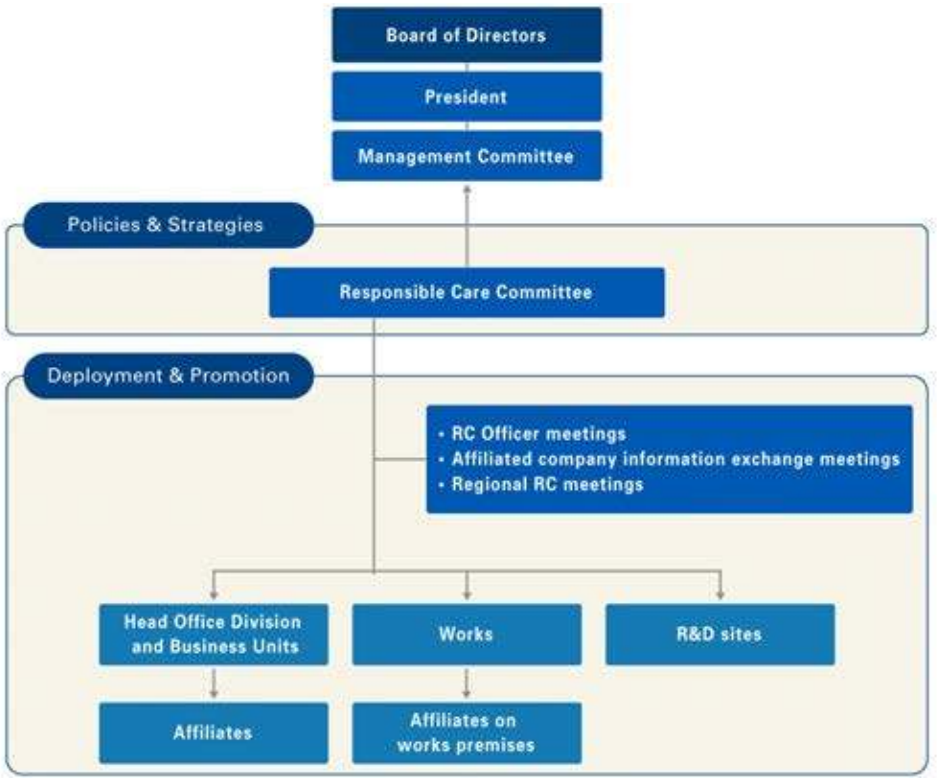
System and Responsible Officers

The Responsible Care Committee oversees the management system with the responsible officer for the Responsible Care Committee. Chaired by the responsible officer for the Responsible Care Committee, the Responsible Care Committee convenes three times a year, formulates policies, strategies, and plans with regard to Responsible Care activities, conducts performance evaluations and reviews Responsible Care related systems. The general managers of each division (the general managers from the RC & Quality Assurance Division, Safety & Environment Technology Division, Logistics Division, and Human Resources Division), who are the Committee's permanent members, report the Responsible Care activities in their respective jurisdictions at the Committee meetings. The responsible officer for the Committee also bears the responsibility for the deliberations and discussions held at the Committee. Outlines of their content are reported to the Management Committee, and policies, strategies, plans, and measures developed by the Committee and other important matters are approved by the Management Committee, thereby ensuring a senior management-level commitment to Responsible Care.

The representatives from each division hold regular meetings every month and constantly exchange information between divisions in charge of Responsible Care and engage in Responsible Care activities that involve the Company as a whole. We also appoint a member of staff to be in charge of Responsible Care (RC Officer) at each division and roll out Responsible Care-related policies and strategies across the Mitsui Chemicals Group as a whole through RC Officer meetings (held twice a year). Based on these policies and strategies, specific Responsible Care activities are carried out by individual divisions, including each works and business unit.

The Mitsui Chemicals Group as a whole also promotes Responsible Care, including support for specific activities for domestic and overseas subsidiaries and affiliates as well as divisions with various functions. Meetings are also held twice a year with domestic subsidiaries and affiliates to exchange information. Moreover, steps are taken to share policies related to Responsible Care activities as well as activity results. For overseas subsidiaries and affiliates, RC meetings are held by region. In addition to sharing policies and strategies related to Responsible Care, every effort is made to promote Responsible Care throughout the Group as a whole.

Responsible Care Management System





Role of the Responsible Care Committee

- Deliberation on company-wide policies, strategies, plans, and measures related to RC activities (including internal publicity of RC and how to disseminate them), and other important matters such as the review of the RC system
- Reports and discussions on the status of company-wide RC activities (including performance evaluations and audit results)
- Discussions of other important matters related to RC

Composition of the Responsible Care Committee

Chair	Responsible Officer for the Responsible Care Committee
Permanent members	Center Executive of the Production & Technology Center, General Manager of the Planning & Coordination Division of Each Business Sector, General Manager of Research Planning & Coordination Division, Planning & Coordination Division of the Production & Technology Center, Safety & Environment Technology Division, the RC & Quality Assurance Division, Purchasing Division, Logistics Division, Human Resources Division, Corporate Planning Division, Corporate Sustainability Division, Regional Strategy Division and Internal Control Division, other members appointed by the Chairperson
Observers	President of the Mitsui Chemicals Labor Union and other members appointed by the Chairperson
Secretariat	RC & Quality Assurance Division
Description of activities (FY2024)	In fiscal 2024, the Responsible Care Committee mainly discussed the development of the fiscal 2025 budget to achieve VISION 2030, while at the same time verifying whether the fiscal 2024 budget for the entire Group was actually effective. In addition, the Committee exchanged a wide range of opinions regarding carbon neutrality, circular economy, strategies that consider the entire supply chain, safety and disaster prevention, occupational safety, promoting digital transformation in Responsible Care area and other matters.

Internal Audit

Mitsui Chemicals Group conducts audits on environment and safety (environmental protection and safety and prevention), occupational health, product quality, and chemicals management, and reports all audit results to the Management Committee and Responsible Care Committee, in order to objectively evaluate the effective implementation of Responsible Care activities.

Risk Management System >

External Certification

The Mitsui Chemicals Group obtains external certification on our environment management system, occupational health and safety management system, and quality management system in each site.

Status of External Certifications – Environment, Occupational Health & Safety (As of June 2025) (PDF : 79 KB)
Status of External Certifications – Quality (As of June 2025) (PDF : 107 KB)

Participating in Chemical Industry Associations in Each Country and Region

The Mitsui Chemicals Group actively contributes to the International Council of Chemical Associations (ICCA) and Chemical Industry Association in each country and region. The president of the Company serves on the board of directors of the ICCA and reports to the associations on the results of Responsible Care activities to ensure that the chemical industry remains transparent to society.

Report recipients: The Japan Chemical Industry Association (JCIA), the Association of International Chemical Manufacturers (AICM, China), the Taiwan Responsible Care Association (TRCA), the Singapore Chemical Industry Council (SCIC), the Federation of Thai Industries (FTI), the American Chemistry Council (ACC), the European Chemical Industry Council (CEFIC), the Indian Chemical Council (ICC), and Responsible Care Indonesia (RCI)

Topics that are likely to become management issues are gathered from information obtained in the course of the activities at these associations and reported to top management.

Support Initiatives >

Guide to the Responsible Care Policy

The Mitsui Chemicals Group pursues sustainable business activities while fulfilling its responsibilities to society in line with the ideals advocated in its corporate mission, namely “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.”

The mindful actions of the officers and personnel of the Mitsui Chemicals Group are important in cultivating the trust and confidence of our stakeholders and of society. To realize the sustainable development of society and our group while contributing to our stakeholders, we will continue to act in good faith, cherish people and society, and provide creative and innovative solutions in line with our action guidelines.

Responsible care initiatives originated in the unique activities of the chemical industry to ensure ongoing improvements in safety, health, and environmental platforms. Although originating in the chemical industry, these principles are universal to all industries. Responsible care at the Mitsui Chemicals Group covers all aspects of the product lifecycle, from the planning stages of a business to its development, manufacturing, logistics, use, recycling, final consumption, and disposal. It is self-implemented management, so to speak, setting goals and make improvements while repeating the PDCA cycle, and continuous improvement of measures related to safety, health, the environment, and quality.

To carry out the above activities, we will not only engage our company employees but also our business partners who are involved in various stages of the product lifecycle, including suppliers, contractors, and subcontractors such as in distribution.

In accordance with our corporate philosophy and action guidelines, we will meet the expectations of and fulfill our responsibilities to the community and society by not only complying with rules and regulations but also by contributing to and advancing safety, health, and environmental initiatives, as well as bolstering quality for the continued sustainability and growth of society. The Mitsui Chemicals Group recognizes these to be its most important responsibilities to society and will make every effort to convey its activities and principles through better communication with stakeholders while expanding its business focus and activities. The Mitsui Chemicals Group holds this approach as its Basic Policy and Principle for Ensuring Safety.

◆ We pledge safety is our top priority and focus on achieving zero accidents and

occupational injuries.

Everyone recalls the April 22, 2012 tragedy at Iwakuni-Ohtake Works where an explosion and fire claimed the life of one of our young employees. This accident resulted in a loss of society's trust in our company. We all pledged that, "We must never let an accident like this to happen again." To be true to this promise, we have strictly implemented fundamental safety activities. However, the establishment of a safety culture does not happen overnight. We will steadfastly continue our safety efforts, one step at a time, so that we may cultivate a safety culture and become a corporate group with the highest level of safety.

Additionally, the Mitsui Chemicals Group aims to ensure safe and stable operations and secure the trust of society by strengthening its safety foundations. By doing so, we will be ready to respond to the intensifying natural disasters in recent years, including earthquakes, tsunamis, and typhoons, and diversifying risks, such as cyberattacks.

◆ We make efforts to assess the risks of our products throughout their lifecycles to ensure the health and safety of all persons and to protect the environment by reducing environmental impact.

The Mitsui Chemicals Group assesses the risk of chemical substances to humans and the environment by taking into consideration the entire product lifecycle, from the planning stages of a business to its development, manufacturing, logistics, use, recycling, final consumption, and disposal. The assessment results are used to provide safety information so that appropriate management may be carried out at each stage. In this way, we work to ensure human health and reduce the environmental load. Additionally, we also promote product designs and the management of chemical substances contained in products that lead to the improved recycling of resources. Through such efforts, we are engaged in building a circular economy business model across the supply chain.

◆ We contribute to improving quality of life and protecting the environment through our business activities by developing beneficial technology and products.

The Mitsui Chemicals Group aims to realize an inclusive society creating diverse value, a circular society in harmony with the environment, and a comfortable society in which people can enjoy healthy lives and well-being by

contributing to social and environmental issues. To this end, we are actively developing technology and products that contribute to improving the quality of life and protecting the global environment.

◆ We provide high-quality products and services that satisfy customer needs and respond to the trust that they place in us.

The Mitsui Chemicals Group strives to understand the needs of its customers and society and carries out the necessary quality management across all processes. We will respond to the trust placed in us by our customers and society by offering high-quality products and services that satisfy them.

◆ We actively promote the well-being of all our employees.

“Employee well-being leads to the happiness of employees and their families, which in turn forms the foundation of the company, and furthermore contributes to society.” With this principle in mind, the Mitsui Chemicals Group is actively involved in efforts to improve the health of all persons working within the Group. Not only is physical health an important issue; mental health is important too. To this end, we will support employees in their voluntary efforts to ensure good health and promote the creation of lively work environments.

September 1, 2015
Revised April 1, 2022

Responsible Care Shiodome Manifesto

The Mitsui Chemicals Group pursues the fulfillment of its responsibilities to society based on its corporate philosophy to “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”.

Therefore, to earn the trust of society, the Mitsui Chemicals Group will voluntarily pursue Responsible Care activities which assure protection of the environment, safety, occupational health, and quality throughout the entire lifecycle of a product from its development, manufacture, transport, use, consumption, and final disposal.

As a member of the Mitsui Chemicals Group, I pledge that my company will adhere to the following commitments:

1. Take leadership in promoting Responsible Care activities and cultivate a culture of active participation in Responsible Care activities by all employees.

2. Safeguard people and the environment through continual improvement of the system and performance regarding environmental preservation, process safety, occupational safety and health, chemical safety, quality management, and logistics safety.

3. Implement sound chemical management to aim for higher performance beyond regulatory compliance for chemicals.

4. Aim to further improve safety management by providing logistics partners and product users with product safety information and methods to appropriately handle the products.

5. Continue efforts to secure the confidence of local communities by sharing the results of safe operation performance and information on chemical safety whenever necessary to local municipalities and communities.

6. Contribute to the sustainable growth of the Mitsui Chemicals Group and by extension the sustainable development of society by steadily implementing Responsible Care activities.

Signature _____

Name: 101

Title: SAMPLE

Company: SAMPLE

Date: _____

Copyright 2017, Mitsui Chemicals, Inc.

Status of External Certification – Environment, Occupational Health & Safety
(As of June 2025)

*If you wish to use a Mitsui Chemicals Group certificate, we apologize for the inconvenience, but please request each company to send you the latest version of the certificate.

Japan

Company	Business Sites	Certification	
		Environment	Occupational Health & Safety
Mitsui Chemicals, Inc.	Ichihara Works	ISO14001	ISO45001
	Mobara Branch Factory	ISO14001	ISO45001
	Nagoya Works	ISO14001	
	Osaka Works	ISO14001	ISO45001
	Iwakuni-Ohtake Works	ISO14001	ISO45001
	Tokuyama Branch Factory	ISO14001	
	Omuta Works	ISO14001	
MC Crop & Life Manufacturing, Co., Ltd.	Funaoka Factory	ISO14001	
Sunrex Industry Co., Ltd.	Factory	ISO14001	
Japan Composite Co., Ltd.	Shimizu Factory	ISO14001	
ARRK CORPORATION	Head Office	ISO14001	ISO45001
	Tokyo Head Office	ISO14001	ISO45001
	Nagoya Branch	ISO14001	ISO45001
	Fujiyoshida Factory	ISO14001	ISO45001
	Saitama Branch	ISO14001	ISO45001
Mitsui Chemicals ICT Materia, Inc.	Ibaraki Works	ISO14001	
	Nagoya Works	*	
Mitsui Chemicals EMS Corporation	Factory	ISO14001	
Mitsui Chemicals MC Co., Ltd.	Head Office, Shimizu Factory	ISO14001	ISO45001
	Kaibara Factory	ISO14001	ISO45001
Yamamoto Chemicals, Inc.	Yao Plant	ISO14001	
	Omuta Plant	ISO14001	
Saxin Corporation	Factory	ISO14001	
Shimonoseki Mitsui Chemicals, Inc.	Factory	ISO14001	
Honshu Chemical Industry Co., Ltd.	Wakayama Works	ISO14001	

* Included in the certification of the factory/business site where it is located.

China

Company	Business Sites	Certification	
		Environment	Occupational Health & Safety
Zhang Jia Gang Free Trade Zone Mitsui Link-upon Advanced Material, Inc.	Factory	ISO14001	
Mitsui Chemicals Functional Composites (Shanghai) Co., Ltd.	Factory	ISO14001 ISO50001	ISO45001
Mitsui Advanced Composites (Zhongshan) Co., Ltd.	Plant	ISO14001	
Tianjin Cosmo Polyurethane Co., Ltd.	Tianjin Plant	ISO14001	
	Suzhou Plant	ISO14001	
Foshan Mitsui Chemicals Polyurethanes Co., Ltd.	Plant	ISO14001	

South Korea

Company	Business Sites	Certification	
		Environment	Occupational Health & Safety
ML Tech Co., Ltd.	Factory	ISO14001	ISO45001

Taiwan

Company	Business Sites	Certification	
		Environment	Occupational Health & Safety
Mitsui ICT Functional Sheet, Inc.	Factory	ISO14001	

Southeast Asia

Company	Business Sites	Certification	
		Environment	Occupational Health & Safety
SDC Technologies Asia Pacific, Pte. Ltd.	Factory	ISO14001	
Mitsui Hygiene Materials (Thailand) Co., Ltd.	Factory	ISO14001	ISO45001
Asahi Kasei Spunbond（Thailand）Co., Ltd.	Factory	ISO14001	
Mitsui Elastomers Singapore Pte. Ltd.	Factory	ISO14001	SS651
Mitsui Prime Advanced Composites India, Pvt.Ltd.	Factory	ISO14001	ISO45001
ARRK Corporation (Thailand) Ltd.	Factory	ISO14001	
MCTI Scientex Solar Sdn. Bhd.	Factory	ISO14001	
Mitsui Chemicals Scientex Sdn. Bhd.	Works	ISO14001	ISO45001

Company	Business Sites	Certification	
		Environment	Occupational Health & Safety
Thai Mitsui Specialty Chemicals Co., Ltd.	Works	ISO14001	ISO45001
Prime Evolue Singapore Pte. Ltd.	Factory	ISO14001	ISO45001
Mitsui Chemicals Polyurethanes Malaysia Sdn Bhd	Works	ISO14001	
PT. Mitsui Chemicals Polyurethanes Indonesia	Works	ISO14001	ISO45001 SMK3

USA

Company	Business Sites	Certification	
		Environment	Occupational Health & Safety
SDC Technologies, Inc.	Factory	ISO14001	
Advanced Composites, Inc.	Ohio Plant	ISO14001	ISO45001
	Tennessee Plant	ISO14001	ISO45001
Advanced Composites Mexicana, S.A. de C.V.	Factory	ISO14001 Clean Industry	
Mitsui Prime Advanced Composites do Brasil Indústria e Comércio de Compostos Plásticos S.A.	Factory	ISO14001	
Anderson Development Company	Factory	ISO14001 RC14001	

Europe

Company	Business Sites	Certification	
		Environment	Occupational Health & Safety
COTEC GmbH	Head Office, Factory	ISO14001	
Acomon S.R.L.	Factory	ISO14001	
Mitsui Prime Advanced Composites Europe B.V.	Factory	ISO14001 ISO50001	

* ISO 14001 (and other environment-related) certification acquisition rate: 73%

* ISO 45001 (and other occupational health & safety related) certification acquisition rate: 30%

Status of External Certification – Quality
(As of June 2025)

*If you wish to use a Mitsui Chemicals Group certificate, we apologize for the inconvenience, but please request each company to send you the latest version of the certificate.

Japan

Company	Business Sites	Quality Certification
Mitsui Chemicals, Inc.	Ichihara Works	ISO9001
	Mobara Branch Factory	ISO9001
	Nagoya Works	ISO9001 IATF16949 (electrolyte solution business)
	Osaka Works	ISO9001
	Iwakuni-Ohtake Works	ISO9001
	Tokuyama Branch Factory	ISO9001
	Omuta Works	ISO9001
MC Crop & Life Manufacturing, Co., Ltd.	Utsunomiya Factory	ISO9001
	Funaoka Factory	ISO9001
	Shinshiro Factory	ISO9001
	Tosu Factory	ISO9001
Hokkaido Mitsui Chemicals, Inc.	Factory	ISO9001
Mitsui Chemicals Asahi Life Materials Co., Ltd.	Nagoya Works	*
Sunrex Industry Co., Ltd.	Factory	ISO9001
Mitsui Chemicals Sun Alloys Co., Ltd.	Business Sites	ISO9001
Japan Composite Co., Ltd.	Shimizu Factory	ISO9001
	Narita Factory	ISO9001
ARRK CORPORATION	Head Office	ISO9001
	Tokyo Head Office	ISO9001
	Nagoya Branch	ISO9001
	Fujiyoshida Factory	ISO9001
	Saitama Branch	ISO9001
Mitsui Chemicals ICT Materia, Inc.	Ibaraki Works	ISO9001
	Nagoya Works	*
Mitsui Chemicals EMS Corporation	Factory	ISO9001
Mitsui Chemicals MC Co., Ltd.	Head Office, Shimizu Factory	ISO9001

Company	Business Sites	Quality Certification
	Kaibara Factory	ISO9001
Yamamoto Chemicals, Inc.	Yao Plant	ISO9001
	Omuta Plant	ISO9001
Saxin Corporation	Factory	ISO9001
Prime Polymer Co., Ltd.	Ichihara Works	*
	Anesaki Works	ISO9001
	Osaka Works	*
Evolue Japan Co., Ltd.	Factory	ISO9001
Osaka Petrochemical Industries, Ltd.	Factory	ISO9001
Shimonoseki Mitsui Chemicals, Inc.	Factory	ISO9001
Toyo Phosphoric Acid, Inc.	Hikoshima Works	ISO9001
Honshu Chemical Industry Co., Ltd.	Wakayama Works	ISO9001

* Included in the certification of the factory/business site where it is located.

China

Company	Business Sites	Quality Certification
Zhang Jia Gang Free Trade Zone Mitsui Link-upon Advanced Material, Inc.	Factory	ISO9001 QC080000
Mitsui Chemicals Functional Composites (Shanghai) Co., Ltd.	Factory	ISO9001 IATF16949
Mitsui Advanced Composites (Zhongshan) Co., Ltd.	Plant	ISO9001 IATF16949
ARRK Dongguan Co. Ltd.		ISO9001
Tianjin Cosmo Polyurethane Co., Ltd.	Tianjin Plant	ISO9001
	Suzhou Plant	ISO9001
Foshan Mitsui Chemicals Polyurethanes Co., Ltd.	Plant	ISO9001

South Korea

Company	Business Sites	Quality Certification
ML Tech Co., Ltd.	Factory	ISO9001
Yongsan Mitsui Chemicals, Inc.	Factory	ISO9001

Taiwan

Company	Business Sites	Quality Certification
ARRK Taiwan Co., Ltd		ISO9001
Mitsui ICT Functional Sheet, Inc.	Factory	ISO9001

Southeast Asia

Company	Business Sites	Quality Certification
SDC Technologies Asia Pacific, Pte. Ltd.	Factory	ISO9001
Mitsui Hygiene Materials (Thailand) Co., Ltd.	Factory	ISO9001
Asahi Kasei Spunbond（Thailand）Co., Ltd.	Factory	ISO9001
Mitsui Elastomers Singapore Pte. Ltd.	Factory	ISO9001
Grand Siam Composites Co., Ltd.	Works	ISO9001 IATF16949
Mitsui Prime Advanced Composites India, Pvt.Ltd.	Factory	ISO9001 IATF16949
ARRK Corporation (Thailand) Ltd.	Factory	ISO9001
Mitsui Chemicals Scientex Sdn. Bhd.	Works	ISO9001
Thai Mitsui Specialty Chemicals Co., Ltd.	Works	ISO9001
Prime Evolue Singapore Pte. Ltd.	Factory	ISO9001
Mitsui Chemicals Polyurethanes Malaysia Sdn Bhd	Works	ISO9001
PT. Mitsui Chemicals Polyurethanes Indonesia	Works	ISO9001

USA

Company	Business Sites	Quality Certification
SDC Technologies, Inc.	Factory	ISO9001
Advanced Composites, Inc.	Ohio Plant	ISO9001 IATF16949
	Tennessee Plant	ISO9001 IATF16949
Advanced Composites Mexicana, S.A. de C.V.	Factory	ISO9001 IATF16949
Mitsui Prime Advanced Composites do Brasil Indústria e Comércio de Compostos Plásticos S.A.	Factory	ISO9001 IATF16949
ARRK Mexico S.A. de C.V.	Factory	ISO9001
Anderson Development Company	Factory	ISO9001

Europe

Company	Business Sites	Quality Certification
COTEC GmbH	Head Office, Factory	ISO9001
Acomon S.R.L.	Factory	ISO9001
Mitsui Prime Advanced Composites Europe B.V.	Factory	ISO9001
ARRK Europe Ltd.	Gloucester Technical Center	ISO9001
	Nuneaton Technical Center	ISO9001
ARRK LCO Protomoule SAS	LCO	ISO9001
SPG Pre-Series Tooling & Prototyping B.V.	SPG	ISO9001

* ISO 14001 (and other quality-related) certification acquisition rate: 90%

Roll Out Globally

Mitsui Chemicals is rolling out Responsible Care activities to subsidiaries and affiliates in Japan and overseas as a part of efforts to promote Responsible Care across the Group as a whole.

Global Network

Mitsui Chemicals is building an information network across the five regions where its subsidiaries and affiliates operate: China, Asia, Europe, the Americas, and Japan as its center. This network gathers Responsible Care-related information from industry associations located in each region, which after being summarized and analyzed by the Head Office is shared throughout the Mitsui Chemicals Group.
As part of the Responsible Care activity programs in each region, the Company holds RC meetings that gather together the staff in charge of Responsible Care of various subsidiaries and affiliates. The meetings are opportunities for subsidiaries and affiliates to mutually learn about accidents and occupational injuries through analyses of examples, as well as to learn about best practices. RC meetings have been held in China, the Americas, and the Asia-Pacific region in the past, but starting in fiscal 2022, the RC meetings will also be held in Europe, where interest in chemical regulations is growing.

China

The fiscal 2024 China Region RC Meeting was held in July using a combination of face-to-face and online formats, and was attended by nine companies in the China region. This year, in addition to sharing Responsible Care-related information with Mitsui Chemicals, the companies exchanged information and engaged in discussions on the themes of occupational safety, compliance, and responses to exhaust gas regulations. In-depth learning from accident case studies was also conducted, contributing to increased safety awareness among participants.

Americas

The fiscal 2024 Americas Region RC Meeting was held in October using a combination of face-to-face and online formats, and was attended by seven affiliates in North and South America. This year, in addition to sharing Responsible Care-related information with Mitsui Chemicals and conducting in-depth learning from accident case studies, the main themes of discussion were safety and sustainability, and participants actively exchanged opinions.

Asia Pacific

In fiscal 2024, the Asia-Pacific RC Meeting was held in September using a combination of face-to-face and online formats, with 17 companies (a total of 54 participants) attending. This year, the main theme was safety (including process safety and occupational safety), and participating affiliates shared good practices. Mitsui Chemicals provided useful information by sharing Responsible Care-related updates and conducting in-depth learning from accident case studies. On the second day, participants visited a waste treatment (recycling) facility in Malaysia, offering a valuable opportunity to observe a part of the circular economy that is not often seen, making the meeting highly meaningful for those in the Asia-Pacific region.

Europe

The fiscal 2024 European Region RC Conference was held in November using a combination of face-to-face and online formats, with six affiliates participating. Mitsui Chemicals provided an overview of the Group's Responsible Care initiatives, including an explanation of the Responsible Care Committee, as well as the company’s efforts in environmental conservation and achieving carbon neutrality. Participants from various sites introduced their own approaches in the areas of "occupational safety," "environmental response," and "Responsible Care (RC)." In addition, quality representatives engaged in discussions on quality management, facilitating the sharing of best practices throughout the meeting. Although this was the first face-to-face RC meeting, it contributed significantly to raising awareness among all participants.

Evaluation of the Responsible Care Activities of the Mitsui Chemicals Group

The Mitsui Chemicals Group's Responsible Care activities are highly esteemed by external parties.
In fiscal 2024, affiliates won awards in the areas of security disaster prevention, occupational safety/health, and environmental protection.

Mitsui Chemicals Group's Responsible Care-related Awards

Countries	FY2024 awards	Awardees
Japan	**Responsible Care Excellence Award** / Japan Chemical Industry Association	Mitsui Chemicals, Inc. Osaka Works
	Fukuoka Prefectural Labour Bureau Director's Commendation (Excellence Award) / Fukuoka Prefectural Labour Bureau	Yamamoto Kasei Co., Ltd. Omuta Plant
	Award for Excellence in Occupational Safety and Health / Yokkaichi Labor Standards Association	Sunrex Industry Co., Ltd.
	Encouragement Award at the self-defense firefighters Skills Contest / Fire and Disaster Management Agency, Ministry of Internal Affairs and Communications	Mitsui Chemicals Operation Service, Inc. Iwakuni Ohtake Office
Thailand	**2024 National Safety Performance Award** / Department of Labor Protection and Welfare **CSR-DIW Continuous Award 2024** / Department of Industrial Works, Ministry of Industry **2024 Zero Accident Award** / Thailand Institute of Occupational Safety and Health **Green Industry level 4** / Department of Industrial Works, Ministry of Industry **Green Star Award** / Industrial Estate Authority of Thailand	MITSUI HYGIENE MATERIALS (Thailand) CO., LTD
	Gold Star Award for Excellent in Environmental & Safety Governance / Industrial Estate Authority of Thailand **National Awards for outstanding workplace safety, Occupational Health and environment management** / Ministry of Labor, Thailand **Green Industry level 4** / Department of Industrial Works, Ministry of Industry **ECO Factory Award** / The Federation of Thai Industries	GRAND SIAM COMPOSITE CO., LTD.
Singapore	**Responsible Care Award 2024 - GOLD Award for Employee Health and Safety Code** / Singapore Chemical Industry Council (SCIC) **Responsible Care Award 2024 - EXCELLENCE Award for Process Safety** / Singapore Chemical Industry Council (SCIC)	MITSUI ELASTOMERS SINGAPORE PTE. LTD.
Indonesia	**CSR Award** / Karawang District Government	PT Mitsui Chemicals Polyurethanes Indonesia

Safety and Prevention

Management System

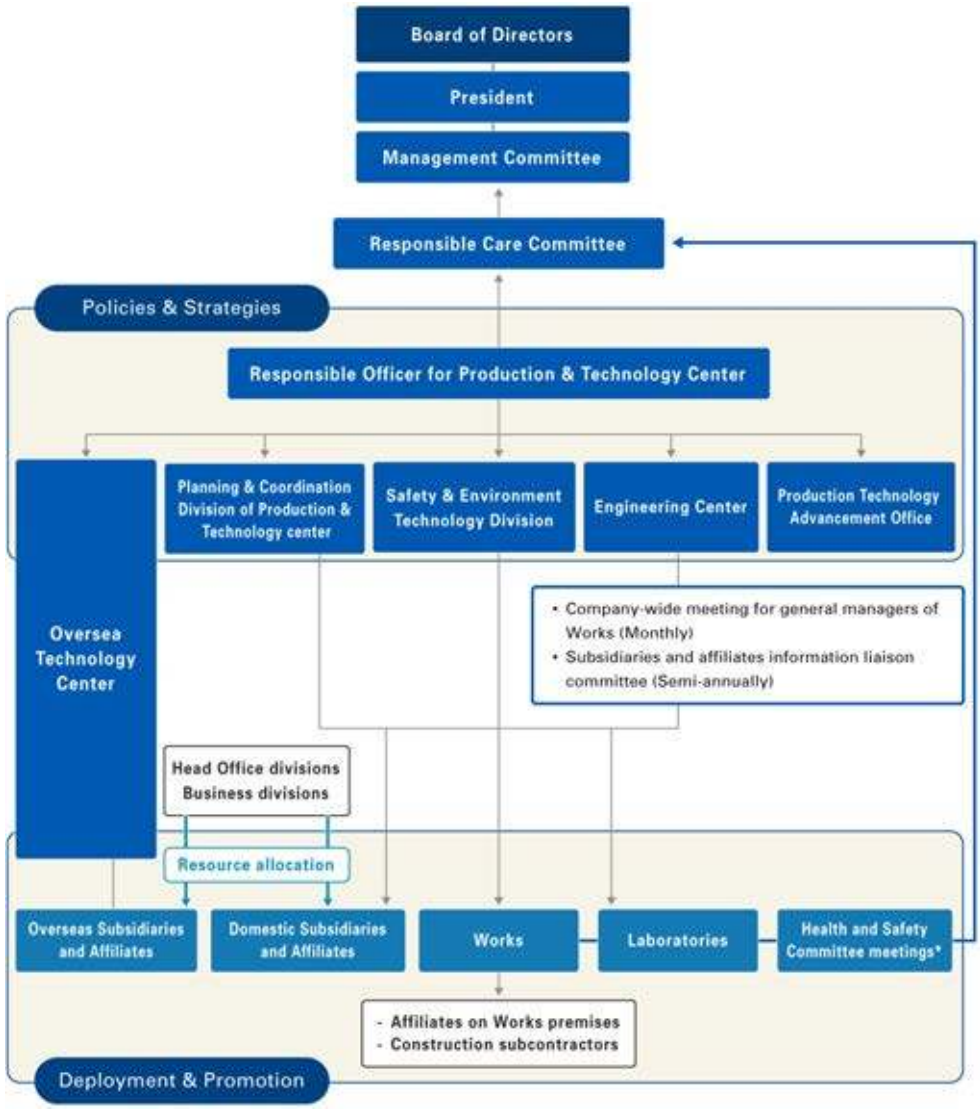
Policy and Basic Approach

Safety is the foundation of society's trust, and at the same time, ensuring safety increases our manufacturing quality, leading to improvement of corporate value from the financial viewpoint. With this approach, the Mitsui Chemicals Group established a management policy that states "Safety is our top priority." Its Responsible Care Policy, which is upheld in the "Philosophy and Policy Relating to Ensuring Safety" of the Group, declares the following: "We pledge that safety is our top priority and we will focus on achieving zero accidents and occupational injuries." The Group's Action Guidelines also call for safety first, and top management repeats this policy as the President's message, etc., to all Group employees on many occasions, such as in opening addresses, plants visits, Safety Day messages, and in Company newsletters, portal site, etc.
The Group's material topics include "safety" under the category of "prerequisites for business continuity," and its VISION 2030 defines the "ideal state of safety" in the future as "reinforcing safety is our top priority to implement safety culture and maintain a high level of safety across the Group regardless of the diversification of employees, facilities, and technologies." In line with this vision, all employees of the Mitsui Chemicals Group, including contractors, reaffirm their heartfelt commitment to the pledge that "safety is essential and for the benefit of not only ourselves, but also our families, colleagues, and society as a whole," and the Group strives to provide education and training to employees to be able to put fundamental safety initiatives into practice, globally promote safety culture, and introduce and disseminate new safety technologies.

System and Responsible Officers

The responsible officer for the Production & Technology Center is appointed as the person directly responsible. The Safety & Environment Technology Division formulates, disseminates, and promotes the safety and prevention strategy.
The Responsible Care Committee creates an annual plan and a medium to long-term plan, based on the strategy progress reports and any challenges identified during the strategy review and environmental analyses obtained within and outside the Group.
Management and labor union members in the Head Office hold regular meetings to deliberate issues relating to occupational health and safety. Such meetings are also conducted in each site as Health and Safety Committee meetings, in which attendees report on and deliberate issues related to occupational health and safety, including occupational injuries, to continue to make improvements.

Safety and Prevention Management System



*Health and Safety Committee meetings: Committee composed of the head of each site and trade union members

Monitoring

The Safety & Environment Technology Division regularly monitors the achievement of the priority issue targets relating to safety and prevention at domestic sites and ascertains the progress made. The Division also collects, consolidates, and analyzes information on the occurrence of any serious accidents and occupational injuries across the entire Group and shares this information throughout the Group.

Internal Audit

The Internal Control Division conducts environmental & safety audits (for environmental protection, safety and prevention) at Works and laboratories of the Mitsui Chemicals Group.

Environmental & Safety Audit (safety and prevention)	Auditing Division	Internal Control Division
	Scope	Works and laboratories of Mitsui Chemicals Inc. and its subsidiaries and affiliates
	Details	Confirms that the policy of "safety is our top priority" is being comprehensively implemented, that activities are being organized to eliminate accidents and occupational injuries and that there is compliance with the relevant laws and regulations. Indicates nonconformities that require revision or improvement.
	Frequency	Once every one to three years (depending on size, business type, and management level of the audited organization).

Goals and Results

Accidents

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Incidence of major accidents[*1]	Mitsui Chemicals Group	0	0	0	0 (over the course of VISION 2030)
Incidence of abnormal conditions/accidents[*2]	Mitsui Chemicals Group	8 or less	31	8 or less	—

*1 Major accidents:
Accidents and abnormal conditions with a severity level of 18 points or more, as specified by the Japan Petrochemical Industry Association (JPCA) under the Center for Chemical Process Safety (CCPS) evaluation procedures, or events that involve death.
*2 Abnormal conditions/accidents:
Events that were legally handled as an abnormal condition or accident among the reported explosions, fires, leakages, bursts, breakages, or abnormal reactions.
However, such abnormal conditions or accidents exclude leakage of CFCs and small amount leakages.

Occupational Injuries

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Incidence of Serious Occupational Injuries[*1]	Mitsui Chemicals Group	0	2[*4,5]	0	0 (over the course of VISION 2030)
Work-related Significant Occupational Injuries[*2] frequency	Mitsui Chemicals, Inc.[*3]	0.15 or less	0.10	0.15 or less	0.15 or less
	Domestic Subsidiaries & Affiliates[*3]	0.15 or less	0.11	0.15 or less	0.15 or less
	Overseas Subsidiaries & Affiliates[*3]	0.15 or less	0.20	0.15 or less	0.15 or less
	Construction subcontractors	0.26 or less	1.03	0.36 or less	0.30 or less
	Mitsui Chemicals Group[*3]	0.15 or less	0.30	0.15 or less	0.15 or less

*1 Serious Occupational Injuries:
Occupational injuries that fall under disability grades 1 to 7, causing death, injury or illness.
*2 Work-related Significant Occupational Injuries:
"Work-related Significant Occupational Injuries (WSOIs)" refer to occupational injuries that resulted in absence from work or death. WSOIs also include lighter occupational injuries that may lead to absence from work or death due to the potential danger in the cause of the injury. WSOIs do not include injuries that are not directly related to operations.
*3 Includes contractors operating on site.
*4 A fatal occupational injury occurred during an overseas business trip in December 2023 (officially recognized as an occupational injury in September 2024).
*5 A lost-time occupational injury occurred in December 2024, caused by being caught between objects (disability grade 6).

Initiatives to Prevent Major Accidents

Based on our management policy of making safety the top priority in everything that we do, we have continued to implement a range of safety activities throughout the Mitsui Chemicals Group. Nevertheless, an explosion and fire occurred at the resorcinol production facility inside our Iwakuni-Ohtake Works in 2012. We take this latest incident very seriously and will strive to prevent any future recurrence. Reflecting on that incident, we have been implementing a series of initiatives to prevent major accidents such as fundamental safety measures to ensure that nothing like that ever happens again.

Top Management's Strong Commitment to Safety and Prevention

On Safety Day and during National Safety Week, etc., the President of Mitsui Chemicals repeatedly conveys to all Group employees that they follow the management policy of "making safety the top priority in everything they do." In addition, we are working to ensure active involvement in activities to nurture our safety culture at worksites by having executives, including the Executive of the Production & Technology Center, visit Mitsui Chemicals Works and each production site of our domestic and overseas affiliates. The fiscal 2024 results are as follows.

- Instructions to make safety the top priority provided directly to employees at Head Office during the opening address (simultaneously broadcast to all domestic sites)
- Broadcasting the President's Safety Day moral discourse across the Group as a whole (in Japanese and English)
- Communicated safety instructions directly to employees at the Works on Safety Day (broadcast pre-recorded video to all domestic production sites)
- Broadcasting the President's National Safety Week message across the Group as a whole (in Japanese, English and Chinese)
- Direct safety instructions provided to employees at Works through safety talks and the like.
- Publishing of features on safety in the company newsletter with messages to employees

Safety Day

To keep alive the memory of the resorcinol production facility explosion and fire accident, Mitsui Chemicals has designated April 22, the day of the accident, as Safety Day. it is a day on which a safety pledge ceremony and presentations take place at each site every year.
In fiscal 2024, a video of the President's moral discourse on safety was broadcast to all sites. The ceremony at the Head Office was attended by the Senior Managing Executive Officer (CTO), as well as officers and general managers who work at the Head Office. In addition, the President participated in the ceremony at the Iwakuni-Ohtake Works, together pledging with all employees that "safety is our top priority."



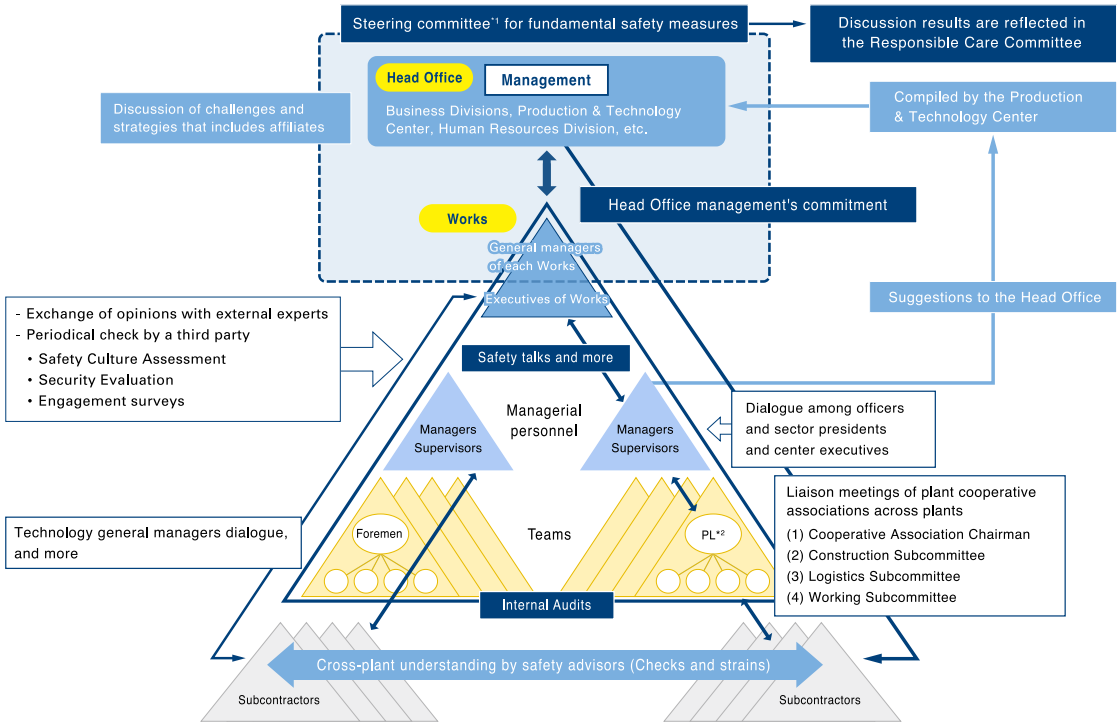
Safety pledge ceremony at Iwakuni-Ohtake Works (April 2024)

Development of Fundamental Safety Measures

Mitsui Chemicals takes the explosion and fire at the resorcinol production facility at the Iwakuni-Ohtake Works on April 22, 2012, extremely seriously. For these past 11 years, we have been introducing a series of fundamental safety measures to thoroughly review and improve safety and prevention throughout the company. Since fiscal 2022, we have refined the fundamental safety measures developed to date as "new fundamental safety measures" to realize the "ideal state of safety" and pursue accident-free and disaster-free operations across the entire Mitsui Chemicals Group.

Overview of Efforts Aimed at Advancing New Fundamental Safety Measures

New fundamental safety measures are being implemented by the entire Mitsui Chemicals Group, including its subsidiaries and affiliates.



*1 Steering committee:
To make swift progress in fundamental safety measures, the members shown in the diagram meet to discuss Group-wide issues and set the direction of activities.
*2 PL: Part Leader

Initiatives Aimed at Advancing New Fundamental Safety Measures

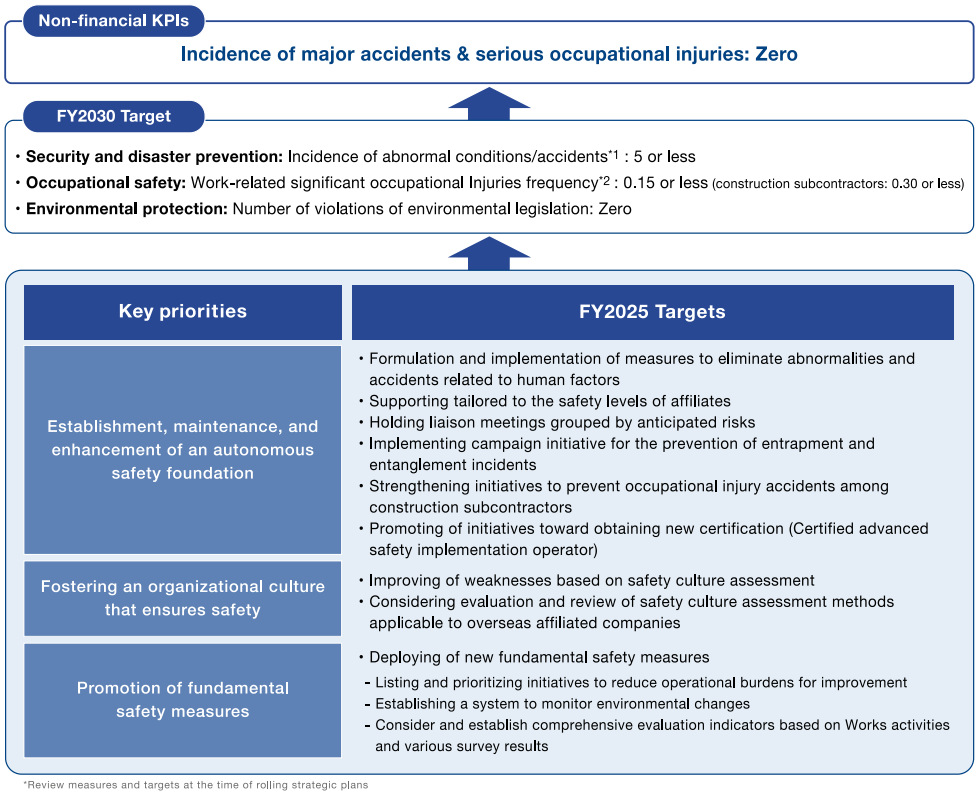
We defined three issues and seven strategies for new fundamental safety measures, which are incorporated into specific measures at the Head Office, Works, and domestic subsidiaries and affiliates. In fiscal 2024 as well, in addition to the existing dialogue between Head Office management and Works, we continued to implement initiatives such as education, safety culture assessment, and advanced risk assessment (RA), work style reform for Works, development of young employees, empowerment of women, and self-reliant career support measures, while expanding the scope of these measures to our affiliates and to the entire Group.

"Issues and Strategies" for New Fundamental Safety Measures

Challenge 1: Line managers must be able to manage generational change and work style reform.	
	Strategy (1): Reduce workload in the Works.
	Strategy (2): Further strengthen line managers' management skills.
Challenge 2: Further improve technical skills and ensure that skills are passed down.	
	Strategy (3): Strengthen the operation of the technical evaluation system and upgrade risk assessment.
Challenge 3: Ensure that safety is a top priority, foster a sense of professionalism, and provide a sense of accomplishment in their work.	
	Strategy (4): Reinforce making safety the top priority.
	Strategy (5): Cultivate and bolster professionalism through independence and autonomy (self-discipline).
	Strategy (6): Improve teamwork, communications within organizations, and inter-organizational collaboration.
	Strategy (7): Enhance career development plans for young employees and line managers.

Initiatives to Achieve VISION 2030

Our group has established "Incidence of major accidents & serious occupational injuries: Zero" as a key performance indicator and target, serving as a non-financial metric under VISION 2030. To achieve this goal, we have set numerical targets: "Incidence of abnormal conditions/accidents*1: 5 or less" and "Work-related significant occupational Injuries frequency*2: 0.15 or less." In addition, we have identified three key priorities to accomplish these objectives.
We systematically advance our efforts by incorporating strategies for each priority into our annual action plans as specific yearly objectives.



*Review measures and targets at the time of rolling strategic plans

*1 Abnormal conditions/accidents:
Events that were legally handled as an abnormal condition or accident among the reported explosions, fires, leakages, bursts, breakages, or abnormal reactions.
However, such abnormal conditions or accidents exclude leakage of CFCs and small amount leakages.

*2 Work-related Significant Occupational Injuries (WSOIs) Frequency:
WSOIs do not include injuries that are not directly related to operations. In its definition of WSOIs, the Group not only includes occupational injuries that result in absence from work, but also lighter occupational injuries that may not result in absence from work but have serious causes of injuries. The Group monitors the WSOIs frequency as a KPI as well.

Establish an Advanced Risk Assessment System

Mitsui Chemicals has conducted hazard source identification, risk assessment, and risk reduction during startup, shutdown, emergency, and other non-routine operations in addition to new construction, expansion, and modification of facilities. With the aim of establishing an even more advanced risk assessment (RA) system, Mitsui Chemicals is working toward achieving "identification of hazard sources from a comprehensive perspective," "risk assessment without variation among assessors," and "reliable risk reduction."

For "identification of hazard sources from a comprehensive perspective," in order to eliminate variations in the competence among those who conduct RA, RA leaders who promote RA in the workplace are trained and assigned after their competence is certified. For "risk assessment without variation among assessors," we have introduced a quantitative risk assessment method (HAZOP-LOPA*). For "reliable risk reduction," RA advisors, who provide advice and guidance across Works, check the validity of RA results from a third-party perspective.

These activities were first introduced at the Osaka Works in fiscal 2020, followed by the Ichihara Works and Iwakuni-Ohtake Works, and implementation began at all Works of Mitsui Chemicals in fiscal 2023. In addition, RA specialists are assigned at the Head Office to promote and support the system across the Company.
Our company will continue to promote the establishment of an Advanced risk assessment and strengthen our voluntary safety measures.

* HAZOP-LOPA:
Hazard and Operability Studies-Layer of Protection Analysis.
A way to determine additional risk reduction measures by ascertaining the frequency [/y] of "impacts" (fire, explosion, etc.) for each "cause" of deviation and possible "impact" identified in HAZOP, which assumes and exhaustively analyzes deviations from normality, as the product of the probability of occurrence of the cause and the probability that existing safety measures will be breached.

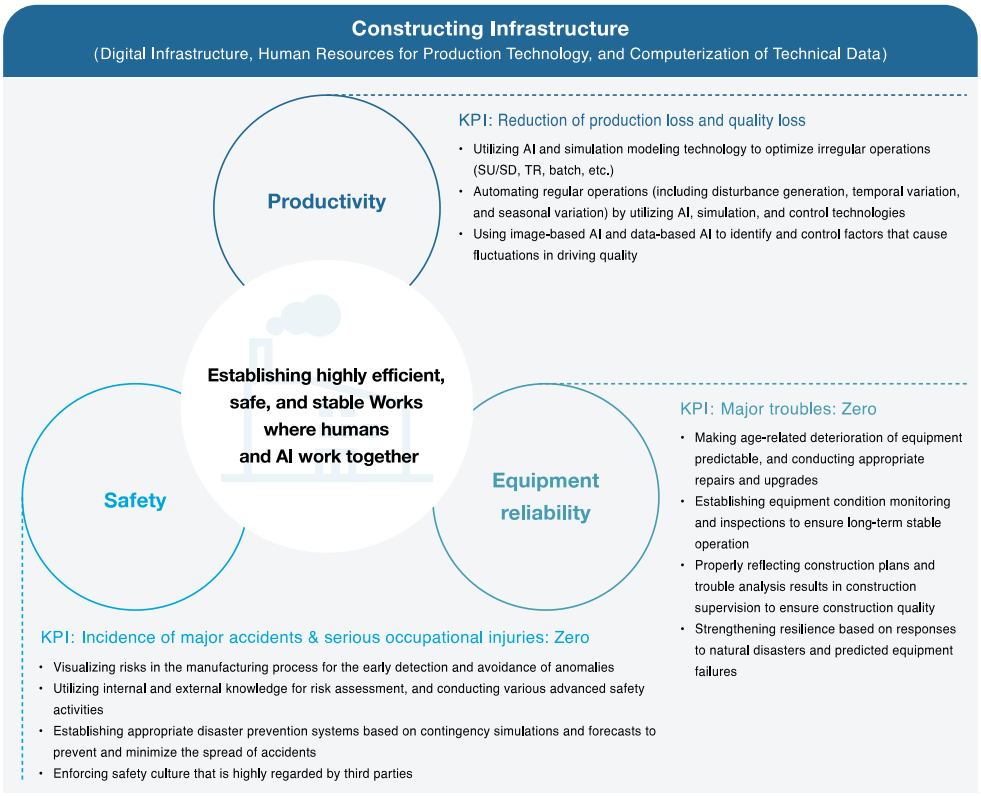
Upgrading to Smart Works (Safety and Prevention with Advanced Technology)

By effectively adopting advanced technologies, the Mitsui Chemicals Group aims to upgrade to next-generation works (Smart Works) that function in a highly efficient, safe, and stable manner.

Key Technologies Introduced

Primary Objectives	Specific technologies
Early detection of facility abnormalities and leakage, failure prediction	Wireless vibration sensors, gas leak detection cameras, abnormality prediction detection systems, rotating machinery current trend diagnosis, wireless ultrasonic thickness measurement systems, etc.
Improving safety	Occupational injury hazard detection AI, work risk detection technology, cybersecurity for control systems, etc.
Worksite work support and operational efficiency improvements	Wearable cameras, mobile terminals for worksite work support, etc.
Improving the efficiency of operation	Automated and optimized operation technology using AI

We continue to strengthen our production technology by reforming factory operations and safety management with advanced technologies to achieve safer and more stable production. As part of this initiative, we are also engaged in nurturing data scientists specialized in production technology who can perform data analysis on complex phenomena in chemical plants and build models to predict plant conditions.



Safety Culture Assessment

The Mitsui Chemicals Group is collaborating with Niigata University to conduct safety culture assessments with the aim of "fostering a culture of safety," which enables the visualization of a workplace's strengths and weaknesses. By repeated in-house discussions on all rank-specific gaps, the assessment can also be used as a tool to improve workplace communication.
Each Works conducts this assessment every three to four years. Each of the Works has confirmed that the weaknesses visualized by the first assessment have been resolved by the second assessment through implementing improvement measures, such as safety training, active participation in small-group activities, reduction of workload, and skill transfer.
In fiscal year 2024, one of our affiliated companies underwent an assessment and was previously identified as having weaknesses in the areas of "Communications" and "Learning." As a result of measures implemented, including promoting dialogue with line managers and holding roundtable discussions, as well as introducing web-based training for general employees, improvements in these areas have been confirmed in the latest assessment results.



*Eight axis model of safety culture:
Motivation, Governance, Commitment, Communications, Resource Management, Work Management, Learning, and Awareness Answering 110 questions built around the above eight elements visualizes the safety culture in a factory or workplace, as well as clarifying the strengths and weaknesses of the workplace compared with industry benchmarks.

Implementation Status of Safety Culture Assessment (up to fiscal 2024)

Mitsui Chemicals, Inc.*	One branch factory has been examined twice, five Works factories have been examined three times, and one branch factory has been examined four times. VISION HUB™ SODEGAURA has already been examined.
Domestic Subsidiaries & Affiliates	Of the 17 companies covered, 13 companies (22 Works) have already been assessed. Of these, 4 companies (8 Works) have already been assessed twice, 4 companies (5 Works) have already been assessed three times.
Overseas Subsidiaries & Affiliates	Of the 26 companies covered, 4 companies (4 Works) have already been assessed. Of these, one company (1 Works) has already been assessed twice.

*Including subsidiaries and affiliates within our Works, where the general managers of each Works bear the responsibility for implementing Responsible Care.

Receiving Third-Party Assessments of Process Safety Capability

In addition to self-inspections for safety culture assessment, the Mitsui Chemicals Group continuously undergoes third-party assessments of its safety capabilities by the Japan Industrial Safety Competency Center. Aimed primarily at manufacturing industries dealing with petroleum and petrochemical products, the assessments cover security from the viewpoint of safety infrastructure and safety culture and enable the visualization of strengths and weaknesses with regard to safety capability by means of numerical values. Through its process safety capability assessments, the Japan Safety Competency Center is aiming to raise the safety level of the Japanese chemical industry, a purpose with which the Company is in full agreement.
By fiscal year 2018, the Osaka, Ichihara, and Iwakuni-Otake Works had undergone their first evaluations, with the Iwakuni-Otake Works evaluated for the second time in fiscal year 2023 and the Osaka Works in fiscal year 2024. The assessment results showed that our safety infrastructure and safety culture were generally “fair”; however, we are now keen to address the issues identified in the assessment. In particular, in response to the suggestion that the "Basic Safety Design Policy" was dispersed across various standards and difficult to understand, the Head Office took the initiative in establishing the "Detailed Rules for Safety Management." In fiscal 2024 we worked to implement these rules across our factories.



Safety capability evaluation at Iwakuni-Ohtake Works

High-Pressure Gas Handling Accreditation

Mitsui Chemicals Osaka Works in 2021, Ichihara Works in 2022, and Iwakuni-Ohtake Works in 2024 were certified as Super Accredited Business Operators (commonly known as "Super Certified Business Sites") under the Super Accredited Businesses System* established by the Ministry of Economy, Trade and Industry in recognition of their autonomous advanced security initiatives. This system requires businesses to ensure a higher level of safety, taking measures covering adoption of the latest technologies and risk assessment, and employee training, compared with conventional accreditation systems. Maintaining these practices to retain accreditation increases the level of voluntary safety management.
Moving forward, we will continue to work to strengthen and improve the level of voluntary safety management for the entire Group.

*Super Accredited Businesses System:
An accreditation system started by METI in April 2017 to recognize a business that adopts measures to ensure a particularly high level of safety as a Super Accredited Business. The accredited businesses are given more freedom in selecting methods for in-house facility safety inspections and their scheduling. This also helps increase international competitiveness.

Accidents and Occupational Injuries

Achieving Zero Major Accidents and Serious Occupational Injuries

The Mitsui Chemicals Group is promoting initiatives for safe facilities and operations with the aim of achieving zero major accidents and zero serious occupational injuries.

Risk Prediction as Well as Pointing-and-Calling

In order to eliminate accidents and occupational injuries at the Mitsui Chemicals Group, we undertake initiatives at the Works and at domestic and overseas affiliates to entrench and thoroughly implement risk prediction and Pointing-and-Calling.
Risk prediction trainers are chosen at each Works to become drivers of these risk prediction initiatives, and company-wide meetings are held once a year to exchange opinions and share activities.
The Safety & Environment Technology Division provides training support on an ongoing basis for our affiliates. Through this support, we are working to ensure that all of our affiliates understand the significance and necessity of risk prediction activities and Pointing-and-Calling so that they can use and entrench them in their actual work situations.

Near-Miss Activities

At each Mitsui Chemicals Group production site, information on workers' narrowly avoided major accidents or disasters, or "near-misses," that occur as a result of operations, is identified, and the details are shared within the organization. These sharing activities are ongoing.
Specifically, in line with the occupational safety and health management system for each production site, the organization determines the cause of these near misses, as well as preventive measures. Relevant parties are provided with the lessons learned, and plans are put into effect that cover both concrete matters, as well as more intangible issues, in the course of operations. We then ensure that the necessary resources are still available to implement the preventive measures that we have formulated.

Small-Group Activities

Our Works conducts small-group activities in which small groups of people work together to solve issues or matters such as enhancing production workplace capabilities, refining mindsets and human resources development, revitalizing the workplace, and improving the business, in consideration of the characteristics of a Works.
Through these initiatives, we are united in our efforts to improve the bottom line of plant revitalization. We also share the results of the small-group activities throughout a Works by means of presentations, and the honoring of best practices leads to heightened motivation.
We held a company-wide presentation of small-group activities in October of fiscal 2024. Connecting the Head Office, Mitsui Chemicals Works, and domestic subsidiaries and affiliates online, those who attended actively asked questions and made comments in response to the presentations from each site. We share the contents within the Group and promote the revitalization and improvement of workplaces and Works as a whole.

Examples of Other Initiatives

In addition to the above, the following initiatives are routinely implemented.

- Thorough enforcement of basic safety rules stipulated in company rules, etc.
- 5S Activities
- Ensuring the wearing of protective equipment
- Mutual attention



Company-wide Presentation of Small-group Activity (Head Office)

Ensuring the Reliability and Soundness of Facilities

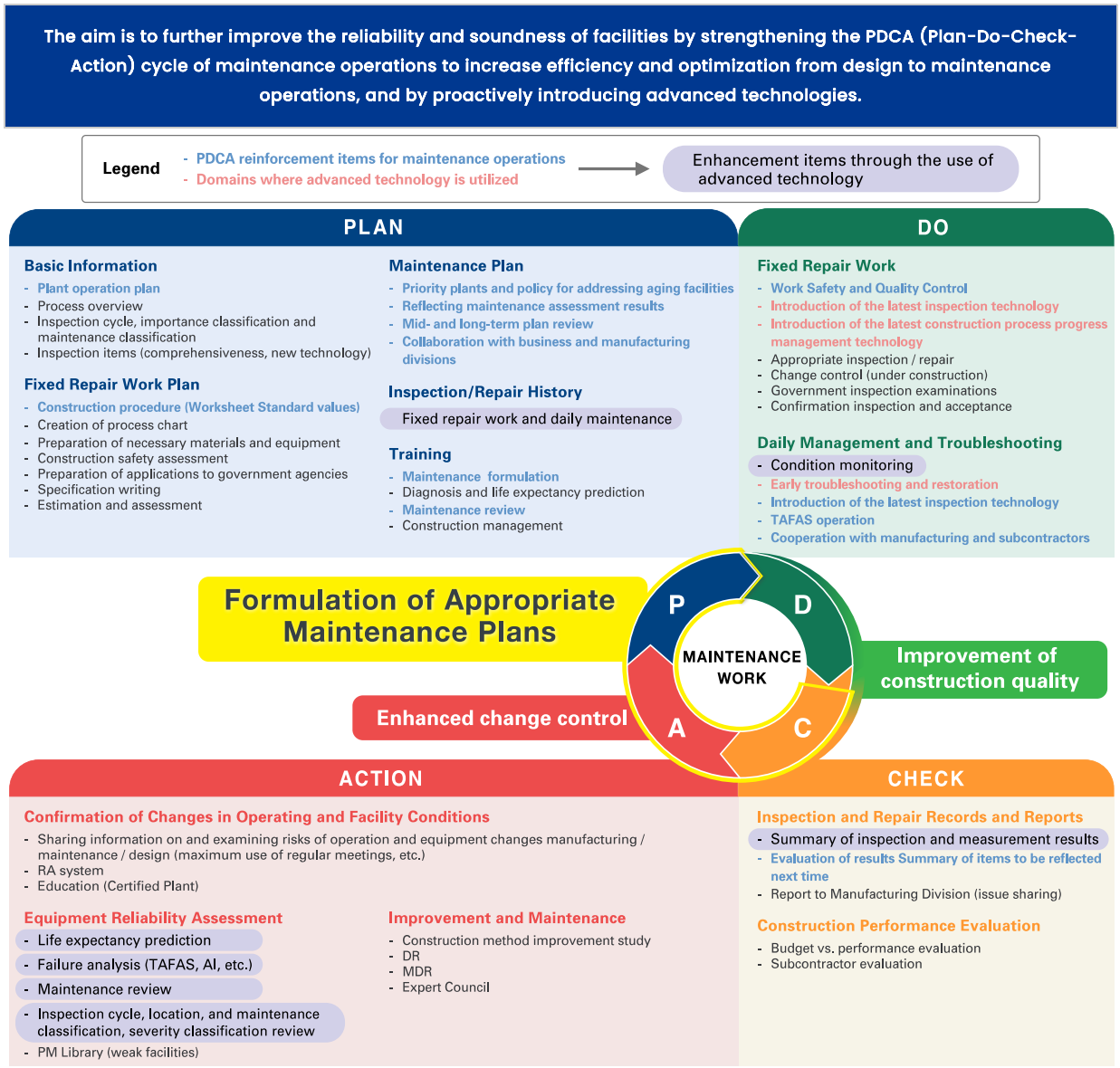
The Mitsui Chemicals Group introduces and maintains equipment that ensures safe and stable operation.
When introducing new facilities, we not only satisfy the relevant laws and regulations, but also design them in accordance with company rules based on our experience and accumulated technology, and introduce facilities that prevent accidents such as fires, leaks, and explosions through repeated change management based on various technical evaluations.
After an equipment is installed, we formulate maintenance plans and conduct periodic inspections and regular maintenance from the perspective of preventive maintenance.
In recent years, many of our facilities have been in operation for more than 40 years. While focusing on countermeasures against age-related deterioration, we have worked on developing appropriate maintenance plans, improving construction quality, and strengthening change management to maintain and improve the reliability and soundness of our facilities.

In the non-financial metric of VISION 2030, we define incidents resulting in losses of 100 million yen or more per case as "problems involving high-value losses" and have set the number of such occurrences as a KPI. With the goal of achieving zero problems involving high-value losses incidents by 2030, we are placing particular emphasis on strengthening facility management and addressing the challenges associated with aging facilities. Furthermore, by actively adopting advanced technologies that are becoming practical due to recent technological advancements, we will seek to streamline and optimize our maintenance, design, and construction operations.

Furthermore, these efforts not only prevent accidents, but also contribute to environmental protection by reducing noise and odor and preventing leaks.

Environmental Protection >

Maintenance Operations Structure



Evaluation of Construction Subcontractors and Support for Improvement

In order to ensure the safety, security, and quality of construction work, we have established "Guidelines for Evaluating Construction Subcontractors" and conduct evaluations of construction subcontractors contracted at Works once a year in principle. After the evaluation, we analyze the results, identify common and individual issues by construction subcontractor, and provide feedback to as well as guidance for improvement as necessary.

Key Evaluation Elements

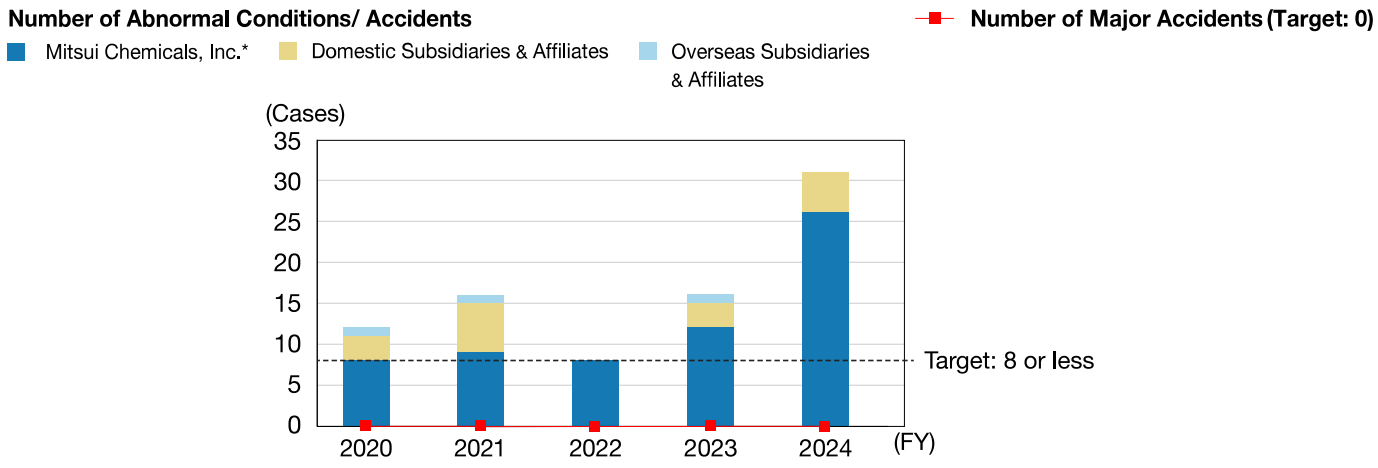
- Safety, health and environment
- Construction quality
- Technical and mobilization capabilities, process management
- Serious negligence and defects, compliance

Major Accidents and Abnormal Conditions/Accidents

In fiscal 2024, the Mitsui Chemicals Group reported zero major accidents[*1] and met its target of zero. In addition, the number of abnormal conditions and accidents[*2] increased from the previous year to 31, not meeting the target of 8 or fewer. There were 22 incidents of leakage and nine incidents of small fires, and countermeasures to prevent their recurrence are an issue. To prevent recurrence, we are focusing on implementing countermeasures for particularly critical incidents, identified through analysis of the causes and other factors.
Example) Equipment-related: external corrosion; Process-related: human error (such as operational mistakes)

*1 Major Accidents:
Accidents and abnormal conditions with a severity level of 18 points or more, as specified by the Japan Petrochemical Industry Association (JPCA) under the Center for Chemical Process Safety (CCPS) evaluation procedures, or events that involve death.
*2 Abnormal conditions/accidents:
Events that were legally handled as an abnormal condition or accident among the reported explosions, fires, leakages, bursts, breakages, or abnormal reactions.
However, such abnormal conditions or accidents exclude leakage of CFCs and small amount leakages.

Number of Major Accidents and Abnormal Conditions/Accidents



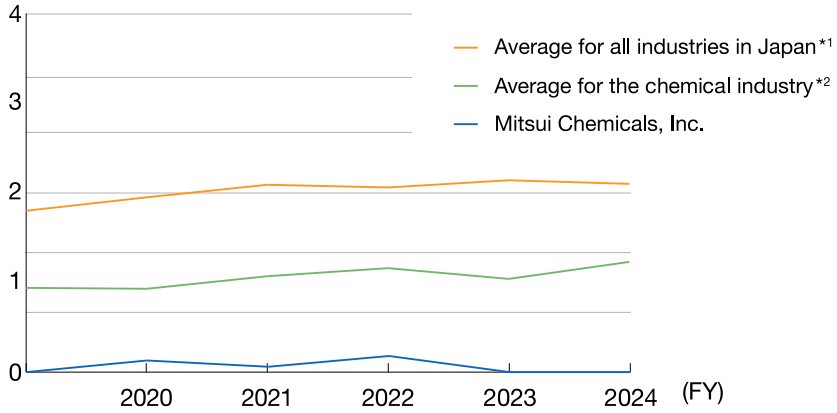
*Including subsidiaries and affiliates within our Works, and the Works general manager bears the responsibility for Responsible Care implementation.

Occupational Injuries

In fiscal 2024, the Mitsui Chemicals Group recorded two serious occupational injuries[*1, 2, 3] that must not occur, against a target of zero. We aim to achieve the world's highest safety standards and have set a target frequency rate of 0.15 or lower for work-related significant occupational injuries[*4]. Our current injury frequency rate remains at a high level compared to the Japanese overall industry average and the chemical industry average. However, our overseas affiliates and construction subcontractors unfortunately did not meet the target.
In light of this situation, the Mitsui Chemicals Group will continue working to foster personnel with a high sensitivity to danger and to instill a safety culture across the Group. Particular focus will be placed on preventing incidents with a high potential to result in serious injuries, such as falls from height and being caught or entangled in machinery. These include "crashing and falling" and "being caught or entangled in machinery." Regarding construction subcontractors, we will have them trained using content from the VR (virtual reality) safety training programs at our Plant Operation Technology Training Center, which is intended for them. This enables them to experience simulated hazards for the purpose of cultivating human resources who have high sensitivity to danger. Through these efforts, we will also enhance education in order to reduce occupational injuries among construction subcontractors.

*1 Serious Occupational Injuries:
Occupational injuries that fall under disability grades 1 to 7, causing death, injury or illness.
*2 A fatal occupational injury occurred during an overseas business trip in December 2023 (officially recognized as an occupational injury in September 2024).
*3 A lost-time occupational injury occurred in December 2024, caused by being caught between objects (disability grade 6).
*4 Work-related Significant Occupational Injuries:
"Work-related Significant Occupational Injuries (WSOIs)" refer to occupational injuries that resulted in absence from work or death. WSOIs also include lighter occupational injuries that may lead to absence from work or death due to the potential danger in the cause of the injury. WSOIs do not include injuries that are not directly related to operations. In its definition of WSOIs, the Group not only includes occupational injuries that result in absence from work, but also lighter occupational injuries that may not result in absence from work but have serious causes of injuries. The Group monitors the WSOIs frequency as a KPI as well.
Please refer here for Lost-Time Injury Frequency Rate (LTIFR).

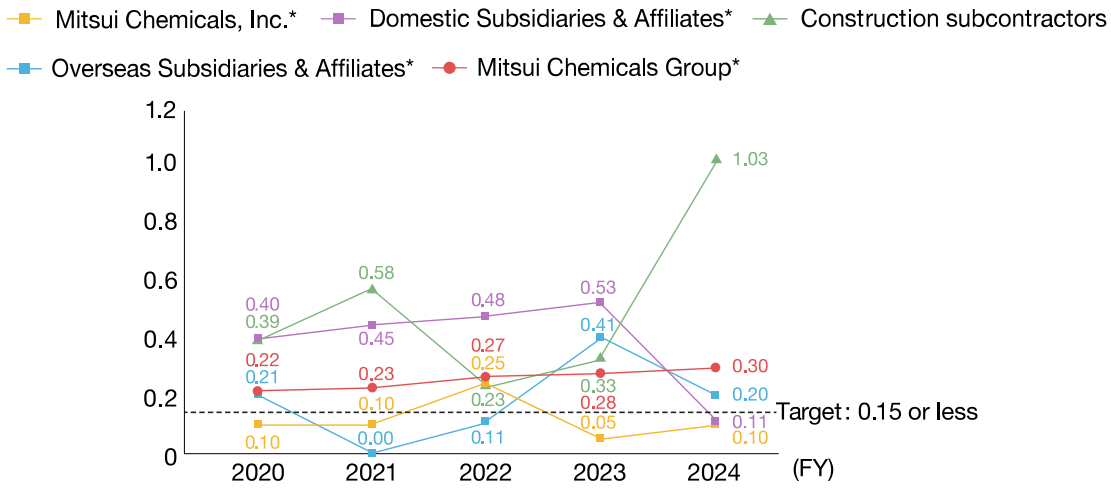
Comparison of Occupational Injury Frequency between Mitsui Chemicals, the All Industries in Japan and the Japanese Chemical Industry



*Occupational injury frequency = Number of individuals killed or injured by occupational accidents x 1 million hours / Total working hours for all employees.
The figures for the all industries in Japan and for the Japanese chemical industry indicate the Days Away From Work Case (DAFWC) frequency.

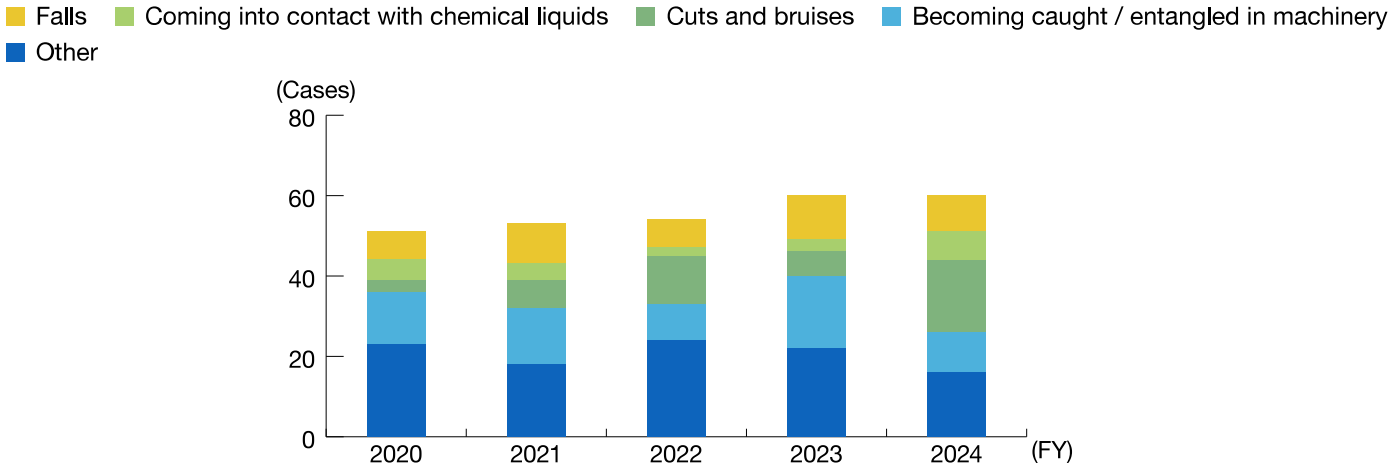
Sources:
*1 Ministry of Health, Labour and Welfare White Paper Survey on Industrial Accidents Occupational Injuries
*2 Japan Industrial Safety & Health Association "General Guidebook on Industrial Safety" Significant Occupational Injury Frequency

Work-related Significant Occupational Injuries Frequency



*Includes contractors operating on site.

Number of Occupational Injuries Resulting in Zero or More Lost Work Days by Type (Mitsui Chemicals Group)



Safety Education and Training

The Mitsui Chemicals Group is implementing various initiatives, including training and drills, toward nurturing human resources with a high awareness of dangerous situations and the ingraining of a safety culture throughout the Group.

Emergency Drills

The Mitsui Chemicals Group systematically conducts emergency drills in Works to prepare for accidents, earthquakes, and tsunamis. Envisioning emergency situations, such as a fire or leakage of hazardous substances, our Works regularly conduct comprehensive disaster prevention drills jointly with municipal fire and police departments. Such drills test the emergency response procedures, help make improvements when a deficiency is found, and enhance our defense capabilities through collaborations with the local authorities. Those Works located within petrochemical complexes also conduct joint disaster prevention drills with neighboring corporations and fire departments as a mutual support scheme. Affiliates in Japan and overseas conduct drills suited to their laws and work environments in preparation for their differing emergency situations. We also conduct emergency shutdown drills and evacuation drills in preparation for natural disasters, by taking into account recent large earthquakes and tsunamis.





Joint drill with the public fire brigade to simulate a fire caused by the leakage of hazardous materials due to an earthquake (Ichihara Works)





Disaster drill simulating the simultaneous occurrence of product leakage and a electric chamber power panel fire due to a major earthquake (Nagoya Works)

Skill Improvement for Self-Defense Firefighting Units

Mitsui Chemicals' Ichihara Works, Osaka Works, Iwakuni-Ohtake Works, and Omuta Works are equipped with self-defense firefighting units. The unit members are regularly trained in preparation for an emergency.
In recognition of the results of daily training, the Iwakuni-Ohtake Works received the Encouragement Award in the "Skills Contest for Self-Defense and Disaster Prevention Organizations at Petroleum Industrial Complexes" held in fiscal 2024 by the Fire Defense Agency, Ministry of Internal Affairs and Communications. This skills contest has been held since fiscal 2014 to inspire self-defense firefighters, as well as motivating them to continue to improve their skills. The participants complete safety, reliability, and promptness of their performance by conducting a procedure of releasing foam water from a height onto a simulated fire at a hazardous facilities. This marks our 11th consecutive year to receive an award since the contest began. We continue improving our firefighting skills through determined training to contribute to the safe and stable operations of our Works.



Iwakuni-Ohtake Works self-defense firefighting unit at the award ceremony and in the skills contest

Risk Prediction Training

The Mitsui Chemicals Group continues to implement risk prediction training at each of its Works based on the belief that it is important to develop human resources capable of recognizing hazards as dangers and taking safety actions to prevent them.
In addition, with regard to risk prediction and Pointing-and-Calling training for domestic and overseas affiliates, the Safety & Environment Technology Division provides training support on an ongoing basis. Through this support, we are working to ensure that all of our affiliates understand the significance and necessity of risk prediction activities and Pointing-and-Calling so that they can use and entrench them in their actual work situations. The training is also held online and incorporates exercises, presentations, and team discussions that are appropriate to actual work situations. It looks back on their daily tasks and raises awareness so that safer actions can be taken. Key men are of necessity to entrench risk prediction and Pointing-and-Calling, and the Company is encouraging their development through training.

Advanced Engineering Education and Passing on Technology

Mitsui Chemicals is actively engaged in various measures to foster engineers with specialized knowledge, technology, and skills, as well as to steadily pass on technology to the next generation, as part of its human resource development system based on the personnel system. Specifically, the systematic passing of technology and development of human resources are stipulated in job descriptions and job classification tables for skilled employees, and the system clarifies the passing of technology as part of the job and holds employees accountable for their efforts.
In addition, we have defined our development plan up to the point where they assume key roles in Works under the "Production Engineering Human Resource Development Plan" to clarify the abilities and skills required to carry out their respective duties. We have also established an education system and the curriculum necessary for acquiring these abilities and skills as an "Annual Education Plan," and provide step-by-step education through company-wide and plant collective education, e-learning, and various other off-the-job training programs, as well as through rotations and on-the-job training.
In our training, we place particular emphasis on problem-solving and accident case study education. Through factor analyses and accident case study discussions based on actual trouble cases that have occurred at production sites, we cultivate the sensitivity to identify potential sources of danger.

Small Group Activity Leader Training

Each Mitsui Chemicals Works implements small-group activities to promote problem solving and operational improvement, and provides training to the leaders of these activities. Through training by external instructors twice a year, we strive to understand our role as facilitators of activities and how to proceed, and to acquire problem-solving techniques such as QC stories and the seven QC tools, which we use in actual small-group activities. This is done in order to solve various problems and issues, improve operations and quality, and more.

The Best Plants Awards

The purpose of the Best Plants Award is to revitalize Works by honoring the excellent production sections for their activities related to safety, health, environment, quality and production technologies. Having started this system in fiscal 2004, Mitsui Chemicals has been focusing since fiscal 2013 on not only safety performance but also on the process of safety efforts, and evaluates the efforts made by the production sections and the hardships that they face.
In fiscal 2024, one was selected from among the domestic and overseas production sites for the President's Awards and four for Production & Technology Center Executive's Awards. The Company's global expansion is advancing due not only to the Mitsui Chemicals but also to award-winning domestic and overseas affiliates.



President's Award Ceremony (Omuta Works, Fine Chemicals Manufacturing Dept., Health Care Products Sect.)

Education for Entrants

To ensure thorough safety management within the premises, all employees working at our factories, including contractors, are required to undergo entry education at the time of entry. This includes detailed explanations of the handling of construction vehicles and tools brought in, as well as tips for construction and on-site work, illustrated with specific examples. By ensuring that everyone working on the premises shares a common awareness of safety, we are committed to diligently pursuing the achievement of zero accidents and occupational injuries by accumulating safe days, one day at a time.

Plant Operation Technology Training Center

Mitsui Chemicals' Plant Operation Technology Training Center

The Mitsui Chemicals Group established its first Plant Operation Technology Training Center in Mobara in 2006, and then in Nagoya in 2007, to train plant operation personnel. Chemical plant operators are trained in Mobara, and the Nagoya center provides training programs for operators of fabricated products plant. We are striving to develop a pool of talent who are "strong in operations and facilities with a focus on safety" through hands-on, experiential training utilizing DX technology, including simulated experience training using virtual reality (VR) technology, targeting not only our Works but also our R&D centers and indirect departments, as well as employees of our domestic and overseas affiliates.
Furthermore, in fiscal 2025, we plan to launch a new course on non-technical skills with the aim of enhancing human skills (the ability to appropriately choose and execute actions when engaging with others).



Mobara Training Center



Nagoya Training Center



VR experience system

Mitsui Chemicals' Plant Operation Technology Training Center (Mobara and Nagoya) Training Sessions for Mitsui Chemicals Group Employees

For Mitsui Chemicals employees					
		Number of Attendees (Total Training Time)			
		FY2021	FY2022	FY2023	FY2024
For Plant Operators	When joined Company	16 (136hrs)	8 (52hrs)	17 (313 hrs)	7 (176 hrs)
	Follow-up training (six months after joining Company)	123 (3,444 hrs)	147 (3,614 hrs)	198 (5,059 hrs)	143 (3,650 hrs)
	Promoted staff (3-4 years after joining Company)	77 (2,156 hrs)	214 (2,804 hrs)	97 (1,479 hrs)	120 (1,830 hrs)
	Workplace managers (8 years or more after joining Company)	5 (70 hrs)	23 (337 hrs)	40 (540 hrs)	53 (716 hrs)
For Engineers	When joined Company	0 (0 hrs)	102 (510 hrs)	116 (677 hrs)	126 (735 hrs)
	3-5 years after joining Company	23 (483 hrs)	23 (449 hrs)	41 (800 hrs)	55 (1,073 hrs)
For Researchers		81 (851 hrs)	55 (413 hrs)	91 (683 hrs)	64 (480 hrs)
Other		102 (459 hrs)	67 (162 hrs)	58 (567 hrs)	147(441 hrs)

For employees of affiliates				
	Number of Attendees (Total Training Time)			
	FY2021	FY2022	FY2023	FY2024
Domestic Subsidiaries & Affiliates	326 (2,608 hrs)	291 (2,680 hrs)	183 (1,686 hrs)	292 (1,958 hrs)
Overseas Subsidiaries & Affiliates	0 (0 hrs)	21 (254 hrs)	31 (455 hrs)	52 (737 hrs)
Total				
	Number of Attendees (Total Training Time)			
	FY2021	FY2022	FY2023	FY2024
	753 (10,207 hrs)	951 (11,275 hrs)	872 (12,259 hrs)	1,059 (11,795 hrs)

Web Training

Since fiscal 2020, the Plant Operation Technology Training Center has introduced simulated online training programs as substitutes for hands-on, experiential training. These programs are provided to Mitsui Chemicals' plants as well as domestic and overseas Group companies. Each training program is custom-designed to meet the specific needs of each company, including the skill level of participants and the types of risks they are likely to encounter. Using AI-based simultaneous translation, the programs are delivered in local languages such as English, Chinese, Malay, Indonesian, Spanish, and Dutch. Attendees have reported that the web training programs are easy to understand and provide a good insight into the work, even though they cannot physically experience it. Although we recognize that such web training programs cannot replace real physical training programs, we continue utilizing it as a sustainable training style that is suitable for the digital society, with benefits such as not requiring lecturers and trainees to travel.

Web Training Overview

Concept	Hybrid (lectures, demonstration images, and pre-recorded videos) and interactive (questions and group discussions) simulations of physical training programs.
Program contents	- Safety Training: Ten modules covering topics such as "Pointing-and-Calling," "becoming caught / entangled in machinery," "falls from heights, drops, and slips," "coming into contact with chemical liquids," and "fire and explosions." - Equipment Troubleshooting Training: 17 modules covering topics such as "Rupture/Dent", "Valve Trouble", "Overheating/Fire", "Corrosion", "Water Hammer", "Liquid Lock", "Cavitation", and "Instrumentation Trouble". - Discussion Training: Six modules covering topics such as "Introduction to KYT Basic 4R Method," "Self-Questioning KY," and "Practical Training on KYT Basic 4R Method."

Domestic and Overseas Web Training

	Number of Attendees (Total Training Time)			
	FY2021	FY2022	FY2023	FY2024
Mitsui Chemicals, Inc. and Domestic Subsidiaries & Affiliates	748 (2,992 hrs)	782 (3,552 hrs)	604 (2,379 hrs)	451 (1,477 hrs)
Overseas Subsidiaries & Affiliates	174 (696 hrs)	211 (513 hrs)	269 (661 hrs)	405 (925 hrs)



Web training: Questions from the trainer
Encourage attendees' thinking and discovery



Screen showing training utilizing real-time AI-based translation
(Training textbook, translation software, and monitors showing participants)

On-site Training

Since fiscal 2018, the Plant Operation Technology Training Center has been conducting on-site training programs by dispatching staff directly to the Company's Works and affiliates.In fiscal 2024, 307 employees at our five Works and 771 employees of our affiliates participated in the program. The VR safety training program, which allows participants to realistically experience the dangers and severity of accidents through virtual simulations, has been offered since fiscal 2020 as a new training opportunity involving equipment lending.

VR Safety Training

Objective	Enhance training curriculum and improve training effectiveness through the utilization of VR	
Expected Effects	(1) Increase sensitivity to danger by experiencing accidents in a virtual space that cannot be experienced under normal circumstances (2) Less restrictions on training location and time, and training can be conducted with a large number of participants	
VR tools	Mobara Training Center	3 sets
	Nagoya Training Center	1 set
Program contents	Fifteen modules covering topics such as "forward-facing crash/fall," "conveyor belt pinch," "fall while descending stairs," "tripping and falling due to a step ahead," "roller entrapment," "vent clogging and blowout ignition," "dust explosion," "residual pressure blowout during piping maintenance," "power panel electric shock," "forward/backward movement of forklifts," "cutter operation," "reaction explosion in a flask," and others.	

On-site Training (VR Training)

For Our Group employees				
	Number of Attendees (Total Training Time)			
	FY2021	FY2022	FY2023	FY2024
On-site Training (VR Training)	1,287 (644 hrs)	1,093 (547 hrs)	1,178 (589 hrs)	879 (440 hrs)

Globalization of Training Centers

Since fiscal 2018, we have been proactively focusing on developing human resources that will serve as the foundation to support the global business of the Group. We offer educational programs and training support not only for Mitsui Chemicals but also for domestic and overseas subsidiaries and affiliates, customizing them to the specific needs of each company.
For affiliates in the Southeast Asia region, the Operation Excellence Training Center (OETC) of the Siam Group in Thailand has been giving training courses in Thai and English. The Siam Group is capable of providing the same level of training as in Japan, utilizing the training system and knowhow licensed from us. In addition, with training in local languages now feasible using AI-powered simultaneous interpretation, online training has helped to increase training opportunities for overseas affiliates, such as organizing curricula in accordance with the needs of each company.

Training Centers Available to Other Companies

Our training centers have been open to other companies since fiscal 2015 so that they can train their employees to handle hazardous materials. The demand for human resource development and training for production site safety is extremely high, and many companies from different industries utilize our Centers. Our programs are highly rated by attendees with comments such as: “I learned many things that I can utilize in my company,” and “It was easy to understand through experienced-based training through case studies of past accidents and injuries.”

External Training Sessions and Responses to Center Tour Requests

	FY2021	FY2022	FY2023	FY2024
Number of Training Attendees	106	221	265	246
Number of Center Visitors	51	99	230	380

We open our training centers as training sites for outside companies, aiming to help build a society with zero industrial accidents and injuries.

Environmental Protection

Management System

Policy and Basic Approach

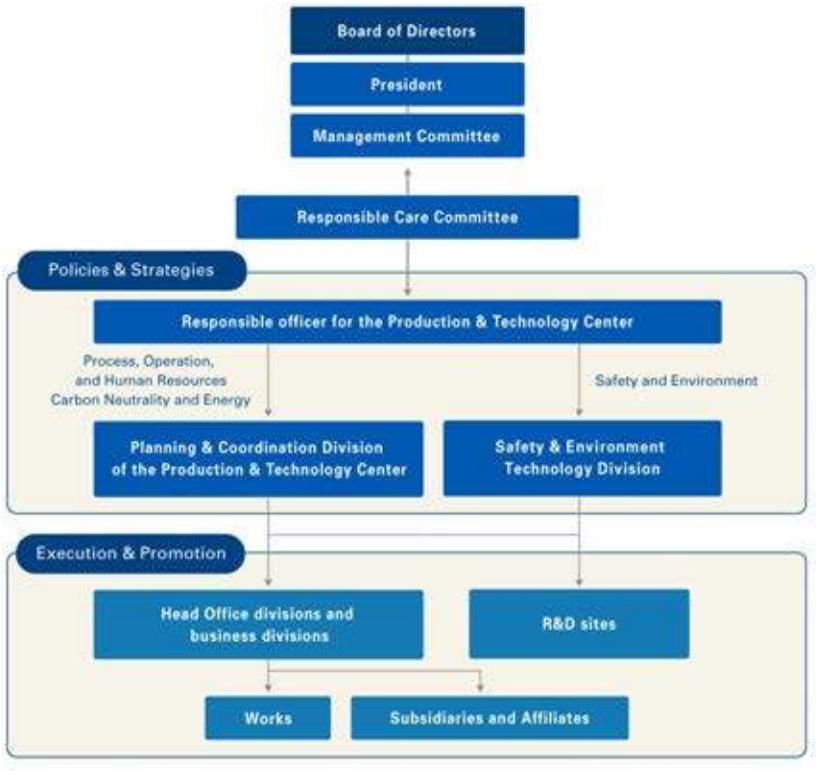
The Mitsui Chemicals Group believes that it is important to understand and minimize the negative impacts on the global environment and ecosystems caused by GHG emissions, water resource consumption, and chemical substance emissions into the air, water, and soil in our business activities. To live out our philosophy of "living in harmony with the global environment," the Mitsui Chemicals Group aims to minimize the negative impact on the global environment throughout the life cycle of our products, starting from the planning stage for our business operations, while striving to reduce the environmental impact associated with our business activities and properly manage chemicals to preserve the environment.

In its Responsible Care Policy, the Mitsui Chemicals Group states that it will "assess risks to people and the environment from our products throughout their life cycles, while working to ensure the health and safety of all persons and to reduce the environmental impact of those products," and will actively develop and provide society with products, services, and technologies that contribute to improving people's quality of life and protecting the global environment. In accordance with these policies, we promote environmental preservation by stipulating relevant basic provisions in our company rules on environmental safety management.

*Please visit here for information about our climate change policy.
*Please visit here for information about our initiatives for reducing environmental impact through our products and services.
*Please visit here for information about product stewardship.

System and Responsible Officers

The responsible officer for the Production & Technology Center is responsible for promoting environmental conservation in the Mitsui Chemicals Group under the supervision of the Planning & Coordination Division of the Production & Technology Center and the Safety & Environment Technology Division, in cooperation with business divisions, production sites, and affiliates.



Role of the Planning & Coordination Division of the Production & Technology

Formulate, deploy, promote, and manage production and technology (process and operations, human resources, carbon neutrality, and energy) strategies, as well as execute and support various cross-company functions. The division also oversees process and operating technologies.

Role of the Safety & Environment Technology Division

Formulate, deploy, promote, and manage strategies related to production and technology (safety and environment), as well as execute and support various cross-company functions. It is also responsible for overseeing safety and environmental technologies, as well as training and education related to the maintenance and enhancement of safety and environmental technologies and production technologies.

Role of the Head Office Divisions and Business Divisions

In line with the policy decided by the Responsible Care Committee, it examines and implements environmental measures when reviewing business plans and executing business activities, and confirms that environmental measures are implemented by other divisions such as Works. In addition, it provides advice, guidance, and other support to subsidiaries and affiliates under its jurisdiction regarding environmental and safety issues.

Role of the Works

Ensure environmental preservation (raise employee awareness, maintain proper operations, keep equipment in sound condition, and improve the work environment). In addition, the Safety and Health Committee examines matters related to environmental preservation, and assesses important matters related to environmental preservation and deliberates on countermeasures when planning and designing new or expanded facilities or remodeling. It also assesses the eligibility of contractors for production, logistics, maintenance, etc., with respect to environmental preservation.

Monitoring

The Planning & Coordination Division of the Production & Technology Center and the Safety & Environmental Technology Division are responsible for checking the status of achievement and monitoring the progress of key issue targets related to environmental conservation in the Group. In addition to collecting (once a year) and analyzing data related to environmental preservation, such as GHG emissions at each site, and sharing this information with the entire group, the Responsible Care Committee regularly evaluates and improves the environmental and safety status.

Internal Audit

The Internal Control Division conducts environmental & safety audits (for environmental protection, safety and prevention) at Works and R&D sites of the Mitsui Chemicals Group.

Environmental & Safety Audit (environment protection)	Auditing Division	Internal Control Division
	Scope	Works and R&D sites of Mitsui Chemicals Inc. and its subsidiaries and affiliates
	Details	Confirms the status of environment protection and that there is compliance with the relevant laws and regulations. Indicates nonconformities that require revision or improvement.
	Frequency	Once every one to three years (depending on size, business type, and management level of the audited organization).

Goals and Results

GHG / Energy

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
GHG emissions reduction rate (Scope 1+2)[*1] *compared to FY2013	Mitsui Chemicals Group	27%	28%	28%	40% (FY2030)
Reduction in GHG emissions achieved by saving energy[*2] (vs. previous FY)	Japan	20 thousand tons or more	27,000 tons	25,000 tons or more	—
Five-year annual energy intensity reduction rate	Mitsui Chemicals, Inc.	—	△1.2%	—	—

Energy consumption per unit production of ethylene, etc., at ethylene, etc., production facilities	Mitsui Chemicals, Inc.	—	—	(11.9 GJ/t or less)	—

*1 Calculated based on adjusted emissions that exclude temporary factors such as fluctuations in ethylene operating rates, and therefore differ from the actual emission figures disclosed in the graphs on the "GHG and Energy" page, which are based on actual operating conditions.
*2 Calculated based on emission and reduction volumes at full production capacity. Therefore, it does not correspond to the reduction amount that may be derived from the actual emission figures shown in the graphs on the "GHG and Energy" page, which are based on actual operating conditions.

Substances Subject to the PRTR Act

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Emission of substances subject to the PRTR Act	Mitsui Chemicals, Inc.	Examine and formulate additional plans for reduction of unachieved reduction	Completion of additional reduction plan formulation	Steady implementation of key plans	Continuous promotion to reduce emissions of substances subject to the PRTR Act

Industrial Waste

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Landfill rate for industrial waste	Mitsui Chemicals Group	1% or less	0.42%	1% or less	1% or less

Air

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Volatile Organic Compound (VOC) emissions	Mitsui Chemicals, Inc.	3,000 t or less	1,427 t	3,000 t or less	2,000 t or less

General Measures to Preserve the Environment Notwithstanding the Above

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Number of environment-related accidents	Mitsui Chemicals Group	0	0	0	0
Number of violations to environmental laws and regulations	Mitsui Chemicals Group	0	0	0	0

Environmental Protection

GHG and Energy

The Mitsui Chemicals Group is striving to reduce GHG emissions and energy consumption by adopting a low-carbon manufacturing approach under its climate change policy.

*For details on our climate change policy, strategy, and implementing the recommendations of the TCFD, please click here.

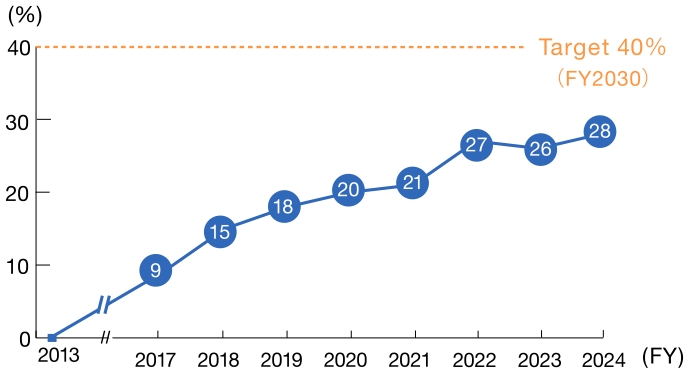
GHG Emissions (Scope 1 and 2)

In response to increasingly serious environmental problems and growing demands for global decarbonization, the Mitsui Chemicals Group announced its 2050 Carbon Neutrality Declaration in November 2020, and set a Group target in June 2021 to reduce the Group's global GHG emissions by 40% (compared to FY2013) by FY2030. To achieve these targets, we will actively engage in the transition to low-carbon raw materials and fuels, energy conservation through the installation of highly energy-efficient equipment, and the adoption of renewable energy, as part of our efforts to build a decarbonized society.

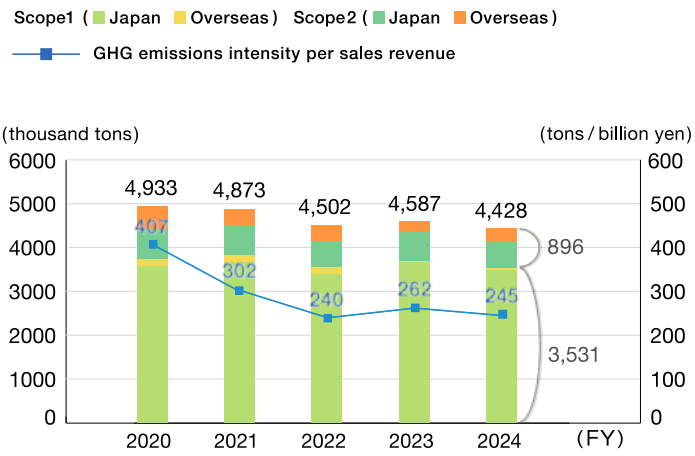
The Mitsui Chemicals Group's GHG emissions (Scopes 1 and 2) have been calculated in accordance with the GHG Protocol since fiscal 2024. In fiscal 2024, although the number of overseas affiliates subject to calculation increased due to compliance with the GHG Protocol, emissions decreased compared to fiscal 2023, partly due to the suspension of operations at major plants caused by trouble.
Meanwhile, since fiscal 2007, Mitsui Chemicals has set a target of reducing GHG emissions through energy efficiency, and is continuing comprehensive energy conservation activities at its plants. This includes step-by-step enhancement of heat recovery and streamlining of the refining process. In fiscal 2024, we achieved a reduction of 28,000 tons, exceeding our target (a reduction of at least 20,000 tons from the previous year).

GHG Emissions Reduction Rate (Scopes 1 and 2) (Mitsui Chemicals Group)

*Compared to FY2013
*Calculated based on adjusted emissions that exclude temporary factors such as fluctuations in ethylene operating rates.



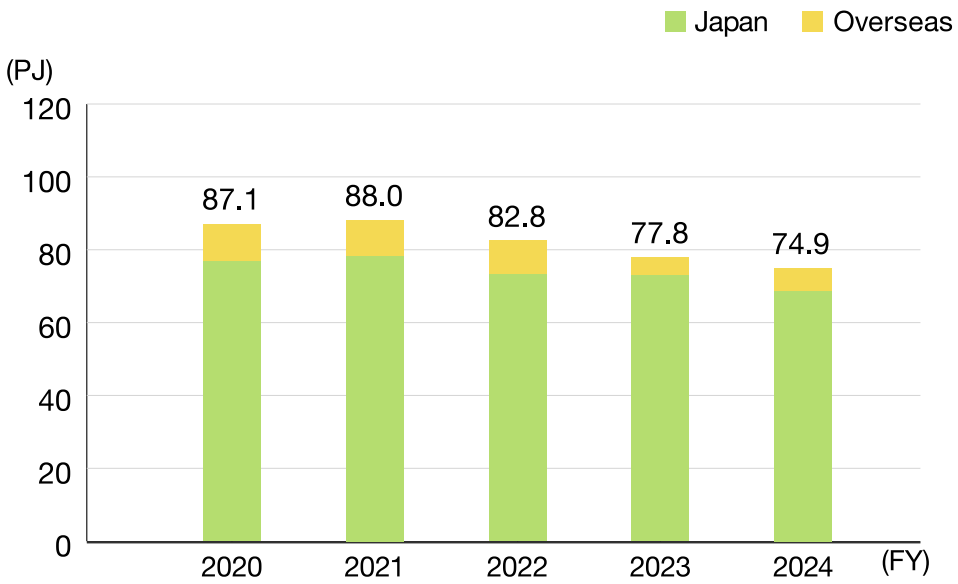
GHG Emissions (Scopes 1 and 2) (Mitsui Chemicals Group)



Energy Consumption

With regard to Mitsui Chemicals' energy consumption, we aim to achieve, as a target under the Energy Conservation Law, a five-year average reduction rate of 1% or more in energy intensity. Although we implemented various energy efficiency measures in fiscal 2024, we were unable to offset the deterioration in energy intensity caused by the suspension of operations at major plants due to trouble and low capacity utilization, resulting in a 1.2% increase compared with the five -year average reduction rate for fiscal 2023.
On the other hand, we continued meet the benchmark target of the Energy Conservation Law—11.9 GJ/t or less of energy consumption per unit production of ethylene at ethylene production facilities—in fiscal 2024, and we expect to maintain our S rating under the business operator classification evaluation system (SABC system), which identifies operators with excellent energy conservation, for the tenth consecutive year.
Going forward, we will continue our energy -conservation efforts, including the effective use of heat and the introduction of high -efficiency equipment.

Energy Consumption (Mitsui Chemicals Group)



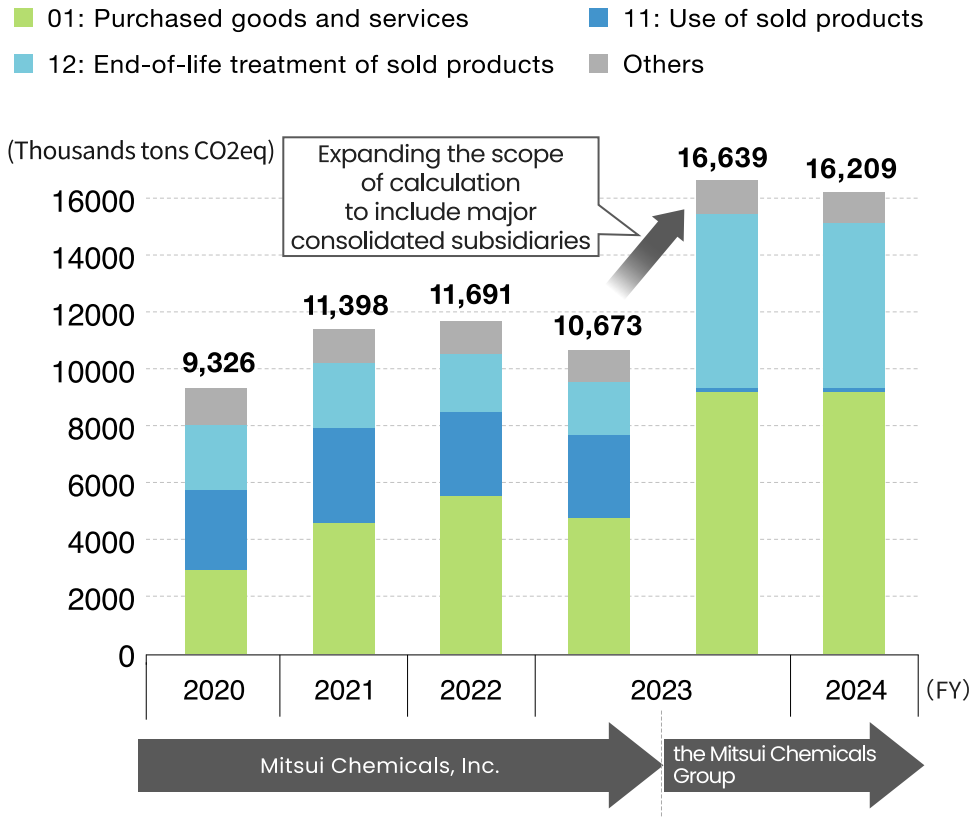
GHG Emissions (Scope 3)

In order to identify GHG emissions throughout the entire supply chain, extending from purchasing raw materials to customer use and disposal, we calculate Scope 3 emissions for indirect emissions in addition to Scopes 1 and 2 emissions generated from our own business and production activities.

Until now, we have calculated and disclosed Scope 3 figures for Mitsui Chemicals, Inc. However, in order to more accurately grasp the environmental impact of the entire Group supply chain and use this information for evaluation and management, we have expanded the scope of calculations to include major consolidated subsidiaries from fiscal 2023 results. As we expand the scope of calculations, we are also working to improve accuracy by changing the calculation method.

Going forward, we plan to further expand the scope of our calculations to grasp emissions across the Group, evaluate the environmental impact of a wider range of supply chain, and promote efforts to realize a sustainable society.

GHG Emissions (Scope 3)



Breakdown of GHG Emissions (Scope 3) (Mitsui Chemicals Group, FY2024)

Category	Emissions (Thousands of tons CO_2eq/year)	Method of calculating emissions and reasons for excluding from the scope of calculation
1. Purchased goods and services	9,185	Emissions coefficient AIST-IDEA v3.4, Ministry of the Environment and Ministry of Economy, Trade and Industry "Emissions Intensity Database for Calculating Greenhouse Gas Emissions through Supply Chains Ver 3.5 (March 2025)" Calculation method Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.7 (March 2025)" Assumptions, allocation method, etc. Calculated based on the purchase volume and purchase price.
2. Capital goods	397	Emissions coefficient Ministry of the Environment and Ministry of Economy, Trade and Industry "Emissions Intensity Database for Calculating Greenhouse Gas Emissions through Supply Chains Ver 3.5 (March 2025)" Calculation method Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.7 (March 2025)" Assumptions, allocation method, etc. Calculated based on capital expenditure.
3. Fuel- and energy-related activities (not included in scopes 1 or scope 2)	478	Emissions coefficient AIST-IDEA v3.4 Calculation method Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.7 (March 2025)" Assumptions, allocation method, etc. Calculated based on the amounts of fuel, electricity, and steam purchased.
4. Upstream transportation and distribution	91	Emissions coefficient and calculation method Ministry of the Environment and Ministry of Economy, Trade and Industry, "Greenhouse Gas Emissions Calculation and Reporting Manual (Ver. 4.9, April 2023)" Assumptions, allocation method, etc. Transport weight and distance by means of transport.
5. Waste generated in operations	80	Emissions coefficient Ministry of the Environment and Ministry of Economy, Trade and Industry "Emissions Intensity Database for Calculating Greenhouse Gas Emissions through Supply Chains Ver 3.5 (March 2025)" Calculation method Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.7 (March 2025)" Assumptions, allocation methods, etc. Calculated based on the amount by type of waste treated outside the Group.
6. Business travel	2	Emissions coefficient Ministry of the Environment and Ministry of Economy, Trade and Industry "Emissions Intensity Database for Calculating Greenhouse Gas Emissions through Supply Chains Ver 3.5 (March 2025)" Calculation method Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.7 (March 2025)" Assumptions, allocation method, etc. Calculated based on the number of employees.
7. Employee commuting	8	Emissions coefficient Ministry of the Environment and Ministry of Economy, Trade and Industry "Emissions Intensity Database for Calculating Greenhouse Gas Emissions through Supply Chains Ver 3.4 (March 2025)" Calculation method Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.7 (March 2025)" Assumptions, allocation method, etc. Calculated based on the number of employees and working days.
8. Upstream leased assets	Outside scope of calculation	The Group's leased assets have already been accounted for under Scope 1 and Scope 2, so they are excluded from the calculation.
9. Downstream transportation and distribution	Outside scope of calculation	Transports from the Group to the customer (BtoB) are included in Category 4. In addition, because we are in the materials industry, we have a high ratio of intermediate products and are unable to grasp the distribution to the consumer. Therefore, given that it is impossible to reasonably calculate the transportation volume, these are excluded from the scope of calculation.
10. Processing sold products	Outside scope of calculation	As we are in the materials industry, we have a large proportion of intermediate products, and even customers have numerous potential applications. It is difficult to collect data from customers on the processing performed by those value chain companies and their emissions intensity. In addition, it is excluded from the calculation because it is impossible to accurately calculate the data using secondary data at this time.
11. Use of sold products	145	Emission factors and calculation methods Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions

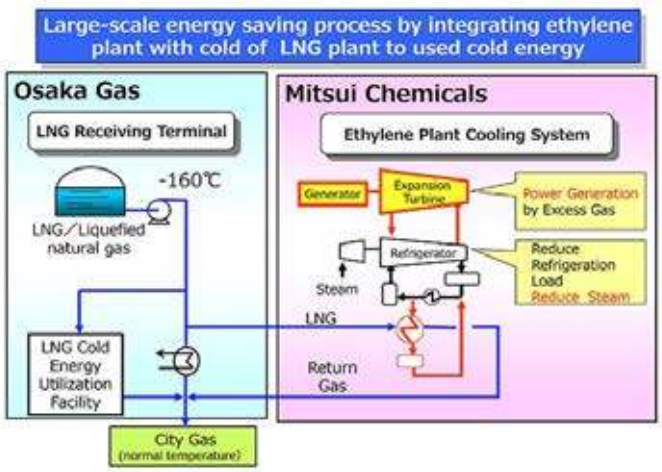
		through Supply Chains Ver 2.7 (March 2025)" Assumptions, allocation method, etc. Calculated based on the sales volume of aqueous urea solution / AdBlue™ and CO_2 for dry ice, which fall under the category of direct use phase emissions.
12. End-of-life treatment of sold products	5,824	Emissions coefficient Ministry of the Environment and Ministry of Economy, Trade and Industry "Emissions Intensity Database for Calculating Greenhouse Gas Emissions through Supply Chains Ver 3.5 (March 2025)" Calculation method Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.7 (March 2025)" Assumptions, allocation method, etc. Calculated based on product sales volume.
13. Downstream leased assets	Outside scope of calculation	The Company does not have such assets, so they are excluded from the calculation.
14. Franchises	Outside scope of calculation	The Company does not have franchises, so they are excluded from the calculation.
15. Investments	Outside scope of calculation	The group does not engage in investment businesses or provide financial services, so they are excluded from the calculation.
Total	16,209	

Highly Efficient Gas Turbine Power Generation System for Self-Sufficiency

Mitsui Chemicals installed a highly efficient gas turbine power generation system in its Osaka Works and commenced operation in December 2020. This was a joint project with Daigas Energy Co., Ltd. under a grant from the 2018 Subsidy for Promoting Investment in Energy Saving provided by the Ministry of Economy, Trade and Industry.
The system increases the Works' self-sufficiency in power. It also reduces fuel usage by the naphtha cracking furnaces in the ethylene plant by taking the high-temperature exhaust gas generated by the power generation facilities for use as the combustion air in the furnaces. This is reducing CO_2 emissions from Osaka Works by 70,000 tons per year (compared with fiscal 2016).

Energy-Saving Process Using LNG Cold Energy

Together with Osaka Gas Co., Ltd., Mitsui Chemicals and its consolidated subsidiary, Osaka Petrochemical Industries, Ltd. have adopted energy-saving process by using liquefied natural gas (LNG)-generated cold energy in the ethylene plant. This world-first energy saving process using LNG-generated cold energy on a large-scale at our ethylene plant commenced in October 2010.
To transport and store natural gas, it is liquefied by cooling it to -160°C. Liquefied gas is a good source of cold energy. During its liquefied state, LNG emits boil off gas which has auto-refrigeration properties. When returning LNG to its gas state, it continues to retain superior cooling abilities. At Mitsui Chemicals' Osaka Works OPC ethylene plant, after thermal decomposition of naphtha (crude gasoline) at high temperatures, base materials such as ethylene and propylene are separated and purified by cooling the cracked gas. By efficient use of LNG cold energy from the adjacent OPC ethylene plant of Osaka Gas Senboku Works, a significant reduction in CO_2 emissions was possible.



CCU (Carbon Capture Usage) Technologies

Mitsui Chemicals took part in the CCU Project ($CO_2 + H_2 \Rightarrow CH_3OH + H_2O$) lead by the Research Institute of Innovative Technology for the Earth (RITE) (commissioned by NEDO), and developed a high activity catalyst. Refinement of this highly active catalyst eventually was tested by the pilot plant of CCU technology in Mitsui Chemicals Osaka Works in 2009. This was a verification test, producing 100 tons of methanol per year from hydrogen and CO_2 which was contained in the exhaust gases. We have confirmed the conversion ratio from CO_2 to methanol and the catalyst life and obtained necessary data items for creating a technological package. However, due to several issues that remained to be addressed concerning costs and availability of hydrogen source, this technology has not yet been commercialized. Nevertheless, we believe that this promising technology should greatly contribute to the realization of low-carbon society which is currently sought by the world.

Installation of Solar Power Generation Facilities

The Mitsui Chemicals Group has adopted renewable energy as a measure to reduce the Group's GHG emissions based on its carbon neutral strategy. In March 2024, we adopted the Power Purchase Agreement (PPA) model and installed a solar power generation system (power generation capacity: 950 kW) on an idle lot (approx. 8,300 m^2) on the former site of a wastewater plant at our Nagoya Works. In the PPA model, the PPA operator installs the power generation equipment and the Nagoya Works purchases all the electricity generated. The Group will continue its efforts to further increase the ratio of electricity produced from renewable sources.



Solar power generation facilities installed at the Nagoya Works

Other Initiatives

Transition to Low-Carbon Raw Materials and Fuels – Fuel Conversion of Naphtha Crackers Using Ammonia 〉
Transition to Low-Carbon Raw Materials and Fuels – Building Hydrogen and Ammonia Supply Chains Through Cross-Industry and Regional Collaboration 〉
Carbon-Negative Technology – Successful Demonstration of Methanol and Para-Xylene Synthesis From CO_2 〉

Environmental Protection

Industrial Waste

The Mitsui Chemicals Group aims at minimizing the landfill rate for industrial waste to 1% or less. We promote waste recycling, waste reduction by incinerating it using recovered energy, and reduction of industrial waste emissions outside of our plants in order to reduce the amount of waste ultimately disposed of. We have continuously succeeded in minimizing the volume of industrial waste, reaching another landfill rate target for industrial waste in fiscal 2024.

*Please refer here for scope of data.

In accordance with the Waste Disposal and Public Cleaning Law, we report the proper treatment of industrial waste through electronic manifests. By accumulating and analyzing data such as the types and volumes of waste, we develop measures to reduce emissions and improve recycling rates.

Industrial Waste Minimization Initiatives

To minimize industrial waste, the Mitsui Chemicals Group is working to understand and reduce the negative impact of generated waste on the environment and society by improving manufacturing processes and monitoring the waste disposal status at companies to which we outsource work. We are also expanding off-site initiatives by identifying and engaging new waste disposal partners.

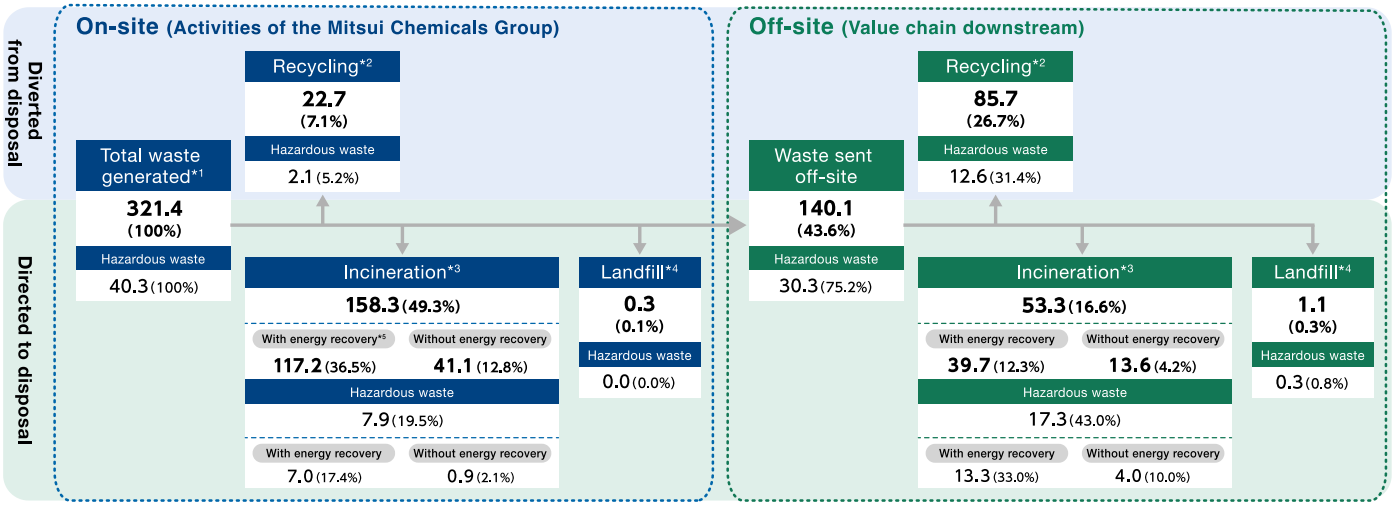
On-Site Initiatives

- Raw polymers generated in the manufacturing process are returned to the ethylene cracker and recycled. (Chemical recycling)
- Incineration of waste oil, including fuel use and energy recovery.
- Reduction of waste emissions outside the plant by neutralizing and dehydrating waste acid.
- We reduce waste by developing new buyers for valuable industrial waste such as waste plastic, drums, and waste oil.
- Promotion of reuse of products and raw material containers, among others.
- Through enhancements in equipment and manufacturing methods, we have improved the recovery rates of raw materials and resources.

Off-Site Initiatives

- Reuse as solid material for fuel.
- After incineration, the ash is recycled into concrete materials and roadbed materials.
- Fuel use and energy recovery from waste oil.

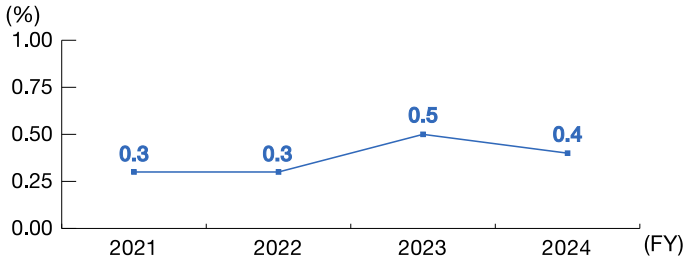
Industrial Waste Treatment Process (Mitsui Chemicals Group: FY2024)



*Unit: Thousand tons
*Any minor discrepancies in percentages are due to rounding.

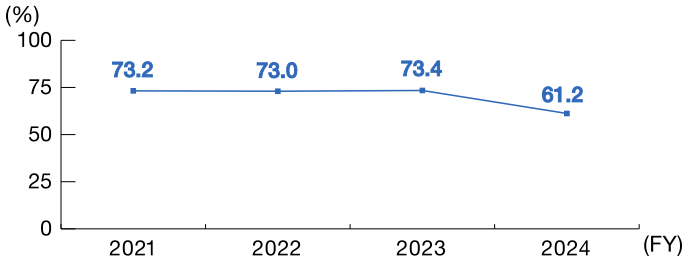
*1 Total waste generated:
Total waste generated is calculated based on the type of industrial waste as defined in the Waste Disposal and Public Cleaning Law (or local laws and regulations for overseas), including sludge (after dewatering), waste plastic, soot, and dust.
*2 Recycling:
On-site recycling volume is the amount recycled at plants. Off-site recycling volume is the amount of waste reused as raw materials outside plants.
*3 Incineration:
On-site incineration volume is the amount of weight reduction within the plant. All incinerated ash is included in the waste sent off-site or the on-site landfill volume. Off-site incineration volume is the weight reduction resulting from incineration outside the plant. Incinerated ash is included in the off-site landfill volume.
*4 Landfill:
On-site landfill volume is the amount disposed of at the plant's own landfill. Off-site landfill volume is the final amount disposed of at an external treatment operator's landfill. Both include landfill of incinerated ashes.
*5 Energy recovery:
The amount of waste used to generate electricity from the heat produced during incineration for boilers and power generation. This includes cases where waste oil and other materials are used for fuel purposes such as boiler fuel.
*6 Hazardous waste:
Specially controlled industrial waste stipulated by the Waste Management and Public Cleansing Act in Japan. In other countries, this is calculated based on local laws and regulations or the Basel Convention definition of hazardous waste.

Landfill Rate for Industrial Waste (Mitsui Chemicals Group)



*Landfill rate for industrial waste = Landfill volume/Total waste generated

Recycling Rate (Mitsui Chemicals Group)



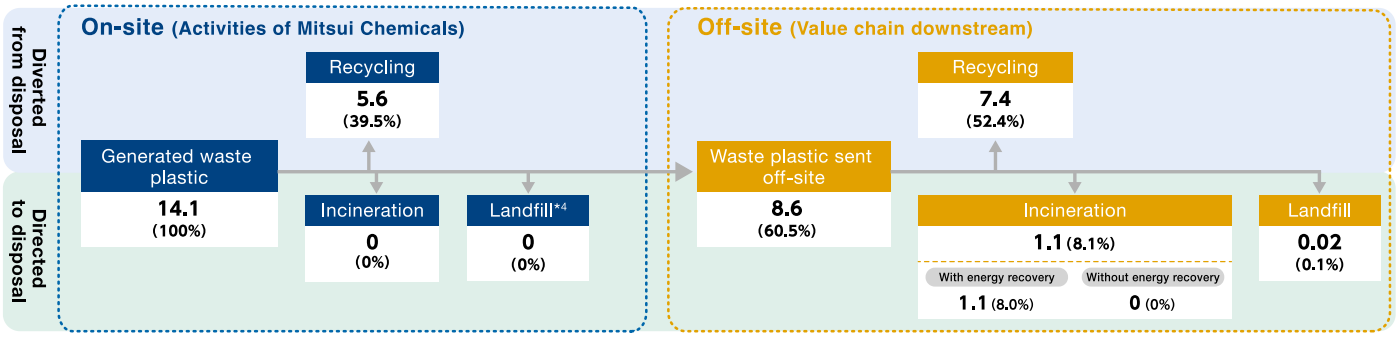
*Recycling rate = Off-site recycling volume/Waste sent off-site (generated outside the factory premises)

In fiscal 2024, the recycling rate declined due to changes in the scope of group companies, following structural adjustments. The decline also reflects a more rigorous definition of recycling, which clarified that the use of materials as fuel constitutes incineration rather than recycling. We will continue our efforts to achieve sustainable resource circulation by ensuring highly transparent data management.

Recycling of Waste Plastics

In response to the Law for Promotion of Recycling of Plastic Resources, we are striving to maintain a high recycling rate, targeting an annual waste plastic volume of 20,000 tons or less and a recycling rate of 95% or higher in fiscal 2030.
In fiscal 2024, we reduced the waste plastic volume to 8,600 tons, well below the target of 20,000 tons or less. However, the recycling rate was 91.8%, falling short of the 95% target.

Processing of Plastic Industrial Waste (Mitsui Chemicals, Inc. : FY2024)



*Unit: Thousand tons

Initiatives to Reduce Disposal of Hazardous Waste

We define hazardous waste as specially controlled industrial waste in Japan as defined by the Waste Management and Public Cleansing Act, while this is defined overseas in accordance with the Basel Convention or the hazardous waste regulations of that country. For waste defined as hazardous waste, we have established disposal rules in our company rules, and conduct strict management to ensure that they are disposed of appropriately.

First of all, the Mitsui Chemicals Group is eliminating hazardous substances by incineration or detoxifying them to the extent possible. For example, acidic toxic gases are alkalized (neutralized) through a detoxification facility and converted to other non-toxic substances before disposal.

In addition, off-site hazardous waste is disposed of at a specified controlled disposal facility and reported in an electronic manifest.
In accordance with the "Act on Preventing Mercury Pollution of the Environment," no new mercury-containing substances will be used. Mercury contained in fluorescent lamps, etc. in use is disposed of appropriately as specified controlled industrial waste in accordance with company rules.

Employee Training

Our Group promotes accurate awareness related to waste and fosters understanding of appropriate disposal procedures through e-learning and other educational initiatives.

Examples of Past Initiatives in Recycling

Mechanical Recycling – Development of a Pouch Made From Horizontally Recycled Flexible Packaging Film ›
Chemical Recycling – Effort to Implement Chemical Recycling Technology for MR™ Ophthalmic Lens Materials ›
Chemical Recycling – NEDO Grant Awarded for Development of Purification Technology for Pyrolysis Oil from Waste Plastic ›

Environmental Protection

Environmentally Hazardous Substances

The Mitsui Chemicals Group is monitoring emissions of volatile organic compound (VOC), NOx, Sox, soot and dust, hazardous air pollutants, and substances subject to the PRTR Act, and working to reduce environmental impact.

*Please refer here for scope of data.

Air

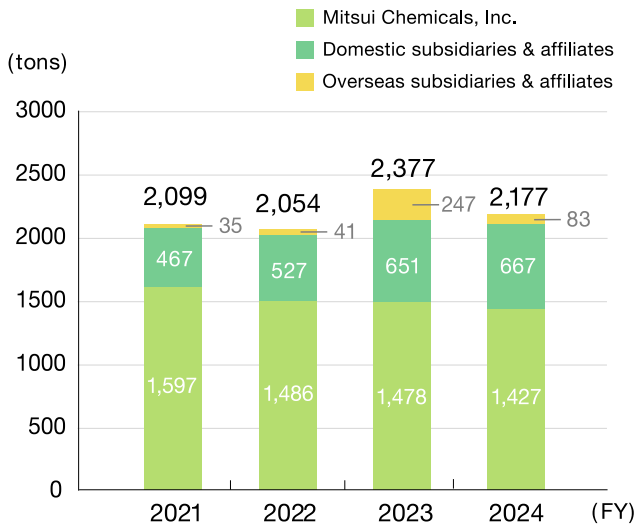
Among the hazardous air pollutants specified in the Air Pollution Control Act, we monitor emissions of priority substances that are believed to pose a high risk to human health and strive to reduce the emissions.

The Japanese government set a target of reducing fixed-source volatile organic compound (VOC) emissions in fiscal 2010 by 30% compared with fiscal 2000. VOC emissions at Mitsui Chemicals reached 8,523 tons in fiscal 2000, so our target is 5,966 tons/year. However, we set a more stringent target of 3,000 tons/year or less, and succeeded in making drastic reductions by fiscal 2010. We will continue to strive to maintain emissions at this level.

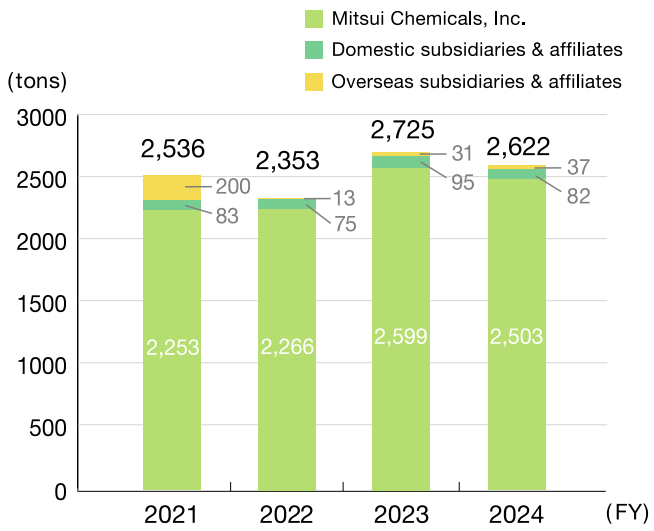
Because the Mitsui Chemicals Group produces various chemical products, a wide range of VOCs are emitted. We use various methods to reduce VOC emissions into the air, including absorption by activated carbon and other filters, neutralization by acid or alkaline water, combustive decomposition, and Pressure Swing Adsorption (PSA)*.
Further, burning fuel in chemical product manufacturing processes generates SOx, NOx, and soot and dust. We therefore implement a variety of measures to reduce release of these items into the atmosphere by removing them using catalysts, installing dust collectors and washing towers, and using fuels free from nitrogen and sulfur.

*Pressure Swing Adsorption (PSA)
A technology that recovers VOCs by passing gas through an adsorption column filled with adsorbent and utilizing pressure changes.

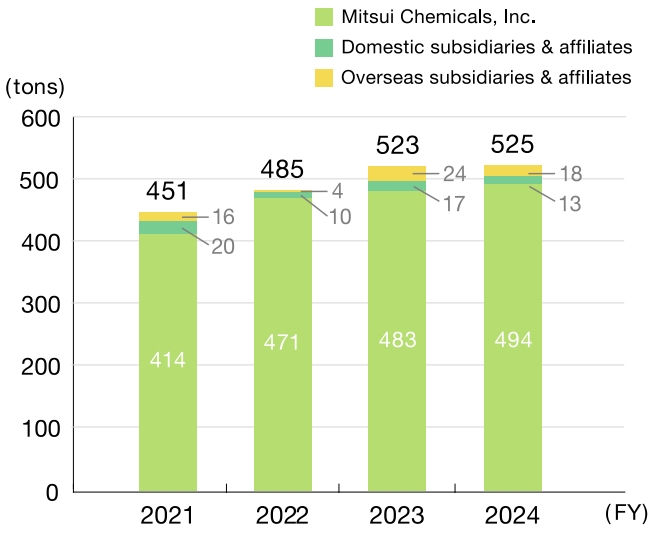
Volatile Organic Compound (VOC) Emissions



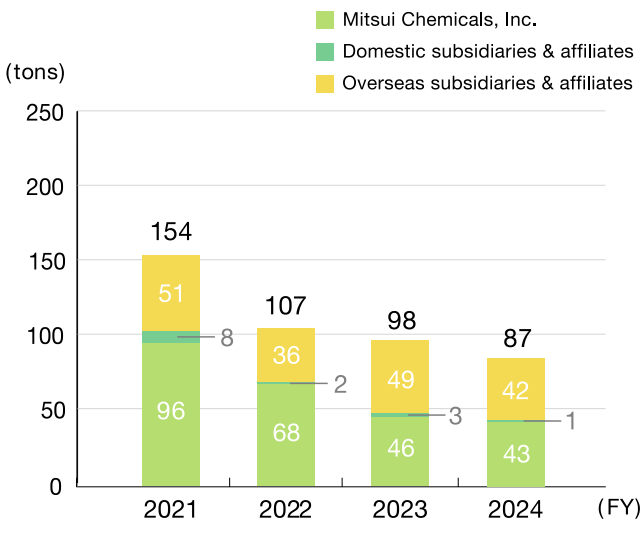
NOx Emissions



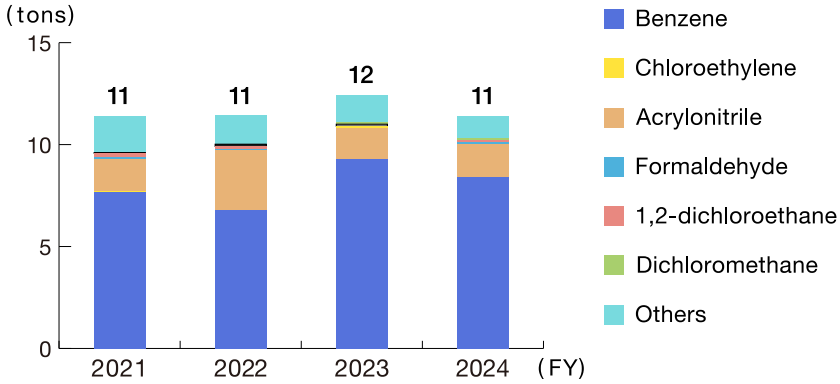
SOx Emissions



Soot and Dust Emissions



Emissions of Hazardous Air Pollutants (Mitsui Chemicals, Inc.)



*Previous emission figures:
771 tons (FY1995), 445 tons (FY2000), 110 tons (FY2005)

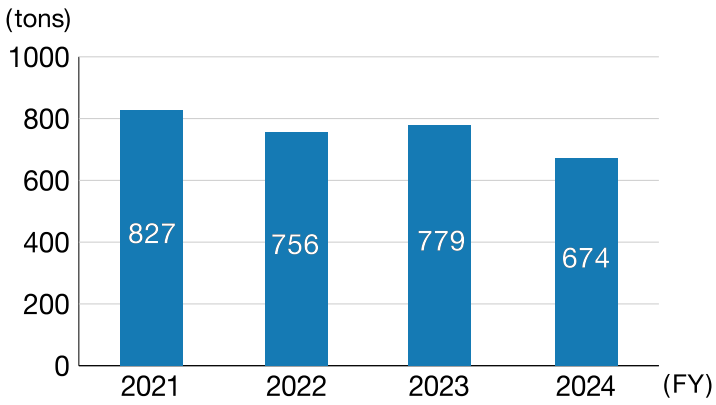
Substances Subject to the PRTR Act

In accordance with the Law Concerning Reporting, etc. of Releases to the Environment of Specific Chemical Substances and Promoting Improvements in Their Management (PRTR* Act), Mitsui Chemicals submits 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. We are further reinforcing our management while also seeking other ways to reduce annual emissions 450 tons or less.
In order to reduce the annual PRTR emissions to 450 tons or less by the end of fiscal 2025, we are currently developing an investment and loan plan to renovate our facilities to achieve this target. Specifically, we plan to review and improve the process of recovering and treating exhaust gases, which mainly include hexane and toluene.

*PRTR:
Pollutant Release and Transfer Register.

PRTR Data for Individual Sites (PDF : 209 KB)

Substances Subject to the PRTR Act Emissions (Mitsui Chemicals, Inc.)



*Scope of Mitsui Chemicals, Inc.: Parent company production sites and the VISION HUB™ SODEGAURA.

PRTR Data for Individual Sites (FY2024)

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.

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

Ichihara Works

Substance	Ordinance designation number	Emitted			
		Air	Water	Soil	Total
n-Hexane	1-436	109.87	0.00	0.00	109.87
Cumene	1-106	24.25	0.01	0.00	24.26
Toluene	1-347	19.29	0.01	0.00	19.29
Xylene	1-103	8.17	0.01	0.00	8.17
Ethylbenzene	1-073	4.43	0.00	0.00	4.43
Epichlorohydrin	1-086	4.27	0.00	0.00	4.27
1-Hexene	1-439	2.76	0.00	0.00	2.76
Benzene	1-452	2.65	0.01	0.00	2.66
Methyl isobutyl ketone	1-472	2.31	0.00	0.00	2.31
Phenol	1-391	0.77	0.14	0.00	0.91

Mobara Branch Factory

Substance	Ordinance designation number	Emitted			
		Air	Water	Soil	Total
Heptane	1-442	0.03	0.00	0.00	0.03
Acrylic acid and its water-soluble salts	1-006	0.02	0.00	0.00	0.02
Toluene	1-347	0.01	0.00	0.00	0.01
Xylene	1-103	0.01	0.00	0.00	0.01
Trimethylbenzene	1-342	0.01	0.00	0.00	0.01
Ethylbenzene	1-073	0.00	0.00	0.00	0.00
Styrene	1-275	0.00	0.00	0.00	0.00
Methyl methacrylate	1-469	0.00	0.00	0.00	0.00
Butyl acrylate	1-009	0.00	0.00	0.00	0.00
Dibutyl phthalate	1-395	0.00	0.00	0.00	0.00

Nagoya Works

Substance	Ordinance designation number	Emitted			
		Air	Water	Soil	Total
Toluene	1-347	5.91	0.00	0.00	5.91
Cyclohexane	1-176	1.36	0.00	0.00	1.36
1,2-epoxypropane	1-088	1.15	1.60	0.00	2.74
Xylene	1-103	0.85	0.00	0.00	0.85
Ethylbenzene	1-073	0.85	0.00	0.00	0.85
Styrene	1-275	0.29	0.11	0.00	0.39
Ethylene oxide	1-075	0.14	0.12	0.00	0.26
N,N-Dimethylformamide	1-264	0.08	0.00	0.00	0.08
Methyl acrylate	1-010	0.04	0.00	0.00	0.04
Butyl acrylate	1-009	0.02	0.00	0.00	0.02

Osaka Works

Substance	Ordinance designation number	Emitted			
		Air	Water	Soil	Total
Cumene	1-106	7.70	0.00	0.00	7.70
Benzene	1-452	5.49	0.01	0.00	5.50
Dicyclopentadiene	1-217	4.61	0.00	0.00	4.61
Acrylonitrile	1-011	1.52	0.01	0.00	1.52
Toluene	1-347	1.49	0.00	0.00	1.49
α-Methylstyrene	1-482	1.09	0.00	0.00	1.09
Trichlorofluoromethane	1-330	1.06	0.00	0.00	1.06
Ethylene oxide	1-075	1.03	0.00	0.00	1.03
Methyl methacrylate	1-469	1.00	0.00	0.00	1.00
Styrene	1-275	0.89	0.00	0.00	0.90
Dioxins	1-278	0.00	0.03	0.00	0.03

Iwakuni-Ohtake Works

Substance	Ordinance designation number	Emitted			
		Air	Water	Soil	Total
n-Hexane	1-436	89.92	0.00	0.00	89.92
Methyl isobutyl ketone	1-472	30.84	0.00	0.00	30.84
Toluene	1-347	8.26	0.04	0.00	8.30
Cyclohexane	1-176	2.09	0.00	0.00	2.09
Trimethylbenzene	1-342	0.48	0.00	0.00	0.48
Acetaldehyde	1-017	0.47	0.00	0.00	0.47
Ethylbenzene	1-073	0.47	0.00	0.00	0.47
Cumene	1-106	0.20	0.00	0.00	0.20
Xylene	1-103	0.17	0.00	0.00	0.17
Tetrahydrofuran	1-302	0.16	0.00	0.00	0.16
Dioxins	1-278	0.00	0.04	0.00	0.04

Tokuyama Branch Factory

Substance	Ordinance designation number	Emitted			
		Air	Water	Soil	Total
1,2-Epoxypropane	1-088	2.86	0.00	0.00	2.86
Ethylene oxide	1-075	0.14	0.00	0.00	0.14
Methylnaphthalene	1-486	0.09	0.00	0.00	0.09
Ethylenediamine	1-079	0.03	0.00	0.00	0.03
Styrene	1-275	0.00	0.00	0.00	0.00

Omuta Works

Substance	Ordinance designation number	Emitted			
		Air	Water	Soil	Total
Toluene	1-347	220.94	0.29	0.00	221.23
Chloric acid, potassium salt, and sodium salt	1-091	0.00	60.00	0.00	60.00
Cyclohexane	1-176	42.02	0.00	0.00	42.02
Dichlorobenzene	1-208	41.70	0.44	0.00	42.14
Epichlorohydrin	1-086	7.91	0.00	0.00	7.91
Triethylamine	1-321	1.61	0.56	0.00	2.18
Phenol	1-391	0.90	0.00	0.00	0.90
Xylene	1-103	0.41	0.00	0.00	0.41
Ethylbenzene	1-073	0.37	0.00	0.00	0.37
Benzene	1-452	0.24	0.00	0.00	0.24
Dioxins	1-278	0.00	2.84	0.00	2.84

VISION HUB™ SODEGAURA

Substance	Ordinance designation number	Emitted			
		Air	Water	Soil	Total
Dichloromethane	1-213	0.07	0.00	0.00	0.07
Methylenebis(4,1-phenylene) diisocyanate	1-498	0.00	0.00	0.00	0.00

Environmental Protection

Water

Water is an indispensable component of the Mitsui Chemicals Group's various chemical product manufacturing processes. For example, water is used in manufacturing processes that include heating, cooling, and washing as well as for equipment that removes harmful chemical substances produced during these processes and discharges effluent.
Formulating its basic philosophy on water resources, the Mitsui Chemicals Group works to manage efficient water usage and water preservation. Under our Climate Change Policy, we also address climate-induced water hazards, such as floods, droughts, and changes in water quality, specifically at our production sites, while promoting the risk management and effective use of water resources at these locations. In addition, through our Sustainable Procurement Guidelines, we ask suppliers to manage wastewater and use water efficiently, thereby contributing to water resource conservation across the entire supply chain.

*Please refer here for scope of data.

Basic Philosophy on Water Resources

1. We recognize that water is a finite and precious resource, and regard water conservation as a key priority on a global scale.
2. 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.

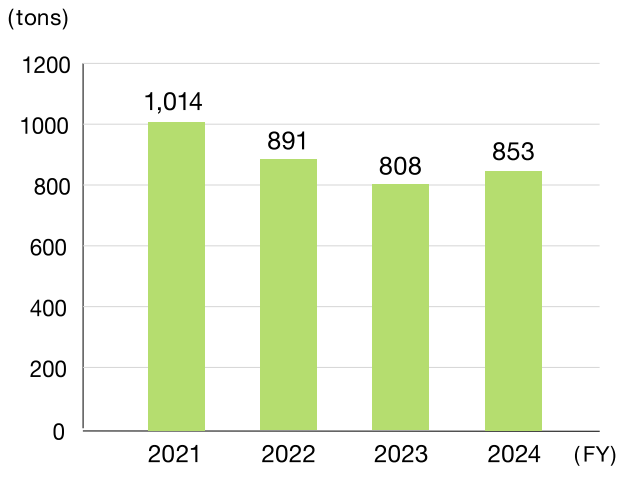
Reduction in Water Quality Contaminants

The Mitsui Chemicals Group has adopted benchmarks on water quality contaminants designated by laws and regulations and monitors the emissions of these substances such as chemical oxygen demand (COD), nitrogen and phosphorus, to preserve the water environment. The emission levels for each of these contaminants are maintained far below the target levels required by laws or other regulations.

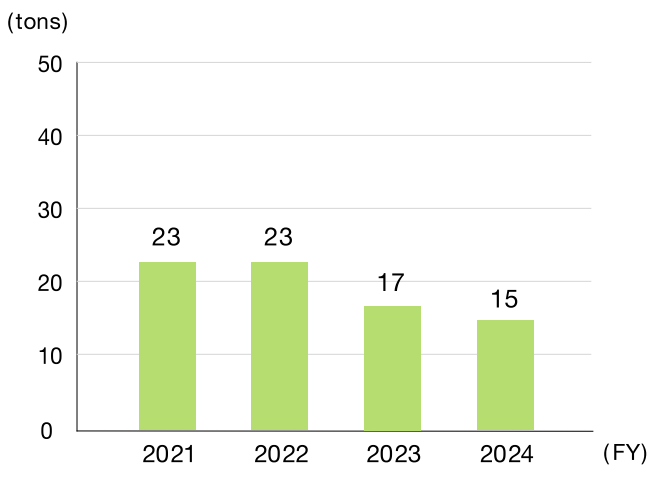
In domestic production sites with high water usage, the wastewater from different plants is collected together before it is treated by neutralization, oil separation, and removal of solids. We also pass the wastewater through an activated sludge process to remove organic substances using microorganisms. However, some of the water cannot be treated by the activated sludge process as it contains substances that inhibit microorganisms from organic decomposition or the organic substances contained in the water are persistent. Such wastewater is treated in a normal manner after treated with ozone, combustion, or anammox.*

*Anammox:
Anaerobic ammonium oxidation. A process to remove nitrites from ammonium-rich wastewater using ammonia-oxidizing bacteria.

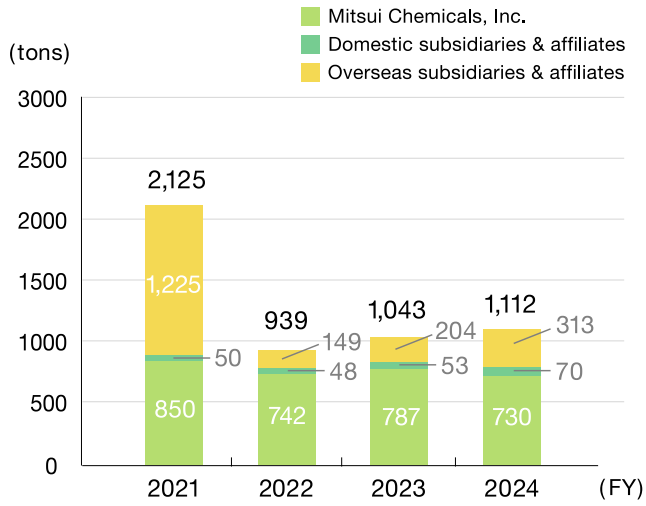
Total Nitrogen Emissions (Mitsui Chemicals, Inc.)



Total Phosphorous Emissions (Mitsui Chemicals, Inc.)



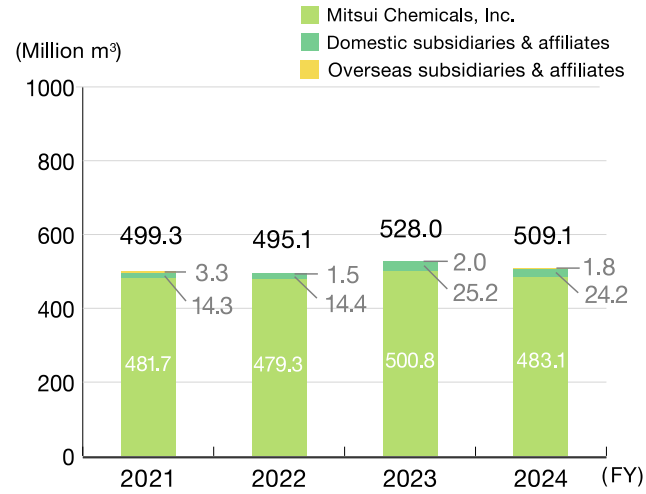
COD Emissions (Mitsui Chemicals Group)



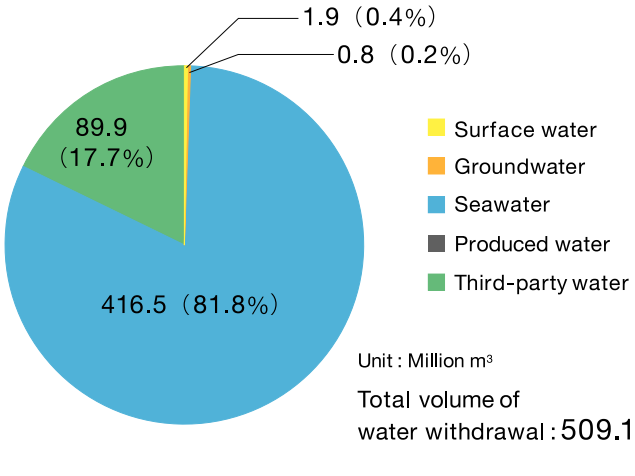
Efficient Use of Water

To grasp its water consumption and to use water efficiently, the Mitsui Chemicals Group monitors the amount of water withdrawal, water discharge, and water recycled. For instance, we strive to reduce water consumption by setting annual budget targets, such as reducing water consumption per product unit from previous year. Especially in water-consuming production sites, we proactively engage in water recycling, including circulating cooling water systems, in an effort to reduce water withdrawal and consumption.

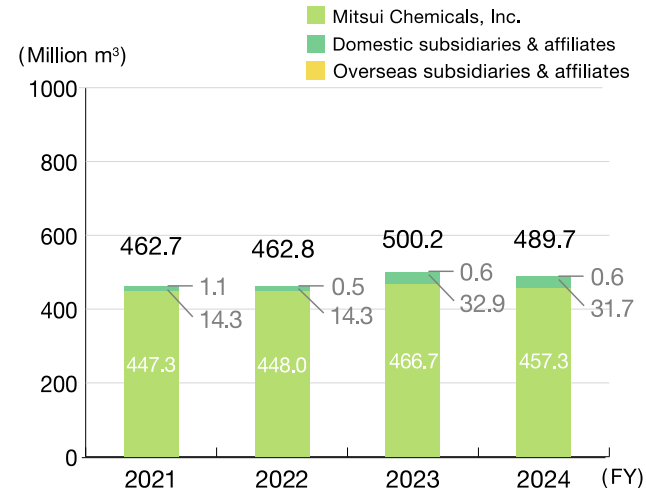
Water Withdrawal
(surface water, ground water, seawater, produced water, third-party water)



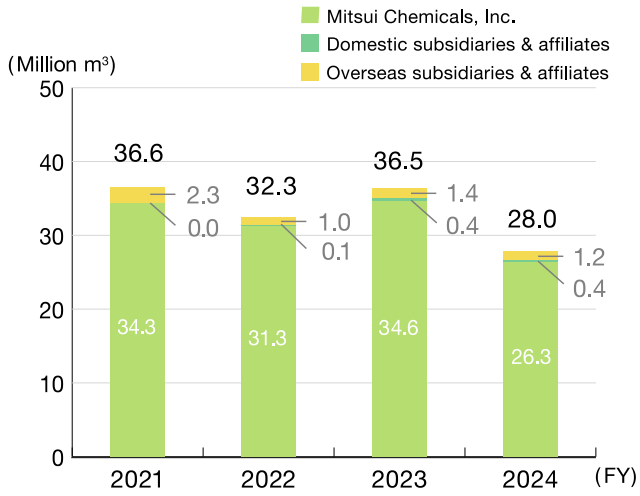
Breakdown of Volume of Water Withdrawal
(Mitsui Chemicals Group: FY2024)



Discharge Water Volume

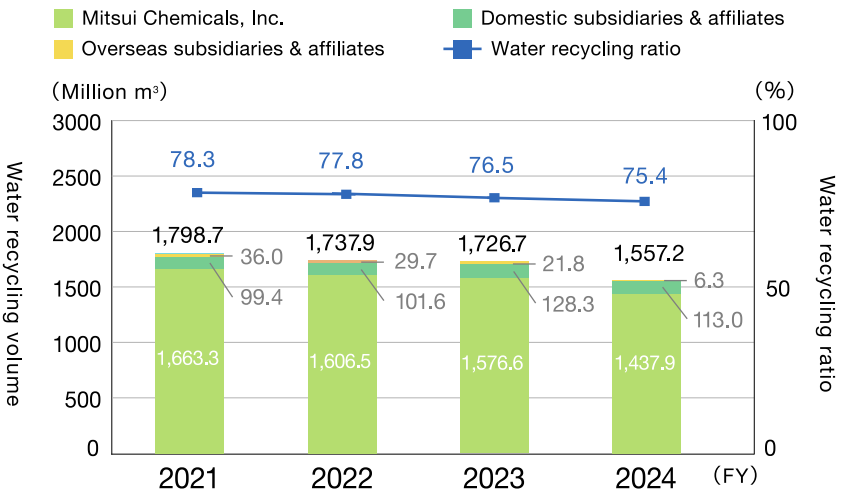


Water Consumption*



*Water consumption = water withdrawal - discharge water volume

Water Recycling Volume and Ratio*



*Water recycling ratio = water recycling volume / (volume of water withdrawal + water recycling volume)

Water Risk Assessment

The Mitsui Chemicals Group conducts water risk assessments for its production sites from the present up to the year 2050. As assessment tools, we mainly use the AQUEDUCT Water Risk Atlas from the World Resources Institute (WRI) and the Water Risk Filter from the World Wide Fund for Nature (WWF). First, we identify potential areas with water stress using AQUEDUCT, and then we narrow down these areas with water stress using the Water Risk Filter, which offers a different perspective. In FY2024, water risk was re-evaluated due to the revision of the Water Risk Filter. As a result, we identified two sites in India and the United States as areas with water stress. For these areas, we conduct detailed assessments based on water intensity per products manufactured at the site, water consumption, and local information. We have already conducted a detailed assessment of the site in India in FY2021 and confirmed that the water risk is not high. We will next conduct a detailed assessment of the site in the United States.

In addition, similar surveys are conducted at new plants when operations are commenced. Given the increasing demand for assessments from a double materiality perspective in the environmental field, we will restructure our comprehensive water risk assessment methods to include natural capital and biodiversity. Including biodiversity risk as a part of water risks, we use IBAT to gather data and investigate biodiversity risk based on the following evaluation items: Protected areas, priority protected areas, endangered species and endangered freshwater species surrounding our production sites.

In support of the TCFD recommendations, we are conducting assessments on the physical risks to our production sites (such as floods), based on IPCC RCP 4.5 and RCP 8.5. In identifying sites to be assessed, 68 sites in eight areas that rank high in importance (Japan, China, Korea, Taiwan, Southeast Asia, India, United States, Europe, Brazil and Mexico) have been selected for analysis and assessment for the risk of river floods and coastal floods (storm surges). The risk of floods tends to be high in East Asia including Japan and China, and Southeast Asia, and the number of disasters is expected to increase in many areas.
Also, as part of the risk impact assessments, we estimated the amount of reduction in asset value and the amount of damage due to business interruption caused by floods from 2020 to 2080, utilizing a particular assessment model. The assessment results suggested that in 2030 and onward, our domestic and overseas sites will be subjected to a greater risk impact from river floods. In conjunction with the further development of the physical risk assessment in the recommendations of the TCFD, we plan to further expand the number of production sites subject to impact assessment, determine whether actions need to be taken based on the impact assessment results, and reflect the necessary actions in our business strategy.

* IBAT:
Integrated Biodiversity Assessment Tool. Developed jointly by BirdLife International, Conservation International, International Union for Conservation of Nature (IUCN), United Nations Environment Programme (UNEP), and UN Environment World Conservation Monitoring Centre, IBAT facilitates access to basic data and the latest information on natural preservation.

Mitigation of Flood Damage

Mitsui Chemicals has concluded an agreement with Omuta City, Fukuoka Prefecture, to construct a rainwater storage and infiltration facility* on the premises of our Omuta Works, aimed at mitigating flood damage caused by heavy rainfall. The facility is scheduled to be completed in February 2026. This facility development by a private company utilizing the Ministry of Land, Infrastructure, Transport and Tourism's disaster prevention and safety subsidy is the first case nationwide, and we will contribute to improving regional flood control safety levels.

* Rainwater storage and infiltration facility :
A facility that temporarily stores rainwater on-site to suppress the rapid inflow of rainwater into rivers and other bodies during heavy rainfalls.

Biodiversity

The Mitsui Chemicals Group aims to minimize the negative impact on the global environment and ecosystems from the products it manufactures and sells throughout their lifecycles.
The manufacture of chemical products has the potential for impacting biodiversity in the air, water, and soil through GHG emissions when using energy (electricity and thermal), the consumption of water resources in heating, cooling, and cleaning processes, and water-polluting effluent. In addition, the release and decomposition of harmful chemical substances at the manufacture, use, and disposal stages of chemical product lifecycles can reduce the number of species living in those environments.
To prevent any loss of biodiversity, the Mitsui Chemicals Group is working on the following initiatives aimed at mitigating climate change, recycling of resources, managing chemical substances and reducing environmentally harmful substances to contribute to realizing a cohesive society in harmony with the global environment.

Basic Approach to Biodiversity Conservation

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 biodiversity conservation through the supply of environmentally friendly materials, products, and services.
3. We will comply with international biodiversity agreements.
4. We strive to conserve 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 conserve biodiversity, we will promote employee social contribution activities that have our stakeholders trust.

Biodiversity Risk Assessment

Believing that reducing environmental burdens throughout the Mitsui Chemicals Group's production and business activities helps preserve biodiversity, we undertake initiatives that include managing chemical substances, reducing GHG emissions, and managing water resources. As a chemical company whose operations are particularly dependent on natural capital such as raw materials, water resources, and land, we believe it is necessary to assess our impacts on natural capital and biodiversity, take steps to mitigate negative effects, and contribute to a nature-positive society.
To date, we have conducted surveys related to natural conservation areas—including World Natural Heritage sites, IUCN categories I, II, III, and Ramsar Convention wetlands—at our Group production sites in FY2017, and biodiversity risk assessments using the WWF Biodiversity Risk Filter (BRF) in FY2023. Beginning in fiscal 2024, we have expanded the scope of our assessment to include the value chain and stakeholders, and have initiated consideration based on the LEAP approach* recommended by the Task Force on Nature-related Financial Disclosures (TNFD).
In the Locate phase (L1 and L2), we assess ecosystem-related risks and dependencies in both upstream and downstream segments of the value chain, as well as in our direct operations, for each business portfolio. This assessment is conducted using tools such as ENCORE. In the chemical sector, we have identified that elements such as water resources (including water usage and water quality) and pollution (including pollutant emissions) are of high importance. Going forward, we will continue to conduct further analyses and evaluations to identify sensitive locations of particular relevance to our company.

Evaluation Conducted and Summary of Results to Date

Items	Tools	Scope	Year of implementation	Summary of Results
Nature conservation areas	IBAT	Direct operations (Primary manufacturing sites)	2017	There are no nature conservation areas in the vicinity of our sites.
Biodiversity Risk	WWF BRF	Direct Operations (Sector)	2023	Significant Impact: Pollution Significant Dependencies: Landslides, Tropical Cyclones, etc.
Biodiversity Risk	ENCORE SBTN	Value chain upstream and downstream Direct operations (sectors related to the business portfolio)	2024	Significant impacts and dependencies: - Water resources (water usage and water quality) - Pollution (emission of pollutants)

* LEAP Approach:
An integrated approach for companies to evaluate nature-related issues in preparation for TNFD disclosure, consisting of four steps: Locate, Evaluate, Assess, and Prepare.

Contributions through Products and Services

The Mitsui Chemicals Group is developing products and services that help reduce environmental burdens. Formulating Blue Value™ as a means for displaying environmental contribution value, products that help "Reducing CO_2", "Conserving resources", and "Coexisting with nature" are designated as Blue Value™ products.
Setting Blue Value™ products sales revenue ratio as a KPI in VISION 2030, we aim to expand product groups that help conserve biodiversity.
In addition, the Group, which has been vigorously promoting a shift to business with a social challenge perspective, also focuses its attention on biodiversity related social challenges and aims to provide products and services that contribute to solving such challenges.

TOPICS: Product development aimed at marine life conservation

Mitsui Chemicals has developed NAGORI™*, a product that contains up to 75% of mineral components found in seawater.
This product was born from an employee's idea. Focusing on the fact that the desalination technology—a solution for the social challenge of water shortages—is a trade-off with another new challenge, coral extinction caused by concentrated brine produced as a by-product in seawater desalination, the employee came up with an idea of developing products using rich minerals in the concentrated brine as the main raw material.
NAGORI™ received high praise from members of the judging committee for its innovative chemical technology utilized to tackle the environmental challenge, earning selection into the Good Design Best 100 as one of the top 100 winners of the 2018 award.

*NAGORI™:
An innovative material created from seawater minerals. Mitsui Chemicals has used its state-of-the-art compounding technology to grant material thermal conductivity similar to that of ceramics along with a weighty feel and ease of mass production.
In the future, Mitsui Chemicals intends to take the concentrated brine produced as a by-product in seawater desalination and use the raw materials from this for NAGORI™. As a chemical company, we are looking at how to create tangible solutions in pursuit of environmental friendliness, Sustainable Development Goals (SDGs) and how as a society we should approach true sustainability.



Beer tumbler made from NAGORI™

NAGORI™ Wins Good Design Award 2018, Makes Good Design Best 100 >

Contributions through the Supply Chain

In procuring our raw materials, we are making efforts to select materials and suppliers that will result in a lower environmental impact in line with our Purchasing Policy. As we include"preservation of biodiversity" to the Sustainable Procurement Guidelines, we request our suppliers to support the preservation of biodiversity. In logistics, we work to reduce environmental impact mainly by undertaking modal shifts and shared logistics. We provide product safety information in an effort to help customers handle products appropriately and minimize environmental impacts.

Participation in Initiatives

We support the aims of the Taskforce on Nature-related Financial Disclosures (TNFD), an international initiative launched in June 2021, and participate in the TNFD Forum.
We also support the Declaration of Biodiversity by the Japan Business Federation (Keidanren) and participate in the Japan Business and Biodiversity Partnership. The policy and initiatives of Mitsui Chemicals in this area has been introduced in Initiative on the Declaration of Biodiversity by Keidanren.

Support Initiatives >

Social Initiatives That Support the Conservation of Biodiversity

The Mitsui Chemicals Group undertakes environmental creation initiatives to conserve biodiversity at its business sites.

*Major activities are shown here.

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



Donations to Environmental Conservation Organizations

Mitsui Chemicals employees have been annually donating to the Japan Environmental Action Network (JEAN) — an NGO that engages in ocean and river environmental preservation activities—through the One-Coin Club since fiscal 2015.

Environmental Protection

Environmental Accounting/Compliance

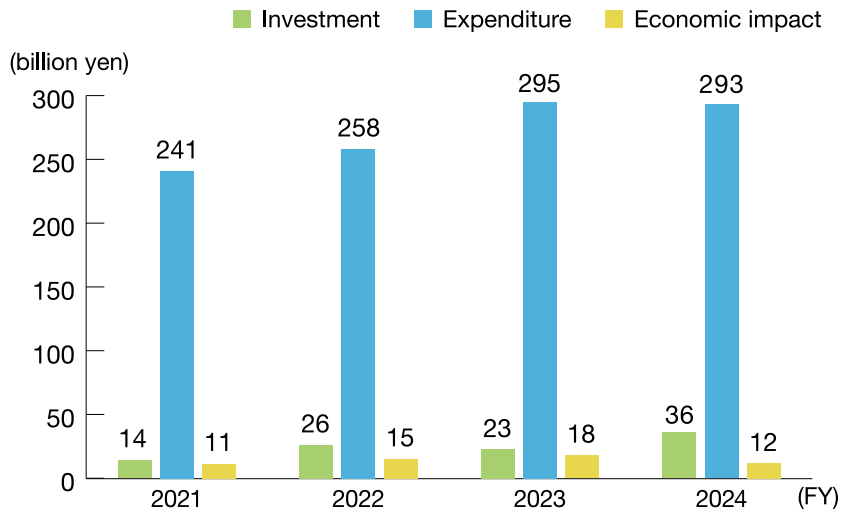
Environmental Compliance

The Mitsui Chemicals Group believes that compliance with the environmental laws and regulations of the nations and regions in which it operates and addressing the opinions and complaints of local residents are an important part of environmental compliance.
Through training our employees about environmental laws and regulations and conducting audits at each of our operating sites, we aim for zero violations of environmental laws and regulations. In addition, management at each location conducts regular meetings with members of local communities to exchange opinions and broaden understanding regarding facility operations. Each business site fields complaints and comments from local residents. Furthermore, Mitsui Chemicals has established a whistleblowing system that allows members of the local community to express their opinions.
Thanks in part to these efforts, there were no violations of environmental laws or regulations in fiscal 2024. We will continue our efforts in environmental compliance in order to earn and maintain the trust of society in general.

Environmental Accounting

Mitsui Chemicals invests as much as is necessary in responsible care, 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.

Environmental Accounts (Mitsui Chemicals, Inc.)



Environmental Accounts Breakdown of Investment and Expenditure (FY2024 Mitsui Chemicals, Inc.)

Unit: million yen

Category	Main initiatives	Investment	Expenditure
1. Business area costs (Cost of reducing the environmental impact of production and service activities within our business area)		3,310	19,480
1-1 Pollution prevention cost	Measures to prevent VOC air pollution, odors, reduce wastewater, etc.	(579)	(16,867)
1-2 Global environmental conservation cost	Energy saving equipment	(2,466)	(102)
1-3 Resource circulation cost	Recycling waste plastics, etc.	(265)	(2,511)
2. Upstream/downstream costs (Cost of reducing the environmental impact of production and service activities in upstream or downstream areas)		273	0
3. Administration cost (Cost of environmental management activities)	Maintaining environmental management systems, training employees, etc.	0	592

4. R&D costs (Cost of environmental research and development activities)	Developing products and processes to protect the environment, reduce environmental impact, etc.	40	8,320
5. Social activity costs (Cost of environmental social activities)	Increasing greenery, funding measures to combat pollution, etc.	8	235
6. Environmental remediation cost (Cost of remediating environmental damage)	Remediating pollution, etc.	0	682
Total		3,632	29,309

Environmental Accounts Breakdown of Economic Impact (FY2024 Mitsui Chemicals, Inc.)

Unit: million yen

Category	Main benefits	Economic impact
1. Income from recycling	Recycling waste into resources	410
2. Income from saving energy	Saving energy	759
3. Income from saving resources	Improving our raw material intensity index	55
Total		1,223

*Scope of Mitsui Chemicals, Inc.: Parent company production sites and the VISION HUB™ SODEGAURA

Product Stewardship

Management System

Policy and Basic Approach

The Mitsui Chemicals Group's Responsible Care Policy states "We will assess the risks to people and the environment from our products throughout their life cycle, while working to ensure the health and safety of all persons and to reduce the environmental impact of those products." We have stipulated Mitsui Chemicals Group's Principles for Chemicals Management and have rolled out necessary operational processes as a Global Policy to unify our basic Group-wide approach.

As a member of the supply chain, the chemical industry is responsible for protecting people's health and the environment throughout the product life cycle, from product development to disposal. The Group promotes product stewardship (responsible product management) by engaging in voluntary risk management based on risk assessment, in addition to compliance with the regulatory requirements in each country.

Cooperation with business partners is indispensable to minimize the risks to people and the environment throughout our product life cycle. The Mitsui Chemicals Group continues to collect chemical information from suppliers, assess the risks concerning our products, and maintains mutual communications with customers on any hazards in our products and how to handle them safely.

Mitsui Chemicals Group's Principles for Chemicals Management

Mitsui Chemicals Group will contribute to the development of a safe and sustainable society by managing chemicals in accordance with the following principles in order to ensure the health and safety of all persons and reduce environmental impact.

1. We establish Chemicals management policies and rules, and take actions in accordance with them.
2. We manage our chemicals management system appropriately.
3. We promote the safe handling of chemical products throughout the value chain through risk communication with our business partners.
4. We understand the needs of our stakeholders and provide appropriate product information.

We determine medium- to long-term goals based on the above Policy and Principles, while taking into account global chemical management trends and the Group's business direction. We implement initiatives while creating an action plan every year.

We will implement chemicals management in a planned manner based on the following Basic Strategy for long-term targets.

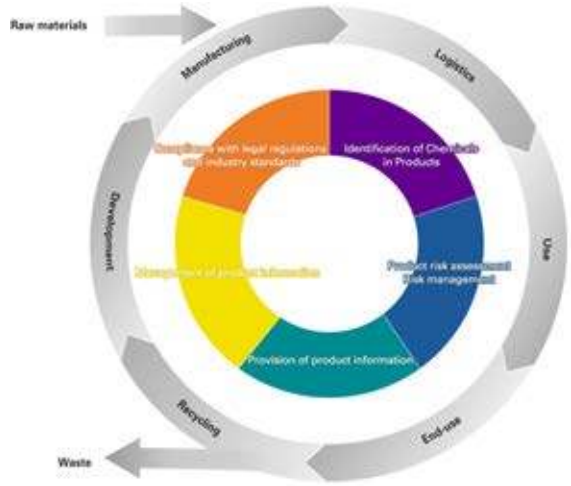
Long-Term Goals (Our Ideal Vision for 2030)

Based on a high level of quality awareness among all employees and an information infrastructure that can be used by the Group globally, transform our management structure into one that can encompass the entire supply chain, from development to disposal, accomplish an active mechanism of providing information, and deliver a greater value to our customers with our high quality products and services.

Basic Strategy for Long-Term Goals

1. Transforming our management structure into one that can encompass the entire supply chain, ranging from development to disposal (process assurance)
2. Building a management structure responding to the circular economy and accomplishing an active mechanism of providing information
3. Securing, development, and assignment of Quality Human Resources
4. Streamlining of operations utilizing digital technology

The Mitsui Chemicals Group's Chemicals Management



The Mitsui Chemicals Group assesses the risks to humans and the environment posed by chemical substances by considering the entire product life cycle, from the planning stage of the business, through development, manufacturing, distribution, use, recycling, and final consumption to disposal. The Group provides safety information based on the assessment results for appropriate risk management at each stage of the product life cycle to ensure people's health and reduce the environmental impact. In addition, we will promote product design to improve resource recycling and management of chemical substances contained in products, and work to build a circular economy business model through the supply chain.

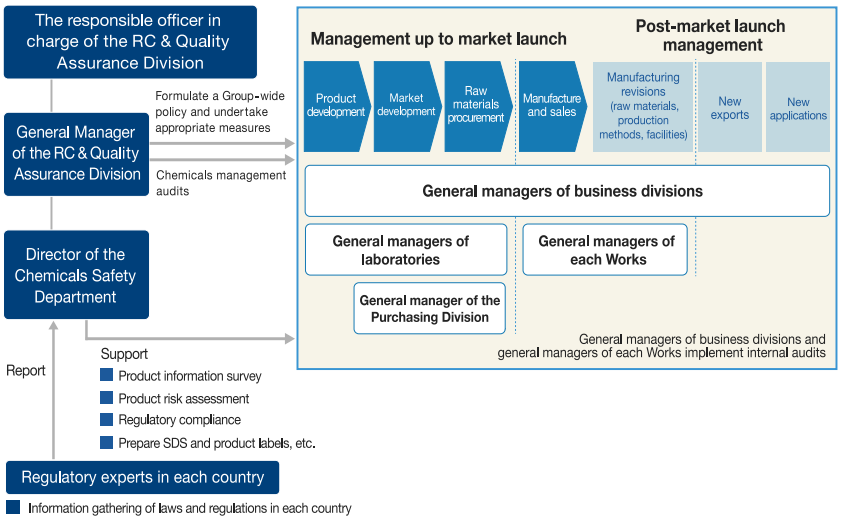
System and Responsible Officers

Policies and measures related to chemicals management are discussed by the Responsible Care Committee as part of Responsible Care.

The responsible officer for the RC & Quality Assurance Division, who is responsible for this task, reviews and establishes the group-wide chemicals management policy, and ensures that the policy is understood and put into practice in Mitsui Chemicals. The officer also provides advice, instructions, and guidance to the responsible officers for the business sector. The general manager of the RC & Quality Assurance Division combines the latest trends in chemicals management policies and laws from different countries with information gathered from regulatory experts to create concrete measures for compliance, and promotes the implementation of such measures across the Group. Under the initiative of the general manager of the RC & Quality Assurance Division, the director of the Chemicals Safety Department supports the implementation of concrete actions, which include conducting product information surveys and product risk assessments, complying with chemical regulations and standards, and creating SDSs and product labels.

Based on these company policies, the general manager of the business division that owns the product and the responsible officer for the business sector responsible for that division are responsible for the chemicals management of each product. In addition, the general manager of laboratories is responsible for human- and environment-friendly product development; the general manager of the Purchasing Division is responsible for raw material procurement; and the general manager of each Works is responsible for managing the chemical products handled at Mitsui Chemicals' Works.

Product Stewardship System (Mitsui Chemicals, Inc.)



The RC & Quality Assurance Division conducts chemicals management audits of each business division and affiliated companies of the Mitsui Chemicals Group.*

Audit on chemicals management	Audit Division	RC & Quality Assurance Division
	Scope	Business divisions of Mitsui Chemicals Head Office, branch offices, laboratories, and domestic and overseas affiliates
	Details	The management system for chemicals management, its operational status, and the status of compliance regarding the manufacture, import, and sales of chemicals are checked.
	Frequency	In principle, once every three years

*The Internal Control Division, as the third line of risk management, conducts audits from an independent standpoint to ensure that the audits are properly carried out.

Goals and Results

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Number of major legal and regulatory violations related to chemical regulations	Mitsui Chemicals Group	0	0	0	0

Product Stewardship

Regulatory Compliance and Providing the Safety Use Information

Under the new international framework for chemical substances management, the "Global Framework on Chemicals – For a planet free of harm from chemicals and waste" (GFC*), which aims to prevent or minimize harm caused by chemicals and waste in order to protect the environment and human health, countries around the world are enacting new laws and revising existing ones. Compliance with these laws is the foundation of sustainable business, and Mitsui Chemicals carries out chemical substances management in accordance with laws and regulations to ensure our legal compliance.
Also, providing information throughout the supply chain is indispensable for product stewardship. We are making extra efforts to provide information about the safe handling of our products—even beyond providing legally-specified Safety Data Sheets (SDSs) and displaying labels.

* GFC:
Global Framework on Chemicals – For a Planet Free of Harm from Chemicals and Waste
A new chemical substances management framework adopted in 2023 as the successor to SAICM. The framework covers the entire life cycle of chemical substances, and aims to promote voluntary chemical substances management by multiple stakeholders.

Compliance with New or Revised Regulations Related to Chemical Substances

Under the international framework for chemical substances management, many countries are also strengthening their local regulations, including the EU REACH regulations*. A number of revisions to laws and regulations will also take place. We have formed a cross-organizational team, in which all business and corporate divisions participate, to formulate response measures for newly enforced or revised laws and regulations in each country. Working together with raw materials manufacturers, our internal supply chain, and suppliers, we remain fully compliant with laws and implement risk management measures systematically.
Ensuring compliance in a scheduled manner is needed for the Act on Registration and Evaluation of Chemical Substances in Korea, Kimyasalların Kaydı, Değerlendirilmesi, İzni ve Kısıtlanması (KKDIK) in Turkey, and UK REACH in the U.K., which are similar to the REACH regulations in Europe. We will register properly before the deadline.

*EU REACH regulations:
Regulations on registration, evaluation, authorization, and restriction of chemical substances

Global Network for Legal Compliance

We need the latest information from each country to maintain our compliance with local laws and regulations. We appoint Regulatory Experts in our affiliates in the US, Germany, China, Taiwan, and Thailand to gather information on local legislation and the policies of chemical industry organizations. The Regulatory Experts in different countries and Mitsui Chemicals also exchanged the latest information and issues in the Regulatory Experts Meetings (once a year).

Centralized Chemicals Information and Providing the Safety Information

Thorough data management is important for chemicals management. Mitsui Chemicals manages chemical substance information for all products, raw materials, etc., handled centrally through the Mitsui Chemicals Safety Information System (MiCSIS). This system quickly and reliably confirms compliance with domestic and overseas laws and regulations, manages manufacturing and import quantities, creates SDSs and product labels in compliance with Japanese, European, American, East Asian, and Thai laws and standards, and complies with chemSHERPA*. We then work to inform our customers about our legal compliance and the hazards and safe handling of our products.
In addition, we endeavor to obtain information on chemical substances contained in raw materials by requesting raw-material suppliers to submit SDSs, chemSHERPA, and the Regulatory Survey Report.

The legally-demanded registration of chemical substances and chemical products in each country is only a beginning. Chemicals management does not end even after the products are introduced to the market. The Mitsui Chemicals Group continues its efforts to shift its operation towards information dissemination to ensure that it can respond to various post-launch changes and provide customers with the latest information promptly and proactively.

*chemSHERPA:
Chemical information Sharing and Exchange under Reporting Partnership in supply chain
A scheme for conveying information about chemical substances contained in products. The Ministry of Economy, Trade and Industry is developing and promoting this scheme in aims of having the scheme utilized globally.

Contribution to the Industry

Mitsui Chemicals contributes to product stewardship in the chemical industry.
We are striving to resolve issues surrounding chemicals with other chemical corporations through the activities of the Japan Chemical Industry Association (JCIA) and the International Council of Chemical Associations (ICCA).

International Council of Chemical Associations (ICCA) and Chemical Industry Associations in Each Country >

Product Stewardship

Providing Safe Products

For human health and environmental protection, as well as for sustainable development, the Sound Chemicals and Waste Management scheme for chemical substances and waste, which takes into account product life cycles, is being proposed and is also being deployed by the International Council of Chemical Associations (ICCA). In addition, the Global Framework on Chemicals (GFC) for 2030 calls for the promotion of voluntary chemical substances management by multiple stakeholders, including industry.
As a member of the supply chain that aims for sustainable development, the Mitsui Chemicals Group is engaging in business and product development that incorporates those sound and voluntary perspectives on chemical substances management.

Product Risk Assessment

Mitsui Chemicals assesses the potential risks of all our products for workers who handle them, for general consumers who we anticipate will be the final users of our products, and for the environment.
We also assess risks for new products at the time of development, and for existing products when (1) materials or manufacturing methods are changed, (2) their applications are extended, (3) related laws and standards are revised, and (4) new scientific findings are announced.

For risk assessment for workers, we prioritize risks based on qualitative assessment using the Control Banding Method*1 and proceed to quantitative assessment utilizing methods such as ECETOC TRA*2, which is used for risk assessment in the European REACH regulation. For products that may pose a high risk depending on the handling conditions, we undertake risk communications with customers to ensure appropriate risk management as well as consider risk reduction through improving the compositions or developing alternative products, or doing both.

Going forward, we will also assess risks that support recycling in light of shifting to the circular economy.

*1 Control Banding Method:
A chemical substance management method created by the International Labour Organization (ILO) with the aim of protecting workers from chemical substances.
*2 ECETOC TRA:
A targeted risk assessment (TRA) tool developed by the European Centre for Ecotoxicology and Toxicology of Chemicals (ECETOC).

*For risk assessment and management in works and distribution, see the following sections:
Occupational Health; Safety and Prevention; Environmental Protection; and Logistics.

The risk assessment of a product or brand is divided into five stages. A certain set of risk assessments is designated for each stage and the assessment task is shared among the R&D Laboratory, business divisions, Works, the RC & Quality Assurance Division, and the Safety & Environment Technology Division. The same applies to catalysts and additives used for materials or in the manufacturing process, and byproducts generated during manufacturing.

Stage	Role	Response Measures
I	Tentative product concept setting	Gathering of safety-related information, conducting of collection and verification of information of chemicals in products
II	Tentative product concept market opportunity assessment	Provide customers with safety information when supplying prototypes
III	Preliminary market development by limited number of customers	Notify those involved within the Company of safety information Provide safety information to limited number of potential customers ↓ Implement product risk assessment ↓ Hold product safety conference*1 → Change*2 / cease development ↓ Implementation of risk management measures*3 Submission of application for approval
IV	Full-scale market development	
V	Commercialization, release to market	Implement Change Control Implement risk assessment of existing products

*1 The internal standards are followed when it cannot be confirmed that the risk is sufficiently low, etc.
*2 Examples: Changes of materials, method of manufacture, specifications, etc.
*3 Examples: Restrictions on application/use conditions; in addition to SDS, information conveyed in technical documents.

Risk Assessment and Blue Value™

Mitsui Chemicals has designed Blue Value™ to visualize how a product contributes to reducing the environmental impact at each stage of its life cycle from the viewpoint of product stewardship. Blue Value™ uses a simplified version of LIME2[*2], an environmental impact assessment method based on life cycle assessment (LCA)[*1], for screening evaluation in the application and certification process for target products, and conducts LCA throughout each life cycle stage from raw materials to disposal. Blue Value™ certification items include reducing CO_2, conserving resources, and coexisting with nature, and the impact areas cover global warming, ozone layer depletion, resource consumption, hazardous chemical substances, ecotoxicity, acidification, and others. Through the Blue Value™ application and certification process, we have evaluated 76% of existing products to date.

[*1] Life cycle assessment (LCA):
A technique to quantitatively assess environmental impacts associated with all the stages of a product's life, from raw materials, to manufacturing, processing, use, and disposal.
[*2] LIME2 (Life cycle Impact assessment Method based on Endpoint modeling):
Damage assessment-type life cycle environmental impact assessment method based on environmental conditions in Japan.

Voluntary Control of Chemicals

Chemical substances may be harmful to human health and the environment. Mitsui Chemicals is taking a structured approach to reducing substances of concern and is actively pursuing R&D efforts aimed at their substitution or phased elimination.
We specify chemicals subject to the following list (1) to (9), below, as Prohibited Substances, and we do not use, produce, or sell these substances. For substances the use of which is restricted or that require specific information disclosure, handling in each stage of purchasing, R&D, and manufacturing is strictly controlled. The use of substances categorized as (10) to (19) in the list are specifically determined according to product purposes.

1. Industrial Safety and Health Act: Substances subject to Prohibition on Manufacturing and Other Activities.
2. Industrial Safety and Health Act: Substances categorized as Group-1 Substances in the Ordinance on Prevention of Dangers Due to Specified Chemical Substances.
3. Act on the Regulation of Manufacture and Evaluation of Chemical Substances: Class I Specified Chemical Substances.
4. Poisonous and Deleterious Substances Control Act: Specified Poisonous Substances.
5. Act on the Protection of the Ozone Layer Through the Control of Specified Substances and Other Measures: Substances listed in Annexes A and B.
6. Act on the Prohibition of Chemical Weapons and the Regulation of Specific Chemicals: Specified substances (Schedule 1 Chemicals under the Chemical Weapons Convention).
7. Stockholm Convention on Persistent Organic Pollutants (POPs): Substances listed in Annexes A, B, and C.
8. (EU) REACH Annex XIV (Authorization List).
9. (US) Toxic Substances Control Act (TSCA): Prohibited substances.
10. (US) Toxic Substance Control Act (TSCA): Restricted substances in Section 6.
11. (EU) ELV Directive.
12. (EU) RoHS Directive Annex II.
13. (EU) POPs Regulation Annex I.
14. (EU) REACH: Substances listed in the Substances of Very High Concern (SVHC) Candidate List.
15. (EU) REACH Annex XVII (Restricted substances).
16. (EU) Medical Device Regulation (MDR): Substances listed in Annex I, 10.4.
17. (China) Measures for the Restriction of the Use of the Hazardous Substances of the Electrical and Electronic Products (China RoHS) Hazardous Substances.
18. Global Automotive Declarable Substance List (GADSL).
19. IEC 62474 DB Declarable substance groups and declarable substances

The Group has a policy of reducing certain substances of concern through substitution. Examples of alternative approaches are shown in the table below.

Target	Examples of Substances of Concern	Policy
Reaction solvents in the manufacturing of various products	Toluene, Xylene DMF (N,N-dimethylformamide)	Substituted with less toxic substances
Additives for specific product groups	Diethanolamine	Substituting long-chain alkyldiethanolamine, etc. for additives that are concerned about the inclusion of diethanolamine
Urethane curing agent	MOCA (4,4'-Methylenebis(2-chloroaniline))	Substituted with less toxic substances

From FY2024, our company's scope of prohibited substances has newly expanded. Specifically, we have added (1) candidate substances prohibited in Japan and international treaties, and (2) substances already prohibited in principle outside Japan, such as substances subject to authorization in Europe and substances banned under TSCA in the U.S., to our list of prohibited substances. For products that use newly prohibited substances, we have started to prepare targets for response plans, such as substituting prohibited substances and strengthening controls in closed systems and use in intermediates, etc.

Safety Assessment and Animal Testing System

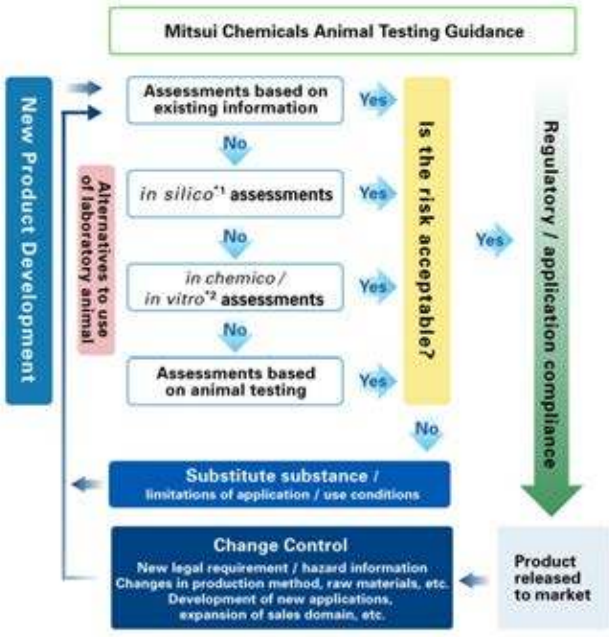
In the development and management of chemical products, animal testing may be unavoidably required in order to confirm safety and functionality as required by laws and regulations. Mitsui Chemicals established internal regulations compliant with various laws and regulations, such as "the Act on Welfare and Management of Animals", "Standards Relating to the Care and Keeping and Reducing Pain of Laboratory Animals", "Basic Guidelines for Animal Testing in Institutes Under the Jurisdiction of the Ministry of Health", "Labour and Welfare (MHLW)", and "Guidelines for Proper Conduct of Animal Experiments", etc. Based on this, the Institutional Animal Care and Use Committee ensures appropriate animal testing by examining our animal experiments not only from the perspective of animal welfare—including the 3R principles (replacement: utilization of alternative methods; reduction: reducing the number of animal testing used; and refinement: alleviation of suffering), but also from ethical and scientific perspectives. Furthermore, we conduct annual self-inspections to ensure compliance with various laws, regulations, and internal institutional rules. Third-party certification by the Japan Medical Information Center* for these initiatives has been obtained since March 2020 (certification will be renewed in March 2023).

*The certification program was transferred to the Japan Pharmaceutical Information Center in April 2021 due to the dissolution of the Japan Health Sciences Foundation.

Acquisition of New Assessment Technologies

The Integrated Approaches to Testing and Assessment (IATA) is becoming widespread as a global trend in risk assessment. IATA is an approach that integrates existing data, and testing data in silico (techniques that predict harmfulness from a chemical substance's structure), in chemico (alternative testing methods to evaluate chemical reactions instead of using living organisms), and in vitro (alternative testing methods that use cultured cells, etc., instead of using laboratory animals) to make animal testing a last resort. IATA has been adopted under the OECD testing guidelines as well as in regulations in different countries. Mitsui Chemicals is actively employing such methods. ADRA[*1], which was developed in a project in which we participated, was adopted in the OECD Guidelines for the Testing of Chemicals in 2019. We also participate in the Long-range Research Initiative of the Japan Chemical Industry Association and JaCVAM[*2], contributing to the development and dissemination of alternative methods to animal testing.

*1 ADRA:
Amino Acid Derivative Reactivity Assay. In chemico alternative method for skin sensitization.
*2 JaCVAM:
Japanese Center for the Validation of Alternative Methods.



*1 *in silico* : Computational scientific method utilizing structural activity correlations and similar substance information.
*2 *in chemico/in vitro* : Laboratory-level evaluation method that utilizes chemical / biological reactions.

Product Stewardship

Training

The safe management of chemical substances throughout the product lifecycle, from development to disposal, is known as product stewardship, and raising the awareness of our individual employees is indispensable to its implementation. The Mitsui Chemicals Group provides them with training programs to acquire knowledge so they can comply with regulations and handle products correctly, and spreads the knowledge across the supply chain in order to establish a corporate culture that protects both human health and the environment. Mitsui Chemicals' chemicals management training program comprises e-learning, a basic course, and an advanced course.

E-Learning	We provide employees with basic knowledge about chemicals management to ensure both the safety of our products and legal compliance. Educational records are managed using an internal system.	
	Scope	All employees in business divisions and laboratories and all line managers of Works and indirect departments
	Details	(1) Legal basics for chemicals management (2) Fundamentals of Mitsui Chemicals' chemicals management • Mitsui Chemicals Responsible Care Policy • Basic knowledge specified by company rules on chemicals management
	Scope	All employees of business divisions, laboratories, purchasing and logistics divisions, and practical personnel of other divisions
	Details	• Poisonous and deleterious substances control in sales and importation
Basic course	Introductory education for new employees	
	Understanding of the background and overall picture of chemicals management work.	
	Scope	New employees assigned to laboratories
	Details	• What is chemicals management? Laws and Responsible Care (RC) • Risk assessment and risk management for chemical substances, and basic knowledge on "safer product development"
	Basic seminar	
	We provide employees with knowledge of specific procedures for chemicals management at our companies to secure the safety and compliance of our products.	
	Scope	Employees responsible for practical handling in the business division, laboratories, etc.
	Details	Part 1: Chemicals management at Mitsui Chemicals • Identification of chemical substances contained in products, and investigation and collection of safety information • Product risk assessment in Mitsui Chemicals • Providing safety information (SDS, labels, etc.) • Compliance before product market introduction, and chemicals management after product market introduction Part 2: Domestic and overseas legal trends
Advanced course	Learning about chemicals specific to a certain product or application, such as food packaging materials.	
	Scope	People involved in specific products and applications, and people responsible for practical chemicals management
	Details	Events held in FY2024 (example) • Explanatory Meeting on Chemical Substances Control Law • Seminar on Food Contact Materials Regulations and Recycling Regulations • Seminars on Legal Regulations in Various Countries (Japan, US, EU, China, Korea, Taiwan, etc.) • Life Cycle Assessment (LCA) Training Session

Quality of Products and Services

Management System | Initiatives

Management System

Policy and Basic Approach

In its Corporate Mission, the Mitsui Chemicals Group establishes increased customer satisfaction as one of its social contribution areas. In addition, our Responsible Care Policy states that we will provide high-quality products and services that satisfy the needs of our customers and respond to the trust that they place in us. To retain our customers' trust by offering products and services that fully satisfy their needs, we are taking a two-pronged approach to quality management through quality control and quality assurance to improve our management levels more than ever across the supply chain.
We have identified specific principles for global quality management in order to ensure a uniform awareness of the basic acceptable level of quality. We are now working to roll out these principles across the Group as a whole.

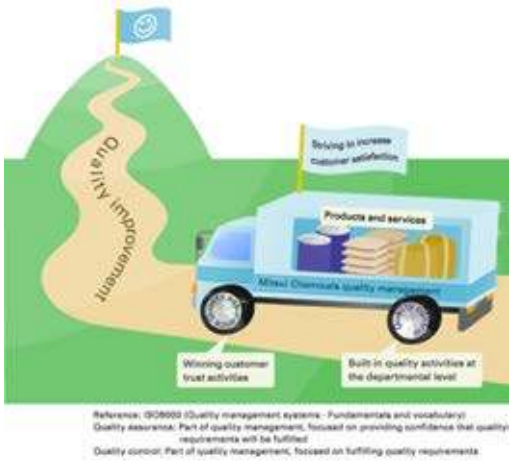
The Mitsui Chemicals Group's Global Quality Management Principles

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" *1) and quality assurance ("activities that win over customers' trust" *2). In this regard, the Company has identified the following principles.

1. Provide customer-oriented products and services
   - Clarify customers' requirements and ensure quality
   - Design and provide products that also look beyond immediate customer needs
   - Propose and provide new products and services that address customers' needs
2. Ensure objective and transparent quality assurance
   - Give priority to compliance with laws and regulations over the pursuit of any profit
   - Put in place a framework that enables a prompt response when an issue occurs
   - Ensure the independence of the Quality Assurance Division
3. Put in place a framework that allows the stable supply of products
   - Ensure quality control from the procurement of raw materials to the delivery of products to customers
   - Adhere strictly to a policy of management of change and non-conforming product control
4. Create a more open corporate culture
   - Adhere strictly to a policy of "report, contact, and consult;" promote the sharing of information between departments
   - Undertake the exchange and horizontal deployment of quality assurance information and techniques across the Group

*1 Built-in quality activities:
Our built-in quality activities aim to minimize discrepancies at every stage of the process, including purchasing, design and development, logistics, sales, and manufacturing, to enable every department to provide the same quality of products and services.
*2 Activities that win over customers' trust:
Our activities that win over customers' trust 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 Philosophy

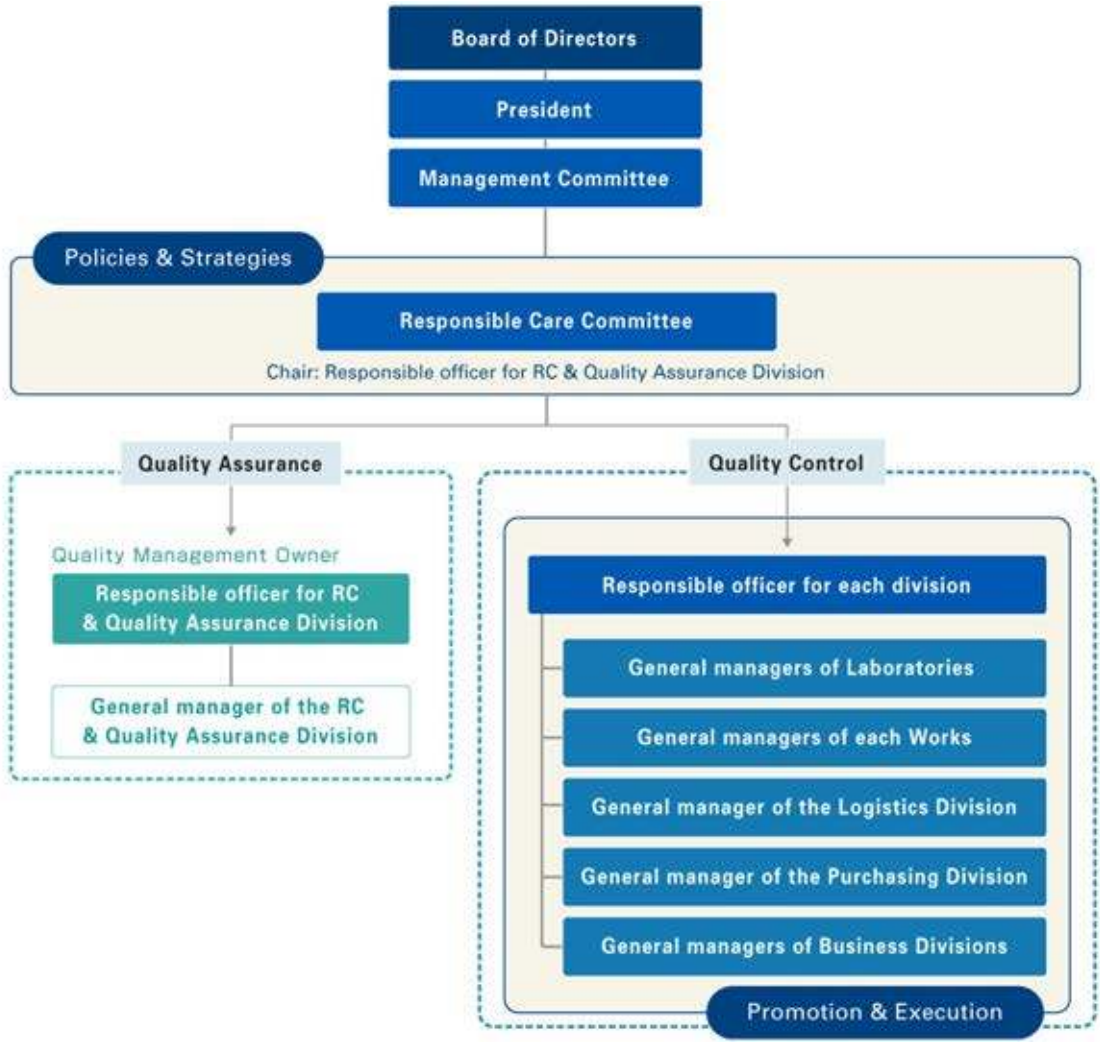


System and Responsible Officers

Policies and measures related to quality management are discussed by the Responsible Care Committee as part of Responsible Care. The responsible officer for the RC & Quality Assurance Division, who oversees Responsible Care activities, establishes company rules and determines the basic elements of quality management based on the Responsible Care Policy. Under the direction of the responsible officer, the RC & Quality Assurance Division oversees both quality management and quality assurance for the entire Mitsui Chemicals Group. Each business sector president is responsible for the quality control of their division, and each division, logistics division, purchasing division, Works, and laboratory promotes quality control based on the policies and strategies of the RC & Quality Assurance Division.

In fiscal 2020, we established a Global Policy on quality management for the development of an advanced quality management system for the Mitsui Chemicals Group as a whole, including increased support for subsidiaries and affiliates in Japan and overseas.

Quality Management System



Internal Audits

The RC & Quality Assurance Division conducts product quality audits of each division of the Mitsui Chemicals Group.*

Quality Audits	Auditing Division	RC & Quality Assurance Division
	Scope	Works of Mitsui Chemicals, Inc., business divisions, logistics and purchasing divisions, and domestic and overseas affiliates of consolidated subsidiaries that have a manufacturing division (including production contractors). May include other affiliates, as necessary.
	Details	Confirms using the actual records, forms, etc., used at the worksite that product quality compliance is observed, and a quality management system that assures customers of the quality is established and operated. Creates the audit program for the following year after reviewing the current year's audit findings and risks inside and outside the Company. The integrity of product audits was also checked. In recent years, remote audits were also utilized.
	Frequency	Once every one to three years (depending on size, business type, and management level of the audited organization).

*The Internal Control Division, as the third line of risk management, conducts audits from an independent standpoint to ensure that the audits are properly carried out.

Goals and Results

Quality Compliance

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Number of major quality-related legal and regulatory violations	Mitsui Chemicals Group	0	0	0	Zero (over the course of VISION 2030)

Quality Management

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Incidence of PL accidents & serious product quality incidents	Mitsui Chemicals Group	0	0	0	Zero (over the course of VISION 2030)

Initiatives

Improving the Standard of Quality Management

We conduct highly effective quality audits and enhance the human resource development programs to improve quality management levels.

Quality Training

We implement a variety of quality training programs. For example, as a human resource development program, we conduct product quality training for each level of employees from new hires to management, hold product quality lectures on the topic of "creating value that satisfies customers," and utilize teaching materials that prevent human error. There are 20 e-learning courses on quality that are available not only for domestic companies but also for overseas affiliates in multiple languages. Moreover, we have been implementing frontline measures to prevent quality issues on the shop floor (QRG activities) with the aim of identifying and eliminating risks that could lead to quality issues. We are implementing these measures in our subsidiaries and affiliates.

Examples of e-learning courses	FY2024 participants (hours) (Mitsui Chemicals, Inc.)
Compliance of quality with laws and rules	5,482 people (2,284hrs)
Basic Training for quality management	1,327 people (774hrs)
Basic training for quality control methods	817 people (4,473hrs)

Award for Quality Management Activities in the Mitsui Chemicals Group

We run the Award for Quality Management Activity in the Mitsui Chemicals Group scheme each November, which is an industry-designated quality promotion month. We award efforts to revitalize Responsible Care (RC) activities to improve our chemical substances management level and quality management at Mitsui Chemicals and its domestic and overseas affiliates. We give awards to those who have achieved outstanding results across our workplaces to support and stimulate RC activities.

Award for Quality Management Activity in Mitsui Chemicals Group in Fiscal 2024

General Manager's Prize of the RC & Quality Assurance Division	Description of activities
Mitsui Chemicals Asahi Life Materials Co., Ltd.	Introduction of AI-Based Automated Inspection System for Nonwoven Fabric Plants
Outstanding Achievement Award	**Description of activities**
Mitsui Chemicals ICT Materia, Inc.	Efficiency Improvement in ICROS™ Tape Quality Management Operations
Phenols Division	Efficiency Improvement in RC Operations Through Division-Wide RC Projects
Ichihara Works	Continuous Quality Improvement Activities at Ichihara Works
Mitsui Advanced Composites (Zhongshan) Co., Ltd.	Strengthening Quality Management Initiatives and RC Activities



The FY2024 RC & Quality Assurance Division General Manager's Prize (Mitsui Chemicals Asahi Life Materials Co., Ltd.)

Responding to the Voices of Our Customers

We collect customer complaints about Mitsui Chemicals products and services in the internal workflow system so that we can monitor the type of complaint, the cause and the customer's response. The data is analyzed each month to review the situation for that year and KPIs are identified for our quality management targets for the following fiscal year.
Whenever we receive a complaint about our products or services from one of our customers, the Business, Manufacturing and Logistics Divisions work together with the Quality Assurance Division to identify the cause of the complaint and to take corrective action. In this way, every effort is made to implement preventive measures across the organization as a whole. In one such initiative, all members of the Quality Assurance Division reassess the root cause of each complaint, consider appropriate countermeasures and monitor progress every week. At the same time, we endeavor to extract important case studies, particularly where there is a substantial risk of inconveniencing our customers, or where the potential exists for similar cases to arise. These case studies are then shared across the relevant departments in the monthly quality management report.
In the face of the demand for a higher level of chemical management (for chemical substances in products), we support product stewardship and implement chemical substance management throughout the entire supply chain. We respond swiftly and accurately to enquiries from customers about chemical substances in our products by organizing the information in a database and designating a department to manage it.

Activities to Ensure Quality Compliance

Recently, serious quality-related compliance violations have been identified at domestic and overseas affiliates. In light of these events, the Mitsui Chemicals Group is working on measures to strengthen quality compliance observance. Specifically, we are proceeding with countermeasures to respectively address "motivation", "opportunity", and "rationalization," known as the fraud triangle, in accordance with our basic policy. Furthermore, horizontal application of such activities includes revising and reiterating the "Guidelines for Ensuring the Soundness of Product Inspections," strengthening items from a compliance perspective in quality audits, bringing forward audits to new affiliates, holding quality dialogues targeting "affiliates at high risk of quality issue," and inspecting the management status of obtaining and maintaining product certifications.

Measures to Strengthen Quality Compliance Observance (Basic Policy)

- Motivation: Creating a quality system that satisfies customers
- Opportunity: Creating a system that does not/will not allow falsification
- Rationalization: Fostering a compliance-oriented organizational culture and sense of ethics through education and awareness-raising activities

Response to the New Business

We have established a quality management system to meet the demands of customers and society for the solutions-based business and new businesses with social issue perspectives, and have started their operations. This initiative consists of "contributing to the creation of value for customers' products" by linking customer feedback to development goals and "preventing defects at the customers' end" at the development phase. In addition, the Mitsui Chemicals Group is taking steps to also ensure compliance with all applicable statutory, regulatory, and certification requirements for each product purpose and conducts risk assessments before bringing a particular product to the market. It is through these activities that we are strengthening our trust-based relationships with customers and ensuring quality in new businesses.
We established a designated group to address compliance issues in connection with laws, regulations, and certification related to pharmaceutical affairs, including the medical instruments business. With this designated group taking the lead, every effort is made to confirm the safety and efficacy of products. Steps are also taken to strictly comply with all statutory and regulatory requirements.

Logistics

Management System

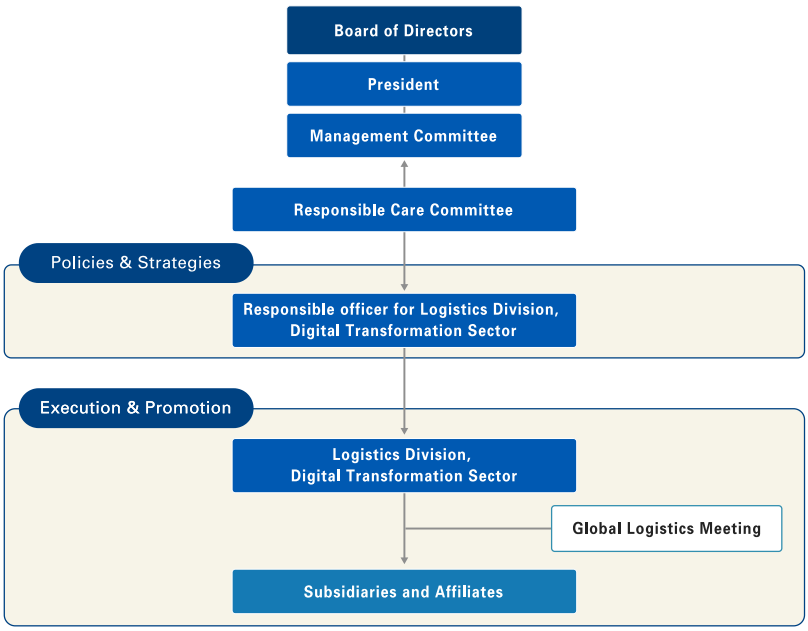
Policy and Basic Approach

The Mitsui Chemicals Group Responsible Care Policy states that the Group implements activities designed to ensure safety, health, and quality, as well as protect the natural environment throughout the entire life cycle of its chemical products, including the logistics.
The environment surrounding the logistics industry is becoming even more challenging due to the increasing risk of disruptions to logistics networks caused by climate change, earthquakes and other natural disasters, international conflicts, as well as a serious shortage of logistics labor. In this severe and dynamic social environment, the stable supply of our Group's products, which play a fundamental role in society, is not only our social responsibility but also our mission.
In VISION 2030, we have defined our group's logistics target by 2030. “We will fulfill our social responsibility as a cargo owner by ensuring safety, reducing environmental impact, and improving the working environment for logistics personnel. Furthermore, we will strongly support business development and transformation by establishing stable and competitive logistics schemes and systems. Additionally, by proactively introducing and applying logistics digital transformation, we will build a system that continuously ensures the realization of smart logistics, operational efficiency, and improved operational quality.”
The Group is working in collaboration with the supply chain to build a resilient logistics system that can respond flexibly to all environmental changes, mainly focusing on responsible care in logistics (Logistics RC) activities aimed at maintaining and improving the logistics environment, safety, and quality.

System and Responsible Officers

Under the supervision of the responsible officer for the Digital Transformation (DX) Sector, who oversees the Logistics Division, we are working to improve and promote logistics RC throughout the entire logistics supply chain, including at affiliates and partner companies.

Logistics RC Management System



The Logistics Division, as the department responsible for promoting logistics RC, sets goals for the fiscal year based on results up to the previous year (number of accidents, complaints, etc.), and establishes the annual Logistics RC plan. In order to ensure safe, environmentally sound, and quality logistics system, we believe it is important to collaborate with logistics providers. For this reason, our annual logistics RC plan includes measures such as audits, educations, worksite dialogues, and campaigns for the logistics providers under our jurisdiction. Progress in implementing the plan is checked at monthly meetings held by logistics RC promoters appointed from the departments in charge of logistics at the Head Office and each Works.

In addition, to horizontally deploy the Group's accumulated knowledge and experience across our global organization, we have established a Global Policy on logistics aimed at preventing accidents during the transportation and storage of dangerous goods, and at ensuring transparency and preventing fraud in logistics management operations. We are promoting the penetration of this policy and its practical implementation across Group companies.
Furthermore, we regularly hold a Global Logistics Meeting with the heads of the logistics division of our overseas affiliates. The purpose is to share information on logistics issues and countermeasures at each site and to promote understanding of the company-wide policy toward a sustainable logistics supply chain.



Global Logistics Meeting (2025), attended by logistics managers from regional headquarters in Europe, India, Southeast Asia, and East Asia

Monitoring

Monthly meetings of logistics RC promoters from the Head Office and each Works check the status of the Group's annual plan targets and monitor progress, and at the Responsible Care Committee meetings, logistics performance and plan progress are reported and opinions are exchanged.
The Logistics Division also conducts audits and worksite dialogues with logistics providers , and the results are shared at monthly meetings.

Internal Audit

The Logistics Division conducts logistics RC audits for each Mitsui Chemicals Group business site and logistics partner. *1

Logistics RC audit	Auditing Division	Logistics Division
	Scope	The Mitsui Chemicals Logistics Division groups and logistics providers
	Details	Logistics RC, including the correct and proper delivery of products to customers, is maintained and improved by checking and providing instructions on the management status of the logistics environment, safety, and quality based on onsite audit or document audit.
	Frequency	Once every one to three years (depending on size, business type, and management level of the audited organization).

*1 The Internal Control Division, as the third line of risk management, conducts audits from an independent standpoint to ensure that logistics RC audits are properly carried out.

Goals and Results

Safety

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Number of serious occupational injuries in logistics*1	Mitsui Chemicals, Inc.	0	0	0	0
Number of major accidents in logistics*2	Mitsui Chemicals, Inc.	0	0	0	0

*1 Serious occupational injuries in logistics:
Occupational injuries that fall under disability grades 1 to 7 and cause death, injury, or illness during a logistics activity in our premises. (This includes partners.)
*2 Major accident in logistics:
Major accident that occurred during logistics activities undertaken by the Company including across the supply chain. Included decision standard considering impact on the environment.

Environment

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
GHG emissions reduction rate in logistics in Japan	Mitsui Chemicals, Inc.	GHG emissions reduction rate: 1% per year	2.2%	GHG emissions reduction rate: 1% per year	-10% (compared to FY2020)

Quality

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals*4	Goals
Number of spillage problems in logistics*3	Mitsui Chemicals, Inc.	15 or less	5	13 or less	11 or less
Incidence of spillage problems in logistics*3	Mitsui Chemicals, Inc.	42 ppm or less	14 ppm	42 ppm or less	—

*3 Spillage problems in logistics:
Troubles with a significant impact on society and customers (complaints, accidents, etc.).
*4 Goals:
Goal for the fiscal year set at 90% or less of the average results for the past three years

Safety and Quality in Logistics

Education on Safety and Quality for Logistics Work

Mitsui Chemicals conducts various initiatives to strengthen safety and quality in logistics. Particularly in recent years, the chronic shortage of logistics personnel on a global scale, combined with the 2024 issues* in Japan, has caused serious problems in maintaining the safety and quality such as the lack of experience and insufficient transfer of skills that are the foundation of logistics. Therefore, we focus on joint education with its logistics providers to improve logistics safety and quality.
As part of these specific initiatives, we are enhancing on-site capabilities centered around Logistics Responsible Care (RC) promoters appointed from logistics departments at headquarters and each Works. These activities include hands-on training at the Plant Operation Technology Training Center, experiential training organized by truck companies, and visits to logistics facilities such as ports, airports, JR freight terminals, and truck terminals.
Furthermore, we believe that in order to achieve logistics that ensures safety, environment, and quality, it is important for the logistics field to be fully aware of logistics RC, and we conduct logistics RC education and training jointly with our logistics providers. In addition, we instruct and confirm that our logistics providers conduct the same management when they re-consign the operations to their partners. For products whose major logistics functions have been transferred to an outsourced logistics provider for management, we are implementing similar activities under the initiative of the logistics providers and in cooperation with the logistics division at each of our Works.

Initiatives that Include Logistics Providers

- Sharing of logistics trouble and near-miss cases at logistics council meetings, worksite patrols at own Works, and education on trouble prevention using a collection of trouble cases
- Group education and training on the handling of hazardous materials
- Raising awareness of logistics safety and quality and fostering a sense of unity with logistics partners through easily understandable publications such as the “Monthly reports on safety and quality for logistics RC” and “RC News,” which feature case studies and lessons learned from logistics-related incidents, the importance of protective equipment, seasonal considerations (such as heat stroke prevention), and conditions at logistics partners’ workplaces.
- Safety talks (interviews) with worksite personnel

* 2024 issues:
From April 1, 2024, the grace period for applying the truck driver overtime regulations will end and the limit of 960 hours of overtime per year will apply to truck drivers, so there are concerns about a further shortage of drivers in Japan.



“Monthly reports on safety and quality for logistics RC”
RC-related communication with logistics partners and introduction of their workplaces



“RC News”
Preventing recurrence by learning from past problems and lessons

Safety Measures for Product Transportation

Provision Product Information

The Mitsui Chemicals Group products include hazardous substances specified by the United Nations Recommendations on the Transport of Dangerous Goods*1 and Japan's Fire Service Act and other domestic laws. In order to ensure the safe handling and transportation of products, the Group provides information on safe handling and storage precautions through Safety Data Sheets (SDS) to its subcontractors, regardless of whether or not the products are hazardous or toxic. We also prepare a Yellow Card*2 for each product, which outlines the emergency response procedures, product characteristics, and emergency contact information in case of an accident during transportation. Logistics partners are required to carry the card during transport.
We have also developed a system to manage the distribution status of provided SDSs and Yellow Cards in a ledger and to swiftly provide the latest information when it is renewed.



Yellow card

*1 United Nations Recommendations on the Transport of Dangerous Goods:
A recommendation developed by the United Nations Economic and Social Council's Committee of Experts on the Transport of Dangerous Goods in order to ensure the safety of international transportation of such goods, updated every two years. Depending on the danger and hazard level, dangerous goods are classified as follows: 1 explosives; 2 gases; 3 flammable liquids; 4 flammable solids; 5 oxidizing agents and organic peroxides; 6 toxic and infectious substances; 7 radioactive substances; 8 corrosive substances; and 9 miscellaneous.
*2 Yellow card:
An emergency contact card on which are written the actions to be taken by those involved, including the truck driver, fire and police, in preparation for the unlikely event of an accident when transporting chemical substances or high-pressure gas. Promoted by the Japan Chemical Industry Association.

Collaboration with Other Companies in the Same Industry

The Mitsui Chemicals Group is keen to maintain safe and secure goods logistics by preparing for emergency situations, in addition to thorough compliance with relevant laws. As for High risk goods*, we are working together with other companies in the same industry to reinforce safety measures, such as organizing a mutual emergency support system, including stocking emergency response equipment and materials.

*High risk goods:
Products that may have a significant social impact if a transportation accident occurs, determined according to its danger level, hazard level, transportation volume, etc.

Emergency Response

As a shipper, the Mitsui Chemicals Group is taking steps to respond promptly and flexibly in the event of an accident during product transportation.

Preparing for Logistics Accidents in Japan

- **Security and disaster drills by each plant to prepare for emergencies and disasters**
  As part of our emergency response training, we regularly conduct drills that simulate accidents involving the leakage of hazardous materials during transportation, as well as drills conducted in cooperation with our logistics providers.
- **Establishment of the Mitsui Chemicals Group Offsite Logistics Accident and Emergency Contact Network and Support System (MENET)**
  The network and support system (MENET) is divided into six areas covering different parts of Japan, and the major Works in each area is appointed as the emergency support provider that can be mobilized 24 hours a day. These designated Works continue to improve their emergency response capabilities through annual emergency contact and mobilization drills.
- **Contract signing for HAZMATers : Hazardous material accident response services with the Maritime Disaster Prevention Center**
  In addition to MENET, we are further strengthening our accident response system by utilizing specialized teams and specialized equipment and materials at the Maritime Disaster Prevention Center.
- **Maintenance of equipment in case of vehicle accidents**
  In preparation for cases where product transportation is disrupted due to a vehicle accident or for other reasons, we have been developing equipment to safely extract products from such a vehicle, etc. In fiscal 2021, we deployed a portable abatement system that is needed to extract high-pressure liquefied gas at Osaka Works. To increase proficiency in the use of this system, we conduct joint demonstrations with our logistics providers and provide group training on safety.

Preparing for Global Logistics Accidents

- **Introduction of Chemicals 24-hour Emergency Response Service (Carechem24)**
  By utilizing the emergency telephone response service provided globally by RICARDO, we are able to respond promptly and accurately to overseas transportation and storage accidents and inquiries about our Group's products. We are also promoting the strengthening of our global logistics RC management system.



MENET Support Providers and HAZMATers Emergency Response Bases



Demonstration using the portable abatement system for liquefied high-pressure gas at the Osaka Works

Initiatives by Logistics DX

Improvement of Logistics Quality Using Digital Technology

For greater efficiency in inventory control and shipment management, we have introduced the use of portable terminals. Inventory and shipping management is performed by reading QR codes attached to packages when receiving and shipping using a handy terminal; reducing the amount of work compared to conventional manual entry or input into spreadsheet software; and achieving a paperless operation. In addition, the introduction of the handy terminal has been effective in preventing erroneous shipments, whereas the previous method of visually checking brand names and lot numbers posed the risk of erroneous shipments due to misreading. Full-scale operation began at the Nagoya Works in fiscal 2019, with installation completed at the Ichihara Works in fiscal 2022.

In fiscal 2021, we also developed and installed a function that automatically outputs the information needed for a Yellow Card from our proprietary SDS system (Yellow Card semi-automatic output system). Actual operation began in fiscal 2022. The addition of this functionality has standardized and greatly reduced the workload of yellow card creation. This allows for speedier and more accurate communication of safety-related information throughout the logistics supply chain, leading to enhanced safety management.



Handy Terminal

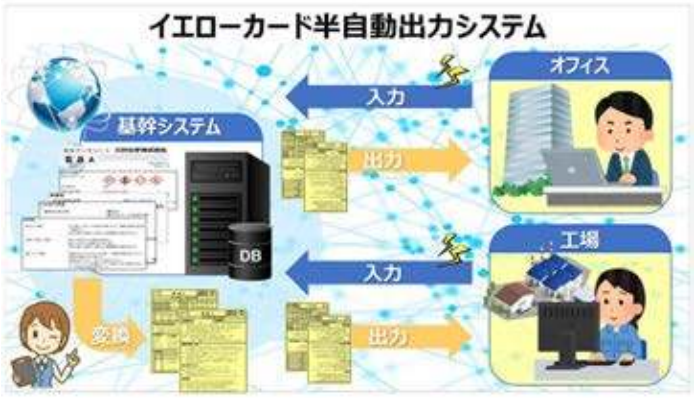


Image of the Yellow Card semi-automatic output system

Initiatives for New Operating Methods Using Logistics BI

We are working to optimize the supply chain by promoting the visualization of actual logistics conditions using business intelligence (BI) tools. In order to solve the problems of data sharing, frequency of data collection, data granularity, and infrastructure for analyzing logistics data, we have established a common data infrastructure within the Company, and are developing an environment that enables regular analysis in the business and logistics divisions to visualize logistics costs and identify logistics issues. In the future, due to the logistics 2024 issues, it will be more difficult to transport goods over longer distances than before, so it is necessary to improve transportation efficiency by reviewing commercial warehouses and other measures. To improve the working environment for drivers, we will promote the reorganization of our logistics network.
Since fiscal 2024, we have been visualizing energy consumption and greenhouse gas (GHG) emissions associated with product transportation using BI tools. Previously, multiple personnel were involved in manual data entry. However, with the introduction of this BI tool, we have established a system that calculates energy usage and GHG emissions directly from shipping records, achieving a 90% reduction in workload compared to conventional methods. Going forward, we will continue to accelerate business process reforms by leveraging digital transformation (DX), striving to realize a sustainable society.

Promotion of Logistics DX Aimed at the Safe Transportation of High-Risk Products

Mitsui Chemicals has begun full-scale implementation of emergency contact cards (Yellow Cards) in QR code format to ensure the safe transportation of products, aiming both to prevent major accidents through vehicle activity monitoring and to avert secondary disasters in the event of an accident.
As part of our dynamic monitoring initiatives, we have introduced a Tire Pressure Monitoring System (TPMS) on vehicles transporting high-risk products. By detecting abnormalities in tire pressure and temperature, this system helps prevent tire bursts and contributes to the prevention of vehicle fires. In addition, we are promoting the implementation of a system to monitor the temperature and pressure inside tank lorries by applying the plant monitoring system used at our company. Analog gauges attached to the tanks are installed at the top, requiring personnel to climb up and down to check readings. By equipping these gauges with sensors and digitizing the data, crew members can now monitor tank conditions from within the cabin, enabling prompt detection of abnormalities and the implementation of preventive measures.

We have also launched an initiative to convert the information on Yellow Cards—required when transporting hazardous materials—into QR codes affixed to transport vehicles. This enables prompt emergency communication and accident response even in unforeseen circumstances, contributing to the prevention and mitigation of secondary disasters. Mitsui Chemicals will continue to actively adopt advanced safety monitoring systems powered by digital transformation (DX) technologies in hazardous materials transportation, aiming to further strengthen the safety and stability of our logistics operations.

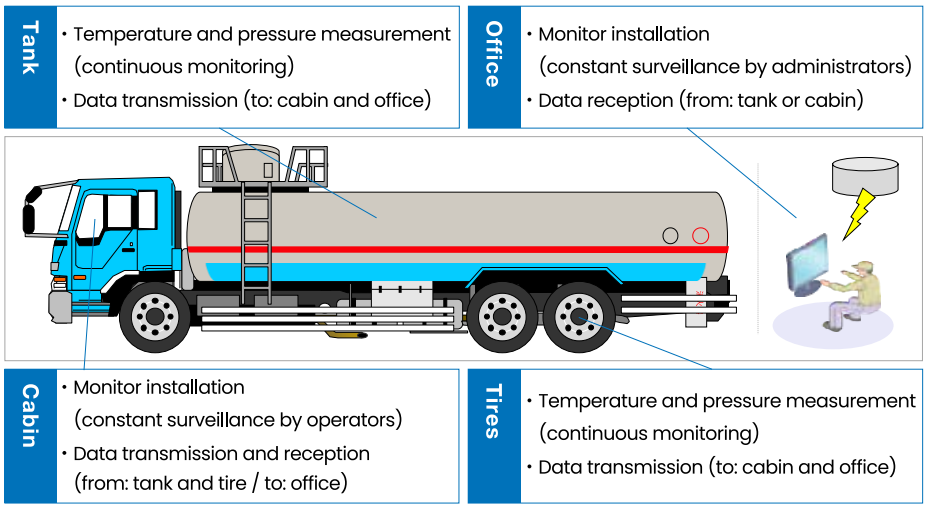


Image of vehicle activity monitoring



Example of Linking a QR Code for Yellow Cards

Stable Transportation (Sustainable Logistics)

The logistics environment has entered an era in which logistics providers and shipping companies choose the cargo owners and the type of cargo. To achieve stable transportation (sustainable logistics), we must be selected by logistics providers and shipping companies.
One of the concerns regarding stable transportation is the shortage of human resources for logistics, and the labor environment, including long working hours, has been pointed out as a factor underlying this shortage. In order to regulate working hours, as part of our work style reforms, we began applying an upper limit on truck driving working hours which started in April 2024. While we expect this to improve the working environment, there are serious problems that the shortage of drivers will increase due to the decrease in transport volume (the 2024 issues). Furthermore, with the enforcement of two revised logistics laws* in April 2025, shippers will be required to make efforts to shorten cargo waiting time for loading/unloading and improve loading efficiency, making logistics optimization an urgent priority. The Mitsui Chemicals Group, together with our logistics partners, is working beyond the boundaries of the company to improve the working environment and build efficient transportation schemes to ensure logistics human resources and logistics safety, and to reduce GHG emissions.

* Two revised logistics laws:
To address the driver shortage crisis in Japan and promote sustainable growth in logistics, revisions to the Act on Advancement of Integration and Streamlining of Distribution Business (Formerly) and the Motor Truck Transportation Business Act will come into effect in April 2025. These revisions will introduce regulatory measures for both shippers and logistics operators, as well as for transactions involving truck operators.

Initiative to Reduce Driver Standby Times through Introducing a Truck Berth Booking System

The Mitsui Chemicals Group is working to improve the work environment for truck drivers and ultimately to reduce the workload for logistics providers, by reducing the standby time for truck drivers while waiting for loading. In 2024, a truck berth booking system was introduced at both the Osaka Works and Iwakuni-Ohtake Works. As a result, it is expected that on-site congestion and waiting time for loading/unloading in the past can be reduced, contributing to shorter working hours for drivers and alleviating the operational burden on logistics providers. Going forward, we will continue to aim for the establishment of a sustainable logistics framework by expanding the system to other logistics hubs and enhancing its functionalities.

Improvement of Cargo Handling Work Environment

For many years in the logistics industry, there has been a practice where, in some cases, drivers perform ancillary tasks such as packing and unloading. In 2019, Mitsui Chemicals submitted a voluntary action declaration under the "Sustainable Logistics" initiative. In 2024, Mitsui Chemicals endorsed the Voluntary Action Plan for Optimization and Productivity Enhancement of Chemicals Logistics, issued by the Chemicals Working Group under the Physical Internet Realization Council. In alignment with this initiative, we are collaborating across business and quality assurance divisions to engage with our logistics partners, aiming to eliminate ancillary tasks performed by drivers and promote fair task allocation and sustainable logistics practices.

Participation in Initiatives

Mitsui Chemicals announced its support for the sustainable logistics initiative proposed by the Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Economy, Trade and Industry and the Ministry of Agriculture, Forestry and Fisheries, and submitted a declaration of its relevant independent activities. The sustainable logistics initiative aims to address the growing driver shortage and ensure logistics stability by improving truck transportation productivity and logistics efficiency, and by creating a comfortable working environment for women and drivers over 60 years old. The table below describes the initiatives laid out in Mitsui Chemicals' declaration of its independent activities.

Initiative	Details and expected outcome
Introducing a booking system	The introduction of a booking system for trucks will help cut down on waiting time.
Utilizing pallets and more	By making use of pallets and returnable box, cargo handling can be sped up.
Advance notice of shipment information	Conveying information from shippers about inbound and outbound shipments in order to give logistics providers more time to prepare.
Utilizing expressways	Mitsui Chemicals will enter into earnest negotiations about how to make use of expressways and who should bear the fees for this.
Modal shift to sea and rail transport	Mitsui Chemicals will strive to reduce GHG emissions by making active use of sea and rail transport for long-distance shipments.
Compliance with the law when selecting logistics providers	Mitsui Chemicals will take into account the compliance status of logistics providers when selecting.
Safety measures for cargo handling operations	Providing clear operational instructions, ensuring safe passage, establishing footholds and more will help to ensure more thorough worker safety.
Stopping or suspending operations during extreme weather	If extreme weather conditions occur or are expected to occur, Mitsui Chemicals will avoid making unreasonable requests for shipments.

Modal Shift

The Mitsui Chemicals Group has been advancing modal shift initiatives to secure stable transportation and address environmental concerns.

Modal Shift from Trucking to Rail Container Transportation

In 2023, we initiated efforts to shift the mode of long-distance transportation between Fukuoka Prefecture and Saitama Prefecture from trucks to rail. As a result, we were able to reduce CO_2 emissions by 84% compared to our previous levels and driver working hours by 90%. In the same year, we also launched a modal shift initiative to switch long-distance transportation between Yamaguchi Prefecture and Osaka Prefecture from trucks to rail. This initiative resulted in a 90% reduction in CO_2 emissions and a 90% reduction in driver working hours compared to previous levels. These two initiatives jointly received Special Prizes together with our logistics providers at the 25th Logistics Environment Award by the Japan Association for Logistics and Transport.

In the same year, 2023, we collaborated with multiple logistics providers to transition all long-distance truck transportation between Kawasaki City, Kanagawa Prefecture, and Omuta City, Fukuoka Prefecture, to freight rail transport for the entire Tokyo-Fukuoka corridor—a complete modal shift. As a result, we achieved a 72% reduction in CO_2 emissions compared to previous levels and reduced driver working hours by 2,929.5 hours per year. This initiative was recognized for significantly reducing driver working hours and establishing a sustainable transportation scheme at the "1st Modal Shift Excellent Business Operator Grand Prize Awards" hosted by the Japan Association for Logistics and Transport, and received the "Modal Shift Excellent Business Operator Award" (Collaboration & Cooperation divisions).

Mitsui Chemicals has been certified as an Eco Rail Mark company by the Administration and Screening Committee of Japan's Ministry of Land, Infrastructure and Transport.



Eco Rail Mark

Modal Shift from Trucking to Marine Transportation

In 2019, we made a modal shift in the transportation of products using 500-kg flexible container bag from the Ichihara area to the Chugoku area from trucks to marine transportation by coastal vessels. For this purpose, a special 20-foot-high cube container (the utility model right obtained) and a special rack (the design right obtained) have been manufactured to create two-tiered flexible container bag, which could previously only be placed flat, thereby improving loading efficiency, further reducing CO_2 emissions, and saving driver labor. We received the Award for Eco-Friendly Logistics Technology at 20th Logistics Environment Award of the Japan Association for Logistics and Transport. As a result of the development of this initiative, we are converting to coastal vessels in the Kyushu area from March 2021.

Mitsui Chemicals Wins Award for Eco-Friendly Logistics Technology at 20th Logistics Environment Award >

In 2021, we collaborated with Asahi Kasei Corporation on a modal shift from trucks to ships for long-distance transportation between Chiba and Yamaguchi/Hiroshima. In this initiative, container round use was also realized by using ocean container vessels and liner vessels, with Mitsui Chemicals using the outbound vessels and Asahi Kasei using the inbound vessels. This has contributed to a roughly 40% reduction in annual CO_2 emissions and contributed significantly to solving the driver shortage issue. Furthermore, by using side-end open containers, cargo handling work has been reduced by approximately 80% compared to conventional containers. This has resulted in a dramatic improvement in work efficiency. These efforts have been recognized with a Special Prize in the 22nd Logistics Environment Award organized by the Japan Association for Logistics and Transport.



Dedicated racks enable flexible container bags to be stacked

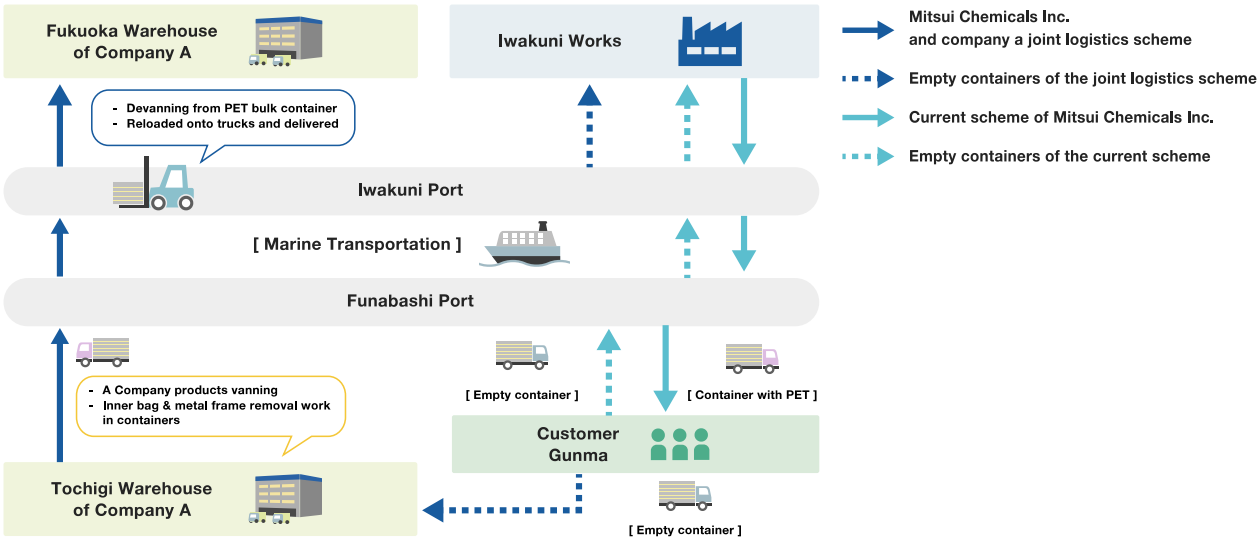


Side-end opening containers

Container Round Use with Appliance Manufacturers from Different Industries

In 2022, in collaboration with a home appliance manufacturer from a different industry (hereinafter referred to as "Company A"), we have started adopting container round use by loading Company A's products on the return trip of our dedicated bulk containers managed by our logistics provider, Sankyu Co. This made it possible for Mitsui Chemicals to avoid the return of empty containers between Gunma and Iwakuni, and for Company A to achieve a modal shift between Funabashi and Iwakuni out of the overland transportation between Gunma and Fukuoka. This is expected to improve loading and reduce CO_2 emissions.

Joint Logistics Flow



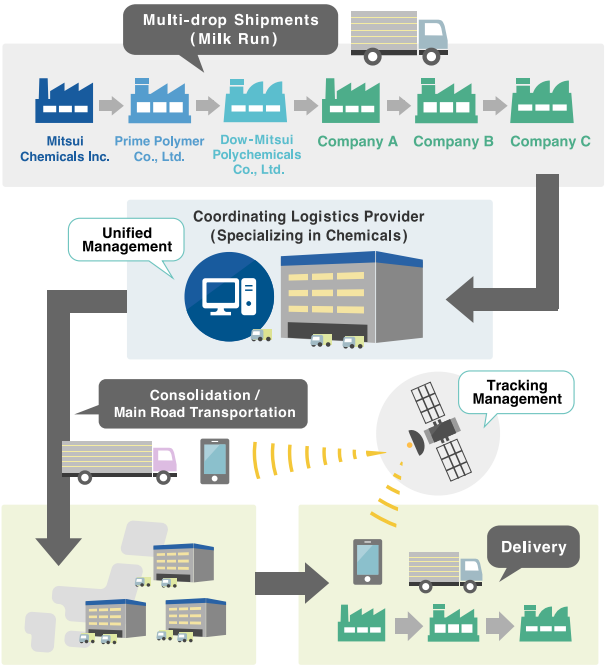
Joint Logistics with Other Companies

The Mitsui Chemicals Group aims to build a robust supply chain that can flexibly respond to changes in the logistics environment by collaborating with other companies to standardize and streamline the logistics of chemicals.

Shared Logistics System for Small-lot Products by Other Companies in the Same Business

Since 2016, Mitsui Chemicals has been engaged in joint logistics with neighboring companies in the Keiyo area. Previously, the transportation was mixed with general merchandise and had to go through multiple transshipment bases. However, by using a logistics provider specializing in chemicals, we have achieved more specialized and efficient transportation by consolidating trunk line transportation from pickup to delivery bases and consolidating delivery from the delivery bases to each company's customers. This contributes to solving the driver shortage issue and reducing CO_2 emissions and quality problems such as damage. This system started with shipments destined for the Tohoku areas and has expanded to destinations in the Hokuriku and Koshinetsu areas. To boost the shared logistics system, activities will be developed together with the logistics providers and shippers who are participating in the system. There are different logistics collaboration schemes in both goods owners and chemical companies. We are currently working to establish a combined transportation system. This system should be able to replace or supplement some parts of the national transportation networks, through which we plan to create a stable, small-lot transportation scheme for chemicals.

Shared Logistics System



Joint Study for Standardizing and Streamlining the Chemical Logistics

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In an effort to address the extremely critical issue of insufficient transportation and storage capacity in logistics within the chemical industry, we have participated as a secretariat in the "Chemicals Working Group (hereinafter referred to as Chemicals WG)," established as a subordinate organization of the Physical Internet Realization Council led by the Ministry of Economy, Trade and Industry and the Ministry of Land, Infrastructure, Transport and Tourism. Through the Chemicals WG, we are promoting collaborative initiatives with other companies in the same industry.
We have launched a joint study within the Chemicals WG to standardize and optimize chemical logistics. In addition to joint transportation and mutual utilization of transportation networks, we will also use DX technology to study transportation routes and matching for the expansion of joint logistics projects.

Establishment of a Chemicals Working Group in the Physical Internet Realization Council 〉
The Mitsubishi Chemical Group, Mitsui Chemicals Launch Study Into Joint Logistics 〉

In addition, among the participating companies in the chemicals WG, five companies—the Mitsubishi Chemical Group, Mitsui Chemicals, Tosoh, Toray and Prime Polymer—carried out a demonstration test utilizing a logistics data platform and logistics information standards from September to December 2024. In addition to an on-site trial involving real freight and real vehicles between chemical complexes spanning Yokkaichi to Ichihara, the demonstration test incorporated a simulation of joint logistics between Nagoya and the Hokuriku region, as well as an analysis of transport efficiency between Ichihara and the Tohoku region, to demonstrate the effects of joint transport and the usefulness of a joint logistics platform. The on-site trial in particular found striking results, including a 20 percentage point improvement in truck fill rate and a 28 percent reduction in CO_2 emissions.

Physical Internet Realization Council's Chemicals Working Group Runs Demonstration Test to Find Effects of Joint Logistics 〉

Visualization of Energy Usage and GHG Emissions in Transportation

In its climate change policy, Mitsui Chemicals Group aims to "Maximization of the value chain contributions," and has also been working to reduce GHG emissions in the logistics process for product transportation. However, due to its characteristics, there is an issue in logistics in that it is difficult to visualize efforts made to reduce GHG emissions through individual initiatives from the GHG emissions and the energy intensity in transportation. This is because these figures are likely to fluctuate depending on the change in product shipment volume and the presence or absence of logistics problems attributable to natural disasters. Nevertheless, in our initiatives to reduce GHG emissions, we have set separate targets for domestic logistics (mainly transport by rail, truck, ship, and air) and international logistics (mainly container transport by ship) from fiscal 2022 in order to monitor the progress based on quantified information and to improve our efforts. We are working to manage and monitor the progress according to each situation.

In particular, in international logistics, we are collaborating with Mitsui-Soko Holdings to identify GHG emissions from container transport by container vessel, and the GHG emission calculation values are then validated by DNV, an international third-party organization. In the future, we will work to reduce GHG emissions throughout the entire value chain, including taking into consideration GHG reduction efforts and contribution to GHG reduction when selecting vessels to be chartered.

Mitsui Chemicals Partners With Mitsui-Soko Holdings to Calculate CO_2 Emissions From International Transport of Products 〉

Additionally, the BI tool introduced in 2024 has enabled us to simultaneously calculate and easily monitor two types of data—energy usage and GHG emissions—in product transport, allowing us to respond promptly to customer inquiries regarding GHG emissions. In addition, the real-time visualization of total GHG emissions and its breakdown has enabled the exploration and implementation of reduction targets. By leveraging BI tools to identify inefficient long-distance transportation and considering modal shifts and changes in transport routes across different businesses and regions, we aim to work with our customers to advance measures for Reduction of GHG emissions.

Occupational Health

Management System

Policy and Basic Approach

The main purposes of occupational health are to prevent the health disorders caused by harmful factors in the workplace, while working to maintain and promote the health of employees. In addition to complying with the Occupational Health and Safety Act and related laws and regulations, the Mitsui Chemicals Group believes that encouraging employees to be healthy leads to the happiness of employees and their families, which in turn forms the social foundation towards the sustainable development of society. Every October, in line with Japan's National Occupational Health Week, the CEO's message is published in Japanese, English, and Chinese to disseminate this concept across the Group. In addition, we believe that healthy employees make for healthy organizations and contribute to an improvement in labor productivity. We are incorporating a health promotion perspective into our basic policies and working to improve both the well-being of our employees and the organizational culture.
Our Responsible Care Policy states: "We will actively promote the well-being of all our employees," which we are diligently putting into practice as a company. Meanwhile, our Action Guidelines also stipulate health promotion to raise health awareness among employees and encourage their proactive efforts for health management. Further, we have enforced the Occupational Health Regulations, internal rules that set forth the basic framework of the Group's occupational health approach based on the above Policy and Guidelines.
Based on the philosophy of "Employee well-being is directly linked to the company's well-being," we have formed a sound work environment to prevent occupational diseases and actively implement a range of measures to encourage employees' ongoing voluntary efforts for health management.

System and Responsible Officers

With the responsible officer in charge of the Human Resources Division, the occupational physician who heads the Health Management Department (supervising occupational physician) in the Human Resources Division plans and implements concrete measures.
Leading by the supervising occupational physician, we hold regular Group-wide occupational physician conferences to consider issues and measures related to health management.
Based on these conferences, we formulate medium- to long-term occupational health plans during the fiscal year and proposals for annual plan key issues and measures (Group-wide occupational health key issues), which are decided through deliberations by the Responsible Care Committee and approved by the Management Committee.
The Group's occupational health is managed under an approach that covers global, domestic affiliates, and Mitsui Chemicals.

Global Structure

Domestic and overseas affiliates implement occupational health measures based on the Responsible Care Policy.
Mitsui Chemicals submits the Management Check List regarding occupational health to affiliates that produce or handle chemical substances to assess their health management status in workplaces. Further, the Internal Control Division undertakes an occupational health audit at Works and laboratories of Mitsui Chemicals and its affiliates (except in the U.S., Europe, and some other regions) to confirm that the working environment is appropriately organized and efforts for health promotion are in place. The onsite audit is carried out once every two to five years depending on the size of the audited site, the type of business, and the administration level. The audited companies are notified of the audit results and are requested to correct any problems identified. If a company is requested to make corrections, it is subject to a follow-up audit after one year to confirm the correction progress.
In addition, the general occupational physician periodically visits Works of overseas affiliates in each country, and provides training on occupational health and employee health to employees and personnel responsible for occupational health.

Domestic Affiliates' Structure

We adopt the following measures for our domestic affiliates, in addition to the global measures.

(1) Sharing information related to occupational health in the six-monthly meetings for domestic affiliates' HR officers. Such information includes recently revised occupational health-related laws and regulations with notes on changes, and detailed explanations about priority issues concerning occupational health in the Group.
(2) Providing support on request to help resolve any occupational health issues in domestic affiliates.
(3) Concluding comprehensive occupational health service contracts with a number of domestic affiliates, such as those operating within the premises of Mitsui Chemicals Works. Through these contracts, Mitsui Chemicals' Health Management Department directly provides the affiliates with the same health services as offered to employees of Mitsui Chemicals to enable integrated health management beyond company boundaries.

Mitsui Chemicals' Structure

At Mitsui Chemicals' Works, Head Office, and R&D Center, a Health Management Department has been established directly under the head of each business site. The department is staffed by full-time occupational physicians, nurses, and hygiene managers, and promotes health measures through an annual occupational health plan created to suit each site.
Conferences for occupational physicians are regularly held and hosted by the supervising occupational physician to consider solutions to Group-wide health management issues and implement them. We maintain an efficient and effective health management structure through the close relationship between the Health Management Departments and the Human Resources Division, particularly in the area of utilization of training programs and corporate welfare schemes, and the employment of disabled people.

Internal Audit

The Internal Control Division conducts occupational health audits in Works and laboratories of the Mitsui Chemicals Group.

Occupational Health Audit	Audit Division	Internal Control Division
	Scope	Works and laboratories of Mitsui Chemicals, Inc., and its subsidiaries and affiliates (excluding particular areas, such as Europe and the US).
	Details	Confirms that the working environment is correctly maintained and initiatives for health promotion are being undertaken.
	Frequency	Once every two to five years (depending on business size, business type, and management level, etc. of the audited organization).

Goals and Results

Health and Productivity Management

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Frequency of absences from work due to health disorders	Mitsui Chemicals, Inc. registered employees	Less than 0.73	0.87	Less than 0.73	0.5
Frequency of absences from work due to mental health disorders	Mitsui Chemicals, Inc. registered employees	Less than 0.55	0.65	Less than 0.55	0.25
Average rate of lifestyle-related disease	Mitsui Chemicals, Inc. registered male employees	Less than 9.50%	10.32%	Less than 9.50%	8.0% or less
Ratio of smokers	Mitsui Chemicals, Inc. registered employees	Less than 19.0%	18.8%	19.0% or less	15.0% or less

Preventing Exposure to Harmful Substances

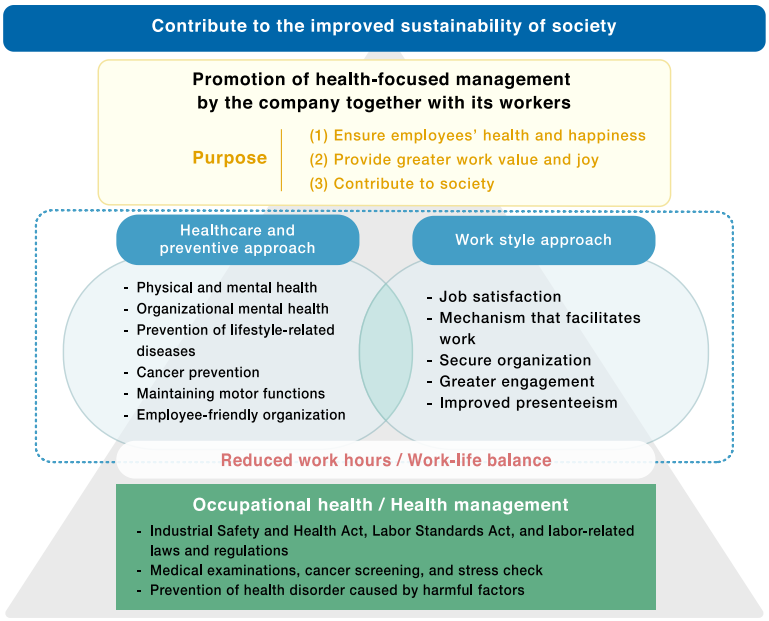
Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Working environment measurement result relating to harmful substances	Mitsui Chemicals, Inc.	Management Category I 100%	100%	Management Category I 100%	Management Category I 100%
Harmful substance risk assessment implementation rate: (New substances being handled and SDS-updated substances)	Mitsui Chemicals, Inc.	100%	100%	100%	—

Occupational Health

Health-Focused Management

The Mitsui Chemicals Group has set forth the promoting of the happiness and fulfillment of employees in the Corporate Mission. We believe that "healthy employees lead to the happiness of the employees and their family, bringing greater work value and joy. This establishes the foundation of the Group and contributes to the local community and the sustainable growth of society." Based on this belief, the Mitsui Chemicals Group has adopted the following as its vision: "To engage in health-focused management that autonomously promotes occupational health and worker health by enhancing tangible measures, such as improving work environments and facilities where employees can maintain good health at work, and enabling employees to pursue intangible measures that focus on health management and promotion."
We have established our company rules (occupational health regulations) that set out the basic provisions for occupational health. Founded on the basic philosophy that employee well-being is directly linked to the Company's well-being, we are actively involved in occupational health measures that include health management to prevent work-related diseases, and creating good working environments that are adapted to our employees, as well as supporting our employees in their individual activities to maintain their well-being.

Mitsui Chemicals' Health-focused Management (conceptual diagram)



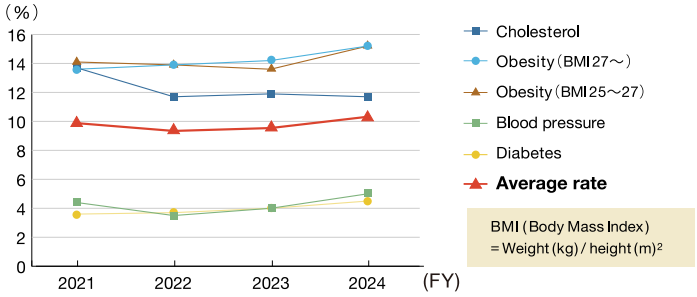
Health Management

We promote good health management among employees via activities such as medical examinations and health guidance carried out by occupational physicians, nurses and other healthcare professionals.
Since 2008, we have been conducting comprehensive medical check-ups for employees (combining regular medical examinations with special medical check-ups and cancer screening), with a coverage in fiscal 2024 of nearly 100% for regular medical check-ups, nearly 100% for lung cancer screening, approx. 84% for colon cancer, approx. 58% for gastric cancer, approx. 71% for abdominal ultrasound scans, approx. 89% for prostate cancer screening, approx. 66% for breast cancer, and approx. 56% for uterine cervical cancer screening.
The results are managed by the Health Management Department, which is responsible for explaining the need for more detailed examinations to employees who require them and encouraging employees to undergo further examinations by medical specialists. The results of detailed examinations are reported either to the employee in question or to the Health Management Department in the form of a letter received in response to the letter of recommendation. In fiscal 2024, 56% of cancers were identified through these examinations, and about 80% of all cancers detected were found to be treatable.
In addition, to encourage employees to voluntarily manage their health and raise health awareness, high-precision stool antigen tests for Helicobacter pylori bacteria are conducted for those who wish to undergo the test early in their employment. Upon becoming aware of their own risks in this way, employees continue to be screened (gastric cancer risk screening) as often as they want (once a year is the most frequent) by their chosen method (endoscopy or barium-meal test).

Rates of Lifestyle-Related Diseases and Ratio of Smokers

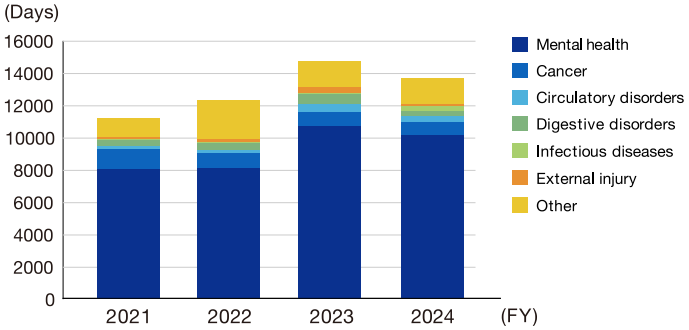
The index used to indicate the state of health of its employees shows that Mitsui Chemicals has set a fiscal 2030 target of 8.0% or less for findings related to lifestyle-related diseases, and the index is being carefully monitored. Continuing in fiscal 2024, we continued health improvement activities by offering medical examination follow-up guidance and health guidance, encouraging health examinations, and providing online access to health promotion programs. As a result of these measures, blood pressure, glucose tolerance, and cholesterol results are controlled at low levels. Unfortunately, however, the prevalence of obesity is increasing, and we will continue our efforts to improve health risks through health guidance, educational activities, and exercise programs. Since the outbreak of COVID-19, work style reforms have progressed, including the spread of teleworking and the introduction of hot desking, making traditional group education difficult. We will continue to promote health awareness and exercise habits through distributing online health promotion materials and increasing walking events using apps and the like. In fiscal 2025, we plan to double the number of online health seminars compared to the previous year, further enhancing our health education and awareness-raising activities.
The ratio of smokers has decreased by more than 10 percentage points compared to a decade ago and is gradually falling year by year. The Health Management Department will continue to lead the Company in giving support to employees who want to quit smoking, while providing smoking rooms to curb exposure to secondhand smoke. Each business site has begun taking action to ban smoking on Company premises or during work hours, including lunch breaks, by fiscal 2025 to protect the health of our employees, and discussions are underway at each site to achieve this goal. Currently, each business site continues to implement designated non-smoking periods and various support activities for smoking cessation. At the Head Office building, efforts to raise awareness of this initiative include displaying posters featuring the President to promote the initiative.

Lifestyle-related Disease Rates (Mitsui Chemicals, Inc. Registered Male Employees)



*Lifestyle-related disease rates are compiled separately by gender since criteria for men and women differ depending on the category. As the proportion of men is high the case of Mitsui Chemicals, lifestyle-related disease rates for men are regarded as a KPI.

Breakdown of Days Off due to Illness (Mitsui Chemicals, Inc. Registered Employees)



Helping Balance Work and Treatment

We continue to help balance work and disease treatment with the support of occupational physicians. We offer a health consultation and guidance for employees who are worried about their illness, such as not knowing the best action to take or when they are unable to fully understand the explanations of the doctor, etc. If some special working arrangement is required for an employee, we discuss with the workplace and Human Resource Division to suit the requirements of the situation.
As our support systems have also been enhanced, it is no longer uncommon for employees to continue working during strong treatment, including for cancer. We also provide the Guidebook to Help Balance Work and Medical Treatment, which compiles related information and concrete examples, and regularly update its contents. The latest version is posted on the internal bulletin board so that employees can access it whenever they need support.

Support for Employees at Overseas Bases

At our overseas bases, our occupational physicians regularly go overseas to make the rounds, conducting health interviews with all employees working overseas, including their families if they so desire, and providing continuous support for both physical and mental well-being.

Mental Health Initiatives

Mental health can also have a significant influence on work performance, and is an important part of maintaining the health of employees. With the wider spread of teleworking and changes in the social environment, mental health care has also become increasingly important. Upon formulating VISION 2030, Mitsui Chemicals has defined the “frequency of absences from work due to mental health disorders,” which we have been monitoring, as one of our management metrics and set the target frequency for fiscal 2030 to be 0.25. Although the number of new cases of mental illness decreased in fiscal 2024, the percentage of those with six months or more of absence from work increased, pushing up the overall number of days of absence from work. This also increased the overall frequency of absences from work due to health disorders. We will continue to support their recovery and return to work through various training programs (e.g., self-care training for new employees,

managers, line managers, etc.), interviews with occupational physicians, counseling, and stress surveys, while steadily promoting improvements in the workplace environment.
In fiscal 2024, we introduced online counseling to accommodate the growing number of employees seeking support, expanding the number of available sessions. This has enabled more flexible support, including consultations from home.
In addition, creative ways of working are becoming more widespread at each workplace thanks to the use of the results of stress surveys conducted in previous years (including a summary of the effects of telework on the mind and body and key points of health management during telework), shared examples of workplace improvements, and telework guides for employees, which are posted on the intranet to promote healthy workplaces that support diverse working styles.

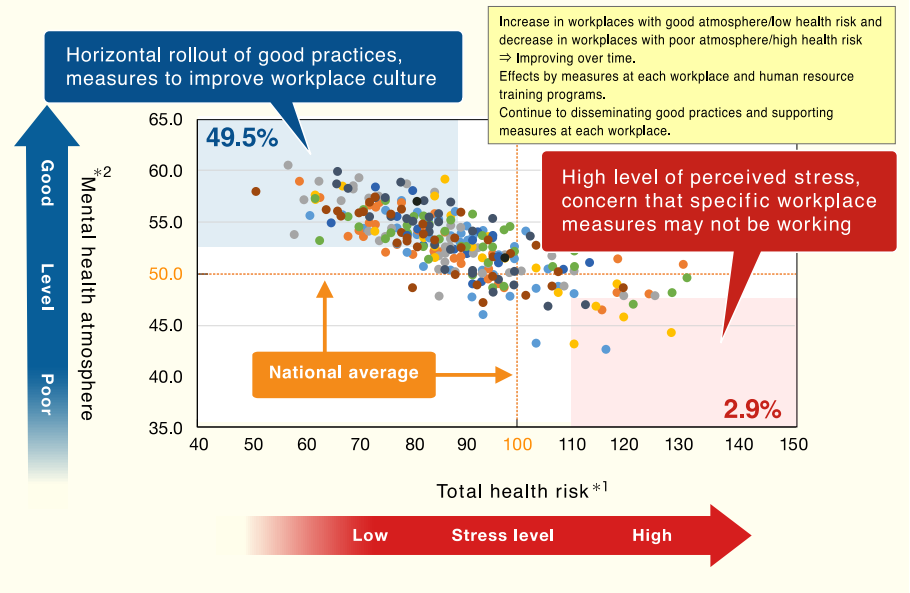
Training, Interview, and Counselling

In addition to group training, e-learning on communication is provided to new hires (not only new graduates, but also career and temporary hires). For two years after entering the Company, we also continue to provide appropriate support. Occupational physicians, etc., interview all new employees every six months to determine the status regarding their lifestyle, health, communications with their supervisor, and colleagues, and provide advice as needed. When necessary, discussions involving the supervisor are also held to support the employee's adjustment to company life. We have expanded online counseling to include new hires to make it easier to take advantage of counseling services.
In addition, inclusion study sessions have also been held. These sessions aim to create a culture to accept people with diverse characteristics and personalities, as well as those in the course of illness treatment, into workplaces, and are held on an ongoing basis.

Stress Survey

In addition to our simple occupational stress survey, since 2011 we have conducted a workplace stress questionnaire (occupational stress and mental health) to provide hints for improving the workplace, with nearly all employees replying to. Beyond providing individuals with feedback, managers in each workplace are also given details of the results of their organization useful for improving workplace conditions. We have also formulated and implemented stress reduction plans (communication improvement plans) in workplaces deemed to be particularly susceptible to high stress levels by conducting interviews with managers and members of such workplaces. In addition, activities at workplaces where the mental health atmosphere is favorable or has improved over time are highlighted as good practices, and the Head Office holds presentations on these activities of multiple workplaces. Moreover, materials presented by workplace representatives and features extracted from interviews and other sources are posted online and rolled out Group-wide.
In fiscal 2018, we introduced a dedicated system, through which the survey results of individuals and organizations can be checked on a website. The new stress questionnaire is helping workplaces to undertake voluntary actions to improve working conditions, and the number of workplaces actively utilizing the survey results is increasing. The survey results revealed that in fiscal 2024, "there was low sensory stress and the various functions in the workplace were good" for 49.5% of workplaces, and that "there were high sensory stress and concerns about the functioning of the system" for 2.9% of workplaces, showing an improvement over the previous year.
With regard to human resource management, we are enhancing the contents of our leadership development programs and mental health training for new management employees and line managers. We believe that this has contributed to improving the working environment and creating a better workplace atmosphere. In fiscal 2025, we will continue our efforts to improve workplace culture by collecting good practices in response to environmental changes and applying them to workplace climate improvement.

Fiscal 2024 New Workplace Stress Survey Results (Mitsui Chemicals, Inc. and Contracted Affiliates)



*Each dot in the graph represents a workplace (department level at the Head Office, section level at business site).
*1 Total health risk:
A measurement on the subjective sensory scale of workload, sense of control, and empathy from superior and co 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.)
*2 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.)

Improving Our Health Literacy

Starting in fiscal 2021, we opened a personal portal site (MCI Health Navi) to provide each employee with their own medical examination results, notifications, etc. In addition to being able to check the results of each individual's medical checkup online on MCI Health Navi, users can also check information based on their medical checkup results and work history, graphs to confirm changes based on past test data, links recommended to obtain necessary information according to individual findings, recommendations to take medical examinations, and notifications regarding healthcare guidance, etc. The introduction of this system has also enabled more prompt delivery of health checkup results and reduction of paper resources such as printed checkup results and envelopes.
In addition, we conduct health literacy surveys to assess the ability to understand and utilize the immense variety of health information available for the maintenance and promotion of employee health. The survey includes questions on the extent to which the results of the medical checkups are confirmed, as well as on what to do if there are items in the medical checkups that require medical attention. This will make it easier for us to grasp the current health literacy of our employees, thereby helping to foster health awareness and improve health literacy among employees.



MCI Health Navi home screen: Recommendation to take a medical examination and notification on health guidance



Changes in past test data



Work subject to medical examination

A Wide Range of Health Management Programs



The Mitsui Chemicals Group runs a wide variety of health promotion programs and supports the health management of its employees, primarily through its Health Management Department and Health Insurance Society. In fiscal 2024, in addition to the healthy mileage competition, fitness classes, smoking cessation challenge, healthy menu at the company cafeteria, physical measurements, and body balance measurement sessions that have been held in previous years, we also held health checks to learn about one's own body, as well as physical consultation sessions conducted by physical therapists. We also planned a series of six online seminars on health, which can be viewed in real time or on demand.
The Healthy Mileage Campaign is a program that involves participation by individuals or teams, collecting points (health miles) for exercise and healthy lifestyles, and winning prizes for miles collected. Employees can enter their achievements on the web or via smartphone, and approximately 47% of all employees, including those overseas, participate in the program. We prioritize their autonomy so that we can motivate people as much as possible and they can enjoy participating in the program.

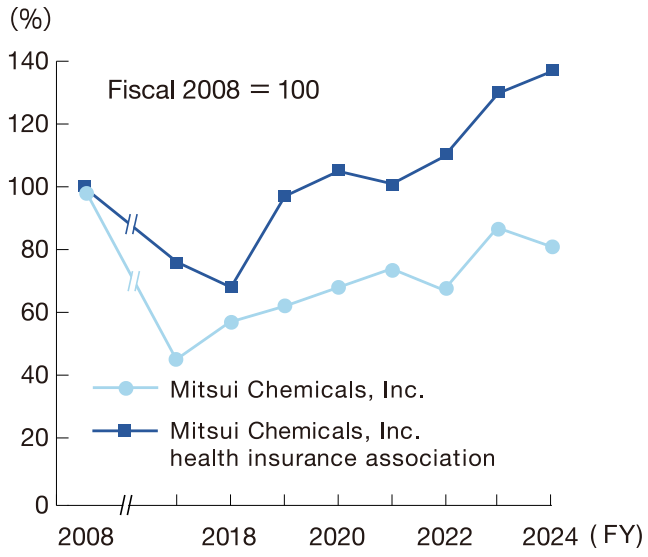
Example of a Health Insurance Subsidy and Details of the Activities Conducted Jointly with the Health Insurance Association

Health improvement events (Online seminars, online fitness, other forms of exercise, nutrition programs, and more)	
Special healthcare guidance (based on special check-up results and those qualifying under special health guidance criteria)	
Cancer screening	Gastric cancer (endoscopy or X-ray), colon cancer (fecal occult blood), and abdominal ultrasound
	Breast cancer (mammography or ultrasound) & uterocervical cancer (sampling by physician)
	Prostate cancer (PSA test)
	Lung cancer (CT scan) (if not examined for gastric cancer or colon, abdominal and prostate cancer)
Influenza vaccination	
Dental examinations for periodontal disease, cavities, and oral hygiene guidance	
Lifestyle disease health checkup (blood sample analysis is not covered by the Industrial Health & Safety Act)	
Support to quit smoking: subsidy for buying nicotine patches for four weeks	
Preventing the aggravation of diabetic nephropathy (prevention of progress to hemodialysis caused by the aggravation of diabetic nephropathy) by providing guidance on preventing lifestyle-related diseases and in collaboration with the physician in charge	
Recommendation to visit a hospital (recommended by the health insurance association for people who show higher levels of blood sugar, blood pressure, and lipids than recommended)	

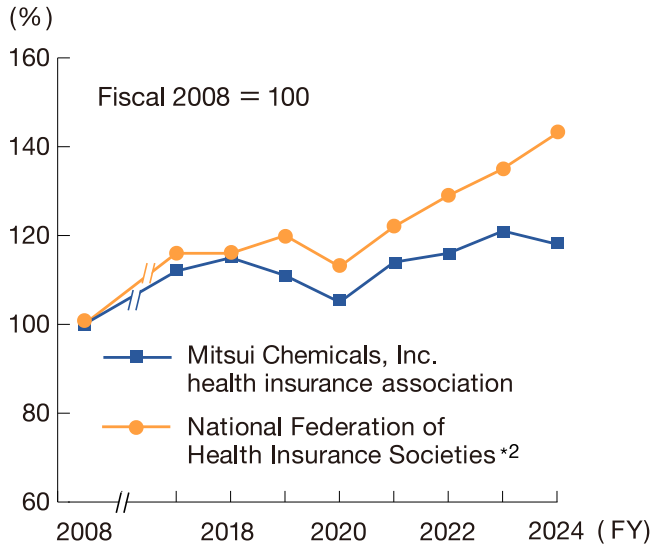
Reducing Medical Costs

The illness/accident allowances had been decreasing since fiscal 2015; however, they have slightly increased since fiscal 2018 due to an increase in the number of days of leave taken by those suffering from mental health issues. Illness/accident allowances in fiscal 2024 were 81% of the fiscal 2008 levels, and although they continue to increase, they show a long-term decrease for cancer and cardiovascular diseases. There was also an overall decline in fiscal 2024 when compared to the Mitsui Chemicals Health Insurance Society as a whole.
The legal benefit cost (medical care cost) per capita for both Mitsui Chemicals Health Insurance Society and the National Federation of Health Insurance Societies continued to increase for the third consecutive year in 2024. The Mitsui Chemicals Health Insurance Society was able to control the rate of increase to about 40% compared to general health insurance associations when the legal benefit cost (medical care cost) per capita insured by Mitsui Chemicals Health Insurance Society and the National Federation of Health Insurance Societies is viewed as an index with fiscal 2008 as 100. These show the comprehensive effects of our health management, and we will continue to strengthen measures to promote employee health in the years to come.

Sick / Accident Allowances



Legally Mandated Benefits*1 (Per Insured Person)



*1 Legally Mandated Benefits:
Includes medical costs, sick / accident allowances, lump-sum birth allowances, maternity allowances, burial expenses.
*2 National Federation of Health Insurance Societies:
Data taken from an overview of health insurance society early budget collation results.

External Recognition regarding Occupational Health

Continued "Silver Certification" for Outstanding Health Promotion Company

We are committed to working on improving health across the whole company and aim to be an outstanding health promotion company. As a result of its screening, we received the silver certification from the Tokyo Federation of the National Federation of Health Insurance Societies in December 2020. The certification is based on the recognition of our daily efforts (utilization of health checkup results, maintenance of a health promotion environment, and activities related to diet, exercise, smoking cessation, and mental health), and we are currently preparing to continue the certification for the sixth time.

健康優良企業

Certification No. 1444 (4)
(Certification period: until December 2025)

Mitsui Chemicals Receives Highest Rating for Employee Health Management from the Development Bank of Japan

In fiscal 2021, Mitsui Chemicals was awarded the highest rating by the Development Bank of Japan Inc. (DBJ) under the DBJ Employees' Health Management Rated Loan Program. Based on this rating, Mitsui Chemicals has received a loan of 10 billion yen from DBJ. This is the second acquisition since 2013. The DBJ Employees' Health Management Rated Loan Program is the world's first financing menu to incorporate health management ratings into the assessment of companies' management of employee health and welfare and the selection of those with outstanding records in this area. Using a proprietary screening system, DBJ rates enterprises on the quality of their care for employee health and working conditions.

DBJ健康格付 2021

Occupational Health

Preventing Exposure to Harmful Substances

We are committed to reducing occupational health risks and improving working conditions by, for example, utilizing the Occupational Safety and Health Management System scheme, the harmful chemical substance risk assessment (new risk assessment system) established in fiscal 2015, through onsite inspections conducted by occupational physicians and health supervisors as well as by means of internal audits. Regarding autonomous chemical substance management, we are steadily promoting measures to prevent exposure through hazardous risk assessment and facility improvements. In fiscal 2024, we have established a new chemical substance management system, including the appointment of chemical substance manager and a person responsible for managing the wearing of protective equipment, and have begun its operation.

Risk Assessment

The reformed Industrial Safety and Health Act now requires reinforcement of risk assessments of chemical hazards and implementation of countermeasures. Our conventional risk assessment system was updated to create a new system in fiscal 2016, and we have been conducting a risk assessment of working with harmful substances (inhalant chemicals) using the new system. We have now completed all qualitative risk assessments by fiscal 2024, with the number totaling 16,643. Of these, 4,392 cases were identified as high risk, and we have completed quantitative assessments on 3,783 of these. Work procedures that have been judged to be of high risk as a result of the quantitative assessment have been subject to methodical reforms to reduce the risks involved.
In addition, we also built specific risk assessments for health problems newly caused by the absorption of chemical substances through the skin in fiscal 2018 in response to a rise in social concern about absorption of hazardous chemicals through the skin. We started these assessments in fiscal 2019, and have completed the assessments of 5,203 cases by fiscal 2024. All assessments have been completed. Based on the assessment results, we are reviewing facility response and working procedures, as well as selecting protectors with more appropriate shielding and durability to reduce risks.

Example of Improving the Working Environment (1) Transfer of Organic Solvent

Before

There was a risk of exposure to organic solvents when feeding organic solvents into the drum inlet.



After

The method of transferring liquid directly from drums to the drum facility using a transfer hose has been changed, eliminating the work of feeding liquid into the drum inlet.



Example of Improving the Working Environment (2) Organic Solvent Extraction Work

Before

There was a risk of exposure when extracting solvent into pails and disposing of liquid waste.



Time of draining

After

A lid with a window for visual confirmation was installed on the pail so that extraction work can be performed in a nearly airtight condition. In addition, a nozzle with a cock is attached to the pail, which enables liquid waste to be discharged into a waste drum while maintaining distance from the source.



Time of draining



Waste liquid

Onsite Inspections Conducted by Occupational physicians Aimed at Reducing Occupational Health Risks at Overseas Subsidiaries and Affiliates

In an effort to reduce occupational health risks at overseas affiliates, onsite inspections are undertaken on a systematic basis and steps taken to provide instructions regarding areas of occupational health improvement at the time head office occupational physicians make their rounds at overseas bases. In fiscal 2024, the program was implemented at three overseas business sites (Brazil, India, and Taiwan), and training was provided to local personnel.

Engagement with Society



Respect for Human Rights

- Management System
- Initiatives

Sustainable Procurement

- Management System
- Supplier Evaluation and Guidance for Improvement
- Participating in Initiatives

Human Resources Management

- Management System
- Human Resource Portfolio Transformation
- Employee Engagement
- Corporate Culture Transformation

Social Activities

- Management System
- Working in Harmony with Local Communities
- Nurturing Future Generations
- Environmental Conservation
- International Exchange and Cooperation
- Support for Employees' Participation in Social Activities
- Disaster Relief

Respect for Human Rights

Management System | Initiatives

Reporting Desk

Management System

Policy and Basic Approach

The Mitsui Chemicals Group recognizes respect for human rights in business activities as a foundation of its development and pursues just business throughout the supply chain from the viewpoint of "having a high regard for people."
The Group revised its Human Rights Policy in July 2022, after obtaining approval from the Board of Directors. The Policy has since been reviewed and revised, as necessary.

Mitsui Chemicals Group Human Rights Policy

We, the Mitsui Chemicals Group, are driven by our corporate mission to "contribute broadly to society by providing high-quality products and services to customers through innovation and the creation of materials, while keeping in harmony with the global environment" and we strive to "be a corporate group that continues to grow by solving social challenges and creating diverse value with the power of chemistry".
We understand that we need to respect the human rights of every individual affected by the Mitsui Chemicals Group's business activities in order to contribute broadly to society and achieve sustainable growth.
We hereby announce the adoption of the Mitsui Chemicals Group Human Rights Policy (the "Policy") based on the Guiding Principles on Business and Human Rights adopted by the United Nations Human Rights Council in June 2011 with the aim of fulfilling our responsibility to respect the human rights of every individual affected by our business activities.

1. Basic principles on human rights

The Mitsui Chemicals Group supports and respects (i) the United Nations "International Bill of Human Rights" (consisting of the "Universal Declaration of Human Rights", "International Covenant on Civil and Political Rights", and "International Covenant on Economic, Social and Cultural Rights"), which sets out the fundamental human rights of every individual and (ii)the International Labour Organization (ILO) "Declaration on Fundamental Principles and Rights at Work", which sets out people's fundamental rights at work.* Furthermore, we support and respect the "OECD Guidelines for Multinational Enterprises" and the "United Nations Declaration on the Rights of Indigenous Peoples". And as a company that has signed the United Nations Global Compact, we also support and respect the Ten Principles of the United Nations Global Compact.
In accordance with the Mitsui Chemicals Group's Corporate Mission, Action Guidelines, Purchasing Policy, Responsible Care Policy, Human Resources Management Policy, and related internal policies and regulations, the Policy represents our commitment to respecting human rights in order to fulfil our responsibilities toward every individual affected by our business activities.

*This includes support and respect for the Core Labour Standards: "effective abolition of child labour", "elimination of all forms of forced or compulsory labour", "elimination of discrimination in respect of employment and occupation", "freedom of association, and the effective recognition of the right to collective bargaining" and "a safe and healthy working environment".

2. Scope

The Policy applies to executive officers and employees of the Mitsui Chemicals Group. We also expect business partners and other parties linked to our operations, products and services to support the Policy.

3. Responsibility to respect human rights

The Mitsui Chemicals Group recognises that our business activities may directly or indirectly cause adverse human rights impacts. We fulfil our responsibility to respect human rights by (i) not violating the rights of individuals affected by our business activities ("rights holders"), and (ii) taking appropriate remedies in case our business activities may cause or contribute to any adverse human rights

impacts. Although we cannot ascertain all the ways in which our operations, products and services are used, we do not intend for any of them to be used in any way that contributes to human rights abuses.
In the case where any adverse human rights impacts are caused by our business partners or other parties that are suspected to be linked to our operations, products or services, we will ask those business partners or other parties to respect human rights, not harm them, with the aim of building a responsible supply chain.

4. Human rights due diligence

The Mitsui Chemicals Group will establish a system of human rights due diligence in accordance with the "UN Guiding Principles on Business and Human Rights" to identify, prevent and mitigate any adverse human rights impacts that we may have on the rights holders.

5. Dialogue and consultation

In our implementation of the Policy, the Mitsui Chemicals Group will sincerely engage in dialogue and consultation with rights holders by applying the expertise of independent third parties on human rights.

6. Remediation

In the event that the Mitsui Chemicals Group's business activities have any adverse human rights impacts, or where our involvement through business partners or other parties becomes apparent or suspected, we will seek to remedy such impacts through dialogue and appropriate processes in line with international standards.

7. Education and training

The Mitsui Chemicals Group will provide appropriate education and training to our executive officers and employees, and will strive to promote understanding of the Policy among our business partners, with the aim of ensuring that it becomes incorporated into all of our business activities and is implemented effectively.

8. Responsible executive officer(s)

The Mitsui Chemicals Group will entrust an executive officer or officers with the responsibilities of implementing the Policy and supervising its implementation status.

9. Information disclosure

The Mitsui Chemicals Group will disclose the progress and results of our efforts to promote respect for human rights on our website and through other media.

10. Applicable laws and regulations (when national laws conflict with international standards)

The Mitsui Chemicals Group will comply with the laws and regulations of all countries and regions in which we operate. In the case where there is any conflict between a country's laws and internationally recognized human rights standards, we will seek ways to respect internationally recognized human rights principles to the maximum extent possible.

The Policy has received the approval of the Board of Directors of Mitsui Chemicals, Inc. and it has been signed by the President and Chief Executive Officer.

February 1st, 2025
Mitsui Chemicals, Inc.
President and CEO
HASHIMOTO Osamu

Established in February 1st 2016
Revised in December 1st 2017
Revised in July 1st 2022
Revised in February 1st 2025

Mitsui Chemicals Group Human Rights Policy (PDF : 175 KB)

System and Responsible Officers

We deliberate on policies, strategies, and plans related to our respect for human rights in the Corporate Sustainability Committee with the responsible officer for Corporate Sustainability Division. The deliberation results are reported to the Management Committee, further deliberated in the Company-wide Strategy Committee and the Management Committee where necessary, and finalized and supervised by the Board of Directors.
The Group lists "respect for human rights" as one of the prerequisites for business continuity as part of the Group's material topics, and incorporates its status of response to human rights risks into its business targets as non-financial metrics in VISION 2030. With the "identification & correction of risks by setting up a human rights due diligence system for all of our bases, both domestic and abroad" set as a target under VISION 2030, the Human Resources Division, the Purchasing Division, the Corporate Administration & Legal Division, and other related divisions collaborate to collect information and formulate measures in order to build a human rights due diligence system.
In addition, when examining investment plans in emerging countries, we also define and check issues such as appropriate labor conditions, sexual harassment, and power harassment as risk items to be verified.
The Group's employee rules stipulate that if an employee is found to have engaged in harassment (sexual harassment, abuse of authority, pregnancy discrimination, etc.) or in discrimination that offends the dignity or character of an individual, the employee may be reprimand, suspension, demotion, dismissal upon recommendation to resign, or disciplinary termination, depending on the circumstances of the case.

Education and Training

Based on the Mitsui Chemicals Group Human Rights Policy and Mitsui Chemicals Group Action Guidelines, we provide education and training on business and human rights.

Fiscal Year	Target Audience	Implementation Details
FY2020	All employees of our Group	Business and human rights e-learning launched
FY2021	Internal Control Division	Study sessions on ESG topics and initiatives to respect for human rights
FY2022	Our Officers	Study sessions on business and human rights led by external expert
	Overseas Subsidiaries & Affiliates	Briefings on initiatives to respect for human rights
FY2023	All employees of our Group	Revision of business and human rights e-learning
FY2024	Headquarters functional divisions heads	A series of four sessions on business and human rights study sessions and exchange of opinions on initiatives to respect for human rights
	Procurement divisions	Study sessions on ESG topics and initiatives to respect for human rights
	Domestic and overseas production sites (Human rights due diligence target sites)	Briefings on initiatives to respect for human rights, Dialogue with each site based on desktop survey
	All employees of our Group	Education and dialogue at the ESG Link Café*

* A dialogue-based online event open to all employees, designed to be easily accessible and welcoming to everyone.

In addition to the above, we promote awareness of respect for human rights through various training programs. These include sessions for new employees, mid-career hires, newly appointed line managers, and newly appointed directors of affiliates, as well as training on diversity and inclusion, and compliance education.

Goals and Results

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Response to human rights risks	Mitsui Chemicals Group	・Implementation of human rights due diligence - Desktop survey (re-implementation) - On-site assessment	・Implementation of human rights due diligence - Review of salient human rights issues - Questionnaire survey of our Group manufacturing sites implemented (three-year plan / FY2024 target: 34 sites) - On-site assessment at one domestic affiliates manufacturing site - Implementation of human rights risk management assessments in logistics and procurement areas	・Implementation of human rights due diligence - Conducting a questionnaire survey of our Group manufacturing sites - On-site assessment	Identification & correction of risks by setting up a human rights due diligence system for all of our bases, both domestic and abroad

Respect for Human Rights

Management System | Initiatives

Initiatives

The Mitsui Chemicals Group considers "respect for human rights" as one of our material topics and has positioned it as one of the prerequisites for business continuity, actively promoting initiatives in this area.

Human Rights Due Diligence

The Mitsui Chemicals Group will establish a system of human rights due diligence in accordance with the "UN Guiding Principles on Business and Human Rights" to avoid, mitigate, and prevent any adverse human rights impacts that our business activities may have on the rights holders.

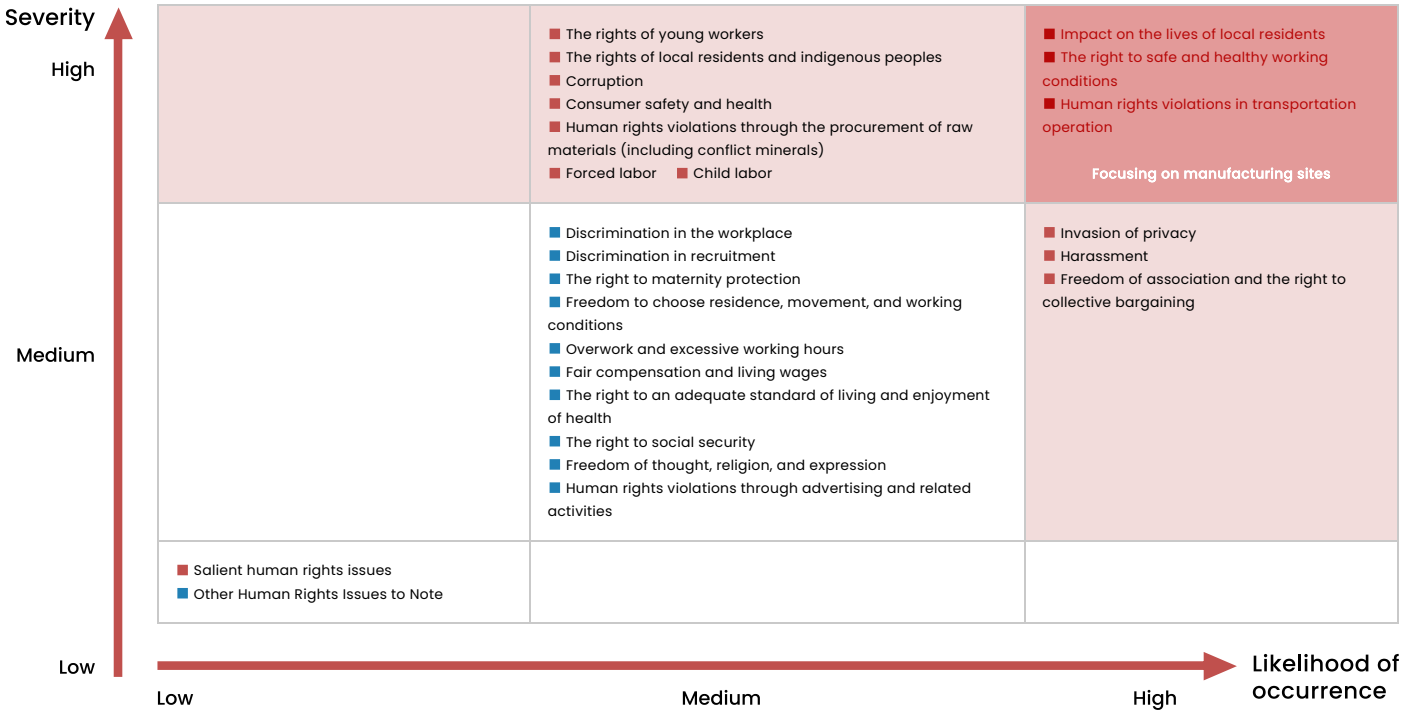
Initiatives on Human Rights Due Diligence



Assessment of Actual and Potential Human Rights Impacts

Countries where the Mitsui Chemicals Group maintains a business presence have a number of challenges pertaining to human rights, reflecting the conditions of local politics, the economy, and society. In fiscal 2024, taking into account that three years have passed since the last human rights risk assessment, we once again conducted a risk mapping with the cooperation of external experts, with reference to international guidelines and indicators, from the perspective of the possibility of each human rights issue occurring and the severity of the issue if it does occur, with the participation of relevant business divisions and functional divisions.
As a result, we identified 13 human rights issues as issues that should be given particular priority within the Group, including "violations of the right to enjoy safe and healthy working conditions(occupational health and safety)," "human rights violations during transportation routes," "impacts on the lives of local residents (impacts on the environment)," and "human rights violations in the procurement of raw materials." Over the next three years, Mitsui Chemicals and all domestic and overseas Group companies will conduct human rights risk assessments (desktop surveys) and human rights impact assessments (on-site assessments) related to priority issues at all manufacturing sites.

Risk Map



Overview of Human Rights Impact Assessments Conducted in FY2022
Overview of Human Rights Impact Assessments Conducted in FY2023

Overview of Human Rights Impact Assessments Conducted by Mitsui Chemicals Group in FY2024

Objectives of Human Rights Impact Assessments

(1) Identifying Human Rights Risks
By visiting sites and conducting interviews and inspections, we aim to identify and evaluate the negative human rights impacts the Group may have on rights holders through human rights impact assessments.

(2) Addressing Actual Negative Human Rights Impacts/Human Rights Risks
We aim to prevent and mitigate actual negative human rights impacts identified through this assessment by evaluating them in accordance with Mitsui Chemicals Group's Human Rights Policy, which includes relevant policies, international standards, and the laws of the countries or regions where our business activities take place.

Implementation Details

In March 2025, we carried out a site visit to one of our manufacturing sites in Japan. The visit comprised interviews with management, a review of relevant documentation, and an inspection of the plant premises, and interviews with workers, including 14 indirectly employed individuals. Please note that this assessment did not include surveys of suppliers or local residents.

Key Points for Review

Based on the results of the human rights risk assessment, we examined the human rights risks of workers, particularly those in vulnerable positions, from the following perspectives:

- Human rights management (implementation of training, grievance mechanism)
- Occupational health and safety
- Impacts on the environment
- Child labor, excessive working hours, fair compensation
- Addressing human rights violations through the procurement of raw materials and in transportation operation

Implementation Results

As far as could be ascertained through the interviews conducted, no human rights violations or apparent negative impacts were identified in this survey.

Prevention of Human Rights Risks

We are reviewing and discussing appropriate measures, for incidents identified as potential human rights risks requiring our attention, as outlined below.
With regard to the status of implementation and the outcomes, we plan to confirm these at the end of fiscal 2024.

- Human rights management (grievance mechanism)
  - Improving whistleblowing hotlines operated by domestic affiliates to enable anonymous reporting
  - Promoting awareness of the group's internal whistleblowing system among employees of partner companies

- Occupational health and safety
  - Emergency preparedness measures (installation of emergency lights and guidance signs, first aid training, posting of evacuation assembly points and routes, etc.)
  - Review of health checkup items
  - Reviewing the content and posting methods of notices informing workers about chemical substance measures

- Impacts on the environment
  - Addressing odor issues

- Excessive working hours
  - Additional staffing and proper placement to improve working hours, along with continuous management training and ongoing dialogue with employees

End

We recognize the issues identified through the human rights impact assessment as risks that should be understood and addressed across the entire group. We engage in dialogue with manufacturing sites where human rights risk assessments (desktop surveys) have been conducted, as well as with the responsible business divisions. We will continue to address human rights issues appropriately.

Additionally, regarding the priority issues of "human rights violations in the procurement of raw materials" and "human rights violations during transportation routes," the head office's purchasing divisions and logistics divisions both evaluated their current efforts. In light of recent growing societal demands regarding corporate activities and human rights, we plan to consider more specific human rights risk management policies at a Group level.

The results of the human rights impact assessments have been reported to the Corporate Sustainability Committee and the Board of Directors.

Supply Chain Initiatives

The Group conducts procurement activities based on the Mitsui Chemicals Group Procurement Policy, focusing on "sustainable procurement." We have shared the Mitsui Chemicals Group Sustainable Procurement Guidelines with our clients, asking them to work with us on respecting human rights, ensuring fair working conditions and environments, reducing environmental impacts, and complying with laws and social norms.
We check the status of these efforts using the CSR/Sustainable Procurement Self-assessment Questionnaire and surveys on sustainable procurement conducted by external sustainability rating organizations. Based on the results, we provide feedback and support for improvement. Additionally, we check for the use of raw materials free from conflict or criminal involvement (including conflict minerals) through these surveys.

Supplier Evaluation and Guidance for Improvement >

Grievance Mechanism (Prevention and Correction)

Through our human rights due diligence, the Group aims to build a system for receiving concerns and grievances from rights holders while engaging in dialogue with them.

Global Whistleblowing System (Compliance Hotline)

The Group has a global whistleblowing system (compliance hotline) for the prevention and early detection of compliance violations. This system enables any Group employee who has obtained information related to risks, including acts in violation of a law or regulation that have been or are about to be committed within the Company, to directly report the matter to and consult the Corporate Administration & Legal Division and the Human Resources Division, which are the divisions in charge of compliance, or an outside attorney. The system is open not only to officers, corporate auditors, and employees, but also to all parties with an interest in the Group's business activities, including the families of officers, corporate auditors, employees, retired employees, dispatch workers/subcontractors at our plants or other sites, and suppliers. Any and all information related to risks received through the whistleblowing system is immediately and periodically reported to the Company's corporate auditors, and important information is reported to the Company's Board of Directors if necessary. Our "Whistleblower Management Regulations" clearly stipulate that whistleblowers will not be subject to penalty and retaliation because of whistleblowing. We also have established disciplinary measures and strictly enforce them for those who violate the regulations.

Global Whistleblowing System >

Appointment of Harassment Counselor

The Group has appointed several harassment counselors at each business site to fairly ascertain the facts in the event of an occurrence and to take prompt action to solve the issue. We have both male and female counselors. This hotline is available for everyone working for the Company (including employees, contract employees, part-timers, and dispatch workers/subcontractor employees), our customers, and employees of our business partners.

Stakeholder Engagement

The Group actively participates in programs that involve dialogue with various stakeholders to deepen our understanding of the context in which human rights issues arise and their relationship to our business activities. We apply this understanding to our efforts to respect human rights within the Group.
Since fiscal 2015 we have participated in the Stakeholder Engagement Program , hosted by the CRT Japan Committee, where we receive annual presentations on human rights issues of domestic and international concern from NGOs/NPOs and experts, and engage in discussions with peers in the industry to identify key human rights issues by industry.

FY2024 Stakeholder Engagement Program (Human rights due diligence workshop)

In fiscal 2023, we also participated in a program co-hosted by the ILO Tokyo Office and the Global Compact Network Japan to develop corporate expert talent on international human rights and labor standards. In this program, we discussed with experts and participating companies how to integrate and promote respect for human rights initiatives within our business activities and examined specific measures.

Sustainable Procurement

Management System

Policy and Basic Approach

In order to fulfill our environmental and social responsibilities throughout the supply chain from a global perspective in sustainable procurement, it is essential to collaborate not only with the Mitsui Chemicals Group but also with our business partners.
In addition to conducting fair and honest transactions, the Group has established the “Mitsui Chemicals Group Purchasing Policy,” which incorporates items that we consider important when selecting suppliers, in order to build strong partnerships and implement purchasing activities. In 2019, the Mitsui Chemicals Group incorporated sustainability perspectives into our Group Procurement Policy and compiled the "Mitsui Chemicals Group Sustainable Procurement Guidelines ," which outline the expectations we have for our partners' cooperation. We ask that our partners understand the intent of these guidelines.
Going forward, we will continue to review the Procurement Policy and Sustainable Procurement Guidelines as necessary, considering the societal demands surrounding sustainable procurement. We will fulfill our environmental and social responsibilities in collaboration with our partners.
Additionally, we have established basic rules for purchasing as part of its Global Policy. The practical application of these rules ensures fair and law-abiding procurement for the Group at the appropriate terms, quality, and pricing, and ultimately ensures compliance with laws and maintains and strengthens the Group's competitiveness.

The Mitsui Chemicals Group Purchasing Policy

The Mitsui Chemicals Group recognizes that all its suppliers are good partners and endeavors to trade with them fairly and in good faith in the hope that both the Group and its suppliers will achieve sustainable development.

The Mitsui Chemicals Group also tackles issues, with a global perspective, including environmental, social and corporate governance issues, across the entire supply chain, aiming to achieve sustainable procurement.

The Mitsui Chemicals Group is committed to conducting purchasing activities in accordance with this Group Purchasing Policy.

1. **Ensuring compliance**
   We will conduct purchasing activities in compliance with the applicable laws and regulations and appropriate social practices of the regions and countries in which we operate.
   We will also require the same level of compliance from our suppliers.

2. **Equal opportunity and transparency**
   We will be open in choosing our suppliers, and will offer equal opportunity for fair trade in good faith.

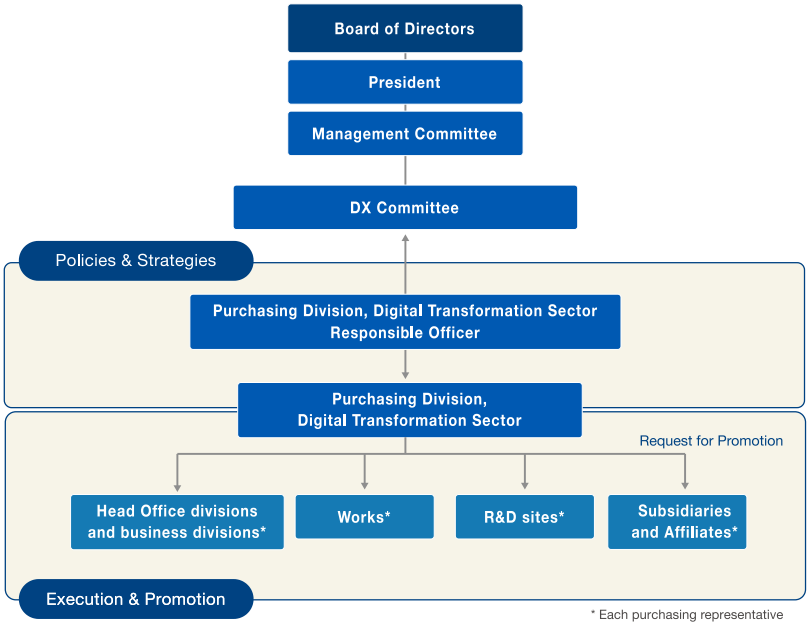
3. **Selection of suppliers from the viewpoint of “sustainable procurement”**
   In the interests of building stronger partnerships, we will give priority to the following criteria.

(1) Suppliers that respect human rights, prohibit discrimination, and do not engage in any acts which violate human rights
(2) Suppliers that ensure fair working conditions and provide a safe and healthy working environment
Suppliers that prohibit forced labor, prohibit child labor and discrimination in hiring
(3) Suppliers that are aware of environmental issues and are committed to solving and addressing them
(4) Suppliers that conduct fair corporate activities based on a sound management practices
(5) Suppliers whose performance in areas such as pricing, quality, and delivery term are at an adequate and reasonable level, and endeavor to maintain and improve their performance

Revised on February 1, 2019

System and Responsible Officers

With regard to issues related to sustainable procurement, the Purchasing Division, led by its responsible officer, formulates and implements policies and strategies. Matters of particular importance are discussed by the Corporate DX Committee, reported and deliberated at the Management Committee, and then decided and overseen by the Board of Directors.



Monitoring

We verify the status of sustainable procurement activities during annual audits conducted by corporate auditors and the Purchasing Division. To realize sustainable procurement, the Purchasing Division regularly verifies the status of our suppliers through surveys and audits. We monitor the progress and outcomes of these activities in departmental meetings and reflect them in the following year's plans.

Goals and Results

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Sustainable procurement ratio*	Mitsui Chemicals Group	**Dissemination to partners** Briefings to explain procurement guidelines to key partners in each domain: 8 companies or more	19 companies	**Dissemination to partners** Meet with suppliers amounting to 95% of total transaction value to explain procurement guidelines & get written agreement	80%

*Sustainable procurement ratio:
The ratio of the sum of transaction values with suppliers who responded to the sustainable procurement survey to the total transaction value (= Transaction values with suppliers who responded to the sustainable procurement survey / Total transaction value). This ratio is being monitored.

April 1, 2025

The Mitsui Chemicals Group Sustainable Procurement Guidelines

The Mitsui Chemicals Group aims for sustainable growth with society through initiatives for solving social challenges by upgrading its triple bottom line management with a focus on the economy, environment and society. Based on this concept, we practice "Always Act in Good Faith," "For People and Society" and "Dream-Inspiring Innovation" as set forth in the Mitsui Chemicals Group Action Guidelines when conducting our business activities.

In the procurement activities, we believe that it is important to forge powerful relationships with all of our suppliers involved in businesses, products, and services of the Mitsui Chemicals Group to fulfill environmental and social responsibilities in the entire supply chain from a global perspective. We also recognize that these initiatives will contribute to the mutual and sustainable development of our suppliers and the Mitsui Chemicals Group.

In light of these factors, the Mitsui Chemicals Group has created tasks that we would like to work on with the full cooperation of our suppliers in the Mitsui Chemicals Group Sustainable Procurement Guidelines. The content of this Guideline has been formulated in accordance with our Group's "Human Rights Policy" (Management System | Respect for Human Rights | Sustainability | Mitsui Chemicals, Inc.) and "Purchasing Policy" (Management System | Sustainable Procurement | Sustainability | Mitsui Chemicals, Inc.). We would like to have the understanding and support of each our suppliers for these Guidelines and request that they undertake the initiatives described below.

Corporate Governance

1. Sound corporate management

   Establish an organizational system for sound corporate management through in-house control systems and structures for ensuring the effectiveness and efficiency of business operations as a corporation, the reliability of financial reports, compliance with laws and regulations applicable to your business activities and the protection of assets.

2. Accountability

   Appropriately distribute the financial and non-financial information to inside and outside the company based on the recognition of accountability to society and stakeholders.

Human Rights

1. Respect for human rights and prohibition of discrimination

   Support and respect the United Nations "International Bill of Human Rights" (comprising the "Universal Declaration of Human Rights," the "International Covenant on Civil and Political Rights," and the "International Covenant on Economic, Social and Cultural Rights"), which sets forth the fundamental human rights of all people, the International Labour Organization (ILO) "Declaration on Fundamental Principles and Rights at Work" which defines fundamental rights at work, as well as other international human rights standards, including the "OECD Guidelines for Multinational Enterprises" and the United Nations "Declaration on the Rights of Indigenous Peoples."

Moreover, never under any circumstances engage in any discrimination whatsoever based on race, national origin, birthplace, social origin, caste, family lineage, religion, disability, age, gender, sexual orientation, gender identity, family background, marital status, membership of unions, political views or other differences.

2. Prevention of human rights violations

Do not violate human rights of individuals affected by our business activities, and take appropriate remedial actions when such activities are found to have caused or contributed to adverse human rights impacts, thereby fulfilling the responsibility to respect human rights.

Labor

1. Provision of equal opportunities

Equally provide employees with opportunities for personal career growth through human resources development initiatives. Moreover, provide equal opportunities for employment to human resources with motivation and ability.

2. Payment of proper wages

Observe the statutory minimum wage in countries and regions where your business activities are conducted. In addition, endeavor to establish wages by giving due consideration to the improvement of employees' personal growth and their motivation.

3. Fair application of working hours and leave of absence

Comply with the labor hours prescribed in laws and regulations of countries and regions where your business activities are conducted. In addition, grant workers the right to take paid vacation.

4. Prohibition of forced labor

Guarantee that employees are free to separate from the service at their own discretion as all work is voluntary.

5. Prohibition of child labor

Never employ children who are under the legal working age in countries and regions where your business activities are conducted. In addition, never assign such jobs that impair children's health, safety and morality.

6. Respect for basic labor rights

Respect employees' rights to organize and bargain collectively and other basic labor rights.

7. Advance management of occupational safety and health

Grasp the risk of an accident occurring at work and the risk of exposure to chemical substances hazardous to the human body, noise, foul odors and so on and ensure a safe and healthy work environment. In addition, take measures with due care for employees' mental health.

Environment

1. Management of chemical substances

   Manage chemical substances contained in products in accordance with standards prescribed in laws and regulations.

2. Reduction of environmental load

   Endeavor to reduce environmentally harmful substances released into the air, water and soil (including greenhouse gases) by setting levels equal to those required by laws and regulations or independent targets exceeding the required levels.

3. Efficient use of resources

   Promote efficient use of energy, water, raw materials and other resources by setting independent targets.

4. Waste management

   Take responsibility in the disposal or recycling of waste materials by setting independent targets.

5. Biodiversity conservation

   Promote biodiversity conservation by taking into account the direct and indirect impacts of business activities on ecosystems across the supply chain.

Risk Compliance

1. Corruption prevention

   Maintain sound relationships with local administration authorities and public officials where your business activities are conducted, by managing the reception thereof to prevent corruption.

2. Prevention of offering or accepting improper advantage to or from customers, suppliers and so on

   Maintain sound relationships with customers, suppliers and so on by avoiding excessive gift-giving, entertainment and collusive relationships regarding marketing and purchasing activities.

3. Prevention of non-compliance with competition laws

   Prevent violation of competition laws, including unfair trading practices such as bid-rigging, cartel formation, and abuse of a dominant bargaining position.

4. Elimination of anti-social forces

   Eliminate any relationship with organized crime groups, corporate racketeers and other anti-social forces and do not provide any benefits to anti-social forces.

5. Respect for third parties' intellectual property

   Respect third parties' patents, copyrights, trademarks and other intellectual properties and prevent unauthorized use thereof.

6. Establishment of contact points for complaints and consultations

Develop a system to allow for an individual who came to know important risk information to directly report and consult with an internal dedicated division or external contact points. Moreover, ensure that confidentiality of the individual who made said reporting or consultation will be strictly maintained and that the individual will never suffer prejudicial treatment.

7. Establishment of a system for business continuity plan (BCP)

Develop a system to ensure the continuity of important operations and business or early restoration in case of a disaster.

8. Management of confidential information and protection of personal information

Properly manage confidential information of customers, suppliers, one's own company and so on to prevent leakage thereof. In addition, implement proper management and protection of personal information of customers, suppliers, one's own company and so on.

9. Appropriate Export and Import Controls

Conduct transactions in compliance not only with Japan's "Foreign Exchange and Foreign Trade Act (FEFTA)" and other relevant laws and regulations related to export and import, but also with export control and economic sanctions regulations of relevant countries, including those administered by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) and the U.S. Department of Commerce's Bureau of Industry and Security (BIS).

Quality and Safety

1. Ensuring quality and safety of products and services

Provide products and services that meet laws and regulations and safety standards established in countries and regions where your business operations are conducted and that satisfy quality standards required in advance, and information related to product safety.

2. Appropriate response to defects arising in products and services

Implement prompt information disclosure and notify the competent authorities in the event that an accident occurs with regards to products and services or that defective products are distributed. Moreover, implement a product recall and develop a system for formulating measures to ensure the safety of supply destinations.

Supply Chains

1. Basic stance for supply chains

For the purpose of fulfilling social responsibilities across the entire supply chain, endeavor to ensure that not only one's own company but also suppliers are fully aware of and comply with the significance of sustainable procurement, as well as the Mitsui Chemicals Group Human Rights Policy.

2. Responsible procurement of raw materials

Practice responsible procurement by not purchasing or using raw materials that contain conflict minerals - such as tin, tantalum, tungsten, gold, cobalt, and mica - that serve as sources of funding for armed groups or anti-government organizations involved in conflicts in certain regions.

Communication with Local Communities

1. Contribution to local communities

   Respect the culture and customs in countries and regions where your business activities are conducted and perform activities to contribute to the sustainable development of local communities.

Operation of This Guideline

1. Operational Policy

- The Mitsui Chemicals Group regards agreement to this Guideline as a prerequisite for engaging in business transactions, with the aim of achieving sustainable procurement in collaboration with our business partners.
- Business partners and subcontractors are requested to establish and maintain management systems and mechanisms that enable compliance with the standards set forth in this Guideline, as well as continuous improvement thereof.
- Business partners are also expected to support the dissemination and implementation of this Guideline among their subcontractors. Upon request from the Mitsui Chemicals Group, they shall be prepared to provide information regarding the subcontractors' compliance status.
- In cases where the contents of this Guideline differ from international standards or the laws and regulations of relevant countries, we kindly ask for your cooperation in adhering to the more stringent requirements.

2. Confirmation of Compliance Status

- The Mitsui Chemicals Group or a third party may request confirmation of compliance with this Guideline (e.g., through questionnaires). We kindly ask for your cooperation in responding to such requests.
- If the responses indicate a potential deviation from this Guideline, the Mitsui Chemicals Group may request that business partners and their subcontractors accept interviews or other forms of verification conducted by the Group or a third party.

3. Implementation of Continuous Improvement Processes

- If any non-compliance with this Guideline is identified, please report it to us immediately.
- In cases where non-compliance is identified through questionnaires, interviews, or other means, business partners are requested to cooperate by formulating and implementing improvement plans and reporting on the progress of such improvements.
- Failure to cooperate may result in adverse effects on business transactions with the Mitsui Chemicals Group.

End.

Sustainable Procurement

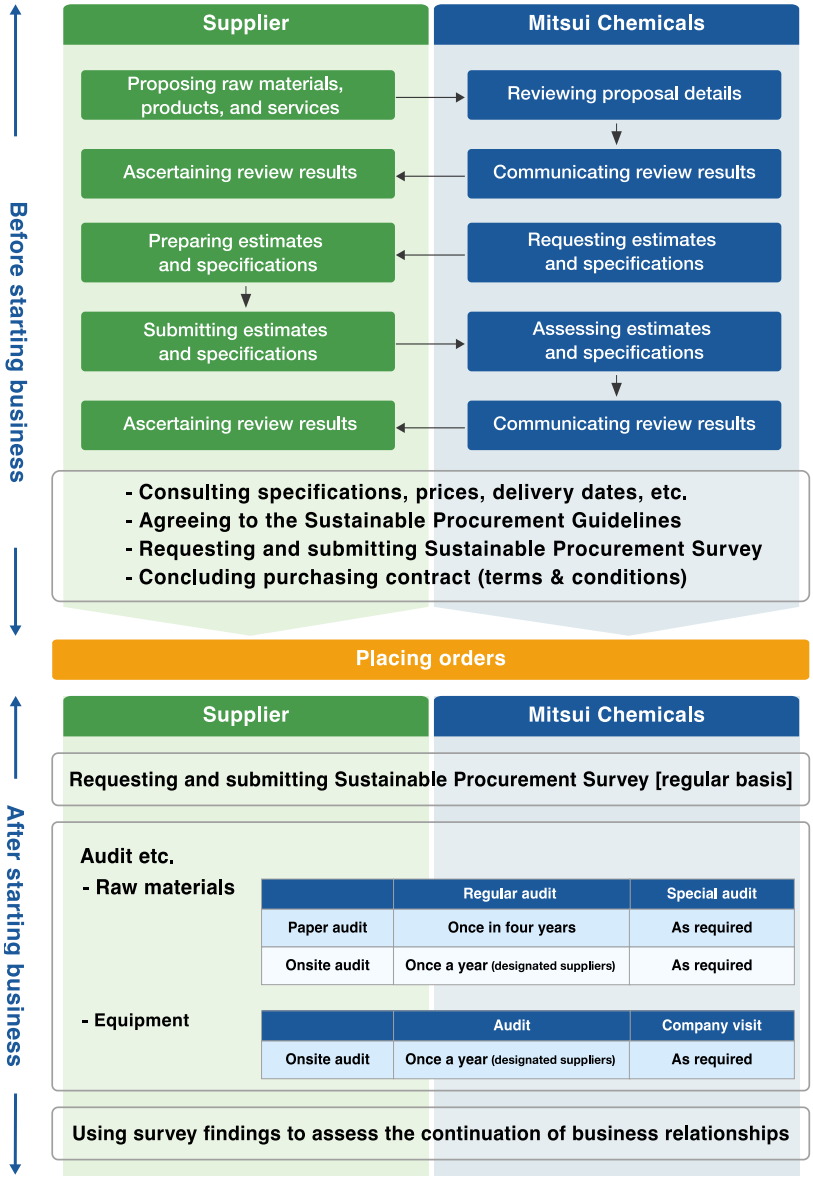
Supplier Evaluation and Guidance for Improvement

Mitsui Chemicals Group Sustainable Procurement Guidelines

The Mitsui Chemicals Group has compiled the "Mitsui Chemicals Group Sustainable Procurement Guidelines" to outline the items we ask our suppliers to work on together with us from the perspective of sustainable procurement. We have been requesting cooperation from our suppliers based on these guidelines. To further promote sustainable procurement in collaboration with our suppliers, we strengthened the implementation of the guidelines in April 2025. Initially, we are asking domestic suppliers to sign an agreement and to cooperate in disseminating the guidelines to their subcontractors.

Transaction Procedures

When initiating transactions with new suppliers of key raw materials, we share the Guidelines and verify the suppliers' efforts toward achieving a sustainable society through their responses to the Sustainable Procurement Survey. For ongoing suppliers, we regularly review their efforts according to the nature of the business relationship. In addition to items related to environmental conservation, occupational safety, and quality assurance, we also have specific check items that cover a wide range of topics, including corporate governance, fair trade, human rights, and information security.
Based on the results of these reviews, we evaluate the partner companies, using the findings not only to decide on partner selection and the continuation of business relationships but also to offer guidance on making improvements where needed.



Survey on Sustainable Procurement

The Mitsui Chemicals Group has been using the CSR/Sustainable Procurement Self-assessment Questionnaire (SAQ), published by the Global Compact Network Japan (GCNJ) Supply Chain Working Group, since 2017 to monitor and support improvements in the sustainability performance of its suppliers, with a focus on environmental, social, and governance aspects in the supply chain. Starting in fiscal 2024, we have also begun trial use of external sustainability rating agencies to objectively assess supplier initiatives. The coverage of suppliers subject to such sustainable procurement assessments is monitored as the "sustainable procurement ratio," which is set as one of the KPIs in VISION 2030.
In fiscal 2024, the sustainable procurement ratio was 61% for Mitsui Chemicals and 70% for its domestic subsidiaries (12 main companies). The Purchasing Division analyzes responses to the SAQ survey and provides improvement support to suppliers with low scores by visiting them directly and confirming their situation.
We also strive to strengthen two-way communication with suppliers with large transaction amounts through regular information exchanges, where we explain our sustainable procurement policy and share the results of sustainable procurement assessments. Currently, this two-way communication is limited to suppliers with whom we have direct transactions, but we are considering expanding this approach to include further tiers of suppliers in the future.

Sustainable procurement ratio = Transaction values with suppliers who responded to the sustainable procurement survey / Total transaction value

	FY2017		FY2021	FY2022	FY2023	FY2024	FY2030 (Goals)
Mitsui Chemicals, Inc.	39%	—	61%	61%	61%	61%	80%
Domestic Subsidiaries and Affiliates*	—		70%	70%	70%	70%	80%

*Main affiliates in Japan

Other Forms of Support Provided to Suppliers

The following information is supplied to our suppliers to ensure mutually beneficial sustainable development for both the Mitsui Chemicals Group and its suppliers. In fiscal 2018, briefings on the following items were held for contractors at our Works, and reminder letters were given to participants. In fiscal 2020, fiscal 2022, and fiscal 2024, a similar document was distributed again to continue sharing the items.

- Examples of previous discrepancies
- Request items for each supplier
  - Compliance with laws and social norms from a sustainable standpoint
  - Avoid engaging in direct price negotiations with requesting divisions regarding transactions overseen by the Purchasing Division
  - Formulate BCPs (business continuity plans)
- The Mitsui Chemicals Group Purchasing Policy details, and reminder for the establishment of a whistleblowing system

Policy on conflict minerals

In the Mitsui Chemicals Group Sustainable Procurement Guidelines, we state "Never purchase or use raw materials containing conflict minerals" as a basis for our responsible procurement of raw materials. Since 2016, the Purchasing Division and RC & Quality Assurance Division have been identifying tin catalysts, etc., within all Group product compositions registered in the chemical safety information system. We conduct conflict mineral surveys of our suppliers of raw materials using CMRT*. As a result, we have continuously 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. This includes tantalum, tungsten, tin, and gold. The sustainable procurement survey includes a category for identifying all activities related to conflict minerals.
Should we be shown in the future to have used conflict minerals, we will immediately halt procurement of the relevant minerals.

*CMRT:
Conflict Minerals Reporting Template.
Conflict Minerals Reporting Template provided by the Responsible Minerals Initiative (RMI) for submitting reports on conflict minerals.

Advancing and Streamlining Supply Chain Information Management

In response to increasingly complex procurement environments—such as frequent natural disasters, rising geopolitical risks, and the need to address human rights and circular economy issues—Mitsui Chemicals Group has launched the development of a procurement platform aimed at advancing and streamlining supply chain information management to support environmentally and socially responsible economic activities and stable procurement operations.
To address supply chain disruption risks and challenges related to human rights, labor practices, and environmental issues, the platform incorporates supply chain risk management services and supplier survey functions. These features enable faster initial responses through automated information collection and sharing in emergencies such as natural disasters. Additionally, by expanding the scope of sustainable procurement surveys and integrating third-party evaluation data into the platform, the objectivity of procurement decisions can be enhanced.

Internal Training for Sustainable Procurement

Mitsui Chemicals conducts sustainable procurement training that targets all of its Purchasing Division employees, and has been working to promote understanding of sustainable procurement and to put the knowledge into practice. To date, we have conducted explanations of the sustainable procurement survey for purchasing managers in business divisions and domestic affiliates (subsidiaries), made it mandatory for the Purchasing Division staff to complete the e-learning course "Quality Audit Operations," and held workshops using GCNJ's Game of Choice and other materials as teaching material.

Scope of reply: * Terms with numbers in parentheses correspond to the numbered items in the sheet (3) Explanation of Terms

Company:		**Date of reply :**	
Department:			
Business:			
Scope of reply:	Consolidated, Group in Japan (incl. main company), Main company alone, Individual Company, Business Division, Business site (incl. plant), Other		
Capital :		**Employees :**	

When answering:
Refer to the instructions, glossary, and guide. To answer a question, enter the number of your chosen "Response Level" from the right into the "Answer" field.
Yellow cells are required to be filled, while blue cells ("Comments") are optional.

Quick Links

I. Corporate governance	IV. Environment	VII. Information security
II. Human rights	V. Fair business practices	VIII. Supply chain
III. Labor	VI. Quality and safety	IX.Local Communities

***When using this list of questions, please confirm in advance on GCNJ's website (https://www.ungcjn.org/activities/help/index.html) that the list is of its latest version.**

Theme	Topic	Approach	Question	Answer	Response Level 1	Response Level 2	Response Level 3	Response Level 4	Response Level 5
I. CSR-related corporate governance	1. Establishment of a CSR promotion system Companies are expected to endeavor to achieve a sustainable society while observing the law, abiding by social norms, meeting society's expectations, and taking care not to have a negative impact on society and the environment. Companies must put this idea into practice while familiarizing employees with it. Toward that end, they must establish a system for risk management of ESG (environmental, social, and governance) related to CSR and for implementing the PDCA (Plan, Do, Check, Act) cycle.	Policy	Do you have a policy and guidelines related to this topic?		No		Yes, we have one or both.		Yes, we have one (or both), and it is reviewed properly in a timely manner.
		System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
		Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	2. Establishment of internal controls In order to ensure the stablishment of an organisational structure for sound corporate management, it is expected that management systems and schemes are in place within the company to ensure effectiveness and efficiency of operations as a company, reliability of financial reporting, compliance with laws and regulations related to business activities, and asset protection.	Policy	Do you have a policy and guidelines related to this topic?		No		Yes, we have one or both.		Yes, we have one (or both), and it is reviewed properly in a timely manner.
		System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
		Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	3. Establishment of a business continuity planning (BCP) system It is expected that a system is in place for business continuity or early recovery of important operations and business during/ after a disaster (e.g., natural disaster, major fire, terrorist attack).	Policy	Do you have a policy and guidelines related to this topic?		No		Yes, we have one or both.		Yes, one (or both) is established and reviewed properly in a timely manner.
		System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
		Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	4. Establishment of a whistle-blower system It is expected that a system is in place for employees who have learned of a compliance problem in the company's business activities in general, such as a legal violation or wrongful act or an act that could be a compliance problem, or for employees who themselves have suffered human rights or labor abuses to directly report to or consult with a dedicated department or outside contact. It is also espected that the system is set up to ensure confidentiality and that the whistleblower will not be treated unfavorably. *Related: Section III-4. Ban on inhumane treatments	Policy	Do you have a policy and guidelines related to this topic?		No		Yes, we have one or both.		Yes, we have one (or both), and it is reviewed properly in a timely manner.
		System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
		Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	5. Dispatch of CSR-related information inside and outside the company It is expected that financial information and non-financial information is dispatched appropriately inside and outside the company in response to requests from society and stakeholders for transparency and accountability regarding corporate activities.	Policy	Do you have a policy and guidelines related to this topic?		No		Yes, we have one or both.		Yes, we have one (or both), and it is reviewed properly in a timely manner.
		System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
		Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
Comments	Use the right column if there is anything you would like to add, such as initiatives your company is taking in regards to this theme.								
Theme	**Topic**	**Approach**	**Question**	**Answer**	**Response Level 1**	**Response Level 2**	**Response Level 3**	**Response Level 4**	**Response Level 5**

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II. Human rights	1. Basic attitude toward human rights Companies should respect and protect human rights as declared in international standards and frameworks and ensure that they are not complicit in (or contributing to) human rights violations. Examples of Major international frameworks and norms: Universal Declaration of Human Rights, Ten Principles of the UN Global Compact, UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, UK Modern Slavery Act, etc.	Legal awareness	Are you aware of international standards and frameworks, national legislation as well as social norms / industry norms and standards at home and abroad related to this category?		No		Yes, but the existence of violations is not checked.		Yes, and the existence of violations is checked.
		Policy	Do you have a policy and guidelines related to this topic?		No		Yes, we have one or both.		Yes, we have one (or both), and it is reviewed properly in a timely manner.
		System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
	2. Respect for human rights and prohibition of discrimination Companies should respect human rights and have a responsibility to conduct decision-making and business activities without discrimination based on race, nationality, gender, sexual orientation, age, ancestry, religion, ethnicity, or immigration, etc., or against children, senior citizens, persons with disabilities, indigenous populations, the poor, or persons with HIV/AIDS, etc.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	3. Avoidance of complicity in (or contribution to) human rights abuses Companies should ensure that the company's decision-making, business activities, and products and services do not lead to complicity in (or contributions to) human rights abuses of consumers or members of the local community.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	4. Respect and consideration for the life and culture of the local community and indigenous people It is important for companies that conduct business in regions where indigenous peoples and ethnic minorities live to respect their unique cultures and histories, to abide not only by local laws and ordinances but also international standards, and to give consideration to the rights of indigenous peoples. Also, not limited to such issues regarding indigenous and minority people, it is essential to conduct responsible business operations with sensitivity to local communities that are affected, in order to maintain the right to operate and to obtain permits and licenses.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
Comments	Use the right column if there is anything you would like to add, such as initiatives your company is taking in regards to this theme.								

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Theme	Topic	Approach	Question	Answer	Response Level 1	Response Level 2	Response Level 3	Response Level 4	Response Level 5
III. Labor	1. Basic attitude toward labor practices Companies should recognize and comply with the labor principles presented in international norms, etc., and to apply basic workplace principles as universal values. Main international frameworks and norms: Universal Declaration of Human Rights, International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, Ten Principles of the UN Global Compact, UN "Guiding Principles on Business and Human Rights," OECD Guidelines for Multinational Enterprises, UK Modern Slavery Act, etc.	Legal awareness	Are you aware of legislation as well as social norms/ industry norms and standards at home and abroad related to this category?		No		Yes, but the existence of violations is not checked.		Yes, and the existence of violations is checked.
		Policy	Do you have a policy and guidelines related to this topic?		No		Yes, we have one or both.		Yes, we have one (or both), and it is reviewed properly in a timely manner.
		System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
	2. Prohibition of discrimination in the workplace Companies should not discriminate at the workplace, including during recruitment process, based on race, nationality, gender, sexual orientation, age, ancestry, religion, ethnicity, immigration, the existence of a disability, etc., or any factors other than factors such as the applicant's abilities and aptitude.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	3. Provision of equal opportunities to employees regarding human resources development and career advancement, etc. Companies are expected to play a critical roll in ensuring that opportunities, such as for promotion and training, are provided equally without undermining fairness on the grounds of race, nationality, gender, sexual orientation, age, ancestry, religion, ethnicity, immigration, the existence of a disability, marital status, or the condition of health, etc.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	4. Prohibition of inhumane treatment Companies should respect employees' human rights. Inhumane treatment, such as abuse, physical punishment and harassment, is prohibited. Example: Systems such as an internal whistle blower system	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	5. Payment of fair wages Companies should abide by the legal minimum wage of the country and region in which they are operating, and ensure that an appropriate collective agreement is concluded regarding matters such as overtime, and that extra pay and payment methods, etc., are applied fairly.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	6. Fair application of working hours, time off, and paid time off, etc. Companies should abide by working hours designated by law or agreed to in advance. They should ensure that employees' working hours are managed appropriately and that they are given the right to take paid time off. Employees should be given at least one day off per week.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	7. Prohibition of forced labor Companies should avoid making people work against their will and making people do work that restricts their freedom to leave their jobs. Work coercion using unjustified means of restraint and compulsion of overtime work, etc., should not be practiced. In addition, unjustified retention of identification documents, etc., and unjustified collection of deposit (money) should not be practiced.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	8. Prohibition of child labor Companies should avoid employing children under the legal working age in that country or region. In addition, children should not be made to perform work that could harm their health, safety, or morals. Example: Age check when employing people	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	9. Respect for the religious traditions and customs of the country of operation Companies should respect the traditions and customs of the country and region in which they are operating, and respect their employees' religious traditions and customs. Care should be taken through uniform employment regulations, etc., to not hinder them.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	10. Recognition of and respect for freedom of association and the right to collective bargaining Companies should respect their employees' freedom of association, freedom to join a labor union, and freedom to protest without being subject to retribution, threats, or harassment and should provide opportunities for labor-management dialogue.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
Intent of question: To question whether work environments are provided that are safe and healthy for workers,	11. Proper management of employee safety and health Companies should take steps so that the risk of accidents occurring during work and the risks of harmful chemical substances, noise, and odors on the human body are understood and that appropriate safety measures, etc., are taken (including statutory	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.

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including their mental health.	inspections, safeguards, danger signals, control of the handling of chemical substances, measures against dangerous work, and compliance with designations for and supply of protective equipment, etc.). In addition, measures that give consideration to employees' mental health should also be taken.	Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
Comments	Use the right column if there is anything you would like to add, such as initiatives your company is taking in regards to this theme.								

Theme	Topic	Approach	Question	Answer	Response Level 1	Response Level 2	Response Level 3	Response Level 4	Response Level 5
IV. Environment	1. Basic attitude toward environmental initiatives Companies are expected to be aware of environmental issues in business processes and to establish systems to resolve them. They are also required to identify factors that have an impact on the environment and to take responsibility for managing them. Main international frameworks and norms: Rio Declaration on Environment and Development, Ten Principles of the UN Global Compact, ISO 14001, Paris Agreement, Basel Convention, Major laws and regulations related to the environment: Japan: Basic Environment Act; Chemical Substance Control Law; Industrial Safety and Health Act; Water Pollution Prevention Act; Act on Advancement of Water Resources Development; Act Relating to the Prevention of Marine Pollution and Maritime Disasters; River Act; Waste Management and Public Cleansing Act; Basic Act on Establishing a Sound Material-Cycle Society; various recycling laws US: TSCA EU: REACH Regulation South Korea: Toxic Chemical Control Act; Occupational Safety and Health Act China: Provisions on the Environmental Management of New Chemical Substances Taiwan: Occupational Safety & Health Act	Legal awareness	Are you aware of legislation as well as social norms/ industry norms and standards at home and abroad related to this category?		No		Yes, but the existence of violations is not checked.		Yes, and the existence of violations is checked.
		Policy	Do you have a policy and guidelines related to this topic?		No		Yes, we have one or both.		Yes, we have one (or both), and it is reviewed properly in a timely manner.
		System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
	2. Management of chemical substances indicated in laws and regulations, etc., in production processes, products, and services Companies should manage chemical substances in products and, moreover, ascertain and report the amount of handled chemical substances to the government.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	3. Control and reduction of waste water, sludge and air emissions Companies are expected to set targets at the level prescribed by law or more rigorous voluntary environmental impact reduction targets. In addition, efforts should be made to prevent pollution, to monitor and control waste water, sludge and air emissions etc., and to reduce outflow.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	4. Sustainable and efficient utilization of resources (energy, water, raw materials, etc.) Companies are expected to set independent targets for implementing resource conservation and energy savings, and to make efforts to effectively use sustainable resources and energies.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	5. Reduction of GHG (greenhouse gases) To counter climate change and prevent global warming set independent reduction targets for greenhouse gases, such as carbon dioxide, methane and fluorocarbons, and make efforts to reduce them to help combat climate change.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	6. Identification, management, reduction, and responsible disposal or recycling of waste Companies are expected to set independent reduction targets for waste, and make efforts to reduce it.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	7. Initiatives related to biodiversity Your own company's business activities are expected to conduct investigations into the direct and indirect impacts of business on the ecosystem, and make efforts to protect biodiversity and ensure its sustainable utilization.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
Comments	Use the right column if there is anything you would like to add, such as initiatives your company is taking in regards to this theme.								

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Theme	Topic	Approach	Question	Answer	Response Level 1	Response Level 2	Response Level 3	Response Level 4	Response Level 5
V. Fair business practices	1. Basic attitude toward fair business practices Companies are expected to engage in fair business practices (e.g., prevention of corruption, responsible political involvement, fair competition, rejection of relationships with antisocial forces/ organizations) in business processes producing/providing products and services. Examples of Major international frameworks and norms related to fair business practices: Ten Principles of the UN Global Compact, OECD Guidelines for Multinational Enterprises, United Nations Convention against Corruption Examples of Major laws and regulations related to fair business practices: Domestic laws regarding competition: Antimonopoly Act (Japan), antitrust laws (US), European Union competition law (EU)	Legal awareness	Are you aware of legislation as well as social norms/industry norms and standards at home and abroad related to this category?		No		Yes, but the existence of violations is not checked.		Yes, and the existence of violations is checked.
		Policy	Do you have a policy and guidelines related to this topic?		No		Yes, we have one or both.		Yes, we have one (or both), and it is reviewed properly in a timely manner.
		System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
	2. Establishment of appropriate relationships with local governments and public officials in and outside countries where business activities are conducted It is expected that healthy relationships will be maintained between the company and public officials, such as by managing the entertainment of public officials to prevent corruption.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	3. Prevention of the giving and receiving of improper advantages with customers and trade partners, etc., in sales and purchasing activities, etc. Healthy relationships must be maintained with customers.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	4. Prevention of competition law violations in sales activities, etc. Bid rigging, cartels, abuse of dominant bargaining position, and other unfair trading practices should be prevented from occurring.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	5. Rejection of relationships with antisocial forces/organizations Relationships with violent groups and corporate extortionists, etc., should be rejected.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	6. Prevention of unauthorized use of a third party's intellectual property and of illegal reproduction of copyrighted works Intellectual property rights, including patent rights, copyrights, and trademark rights, should be respected.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	7. Services for responding to complaints from outside the company and for consultations There should be a system in place for persons involved with trade partners or consumers who have knowledge of important risk information related to transactions with the company allowing them to directly report to or consult with a dedicated department or outside contact. Also, the system should be set up to ensure confidentiality and to ensure that the informant will not be treated unfavorably.	System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
		Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	8. Prohibition of insider trading Persons involved with a listed company, etc., are prohibited from using undisclosed company information to trade that company's stocks, etc.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	9. Prohibition of acts with conflicting interests In situations in which there is a conflict between an employee's interest and the company's interest, employees are prohibited from enjoying personal benefits at the expense of the company's benefits. Such examples include a purchase-sale contract between a company and one of its members of the BOD, and gifting a company's asset. Such cases must be approved in the company's general meeting of shareholders or a meeting of its Board of Directors.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.

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Comments	Use the right column if there is anything you would like to add, such as initiatives your company is taking in regards to this theme.			

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Theme	Topic	Approach	Question	Answer	Response Level 1	Response Level 2	Response Level 3	Response Level 4	Response Level 5
VI. Quality and safety	1. Basic attitude toward product and service quality and safety Companies are required to ensure the quality and safety of products and services provided through business activities and to respond appropriately to customers/ consumers, etc., in the event of an accident. Examples of Main international frameworks and norms: ISO 9001, ISO/IEC Guide 51, EU New Approach Directives, and HACCP Major laws and regulations related to quality and safety: Japanese domestic laws in this area include: PL Act; Consumer Product Safety Act; Electrical Appliances and Materials Safety Act; Gas Business Act; LP Act; PMD Act; Radio Act; Food Sanitation Act; JAS Act; Water Supply Act; Quality Labeling Act; Housing Quality Act; Road Transport Vehicle Act; Building Standards Act; Premiums and Representations Act, etc.	Legal awareness	Are you aware of legislation as well as social norms/industry norms and standards at home and abroad related to this category?		No		Yes, but the existence of violations is not checked.		Yes, and the existence of violations is checked.
		Policy	Do you have a policy and guidelines related to this topic?		No		Yes, we have one or both.		Yes, we have one (or both), and it is reviewed properly in a timely manner.
		System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
	2. Ensuring product and service quality and safety Companies are expected to qualify and ensure safety when supplying products and servies. [In-house quality management system, use of a third-party certification system, etc. (S mark, SG mark, ST mark, JIS mark, JAS mark, etc.]	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	3. Appropriate response to product and service accidents and the circulation of defective goods Companies should establish a system in case of situations such as information disclosure, notification of the relevant authorities, product recall, and safety measures for supply destinations.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
Comments	Use the right column if there is anything you would like to add, such as initiatives your company is taking in regards to this theme.								

Theme	Topic	Approach	Question	Answer	Response Level 1	Response Level 2	Response Level 3	Response Level 4	Response Level 5
VII. Information security	1. Basic attitude toward information security Businesses are required to properly manage and protect information obtained through business activities and to take defensive measures against threats on computer networks. Major laws and regulations related to information security: Japanese domestic laws in this area include: Penal Code; Basic Act on Cybersecurity; Act on the Protection of Personal Information; Act against Unauthorized Access; Act on Electronic Signature Certification, etc.	Legal awareness	Are you aware of legislation as well as social norms/industry norms and standards at home and abroad related to this category?		No		Yes, but the existence of violations is not checked.		Yes, and the existence of violations is checked.
		Policy	Do you have a policy and guidelines related to this topic?		No		Yes, we have one or both.		Yes, we have one (or both), and it is reviewed properly in a timely manner.
		System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
	2. Defense against attacks on computer networks Defensive measures should be taken against attacks on computer networks, and managed so as to not cause damage to the company or other businesses.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	3. Protection of personal information and privacy The personal information of customers, third parties, and employees should be properly managed and protected.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	4. Prevention of misuse of confidential information Confidential information received from customers and third parties should be properly managed and protected.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
Comments	Use the right column if there is anything you would like to add, such as initiatives your company is taking in regards to this theme.								

Theme	Topic	Approach	Question	Answer	Response Level 1	Response Level 2	Response Level 3	Response Level 4	Response Level 5

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VIII. Supply chain	1. Basic attitude toward the supply chain Companies are required to fulfill corporate responsibility in business processes that create products and services. It is advisable to establish a CSR/sustainable procurement policy and to make it widely known and instilled in and outside the company, with the aim of practicing CSR activities not only in the company but also throughout the supply chain. Accordingly, it is necessary to inform and instill in the company's suppliers the practice of the matters included in each SAQ. Examples of Major laws and regulations related to the supply chain: EU RoHS Directive, REACH Regulation, UK Modern Slavery Act, California Transparency in Supply Chains Act	Legal awareness	Are you aware of legislation as well as social norms/industry norms and standards at home and abroad related to this category?		No		Yes, but the existence of violations is not checked.		Yes, and the existence of violations is checked.
		Policy	Do you have a policy and guidelines related to this topic?		No		Yes, we have one or both.		Yes, we have one (or both), and it is reviewed properly in a timely manner.
		System / Responsibility	Do you have a designated person or structure assuming responsibility or promotion of this topic?		No		Yes, we have.		Yes, we have designated one, and it is reviewed properly in a timely manner.
		Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	2. Use of raw materials not involved in conflict or crime (initiatives against conflict minerals) Companies are expected to survey suppliers and conduct verification, in case of the purchase and use of gold (Au), tantalum (Ta), tungsten (W), and tin (Sn), which are conflict minerals connected to inhumane acts committed by local armed groups in the Democratic Republic of the Congo and surrounding regions and elsewhere. The purchase and use of such minerals are prohibited. Major laws and regulations related to conflict minerals: Dodd-Frank Act	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
Comments	Use the right column if there is anything you would like to add, such as initiatives your company is taking in regards to this theme.								

Theme	Topic	Approach	Question	Answer	Response Level 1	Response Level 2	Response Level 3	Response Level 4	Response Level 5
IX. Harmonious coexistence with local communities	1. Initiatives to reduce damage to the health, safety, and sanitation of local communities and residents Companies are required to carry out initiatives eliminating such as noise, chemical substances, and accidents to local communities and residents from the production process and operation of products and services.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
	2. Initiatives with contribute to the local community and residents and collaborate towards sustainable development Companies are expected to carry out initiatives with local communities aimed at sustainable development. Examples of initiatives with local communities: Job creation, skills development, priority purchasing of local products and services, supplier development, etc.	Checking initiative results	Do you have initiatives related to this topic? In addition, do you have a mechanism for checking initiative results?		No		Yes, but we have no mechanism for checking results.		Yes, we have both.
		Corrective actions	Do you have a mechanism for corrective actions related to this topic as necessary?		No		Yes, we have.		Yes, and it is reviewed properly in a timely manner.
Comments	Use the right column if there is anything you would like to add, such as initiatives your company is taking in regards to this theme.								

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GCNJ CSR/Sustainable Procurement SAQ - Explanation of Terms

No.	Term	Meaning
1	Corporate governance	A mechanism for companies to practice transparent, fair, swift, and resolute decision-making while taking into consideration the standpoints of shareholders, customers, employees, local communities, and other stakeholders.
2	CSR	Corporate Social Responsibility. Refers to a company's attitude and initiatives to contribute to society by giving consideration to its impact on society as a whole, not just its own profit. It is thought that companies should give consideration not only to generating earning, maintaining dividends, and observing the law, but also to their economic, environmental, and social impacts, bearing in mind the various social groups connected to the company—that is, stakeholders.
3	Internal controls	Mechanisms for controlling organizations to ensure proper and efficient performance of operations in a company or administrative body, etc. They are established by prescribing and applying operational rules, standards, and processes and by continually conducting assessments of their effectiveness and risks in order to prevent wrongdoing, illegal acts, and errors in organizations and ensure that organizations are run effectively. Adoption of IT is also required, including the establishment of information systems.
4	Business continuity planning (BCP)	Planning that organizes routine activities and emergency actions (e.g., methods and means) in order for a company that has fallen into a state of emergency (due to natural disaster, major fire, terrorism, etc.) to minimize damage suffered, continue its core business, and recover quickly.
5	Non-financial information	Refers to information about a company other than financial information such as financial statements. In order to understand corporate activities, there is now a demand for the disclosure of non-financial information that has an impact of any kind on the financial state, in addition to financial information.
6	Stakeholders	Individuals or groups that could have an impact on the decisions or activities of an organization, that could be impacted by those decisions or activities, or that are recognized as being impacted by those decisions or activities. Examples include customers, owners, shareholders, bankers, regulators, suppliers, employees/ labor unions, contractors/partners, and society including the government and residents (sometimes including competitors or opposition lobby groups).
7	Universal Declaration of Human Rights	A declaration adopted by the third United Nations General Assembly on December 10, 1948, as a universal standard for all people and all nations to achieve. It arose from reflection amidst the devastation following World War II that, "this mistake must never be repeated." The Declaration, which consists of a preamble and articles 1 to 30, clearly expresses liberty rights and social rights. Liberty rights include personal liberty, prohibition of torture and slavery, freedom of thought and expression, suffrage and so on. Social rights include the right to education, the right of workers to unionize, the right to lead life with human dignity and so on.
8	Ten Principles of the UN Global Compact	The UN Global Compact is an initiative that was advocated by then UN Secretary-General Kofi Annan to the World Economic Forum (Davos meeting) in 1999 and officially launched at UN Headquarters the following year. It fulfills its role as a forum (a place for the exchange and practice of opinions) for addressing various issues arising from globalization through the implementation of activities based on 10 principles established in the four domains of human rights, labor standards, environment, and anti-corruption. At present, 12,480 organizations (of which about 9,456 are companies) in around 160 countries have signed the Compact (as of May, 2017). Principle 1: Support and respect the protection of human rights; Principle 2: Make sure that one is not complicit in human rights abuses; Principle 3: Freedom of association and recognition of the right to collective bargaining; Principle 4: Elimination of forced labor; Principle 5: Effective abolition of child labor; Principle 6: Elimination of discrimination in employment and occupation; Principle 7: Precautionary approach to environmental challenges; Principle 8: Initiatives to promote environmental responsibility; Principle 9: Development and diffusion of environmentally friendly technologies; Principle 10: Work against corruption in all its forms, including extortion and bribery. (UNGC website: https://www.unglobalcompact.org/)
9	UN Guiding Principles on Business and Human Rights	Principles conceived as the "Protect, Respect and Remedy" framework by Harvard University professor John Ruggie, who served as a UN Special Representative from 2005. The UN unanimously endorsed the principles on June 16, 2011. The objective is to strengthen standards and practices related to business and human rights, in order to contribute to sustainable globalization. The principles are applicable to all states and businesses.

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No.	Term	Meaning
10	OECD Guidelines for Multinational Enterprises	Guidelines established by the OECD in 1976 to recommend multinational corporations to voluntarily act in the responsible manner that is expected of them. The Guidelines consist of principles related to responsible corporate activities in a wide range of areas including general policies; disclosure; human rights; employment and industrial relations; environment; combating bribery, bribe solicitation and extortion; customer interests; science and technology; competition; and taxation. The Guidelines are legally nonbinding. Participating nations besides OECD member countries are Argentina, Brazil, Columbia, Costa Rica, Egypt, Jordan, Lithuania, Morocco, Peru, Rumania, and Tunisia.
11	UK Modern Slavery Act	Enacted in the UK as of March 2015. It is a law requiring commercial organizations and companies operating in the UK with annual turnover exceeding £36 million to disclose annual statements and report to ensure that slavery and human trafficking are not taking place in the business.
12	Social norms	Rules that people must observe when interacting within social life. These include manners, morals, customs, role models and so on.
13	Industry norms	Self-imposed rules established through the cooperation of companies and organizations in an industry that serve as standards for behavior and judgments that must be observed.
14	Sexual orientation	Refers to the concept of showing the direction of a person’s romantic or sexual attraction. These include heterosexuality, homosexuality, bisexuality and so forth. In recent years, some of these have started to be widely recognized as LGBT*. *Lesbian, gay, bisexual, and transgender
15	International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work	Refers to the ILO Declaration of the Fundamental Principles and Rights at Work adopted by the International Labor Organization (ILO), which is one of the ILO’s most important key documents alongside the ILO Charter and Declaration of Philadelphia. It establishes the minimum standards related to labor. It consists of eight articles in four areas related to the basic human rights of freedom of association, prohibition of forced labor, elimination of child labor, and elimination of discrimination in employment and occupation.
16	Career advancement	The acquisition of higher qualifications and abilities. The improvement of one’s career.
17	Collective agreement	A written agreement concluded between a labor union or representative of workers and an employer.
18	Unjustified retention of identification documents, etc.	In developing countries and elsewhere, there are instances of employment intermediaries forcing migrant workers from neighboring countries to hand over their work permits and passports to prevent them from running away and withholding unreasonable sums from their wages (e.g., migrant workers from neighboring countries in Southeast Asia losing their freedom of movement when their passports are confiscated by employment intermediaries). However, the safekeeping of documents such as passports and alien registration cards is an obligation of the person whose documents they are; forced retention of such documents by employment intermediaries and employers is illegal. This also applies to foreign technical intern trainees in Japan.
19	Deposit	A general term for a certain amount of money placed interest-free by a borrower into the keeping of the lender when making a rental agreement; also called a security deposit or key money. In terms of CSR, refers to unjustified costs collected from foreign workers by employment services in the sending country and is regarded as a primary factor leading to debt labor and forced labor.
20	Freedom of association	The ability of anyone to form a group or association. It includes the right to join or leave a group and the right to disband.
21	Safeguards	Measures to prevent workers from having work-related accidents. These include employers providing for the safety of equipment and working environments, etc., and workers themselves engaging in work with an understanding of dangers and hazards of that work and a thorough familiarity with the appropriate ways to cope with those dangers and hazards. See Chapter VI of Japan’s Industrial Safety and Health Act.
22	Danger signals	Reducing envisioned dangers through warning labels by directly posting stickers, signs and so on and around dangerous spots.
23	Business processes	The series of activities conducted to achieve a business objective, such as the production and sale of a product or provision of a service.

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No.	Term	Meaning
24	Rio Declaration on Environment and Development	Rio Declaration on Environment and Development. An agreement made at a UN Conference on Environment and Development held in June 1992. Consists of 27 principles on environment and development, for example that States have, in accordance with the Charter of the United Nations, etc., the sovereign right to exploit their own resources, and the responsibility to ensure that their own activities do not cause damage to the environment of other States.
25	ISO 14001	A certification standard for an Environmental Management System (EMS), issued by the International Organization for Standardization (ISO) in 1996. It requires the establishment and implementation of the Plan-Do-Check-Act (PDCA) cycle aimed at objectives such as the reduction of environmental load, in line with an environmental policy drawn up by management. A review by a third party is needed to acquire certification.
26	Paris Agreement	A multilateral agreement concerning climate change, adopted at the 21st Conference of the Parties of the UN Framework Convention on Climate Change (COP 21) held in Paris in December 2015. A stated goal is to achieve net zero emissions worldwide by the second half of this century. It requires all countries to independently establish reduction targets and to take domestic measures aimed at their achievement.
27	Basel Convention	Officially the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal. A treaty that requires as a matter of principle processing hazardous wastes by the country that produced it, as well as ensuring international safety standards when moving hazardous wastes across borders, giving advance notice to countries receiving the waste and/or through which the waste passes and obtaining their consent, preventing illegal transfer, and establishing punishment measures, etc.
28	Major laws and regulations related to the environment	National laws related to the control and regulation, etc., of chemical substances and chemical substances used in products, enacted by Japan, the US, EU, South Korea, China, and Taiwan to ensure the health and safety of workers. <Explanation of abbreviations> • Chemical Substance Control Law (Japan): Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc. • TSCA (US): Toxic Substances Control Act • REACH Regulation (EU): Registration, Evaluation, Authorization and Restriction of Chemicals
29	Sludge	The mass of the final inorganic and organic products from the treatment process of a sewage treatment plant or the waste liquid treatment process of a factory, etc. It is buried in final landfill sites as industrial waste or recycled.
30	GHG (greenhouse gases)	A general term for gases that warm the atmosphere near the surface of the Earth by absorbing infrared rays. Regarded as substances that cause global warming (climate change). The Kyoto Protocol, which was adopted at the third session of the Conference of Parties to the UNFCCC (COP 3), specified six gases, including carbon dioxide, methane, chlorofluorocarbons, and dinitrogen monoxide, to be reduced. The Intergovernmental Panel on Climate Change (IPCC) has nearly concluded that rising surface temperatures are an anthropogenic result of an increase in GHG emissions since the Industrial Revolution of the 18th century.
31	Responsible disposal	Japan's Waste Management and Public Cleansing Act, for example, stipulates that in Article 3 that "business operators must take responsibility for the proper disposal of wastes generated in connection with their business activities." This makes it explicit that emitters are responsible for disposal. It is also stipulated that "business operators strive to reduce the amount of waste generated in connection with their business activities through means such as recycling," and "business operators must cooperate with the policies of local public bodies in relation to the reduction of waste and the ensuring of its proper disposal, etc."
32	Biodiversity	Biological diversity can be perceived on three levels: ecosystem, species, and genetic diversity. The Convention on Biological Diversity is a treaty whose goals are the conservation of biological diversity, the sustainable use of its components, and the fair and equitable sharing of benefits arising out of the utilization of genetic resources. The 10th Conference of the Parties to the Convention on Biological Diversity (COP 10), held in 2010, adopted the "Aichi Targets," which is a strategy for reducing the speed of biodiversity loss by 2050, and the "Nagoya Protocol" on the handling of genetic resources.
33	Antisocial forces/ organizations	A general term for groups and individuals who pursue economic benefits through unreasonable demands using violence, power, or fraudulent means.

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No.	Term	Meaning
34	United Nations Convention against Corruption	A treaty for preventing economic crimes including corrupt practices (including corruption by public officials, foreign public officials, and officials of a public international organization), bribery, embezzlement, and money laundering. It plays a complementary role to the United Nations Convention against Transnational Organized Crime and is incorporated into the principles of the UN Global Compact.
35	Domestic laws regarding competition: Antimonopoly Act (Japan), antitrust laws (US), European Union competition law (EU)	"Competition law" is a general term for laws and regulations with the purpose of preventing monopolistic, coordinated, or unfair practices as a means of competition, in order to maintain sound and fair competition in a capitalist market economy. Below are some domestic laws. Antimonopoly Act (Japan): A law aimed at sound market development and the protection of consumer interests by maintaining free competition among companies. Antitrust laws (US): Antimonopoly laws in the United States. A general term for the basic laws of the Sherman Act, the Clayton Act, and the Federal Trade Commission Act plus a series of laws and regulations that amend and supplement these statutes. European Union competition law (EU): Antimonopoly law in the EU.
36	Prevention of competition law violations	When competition laws such as an antitrust law have been violated, the violator may face civil (e.g., an injunction) and administrative (e.g., payment of a fine) measures and, in some offense, criminal charges. Furthermore, as violators may lose social credibility through press coverage, it is important to prevent violations and, toward that end, it is important to have correct knowledge.
37	Bid rigging	Illegal behavior to ensure that a certain bidder wins a bid as a result of an agreement among relevant bidders.
38	Cartels	A form of alliance in which companies and business operators in the same industry, which is in a state of oligopoly, strike a deal on matters such as price, production volume, and sales outlets to avoid competition, with the aim of obtaining exclusive benefits. Also called syndicates, cartels are prohibited in Japan by the Antimonopoly Act.
39	Abuse of dominant bargaining position	Causing disadvantage to a trading partner through unjust behavior in light of normal business practices by using the dominant bargaining position of one's own company (e.g., making burdensome requests such as delayed payment of bills, demand for price reductions, and demand for support money, and making demands for the dispatch of employees). The Antimonopoly Act prohibits these behaviors in Japan.
40	Unfair trading	Acts that could impede fair competition, which are prohibited by Japan's Antimonopoly Act. There are 16 types of unfair trade practices applicable to all categories of business, including "concerted refusal to deal," in which companies refuse to deal with a certain vendor, and "discriminatory pricing," in which products and services are provided and received unfairly at discriminatory prices.
41	Patent rights, copyrights, and trademark rights	Patent right: A set of exclusive rights granted by a sovereign state to an inventor or assignee for a limited period of time in exchange for detailed public disclosure of an invention. Copyright: The right to exclusive control of works that creatively express one's own thoughts and feelings through forms of expression such as language, music, and graphic arts. Trademark rights: The right to protect as an asset trademarks attached to products and services, where "trademark" refers to a mark (including letters, graphics, symbols, three-dimensional shapes, and combinations thereof) used to differentiate the products and services of one's own company from those of other companies.
42	ISO 9001, ISO/IEC Guide 51, EU New Approach Directives, and HACCP	ISO 9001: A certification standard for quality management systems, issued by the International Organization for Standardization (ISO) in 1987. It is used to improve quality through the implementation of the Plan-Do-Check-Act (PDCA) cycle aimed at increasing quality. A review by a third party is needed to acquire certification. ISO/IEC Guide 51: An international standard that stipulates guidelines for the inclusion of safety aspects in standards. It is positioned at the top of various safety standards. EU New Approach Directives: A new EU legal structure and means of regulation implemented with the integration of Europe as the EU with the purpose of reducing "technical trade barriers" that impede the flow of goods within the EU. HACCP (Hazard Analysis and Critical Control Point): A system for analyzing health and quality risks that could occur in the production process of foods, specifying the critical control points that should be monitored to ensure safety, and practicing rigorous control and record keeping.

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No.	Term	Meaning
43	Major laws and regulations related to quality and safety	<Explanation of abbreviations> • LP Act: Act on the Securing of Safety and the Optimization of Transaction of Liquefied Petroleum Gas • PMD Act: The Law on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical device • Housing Quality Act: Housing Quality Assurance Act • Premiums and Representations Act: Act against Unjustifiable Premiums and Misleading Representations
44	Supply chain	A series of activities or stakeholders related to the chain of all business processes (including development, procurement, production, delivery, and sale) leading from the stage of raw materials to the delivery of products and services to the customers. The business approach for cohesive management of the supply chain is called supply chain management.
45	EU RoHS Directive	EU legislation restricting the use of hazardous substances in electrical and electronic equipment and promoting the collection and recycling of such equipment, enacted in February 2003. Target hazardous chemical substances include lead, mercury, cadmium, and hexavalent chromium, and flame retardants such as polybrominated biphenyls (PBB) or polybrominated diphenyl ethers (PBDE).
46	California Transparency in Supply Chains Act	A law that went into effect in January 2012 that requires companies with worldwide annual revenues of $100 million or more to report on their specific actions to eradicate slavery and human trafficking in their supply chains.
47	Conflict minerals	A general term for minerals produced in conflict-torn regions where the purchase of those minerals could lead to the funding of local armed groups and, it is feared, could result in complicity in conflicts in those regions. (See No. 48 Dodd-Frank Act)
48	Dodd-Frank Act	A US financial regulatory reform act established in 2010 with the aim of preventing a recurrence of the financial crisis. One part of the act imposes an obligation on companies listed in the US to report to the Securities and Exchange Commission (SEC) matters related to their use of minerals including tantalum, tin, gold, and tungsten produced in the Democratic Republic of the Congo and surrounding regions, out of concern that mineral resources in those regions have become a source of funds for armed groups.
49	Local community	The people or groups living or working in an area impacted economically, socially, and environmentally by a business.

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Sustainable Procurement

Participating in Initiatives

Participating in ESG Information Sharing Platforms and Efforts to Support the Supply Chain

The Group is participating in platforms (Sedex, EcoVadis) that aim to improve corporate environmental and social practices within the supply chain through the sharing of information relating to these practices. The Group is also a member of the Sustainable Castor Association, an NGO that promotes environmentally and socially sustainable castor farming, and we support the welfare of castor farmers, improving their safety and cultivation techniques.

Sustainable Castor Association Certification of Membership (valid until Dec. 31, 2025)

EcoVadis Sustainability Rating (valid until June. 2026)

Participation in Global Compact Network Japan Supply Chain Working Group

Mitsui Chemicals supports the United Nations Global Compact (UNGC) and has been a member of the Global Compact Network Japan (GCNJ, the local network of the UNGC in Japan), participating in various working groups of GCNJ. The Supply Chain Working Group within that group is working with other participating companies to improve sustainable procurement in the supply chain. In addition to promoting the use of the industry-wide Common Self-Assessment Questionnaire (SAQ), exchanging opinions with NGOs and experts, preparing outputs to promote sustainable procurement, and introducing our own initiatives at seminars, we are also involved in activities to raise awareness and promote sustainable procurement (CSR procurement) among other organizations and companies.

Declaration of Partnership Building

Mitsui Chemicals agreed with the concept of "Declaration of Partnership Building" established by the Council on Promoting Partnership Building for Cultivating the Future, which consists of the chairman of Keidanren (the Japan Business Federation), chairman of the Japan Chamber of Commerce and Industry (JCCI), president of Rengo (the Japanese Trade Union Confederation), and relevant ministers as members, and has registered our declaration in the "Declaration of Partnership Building" portal website. As our Declaration of Partnership Building, we declared our goals of building a mutually-beneficial relationship across the entire supply chain, establishing new collaborations across business scales, groups, and others, and observing desired business practices with subcontractors.

Sustainable Castor Association

CERTIFICATE OF MEMBERSHIP

This is to Certify that

Mitsui Chemicals, Inc.

Mitsui Chemicals

Is an Ordinary Member of

Sustainable Castor Association

Enabling Sustainable Castor Farming and Sustainable Castor Oil and Derivatives Supply Chain

8th March 2025	
Issue Date	Authorized Signatory (Sustainable Castor Association)
14th March 2022	31st Dec 2025
Member Since	Validity Until

Human Resources Management

Management System



Policy and Basic Approach

Corporations today are questioned about how they can contribute to building a sustainable society. The Mitsui Chemicals Group is committed to creating the values that society requires, and the key to achieve this is human resources. Valuing individual employees is also important so that the company and employees each inspire the other on an equal relationship to create a better future together. Aiming to realize this, we set the simultaneous goals of "Sustainable growth of the Mitsui Chemicals Group" and "Promoting the happiness and fulfillment of employees" as stated in our Corporate Mission. We plan to build an organization that always keeps learning and pushing its boundaries, driven by making the most of individual employees' potential abilities. This is how we will create a sustainable competitive edge.
The Mitsui Chemicals Group set out its Human Resources Management Policy to demonstrate its approach to both employees and stakeholders. Based on the Action Guidelines, this Policy states our principles which are positioned and applied as the foundation of human resources measures across the entire Group. The Human Resources Management Policy is disseminated across the Group in Japanese, English, and Chinese.



Human Resources Management Policy of the Mitsui Chemicals Group

1. "Always in Good Faith"

(1) The Mitsui Chemicals Group will require employees to "Always 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) Mitsui Chemicals will comply with all labor and employment laws wherever it operates.
(3) Mitsui Chemicals 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"

(1) Mitsui Chemicals will require employees to "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) Mitsui Chemicals will protect employees' safety and health in the workplace.
(3) Mitsui Chemicals does not tolerate any form of harassment, and in turn supports and respects the protection of human rights.

3. "Dream-inspiring Innovation"

Mitsui Chemicals will require employees to have the following attitudes and engage in certain behavior in order to pursue the "Dream-inspiring innovation" as stipulated in "The Action Guidelines," highly appreciate such employees and offer an appropriate environment for them to give full rein to their strengths:

- To take on challenges unflinchingly with full trust in our potential without fear of failure.
- To create novel value by enhancing our sensitivity.
- To consider and act proactively based on the actual data and facts at the workplace.
- To aim to be world-class professionals with a global view.
- To develop the future generation by passing on our experiences and technologies.
- To integrate individual strengths into the organization through active communication.

We established core values* as leading action guidelines to capture the spirit of all employees working at Mitsui Chemicals Group sites all 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. Mitsui Chemicals, based on the aforementioned, will conduct Human Resources Practices under the following policies:

	Toward sustainable growth of the Mitsui Chemicals Group	Toward promoting the happiness and fulfillment of employees
Organization	We flexibly design and form organizations to achieve our management and business strategies, appropriately allocating jobs (positions).	We form organizations and allocate people to make the best of each individuals’ motivation, competency, and capability.
Recruiting	We employ human resources with diverse expertise and values who can contribute to the sustainable development of the organization.	We offer job opportunities equally to individuals who have the work motivation, capability, and diverse values sought by the Group.
Assignment	We actively employ human resources who have high potential to achieve fruitful results (the right person in the right position).	We allocate employees to maximize their motivation, career ambitions, and expertise.
Human Development	With a long-term perspective, we develop global experts and managerial human resources.	We offer various constructive training opportunities to develop employees’ expertise and management literacy globally, and support their self-reliant career development.
Evaluation	We appropriately evaluate each individual’s achievement and encourage their further growth through timely feedback.	We evaluate employees in a fair and objective manner to enhance their motivation and capabilities.
Compensation (Remuneration)	We aim to achieve a competitive compensation standard in the global market.	We aim to achieve a competitive compensation standard in the global market to secure motivated and capable human resources.

We also strive not to violate minimum wage regulations and working hours regulations on the basis of the laws and regulations stipulated by each country and region.

*Core value:
Core value is to capture the spirit of all employees working at the Mitsui Chemicals Group sites across the world and to act as a unifying force, ensuring that we are all working toward the same goals.

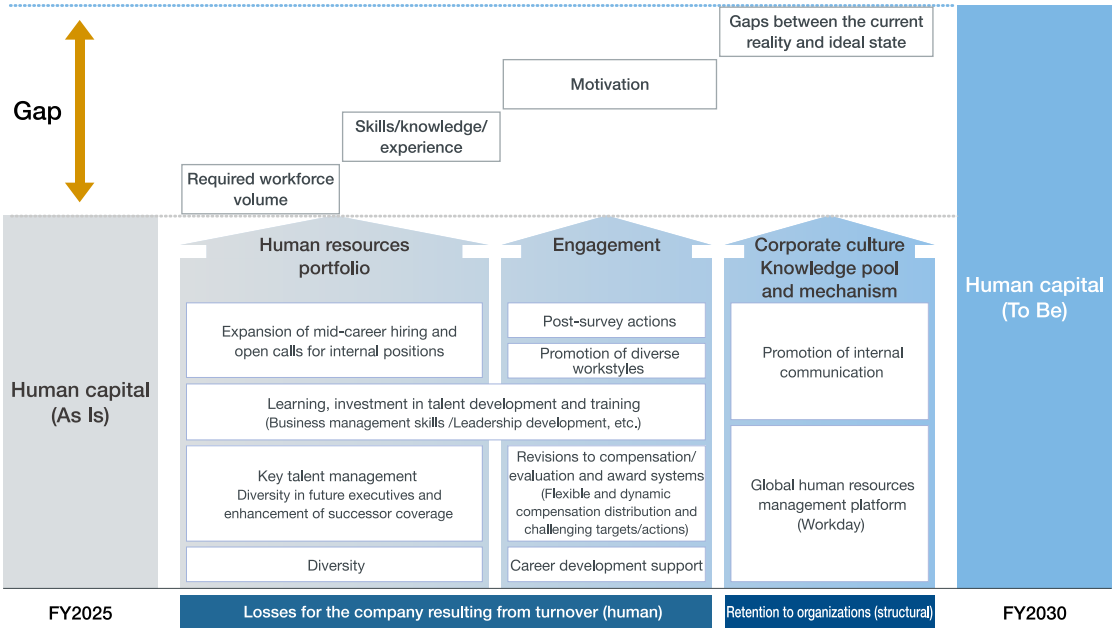
Challenge	To encourage employees to challenge the status quo actively and openly.
Diversity	To learn about the cultures and histories of others to deepen understanding of each person’s personality and ethnicity and make the most of this understanding for Mitsui Chemicals Group’s growth.
One Team	To unite our minds and efforts regardless of different positions, generations, genders, nationalities, organizations, and regions.

Human Resource Strategy

The Mitsui Chemicals Group has been devising and implementing human resource strategies based on long-term business plans, and various HR/organizational strategies to address identified priority issues, steadily spearheading the reformation of the business portfolio on global Group-wide levels and expanding businesses across the globe in terms of HR management. As a result, since Mitsui Chemicals was established in 1997, the Group has grown to 156 affiliated companies and 17,320 consolidated employees (as of the last day of March 2025, excluding contract employees), with overseas personnel account for 37% of the total.

In formulating the human resources strategy to realize VISION 2030, we have quantitatively and qualitatively assessed the gaps between the current state and the desired future state of human capital, considering changes in the external environment, and identified priority challenges and actions to take. This gap analysis considers both the quantitative and qualitative changes in the human resources portfolio—such as knowledge, skills, experience, and abilities that are lost when employees leave—and the impact of motivation and engagement on output and outcomes. It also takes into account structural aspects like corporate culture, organizational norms, and systems. Through various initiatives within the human resources strategy, we aim to bridge these gaps and foster the desired corporate culture of "self-initiative, autonomy, and collaboration," thereby enhancing sustainable corporate value.

Key Perspectives in Formulating Human Resources Strategies*



*Created by the Company with reference to the MERITUM Guidelines (2002).

System and Responsible Officers

The Mitsui Chemicals Group has established the position of CHRO*1 as part of its efforts to strengthen the chief officer system and clarify executive responsibility in order to strengthen the executive system and promote reforms in the Group and globally.
The CHRO will strengthen the linkage between business plans and human resources strategies from a medium- to long-term perspective, and boldly invest and reallocate human capital toward business portfolio transformation in a more timely manner at the group and global levels. At the same time, the CHRO is responsible for effectively and proactively communicating these initiatives and human capital values to internal and external stakeholders.

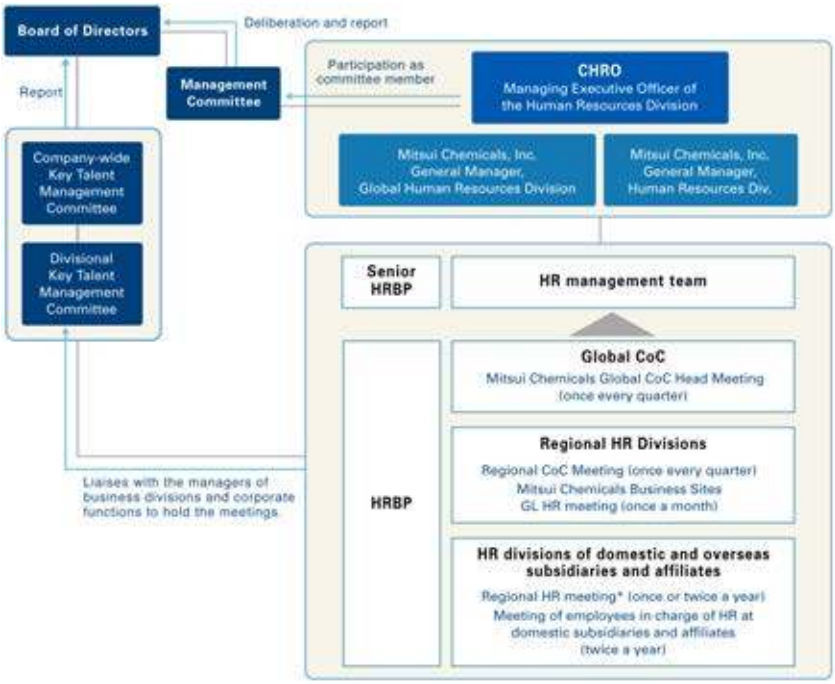
As for Head Office functions, we have established the HR Management Team*2 and appointed a Senior HRBP*3 as partners to the senior management. This enables us to monitor and share the progress of management strategies in business sectors and functional divisions in a timely manner. Based on this understanding, we have been driving effective HR practices after annually reviewing our human resources strategies.

We have also organized a global CoC*4 system that includes HR representatives from Japan, Europe, the Americas, and Asia to devise and launch human resources strategies and HR practices on global Group-wide levels, revolving around five functions: 1) Talent management, 2) Organizational and human development, 3) Global compensations and benefits, 4) Global platform & analytics, and 5) Global recruitment and branding.
The measures are shared and implemented by Regional HR Divisions, and the management of domestic and overseas subsidiaries and affiliates, HR department, and HRBPs. We also periodically share and discuss the progress of mutual HR practices with the representatives of Regional HR Divisions with domestic and overseas subsidiaries and affiliates.

In addition, the HR management team under the CHRO is responsible for human resources strategy decision-making, including HR issues at each business/functional headquarters, region, and affiliates. The measures critical to business are discussed by the company-wide and divisional Key Talent Management Committee. The Key Talent Management Committee develops future executives, as stipulated by the Management Committee and described in the Corporate Governance Guidelines.

*1 CHRO:
Chief Human Resource Officer. As a member of the management team, plans and executes human resource strategies.
*2 HR management team:
A policy and initiatives formulation body within the Human Resources Division, composed of responsible officers, department heads, and group leaders from the Human Resources Division and the Global Human Resources Division.
*3 HRBP:
Human Resources Business Partner. As the partners to the heads of each business sector and functional division, HRBPs are responsible for planning and executing human resource strategies and initiatives that align with various business and functional strategies. The HRBP structure includes both HRBPs who drive initiatives within their assigned sectors or divisions on a day-to-day basis, and Senior HRBPs who cover multiple sectors or divisions, providing timely advice and support to HRBPs and facilitating coordination across sectors, divisions, and among HRBPs.
*4 CoC:
Center of Competence. A designated HR function to oversee the entire group.

Human Resources Management System



*Comprehensive regular meetings for HR officers from each company in the region (the Americas, Europe, China, and Asia Pacific) to exchange information and promote HR measures specific to each region. The meeting frequency varies depending on the region.

Monitoring

The state of compliance of human resources management at business sites and subsidiaries and affiliates is being checked regularly through internal audits conducted by the Internal Control Division.

Goals and Results

Key Talent Management

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Successor coverage rate for critical positions	Mitsui Chemicals Group	235% or more	235%	250%	250%

Diversity

Metric		Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
			Goals	Results	Goals	Goals
Number of executive officers with diverse backgrounds (women, non-Japanese, mid-career hires)		Mitsui Chemicals, Inc.	Diversity rate of future executives: 20% or more	24.1%	Diversity rate of future executives: 25% or more	10 or more (including at least 3 women)
Ratio of women in management positions (manager-level or above)		Mitsui Chemicals, Inc.	7% or more	8%	9% or more	15%
Percentage of women among regular recruitment	Career-track administrative positions	Mitsui Chemicals, Inc. registered employees	40% or more	50%	40% or more	40% or more
	Career-track technical positions		25% or more	38%	25% or more	25% or more
	Skilled staff (mainly factory operators)		10% or more	19%	10% or more	10%
Ratio of employees with disabilities		Mitsui Chemicals, Inc. registered employees	2.6%	2.5%	2.7%	—

*The past regular recruitment data posted on this website is based on the data of employees who joined the company in the applicable fiscal year. Therefore, the numerical values may differ from those on the Action Plan for Promotion on Women's Empowerment V, which shows the overall number of employees expected to join the company in the next fiscal year.

Improvement of Employee Engagement

Metric	Scope	FY2024		FY2025	FY2030 (Medium to Long-term)
		Goals	Results	Goals	Goals
Engagement score	Mitsui Chemicals Group	38% or more	36%	40%	50%

Human Resources Management

Human Resource Portfolio Transformation

Recruitment

Basic Policy on Recruitment

Our basic policy is to ensure fairness in recruitment without discrimination based on race, nationality, religion, age, gender, disability, or other factors. We believe that acquiring talent that offers diversity in values, backgrounds, and skills will lead to new innovation and sustainable growth of the Group within the society.

Initiatives and Results

ESG Performance Data (Recruitment) >

Concrete Measures to Ensure Fairness in Recruitment Activities

For greater fairness and equity in recruitment and to promote diversity, we have implemented the following actions starting in 2021.

(1) Students engaged in job hunting can choose not to answer gender questions in line with diversity requirements.
(2) They are no longer required to submit photo IDs, except for certain job types, to strengthen our efforts to recruit talented and motivated people regardless of gender or appearance.
(3) They are not required to conform with recruitment-oriented dress code at interviews to eliminate gender-based discrimination based on clothing.

In addition, training is provided to employees in charge of selection to ensure fairness.

Strengthening Mid-career Recruitment by Utilizing Various Approach Channels

We are driving the execution of important initiatives for VISION 2030, such as business portfolio transformation, overseas expansion, and acceleration of M&A, at a faster pace than ever before. Under such circumstances, the Mitsui Chemicals Group is actively recruiting personnel with experience and expertise in relevant areas from outside the company, in addition to training and utilizing its employees. Focusing on talent that helps to expand and deepen our areas of business, we have hired 426 career-track employees from fiscal 2022 to 2024, with 70% coming from outside the chemical industry.

We are also considering introducing various recruitment methods, rather than being bound by conventional ones. We have implemented referral hiring, where hiring was done through referrals by our employees, and 31 employees were hired under this system between fiscal 2022 and 2024. Some of them are employees who have worked with us in the past, so-called “alumni” from the framework of our company, and have returned to work for us again. We will continue our efforts to acquire the talent essential for our growth through various approaches.

Training Programs for New Graduate Recruitment in Career Development

Mitsui Chemicals conducts a career education program for university freshmen and sophomores with the aim of fostering a career outlook and helping them understand jobs. Specifically, we invite students to our offices for hands-on workshops to think about business strategies, and offer various programs that give students the opportunity to interact with our employees and learn why working is rewarding and about the various future options available to them. These programs are well-received by the participating students, as they focus on helping the students better understand elements that help them make career choices, such as thinking methods necessary for business activities and keys to effective career planning, as well as providing them with insight into real business situations and the employees who are working there. We also believe that by helping students better understand our company through these initiatives, we will be able to match students with our company more accurately and attract excellent human resources in the future.

Number of Participants in Career Education Programs

Unit: Persons

	FY2021	FY2022	FY2023	FY2024
Number of participants	35	33	26	30

Recruitment Marketing with LinkedIn

We use LinkedIn for recruitment marketing to globally increase awareness of the Mitsui Chemicals Group and to recruit more diverse talent. We continuously publish news releases on the Mitsui Chemicals Group and profiles of our employees and products. As of June 2025, we have gained over 37,000 followers. We plan to reinforce our global recruitment by coordinated action through the entire Group.

Talent and Organization Development

Training Programs for Developing Management Talent

In alignment with Mitsui Chemicals Group's Long-Term Business Plan, our human resources strategy emphasizes securing a diverse range of managers and expanding the management talent pool as key initiatives. Therefore, we actively implement programs that enable participants to acquire a managerial perspective and appropriate management skills. Approximately 1.1% of employees across the Mitsui Chemicals Group, representing diverse attributes, participate in these various training programs (including strategic thinking leadership training). Moving forward, we will continue to produce future executives through training suited to changes in the business environment and enhance our successor coverage rate, which we monitor as a KPI, to firmly maintain and expand our talent structure, leading VISION 2030.

Executive Coaching

This coaching program based on strategic dialogue is targeted at people who make management decisions, and is designed to create positive change in management activities over a span of roughly 10 months (12 hours of coaching per person). Before starting the program, specific tools are used to make participants more aware and visualize the impact that they are unconsciously having on the organization, how managers and members feel about their current conditions, and the ideals that they aspire to. The theme for the program is decided based on the organizational issues and leadership issues that have been identified. A professional coach accompanies the participants in executing a hands-on strategy. In addition, six months after the end of the coaching program, we provide opportunities to visualize the changes and apply the learnings for future management.

Global Leadership Program for Future Executives

To train future executives who are expected to be active in the Group on a global scale, the program aims to acquire management literacy and develop a global network. Traditionally, it has been conducted in collaboration with Mannheim Business School, one of Germany's business schools, and Hitotsubashi University Business School, focusing on enhancing strategic thinking and global leadership. To date, a total of 100 employees from the Mitsui Chemicals Group have participated in this ten-month program, gaining skills and forming networks for the future.
However, with the acceleration of VUCA, the required leadership style has evolved, leading to a revamp of this training program starting in fiscal 2024. The Group is recruiting next-generation future executives from across our global offices and, in collaboration with Korn Ferry, a consulting firm specializing in global organizational support and leadership development, is implementing an eight-month program that includes action learning. This unique program aims to develop leaders who can demonstrate enterprise leadership across a broader range, equipping them with the skills and mindset needed to excel in an increasingly turbulent world.
Two modules will be conducted in-person overseas, where participants will engage in experiential leadership programs and networking, while also beginning action learning. After virtual coaching sessions, the final module of the program will be held at the Company's headquarters, where participants will present their action learning themes to top management.

Global Manager Seminar

This program provides local leaders of the Group and its global companies with the opportunity to gain a better understanding of the Group's strategy and culture, and to acquire leadership skills. Candidates for general manager appointment from various global offices come together to acquire leadership skills through repeated experiences and reflections, while also deepening their networking. The program was paused during the COVID-19 pandemic but was refreshed and relaunched in fiscal 2023, with 19 participants (16 men, 3 women).

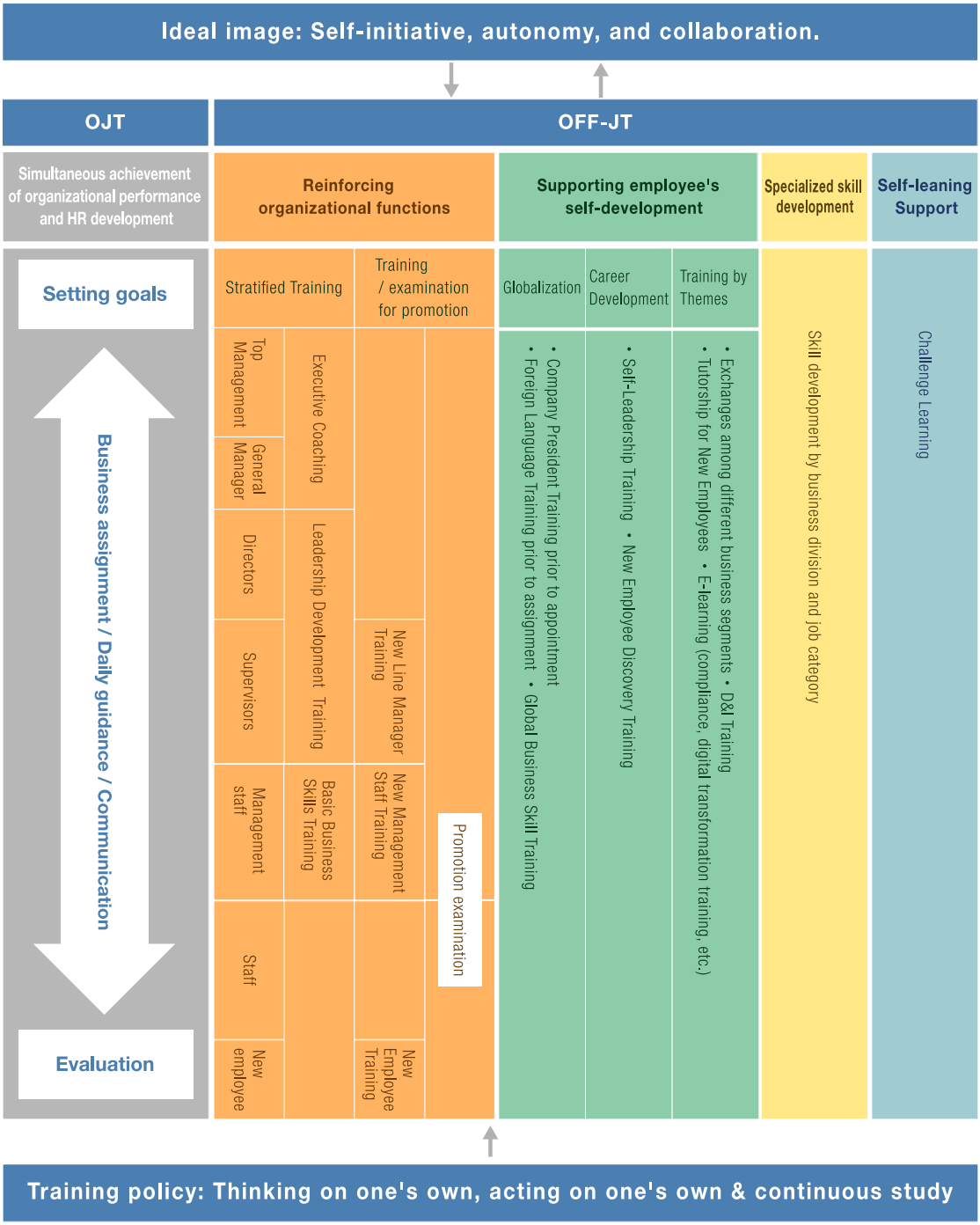
This is a program for future generation leaders to help them understand their roles as leaders and acquire the necessary knowledge and skills. Selected candidates from young employees from the Asia-Pacific and other regions work through this 5-day program, including business simulations.

Name of Training Program	FY2024 results	Cumulative Total
Executive Coaching (For General Managers and higher positions of Mitsui Chemicals Group)	2 (Males: 2, Females: 0)	74 (From FY2011)
Global Leadership Program (For future executives of Mitsui Chemicals Group)	19 (Conducted every two years)	119 (From FY2012)

Stratified Training

At Mitsui Chemicals, we conduct stratified training based on the skills and job awareness required for leadership at each level. Minimizing knowledge-cramming-style training, we expect our employees themselves to repeat cycles of experience and introspection, while acting proactively to meet their higher-level job requirements, and will support them in changing their behavior in ways that will produce results.

Training System (Japan)



Leadership Development Program

In order for talented human resources to demonstrate their abilities, regardless of time constraints caused by life events, such as childcare and nursing care, or differences in nationality, race, ethnicity, or religion, line managers need to improve their management skills. Mitsui Chemicals focuses on developing leadership skills to lead the organization toward an even better direction by incorporating coaching methods into training programs for each level of line manager training and by encouraging core leaders in each division to take specific and innovative actions in their daily business activities. The normalization of online training programs has enabled the participation of employees with time constraints due to parenting, nursing, and other life events, regardless of where their business sites are located, thereby realizing a training system that accommodates diversity.

Strategic Thinking Leadership Training

As a result of reviewing the requirements by position for the start of VISION 2030, we have introduced the new "Strategic Thinking Leadership" training in fiscal 2022. This is because directors must have the ability to lead change and have a managerial perspective to manage the Company and its businesses as a whole beyond the organization. To achieve VISION 2030, we will develop leaders who will draw a strategic story from new perspectives and promote and execute the strategy.

Number of Leadership Development Training Participants

Name of Training Program	FY2024 Results	Cumulative Total
Strategic Thinking Leadership Training (For Directors)	37 (Males: 37, Females: 0)	108 (From FY2022)
Leadership Development Training (For Head Office Supervisors and Plant Managers)	21 (Males: 18, Females: 3)	385 (From FY2013)
Leadership Development Training (For R&D sites and Plant Supervisors)	15 (Males: 14, Females: 1)	533 (From FY2016)

Key Achievements of Stratified Training (Mitsui Chemicals, Inc. registered employees in fiscal 2024)

New Employee Training (Online and on site program)	
Details	In 2024, for the first time in six years, we held an in-person entrance ceremony at our headquarters, followed by a team-building social event for new employees, with executives in attendance. We then carried out about one month of orientation training. The program was live-streamed to eight business sites across Japan, enabling a hybrid format that combined in-person attendance with full online participation from home. New employees participated in the discovery training based on the principles from "The 7 Habits of Highly Effective People," which focuses on developing professionals with roots (mind) and leaves (skills). They learned about each division along with its strategy for VISION 2030, the human resources system, and basic business skills, i.e. logical thinking and presentation skills. As the culmination of the training, a presentation session was held under the theme of "Mitsui Chemicals' Ideal 'Collaboration' and How to Achieve It," integrating the learnings acquired over the course of the month. Through direct dialogue with leaders from key divisions, participants achieved practical, results-oriented outcomes.
No. of Trainees	126 (Males: 78, Females: 48)
Total Training Hours	19,320 hrs
Basic Business Skills Training Programs (Online)	
Details	Trainees aim to develop the qualities required to become a manager. In addition to on-the-job training, we promoted the reskilling of individual employees not only by providing training for employees appointed by the company, but also by increasing the number of opportunities for voluntary training to embody "self-initiative, autonomy, and collaboration," the concept of the new work style we introduced in April 2021. Thinking, project management, interpersonal skills, accounting and management skills "Apple & Orange," and global business skills training.
No. of Trainees	177 (Males: 111, Females: 66)
Total Training Hours	1,393 hrs
Training for Newly-promoted Management Staff (Online)	
Details	Message from the management, understanding each role, and strength finder (leadership development utilizing strength)
No. of Trainees	129 (Males: 102, Females: 27)
Total Training Hours	989 hrs
Line Manager Training Program (Online)	
Details	(1) Awareness of one's roles, labor management, mental health management, compliance, and diversity (understanding diversity such as LGBTQ, harassment, women's empowerment, etc.), (2) Subordinate development skills
No. of Trainees	110 (Males: 94, Females: 16)
Total Training Hours	(1) 660 hrs (2) 759 hrs

Career Training

The role of companies in the era of the 100-year lifespan is shifting from "continued employment" to "career development." In order to improve employee engagement, it is essential to create a framework for further career and growth opportunities. Based on our basic human resource development policy of "self-initiative, autonomy, and collaboration," we launched the "Autonomous Career Development Promotion" in fiscal 2022 to embody the independence and autonomy of each and every employee.

Key Achievements of Career Training (Mitsui Chemicals, Inc. registered employees in fiscal 2024)

Name of Training Program	Program objectives	Number of participants	Male participants	Female participants	Training Hours (hrs)
Self-Leadership Program (The Seven Habits)	Based on Stephen R. Covey's "The 7 Habits of Highly Effective People," learn perspectives and attitudes that will help you achieve long-term and effective results.	28	25	3	401
Self-Leadership Program (Self Empowerment)	To recognize one's own leadership, to think about the meaning of work and one's own guiding principles, and to connect them to actions to be taken tomorrow.	24	16	8	360
Career Workshop (by Generation)	Pursue personal potential and design future careers according to career challenges specific to each generation.	46	33	13	329
Career development initiatives for employees aged 50 and over	Provide opportunities before retirement age to consider post-60 life and career, serving as preparation for future career development.	229	213	16	343

Digital Transformation (DX) Training (E-Learning)

As a basic strategy for promoting DX under VISION 2030, Mitsui Chemicals aims to improve our digital literacy and shift to a data-driven organizational culture by improving the literacy of all employees and training them to acquire specialized skills. In fiscal 2021, as part of our endeavors to improve the digital literacy of all employees, we defined four levels for DX talent from 0 to 3, created a talent development plan based on the skills to be acquired at each level, and began implementing the plan. By the end of fiscal 2024, 3,100 Group employees have completed level 1 training. Furthermore, from among these, we have selected candidates to advance to levels 2 and 3, and are progressing with the in-house training of data scientists who utilize data to solve problems as specialized personnel, aiming to train 165 individuals by fiscal 2025.
These programs are designed to train data scientists who play a core role in various fields, not only to develop new business models, but also to aim for skill improvements in the domains of safety, production, and quality in our Works.

Key Talent Management

System for Developing Successors for Critical Positions

The Mitsui Chemicals Group defines candidates for critical positions—such as division heads and above at Mitsui Chemicals, and presidents of large affiliates—who are expected to lead the transformation of our business portfolio with a focus on social issues, or who can simultaneously achieve new insights and transformations in building solution-based business models utilizing global expansion and M&A, as "Future Executives[*1]" and "Key Talent[*2]." Key Talent Management is a core initiative of Mitsui Chemicals' human resource management, which has established a culture within the organization of discussing each candidate's career, personal interests and aspirations, and development plan. The system has been operating since fiscal 2016 as a common system for the Group and globally.

*1 Our group employees who are future sector president candidates at Mitsui Chemicals, Inc.
*2 Our group employees who are future general manager candidates at Mitsui Chemicals, Inc.

Key Talent Management System

According to the Company's Corporate Governance Guidelines, "Key Talent Management" is positioned at the core of the system that ensures the effectiveness of the succession planning for senior management (CxOs and sector presidents). These activities are appropriately monitored by the Board of Directors.
Key Talent Management clarifies the qualities required for executives and carries out early selection and strategic development of "Future Executives" and "Key Talent." Every year, all members of senior management, including the President/CEO, CxOs, sector presidents, and general managers of each business division and office, participate in Function and Corporate Key Talent Management Committees as consultative members. At the Group and global levels, they select next-generation talent, formulate development plans for each candidate, and spend time discussing their details. In addition, to grasp the direction and readiness of the development, we conduct assessments using external specialized agencies and create opportunities for development and placement to accelerate the appropriate development of each candidate. In fiscal 2024, as a new initiative, we established the "Key Talent Management Code," which defines the specific achievements required in each position with a view toward promoting future executives. This code defines five key outcomes expected of executives, including M&A, new business creation, and strategic planning from a group and global perspective. As changes in the internal and external environment intensify, management executives who drive business portfolio transformation and Building solutions-based business models are increasingly expected to perform a wider range of sophisticated roles and possess greater expertise. In developing future leadership candidates, we prioritize assigning necessary experience (assignments) for each position based on this code, and we are accelerating development in alignment with the intended career trajectory.
Additionally, we have set as non-financial KPIs in VISION 2030 the ratio of diversified executive officers (at least three women and at least ten non-Japanese and career hires), and are working to build a diverse talent pool.

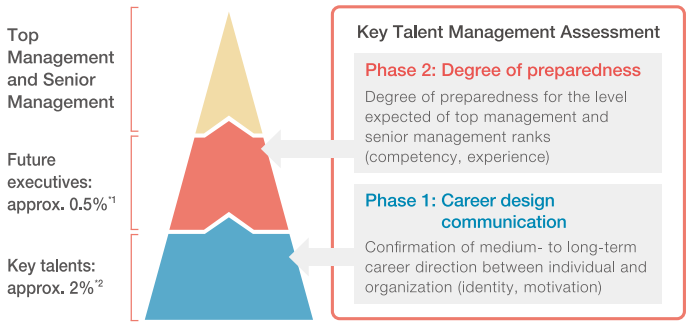
Successor Selection and Development for Critical Positions

The critical positions for implementing each strategy and positions for which assignment should be promoted (to train next-generation future executives) are being identified and approved by the Corporate Key Talent Management Committee, and successors are being planned for such development positions. The committee also creates succession planning for these positions. We have identified some 100 critical positions and development positions across the world, and are actively acquiring suitable human resources from inside and outside the Group to fit them.
The progress of key talent management and succession planning for critical positions is periodically reported to the Board of Directors. Doing so enables the Board to monitor the progress of talent pipeline development periodically and objectively. We are also proactive in making suggestions from the aspect of strengthening the pool of human resources who will be considered by the Nomination Committee for the nomination of director candidates, thus creating a framework with strong capabilities for the whole Group.

Key Talent Management Processes



Key Talent Management Assessment System



*1 The proportion of Group employees who are future sector president candidates at Mitsui Chemicals, Inc.
*2 The proportion of Group employees who are future general manager candidates at Mitsui Chemicals, Inc.

Qualification and Experience Required for Future Executives

Two HR requirements for future executives:

1. Must possess knowledge and experience to manage the business accurately and fairly towards achievement of the business vision.
2. Must possess keen insight, a wide view, ethics, fairness, and honesty.

Progress and Future Prospects

Progress in FY2024

- Established the Key Talent Management Code and defined the "Five Key Outcomes (Challenges)" required for job performance as derived from VISION 2030. Utilization of these definitions in our development plans has begun. Prioritize assignments required for each role (CxOs, business sector presidents and functional sector presidents) to accelerate development aligned with the desired direction for the role.
- To help diversify our future executive talent pool, we have decided to implement a mentorship program as a part of our efforts to develop women and non-Japanese employees.

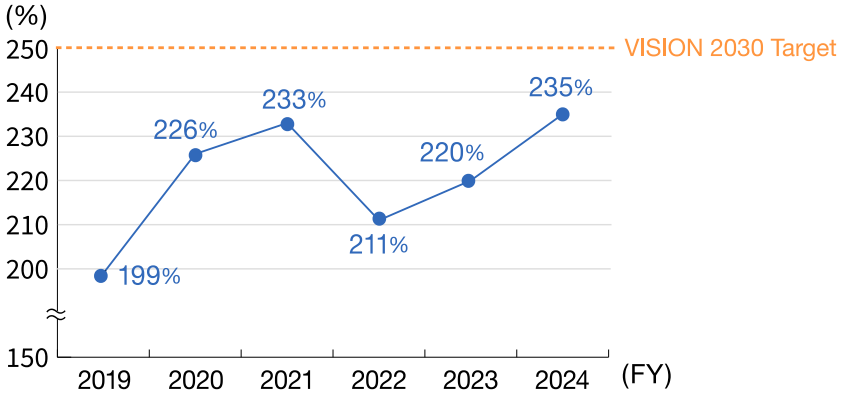
Plans for FY2025

- Plan to enhance its early selection processes for young talent. From an early stage, we engage in development planning discussions, conducts assessments, and provides training opportunities to support the growth of future executives.
- Launch a mentorship program as a part of our efforts to develop women and non-Japanese employees.
- Further strengthen the linkage between succession planning at Mitsui Chemicals and that of our domestic and overseas affiliates, while enhancing the integration with key talent management. We will actively promote personnel assignment to development-oriented positions such as tough assignments.

The successor coverage rate* shows the percentage of secured successor candidates versus the number of critical positions to achieving company-wide strategies. The rate is regularly monitored. Today, many companies are working on succession plans and succession planning in order to avoid the risks associated with the absence of successors. We have established the successor coverage rate as a non-financial metric in VISION 2030, and publish it externally so that we can quantitatively grasp its status and ensure its effectiveness. We have also set the number of executive officers with diverse backgrounds as a non-financial metric (executive officers in 2030: at least three women and at least ten non-Japanese and mid-career hires). This has been done not only to ensure continuous and stable development of successors, but also to manage the effectiveness of key talent management from the perspective of diversity. As of April 2022, women, non-Japanese, and mid-career recruits have joined the ranks of executive officers, and as of April 2025, one woman and one mid-career recruit have each assumed executive officer positions. As a result, the number of diverse individuals among our executive officers has increased to five.
Going forward, we will continue to work on talent management, accelerating it with business measures that meet the needs of society and the times.

*Successor Coverage Rate:
The number of successor candidates for critical positions / The number of critical positions.

Successor Coverage Rate for Critical Positions



Employee Engagement

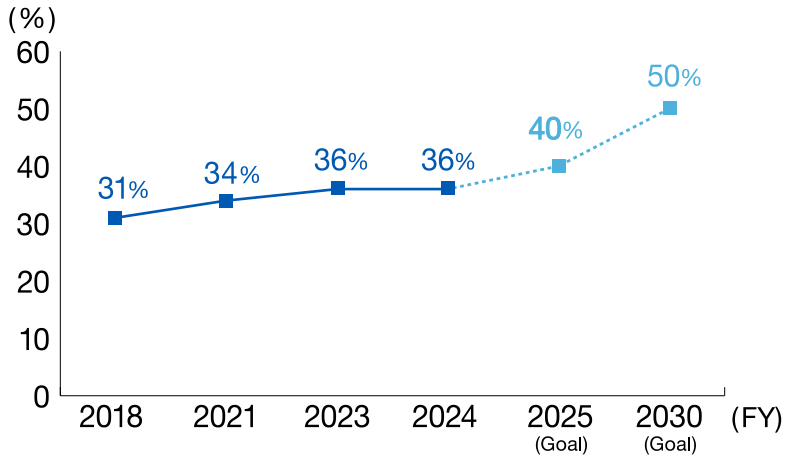
Engagement Survey Initiatives

Our Results and Trends

We believe that improving the engagement of each and every employee is necessary for achieving VISION 2030, and have conducted a global employee engagement survey of all Mitsui Chemicals Group employees since 2018. We have now set the engagement score as one of the Group's non-financial targets, and by disclosing it both internally and externally, we are engaging in continuous monitoring and improvement actions. Starting in fiscal 2023, to further enhance our efforts and promote more timely initiatives towards our goals, we have increased the frequency of monitoring by conducting the survey annually, compared to the previous cycle of approximately once every three years.
In the 2024 engagement survey, we received responses from 90% of Group employees. The engagement score was 36%, remaining at the same level as the previous survey. When analyzed by factors, there was no significant change in either areas of strength or challenges compared to the previous. However, an overall trend of improved scores was observed, suggesting that the actions taken in response to the previous survey results are yielding positive outcomes.

*Engagement score:
Shows the percentage of employees who indicate a high degree of agreement (4: somewhat agree, 5: agree, 6: strongly agree) with an average of 4.5 or more on the six engagement-related questions. The company is promoting these initiatives not only to improve scores, but also to increase the number of employees with a strong sense of engagement.

Engagement Score Trends and Target



Engagement Factor Score (Areas of Strength and Challenge Areas)

	Challenge areas	Areas of strength
FY2024	Total compensation and recognition 25%	Compliance with laws and company rules 69%
	Teamwork 23%	Safety 56%
	HR utilization and assignment 22%	Brand as an employer 43%
FY2023	Total compensation and recognition 23%	Compliance with laws and company rules 67%
	Teamwork 22%	Safety 54%
	HR utilization and assignment 21%	Brand as an employer 42%

Post-Survey Actions within Each Organization

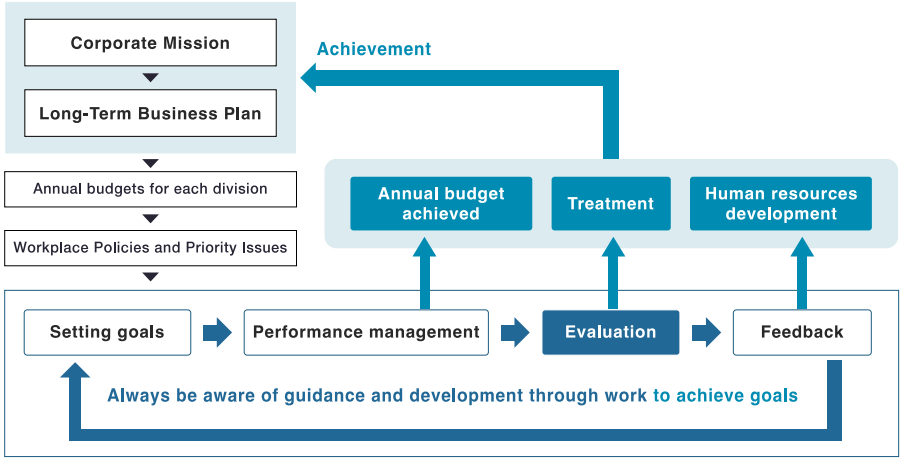
We do not simply conduct the survey; we also compile approaches to be taken to address issues identified through them as “post-survey actions” and implement initiatives at division-level organizations of respective affiliates and Mitsui Chemicals, Inc., as well as at Group level. Leaders of each organization are taking initiatives to improve our engagement score not only by addressing issues faced by each organization in a timely manner but also by keeping eye on fundamental problems like why the organization is facing such issues.
Representative examples of post-survey actions include:
(1) communication at workplaces (exchange events, study sessions, etc.);
(2) utilization of the award system; and
(3) one-on-one dialogues on career development and daily work.
At respective workplaces, we explore and implement various actions, ranging from those for increasing a sense of unity among employees to those for motivating employees to carry out their work more actively by clarifying their visions.
These post-survey actions are formulated and implemented as Group-wide initiatives by a total of 182 organizations, including division-level organizations of Mitsui Chemicals, Inc. and its affiliates. With a 100% completion rate for both planning and execution, their specific measures are shared through the internal portal site and available for reference by other organizations.

Compensation & Benefit

We believe that treating employees based on proper evaluation is an important system that motivates employees, helping to acquire, develop, and retain talents, and significantly impacting the development of the Mitsui Chemicals Group.

Basic Approach to Performance Evaluation and Compensation

At Mitsui Chemicals, performance is evaluated based on the achievement of predetermined job targets and actions, and the results are reflected in the compensation.
In setting job targets, we incorporate the business plan—based on the Corporate Vision—into the policies and goals of each division. Key issues derived from this process are then organized into goals for each department or team and ultimately reflect in individual job targets. Through this process, we have established a system in which the achievement of individual targets is linked to the performance of the team, department, division, and ultimately, the entire company. In terms of compensation, we have established a system in which the achievement of divisional targets is linked to individual bonuses. In addition, we conduct an interim review around October, allowing for flexible revisions to their targets in response to changes in both internal and external environments.
As part of the performance evaluation process, supervisors ensure effective communication by conducting feedback sessions. In these sessions, they carefully explain the evaluation results regarding the employee's achievement of job targets and behavioral evaluation, along with the reasons behind the evaluation. By sharing strengths and areas for improvement based on each individual's characteristics and providing necessary support as appropriate, we facilitate the development of our employees. Specifically for behavioral evaluations, we have introduced the 'Global Core Competency Evaluation,' whereby employees reflect on whether their actions align with our Action Guidelines and core values based on concrete examples, followed by assessment and feedback from supervisors. Through these efforts, we aim to instill and establish our Action Guidelines and core values.
The process from target setting to evaluation is structured around three interviews: initial target setting at the beginning of the term, an interim review around the mid-point, and a final evaluation and feedback session. Throughout these stages, supervisors and subordinates engage in ongoing dialogue. In addition to these opportunities, we also encourage regular and ongoing communication, aiming for operational systems that both realize our business plan and foster a deeper sense of personal conviction among each employee.
These processes are centrally managed through our global Group-wide talent management system (Workday), enabling timely responses to changes in the environment and revisions to targets related to personnel transfers and other factors. By providing an environment in which supervisors and subordinates can always refer to continuously updated progress, we are creating opportunities for effective dialogue.
Moreover, the Mitsui Chemicals Labor Union conducts surveys on the rate of feedback meetings and the degree of satisfaction among union members. The results are shared between labor and management and leveraged to ensure appropriate operation of the evaluation system.



Revising the Personnel System in Line with VISION 2030

To realize VISION 2030, we revised our human resource system in April 2022 to improve employee engagement and further encourage growth and proactive challenges. When making the revisions, we used the results of the engagement survey to revise the individual performance management system, including goal setting and evaluation, and to improve the transparency and specificity of evaluations.
Specifically, when setting goals, we stipulated that directors and corporate auditors and general managers should take the initiative in setting transformation goals that were back-cast from VISION 2030 and disclose them to their subordinates for the purpose of collaboration. In order to encourage employees to persevere in pursuit of higher goals without fear of failure, points were awarded for achievements. The transformation goals will be introduced in stages, starting with those in higher positions, with plans to expand them to section managers and lower positions in the future.
In addition, the bonus allocation, which used to be uniform for each evaluation category, has been changed to a system that allows detailed adjustments according to each employee's performance, directly rewarding the contributions of each individual. The bonus calculation method is based on the amount of consolidated operating income before special items in addition to individual performance. However, in order to further motivate employees to achieve the performance goals of VISION 2030, we are revising the system to provide additional payments for high operating income.
We also reviewed the global competencies that have been used as the basis for behavioral assessment. It reflects the “promoting challenges,” “strengthening of execution,” “strengthening of commitment,” and “promoting internal and external collaboration,” which have been discussed as necessary elements for the realization of VISION 2030. In addition, one of the existing core items for the behavioral evaluation of understanding diversity has been updated to incorporate the perspectives of equity and inclusion. As we aim to create innovation and realize VISION 2030, our goal is not only to understand diversity, but also to provide opportunities for people to speak and act fairly, and to encourage people to make use of others with rich individuality, which will lead to new ideas and results. In addition, specific behaviors and levels required for each job grade are newly defined as “Leadership Competencies” and evaluated to promote actions for the realization of VISION 2030.

Complying with the Legal Wage and Establishing Compensation Levels That Are Both Attractive and Competitive

As its businesses become more globalized, the Mitsui Chemicals Group ensures compliance with the laws of each country and region where it does business with regard to employee compensation. This includes paying the legally required minimum wages and granting compensatory time off or extra wages for work hours that exceed the prescribed or legal working hours. We then ensure attractive and competitive compensation levels and schemes for the labor market of each country and region. Our basic approach is to set compensation levels in accordance with the positioning of the Company's performance in the market where it competes for human resources. We review and update our compensation levels regularly based on a variety of wage statistics provided by government agencies, compensation databases of external survey institutions, etc.
Based on this approach, we have continued to implement base salary increases every year since fiscal 2022, striving to maintain a competitive level of compensation. In particular, in fiscal 2025, we significantly raised starting salaries to enhance competitiveness in the recruitment of new graduates.
In running these systems, we operate a fair and equitable system that reflects performance results by eliminating age and seniority factors to the extent possible, and disclose the salary, bonus, evaluation, and pay raise systems to employees in our company rules and handbooks.
One of the key topics for the Human Rights Working Group to consider is living wages (i.e., whether employees are paid enough to maintain an adequate standard of living for themselves and their families), which is important in realizing decent work (work that is fulfilling and satisfying to human beings).

Award for Medium to Long-Term Efforts

While efforts to achieve annual targets are rewarded based on performance evaluations, we also offer awards for medium to long-term efforts through our “Company Awards System.” This system is designed to motivate employees toward achieving business targets and transforming our corporate culture. It mainly recognizes strategic plans developed toward achieving our medium and long-term business plans, and comparable activities over a three-year period. Additionally, when reviewing these efforts, our assessment indices include not only the outcomes but also contributions to sustainability elements, such as reducing GHG emissions.

Clarification of Evaluation and Compensation in the Group and Globally

When acquiring, developing, and retaining excellent human resources across the Group beyond national borders, the Mitsui Chemicals Group has developed the “Group Global Evaluation Guidelines” and “Global Policy on Position Management” to promote the broad and fair application of evaluation indicators standardized within the Group, visualization of positions, and clarification of the compensation process.

Global Evaluation Guidelines

In 2016, we formulated and distributed the Global Evaluation Guidelines, which outline the evaluation schemes, approaches, design, etc., across the group companies. These guidelines consist of two concepts: (1) management by objectives (MBO) and (2) global core competencies. These guidelines enable the HR sections of four regional headquarters (the Americas, Europe, Asia-Pacific and China) to support the development, revision, and operation of evaluation systems for companies in their respective regions.

Specifically, global core competences are used as a shared index within the Mitsui Chemicals Group's HR management, and they are used as the basis for the 360-Degree feedback and assessments provided in the leadership development program.

Global Position Management

Since 2004, the Company has developed job descriptions for management employees and introduced a job evaluation system in which employees are treated according to the size of the duties of each position. However, as we expand globally, it is necessary to appropriately design an organizational structure and each role for the entire group that are consistent with our long-term business plan. For this reason, "the Global Policy on Position Management" was rolled out to the Group in fiscal 2020. At present, there are approximately 18,000 job positions in the Group, of which roughly 40% are overseas-based positions. The policy clarifies the basic philosophy, structure, decision-making authority, and processes to create and abolish these positions within the group. Along with this development, we have introduced global job grades. We are currently working to ensure visibility and transparency for job positions within the Group based on standardized job evaluation criteria.

Policy on Executive Appointments, Dismissal and Compensation at Subsidiaries and Affiliates

In fiscal 2021, we rolled out a Global Policy on executive personnel governance for the Mitsui Chemicals Group. This Policy defines (1) the appointment and dismissal of directors and corporate auditors, (2) the criteria for compensation levels and composition, and (3) the process for determining the compensation for over 120 domestic and international consolidated companies. Based on this Group-wide policy, the Mitsui Chemicals Group will implement integrated executive compensation management throughout the Group, ensuring transparency in the appointment and dismissal process and the determination of appropriate compensation linked to the Group's overall performance.

Establishing a Productive Workplace Environment

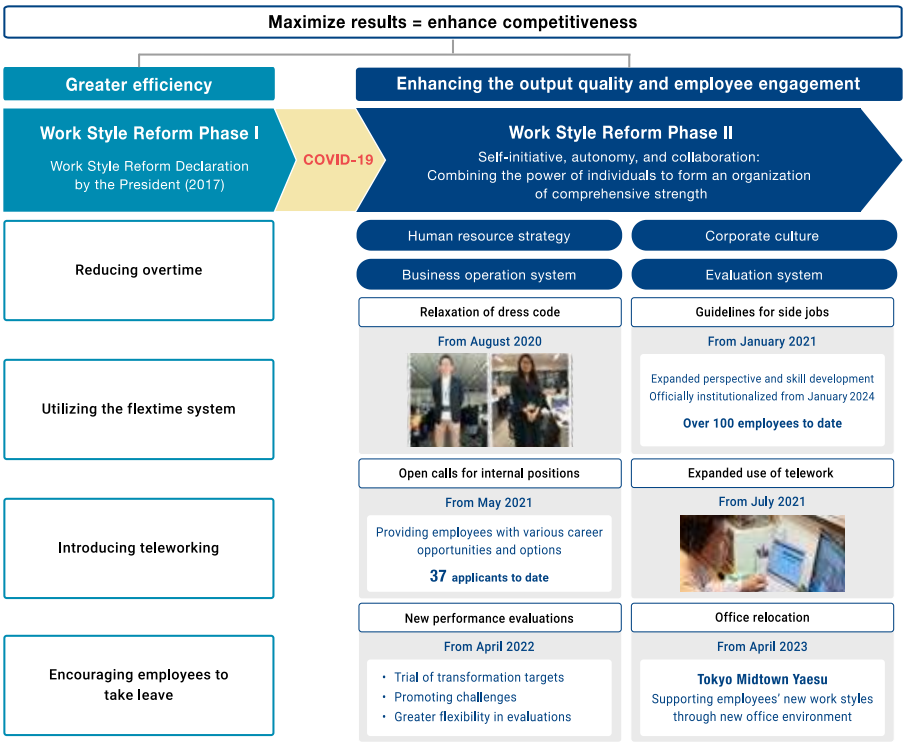
In addition to pursuing sustainable growth for the Mitsui Chemicals Group and promoting the happiness and fulfillment of employees, we are working to develop better, more motivating working environments that will maximize achievements.

Work Style Reform

Mitsui Chemicals has been steadfastly implementing Work Style Reform Phase I, which mainly focuses on improving the efficiency of input (labor input), such as reducing overtime hours and promoting work structures to achieve more efficient work styles.

On the other hand, in the era of the so-called VUCA*[1], where the world is changing rapidly and the future is difficult to predict, individual employee autonomy and organizational collaboration are needed more than ever.

Therefore, in recent years, we have been focusing our efforts on "Work Style Reform Phase II," which is directed toward having diverse work styles, improving employee engagement, and maximizing performance values.



*VUCA:
An acronym for Volatility, Uncertainty, Complexity, and Ambiguity. Indicates a state of uncertainty and difficulty in predicting the future.

Teleworking

Mitsui Chemicals introduced a teleworking program in April 2019. However, the number of days allowed was limited, with very few employees using the program. However, in response to the outbreak of the COVID-19 pandemic in 2020, we temporarily eliminated the maximum limit for the number of teleworking days as an emergency measure to prevent infection and ensure safety, which in turn resulted in a rapid increase in the number of employees utilizing this program. This has resulted in the expansion of IT tools and the accumulation of IT literacy, etc., expanding the range of work that can be performed during telework. Telework has spread not only in terms of health and safety, such as infection prevention, but also in terms of new working styles that make it easier to work and maximize results. Based on such findings, we revised the teleworking rules as of July 1, 2021, dramatically expanding the number of days allowed for teleworking, provided that employees come to the office at least four days a month. This revision has greatly increased the flexibility of combining telework with attendance, and we encourage employees and the organization to think more independently about their own work styles in order to maximize results.

Establishing Guidelines for Working Side Jobs

Mitsui Chemicals established the guidelines for side jobs in January 2021, and has established a system that allows management employees to work side jobs, provided that they notify and obtain permission from the company. Subsequently, in January 2022, we applied the same guidelines to general employees on a trial basis, and after verifying operational issues, we established the "Detailed Rules for Side Jobs" in January 2024, formally introducing a side-job system. As of March 2025, 110 employees have engaged in side jobs while maintaining full-time employment at Mitsui Chemicals. These employees work in jobs in which they can use their respective expertise in consulting and technical guidance (experience, knowledge and qualifications) to teach at educational institutions and work as translators. They have expanded their horizons by gaining experience outside the Company and are actively utilizing the experience and knowledge gained through such occupations in their duties with the Company.



Relaxation of Dress Code

In August 2020, we revised the guidelines on the employee dress code for the Head Office and branch offices to clarify the dress code for work, regardless of where employees are working from (both for onsite work and remote work), and to scrap and replace gender-based bans with rules common to all genders to promote diversity. The revision allows employees to make their own decisions on the appropriate apparel, provided that they remain aware of the need for safety, workability, and cleanliness and that their dress is always appropriate to the occasion and corresponds with social practices, especially when meeting clients and external business partners. With this outline, we aim to further foster a culture that allows for change and encourages employees to think and act on their own initiative while increasing the number of options available to them.

Open Calls for Internal Positions

In 2004, Mitsui Chemicals launched open calls for internal positions for the company to provide options that help employees proactively plan their career and make choices. Currently, this program mainly targets positions for new businesses and those associated with business expansion in growth domains, and we recruit talent four times a year according to the needs of each department. In fiscal 2024, we received 38 applications for a total of 90 open positions. In addition, when recruiting, the divisions with the open positions hold briefings to accurately inform applicants of the responsibilities, required skills, and experience they can expect to gain, thereby improving the matching accuracy. As a result, in fiscal 2024, this program helped reassign 12 employees to positions that match their career aspirations.

Efforts to Reduce Overtime and Improve the Acquisition of Paid Leave

Mitsui Chemicals has been promoting activities aimed at reducing to zero the number of employees whose overtime and holiday work hours total 80 hours or more each month. As part of this effort, when an employee exceeds this threshold, their supervisor is interviewed to identify the causes and develop countermeasures, which are then shared company-wide to prevent recurrence. Additionally, skill training for reducing overtime is conducted annually. For non-management employees, we provide time management training, where they learn specific approaches for reviewing and changing work habits, scheduling, and handling emails. For management employees, we provide organizational operation workshop training, where they learn specific approaches to efficiently run their organizations and how to plan for the reduction of overtime work.
In general, chemical plants operate continuously for long periods of time, but when it is necessary to carry out periodic maintenance, the entire plant is shut down for a specific limited period to allow repairs and inspections to both minimize the effect on production and ensure

that the equipment is safe. To avoid concentration of work during these specific periods, we are reviewing tasks and strengthening personnel, including the involvement of alumni and contract workers.

ESG Performance Data (Overtime) >

Appropriate Management of Working Hours

Mitsui Chemicals complies with the maximum limits on overtime and holiday work hours as stipulated in the Article 36 Agreement under the Labor Standards Act, provides allowances based on actual time worked, and strives to manage working hours appropriately. To visualize overtime and hours worked on designated holidays, the managers share the monthly records of overtime and hours worked on designated holidays for each division and each employee. Managers utilize comparisons with other divisions and check to ensure that work is not concentrated on specific individuals within their own divisions, in order to help create a comfortable working environment. Furthermore, when an employee is found to have worked more than 80 hours of overtime each month, the Human Resources Division conducts an interview with the manager, and reviews and implements specific measures to identify the cause of the overtime and improve the individual's working conditions.

Improving the Acquisition of Paid Leave

Mitsui Chemicals is striving to raise the rate of annual paid leave taken, with the aim of supporting employees' physical and mental well-being. To encourage employees to take leave, we have implemented the following measures, and the company-wide average rate of annual paid leave taken has increased by 8 points over the past four years, rising from 70% in fiscal 2020 to approximately 80% today.

- Recommendations for the planned acquisition of extended leave and continuous leave
- Designating days between holidays for paid leave support and encouraging employees to take leave
- Tabulation of paid leave acquisition rates by worksite and report and guidance based on the findings
- Review of the concentration of workloads on specific employees
- Schedule sharing within the worksite

ESG Performance Data (Paid Leave) >

Initiatives to Promote Flexible and Diverse Work Styles

Work-Life Balance Measures

Mitsui Chemicals has put in place various systems that exceed statutory requirements in response to employees' circumstances outside of work, including child and family care.
We have introduced systems to support greater flexibility in work styles, including teleworking and the flextime system, and modified our leave system to enable employees to make use of expired annual (special) leave not only for hospitalization but also for medical treatment to support employees' work-life balance. Please refer here for the benefit programs and measures.

Principal Employee Benefit Programs and Measures (Mitsui Chemicals, Inc.)

Annual paid leave	20 days per year, available in half-day increments. (Up to 20 days in the first year depending on the hire date)
Refreshment leave	Two consecutive days paid leave per year.
Special leave	Paid leave taken from any unused annual paid leave (up to 60 days), granted when the employee is unable to work for more than three days due to an illness or injury, family care, childcare or social contribution activities. It may be granted in units of 0.5 days for disease treatment or infertility treatment.
Flextime system	No core working hours. Hours worked are counted not in terms of days but over the whole month.
Teleworking	Allowed employees to choose working-from-home arrangements regardless of reasons such as childcare or nursing care, provided they attend the workplace at least four days per month.
Ban on side jobs lifted	To enable employees to take side jobs with the approval of the Company, rules on side jobs and how such work is approved have been reviewed. After a trial period, the system was formalized in January 2024.
Community service leave	Two days paid leave per year.
Leave of absence to accompany spouse's overseas assignment	Leave of absence for up to three years.
Childcare leave	Leave of absence for up to four years, paid for the first five days[*1]. Male employees are encouraged to take childcare leave.
Part-time working option (childcare leave)	Up to three hours per day to care for a child in sixth grade or younger.
Company childcare center	Established in 2009 near the Ichihara Works & VISION HUB™ SODEGAURA.
Nursing and other care leave	Up to 20 days paid leave per year for medical care, etc., of a family member[*2].
Family care leave	Up to one year for each family member[*2] who requires nursing care or support.
Paid family care leave	Up to 20 days paid leave per year for nursing care of a family member[*2] who requires nursing care or support.
Part-time working option (family care leave)	Up to three hours per day for nursing care of a family member[*2]. Up to one year for the same reason.

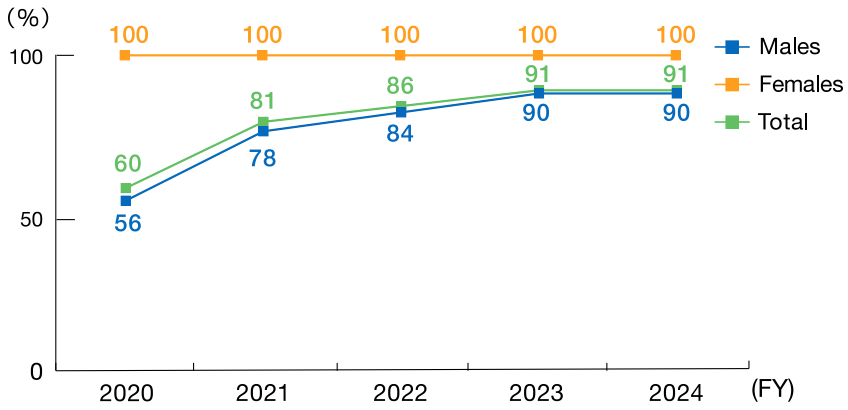
*1 For the period of absence from work thereafter, approximately 60%–70% of wages will be paid by Mitsui Chemicals Health Insurance Society and unemployment insurance until the child reaches the age of two (maximum of approximately 104 weeks)
*2 Spouse, parents, children, grandparents, spouse's parents/grandparents, siblings, grandchildren, spouse's siblings

Please refer here for details of the usage status of other systems.

Program That Supports Employees Returning to Work after Taking Childcare Leave

Mitsui Chemicals has established a program that supports employees during child-rearing by facilitating a smooth return to work after childbirth or childcare leave, thereby helping them remain engaged and motivated in their careers. This program outlines the types of support available at each stage—before maternity leave, during childcare leave, and after returning to work—ensuring that both employees and their supervisors can prepare for a smooth and confident return to the workplace.
Prior to taking leave, the employee and their manager engage in a one-on-one interview to discuss the handover of duties, contact while they are on leave, necessary procedures, and other important issues. Even before returning to work, meetings between employees and their managers are also conducted to share details of work styles that will ensure the work environment will accept the employee and details of their job description when they return to work, and to ensure mutual understanding. After returning to work, the Company provides explanations and support regarding various procedures and programs, thereby facilitating a smooth transition back to the workplace.
In addition, during the period of work-life adjustment following return to work, we provide training opportunities for employees—regardless of gender—who are seeking to improve their work-life balance. These programs offer practical strategies for managing both work and personal responsibilities, as well as diverse approaches to career development, through dialogue with colleagues who have successfully balanced similar demands. Participants are encouraged to reflect on their own career paths.

Childcare Leave Usage Rate (Mitsui Chemicals, Inc. registered employees)



ESG Performance Data (Childcare) 〉

Greater Participation by Men in Childcare

We promote male participation in childcare and encourage male employees to take the first five days of childcare leave with pay. For male employees on childcare leave, the pregnancy of the employee's spouse first needs to be reported to the Human Resources Division. The Human Resources Division then requests a meeting with the male employee's supervisor, who confirms the employee's intention to take childcare leave and explains the system to the employee. For male employees who are unsure about whether or not to take childcare leave or how long they can take it, a representative from the Human Resources Division meets with them to discuss how to take childcare leave, including when to take it and the number of times it can be taken, as well as to coordinate with their supervisors to encourage them to take childcare leave.
Additionally, we have created guidebooks and manuals that detail the internal systems related to childcare and how to effectively utilize them. These materials clearly explain the process from when a pregnancy is confirmed to when childcare leave is taken, and also include information on concerns such as income during leave. Furthermore, the site includes messages from management and interviews with male employees and their supervisors who are raising children, encouraging men to be actively involved in childcare as well.
During the 2023 and 2024 fiscal years, we conducted male childcare leave training for all line managers. Prior to the training, only 38% of participants understood the concept of male childcare leave, but this improved to 86% after the training, indicating progress in mindset transformation. Additionally, we've organized parenting classes for male employees, while female employees can attend with their partners, to help everyone understand the importance of men taking childcare leave. In fiscal 2024, the President declared a goal of achieving a 100% male childcare leave rate, and we are accelerating efforts to improve this rate. Furthermore, we are focusing on increasing the number of days taken and promoting meaningful use of childcare leave—moving beyond the notion of simply “taking” leave.

Balancing Nursing Care and Work

The Mitsui Chemicals supports our employees who work while providing nursing care. In order to prevent employees who are nursing caregivers from leaving their jobs, we hold an online seminar every year on the theme of balancing nursing care and work with the aim of promoting the concept of managing nursing care using public and in-house systems. However, participants in seminars tend to be limited because it is difficult for them to become aware of when they may become involved in the caregiving process.
Therefore, since fiscal 2021, as an outreach measure, we have been posting useful information for caregivers on our internal portal bulletin board on a quarterly basis. Links to internal and external information are attached to the postings to provide easy access to the detailed information needed. Back numbers are also posted together on the portal, which helps to quickly convey the necessary information to employees who have to start providing nursing care at short notice. The topics we have dealt with include the difference between paid family care leave and family care leave, nursing care insurance certification system, dementia care, communication between parents and children, and cooperation with professionals. Reliable external YouTube videos related to the theme are presented to help them deepen their knowledge of what it takes to care for their loved ones. As concerns about caregiving continue to grow—particularly in areas that cannot be resolved by HR alone—we are strengthening our support system in fiscal 2024 by establishing an external caregiving consultation service with experts. This initiative is designed to support employees facing increasingly complex caregiving and work-related challenges.

Evaluations for Employees on Childcare and Caregiving Leave

At Mitsui Chemicals, we ensure that employees on childcare or caregiving leave are not disadvantaged during assessment in terms of salary, bonuses, retirement pay, or promotions. Employees who meet a certain level of attendance during the year are evaluated for the entire year based on their performance and conduct during the periods they worked. If an employee's attendance rate falls below the required threshold, we apply a "No Rating" system to ensure they are not penalized in terms of salary decisions or promotions.

Labor-Management Relations Based on Frank Dialog and Communication

In the collective labor agreement, we have established "achieving the Corporate Mission" and "the happiness and self-fulfillment of employees" as goals to be shared by both labor and management and are working on developing labor-management relations that are both constructive and stable. Efforts are also being made to engage in ongoing frank discussions between labor and management on such themes as improving productivity as well as the work-life balance of employees. In this manner, we are working to lay the necessary foundation so that employees can work in a more enjoyable and meaningful manner. Moreover, we have adopted a rule that employees must generally be notified at least one month prior to transfers that entail moving and relocation.

Labor Union

Mitsui Chemicals has adopted a union shop system; all employees that are eligible to join a labor union under the labor-management agreement agreed upon by labor and management join the labor union. The Mitsui Chemicals Labor Union represents all non-management staff, and the negotiation outcomes between labor and management are applied to all non-management staff without any conditions. According to the labor-management agreement, management staff and other employees at or above the management level are not eligible to join the union.
Overseas sites are operated in a way that allows labor unions to be formed under the labor-related laws of each country and under the freewill of the employees. We do not take any actions whatsoever to limit such moves.
Important matters are defined in the collective labor agreement—including proper working conditions, human resource development, safety, environmental protection, occupational health, health promotion, quality control, and disciplinary actions (including those related to discrimination and harassment)—and mutual agreement between labor and management is ensured. In principle, specific measures related to the working conditions of union members are determined through labor-management consultation.
Furthermore, we regularly provide opportunities for labor-management communication, such as labor-management meetings and explanations of business conditions, and strive to foster communication and build relationships of trust.

Regular Labor-Management Communication

- Roundtable meetings on management
- Roundtable meetings for each individual theme
- Business site labor-management roundtable meeting
- Labor-management conference
- Labor-management negotiation
- Business site labor-management conference
- Business site labor-management negotiation
- Joint labor-management meetings for surveys, research, etc.

Main Labor-Management Negotiation Topics (FY2024)

- Wage revisions
- Revision of the re-employment system upon retirement
- Overtime, holiday work hours, and annual paid leave usage
- Overseas system revisions
- Revision of disciplinary rules
- Revision of Human Resources-related rules

List of Support Measures in Consideration of Work-Life Balance (Mitsui Chemicals, Inc.)

Holidays and Leave

	Permanent Employees	Contract Employees		
		Re-employment	Indefinite-term contract and part-time	Fixed-term contract and part-time
Five-day workweek (Saturday and Sunday are holidays)	○	○	○	○
Public holidays and New Years Holidays (company holidays)	○	○	○	○
Annual paid leave (20 days/year, start from the second year of employment*)	○	○	○	○
Leave for employees who visit home from an unaccompanied posting*	○		○	○
Marriage leave (eight consecutive days)*	○		○	○
Refreshment leave (two consecutive days off/year)*	○		○	○
Family medical leave (paid leave*, hourly paid leave available)	○	○	○	○
Family care leave (paid leave*, hourly paid leave available)	○	○	○	○
Childcare leave (the first five days are treated as paid leave*, eligibility lasts until the end of the fiscal year when the child reaches the age of three*)	○	○	○	○
Family care leave (eligibility also extended to employees caring for family members considered as being in need of support*, eligibility lasts up to one year*)	○	○	○	○
Special leave (paid leave, leave for illness or injury, family care leave, childcare leave, community service leave)*	○		○	○
Leave of absence to accompany spouse's overseas assignment*	○		○	
Community service leave (paid leave)*	○		○	○

Work Patterns

	Permanent Employees	Contract Employees		
		Re-employment	Indefinite-term contract and part-time	Fixed-term contract and part-time
Part-time working option (childcare/family care leave)*	○	○	○	○
Part-time working option (medical treatment leave)*	○		○	
Restrictions on overtime (childcare/family care leave)	○	○	○	○

Restrictions on late night work (childcare/family care leave)	○	○	○	○
Company childcare center*	○	○	○	○
Flextime system (without core time)*	○	○	○	○
Teleworking*	○	○	○	○

Income

	Permanent Employees	Contract Employees		
		Re-employment	Indefinite-term contract and part-time	Fixed-term contract and part-time
Maternity benefits*	○		○	
Childbirth benefits*	○		○	
Childcare leave benefits*	○		○	
Family care leave benefits*	○		○	
Subsidies for home-care services*	○		○	
Subsidies for babysitting services*	○		○	
Retirement allowance*	○		Dealing with each case individually	Dealing with each case individually
Employee stock ownership*	○	○	○	○

* Measures marked with an asterisk (*) exceed statutory requirements

Corporate Culture Transformation

Initiatives Towards Our Ideal State

In response to the engagement survey results and a deep analysis of the reasons for not achieving the 2025 long-term business plan, we have been engaging in "Corporate Culture Transformation" initiatives since fiscal 2021 to achieve VISION 2030. To this end, in fiscal 2022, the president and responsible officers (members of the Strategy Committee) held multiple dialogue-based sessions to explore key issues related to the transformation of the Group's corporate culture, which is essential for realizing VISION 2030. At a year-end workshop attended by all members of the Strategy Committee, participants discussed key questions related to the transformation of the Group's culture and behavior—what should be preserved and what should be changed, what actions each individual should take, and how the management team should move forward—and formulated an action plan.
Subsequently, in fiscal 2023, all officers exchanged opinions on their individual action plans at the beginning of the year, and initiatives were launched within each responsible sector and division. Progress was shared and discussed in small groups of three to four members, and at the end of the year, the management team reviewed issues related to the Group's corporate culture and confirmed actions for the following year.
In continuation of these efforts, in fiscal 2024, issues and measures related to employee treatment policies, which are closely tied to our corporate culture, were thoroughly examined by a working group consisting of our CxOs and four business sector presidents. Following an in-depth discussion involving all members of the Strategy Committee, these deliberations have been reflected in our human resource strategy. We will continue our efforts to foster a corporate culture that contributes to the realization of VISION 2030.

Promoting Internal Communication

In April 2023, we launched "Hashimoto Radio," in which President & CEO Hashimoto speaks on specific topics one at a time, responding directly to employees' opinions and questions. The concept is to "connect with employees through the voice of the President & CEO." He discusses a wide range of topics, from casual matters to the future of the company and career advice, sharing his thoughts and ideas directly with employees.
The radio content is also shared in English and Chinese, ensuring the president's voice reaches the entire Group. Additionally, the CHRO engages in dialogues on "Cultures to Keep and Cultures to Change" using company history at various business sites and overseas sites, while the sector president of the Research Center hosts roundtable discussions. Cross-departmental project promotions, encouragement from the top management to employees, and employee-driven initiatives for transformation are also being implemented. By enhancing the connection and communication between management and employees, these efforts effectively advance corporate culture transformation.

Diversity

The Mitsui Chemicals Group positions diversity as one of its core values, based on the belief that promoting diversity is essential not only for fulfilling our social responsibilities but also for the sustainable growth of our Group. Diverse ideas from a diverse range of people are sources of innovation, essential for sustainable continuity, and the promotion of diversity is an important management strategy.
The Mitsui Chemicals Group is resolute in not permitting any discrimination whatsoever based on race, national origin, birthplace, social origin, caste, family lineage, religion, disability, age, gender, sexual orientation, gender identity, family background, marital status, membership of unions, political views, or any other differences as stated in the Mitsui Chemicals Group Human Rights Policy. Aiming to adapt to the diversifying career ambitions of our employees and the changing values perceived for each work style, we are working to implement various diversity promotion measures.

The Facebook Page is updated frequently. (MCI HR Div. Diversity & inclusion Dept.)

Diversity Promotion Structure

The Mitsui Chemicals Group's diversity promotion system started with forming the Promotion of Women's Empowerment team in fiscal 2006. As diversity continues to expand, we have continued to change our structure, and in fiscal 2019, strengthened our structure as a department that oversees and supports the activities of all minorities within the company. Furthermore, in 2022, the organization was renamed the Diversity, Equity & Inclusion Group, and is committed to achieving equity.
As part of the initiatives for VISION 2030, we have set the target number of diverse executive officers and ratio of female employees in management positions, and the management is committed to promoting diversity by reporting on its progress and measures to the Management Committee for approval.

History of the Promotion System

2006	The Promotion of Women's Empowerment team was formed with the aim of fostering female managers and creating a pleasant working environment for women.
2015	The Diversity Promotion Office was established in the Human Resources Division to further focus on the recruitment, training, and promotion of women in response to the passing of the Act on the Promotion of Female Participation and Career Advancement in the Workplace.
2016	Expanded the scope of responsibilities and support of the Diversity Promotion Office from women to all minorities in the company.
2019	Changed the name of the organization to the Diversity & Inclusion Department, with the aim of spreading the importance of inclusion.
2022	Changed the name of the organization to the Diversity Equity & Inclusion Department to emphasize and promote equity initiatives.

Encouraging Women's Advancement

Even before the launch of the Promotion of Women's Empowerment team, the Mitsui Chemicals Group had been working to actively promote women in its business activities by assigning female employees to Works and actively hiring women in career-track technical positions. Since establishing this team, the Company has been working to enhance its systems, and has focused on fostering a corporate culture in which women can build their careers. As a result, the Company has reached a point where very few women leave their jobs due to lack of systems to support childcare.
Following the establishment of a support framework for work-life balance in the first phase, our efforts to promote women's empowerment have focused on fostering understanding and integration of diversity in the second phase. We are currently in the third phase, where increasing the number of women in decision-making positions has become a major challenge. To address this, it is essential to systematically develop and appoint female managers who are candidates for such roles. Therefore, we have set the ratio of female managers and the ratio of female hires as indicators for the empowerment of women, and are promoting these initiatives.

Increasing the Ratio of Women in Management Positions

We have set short-, medium-, and long-term targets for the ratio of female managers in the Company, and are promoting efforts to achieve them. Specifically, the goal is to raise the rate to 9% by the end of fiscal 2025 and to 15% by the end of fiscal 2030.
To achieve these goals, we believe it is essential to further deepen accurate understanding of diversity in management and communication, particularly among managers, and to ensure that the ratio and speed of promotion to manager-level positions for women—currently lower than for men—do not differ by gender.
Based on this belief, we have conducted training and activity on the theme of unconscious bias for department managers and newly appointed line managers to promote correct understanding that, even during childcare, opportunities for advancement should be given based on communication with the employees on childcare leave and that appropriate consideration should be given not only to women but also to men during the childcare period. We are striving to spread correct understanding about this. Other lectures on the theme of empowerment of women in the workplace are given by responsible officer for human resources and outside directors.

Increasing the Ratio of Female Recruits

Regarding the target values for the ratio of female employees, we have set a target of at least 40% for administrative positions and 25% for technical positions in fiscal 2025 for career-track positions. We will aim to have at least 30% of new hires be women and to build a talent pipeline that retains that ratio.
In addition, we have set a goal of 10% of female employees in fiscal 2025 for skilled positions. We set this target based on the fact that the current ratio of female graduates of technical high schools and technical colleges who majored in mainly eligible disciplines is approximately 10%.
In order to achieve these goals, we are proactively introducing female employees who are keen to build their careers, and providing a comfortable working environment for women in our recruiting activities.

CEO Message for Women's Empowerment

Mitsui Chemicals is changing its business model by transforming the business portfolio. Approaching markets closer to consumers requires an understanding of diverse values and sensitivities, making it increasingly important to cultivate an environment where a wide range of individuals can thrive without losing their individuality.
We believe that by maximizing the capabilities of individuals with diverse attributes and personalities, we can enhance organizational strength and accelerate innovation. In particular, women may have occasionally faced obstacles to their development and advancement due to unconscious bias, which has historically positioned them as the primary actors in housework and childcare. By eliminating such biases within the organization and proactively correcting structural disparities through positive action, we aim to build a robust organization that enables individuals to fully realize their potential.

HASHIMOTO Osamu Representative Director, President & CEO



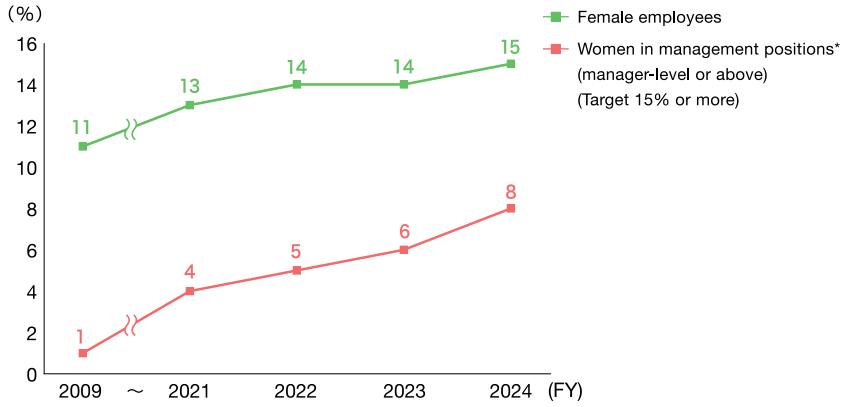
A Message from the Outside Director

While awareness of the importance of diversity for corporate transformation and sustainable growth is growing, Japan's gender gap index remains persistently low. Institutional reforms, such as childcare leave systems, have made significant progress. However, when looking at indicators such as the ratio of women in management positions, it is difficult to say that Mitsui Chemicals has fully advanced in promoting opportunities for women.
As part of the corporate organization, I sincerely hope to contribute to fostering an environment where every individual can fully and authentically realize their potential. At the same time, I would like to actively communicate—through dialogue sessions with employees and other opportunities—the importance of transforming one's mindset. In particular, I hope to convey this to each individual working in challenging circumstances: that by continuing to think independently and learn proactively, they can overcome difficulties with optimism and grow through the experience.

KIHARA Tami, Outside Director

*To secure diversity in the Board of Directors, we try to appoint more than one female director since 2006.
*Each affiliation is from the time when the article was created.

Ratio of Female Employees (Mitsui Chemicals, Inc. registered employees)



*The ratio of women in management positions (manager-level or above), managed as a non-financial KPI, is calculated based only on regular employees, excluding re-employed individuals.

ESG Performance Data (Recruitment) >

Non-Japanese National Employees' Active Participation in the Workplace

The Company began the full-scale hiring of non-Japanese employees in Japan in 2005. In order to help foreign nationals working in Japan maximize their abilities regardless of race or nationality, we provide dedicated consultation services for non-Japanese employees working in Japan. In addition to supporting work and life styles, we are committed to maintaining a workplace that provides all employees, including non-Japanese employees, with a good work environment and employing talented people.

Specific Examples of Assistance Provided to Non-Japanese Employees

- Assisted with Japanese language training
- Assisted with visa procedures
- Addressed daily inquiries about HR systems, initiatives, company rules such as work regulations, etc.
- Conveyed information required for working in Japan in English and Japanese
- Conduct inclusion seminars (promote awareness of cultural differences)
- Created English manuals for HR-related applications
- Responses to consultations from non-Japanese employees (assigned staff in charge to each business site)

Enabling Employees with Disabilities to Reach Their Full Potential in the Workplace

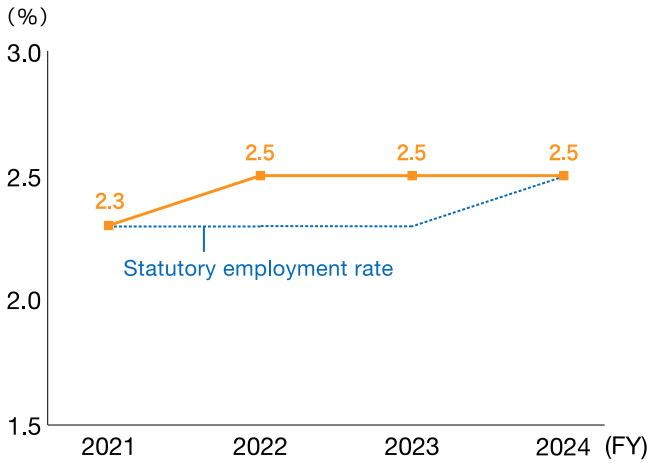
In hiring employees with disabilities, the Company goes beyond achieving the statutory employment ratio and is committed to maintaining an environment in which people with disabilities can play an active role while accumulating their skills, and feel accepted as members of the organization. Before assigning an employee with a disability into a certain position, we select the most appropriate place for the employee so as to avoid putting under pressure on the employee to adapt to the work environment. In addition to conducting training sessions at sites that accept employees with disabilities to help other employees understand what a disability entails, we set incubation periods and adaptation/learning periods for a certain period after hiring, and introduce measures suited to the employee's particular disability to enable them to work smoothly. We also provide regular interviews for both employees with disabilities and their superiors to help to retain employees with disabilities in the workplace. Listening to difficulties and issues from both sides helps to improve the workplace environment and work styles and creates a comfortable work environment.
We also offer subsidies for learning skills that are useful to employees with disabilities in their work, such as language and computer skills, to help improve their skills in a way that is suited to their individual talents.
In fiscal 2024, we provided safety education to headquarters employees who had no prior experience working at plants or R&D sites.

Participation in Initiatives

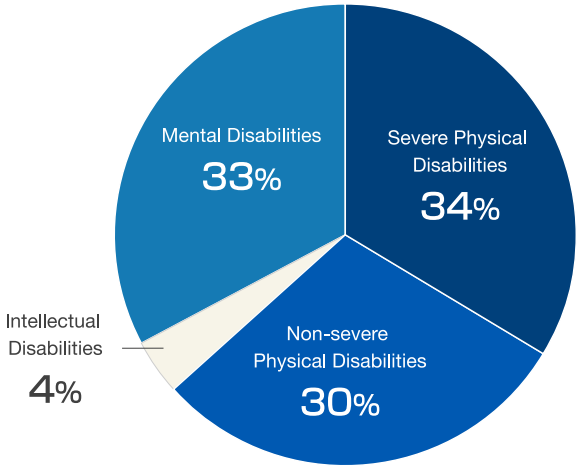
The Mitsui Chemicals Group has endorsed and signed on to "The Valuable 500" in October 2019. Launched at the World Economic Forum's Annual Summit, the Valuable 500 is an initiative created to promote the participation of people with disabilities. The initiative looks for business leaders to carry out reform that allows disabled people to fulfil their potential in business, society and the economy.

The Mitsui Chemicals Group joins "The Valuable 500." >

Ratio of Employees with Disabilities (Mitsui Chemicals, Inc. registered employees)



Breakdown of Disabilities among Employees with Disabilities (Mitsui Chemicals, Inc. registered employees)



*As of June 1, 2024. Severe disabilities are not counted as double; each individual is counted as one.

Employee Comments

"A workplace where I can improve myself"

I feel that my workplace is "a place where I can make the most of my strengths and refine myself through my work." I had no working experience, so when I first joined the company, I didn't know anything, and was simply anxious, but with the support of the people around me, I was able to settle in.
Currently, the main part of my job is to assist with accounting. I originally came from a science background, and did not know the first thing about accounting when I joined the company. But from my first year I was involved in accounting work and was able to learn accounting knowledge not only through classroom learning but also through practical experience. In fiscal 2022, my third year, I was able to participate in project meetings with people from other companies, and I feel that my work is not only rewarding but also that I am growing through it.
In the future, I would like to work with ambition and positive attitude, and grow together with Mitsui Chemicals, unbound by the framework of employment of people with disabilities.

Joined the company in fiscal 2020 (developmental disability)

Retired Employees' Active Participation in the Workplace

Mitsui Chemicals is moving forward in making use of the wealth of experience possessed by senior human resources, and to those retired employees who wish to continue working, calls for ongoing employment through its system of rehiring. We do this to address the challenges presented by the shortage of human resources associated with our expanding business operations and the generational retirement of whole generations of employees who were recruited in large groups, as well as to utilize employees who are highly motivated to work, even after their retirement. From fiscal 2018, we will improve the level of compensation offered when rehiring to increase the numbers of employees who wish to continue working.

ESG Performance Data (Service and Turnover) >

LGBTQ Awareness

The Mitsui Chemicals Group Human Rights Policy prohibits all forms of discrimination whatsoever, including discrimination against sexual orientation and gender identity. In 2021, we launched a project involving business sites and began studying initiatives to improve the ease of working for the LGBTQ community, leading to the current measures. Many of the early project members are promoting the initiative as LGBTQ contact persons at their business sites.

Gender Non-Response in Recruitment

In November 2020, we endorsed the LUX Social Damage Care Project announced by Unilever Japan Customer Marketing K.K., by abolishing the requirement for gender description when applying for a job.

Mitsui Chemicals LGBTQ Ally Declaration and Establishment of Dedicated Contact Point

The "Mitsui Chemicals LGBTQ Ally Declaration" is aimed at increasing the number of "allies (supporters)" who show an attitude of understanding the LGBTQ community. The Declaration demonstrates a desire to actively learn to understand LGBTQ on their own and to be there for the LGBTQ community. President Hashimoto was the first person to sign the Declaration, and others are also promoting activities to increase the number of Allies.
In addition, a dedicated LGBTQ consultation service has been established to respond to LGBTQ-related harassment and coming out cases (consultation requires the consent of the person who has come out), as well as inquiries regarding the use of company-provided benefits.





Benefits Coverage for Same-Sex Partners

Effective October 2022, employees who inform the company of their same-sex relationship will have their same-sex partners viewed in the same way as opposite-sex partners with respect to certain leave, leave of absence, and benefit programs. In the second phase, from January 2024, condolence payments and partial application of mutual aid association benefits have been initiated.
In order to create a climate conducive to the use of the system, the Company is working on the development of an environment in which LGBTQ employees can work with peace of mind, and on the consideration of measures to facilitate their use of the system.

Application Overview

Company systems affected	Paid leave relating to marriage, bereavement, caregiving or nursing Unpaid leave relating to childcare or nursing Rental of company housing Condolence payments Mutual aid association: Family condolence payments, childbirth support payments, childcare assistance payments (for reduced working hours), caregiver usage subsidies
Applicable to*	Mitsui Chemicals, Inc. registered employees (working within Japan) Contract employees (temporary, permanent, or those entering re-employment), depending on the scope of each individual system

*The coverage of the system will be expanded in stages.

Training

- **Education on the subject of harassment (e-learning):**
  As part of legal compliance education, we provide a workplace “harassment” course, which included prohibition of discrimination and harassment based on sexual orientation, in addition to sexual harassment and power harassment (abuse of power). All employees take the course every year.
- **Workplace discussion on Sexual Orientation Gender Identity (SOGI) harassment:**
  We have added Sexual Orientation Gender Identity (SOGI) harassment as an option for the topics to be discussed during the Workplace Discussion, where employees talk about various topics related to legal compliance at their workplaces.
- **New line manager training program (Diversity Seminar)**
  In the Diversity Seminar, employees are educated through group work on harassment related to SOGI and the actions to take when consulted by LGBTQ employees.
- **Training for LGBTQ Contact People**
  Practical education is provided for contact people at each business site, including role-plays of actual cases in which external experts pretend to be facing an issue and consult the contact people.
- **Education for personnel in charge**
  Since some of our benefit programs began to apply to same-sex partners of employees in 2022, we have been educating relevant application category information handlers and company housing staff about promoting LGBTQ understanding and to deepen their understanding of how to operate the programs.

Participation in Initiatives

In the PRIDE Index*, the Company has received its first "Gold" certification in fiscal 2024, which evaluates the Company's efforts to address issues facing LGBTQ+ and other sexual minorities, established by "Work with Pride," a general incorporated association that supports the promotion and establishment of diversity management related to the LGBTQ community.

*PRIDE Index:
Japan's first index for the evaluation of LGBTQ+ initiatives in the workplace, created by the general incorporated association "Work with Pride." Initiatives are categorized into five assessment indices that match each letter of "PRIDE" (Policy: declaration of action; Representation: network of LGBTQ+ parties; Inspiration: awareness-raising activities; Development: HR systems/programs; and Engagement/Empowerment: social contribution and external relations activities).

History of LGBTQ Efforts

FY2016	Voluntary learning session inviting a transgender person (Head office)
FY2017	LGBT awareness training for harassment contact officers in domestic Mitsui Chemicals Group
FY2018	Lecture by a transgender person
	LGBT awareness-raising lecture as a part of New Line Manager Training Program (held annually since then)
FY2019	A movie to encourage understanding of sexual minorities
FY2020	LGBT lecture as a part of new employee training (introducing the consultation contact, etc.)
	Study group on the Act on Comprehensive Promotion of Labor Measures and SOGI harassment for the Mitsui Chemicals Group HR officers
	SOGI harassment lecture to General Managers and Group Leaders across the Company (450 persons)
FY2021	Conducted lectures on SOGI harassment for team leaders across the company (approx. 430 leaders)
	Launched Mitsui Chemicals LGBTQ Ally Declaration
FY2022	Launched a hot line dedicated to LGBTQ support
	Started benefits coverage for same-sex partners
FY2023	Pride Month: Joint film screening and film director talk event with three companies at the head office building.
	Lecture featuring a guest speaker from the LGBTQ community.
FY2024	Pride Month: Joint talk event with five companies at the head office building.
	Extension of employee benefits to same-sex partners: benefits now expanded beyond leave and company housing to include condolence payments and other areas.

Training and Lectures Related to Diversity Promotion

Unconscious Bias Training for General Manager-level

In order to build a pipeline that extends to the appointment of female employees as directors, we provide training on unconscious bias to general managers based on the belief that it is important for executives to understand unconscious bias and face the challenges of organizations for which they are responsible. In fiscal 2024, the fourth year of this training, a workshop was conducted for newly appointed general managers, following their participation in e-learning designed to help them recognize their own unconscious biases, to consider challenges and solutions.

Diversity Seminar in the New Line Manager Training Program

The New Line Manager Training Program is mandatory for all newly appointed line managers who will be responsible for other staff members. The program will teach them about the roles and necessary skills of a line manager and nurture their work awareness. As part of this training, a diversity seminar is conducted. Running for approximately two hours, the seminar consists of two parts: the first is a lecture on the importance of diversity in organizations and unconscious bias, while the second involves a workshop where participants discuss harassment issues. During the workshop, participants are divided into groups to discuss how they would respond to harassment-related consultations from subordinates, such as SOGI harassment or paternity harassment, learning from each other's perspectives.

Training for Female Skilled Staff (factory operators engaged in technical work)

Training is provided for women in key technical positions who work as operators at Works, with the aim of providing opportunities to interact with female operators at other Works and to think about their careers. In March 2023, the training was held in person for the first time in four years. To emphasize on-the-job learning, the training was conducted at Nagoya Works, with participants gathering from across Japan. A new feature of the training was a program where participants engaged in active discussions with Works executives about career paths and challenges. It was found that many female employees working in shifts have concerns regarding menstrual leave, so in fiscal 2024, we created and distributed a handbook designed to make it easier to discuss menstruation in the workplace. We will continue to explore and implement measures and initiatives to address challenges in this area.

Women's Careers and Health

Women often work while dealing with health issues like monthly periods, PMS, or menopause, which can be difficult to talk about. We provide opportunities to learn about women's health so that women can take preventive measures and receive support from supervisors or colleagues, ensuring that they do not have to give up on their careers. In fiscal 2024, as part of a women's health seminar series, public health nurses with midwifery experience as lecturers and multiple sessions were held, divided into three stages: "adolescence to adulthood," "pregnancy, childbirth, and postpartum," and "menopause to old age." The seminar program also included explanations of relevant human resource systems by HR staff.
Furthermore, we have made e-learning materials regarding women's health available.

- **Introduction of online health consultation service for obstetrics, gynecology, and pediatrics**
  Starting in fiscal 2023, we introduced an online consultation service for women's specific concerns, such as menstrual pain, PMS, pregnancy, menopause, and children's health. The purpose of this service is to reduce the time needed and emotional burden of child and obstetric health issues for employees and their families, and to create a time of peace of mind for them.

Dispatching Female Employees to External Career Training Programs

Every year, Mitsui Chemicals dispatches 10 to 20 employees to external training programs designed to improve the management skills and motivation of female employees who are aiming for managerial positions, as well as programs designed to help female candidates for general manager and director positions learn about business management and building external networks. Exchanges with other business women in similar positions from different companies give employees an opportunity to meet women who can become a role model and raise their career awareness.

Understanding Multiculturalism

Since fiscal 2014 we have provided Global Business Skill Training, which teaches the skills needed when working with multicultural teams. This training program is targeted specifically at employees who have been assigned abroad and engaged in overseas business, and involves managing multicultural teams and negotiating with business partners from different cultural backgrounds. About 30 employees are selected to participate in this program each year. Participants learn about the religions, cultures, and ways of thinking of people in various countries and regions, and their backgrounds, through specific case studies under the theme of business communication.

Inclusion Study Session

With the aim of fostering an organizational culture that embraces diversity, we hold "Inclusion Study Sessions" to deepen understanding of people with disabilities, racial and national minorities, LGBTQ community, different cultures, and other issues. Employees with disabilities or illnesses serve as lecturers to talk about their disabilities and their own experiences, and we also invite external experts to conduct online study sessions with participants from business sites across the country.
In fiscal 2024, we invited outside lecturers to hold a lecture on "Neurodiversity," and also had a Paralympian deliver a talk on the theme of "Para Sports and Employment of Persons with Disabilities." Furthermore, a study session where an employee with developmental disabilities spoke on the theme of challenges they face and coping strategies attracted a large number of employees, providing an opportunity to deepen understanding of developmental disabilities.
By learning to understand and support minorities, we are enhancing awareness of equity and inclusion, thereby contributing to organizational diversity and employee engagement.

Training and Lectures for Diversity Promotion: Fiscal 2024 Results (Total participants: 2,110 people)

Themes	Lecturer	Target Audience
Unconscious Bias Training for General Manager-level	External lecturers	New general managers and presidents of affiliates companies
Organizational Management Respecting Diversity for Line Managers	Internal lecturer	New line managers
Is it true that 'women do not aspire to become leaders'?	External lecturers	All Employees
Career Design Training for Balancing Work and Childcare Responsibilities	External lecturers	Employees Raising Children (with children aged three or younger)
Seminar on Balancing Work and Caregiving	External lecturers	All Employees
Seminar on Supportive Leadership for Work-Life Balance	External lecturers	All Employees
Parenting Class for Fathers	External lecturers	All Employees
Parental Leave Training for Male Line Managers	External lecturers	Line Managers
Role Model Seminar (2) (International Women's Day Special)	Internal and external lecturers	All employees
Role Model Seminar (1) Dual Career Couples	Internal lecturer	All employees
Women's Health Seminar	Internal lecturer	All employees

Training on Experiencing Menstrual Pain	External lecturers	All employees at Nagoya Works
Joint Exchange Meeting for Female Shift Workers from Three Companies	External lecturers	Female Shift Workers from Mitsubishi Chemical, Asahi Kasei, and Mitsui Chemicals
Inclusion Study Session: 'Promoting Understanding of Developmental Disabilities—Examples of Employees with Disabilities Thriving within the Company'	Internal Lecturer (Person with a Lived Experience)	All Employees
'Do You Know about Neurodiversity?—A New Perspective on Brain Function'	External lecturers	All Employees
A Paralympian Talks about Parasports and Employment of People with Disabilities	External lecturers	Employees
Safety training for contract employee with disabilities working at headquarters	Internal lecturer	Contract employee with disabilities
LGBTQ+ Talk Session with HARUNA Ai as Guest (PRIDE Month Joint Event by Five Companies)	External lecturers	Employees (Mitsui Fudosan, Sumitomo Life, Daikin Industries, Mitsui Chemicals)
Training for LGBTQ Contact People	External lecturers	LGBTQ contact persons and HR representatives of affiliates

Lean In Mitsui Chemicals Initiatives

The internal circle "Lean In Mitsui Chemicals," established under the mission "Diversity in Leadership!", marked its fifth anniversary and has grown to include over 100 members. They provide a forum for dialogue where individuals can learn from one another across different positions and generations, while ensuring psychological safety and confidentiality.
In fiscal 2024, prompted by three organizers taking childcare leave, two younger members newly joined the management team, further enhancing the organization's renewal and diversity. During online lunchtime discussions, sharing "tough assignment experiences" in small groups has deepened our learning through authentic voices.
In addition, at an internal reporting session held in December 2024, a lecture titled "Mechanisms Preventing Women from Choosing Management Careers and How to Overcome Them—Exploring through Individual Career Analysis," which received a comment from President Hashimoto encouraging many employees to attend, was made available company-wide. These activities are expanding beyond the boundaries of the Circle.
We will continue to work toward realizing a society where all genders can take on challenges with ambition, while promoting leadership development and Diversity.



Internal Reporting Session

HRIS and People Analytics

Using People Analytics

The Mitsui Chemicals Group is promoting the visualization of organizational issues using various HR-related data, including employee engagement surveys, overtime hours, competency assessments, and recruitment data. We aim to strengthen organizational capabilities by utilizing this data and applying statistical data analysis methods to formulate solutions.

Examples of Past Initiatives

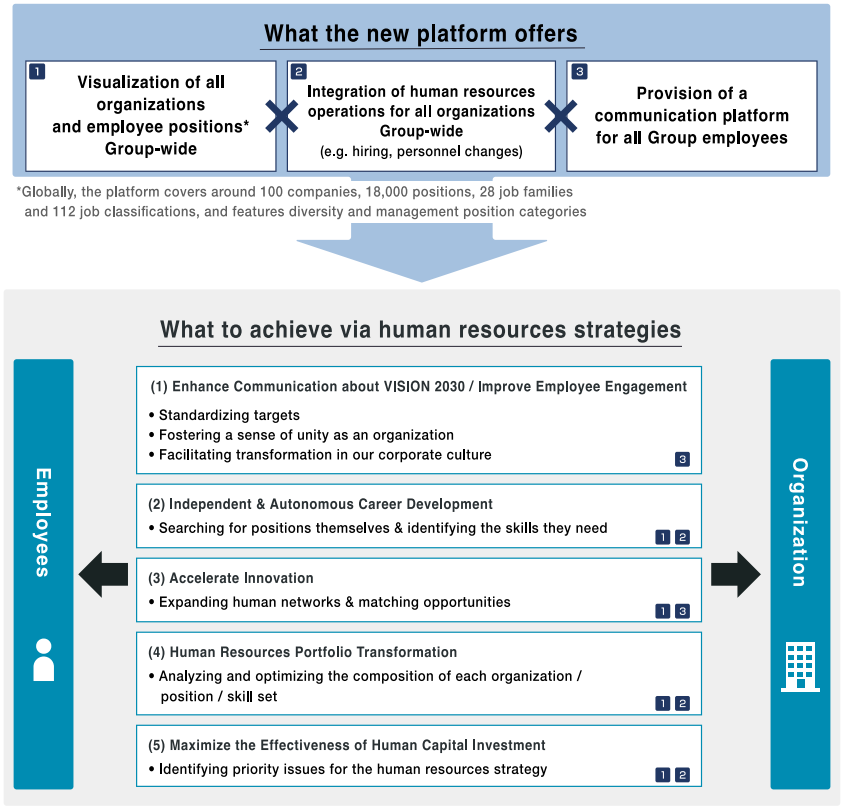
- **Correlation analysis for improving employee productivity**
  We inferred causal relationships based on correlations between labor productivity and overtime hours worked and between competency and performance, derived hypotheses about how to increase employee productivity, and tested these hypotheses.
- **Analysis of ISO 30414 for improving employee productivity**
  With regard to human capital, we are currently extracting and analyzing data related to the 11 items and 58 indices set out in ISO 30414. As for productivity, which is represented by one of the indices, we are internally monitoring the EBIT, sales, and profit per employee and the human capital ROI over time to improve the Group's employee productivity.
- **Applying AI to eliminating bias in hiring**
  Using exploratory AI-based data analysis, we explored the quantification of objective recruitment decision-making indices to avoid various human biases that arise from inductive reasoning, with the aim of refining our recruitment processes.

Introduction of a Group-wide Integrated Human Resources Platform (Workday HCM)

To effectively promote various measures for the human resources strategy, the Mitsui Chemicals Group has been operating Workday Human Capital Management (Workday HCM), provided by Workday Inc. of the U.S., on a group and global basis since February 2023.
Using Workday HCM to centrally manage organizational and human resource information within the Group will enable us to meet the growing need to disclose information about human capital, which is an intangible asset, in a timely and appropriate way while promoting the study of assigning the right people to the right roles across the entire organization. In addition, we will provide support for autonomous career development through information dissemination from management to employees within the Group and globally, as well as visualization of positions and duties.

(1) Organize and manage existing talent management processes that differ from company to company, as well as organizational and employee information within the group, managing them of the same platform using the same database and standards.
(2) Timely delivery of optimal content using Workday HCM's digital technology, and an appropriate communication style customized for each Group employee.
(3) Strategic personnel planning on a Group and global basis with a view to transforming the business portfolio, and strengthening the promotion of people analytics.
(4) Proactive disclosure of information on human capital and investments in response to stakeholder requests.

We will continue to utilize this platform to improve the effectiveness of our Group and global human resource strategies for business portfolio transformation.

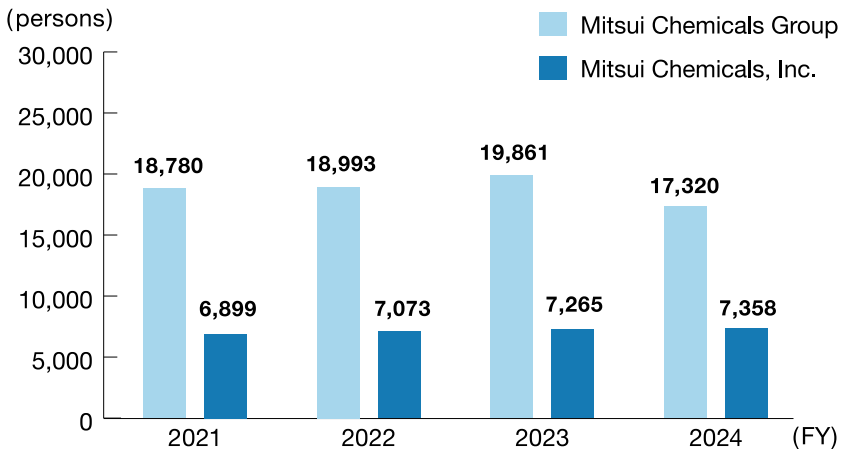


Human Resources Information

The global business that Mitsui Chemicals Group conducts is based on its business strategies, including its Long-term Business Plan. Alongside, we are also monitoring the status of our Group employees.

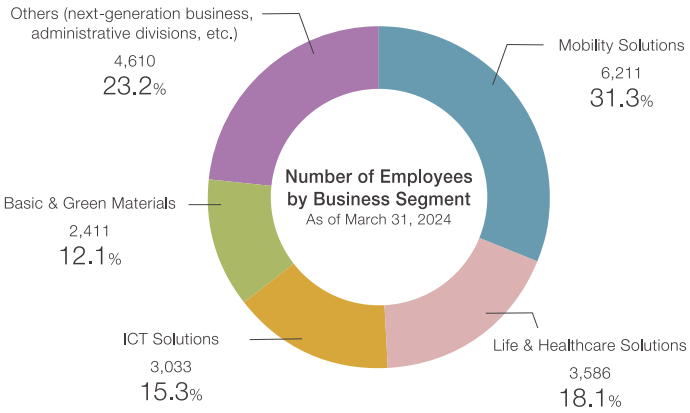
Number of Employees in the Mitsui Chemicals Group

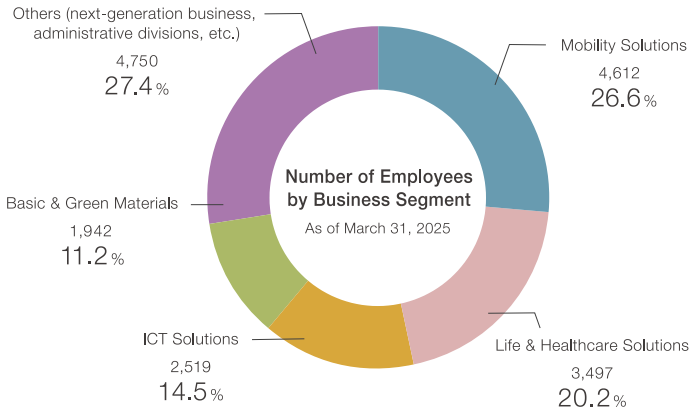
As of the end of fiscal 2024, the number of employees of the Mitsui Chemicals Group was 17,320, an decrease of 2,541 since fiscal 2023. Of these, the number of employees registered with Mitsui Chemicals increased by 93 to 7,358.



Number of Employees in the Mitsui Chemicals Group by Business Segment

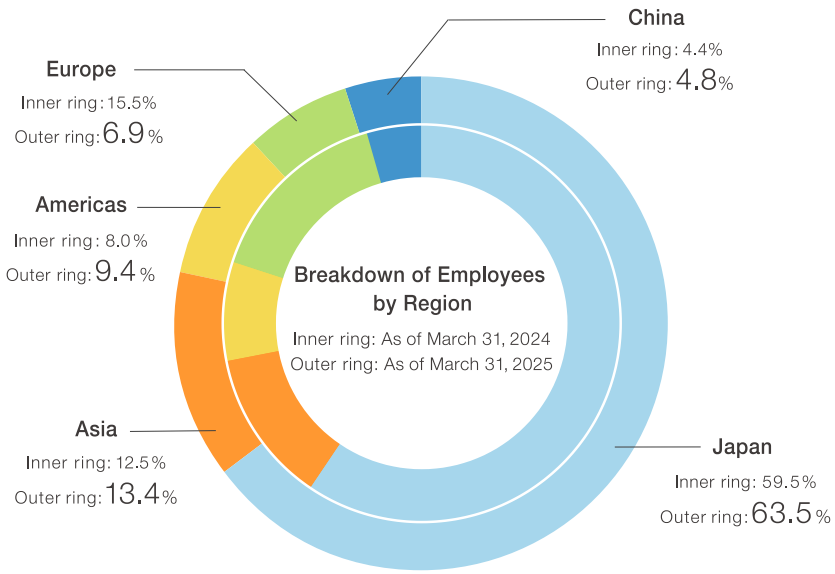
As of the end of fiscal 2024, the largest number of employees in our Group by segment is in Mobility Solutions with 4,612 employees, followed by Life & Health Care Solutions, and then ICT Solutions. The number of employees in each segment decreased compared to the end of fiscal 2023, primarily due to the transfer of affiliated companies and the review of the segments to which they belong in the ICT Solutions and Basic & Green Materials segments, as well as the revision of the scope of aggregation in the Mobility Solutions segment.





Employees of the Mitsui Chemicals Group by Region

In the Mitsui Chemicals Group, the mix of employees by region reflects the progress of globalization associated with the business portfolio transformation under the long-term business plan and building solutions-based business models. In particular, during the past decade the Group has focused on expanding functions in Europe and the United States, with the aim of developing new business models, strengthening the functions of the production and sales research center, and creating new commercial distribution channels.
As of the end of fiscal 2024, approximately 65% of our Group employees are based in Japan.
The decrease in the proportion of Europe compared to the previous year is due to factors such as the revision of the scope of aggregation in Mobility Solutions.



Social Activities

Management System



Policy and Basic Approach

The Mitsui Chemicals Group believes that it can effectively help to resolve social challenges by harnessing its strengths and unique characteristics as a Group. With that in mind, the Group established the Mitsui Chemicals Group Social Activities Policy in fiscal 2006, with the approval of the Management Committee.
By leveraging our Group technologies and products, we promote social contribution activities in fields such as working in harmony with local communities, nurturing future generations, environmental protection, and international exchange and cooperation. Additionally, we implement initiatives to encourage voluntary participation by our employees in social contribution activities. In addition, and with the aim of ensuring that our sites are always open to the local community, we place the utmost importance on communication with members of the local community while working in harmony with all those around us.

In response to both changes within and outside the company, and as we mark the 20th anniversary of our activities, we have revisited and discussed the significance of our Group social initiatives. As a result, we have confirmed that society's needs, the ideal future society in VISION 2030, and the direction of our Social Activities Policy are aligned, and that our areas of contribution are also consistent. We have therefore decided to carry forward our current policy and continue promoting social contribution activities.
Toward the realization of an ideal future society, the Mitsui Chemicals Group will advance its social activities by transforming its business portfolio and promoting corporate sustainability through a shift to business that incorporate a social issue perspective, as outlined in the VISION 2030 basic strategy, alongside contributions to society.

The Mitsui Chemicals Group Social Activities Policy

The Mitsui Chemicals 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

Established on April 1, 2006

Furthermore, although social activities also include contributions, in accordance with our Policy on Bribery Prevention, the Group will never misuse charitable contributions or sponsorships as bribery or other corrupt practices.

System and Responsible Officers

With the responsible officer for the Corporate Communications Division, the Corporate Communications Division develops and implements annual social activity plans. In addition, each business site enacts voluntary and ongoing efforts while coordinating with the Corporate Communications Division.
The Corporate Communications Division conducts a survey of the results of social contribution activities of each of the Company's business sites as well as domestic and overseas subsidiaries and affiliates once a year to confirm activity details.

Social Activities

Working in Harmony with Local Communities

At each of its business sites, the Mitsui Chemicals Group believes that relationships of trust, based on close-knit relations with everyone in the local area, are crucial to the normal and stable operation of its businesses. The Group thus provides opportunities for communication with everyone in the vicinity of its facilities.

Local Communication at Each Business Site

At each of our business sites, we engage in communication with the neighborhood communities, and the comments and opinions we receive are reflected in the management of our business sites as appropriate.
For example, we invite local residents living in the vicinity to opinion exchange meetings and tours of our facilities. At the opinion exchange meetings, we provide an overview of the Works and showcase our efforts to protect the environment, safety initiatives and activities designed to contribute to society. Lively discussions have ensued from residents living in the vicinity of our facilities speaking about their day-to-day feelings and any requests they have. Additionally, we receive complaints/grievances on plant operations through various channels, including by direct contact or through local government, and each plant has a tracking mechanism in place to consider and implement appropriate responses.

Main Local Communication Achievements at Each Business Site (Fiscal2024)

Ichihara Works		
Name (Number of Events)	Those for Whom Events Organized Details	Details
Autumn Festival (1)	Employees and their family members Local residents	• Laboratory Classes on the Wonders of Chemistry • Stage events • Kids' space (playground) • Introduction and interaction with disaster rescue dogs
Works tour (2)	Local elementary and junior high school students	• Works introduction • Works tours
Opinion Exchange Meeting (1)	Local neighborhood town council officers	• Works introduction • Works tour • Opinion exchange meetings
Publication of Local Communication Magazine "Chigusa" (2)	Local residents	• Introduction of initiatives conducted in the Works • Solicitation and presentation of the views of local communities
Youth baseball tournaments	Elementary school students	• Sponsorship of baseball tournaments
Youth soccer tournaments	Elementary school students	• Sponsorship of soccer tournaments
Clean-up Ichihara	Employees and their family members	• Clean-up activities

Mobara Branch Factory		
Name (Number of Events)	Those for Whom Events Organized Details	Details
Mobara Awa Odori	Local residents	• Participation in Mobara Tanabata Festival sponsored by Mobara City (Awa Odori performance)
Local opinion exchange meeting	Local neighborhood council officers	• Works introduction • Works tour • Opinion exchange meetings
Chosei High School Super Science High School (SSH) Course (Mobara Research and Development Center)	Students of SSH-designated schools	• Lectures on advanced mathematics and science education and opinion exchange views with students

Nagoya Works		
Name (Number of Events)	Those for Whom Events Organized Details	Details
Autumn Festival	Local residents	• Laboratory Classes on the Wonders of Chemistry • Stage events, etc.
Minami Ward Residents' Festival	Local residents	• Laboratory Classes on the Wonders of Chemistry
Publication of Local Communication Magazine "Tango Dohri" (2)	Local residents	• Introduction of initiatives conducted in the Works • Gathering voices (opinions) from local residents and introducing them
Local opinion exchange meeting	Officers from neighboring school districts Minami Ward Office, Nagoya Representatives of local companies	• Explanation of environmental protection and disaster prevention initiatives, etc. • Explanation of Works topics • Works tour

Osaka Works

Name (Number of Events)	Those for Whom Events Organized Details	Details
Works tour (7)	Local elementary school students	• Works introduction • Works tours • Firefighting drills tour • Hands-on Chemistry Workshop
Local opinion Exchange Meetings (2)	Local neighborhood council officers	• Works tour • Works introduction • Explanation of environmental protection and disaster prevention initiatives, etc. • Local opinion exchange meetings
Publication of Local Communication Magazine “Takashinohama” (2)	Local residents	• Introduction of initiatives conducted in the Works • Solicitation and presentation of the views of local communities
Baseball tournament	Elementary school students	• Sponsorship of the tournament
Kick baseball tournament	Elementary school students	• Sponsorship of the tournament
Winter Festival	Employees and their family members Local residents	• Laboratory Classes on the Wonders of Chemistry • Stage events • Fair booths • Kids’ space (playground) • Food trucks

Iwakuni-Ohtake Works

Name (Number of Events)	Those for Whom Events Organized Details	Details
Opinion exchange meetings	Heads of local neighborhood councils and those in charge of volunteer disaster response organizations	• Works tour • Works introduction • Opinion exchange meetings
Laboratory Classes on the Wonders of Chemistry (4)	Local elementary schools	• Laboratory Classes on the Wonders of Chemistry
Autumn Festival	Local residents	• Laboratory Classes on the Wonders of Chemistry • Stage events
Publication of Local Communication Magazine “Ozegawa” (2)	Local residents	• Introduction of initiatives conducted in the Works • Solicitation and presentation of the views of local communities

Omuta Works

Name (Number of Events)	Those for Whom Events Organized Details	Details
Opinion exchange meetings for each local school district (One session per school district, totaling four districts)	Related parties of the local government	• Works introduction • Works tours • Opinion exchange meetings
Local opinion exchange meeting	Related parties of the local government Authorities of Omuta City	• Works introduction • Introduction of disaster prevention activities • Introduction of social contribution activities • Experience with the Physical Support Collar • Local opinion exchange meetings
Publication of Local Communication Magazine “Toukayama” (1)	Local residents	• Introduction of initiatives conducted in the Works • Solicitation and presentation of the views of local communities
Simultaneous community clean-ups (2)	Related parties of the local government and neighboring companies	• Clean-up activities around and near the Works
Omuta river clean-ups (2)	Residents and companies near Omuta River	• Omuta River clean-up and weeding activities
Omuta Daijayama Festival	Omuta residents and others	• Dance event with 10,000 people
Daijayama Festival clean-up activity	Daijayama Festival executive committee Festival organizers	• Clean-up activities the morning after the festival
Autumn Festa	Local residents Employees and their family members	• Stage events • Laboratory Classes on the Wonders of Chemistry • Food trucks • Temple festival, play equipment

VISION HUB™ SODEGAURA

Name (Number of Events)	Those for Whom Events Organized Details	Details
Family Day (1)	Employees and their family members	• Employees’ workplace tours and on-site tours • Laboratory Classes on the Wonders of Chemistry
Charity Bazaar (1)	Employees	• Collection and sale of unwanted books and CDs • Donation of sales proceeds to NPOs
Cooperation for the Sodegaura City Education Research Association Science Department Workshop (1)	Participants: Teachers from the City Education Research Association Science Department	• Works tour (molding machine) • Laboratory Classes on the Wonders of Chemistry
Laboratory Classes on the Wonders of Chemistry (6)	Local elementary schools Community center School affected by the Noto Peninsula earthquake	• Laboratory Classes on the Wonders of Chemistry
Participation in Sodegaura City Clean Day (4)	Volunteering employees	• Clean-up activities around the R&D Center • Survey of collected PET bottle quantities
Oktoberfest (1)	Local neighborhood council officers, neighboring companies and Sodegaura City Hall employees	• Local food from nearby dining establishments provided by local companies • Quiz competition and other social interaction events
Carbon Neutral Action Fair Sodegaura (1)	Sodegaura citizens	• Exhibition of the volume of waste using its weights • Implementation of buoyancy and sinking experiments



Mobara Awa Odori at Mobara Branch Factory



Autumn Festa at Omuta Works

Local Contribution by Business Sites

Each of our business sites is actively involved in local community activities as a corporate citizen.



Osaka Works
Junior rubber baseball tournament



Ichihara Works
Introduction and interaction with disaster rescue dogs

Participation in the “Omuta Discovery Project: Exploring Local Charms for the Future!”

On October 23, 2022, we participated in the “Omuta Discovery Project: Exploring Local Charms for the Future!” organized by the Junior Chamber of Omuta. The purpose of this project is to foster a love of Omuta by giving Omuta citizens and students the opportunity to learn and experience what Omuta companies make and how they are used. Visitors got to know us at our booth, which displayed the history of the Works, our community activities, and our products.





View of the Mitsui Chemicals booth

In March 2024, our Omuta Works participated in the Omuta Industry Festa, organized by the city of Omuta. This event aimed to showcase the appeal of industries and businesses in Omuta to the public. It also sought to inspire local students—namely, elementary, junior high, and high schoolers—to think about their future careers and develop an interest in working locally through company introductions and hands-on experience. By doing so, the event aimed to encourage more people to settle in Omuta. We set up a booth with informational displays, product exhibits, and interactive demonstrations of our technology.





View of our booth

Nurturing Future Generations

We hope to inspire young people and children—who will lead the next generation—to develop an interest in science and grow into the talent that will drive future scientific and technological advancements. With this aspiration, we are undertaking a variety of initiatives.

Support for STEM Education

Cosponsoring of Robotics Competition

Mitsui Chemicals co-sponsors the Japanese championship of FIRST LEGO League (FLL)* , one of the world's largest robotics competitions. Mitsui Chemicals supports FLL's idea of providing children with an opportunity to experience the excitement of solving social challenges while applying STEM concepts and active learning.

*FIRST LEGO League (FLL):
FLL is one of the world's largest robotics competitions sponsored by FIRST, a nonprofit organization in the United States, and the LEGO Group (the Japanese championship is sponsored by For Inspiration and Recognition of Science and Technology). Currently, approximately 67,000 teams from 110 countries participate worldwide. Two to 10 children make a team to participate in the robotics competition and conduct scientific research and its presentation based on the theme of the competition. Top teams at the championship in each country will qualify for the world competition.



Children enjoying a Mitsui Chemicals experiment



Robotics competition

Holding Lectures on Corporate Collaboration with SSH-Designated Schools

The Mitsui Chemicals Group holds lectures in collaboration with high schools that have been designated as Super Science High Schools (SSH). Mitsui Chemicals Crop & Life Solutions, a Mitsui Chemicals affiliate, gave a lecture at Chiba Prefectural Chousei High School with the topic "Let's Think about Agrochemicals."
The lecture introduced agrochemicals safety and how to make agrochemicals, with the aim of alleviating vague concerns about agrochemicals and deepening understanding of agrochemicals. The lecture was followed by a Q&A session, during which many students actively asked questions, demonstrating their eagerness to understand the topic in depth. In fact, a survey of the students revealed that before the course, two-thirds of them had an image of agrochemicals being harmful, but after the lecture, many responded that their image of agrochemicals had changed to a positive one. The lecture also provided a good opportunity for the participating employees to take a fresh look at their own work and what they can do to create safe agrochemicals.



During the lecture

Cooperation in Online Hands-on Job Experience Class for Junior High School Students

Mitsui Chemicals has participated in the Career Challenge Day On-Line-Meets* since fiscal 2021. As lecturers, Mitsui Chemicals employees gave presentations on topics, including the company overview, their reasons for joining the company, and their experience so far in the company, such as the difficulties and joys they experienced, in an online classroom connecting junior high schools across Japan. Through our initiatives and our employees' presentations in this program, we believe that we were able to provide an opportunity for students to learn what it means to work and to think about the lifestyle they want to pursue in order to grow. We plan to continue sponsoring in fiscal 2025 as well.

*Career Challenge Day On-Line-Meets:
A collaborative online career education program offered by companies and other institutions that support "SDGs × Career Education" for junior high school students in Japan who cannot experience on-site work due to the COVID-19 pandemic. This program received the METI Minister Awards (first prize) in the Coordinator Category of the 11th Career Education Award hosted by the Ministry of Economy, Trade and Industry.

Sponsorship of Niconico Chokaigi Science Experiments

Since 2022, Mitsui Chemicals has been the sponsor and participating in the "Niconico Chokaigi"* event. At the "Niconico Chokaigi 2024", which attracted 125,000 visitors over two days on April 27 and 28 (according to Dwango Co., Ltd.), our company participated for the third consecutive year with the "Cho-Arienai Science Experiment" exhibit. This year, with "recycling" as our sub-theme, we hosted collaborative experiments with science YouTubers and offered hands-on exhibits through our MOLp™ open laboratory activities, enabling visitors to interact with, learn about, and experience the "science".

*Niconico Chokaigi:
A large-scale event held both online and in-person, organized by Dwango Co., Ltd., under the concept of "Japan's largest cultural festival created by everyone, originating from the Internet."

Wonders of Chemistry

"Wonders of Chemistry" is a series of laboratory classes launched in 2006 with the aim of showing children—the next generation—the fun and potential of chemistry, and inspiring them to pursue science. The program has been conducted in various formats, including off-site classes at local schools near our business sites, events and festivals during summer vacation, and during tours of our plants and laboratories.

Participated in "Dream Chemistry-21" Summer Vacation Children's Chemistry Experiment Show 2024 Sponsored by the Japan Chemical Industry Association

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Mitsui Chemicals exhibited at the "Dream Chemistry-21" Summer Vacation Children's Chemistry Experiment Show 2024, held at the Science Museum in Tokyo in August 2024. Together with 14 chemical companies and one organization, we welcomed approximately 4,000 children over two days to experience the fun and wonder of chemistry. Representing our company, 50 employees from the Head Office, plants, and laboratories in the Chiba area participated as staff members. Through an original bracelet-making activity using temperature-sensitive resin (ABSORTOMER™), 160 children had the opportunity to discover the fascination of chemistry firsthand.







Other Activities at Domestic Business Sites

Business Site	Annual Number of Participants (Cumulative Total)	Experiment Venues (Examples)
Ichihara Works	381	• Children in Ichihara City • Summer School* • Festivals for local residents and employees, among others
Mobara Branch Factory	42	• Summer School* • Training hosted by the Mobara Rotary Club
VISION HUB™ SODEGAURA	353	• Elementary schools in Sodegaura City • Employees' family members and others
Nagoya Works	Approximately 750	• Festivals for local residents and employees
Osaka Works	415	• Events organized by the Takaishi Chamber of Commerce and Industry • Events for employees and their family members
Iwakuni-Ohtake Works	202	• Elementary schools in Waki City • Festival for local residents and employees
Omuta Works	676	Third-grade elementary school students and their guardians (from 7 schools) in Omuta City

* A seminar for foreign national children to work on summer vacation homework and study Japanese.

Scenes from the Experiment



VISION HUB™ SODEGAURA: Elementary schools in Sodegaura City



Ichihara Works: Cultural Festival Organized by the Anesaki Community Center

Activities of Overseas Affiliate (China)

In fiscal 2024, Mitsui Chemicals (China) Management Company Limited (MCCN) organized a tour of MCCN's Technical Center as an out-of-school learning experience for the children of the “Hozo Hut (public service activity)*.” To help children realize that chemistry is something that exists around them, we also held a chemistry laboratory class for the Wonders of Chemistry as part of the tour.

*Hozo Hut (public service activity):
This is a CSR activity in China that donates a portion of the operating costs of facilities that provide supplementary education and out-of-school learning to children of migrant workers who live in the city but do not have the same access to education and welfare as children born and raised in the city. MCCN has supported the facility since 2020.





Activity situation (August 2022)

In addition to the initiatives mentioned above, the 'Wonders of Chemistry' is also carried out independently by our domestic and overseas affiliated companies.

Social Activities

Environmental Conservation

Toward the goal of achieving harmony with the global environment, the Mitsui Chemicals Group engages in a variety of environment communication activities.

Mitsui Chemicals Group Clean-up Caravan

To tackle the problem with plastics, the Mitsui Chemicals Group aims to encourage the recycling of resources and promote a circular economy model by implementing our biomass strategy and recycling strategy and measures to address the problem of marine plastic waste. The problem with the plastic pollution in the ocean is a result of plastics that have escaped from the process for recycling resources and ended up in marine environments due to inappropriate waste management. Stopping waste from flowing into rivers and the sea is of utmost importance.
Mitsui Chemicals has undertaken clean-up activities in areas around our sites. In fiscal 2019, we launched a group-wide initiative, the Mitsui Chemicals Group Clean-up Caravan, calling on our affiliates in Japan and overseas to join in these activities. Going beyond the range of activities around our sites, the scope of the activities was broadened to allow for more employee initiatives, now including participation in clean-up activities organized by nonprofit and governmental bodies as well as clean-ups following community events. A total of 23,510 people participated in the Caravan campaign, collecting 176,910 kg of waste since fiscal 2019.

Mitsui Chemicals Group Clean-up Caravan



Activities at Kugenuma Beach, Kanagawa Prefecture (Tokyo metropolitan area)



Activities at Pasir Ris Park by six affiliated companies (Singapore)



Activities at Bruce Park Woods Road Picnic Area (Mitsui Chemicals America)



Activities (Mitsui Chemicals Europe)

Satoyama Conservation Activities

The Mitsui Chemicals Group, in collaboration with the Nature Conservation Society of Japan, an organization supported through our One-Coin Club, conducted two Satoyama conservation events at "Doyatsu no Sato" located in Chiba City, Chiba Prefecture, where our group has multiple sites. This location is recognized by the Ministry of the Environment as a Nationally Certified Sustainably Managed Natural Sites. These events took place in November 2024 and March 2025. On the day of the event, employees from a wide range of age groups, including children as young as two years old, and their families participated in satoyama conservation activities such as felling unnecessary bamboo, threshing and chain weeding in rice fields, and observing local wildlife.





Hidakagawa Honshu Chemical Industry Forest —Ongoing Participation in the Corporate Forest Project—

Honshu Chemical Industry Co., Ltd., a Mitsui Chemicals affiliate has been participating in the Corporate Forest project* aimed at preserving the forest environment, which has been promoted by Wakayama Prefecture as part of its environmental protection activities for ten years since 2010. Honshu Chemical Industry employees and their family planted approximately 1,500 broad-leaved trees in a forest (1.32 ha in area), and the employees remove undergrowth and perform complementary planting thereafter every year under the instructions of Kichu Forestry Association, which manages the forest on behalf of the company. In 2020, Honshu Chemical Industry signed an Agreement on Forest Preservation and Management with Wakayama Prefecture and Hidakagawa Town, with the aim of extending the effort for ten years. A signing ceremony for the new agreement was held in the Governor's office at the Wakayama prefectural office, in which Mr. Nisaka (Governor of Wakayama Prefecture), Mr. Kurume (Hidakagawa Town Mayor), and Mr. Ohori (General manager of Wakayama Works at Honshu Chemical Industry) signed the agreement.

*Corporate Forest project:
An environmental contribution program in which Wakayama Prefecture, the Forest Association, and companies join forces to participate in global environmental protection together with locals using the rich natural environment in the prefecture.



Hidakagawa Honshu Chemical Industry Forest



A signing ceremony for the Agreement on Forest Preservation and Management

Implementation of an Employee Participatory Recycling Promotion Program at MCPU-M

At Mitsui Chemicals Polyurethanes Malaysia Sdn Bhd (MCPU-M), a unique initiative was launched targeting all factory employees to raise awareness about recycling and sustainability. Over the course of approximately three months, four programs were developed to encourage the creation and practical application of innovative recycling ideas, and employees were actively encouraged to participate.
As a result of these efforts, employees' motivation and awareness regarding recycling activities have increased. Some employees have expressed the view that sustainability should be further integrated into daily operations and reinforced as a core corporate value. In response, ongoing activities are being considered to support this direction.

Programs Implemented from June to August 2024

- Program 1: Competition for in-house recycling volume
- Program 2: Examination of improvement measures from the perspective of the 3Rs (Reduce, Reuse, Recycle)
- Program 3: Promotion of recycling activities using unique rewards (eggs)
- Program 4: Conducting recycling knowledge quizzes to increase engagement in ongoing activities

Week / Waste	Ground Floor				First Floor			
	Paper	Plastic	Glass & Others	TOTAL	Paper	Plastic	Glass & Others	TOTAL
W1	374.48 g	66.50 g	-	440.98 g	153.08 g	113.82 g	-	266.90 g
W2	28.79 g	26.69 g	304.64 g	360.12 g	38.95 g	92.99 g	-	131.94 g
W3	418.19 g	23.41 g	-	441.60 g	32.80 g	12.82 g	-	45.62 g
W4	154.64 g	-	95.19 g	249.83 g	495.53 g	26.29 g	-	521.82 g
GRAND TOTAL	1,429.53 g				966.28 g			



Recycling volume competition



MCPU-M employees participating in the program

Social Activities

International Exchange and Cooperation

As a company with bases in countries around the world and engaged in global business development, the Mitsui Chemicals Group actively pursues international exchange and collaboration from a global perspective.

Donating Mitsui Fine Chemicals products to a public hospital in Delhi, India

As part of its CSR activities, Mitsui Chemicals India Pvt Ltd. (MCIND) donated FASTAIDTM Virus Sweeper Towel and AUSIRO como antibacterial spray, which are Mitsui Fine Chemicals products, to a public hospital in Delhi, India (Lok Nayak Hospital) via an NGO, Sakshi, in September 2021. Lok Nayak Hospital is one of the largest public hospitals treating COVID-19 patients in Southeast Asia. The hospital has treated more than 21,000 patients infected with the disease and is visited by approximately 10,000 outpatients per day. In appreciation for the donation from MCIND, the company received a letter of appreciation from Dr. Suresh Kumar. Dr. Suresh Kumar is a Medical Director at Lok Nayak Hospital and has been nominated by the Indian government for the Padma Awards 2021, the most prestigious award for private citizens.



Donating the products to Lok Nayak Hospital

Volunteer Participation in International Disability Soccer Exchange Activities

As in the previous year, in October 2024, personnel from Taiwan Mitsui Chemicals participated as volunteers in an international soccer exchange event for students with disabilities, providing interpretation and other support. The event was hosted by the Taipei Municipal School of Special Education, the Shizuoka Football Federation for Persons with Intellectual Disability, and the University of Taipei.
A coach from Shimizu S-Pulse in Japan visited, and together with students from the University of Taipei, taught soccer to special education students, conveying the joy of facing challenges and achieving goals, as well as the resilience to move forward despite setbacks. Additionally, the university students learned about the importance of support (both safety and emotional) and coaching skills. Taiwan Mitsui Chemicals received a letter of appreciation from the students for providing support. We plan to continue actively engaging in Japan-Taiwan exchanges and local community contributions.



Group photo of activity participants



Letter of appreciation

Mitsui Group 350th Anniversary Project: Mitsui Group × Youth Red Cross Collaboration Project

In 2023, the Mitsui Group marked the 350th anniversary since its founder, Takatoshi Mitsui, opened the Echigoya store in Nihombashi, Edo (now Tokyo) in 1673. To commemorate this milestone, the "Mitsui Group 350th Anniversary Project " will be implemented over five years from fiscal 2023 to 2027. With the key concept of "BETTER THE FUTURE FOR ALL.," the Group is engaging in various social activities that address social challenges and contribute to the future, as a means of embodying its commitment to the solution of social issues while reconfirming the purpose of the Group.
As part of this initiative, the Mitsui Chemicals Group participated in an inquiry-based learning program aimed at providing children with education for a sustainable future. This program was conducted in collaboration with an international exchange project by the Japanese Red Cross Society and the Youth Red Cross, focusing on topics such as peace education and climate change. Through our Group's BePlayer™/RePlayer™ activities, we introduced Youth Red Cross members from various countries to our plastic resource recycling efforts, encouraging them to think outside the box and highlighting the importance of communication to engage and grow their communities.
The Mitsui Group 350th Anniversary Project is scheduled to continue until March 2028, and we plan to participate with similar content in fiscal 2025. We aspire to carry out activities that empower as many young people as possible around the world to contribute to a sustainable future through our company's initiatives.

Providing Skills to Support Women's Empowerment in India

Mitsui Prime Advanced Composites India is undertaking initiatives to empower economically disadvantaged women in rural areas by teaching them printing techniques, enabling them to generate income, achieve self-reliance, and support their families. Beginning in February 2025, a training program focusing on block printing and natural dyeing was conducted over approximately 12 weeks for more than 50 women. In addition to covering design and fabric handling, the program included sessions on applying printing techniques as a business, helping participants acquire practical, income-generating skills. This is a support activity in high demand within the community, and we plan to expand similar training programs to other regions in fiscal 2025.





Supporting Pediatric Cancer Patients in Mexico Through Recycling

Advanced Composites Mexicana encourages its employees to recycle at home and continues efforts to support pediatric cancer patients and their families. Specifically, plastic bottle caps are collected and donated to the Mexican Association for Aid to Children with Cancer (AMANC), among other initiatives. This initiative marks its fourth year in fiscal 2024 and has become established as an activity in which employees continue to participate and that is gaining widespread support.





Social Activities

Support for Employees' Participation in Social Activities

As its employees maintain a keen awareness toward social challenges, Mitsui Chemicals provides support for them to remain human resources that voluntarily take it upon themselves to 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 salaries or bonuses, which is used to fund donations to organizations involved in social activities. The One-Coin Club Management Committee, formed by volunteer members, specifies the priority areas for support, chooses social service organizations, and reviews and selects donation beneficiaries in accordance with the provisions of the Committee's management rules.

Priority Areas of Support

(1) Activities aimed at nurturing future generations/saving lives and protecting the livelihoods of children
(2) Activities aimed at supporting people with disabilities/contributing to patients with intractable diseases
(3) Activities that contribute to medical/maintenance disaster response systems
(4) Activities that protect the global environment

Criteria for Choosing Social Service Organizations

(1) The content of the organization's activities corresponds to the content of the Group's Social Activities Policy.
(2) The organization is a third-party beneficiary that is not a Group employee or related party.
(3) The organization's activity details and financial condition are disclosed, so it is a highly transparent organization.
(4) The organization has promised that it will report the results of its activities to the Club after receiving support from the Club.
(5) The organization has no connection with specific religion, academic society, or political activity.

Donation Results for Fiscal 2024



As of October 2024, the Club has 740 members, who between them have contributed approximately 4 million yen to the fund in fiscal 2024.
In fiscal 2024, a total of 6.8 million yen was donated to 17 social activity organizations, combining 3.4 million yen from One-Coin Club and an equivalent company matching gift*.
Furthermore, in fiscal 2023, as a commemorative project marking the 15th anniversary of One-Coin Club, a special donation of 2 million yen was made to each of two organizations, totaling 4 million yen, jointly contributed by One-Coin Club and the company.

*Matching gifts:
A program that supports employees' social contribution activities whereby a company provides a matching donation of the same amount when an employee donates to a social or environmental organization.

Organizations that Benefited from Donations in Fiscal 2024

Organization Name (In random order)	Priority Areas of Support	Past Donation History (Years)
United Nations World Food Programme (Japan)	(1)	2008-2024
Japan Committee, Vaccines for the World's Children	(1)	2008-2024
Nanbyo Network	(1) (2)	2009-2024
Guide Dog & Service Dog & Hearing Dog Association of Japan	(2)	2008-2024
Japan Marrow Donor Registry Promotion Conference	(2)	2008, 2010-2024
Helicopter Emergency Medical Network (HEM-Net)	(3)	2010-2024

MEDECIN SANS FRONTIERES	(3)	2014-2024
Japan Environmental Action Network	(4)	2015-2024
Chance for Children	(1)	2017-2024
Kamonohashi Project	(1)	2015, 2018-2024
5 years	(2)	2018-2024
Peace Winds Japan (PWJ)	(1)(3)	2009, 2012-2017, 2019-2024
The Association for the Prevention of Child Abuse & Neglect	(1)(2)	2020-2024
WaterAid Japan	(1)(3)	2020-2024
Disaster Rescue Dog Network	(3)	2021-2024
The Nature Conservation Society of Japan	(4)	2022-2024
Shine On! Kids	(1)(2)	2022-2024

Organizations Receiving Special Donations

Organization Name (In random order)	Contents of Utilization
Chance for Children	**Emergency Educational Support for Children Affected by the Noto Peninsula Earthquake** We provide financial assistance for educational expenses to elementary through high school students affected by the 2024 Noto Peninsula Earthquake, covering the costs of extracurricular activities, tutoring, club activities, as well as the purchase of necessary materials and equipment.
Peace Winds Japan	**Japan's First Private Disaster Medical Support Vessel: Development, Training, and Functional Enhancement** Procurement of equipment such as stretchers and beds for installation on a civilian disaster medical support vessel equipped with a helipad on its deck, as well as utilization of the vessel in future disaster training activities.

Activity Report Meeting by Donor Recipient Organizations

Since fiscal 2021, we have continued to hold online activity reporting sessions by recipient organizations not only in Japan but also at our overseas affiliates. In fiscal 2024, two organizations supported by the program gave lectures, providing an opportunity for employees to gather valuable information on social challenges and exchange opinions. The participants commented: “This hotline network is helpful” and “It was an important opportunity to learn what is going on in the world.” We believe the meeting deepened their understanding of the organizations supported by the Club and served as an opportunity to consider business from the social issue perspective that the Group is targeting.

Organizations that Participated in the Activity Report Meeting (Fiscal 2024)

Organization name	Event Date	Topic
Japan Environmental Action Network	April	Beach cleanup activities (Kugenuma Beach)
United Nations World Food Programme (Japan)	May	Participated in a charity walk organized by the organization
WaterAid Japan	June	Lecture on the activities of the relevant organization and "Water" (Our Water in the Future)
Chance for Children Peace Winds Japan	July	Presentation ceremony for special donations to two supported organizations and a lecture
Peace Winds Japan	August	Observation and participation in the utilization of special donations
Peace Winds Japan	September	Online seminar (“Protect Yourself” series 3) for employees and their families (A live lecture broadcast from Suzu City, Ishikawa Prefecture, on the theme of 'Insights from the 2024 Noto Peninsula Earthquake Disaster').
Japan Environmental Action Network	October	Beach clean-up activities (Kugenuma Beach)
Disaster Rescue Dog Network	October	Introduction and interaction with disaster rescue dogs (Ichihara Works)
The Association for the Prevention of Child Abuse & Neglect	November	Content of the organization's activities
The Nature Conservation Society of Japan	November / March	Satoyama Conservation Activities
Japan Committee, Vaccines for the World's Children	December	Donations through volunteer employee bazaar (VISION HUB™ SODEGAURA)
Japan Committee, Vaccines for the World's Children	–	Collection of PET bottle caps (donated through collection agencies) (Osaka Branch, Mobara Branch Factory)



[July] Special donation presentation ceremony and lecture



[August] Participation in disaster medical support vessel training



Event with Peace Winds Japan (PWJ)

Community Service Leave Program

In August 2008, we introduced a community service leave program to provide support for employees participating in social activities, by enabling them to take up to two day's paid leave a year. In addition, half-day credits were introduced in fiscal 2020, and since 2011, we have allowed employees to take up to 8 days of special leave per year for social activities intended to support disaster relief efforts, among others. In fiscal 2024, 112 social activity leave days were taken (13 of which were half days).

Social Activities

Disaster Relief

As part of its social contributions, Mitsui Chemicals Group is actively involved in providing its own technologies and products as aid and relief for natural disasters. We are committed to building a system that can quickly and effectively provide relief that closely fits the needs of people in areas affected by a disaster by working closely with organizations such as NPOs and local authorities. We are also exploring actions that can contribute to enhanced co-creation as part of our New Disaster Recovery Activities.

Disaster Relief Supplies

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, warehouses for storing relief supplies were set up at the Iwakuni-Ohtake Works (Yamaguchi Prefecture) and the Mobara Branch Factory (Chiba Prefecture) in the East and West. The system is in place to enable rapid delivery from each plant to the affected areas in response to requests from local authorities and the emergency disaster response alliance SEMA (Social Emergency Management Alliance). We have stockpiles of items such as urethane mattresses (cushioned materials to lay on the floors of gymnasiums being used as evacuation shelters), waterproof tarpaulin sheets (to cover buildings damaged by water or landslides), air cushions[*1] (for use at evacuation shelters), and FASTAID™ Virus Sweeper Towel[*2] at both of these warehouses.
Relief provided in fiscal 2024 is detailed below.

*1 Air cushion:
Developed by Wako Plastic Industry Co., Ltd. in response to comments from people affected by the Great East Japan Earthquake, air cushions provide an alternative to pillows, conventional cushions, and mattresses. Boasting a host of features, air cushions provide sound protection and comfort against the hard and cold floors of evacuation shelters. Made from the polyethylene EVOLUE™ material manufactured by Prime Polymer Co., Ltd., a Mitsui Chemicals Group company, the cushioning properties of these air cushions can be adjusted using a single straw. These air cushions also withstand heavy loads and offer environmentally friendly properties.
*2 FASTAID™ Virus Sweeper Towel:
This concept was created by More Impact, a disaster relief innovation and creation initiative promoted jointly with the specified nonprofit organizations Japan Platform and CWS Japan and others. This disaster relief innovative product utilizes the Lock & Peel™ technology of the Group's affiliate, Dow-Mitsui Polychemicals Co., Ltd., which enables a compressed towel and sodium hypochlorite to be preserved separately in a single package.



Relief supplies at Iwakuni-Ohtake Works



Urethane mattresses carried by an NPO to an evacuation center

Disaster Relief Activities in Fiscal 2024

We participated as a speaker in the corporate event "Emergency Disaster Support Measures in Normal Times," co-hosted by Peace Winds Japan—an organization supported by our One Coin Club and a SEMA member—and Amazon. Our presentation covered preparations companies can undertake for effective emergency disaster relief, including an overview of our assistance framework by the Mitsui Group, with reference to our support for the Noto Peninsula Earthquake of 2024.

Distribution of Disaster Relief Supplies in Fiscal 2023

Noto Peninsula Earthquake of 2024

Location	Contact	Details of Relief Supplies Provided
Suzu City, Ishikawa Prefecture (via Nanao City)	SEMA (received on-site by Peace Winds Japan)	• 698 urethane mats • 498 air cushions • 100 rolls of food wrap • 180 tarpaulins
Wajima City, Ishikawa Prefecture (via Osaka Prefecture)	Osaka Prefectural Commerce, Industry and Labor Department	• 249 rolls of food wrap

Typhoon No. 13 of 2023

Location	Contact	Details of Relief Supplies Provided
Mobara City	SEMA	• 700 bottles of beverages

Distribution of Disaster Relief Donations in Fiscal 2023

Noto Peninsula Earthquake of 2024

	Amount	Remarks
Mitsui Chemicals	10 million yen	Donated through the Japanese Red Cross Society
One-Coin Club	500,000 yen	Donated through the Japanese Red Cross Society

Establishment of SEMA, Japan's First Private-led Disaster Response Alliance

Alongside 17 other private companies and six non-profit organizations Mitsui Chemicals participated in the establishment of SEMA (Social Emergency Management Alliance) , Japan's first privately led disaster support alliance. The organization provides one-stop support, including goods and services of participating companies and NPOs in the event of a large-scale natural disaster in Japan. The Great East Japan Earthquake showed us that municipalities themselves can be greatly damaged in a disaster, making the assessment of local conditions and support to those in need all the more difficult. The SEMA organization crosses the divide between companies and NPOs and aims to minimize the impact of natural disasters of the nation's citizens and speed recovery efforts.
The SEMA organization makes in advance a list of goods and services offered by participating companies and organizations, and during a natural disaster can rapidly send packaged support based on that list to afflicted areas. The organization also aims to cooperate with public institutions in offering support and exchanging information, with the general aim of reducing the burden on municipalities and cutting down on waste and unnecessary support.

Employee Disaster Preparedness Awareness Activities

In fiscal 2023, to mark the 100th anniversary of the Great Kanto Earthquake, we conducted a hybrid-format workshop on disaster preparedness for employees, on the topic "Protect Yourself." The third round of this initiative was also implemented as outlined in the table below for fiscal 2024.

Contact	Event Date	Title	Details
Japanese Red Cross Society	July 2023	"Protect Yourself" series 1	How to protect yourself from water accidents
Peace Winds Japan (PWJ)	October 2023	"Protect Yourself" series 2	How to protect yourself from natural disasters
Peace Winds Japan (PWJ)	September 2024	"Protect Yourself" series 3	Insights from the 2024 Noto Peninsula Earthquake Disaster *Seminar to be conducted via live broadcast from Suzu City, Ishikawa Prefecture

ESG Performance Data

Environment | Society | Governance

Environment

* Data marked with an asterisk (★) is assured by a third-party assurance institution in accordance with the International Standard on Assurance Engagements (ISAE 3000, ISAE 3410). Click here for the independent assurance report and the calculation report related to the data covered by the assurance.

* For details on data collection sites, please see scope of data in the "Editorial Policy".

Input ⇒ Output Data (FY2024) (PDF : 190 KB)

Greenhouse Gas (GHG) Energy

GHG

		Scope	2021	2022	2023	2024
GHG emissions (Scope1) / thousand tons		Mitsui Chemicals, Inc.	3,595	3,336	3,537	3,383★
		Domestic subsidiaries and affiliates	63	65	117	106★
		Overseas subsidiaries and affiliates	154	143	22	42★
		Mitsui Chemicals Group	**3,812**	**3,545**	**3,675**	**3,531★**
GHG emissions (Scope2) / thousand tons		Mitsui Chemicals, Inc.	531	470	534	486★
		Domestic subsidiaries and affiliates	145	138	146	96★*1
		Overseas subsidiaries and affiliates	384	350	232	316★
		Mitsui Chemicals Group	**1,063**	**957**	**912**	**896★*1**
GHG emissions(Scopes 1 and 2)/ thousand tons		**Mitsui Chemicals Group**	**4,873**	**4,502**	**4,587**	**4,428**
GHG emissions (Scope3) / thousand tons		Mitsui Chemicals Group	—	—	**16,639*1**	**16,209*1**
	01: Purchased goods and services		—	—	9,211★*1	9,185★*1
	02: Capital goods		—	—	508	397
	03: Fuel- and energy-related activities (not included in scope 1 or scope 2)		—	—	459	478
	04: Upstream transportation and distribution		—	—	106	91
	05: Waste generated in operations		—	—	92	80
	06: Business travel		—	—	3	2
	07: Employee commuting		—	—	9	8
	11: Use of sold products		—	—	131★*1	145★*1
	12: End-of-life treatment of sold products		—	—	6,122★*1	5,824★*1
GHG emissions (Scope3) / thousand tons		Mitsui Chemicals, Inc.	**11,398**	**11,691**	**10,673**	—
	01: Purchased goods and services		4,603	5,525	4,754	—
	02: Capital goods		126	136	255	—
	03: Fuel- and energy-related activities (not included in Scope 1 and 2)		265	272	355	—
	04: Upstream transportation and distribution		52	65	46	—
	05: Waste generated in operations		49	43	44	—
	06: Business travel		1	7	10	—
	07: Employee commuting		5	4	5	—
	08: Upstream leased assets		1	1	1	—
	11: Use of sold products		3,329	2,985	2,950	—
	12: End-of-life treatment of sold products		2,297	2,034	1,841★	—
	15: Investments		672	619	414	—
GHG emissions intensity per sales revenue / tons・billion yen^{-1}		Mitsui Chemicals Group	30.2	24.0	26.2	24.5
GHG emissions reduction rate (Scopes 1 and 2)*2 / % *compared to FY2013		Mitsui Chemicals Group	21	27	26	28

Energy

	Scope	2021	2022	2023	2024
Energy consumption / PJ	Mitsui Chemicals, Inc.	74.5	69.5	67.8	64.6★
	Domestic subsidiaries and affiliates	3.9	3.7	5.3	4.0★[*1]
	Overseas subsidiaries and affiliates	9.7	9.5	4.8	6.2★
	Mitsui Chemicals Group	**88.0**	**82.8**	**77.8**	**74.9★**
Non-renewable energy consumption / MWh	Mitsui Chemicals Group	21,659,000	22,984,400	21,497,000	20,571,000
Renewable energy consumption / MWh	Mitsui Chemicals Group	85,400	96,300	203,000	145,000
Five-year annual energy intensity reduction rate / %	Mitsui Chemicals, Inc.	0.2	0.7	△ 1.0	△ 1.2

Industrial Waste

		Scope	2021	2022	2023	2024
Total waste generated / thousand tons		Mitsui Chemicals Group	221.9	213.2	362.7	321.4
	Hazardous waste[*3] / thousand tons	Mitsui Chemicals Group	—	—	40.9	40.3[*1]
Waste sent off-site / thousand tons		Mitsui Chemicals Group	167.7	152.5	162.2	140.1
	Hazardous waste[*3] / thousand tons	Mitsui Chemicals Group	—	—	32.0	30.3★[*1]

Waste Diverted from Disposal (Recycling)

		Scope	2021	2022	2023	2024
Total recycling / thousand tons		Mitsui Chemicals Group	—	—	142.9	108.4
	Hazardous waste[*3] / thousand tons	Mitsui Chemicals Group	—	—	18.4	14.8[*1]
Onsite recycling / thousand tons		Mitsui Chemicals Group	15.5	28.7	23.8	22.7
Offsite recycling / thousand tons		Mitsui Chemicals Group	122.7	111.3	119.1	85.7
Recycling rate[*4] / %		Mitsui Chemicals Group	73.2	73.0	73.4	61.2

Waste Directed to Disposal (Incineration, Landfilling)

		Scope	2021	2022	2023	2024
Total Incineration / thousand tons		Mitsui Chemicals Group	—	—	217.9	211.6[*1]
	with energy recovery / thousand tons		—	—	159.1	156.9
		Hazardous waste[*3] / thousand tons	—	—	15.8	20.3[*1]
	without energy recovery / thousand tons		—	—	58.9	54.8[*1]
		Hazardous waste[*3] / thousand tons	—	—	6.5	4.9
Onsite Incineration / thousand tons			38.8	32.0	176.3	158.3
	with energy recovery / thousand tons		—	—	129.3	117.2
	without energy recovery / thousand tons		—	—	47.0	41.1
Offsite Incineration / thousand tons			44.2	40.6	41.6	53.3[*1]
	with energy recovery / thousand tons		—	—	29.8	39.7
	without energy recovery / thousand tons		—	—	11.8	13.6[*1]
Total landfill / thousand tons			0.7	0.6	1.9	1.4★[*1]
	Hazardous waste[*3] / thousand tons		—	—	0.3	0.3
Onsite landfill / thousand tons			0.3	0.4	0.4	0.3
Offsite landfill / thousand tons			0.3	0.2	1.5	1.1[*1]
Landfill Rate for Industrial Waste[*5] / %			0.3	0.3	0.5	0.4[*1]

Substances Subject to the PRTR Act

	Scope	2021	2022	2023	2024
Substances subject to the PRTR Act emissions / tons	Mitsui Chemicals, Inc.	827	756	779	674

Air

	Scope	2021	2022	2023	2024
Volatile organic compound (VOC) emissions / tons	Mitsui Chemicals, Inc.	1,597	1,486	1,478	1,427★
	Domestic subsidiaries and affiliates	467	527	651	667★
	Overseas subsidiaries and affiliates	35	41	247	83★[*1]
	Mitsui Chemicals Group	**2,099**	**2,054**	**2,377**	**2,177★[*1]**
NOx emissions / tons	Mitsui Chemicals, Inc.	2,253	2,266	2,599	2,503★
	Domestic subsidiaries and affiliates	83	75	95	82★
	Overseas subsidiaries and affiliates	200	13	31	37★
	Mitsui Chemicals Group	**2,536**	**2,353**	**2,725**	**2,622★**
SOx emissions / tons	Mitsui Chemicals, Inc.	414	471	483	494★
	Domestic subsidiaries and affiliates	20	10	17	13★
	Overseas subsidiaries and affiliates	16	4	24	18★
	Mitsui Chemicals Group	**451**	**485**	**523**	**525★**
Soot and dust emissions / tons	Mitsui Chemicals, Inc.	96	68	46	43
	Domestic subsidiaries and affiliates	8	2	3	1
	Overseas subsidiaries and affiliates	51	36	49	42
	Mitsui Chemicals Group	**154**	**107**	**98**	**87**
Emissions of hazardous air pollutants / tons	Mitsui Chemicals, Inc.	11	11	12	11
Fluorocarbons emissions / tons	Mitsui Chemicals, Inc.	3	3	3	4
	Domestic subsidiaries and affiliates	0	0	0	0
	Overseas subsidiaries and affiliates	2	1	1	0
	Mitsui Chemicals Group	**5**	**5**	**4**	**4**

Water

Efficient Use of Water

		Scope	2021	2022	2023	2024
Total water withdrawal (Surface water, Groundwater, Seawater, Produced water, Third-party water) / million m^3		Mitsui Chemicals, Inc.	481.7	479.3	500.8	483.1★
		Domestic subsidiaries and affiliates	14.3	14.4	25.2	24.2★
		Overseas subsidiaries and affiliates	3.3	1.5	2.0	1.8★
		Mitsui Chemicals Group	**499.3**	**495.1**	**528.0**	**509.1★**
	Surface water / million m^3	Mitsui Chemicals, Inc.	0.0	0.0	0.0	0.0★
		Domestic subsidiaries and affiliates	1.8	1.9	1.9	1.9★
		Overseas subsidiaries and affiliates	0.0	0.0	0.0	0.0★
		Mitsui Chemicals Group	**1.8**	**1.9**	**1.9**	**1.9★**
	Groundwater / million m^3	Mitsui Chemicals, Inc.	0.6	0.6	0.5	0.5★
		Domestic subsidiaries and affiliates	1.2	1.2	1.2	0.3★
		Overseas subsidiaries and affiliates	0.0	0.0	0.0	0.0★
		Mitsui Chemicals Group	**1.8**	**1.8**	**1.7**	**0.8★**
	Seawater / million m^3	Mitsui Chemicals, Inc.	387.6	392.2	413.9	399.9★
		Domestic subsidiaries and affiliates	8.4	8.4	16.6	16.6★
		Overseas subsidiaries and affiliates	0.0	0.0	0.0	0.0★
		Mitsui Chemicals Group	**396.0**	**400.6**	**430.5**	**416.5★**
	Produced water / million m^3	Mitsui Chemicals, Inc.	—	0.0	0.0	0.0★
		Domestic subsidiaries and affiliates	—	0.0	0.0	0.0★
		Overseas subsidiaries and affiliates	—	0.0	0.0	0.0★
		Mitsui Chemicals Group	**0.0**	**0.0**	**0.0**	**0.0★**
	Third-party water / million m^3	Mitsui Chemicals, Inc.	93.4	86.5	86.4	82.7★
		Domestic subsidiaries and affiliates	2.9	2.8	5.4	5.4★
		Overseas subsidiaries and affiliates	3.3	1.4	2.0	1.8★
		Mitsui Chemicals Group	**99.7**	**90.8**	**93.8**	**89.9★**
Recycled water / million m^3		Mitsui Chemicals, Inc.	1,663.3	1,606.5	1,576.6	1,437.9
		Domestic subsidiaries and affiliates	99.4	101.6	128.3	113.0
		Overseas subsidiaries and affiliates	36.0	29.7	21.8	6.3
		Mitsui Chemicals Group	**1,798.7**	**1,737.9**	**1,726.7**	**1,557.2**
Water recycling ratio / %		Mitsui Chemicals, Inc.	77.5	77.0	75.9	74.9
		Domestic subsidiaries and affiliates	87.4	87.6	83.6	82.4
		Overseas subsidiaries and affiliates	91.4	95.3	91.4	77.4
		Mitsui Chemicals Group	**78.3**	**77.8**	**76.6**	**75.4**

Discharge water volume / million m^3		Mitsui Chemicals, Inc.	447.3	448.0	466.7	457.3
		Domestic subsidiaries and affiliates	14.3	14.3	32.9	31.7
		Overseas subsidiaries and affiliates	1.1	0.5	0.6	0.6
		Mitsui Chemicals Group	**462.7**	**462.8**	**500.2**	**489.7**
	Discharge freshwater volume / million m^3	Mitsui Chemicals Group	78.9	62.2	69.7	73.1
Water consumption / million m^3		Mitsui Chemicals, Inc.	34.3	31.3	34.6	26.3
		Domestic subsidiaries and affiliates	0.0	0.1	0.4	0.4
		Overseas subsidiaries and affiliates	2.3	1.0	1.4	1.2
		Mitsui Chemicals Group	**36.6**	**32.3**	**36.5**	**28.0**
Freshwater consumption in water-stressed areas / million m^3		Mitsui Chemicals Group	0.014	0.012	0.014	0.015

Emissions of Water Pollutants

	Scope	2021	2022	2023	2024
COD emissions / tons	Mitsui Chemicals, Inc.	850	742	787	730★
	Domestic subsidiaries and affiliates	50	48	53	70★*1
	Overseas subsidiaries and affiliates	1,225	149	204	313★*1
	Mitsui Chemicals Group	**2,125**	**939**	**1,043**	**1,112★*1**
Total nitrogen emissions / tons	Mitsui Chemicals, Inc.	1,014	891	808	853
Total phosphorous emissions / tons	Mitsui Chemicals, Inc.	23	23	17	15

Environmental Accounting

	Scope	2021	2022	2023	2024
Environmental preservation costs (Investment) / billion yen	Mitsui Chemicals, Inc.	1.4	2.6	2.3	3.6
Environmental preservation costs (Expenditure) / billion yen		24.1	25.8	29.5	29.3
Economic impact of environmental initiatives / billion yen		1.1	1.5	1.8	1.2

Visualization of Contributions to the Environment

	Scope	2021	2022	2023	2024
Blue Value™ products sales ratio / %	Mitsui Chemicals Group	18	22	24	26

Others

	Scope	2021	2022	2023	2024
Number of environment-related accidents	Mitsui Chemicals Group	0	0	0	0
Number of violations to environmental laws and regulations	Mitsui Chemicals Group	0	0	0	0
Purchased raw materials / thousand tons	Mitsui Chemicals, Inc.	4,559	3,863	4,168	3,279
	Domestic subsidiaries and affiliates	414	420	458	337
	Overseas subsidiaries and affiliates	1,493	997	1,357	1,251
	Mitsui Chemicals Group	**6,367**	**5,281**	**5,983**	**4,867**
Purchased materials / thousand tons	Mitsui Chemicals, Inc.	38	33	33	32
	Domestic subsidiaries and affiliates	9	8	8	7
	Overseas subsidiaries and affiliates	20	302	14	19
	Mitsui Chemicals Group	**67**	**343**	**55**	**57**
Products shipped / thousand tons	Mitsui Chemicals, Inc.	4,561	4,118	3,770	2,069
	Domestic subsidiaries and affiliates	498	468	495	371
	Overseas subsidiaries and affiliates	1,489	1,031	1,276	327
	Mitsui Chemicals Group	**6,547**	**5,616**	**5,542**	**2,767**

*1 Revised due to identified errors or a review of the calculation method.
*2 Calculated based on adjusted emissions that exclude temporary factors such as fluctuations in ethylene operating rates.
*3 In Japan, calculated based on the definition of "specially controlled industrial waste" stipulated by Waste Management and Public Cleansing Act; overseas, calculated based on the definition of hazardous waste stipulated by local laws and regulations or the Basel Convention .
*4 Recycling ratio = Offsite recycling/Waste sent off-site
*5 Landfill rate for industrial waste = Landfill/Waste generated

INPUT⇒OUTPUT Data (FY2024)

Mitsui Chemicals Group

INPUT	
Energy	
Energy consumption (PJ)	74.9
Purchased materials	
Raw materials (thousand tons)	4,867
Purchased materials (thousand tons)	57
Water resources	
Water withdrawal (million m³)	509.1
Surface water (million m³)	1.9
Groundwater (million m³)	0.8
Seawater (million m³)	416.5
Produced water (million m³)	0.0
Third-party water (million m³)	89.9
(Recycled water (million m³))	1,557.2

Mitsui Chemicals Group

OUTPUT	
Products, etc.	
Products shipped (thousand tons)	2,767
Atmospheric emissions	
GHG (thousand tons)	4,428
Scope1 (thousand tons)	3,531
Scope2 (thousand tons)	896
Fluorocarbons (tons)	4
NOx (tons)	2,622
SOx (tons)	525
VOC (tons)	2,177
Soot and dust (tons)	87
Industrial waste	
Waste sent off-site (thousand tons)	140.1
Offsite recycling (thousand tons)	85.7
Total landfilling (thousand tons)	1.4
Wastewater	
COD (tons)	1,112
Effluent (million m³)	489.7

Mitsui Chemicals, Inc.

INPUT	
Energy	
Energy consumption (PJ)	64.6
Purchased materials	
Raw materials (thousand tons)	3,279
Purchased materials (thousand tons)	32
Water resources	
Water withdrawal (million m³)	483.1
Surface water (million m³)	0.0
Groundwater (million m³)	0.5
Seawater (million m³)	399.9
Produced water (million m³)	0.0
Third-party water (million m³)	82.7
(Recycled water (million m³))	1,437.9

Mitsui Chemicals, Inc.

OUTPUT	
Products, etc.	
Products shipped (thousand tons)	2,069
Atmospheric emissions	
GHG (thousand tons)	3,869
Scope1 (thousand tons)	3,383
Scope2 (thousand tons)	486
Fluorocarbons (tons)	4
NOx (tons)	2,503
SOx (tons)	494
Hazardous air pollutants (tons)	11
VOC (tons)	1,427
Soot and dust (tons)	43
Industrial waste	
Waste sent off-site (thousand tons)	82.2
Offsite recycling (thousand tons)	53.8
Total landfilling (thousand tons)	0.4
Wastewater	
COD (tons)	730
Total nitrogen (tons)	853
Total phosphorous (tons)	15
Effluent (million m³)	457.3
Wastewater treatment (million m³)	14.9

Domestic Subsidiaries & Affiliates

INPUT	
Energy	
Energy consumption (PJ)	4.0
Purchased materials	
Raw materials (thousand tons)	337
Purchased materials (thousand tons)	7
Water resources	
Water withdrawal (million m³)	24.2
Surface water (million m³)	1.9
Groundwater (million m³)	0.3
Seawater (million m³)	16.6
Produced water (million m³)	0.0
Third-party water (million m³)	5.4
(Recycled water (million m³))	113.0

Domestic Subsidiaries & Affiliates

OUTPUT	
Products, etc.	
Products shipped (thousand tons)	371
Atmospheric emissions	
GHG (thousand tons)	202
Scope1 (thousand tons)	106
Scope2 (thousand tons)	96
Fluorocarbons (tons)	0
NOx (tons)	82
SOx (tons)	13
VOC (tons)	667
Soot and dust (tons)	1
Industrial waste	
Waste sent off-site (thousand tons)	29.0
Offsite recycling (thousand tons)	13.1
Total landfilling (thousand tons)	0.4
Wastewater	
COD (tons)	70
Effluent (million m³)	31.7

Overseas Subsidiaries & Affiliates

INPUT	
Energy	
Energy consumption (PJ)	6.2
Purchased materials	
Raw materials (thousand tons)	1,251
Purchased materials (thousand tons)	19
Water resources	
Water withdrawal (million m³)	1.8
Surface water (million m³)	0.0
Groundwater (million m³)	0.0
Seawater (million m³)	0.0
Produced water (million m³)	0.0
Third-party water (million m³)	1.8
(Recycled water (million m³))	6.3

Overseas Subsidiaries & Affiliates

OUTPUT	
Products, etc.	
Products shipped (thousand tons)	327
Atmospheric emissions	
GHG (thousand tons)	358
Scope1 (thousand tons)	42
Scope2 (thousand tons)	316
Fluorocarbons (tons)	0
NOx (tons)	37
SOx (tons)	18
VOC (tons)	83
Soot and dust (tons)	42
Industrial waste	
Waste sent off-site (thousand tons)	28.9
Offsite recycling (thousand tons)	18.8
Total landfilling (thousand tons)	0.6
Wastewater	
COD (tons)	313
Effluent (million m³)	0.6

Ichihara Works

INPUT		OUTPUT	
Energy		**Products, etc.**	
Energy consumption (PJ)	26.5	Products shipped (thousand tons)	1,506
Purchased materials		**Atmospheric emissions**	
Raw materials (thousand tons)	1,578	GHG (thousand tons)	1,421
Purchased materials (thousand tons)	6	Scope1 (thousand tons)	1,379
Water resources		Scope2 (thousand tons)	42
Water withdrawal (thousand m³)	349,505	Fluorocarbons (tons)	0
Surface water (thousand m³)	0	NOx (tons)	795
Groundwater (thousand m³)	59	SOx (tons)	328
Seawater (thousand m³)	330,023	Hazardous air pollutants (tons)	3
Produced water (thousand m³)	0	VOC (tons)	442
Third-party water (thousand m³)	19,423	Soot and dust (tons)	11
(Recycled water (thousand m³))	397,044	**Industrial waste**	
		Waste sent off-site (thousand tons)	13.8
		Offsite recycling (thousand tons)	5.5
		Total landfilling (thousand tons)	0.0
		Wastewater	
		COD (tons)	52
		Total nitrogen (tons)	20
		Total phosphorous (tons)	1
		Effluent (million m³)	335,356
		Wastewater treatment (million m³)	5,711

Mobara Branch Factory

INPUT		OUTPUT	
Energy		**Products, etc.**	
Energy consumption (PJ)	0.7	Products shipped (thousand tons)	45
Purchased materials		**Atmospheric emissions**	
Raw materials (thousand tons)	48	GHG (thousand tons)	32
Purchased materials (thousand tons)	1	Scope1 (thousand tons)	22
Water resources		Scope2 (thousand tons)	10
Water withdrawal (thousand m³)	823	Fluorocarbons (tons)	0
Surface water (thousand m³)	0	NOx (tons)	17
Groundwater (thousand m³)	368	SOx (tons)	0
Seawater (thousand m³)	0	Hazardous air pollutants (tons)	0
Produced water (thousand m³)	0	VOC (tons)	9
Third-party water (thousand m³)	455	Soot and dust (tons)	0
(Recycled water (thousand m³))	22,790	**Industrial waste**	
		Waste sent off-site (thousand tons)	1.1
		Offsite recycling (thousand tons)	0.3
		Total landfilling (thousand tons)	0.0
		Wastewater	
		COD (tons)	12
		Total nitrogen (tons)	5
		Total phosphorous (tons)	3
		Effluent (million m³)	669
		Wastewater treatment (million m³)	306

Nagoya Works

INPUT		OUTPUT	
Energy		**Products, etc.**	
Energy consumption (PJ)	0.6	Products shipped (thousand tons)	23
Purchased materials		**Atmospheric emissions**	
Raw materials (thousand tons)	45	GHG (thousand tons)	31
Purchased materials (thousand tons)	3	Scope1 (thousand tons)	8
Water resources		Scope2 (thousand tons)	22
Water withdrawal (thousand m³)	1,744	Fluorocarbons (tons)	0
Surface water (thousand m³)	0	NOx (tons)	2
Groundwater (thousand m³)	0	SOx (tons)	0
Seawater (thousand m³)	0	Hazardous air pollutants (tons)	0
Produced water (thousand m³)	0	VOC (tons)	16
Third-party water (thousand m³)	1,744	Soot and dust (tons)	0
(Recycled water (thousand m³))	1,762	**Industrial waste**	
		Waste sent off-site (thousand tons)	6.0
		Offsite recycling (thousand tons)	4.6
		Total landfilling (thousand tons)	0.0
		Wastewater	
		COD (tons)	0
		Total nitrogen (tons)	0
		Total phosphorous (tons)	0
		Effluent (million m³)	2,256
		Wastewater treatment (million m³)	0

Osaka Works

INPUT		OUTPUT	
Energy		**Products, etc.**	
Energy consumption (PJ)	23.8	Products shipped (thousand tons)	84
Purchased materials		**Atmospheric emissions**	
Raw materials (thousand tons)	1,145	GHG (thousand tons)	1,451
Purchased materials (thousand tons)	11	Scope1 (thousand tons)	1,305
Water resources		Scope2 (thousand tons)	146
Water withdrawal (thousand m³)	68,506	Fluorocarbons (tons)	2
Surface water (thousand m³)	0	NOx (tons)	807
Groundwater (thousand m³)	0	SOx (tons)	6
Seawater (thousand m³)	48,749	Hazardous air pollutants (tons)	7
Produced water (thousand m³)	0	VOC (tons)	67
Third-party water (thousand m³)	19,757	Soot and dust (tons)	11
(Recycled water (thousand m³))	625,658	**Industrial waste**	
		Waste sent off-site (thousand tons)	9.7
		Offsite recycling (thousand tons)	7.9
		Total landfilling (thousand tons)	0.0
		Wastewater	
		COD (tons)	208
		Total nitrogen (tons)	292
		Total phosphorous (tons)	5
		Effluent (million m³)	61,458
		Wastewater treatment (million m³)	1,781

Iwakuni-Ohtake Works

INPUT	
Energy	
Energy consumption (PJ)	5.4
Purchased materials	
Raw materials (thousand tons)	191
Purchased materials (thousand tons)	1
Water resources	
Water withdrawal (thousand m³)	46,613
Surface water (thousand m³)	0
Groundwater (thousand m³)	0
Seawater (thousand m³)	21,173
Produced water (thousand m³)	0
Third-party water (thousand m³)	25,440
(Recycled water (thousand m³))	162,189

Iwakuni-Ohtake Works

OUTPUT	
Products, etc.	
Products shipped (thousand tons)	135
Atmospheric emissions	
GHG (thousand tons)	395
Scope1 (thousand tons)	281
Scope2 (thousand tons)	114
Fluorocarbons (tons)	1
NOx (tons)	302
SOx (tons)	154
Hazardous air pollutants (tons)	0
VOC (tons)	518
Soot and dust (tons)	13
Industrial waste	
Waste sent off-site (thousand tons)	4.4
Offsite recyclingy (thousand tons)	4.3
Total landfilling (thousand tons)	0.0
Wastewater	
COD (tons)	149
Total nitrogen (tons)	22
Total phosphorous (tons)	4
Effluent (million m³)	45,581
Wastewater treatment (million m³)	1,407

Tokuyama Branch Factory

INPUT	
Energy	
Energy consumption (PJ)	0.1
Purchased materials	
Raw materials (thousand tons)	32
Purchased materials (thousand tons)	1
Water resources	
Water withdrawal (thousand m³)	6,461
Surface water (thousand m³)	0
Groundwater (thousand m³)	0
Seawater (thousand m³)	0
Produced water (thousand m³)	0
Third-party water (thousand m³)	6,461
(Recycled water (thousand m³))	0

Tokuyama Branch Factory

OUTPUT	
Products, etc.	
Products shipped (thousand tons)	31
Atmospheric emissions	
GHG (thousand tons)	6
Scope1 (thousand tons)	5
Scope2 (thousand tons)	1
Fluorocarbons (tons)	0
NOx (tons)	2
SOx (tons)	2
Hazardous air pollutants (tons)	0
VOC (tons)	3
Soot and dust (tons)	0
Industrial waste	
Waste sent off-site (thousand tons)	3.4
Offsite recycling (thousand tons)	1.4
Total landfilling (thousand tons)	0.0
Wastewater	
COD (tons)	9
Total nitrogen (tons)	0
Total phosphorous (tons)	0
Effluent (million m³)	6,279
Wastewater treatment (million m³)	0

Omuta Works

INPUT	
Energy	
Energy consumption (PJ)	7.2
Purchased materials	
Raw materials (thousand tons)	241
Purchased materials (thousand tons)	8
Water resources	
Water withdrawal (thousand m³)	9,374
Surface water (thousand m³)	0
Groundwater (thousand m³)	0
Seawater (thousand m³)	0
Produced water (thousand m³)	0
Third-party water (thousand m³)	9,374
(Recycled water (thousand m³))	228,452

Omuta Works

OUTPUT	
Products, etc.	
Products shipped (thousand tons)	245
Atmospheric emissions	
GHG (thousand tons)	523
Scope1 (thousand tons)	381
Scope2 (thousand tons)	143
Fluorocarbons (tons)	0
NOx (tons)	578
SOx (tons)	5
Hazardous air pollutants (tons)	0
VOC (tons)	373
Soot and dust (tons)	9
Industrial waste	
Waste sent off-site (thousand tons)	42.7
Offsite recycling (thousand tons)	29.6
Total landfilling (thousand tons)	0.3
Wastewater	
COD (tons)	299
Total nitrogen (tons)	514
Total phosphorous (tons)	2
Effluent (million m³)	5,663
Wastewater treatment (million m³)	5,663

VISION HUB™ SODEGAURA

INPUT	
Energy	
Energy consumption (PJ)	0.2
Purchased materials	
Raw materials (thousand tons)	0
Purchased materials (thousand tons)	0
Water resources	
Water withdrawal (thousand m³)	96
Surface water (thousand m³)	0
Groundwater (thousand m³)	25
Seawater (thousand m³)	0
Produced water (thousand m³)	0
Third-party water (thousand m³)	72
(Recycled water (thousand m³))	43

VISION HUB™ SODEGAURA (R&D Center)

OUTPUT	
Products, etc.	
Products shipped (thousand tons)	0
Atmospheric emissions	
GHG (thousand tons)	9
Scope1 (thousand tons)	3
Scope2 (thousand tons)	7
Fluorocarbons (tons)	0
NOx (tons)	0
SOx (tons)	0
Hazardous air pollutants (tons)	0
VOC (tons)	0
Soot and dust (tons)	0
Industrial waste	
Waste sent off-site (thousand tons)	1.0
Offsite recycling (thousand tons)	0.3
Total landfilling (thousand tons)	0.0
Wastewater	
COD (tons)	0
Total nitrogen (tons)	0
Total phosphorous (tons)	0
Effluent (million m³)	78
Wastewater treatment (million m³)	78

ESG Performance Data

Society

* Data marked with an asterisk (★) is assured by a third-party assurance institution in accordance with the International Standard on Assurance Engagements (ISAE 3000, ISAE 3410). Click here for the independent assurance report and the calculation report related to the data covered by the assurance.

* For details on data collection sites, please see scope of data in the "Editorial Policy".

Employees

	Scope	2021	2022	2023	2024
Number of employees	Mitsui Chemicals Group	18,780	18,933	19,861	17,320
	Mitsui Chemicals, Inc.*1	6,899	7,073	7,265	7,358

Region

	Scope		2021	2022	2023	2024
Ratio of region / %	Mitsui Chemicals Group	Japan	61	60	60	64
		China	5	5	4	5
		Asia	11	11	12	13
		Europe	15	16	16	9
		North, Central, and South America	8	8	8	9
		Others	0	0	0	0

Gender

	Scope			2021	2022	2023	2024
Male-female ratio / %	Mitsui Chemicals Group*2		Male	82	82	79	79
			Female	18	18	21	21
	Mitsui Chemicals, Inc.*1		Male	87	86	86	85
			Female	13	14	14	15
Male-female ratio in all Manager-level or above / %	Mitsui Chemicals Group*2		Male	89	89	88	86
			Female	11	11	12	14
Male-female ratio in Manager-level / %			Male	87	88	88	85
			Female	13	12	12	15
Male-female ratio in Manager of Manager-level / %			Male	95	94	92	90
			Female	5	6	8	10
Male-female ratio in manager-level or above in revenue-generating functions / %			Male	—	89	87	85
			Female	—	11	13	15
Male-female ratio in STEM positions / %			Male	—	87	87	85
			Female	—	13	13	15
Male-female ratio in management staff (supervisor-level) / %	Mitsui Chemicals, Inc.*1	Full-time employees	Male	86	86	85	83
			Female	14	14	15	17
Male-female ratio in management staff (manager-level or above) / %		Full-time employees	Male	96	95	94	92
			Female	4	5	6	8
		All employees*3	Male	—	95	94	92
			Female	—	6	6	8
Male-female ratio in management staff (general manager-level or above) / %		Full-time employees	Male	98	98	96	95
			Female	2	2	4	5
Number of new management staff (manager-level or above) / %		Full-time employees	Male	90	87	90	86
			Female	10	13	10	14

* Based on the number of employees as of the end of March

Age

	Scope		2021	2022	2023	2024
Average age / age	Mitsui Chemicals, Inc.*1	Male	42.0	41.5	41.3	41.4
		Female	44.0	43.4	42.7	41.9
		Total	**42.2**	**41.8**	**41.5**	**41.4**
Composition ratio by age / %	Mitsui Chemicals Group*2	10s (Ages 18 or older)	1.0	0.9	0.8	0.7
		20s	17.7	17.1	17.0	17.4
		30s	24.8	24.7	24.5	25.5
		40s	25.2	24.7	24.3	23.7
		Over 50s	31.3	32.6	33.4	32.7
	Mitsui Chemicals, Inc.*1	10s (Ages 18 or older)	1.5	1.8	1.6	1.6
		20s	19.1	19.8	20.5	20.8
		30s	18.4	19.7	20.8	21.8
		40s	24.1	22.4	20.6	19.5
		Over 50s	36.9	36.3	36.5	36.3

Nationality

	Scope		2021	2022	2023	2024
Composition ratio by nationality / %	Mitsui Chemicals Group*2	Japan	66.3	70.3	65.6	61.4
		Germany	5.6	4.9	7.8	8.0
		USA	4.3	4.1	4.2	4.7
		China	4.3	3.9	4.2	3.9
		Thailand	4.2	3.8	3.3	4.6
		Mexico	2.3	1.6	1.8	2.0
		Romania	2.1	2.1	2.8	2.7
		Other	10.9	9.4	10.4	12.6

Disabilities

	Scope	2021	2022	2023	2024
Ratio of employees with disabilities / %	Mitsui Chemicals, Inc.*1	2.3	2.5	2.5	2.5

Labor Union Members

	Scope	2021	2022	2023	2024
Ratio of labor union members / %	Mitsui Chemicals, Inc.*1	54.1	54.0	54.2	54.9

Employee-friendly Working Environment

Service and Turnover

	Scope		2021	2022	2023	2024
Average length of service / years	Mitsui Chemicals, Inc.*1	Male	18.9	18.0	17.5	17.6
		Female	20.3	19.1	18.0	16.9
		Total	**19.1**	**18.1**	**17.5**	**17.5**
Employee turnover rate / %	Mitsui Chemicals, Inc.*1	Male	3.61	5.41	4.46	5.16
		Female	3.26	3.46	4.09	5.81
		Total	**3.56**	**5.15**	**4.40**	**5.26**
Total number of employee turnover	Mitsui Chemicals, Inc.*1	Male	219	335	281	330
		Female	30	33	42	64
		Total	**249**	**368**	**323**	**394**
Voluntary turnover rate / %	Mitsui Chemicals, Inc.*1	Male	1.24	1.41	1.90	1.85
		Female	1.52	1.36	1.85	1.81
		Total	**1.27**	**1.40**	**1.90**	**1.84**
Number of voluntary turnover	Mitsui Chemicals, Inc.*1	Male	75	87	120	118
		Female	14	13	19	20
		Total	**89**	**100**	**139**	**138**
Ratio of re-employment for retired employees / %	Mitsui Chemicals, Inc.*1		86.6	89.8	86.2	79.9

Overtime

	Scope		2021	2022	2023	2024
Number of employees whose overtime hours exceeded 80 hours / month	Mitsui Chemicals, Inc.*1	Non-management staff	26	12	14	15
		Management staff	28	34	54	49
		Total	**54 (0.8%)**	**46 (0.7%)**	**68 (0.9%)**	**64 (0.9%)**
Average overtime hours / hours/month^{-1}	Mitsui Chemicals, Inc.*1		22.0	21.7	20.2	20.0
Average overtime hours (statutory) / hours・month^{-1}	Mitsui Chemicals, Inc.*1		0.8	1.7	1.3	0.2

Paid Leave

	Scope		2021	2022	2023	2024
Paid leave usage rate / %	Mitsui Chemicals, Inc.*1	Non-management staff	84	88	87	86
		Management staff	63	64	68	68
		Total	**75**	**77**	**79**	**78**
Average number of days used for paid leave	Mitsui Chemicals, Inc.*1	Total	14.7	15.3	15.5	15.5

Childcare

	Scope		2021	2022	2023	2024
Number of employees taking childcare leave	Mitsui Chemicals, Inc.*1	Male	129	141	199	182
		Female	20	27	24	27
		Total	**149**	**168**	**223**	**209**
Childcare leave usage rate / %	Mitsui Chemicals, Inc.*1	Male	78	84	90	90
		Female	100	100	100	100
		Total	**81**	**86**	**91**	**91**
Average number of days used for childcare leave	Mitsui Chemicals, Inc.*1	Male	16	27	31	43
Return rate of employees from childcare leave / %	Mitsui Chemicals, Inc.*1	Male	100	100	100	100
		Female	100	100	100	100
		Total	**100**	**100**	**100**	**100**
Employee retention rate three years after childcare leave / %	Mitsui Chemicals, Inc.*1	Male	93	97	99	95
		Female	76	82	100	89
		Total	**90**	**95**	**99**	**95**
Number of employees using Part-time working option for childcare	Mitsui Chemicals, Inc.*1	Male	5	11	4	4
		Female	80	70	54	54
		Total	**85**	**81**	**58**	**58**

Family Care

	Scope	2021	2022	2023	2024
Number of employees taking paid family care leave	Mitsui Chemicals, Inc.*1	3	3	2	1
Number of employees using Part-time working option for family care	Mitsui Chemicals, Inc.*1	0	1	1	1

Recruitment

	Scope		2021	2022	2023	2024
Total number of employees hired	Mitsui Chemicals, Inc.*1	Male	322	367	395	292
		Female	46 (13%)	92 (20%)	95 (19%)	117 (29%)
		Regular recruitment	239	244	258	260
		Mid-career recruitment	129	215	232	149
		Total	**368**	**459**	**490**	**409**

Number of Employees Hired through the Regular Recruitment

	Scope		2021	2022	2023	2024
Career-track administrative positions	Mitsui Chemicals, Inc.*1	Male	9	12	12	9
		Female	8 (47%)	13 (52%)	7 (37%)	14 (61%)
		Total	**17**	**25**	**19**	**23**
Career-track technical positions	Mitsui Chemicals, Inc.*1	Male	50	61	75	69
		Female	11 (18%)	16 (21%)	22 (23%)	34 (33%)
		Total	**61**	**77**	**97**	**103**
General positions	Mitsui Chemicals, Inc.*1	Male	119	129	123	116
		Female	6 (5%)	13 (9%)	19 (13%)	18 (13%)
		Total	**125**	**142**	**142**	**134**

* Based on the number of employees hired through the regular recruitment as of April 1

Number of Employees Hired through the Mid-career Recruitment

	Scope		2021	2022	2023	2024
Career-track administrative positions	Mitsui Chemicals, Inc.*1	Male	48	74	98	54
		Female	5 (9%)	24 (25%)	27 (22%)	30 (36%)
		Total	**53**	**98**	**125**	**84**
Career-track technical positions	Mitsui Chemicals, Inc.*1	Male	35	50	46	10
		Female	4 (10%)	8 (14%)	2 (4%)	3 (23%)
		Total	**39**	**58**	**48**	**13**
General positions	Mitsui Chemicals, Inc.*1	Male	25	41	41	34
		Female	12 (32%)	18 (31%)	18 (31%)	18 (35%)
		Total	**37**	**59**	**59**	**52**

Human Resources Development

	Scope	2021	2022	2023	2024
Training hours per person / hours	Mitsui Chemicals Group	22.3	20.3	18.5	19.6
Training cost per person / thousand yen		47.7	67.3	73.3	75.8
Training hours per person / hours	Mitsui Chemicals, Inc.*1	26.1	31.6	35.0	43.0
Training cost per person / thousand yen		128.4	164.3	172.0	174.3

Percentage of Positions Filled Internally (Management Position)

	Scope	2021	2022	2023	2024
Percentage of positions filled internally / % (Number of positions filled by existing employees / Total Number of filled positions)	Mitsui Chemicals, Inc.*1	89.7	89.2	79.6	78.9

Successor Coverage Rate

	Scope	2021	2022	2023	2024
Successor Coverage Rate / % (The number of successor candidates for strategically critical positions / The number of strategically critical positions.)	Mitsui Chemicals Group	233	211	220	235

Compensation

	Scope			2021	2022	2023	2024
The gender pay gap/ % (Percentage of women's pay to man's pay.)	Mitsui Chemicals, Inc.[*1]	All employees		—	82.9	84.0	86.7
		Full-time employees	All Full-time employees	—	83.0	84.9	87.6
			Management staff	—	92.0	92.0	93.4
			Non-Management staff	—	92.8	95.5	94.8
		Part-time and Fixed-term employees	All Part-time and Fixed-term employees	—	68.8	70.3	72.8
			Management staff	—	61.0	73.4	66.1
			Non-Management staff	—	90.5	93.1	107.3
The gender pay gap / % (Percentage of women's base salary to man's base salary.)		Full-time employees	Management staff	—	—	93.0	96.2★[*4]
			Non-Management staff	—	—	102.4	103.0★[*4]

Employee Engagement

	Scope	2021	2022	2023	2024
Engagement score / %	Mitsui Chemicals Group	34	—	36	36

Human Capital - Return On Investment

	Scope	2021	2022	2023	2024
Human capital ROI / %	Mitsui Chemicals Group	87.9	70.4	37.9	39.7

Safety and Prevention

Accidents/Cases

	Scope	2021	2022	2023	2024
Number of major accidents / cases	Mitsui Chemicals Group	0	0	0	0★
Number of abnormal conditions / accidents / cases	Mitsui Chemicals, Inc.	9	8	12	26
	Domestic subsidaries and affiliates	6	0	3	5
	Overseas subsidaries and affiliates	1	0	1	0
	Mitsui Chemicals Group	**16**	**8**	**16**	**31**

Work Related Injuery

	Scope	2021	2022	2023	2024
Number of Work-related fatalities	Groups' employees	0	0	0	1★
	contractor's employees[*5]	0	0	0	0★
Lost-Time Injury Frequency Rate (LTIFR)	Mitsui Chemicals Group[*6]	0.34	0.29	0.33	0.28★[*4]
Work-related Significant occupational injury[*7] frequency	Mitsui Chemicals, Inc.[*6]	0.10	0.25	0.05	0.10
	Domestic subsidaries and affiliates[*6]	0.45	0.48	0.53	0.11
	Overseas subsidaries and affiliates[*6]	0.00	0.11	0.41	0.20
	Construction subcontractors	0.58	0.23	0.33	1.03
	Mitsui Chemicals Group[*6]	**0.23**	**0.27**	**0.28**	**0.30**

Occupational Health

	Scope	2021	2022	2023	2024
Average rate of lifestyle-related disease (male) / %	Mitsui Chemicals, Inc.[*1]	10.0	9.7	9.96	10.32
Frequency of absences from work due to health disorders	Mitsui Chemicals, Inc.[*1]	0.76	0.83	0.95	0.87
Frequency of absences from work due to mental health disorders	Mitsui Chemicals, Inc.[*1]	0.54	0.55	0.69	0.65
Ratio of smokers / %	Mitsui Chemicals, Inc.[*1]	21.2	19.9	19.1	18.8
Harmful substance risk assessment implementation rate / %	Mitsui Chemicals, Inc.	100	100	100	100

Product Stewardship

	Scope	2021	2022	2023	2024
Product risk assessment implementation rate / %	Mitsui Chemicals, Inc.	100	100	100	100
Number of major legal and regulatory violations	Mitsui Chemicals, Inc.	0	0	0	0

Quality of Products and Services

	Scope	2021	2022	2023	2024
Number of major quality-related legal and regulatory violations	Mitsui Chemicals Group	0	0	2	0
Incidence of PL accidents & serious product quality incidents	Mitsui Chemicals Group	—	0	0	0

Logistics

	Scope	2021	2022	2023	2024
Number of serious occupational injuries in logistics	Mitsui Chemicals Group	0	0	0	0
Number of major accidents in logistics	Mitsui Chemicals Group	0	0	0	0
Number of quality issues/ppm	Mitsui Chemicals Group	30	58	43	14

Sustainable Procurement

	Scope	2021	2022	2023	2024
Sustainable procurement ratio / %	Mitsui Chemicals, Inc.	61	61	61	61

Social Activities

	Scope	2021	2022	2023	2024
Social contribution expenditure / million yen	Mitsui Chemicals Group	184	417	219	267
cash donations / million yen		—	372	138	92
Number of employees taking community service leave	Mitsui Chemicals, Inc.*1	54	67	83	112

Visualization of Contributions to the Society

	Scope	2021	2022	2023	2024
Rose Value™ products sales ratio / %	Mitsui Chemicals Group	20	21	24	25

*1 Mitsui Chemicals, Inc.'s employyee
*2 The data collected from affiliated companies that have implemented the Workday system.
*3 Includes reemployment, contract employees, etc.
*4 Revised due to identified errors or a review of the calculation method.
*5 Includes contractors operating on site and construction subcontractors.
*6 Includes contractors operating on site.
*7 "Work-related Significant Occupational Injuries (WSOIs)" refer to occupational injuries that resulted in absence from work or death. WSOIs also include lighter occupational injuries that may lead to absence from work or death due to the potential danger in the cause of the injury. WSOIs do not include injuries that are not directly related to operations.

ESG Performance Data

Governance

Board of Directors

	Scope		2021	2022	2023	2024
Number of members of the Board	Mitsui Chemicals, Inc.	Male	7	7	7	7
		Female	1 (12.5%)	1 (12.5%)	1 (12.5%)	1 (12.5%)
		Independent outside directors	3	3	3	3
		Total	**8**	**8**	**8**	**8**

Compensation of Members of the Board and Corporate Auditors

	Scope		2021	2022	2023	2024
Total compensation / million yen	Mitsui Chemicals, Inc.	Members of the Board (excluding outside directors)	491	511	475	428
		HASHIMOTO Osamu	141	151	159	138
		Corporate auditors (excluding outside auditors)	64	63	72	72
		Outside directors and corporate auditors	79	79	97	96
		Total	**634**	**653**	**644**	**596**
The ratio between the total annual compensation of the CEO and the median employee compensation	Mitsui Chemicals, Inc.		17.4	17.7	19.4	16.2

Compliance

	Scope	2021	2022	2023	2024
Number of major legal and regulatory violations	Mitsui Chemicals Group	1	0	2	0
Whistle Blowing System Operating Performance	Mitsui Chemicals Group	18	31	60	71

Compliance Violation

	Scope	2021	2022	2023	2024
Number of cases of illicit gains or bribery	Mitsui Chemicals, Inc.	—	—	—	0
Number of cases of discrimination or harassment	Mitsui Chemicals, Inc.	—	—	—	6
Number of cases involving violation or leakage of customer information	Mitsui Chemicals, Inc.	—	—	—	0
Number of cases involving conflicts of interest	Mitsui Chemicals, Inc.	—	—	—	0
Number of cases of money laundering or insider trading	Mitsui Chemicals, Inc.	—	—	—	0

Others

	Scope	2021	2022	2023	2024
Political donations / million yen	Mitsui Chemicals, Inc.	3.00	2.90	2.99	2.86

Others

Guideline Cross-Reference Tables

External Assessments and Sustainable Finance

- External Assessments
- Sustainable Finance

Editorial Policy

ESG Information Archives

Guideline Cross-Reference Tables

GRI Standards Content Index

GRI 2 (General Disclosures) | GRI 3 (Material Topics) | 200 series (Economic topics) | 300 series (Environmental topics) | 400 series (Social topics)

GRI 2 (General Disclosures)

GRI 2: General Disclosures 2021

2-1	Organizational details

Corresponding Sections

Corporate Overview >
Domestic Sites >
Domestic Subsidiaries & Affiliates >
Overseas Subsidiaries & Affiliates >

2-2	Entities included in the organization's sustainability reporting

Corresponding Sections

Editorial Policy >
Securities Reports >

2-3	Reporting period, frequency and contact point

Corresponding Sections

Editorial Policy >
Contact Us >

2-4	Restatements of information

Corresponding Sections

ESG Performance Data>Environment >
ESG Performance Data>Society >

2-5	External assurance

Corresponding Sections

Editorial Policy >

2-6	Activities, value chain and other business relationships

Corresponding Sections

Corporate Overview >
Fact Book>Financial highlights >
VISION 2030
Business & Products >
Fact Book>Segment data >
Securities Reports >

2-7	Employees

Corresponding Sections

ESG Performance Data>Society >
Corporate Culture Transformation>HRIS and People Analytics >

2-8	Workers who are not employees

Corresponding Sections

—

2-9	Governance structure and composition

Corresponding Sections

Corporate Governance >
ESG Performance Data>Governance >

2-10	Nomination and selection of the highest governance body

Corresponding Sections

Corporate Governance >

2-11	Chair of the highest governance body

Corresponding Sections

Corporate Governance >
Board of Directors >

2-12	Role of the highest governance body in overseeing the management of impacts

Corresponding Sections

Sustainability Management >
Materiality >
Risk Management >

2-13	Delegation of responsibility for managing impacts

Corresponding Sections

Sustainability Management >
Materiality >
Risk Management >

2-14	Role of the highest governance body in sustainability reporting

Corresponding Sections

Sustainability Management >

2-15	Conflicts of interest

Corresponding Sections

Corporate Governance >

2-16	Communication of critical concerns

Corresponding Sections

Corporate Governance >
Sustainability Management >
Risk Management >
Compliance Management >
Global Whistleblowing System >

2-17	Collective knowledge of the highest governance body

Corresponding Sections

Support Initiatives >
Human Resource Portfolio Transformation>Talent and Organization Development >
Compliance Management>Compliance Training >

2-18 Evaluation of the performance of the highest governance body

Corresponding Sections

Corporate Governance >

2-19 Remuneration policies

Corresponding Sections

Corporate Governance >

Non-Financial Metrics>Reflection in Executive Compensation >

2-20 Process to determine remuneration

Corresponding Sections

Corporate Governance >

2-21 Annual total compensation ratio

Corresponding Sections

ESG Performance Data>Governance >

2-22 Statement on sustainable development strategy

Corresponding Sections

CEO Message >

Message from the Officer in Charge >

2-23 Policy commitments

Corresponding Sections

Respect for Human Rights>Mitsui Chemicals Group Human Rights Policy >

Remarks

List of Policies >

2-24 Embedding policy commitments

Corresponding Sections

Respect for Human Rights>System and Responsible Officers >

Respect for Human Rights>Initiatives >

2-25 Processes to remediate negative impacts

Corresponding Sections

Respect for Human Rights >

Global Whistleblowing System >

2-26 Mechanisms for seeking advice and raising concerns

Corresponding Sections

Global Whistleblowing System >

2-27 Compliance with laws and regulations

Corresponding Sections

ESG Performance Data>Governance >

2-28 Membership associations

Corresponding Sections

Support Initiatives >

2-29	Approach to stakeholder engagement

Corresponding Sections

Stakeholder Engagement >

2-30	Collective bargaining agreements

Corresponding Sections

Employee Engagement>Labor-Management Relations Based on Frank Dialog and Communication >

ESG Performance Data>Society >

GRI 3 (Material Topics)

GRI 3: Material Topics 2021

3-1	Process to determine material topics

Corresponding Sections

Materiality Process >

3-2	List of material topics

Corresponding Sections

Materiality Process >

3-3	Management of material topics

Corresponding Sections

Materiality Process >

Non-Financial Metrics >

200 series (Economic topics)

GRI 201: Economic Performance 2016

201-1	Direct economic value generated and distributed

Corresponding Sections

Securities Reports >

201-2	Financial implications and other risks and opportunities due to climate change

Corresponding Sections

Implementing the Recommendations of the TCFD >

201-3	Defined benefit plan obligations and other retirement plans

Corresponding Sections

Securities Reports >

201-4	Financial assistance received from government

Corresponding Sections

Securities Reports >

GRI 202: Market Presence 2016

202-1 Ratios of standard entry level wage by gender compared to local minimum wage

Corresponding Sections

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Remarks

Employee Engagement>Compensation&Benefit >

202-2 Proportion of senior management hired from the local community

Corresponding Sections

—

Remarks

Human Resource Portfolio Transformation>Talent and Organization Development >

GRI 203: Indirect Economic Impacts 2016

203-1 Infrastructure investments and services supported

Corresponding Sections

Disaster Relief >

203-2 Significant indirect economic impacts

Corresponding Sections

—

GRI 204: Procurement Practices 2016

204-1 Proportion of spending on local suppliers

Corresponding Sections

—

GRI 205: Anti-corruption 2016

205-1 Operations assessed for risks related to corruption

Corresponding Sections

Compliance Management > Initiatives >

Bribery Prevention >

205-2 Communication and training about anti-corruption policies and procedures

Corresponding Sections

—

Remarks

Compliance Training >

Bribery Prevention >

205-3 Confirmed incidents of corruption and actions taken

Corresponding Sections

ESG Performance Data>Governance >

GRI 206: Anti-competitive Behavior 2016

206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

Corresponding Sections

There were no instances where the Group was involved in legal action.

ESG Performance Data>Governance >

GRI 207: Tax 2019

207-1 Approach to tax

Corresponding Sections

Tax >

207-2 Tax governance, control, and risk management

Corresponding Sections

Tax >

207-3 Stakeholder engagement and management of concerns related to tax

Corresponding Sections

Tax >

207-4 Country-by-country reporting

Corresponding Sections

Tax >

300 series (Environmental topics)

GRI 301: Materials 2016

301-1 Materials used by weight or volume

Corresponding Sections

INPUT⇒OUTPUT Data

301-2 Recycled input materials used

Corresponding Sections

—

301-3 Reclaimed products and their packaging materials

Corresponding Sections

—

GRI 302: Energy 2016

302-1 Energy consumption within the organization

Corresponding Sections

GHG and Energy >

ESG Performance Data>Environment >

302-2 Energy consumption outside of the organization

Corresponding Sections

GHG and Energy >

302-3 Energy intensity

Corresponding Sections

GHG and Energy >

ESG Performance Data>Environment >

302-4 Reduction of energy consumption

Corresponding Sections

GHG and Energy >

ESG Performance Data>Environment >

302-5 Reductions in energy requirements of products and services

Corresponding Sections

Blue Value™ / Rose Value™ >

GHG and Energy >

GRI 303: Water and Effluents 2018

303-1 Interactions with water as a shared resource

Corresponding Sections

Water >

303-2 Management of water discharge-related impacts

Corresponding Sections

Water >

303-3 Water withdrawal

Corresponding Sections

Water >

ESG Performance Data>Environment >

303-4 Water discharge

Corresponding Sections

Water >

ESG Performance Data>Environment >

303-5 Water consumption

Corresponding Sections

Water >

ESG Performance Data>Environment >

GRI 304: Biodiversity 2016

304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

Corresponding Sections

Biodiversity >

304-2	Significant impacts of activities, products, and services on biodiversity

Corresponding Sections

Biodiversity >

304-3	Habitats protected or restored

Corresponding Sections

Biodiversity >

304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations

Corresponding Sections

Biodiversity >

GRI 305: Emissions 2016

305-1	Direct (Scope1) GHG emissions

Corresponding Sections

GHG and Energy >

ESG Performance Data>Environment >

305-2	Energy indirect (Scope 2) GHG emissions

Corresponding Sections

GHG and Energy >

ESG Performance Data>Environment >

305-3	Other indirect (Scope3) GHG emissions

Corresponding Sections

GHG and Energy >

ESG Performance Data>Environment >

305-4	GHG emissions intensity

Corresponding Sections

GHG and Energy >

ESG Performance Data>Environment >

305-5	Reduction of GHG emissions

Corresponding Sections

GHG and Energy >

ESG Performance Data>Environment >

305-6	Emissions of ozone-depleting substances (ODS)

Corresponding Sections

INPUT⇒OUTPUT Data

ESG Performance Data>Environment >

305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions

Corresponding Sections

Environmentally Hazardous Substances >
INPUT⇒OUTPUT Data
ESG Performance Data>Environment >

GRI 306: Waste 2020

306-1 Waste generation and significant waste-related impacts

Corresponding Sections

Industrial Waste >
INPUT⇒OUTPUT Data
ESG Performance Data>Environment >

306-2 Management of significant waste-related impacts

Corresponding Sections	Remarks
—	Industrial Waste >

306-3 Waste generated

Corresponding Sections

Industrial Waste >
INPUT⇒OUTPUT Data
ESG Performance Data>Environment >

306-4 Waste diverted from disposal

Corresponding Sections

Industrial Waste >
INPUT⇒OUTPUT Data
ESG Performance Data>Environment >

306-5 Waste directed to disposal

Corresponding Sections

Industrial Waste >
INPUT⇒OUTPUT Data
ESG Performance Data>Environment >

GRI 307: Environmental Compliance 2016

307-1 Non-compliance with environmental laws and regulations

Corresponding Sections

ESG Performance Data>Environment >
Environmental Accounting/Compliance >

GRI 308: Supplier Environmental Assessment 2016

308-1 New suppliers that were screened using environmental criteria

Corresponding Sections	Remarks
—	Supplier Evaluation and Guidance for Improvement >

308-2	Negative environmental impacts in the supply chain and actions taken

Corresponding Sections

Supplier Evaluation and Guidance for Improvement >

400 series (Social topics)

GRI 401: Employment 2016

401-1	New employee hires and employee turnover

Corresponding Sections

ESG Performance Data>Society >

401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees

Corresponding Sections

Employee Engagement>Establishing a Productive Workplace Environment >

401-3	Parental leave

Corresponding Sections

ESG Performance Data>Society >

Employee Engagement>Establishing a Productive Workplace Environment >

GRI 402: Labor/Management Relations 2016

402-1	Minimum notice periods regarding operational changes

Corresponding Sections

Employee Engagement>Labor-Management Relations Based on Frank Dialog and Communication >

GRI 403: Occupational Health and Safety 2018

403-1	Occupational health and safety management system

Corresponding Sections

Responsible Care Management>Management System >

Safety and Prevention>Management System >

Occupational Health>Management System >

403-2	Hazard identification, risk assessment, and incident investigation

Corresponding Sections

Safety and Prevention>Initiatives to Prevent Major Accidents >

Product Stewardship>Providing Safe Products >

Occupational Health>Preventing Exposure to Harmful Substances >

403-3	Occupational health services

Corresponding Sections

Safety and Prevention>Initiatives to Prevent Major Accidents >

Product Stewardship>Providing Safe Products >

Occupational Health>Preventing Exposure to Harmful Substances >

403-4 Worker participation, consultation, and communication on occupational health and safety

Corresponding Sections

Safety and Prevention>Management System >
Occupational Health>Management System >

403-5 Worker training on occupational health and safety

Corresponding Sections

Safety and Prevention>Safety Education and Training >
Safety and Prevention>Plant Operation Technology Training Center >
Product Stewardship>Training >
Occupational Health>Health-Focused Management >

403-6 Promotion of worker health

Corresponding Sections

Occupational Health>Health-Focused Management >

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

Corresponding Sections

Safety and Prevention>Initiatives to Prevent Major Accidents >
Product Stewardship>Providing Safe Products >
Occupational Health>Preventing Exposure to Harmful Substances >

403-8 Workers covered by an occupational health and safety management system

Corresponding Sections

Safety and Prevention>Management System >
Occupational Health>Management System >

403-9 Work-related injuries

Corresponding Sections

Safety and Prevention>Accidents and Occupational Injuries >
ESG Performance Data>Society >

403-10 Work-related ill health

Corresponding Sections

Occupational Health>Management System >

GRI 404: Training and Education 2016

404-1 Average hours of training per year per employee

Corresponding Sections

ESG Performance Data>Society >
Safety and Prevention>Safety Education and Training >
Human Resource Portfolio Transformation>Talent and Organization Development >

404-2 Programs for upgrading employee skills and transition assistance programs

Corresponding Sections

Human Resource Portfolio Transformation>Talent and Organization Development >

404-3 Percentage of employees receiving regular performance and career development reviews

Corresponding Sections

Employee Engagement>Compensation&Benefit >
ESG Performance Data>Society >

GRI 405: Diversity and Equal Opportunity 2016

405-1 Diversity of governance bodies and employees

Corresponding Sections

Corporate Governance >
Corporate Culture Transformation>Diversity >
ESG Performance Data>Society >
ESG Performance Data>Governance >

405-2 Ratio of basic salary and remuneration of women to men

Corresponding Sections

ESG Performance Data>Society >

GRI 406: Non-discrimination 2016

406-1 Incidents of discrimination and corrective actions taken

Corresponding Sections

ESG Performance Data>Governance >

GRI 407: Freedom of Association and Collective Bargaining 2016

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

Corresponding Sections

—

Remarks

We request our suppliers to comply with the contents of the Mitsui Chemicals Group Sustainable Procurement Guidelines.

Supplier Evaluation and Guidance for Improvement >

GRI 408: Child Labor 2016

408-1 Operations and suppliers at significant risk for incidents of child labor

Corresponding Sections

—

Remarks

We request our suppliers to comply with the contents of the Mitsui Chemicals Group Sustainable Procurement Guidelines.

Supplier Evaluation and Guidance for Improvement >

GRI 409: Forced or Compulsory Labor 2016

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor

Corresponding Sections	Remarks
—	We request our suppliers to comply with the contents of the Mitsui Chemicals Group Sustainable Procurement Guidelines. Supplier Evaluation and Guidance for Improvement >

GRI 410: Security Practices 2016

410-1 Security personnel trained in human rights policies or procedures

Corresponding Sections	Remarks
—	Respect for Human Rights >

GRI 411: Rights of Indigenous Peoples 2016

411-1 Incidents of violations involving rights of indigenous peoples

Corresponding Sections

—

GRI 413: Local Communities 2016

413-1 Operations with local community engagement, impact assessments, and development programs

Corresponding Sections	Remarks
—	Social Activities>Working in Harmony with Local Communities >

413-2 Operations with significant actual and potential negative impacts on local communities

Corresponding Sections	Remarks
—	Initiatives to Prevent Major Accidents >

GRI 414: Supplier Social Assessment 2016

414-1 New suppliers that were screened using social criteria

Corresponding Sections	Remarks
—	Supplier Evaluation and Guidance for Improvement >

414-2 Negative social impacts in the supply chain and actions taken

Corresponding Sections

Supplier Evaluation and Guidance for Improvement >

GRI 415: Public Policy 2016

415-1 Political contributions

Corresponding Sections

ESG Performance Data>Governance >

GRI 416: Customer Health and Safety 2016

416-1 Assessment of the health and safety impacts of product and service categories

Corresponding Sections

—

Remarks

Product Stewardship >
Quality of Products and Services >

416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

Corresponding Sections

Product Stewardship >
Quality of Products and Services >
ESG Performance Data>Society >

GRI 417: Marketing and Labeling 2016

417-1 Requirements for product and service information and labeling

Corresponding Sections

Blue Value™ / Rose Value™ >
Product Stewardship >
Quality of Products and Services >
Logistics >

417-2 Incidents of non-compliance concerning product and service information and labeling

Corresponding Sections

Product Stewardship >
Quality of Products and Services >
ESG Performance Data>Society >

417-3 Incidents of non-compliance concerning marketing communications

Corresponding Sections

There were no applicable instances.

GRI 418: Customer Privacy 2016

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

Corresponding Sections

ESG Performance Data>Governance >

External Assessments and Sustainable Finance

External Assessments | Sustainable Finance

External Assessments

ESG Indices

The Mitsui Chemicals Group is listed as a constitute company in the following ESG indices based on evaluations of its initiatives aimed at the sustainable development of society and the Mitsui Chemicals Group. (As of September 2025)

Dow Jones Best-in-Class Asia Pacific Index

Dow Jones Best-in-Class Indices *, the index developed by S&P Dow Jones Indices, United States, evaluates the corporate sustainability of the company from the economic, environmental, and social factors, and selects the leading sustainability-driven companies. Dow Jones Best-in-Class Asia Pacific covers approximately 600 major companies in the Asia-Pacific region, and the top 20% of these companies have been selected.

* Dow Jones Sustainability Indices (DJSI) was renamed Dow Jones Best-in-Class Indices in February 2025.

Mitsui Chemicals Included on Dow Jones Sustainability Asia/Pacific Index for Seventh Straight Year >

FTSE4Good Index Series

FTSE4Good Global Index Series was developed by FTSE Russell of the London Stock Exchange Group. The series is designed to provide market participants with a tool to identify and measure the performance of companies that demonstrate strong environmental, social and governance (ESG) practices.

FTSE4Good

FTSE Blossom Japan Index

FTSE Blossom Japan Index, created by the global index and data provider FTSE Russell, is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.
FTSE Blossom Japan Index has been selected as an ESG index of the Government Pension Investment Fund (GPIF).

FTSE Blossom Japan Index

FTSE Blossom Japan Sector Relative Index

The FTSE Blossom Japan Sector Relative Index is designed as a sector neutral benchmark that reflects the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices in Japan. The index selects companies with higher ESG Ratings within the top 50% of each sector and supports climate transition to a low carbon economy by evaluating companies' climate governance and climate change efforts via the Transition Pathway Initiative's Management Quality Score.
FTSE Blossom Japan Sector Relative Index has been selected as an ESG index of the Government Pension Investment Fund (GPIF).

FTSE Blossom Japan Sector Relative Index

MSCI Selection Indexes

The MSCI Selection Indexes * were established on the basis of MSCI ESG Research. These indexes are comprehensive measures that comprehensively reflect ESG risks in the market portfolio. The indexes are also made up of companies with a relatively high ESG performance from a variety of industries.

* The MSCI ESG Leaders Indexes were renamed MSCI Selection Indexes in February 2025.

MSCI Nihonkabu ESG Select Leaders Index

The MSCI Nihonkabu ESG Select Leaders Index was established on the basis of MSCI ESG Research. This Index is a comprehensive measure that comprehensively reflects ESG risks in the market portfolio. The Index is also made up of companies with a relatively high ESG performance from a variety of industries.
The MSCI Nihonkabu ESG Select Leaders Index has been selected as an ESG index of the Government Pension Investment Fund (GPIF).

MSCI Japan Empowering Women Index (WIN)

The MSCI Japan Empowering Women Index (WIN) is made up of companies that actively promote the empowerment of women. These companies are selected from a variety of industries and exhibit high scores for gender diversity based on data regarding the employment of women disclosed in accordance with Japan's Act on Promotion of Women's Participation and Advancement in the Workplace.
The MSCI Japan Empowering Women Index (WIN) has been selected as an ESG index of the Government Pension Investment Fund (GPIF).

S&P/JPX Carbon Efficient Index

The S&P/JPX Carbon Efficient Index is a means to determine the weight of securities focusing on a company's disclosure status of environmental information and the level of carbon efficiency (carbon emissions per sales) using TOPIX, a representative stock index that shows the trends in the Japanese market, as a "universe."
S&P/JPX Carbon Efficient Index has been selected as an ESG index of the Government Pension Investment Fund (GPIF).

Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J)

Utilizing data and evaluation methodologies provided by Equileap, the GenDi J index determines component stock weights with an emphasis on companies that have established and embedded gender diversity policies in their corporate culture and that are committed to equal opportunities for their employees, regardless of gender.
Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J) has been selected as an ESG index of the Government Pension Investment Fund (GPIF).

JPX-Nikkei Index Human Capital 100

The JPX-Nikkei Index Human Capital 100 is an index comprised of the top 100 companies from the JPX-Nikkei Index 400 that have demonstrated excellence in human capital disclosures and initiatives. Based on the Human capital score calculated with reference to SASB-related information disclosures by ESG Book, an ESG rating company headquartered in Germany, JPX Market Innovation & Research and Nikkei are jointly calculating these scores.

SOMPO Sustainability Index

Launched in 2012, the SOMPO Sustainability Index is an investment index managed by Sompo Asset Management Co.,Ltd. Sustainable investments are socially responsible investment (SRI) funds for pension trusts and institutional investors that invest broadly in firms that have strong positive evaluation ratings in each of the environment, society, and governance fields. Considerable weight is placed on ESG evaluation ratings undertaken by research companies when selecting stocks for inclusion in the index which forms the basis for determining long-term investments.

Other Key External Assessments

Mitsui Chemicals Selected as Yearbook Member in S&P Global's Sustainability Yearbook 2025

Mitsui Chemicals, Inc. has been selected for inclusion in the 2025 edition of one of the world's leading sustainability rankings, the Sustainability Yearbook, by S&P Global Inc., the world's foremost provider of credit ratings. As a company that sits within the top 15 percent of the chemical industry, Mitsui Chemicals was recognized with the distinction of Yearbook Member status. Each year, S&P Global ranks companies from around the world on their sustainability from governance, economic, environmental and social perspectives, and distinguishes the most outstanding companies from a sustainability standpoint with a listing in the Sustainability Yearbook.



Mitsui Chemicals Selected as Yearbook Member in S&P Global's Sustainability Yearbook 2025 >

EcoVadis Awards Mitsui Chemicals Silver Rating in Sustainability

Mitsui Chemicals, Inc. has been awarded a Silver rating in sustainability by French company EcoVadis SAS, which uses proprietary criteria based on international sustainability standards to provide a highly trusted collaborative platform for evaluating organizations and companies on sustainability. The Silver Rating is given to companies that have scored in the top 15 percent of all evaluated companies.



THE INCLUSION OF MITSUI CHEMICALS, INC. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF MITSUI CHEMICALS, INC. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

External Assessments and Sustainable Finance

External Assessments | Sustainable Finance

Sustainable Finance

As part of its efforts to diversify its means of raising funds for initiatives to achieve its ideal future society, the Mitsui Chemicals Group is utilizing the following sustainable finance. (As of September 2025)

Sumitomo Mitsui Banking Corporation "ESG/SDG-Based Syndicated Loan"

Based on standards drawn up by Sumitomo Mitsui Banking Corporation (SMBC) and the Japan Research Institute, Ltd., the ESG/SDG-Based Syndicated Loan provided to Mitsui Chemicals assesses the applicant's efforts toward ESG targets and SDGs, as well as its disclosure of information. The loan is then formed by financial institutions that approve the results of these ESG and SDG assessments. As part of this assessment, it was determined that Mitsui Chemicals meets a very high standard regarding ESG factors. It was also noted that Mitsui Chemicals is doing exceedingly well at implementing initiatives and disclosing information regarding sustainable business management.

Overview

Amount borrowed	20.0 billion yen
Time of borrowing	February 2019 (Contract ongoing)
Borrower	Mitsui Chemicals, Inc. Press release
Lenders	Syndication method (Arranger: Sumitomo Mitsui Banking Corporation) Press release
Framework	Independent evaluation by Sumitomo Mitsui Banking Corporation and the Japan Research Institute, Limited.

Sumitomo Mitsui Trust Bank "Positive Impact Finance"

The positive impact finance (PIF) involves comprehensive analysis and evaluation of the environmental, social, and economic impacts–both positive and negative–of corporate activities and the provision of loans to support these activities on an ongoing basis. In this finance, our company is monitored by selecting the following five impact categories and disclosing progress and results in the Mitsui Chemicals Report and other publications: "(1) Contribution to society, the environment, and the economy through Blue Value™ products," "(2) Contribution to society, the environment, and the economy through Rose Value™ products," "(3) Environmental protection (GHGs and energy, and reducing emissions of chemical substances) and chemicals management," "(4) Health, safety, and prevention in the workplace," and "(5) Effective use of personnel."

Overview

Amount borrowed	15.0 billion yen
Time of borrowing	June 2020 (Contract ongoing)
Borrower	Mitsui Chemicals, Inc. Press release
Lenders	Syndication method (Arranger: Sumitomo Mitsui Trust Bank Limited) Press release
Framework	UNEP FI "Principles for Positive Impact Finance"
Third-party evaluation organization	Japan Credit Rating Agency, Ltd. Third Party Opinion

DBJ "The DBJ Employees' Health Management Rated Loan Program"

The DBJ Employees' Health Management Rated Loan Program is the world's first financing menu to incorporate health management ratings into the assessment of companies' management of employee health and welfare and the selection of those with outstanding records in this area. Using a proprietary screening system, DBJ rates enterprises on the quality of their care for employee health and working conditions. Mitsui Chemicals received the loan under the program after obtaining DBJ's highest rating as a company with particularly advanced employee health programs.

Overview

Amount borrowed	10.0 billion yen
Time of borrowing	January 2022 (Contract ongoing)
Borrower	Mitsui Chemicals, Inc. Press release
Lenders	The Development Bank of Japan Inc. (DBJ) Press release
Framework	DBJ "Employees' Health Management Ratings"

DBJ “Sustainability-Linked Loan With Engagement Dialogue”

This loan program under the Sustainability-Linked Loan With Engagement Dialogue allows the Development Bank of Japan Inc., the lender, to engage in dialogue to help borrowers establish optimal key performance indicators (KPIs) and sustainability performance targets (SPTs) that will motivate improvements to sustainability management. Regular dialogue throughout the loan term ensures that DBJ accompanies the borrower on their journey to achieving their SPT goals. Under this loan program, our key group company Prime Polymer has set the following KPI and SPT, focusing on taking a scrap-and-build approach to its polypropylene (PP) production facilities in order to reduce CO_2 emissions from PP production, which is its principal business.

KPI	CO_2 emissions from PP production at Prime Polymer’s Ichihara, Osaka and Anesaki Works
SPT	Achieving a 23.8% reduction in the above KPI over fiscal 2013–2030

Overview

Amount borrowed	10.0 billion yen
Time of borrowing	October 2022 (Contract ongoing)
Borrower	Prime Polymer Co., Ltd. Press release
Lenders	The Development Bank of Japan Inc. (DBJ) Press release
Framework	Loan Market Association “Principles for Sustainability-Linked Loans” Ministry of the Environment “Green Loan and Sustainability-Linked Loan Guidelines”
Reporting	Dialogue Report

Mizuho Bank “Mizuho Eco Finance”

Mizuho Eco Finance is an environmental-assessment-based financial product that aims to work with companies to promote initiatives for a decarbonized society. An environmental assessment model developed by Mizuho Research & Technologies, Ltd. is used to score companies on their initiatives and on various indexes, with those that achieve a certain score or above being allowed to proceed with a loan agreement. Mitsui Chemicals was found to meet a high standard in the indexes used by the assessment model based on the declaration of its support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in January 2019; formulation of the Climate Change Policy that it is leveraging to reduce greenhouse gas emissions throughout its entire supply chain; the continued calculation and disclosure of its volume of greenhouse gas emissions each fiscal year to mark its progress; and other initiatives. This strong performance in the assessment opened the path for the company to conclude a loan agreement for Mizuho Eco Finance.

Overview

Amount borrowed	20.0 billion yen
Time of borrowing	February 2024 (Contract ongoing)
Borrower	Mitsui Chemicals, Inc. Press release
Lenders	Syndication method (Arranger: Mizuho Bank, Ltd.) Press release
Framework	Mizuho Bank, Ltd. and Mizuho Research & Technologies, Ltd. “Mizuho Eco Finance Framework”

Editorial Policy



Through its online Sustainability site, Mitsui Chemicals' goal is to provide stakeholders with a deeper understanding of the Group's efforts to realize sustainable growth in concert with society. The site shines a light on the Group's three-axis management (economy, environment and society), with a focus on environmental and social initiatives. Taking advantage of the unique features of website, we have made every effort to post comprehensive details encompassing a wide range of areas including the Group's policies, structure and systems, activities, and numerical data. In addition, plans are in place to issue the Mitsui Chemicals Group ESG Report by October in every year. This report is archived details on each fiscal year posted on the Company's Sustainability site in PDF format.

* To understand more about our activities related to creating new value over the medium to long term, which is the Group's aim, please also refer to the annual reports (Mitsui Chemicals Reports) that we have published with the aim of reporting comprehensively on the strategies of three-axis management and its achievements.

About the Mitsui Chemicals Group ESG Report 2025

Scope of Data

Taking the Mitsui Chemicals Group as its basis, any references in this report that fall outside that basis are stated in the text. The scope of data related to GHG and Energy, Industrial waste, Air and Water, and Safety and prevention is as follows.

*Company names and Organization names are from the time when the article was created.

Scope of GHG and Energy Data (Random order)

Mitsui Chemicals, Inc. and the following domestic and overseas subsidiaries and affiliates

Domestic Subsidiaries & Affiliates

- Mitsui Chemicals Crop & Life Solutions, Inc. *1
- MC Crop & Life Manufacturing Co., Ltd.
- Mitsui Chemicals Asahi Life Materials *1*2
- Sunrex Industry Co., Ltd.
- Toyo Beauty Supply Corporation
- Mitsui Fine Chemical Inc. *1
- Taisho MTC Ltd.*1
- Sun Medical Co., Ltd.
- Hokkaido Mitsui Chemicals, Inc.
- Mitsui Chemicals Sun Alloys Co., Ltd.
- Japan Composite Co., Ltd. *1
- Kyowa Industrial Co., Ltd.
- ARRK Corporation
- Mitsui Chemicals Industrial Products Ltd.*1
- Nippon Tensar Ltd.*1
- Mitsui Chemicals ICT Materia, Inc. *1

- Mitsui Chemicals EMS Corporation
- Saxin Corporation
- Mitsui Chemicals MC Ltd
- Yamamoto Chemicals, Inc. *1
- Nippon Aluminum Alkyls, Ltd. *1
- Honshu Chemical Industry Co., Ltd.
- Prime Polymer Co., Ltd. *1*3
- Evolue Japan Co., Ltd. *1
- Nippon Epoxy Resin Manufacturing Company Ltd. *1
- Chiba Chemicals Manufacturing LLP *1
- Osaka Petrochemical Industries, Ltd. *1
- Shimonoseki Mitsui Chemicals, Inc.
- Toyo Phosphoric Acid, Inc. *1
- Mitsui Chemical Analysis & Consulting Service Inc. *1
- Mitsui Chemicals Operation Services Co., Ltd. *1
- Sanseikaihatsu Co., Ltd. *1*4
- MC Business Support, Ltd *1

Overseas Subsidiaries & Affiliates

- Mitsui Hygiene Materials (Thailand) Co., Ltd
- Asahi Kasei Spunbond Thailand Co., Ltd.
- SDC Technologies, Inc.
- COTEC GmbH
- Coburn Technologies, Inc.
- Coburn Technologies Limited※1
- SDC Technologies Asia Pacific, Pte. Ltd.
- Acomon s.r.l.
- ML Tech Co., Ltd
- Yongsan Mitsui Chemicals Inc.
- Kulzer, LLC
- Kulzer GmbH
- Scientific Glass GmbH
- Kulzer S.R.L.
- Kulzer Dental Ltd.
- Cavex Holland B.V.
- Mitsui Elastomers Singapore Pte. Ltd.
- Zhang Jia Gang Free Trade Zone Mitsui Linkupon Advanced Material, Inc.
- Mitsui Chemicals Functional Composites (Shanghai) Co., Ltd.
- Advanced Composites, Inc.
- Advanced Composites Mexicana, S.A. de C.V.
- Grand Siam Composites Co., Ltd.
- Mitsui Advanced Composites (Zhongshan) Co., Ltd.
- Mitsui Prime Advanced Composites India, Pvt. Ltd.
- Mitsui Prime Advanced Composites do Brasil Indústria e Comércio de Compostos Plásticos S.A.
- Mitsui Prime Advanced Composites Europe B.V.
- Kyowa Industrial Co. Ltd., USA
- ARRK Mexico, S.A. de C.V.
- ARRK Europe Ltd.
- ARRK LCO Protomoule SAS
- SPG Pre-Series Tooling & Prototyping B.V.
- ARRK Taiwan Co., Ltd
- ARRK Dongguan Co. Ltd.
- ARRK Corporation (Thailand) Ltd.
- Mitsui ICT Functional Sheet, Inc.
- MCTI Scientex Solar Sdn. Bhd.
- Mitsui Chemicals Scientex Sdn. Bhd.
- Thai Mitsui Specialty Chemicals Co., Ltd.
- Anderson Development Company
- Hi-Bis GmbH
- Prime Evolue Singapore Pte. Ltd.
- Tianjin Cosmo Polyurethane Co. Ltd

- Foshan Mitsui Chemicals Polyurethanes Co., Ltd.
- Mitsui Chemicals Polyurethanes Malaysia Sdn. Bhd.
- PT. Mitsui Chemicals Polyurethanes Indonesia

*1 Some or all of the sites are located within Mitsui Chemicals, Inc. or its affiliated companies, and their data are included in the data of Mitsui Chemicals, Inc. or its affiliated companies.
*2 Excluding Technology & Development Division (Shiga).
*3 Excluding Anesaki Works.
*4 Excluding the Shiranuhi golf cource.

Scope of Industrial waste, Air and Water Data (Random order)

Mitsui Chemicals, Inc. and the following domestic and overseas subsidiaries and affiliates

Domestic Subsidiaries & Affiliates

- Mitsui Chemicals Crop & Life Solutions, Inc.*1
- MC Crop & Life Manufacturing Co., Ltd.*2
- Mitsui Chemicals Asahi Life Materials Co., Ltd. *1*3
- Sunrex Industry Co., Ltd.
- Toyo Beauty Supply Corporation
- Mitsui Fine Chemical Inc. *1
- Taisho MTC Ltd.*1
- Sun Medical Co., Ltd.
- Hokkaido Mitsui Chemicals, Inc.
- Mitsui Chemicals Sun Alloys Co., Ltd.
- Japan Composite Co., Ltd. *4
- Kyowa Industrial Co., Ltd.
- ARRK Corporation
- Mitsui Chemicals Industrial Products Ltd.*1
- Nippon Tensar Ltd.*1
- Mitsui Chemicals ICT Materia, Inc. *1
- Saxin Corporation
- Mitsui Chemicals MC Ltd
- Yamamoto Chemicals, Inc.
- Honshu Chemical Industry Co., Ltd.
- Nippon Aluminum Alkyls, Ltd. *1
- Prime Polymer Co., Ltd.*1*5
- Evolue Japan Co., Ltd.*1
- Nippon Epoxy Resin Manufacturing Company Ltd. *1
- Chiba Chemicals Manufacturing LLP *1
- Osaka Petrochemical Industries, Ltd.*1
- Shimonoseki Mitsui Chemicals, Inc.
- Toyo Phosphoric Acid, Inc.*1
- Mitsui Chemical Analysis & Consulting Service Inc. *1
- Mitsui Chemicals Operation Services Co., Ltd. *1
- MC Business Support, Ltd *1

Overseas Subsidiaries & Affiliates

- Mitsui Hygiene Materials (Thailand) Co., Ltd
- SDC Technologies, Inc.
- FSI Coating Technologies, Inc.*1
- COBURN TECHNOLOGIES LIMITED
- Acomon s.r.l.
- ML Tech Co., Ltd
- Kulzer, LLC
- Kulzer GmbH
- Scientific Glass GmbH
- Kulzer S.R.L.
- Kulzer Dental Ltd.
- Cavex Holland B.V.

- Mitsui Elastomers Singapore Pte. Ltd.*1
- Zhang Jia Gang Free Trade Zone Mitsui Linkupon Advanced Material, Inc.
- Mitsui Chemicals Functional Composites (Shanghai) Co., Ltd.
- Advanced Composites, Inc.
- Advanced Composites Mexicana, S.A. de C.V.
- Grand Siam Composites Co., Ltd.
- Mitsui Advanced Composites (Zhongshan) Co., Ltd.
- Mitsui Prime Advanced Composites India, Pvt. Ltd.
- Mitsui Prime Advanced Composites do Brasil Indústria e Comércio de Compostos Plásticos S.A.
- Mitsui Chemicals Scientex Sdn. Bhd.
- Thai Mitsui Specialty Chemicals Co., Ltd.
- Anderson Development Company
- Prime Evolue Singapore Pte. Ltd.※1
- Tianjin Cosmo Polyurethane Co. Ltd
- Foshan Mitsui Chemicals Polyurethane Co., Ltd.
- Mitsui Chemicals Polyurethanes Malaysia Sdn. Bhd.
- PT. Mitsui Chemicals Polyurethanes Indonesia

*1 Some or all of the sites are located within Mitsui Chemicals, Inc. or its affiliated companies, and their data are included in the data of Mitsui Chemicals, Inc. or its affiliated companies.
*2 Excluding Kitakami Factory.
*3 Excluding Technology & Development Division (Shiga).
*4 Excluding Narita Factory.
*5 Excluding Anesaki Works.

Scope of Safety and Prevention Data (Random order)

Mitsui Chemicals, Inc. and the following domestic and overseas subsidiaries and affiliates

Domestic Subsidiaries & Affiliates

- Mitsui Chemicals Crop & Life Solutions, Inc.
- MC Crop & Life Manufacturing Co., Ltd.
- Toyo Beauty Supply Corporation
- Mitsui Fine Chemical Inc. *
- Taisho MTC Ltd.*
- Sun Medical Co., Ltd.
- Hokkaido Mitsui Chemicals, Inc.
- Mitsui Chemical Sun Alloys Co., Ltd.
- Kyowa Industrial Co., Ltd.
- ARRK Corporation
- Mitsui Chemicals Industrial Products Ltd.
- Mitsui Chemicals ICT Materia, Inc.
- Mitsui Chemicals Asahi Life Materials Co., Ltd.
- Sunrex Industry Co., Ltd.
- Mitsui Chemicals EMS Corporation
- Saxin Corporation
- Mitsui Chemicals MC Ltd
- Japan Composite Co., Ltd.
- Yamamoto Chemicals, Inc.
- Katsuzai Chemicals Corp.
- Honshu Chemical Industry Co., Ltd.
- Chemours-Mitsui Fluoroproducts Co., Ltd.*
- Nippon Aluminum Alkyls, Ltd. *
- Prime Polymer Co., Ltd.*
- Evolue Japan Co., Ltd.*
- Nippon Epoxy Resin Manufacturing Company Ltd. *
- Osaka Petrochemical Industries, Ltd.*
- Shimonoseki Mitsui Chemicals, Inc.
- Mitsui Chemical Analysis & Consulting Service Inc.*
- Mitsui Chemicals Operation Services Co., Ltd.*
- Sanseikaihatsu Co., Ltd.*
- MC Business Support, Ltd*

Overseas Subsidiaries & Affiliates

- SDC Technologies, Inc.
- SDC Technologies Asia Pacific, Pte. Ltd.
- Mitsui Elastomers Singapore Pte. Ltd.
- Zhang Jia Gang Free Trade Zone Mitsui Linkupon Advanced Material, Inc.
- Mitsui Chemicals Functional Composites (Shanghai) Co., Ltd.
- Advanced Composites, Inc.
- Advanced Composites Mexicana, S.A. de C.V.
- Grand Siam Composites Co., Ltd.
- Mitsui Advanced Composites (Zhongshan) Co., Ltd.
- Mitsui Prime Advanced Composites India, Pvt. Ltd.
- Mitsui Prime Advanced Composites do Brasil Indústria e Comércio de Compostos Plásticos S.A.
- Mitsui Prime Advanced Composites Europe B.V.
- Mitsui Hygiene Materials (Thailand) Co., Ltd
- Asahi Kasei Spunbond Thailand Co., Ltd.
- Mitsui Chemicals Scientex Sdn. Bhd.
- Thai Mitsui Specialty Chemicals Co., Ltd.
- Anderson Development Company
- Prime Evolue Singapore Pte. Ltd.
- Tianjin Cosmo Polyurethane Co. Ltd
- Foshan Mitsui Chemicals Polyurethanes Co., Ltd.
- Mitsui Chemicals Polyurethanes Malaysia Sdn. Bhd.
- PT. Mitsui Chemicals Polyurethanes Indonesia

* Some or all of the sites are located within Mitsui Chemicals, Inc. or its affiliated companies, and their data are included in the data of Mitsui Chemicals, Inc. or its affiliated companies.

Reporting Period

Fiscal 2024 (April 1, 2024 to March 31, 2025).
However, certain data that falls outside this coverage period has been included.

Reporting Cycle, Date of most Recent Report

Annually, October 2024

Referenced Guidelines

Global Reporting Initiative (GRI) Sustainability Reporting Standards
GRI Standards Content Index 〉

Task Force on Climate-Related Financial Disclosures (TCFD)
Implementing the recommendations of the TCFD 〉

External Assurance

Every year, we obtain the external assurance on each ESG data.

Independent Assurance Report (PDF : 619 KB)
Calculation Report (PDF : 199 KB)

Translation

Independent Assurance Report

15 December 2025
Opinion No：SGS25/101

Mr. Osamu Hashimoto
President & CEO
Mitsui Chemicals, Inc.
Tokyo Midtown Yaesu, Yaesu Central Tower, 2-2-1 Yaesu, Chuo-ku, Tokyo

SGS Japan Inc. (hereinafter referred to as "SGS") has conducted a limited assurance engagement on the sustainability data indicated with ★ (hereinafter referred to as "the Statement") in Mitsui Chemicals Group ESG Report 2025 (hereinafter referred to as " ESG Report 2025") prepared by Mitsui Chemicals, Inc. (hereinafter referred to as "the Organization") based on their request.

The Organization's Responsibility
The Organization is responsible for preparing the Statement in conformance with the calculation and reporting standards (hereinafter referred to as "the Organization's Criteria," described in ESG Report 2025) adopted by the Organization.
The calculation of GHG emissions is inherently uncertain due to the incomplete scientific knowledge required to determine emission factors and the numerical data, for combining emissions of different gases.

Our Independence and Quality Control
SGS has complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.
In accordance with International Standard on Quality Control 1-8, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility
Our responsibility is to express a limited assurance conclusion on the Statement based on the procedures performed and the evidence obtained.
SGS has performed the limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and ISAE 3410 "Assurance Engagements on Greenhouse Gas Statements."
The procedures performed by SGS are based on our professional judgment and include the following:

- Evaluation of the appropriateness and inquiries regarding the Organization's Criteria used to measure, aggregate, calculate, and report the Statement.
- Verification that the Statement and the underlying records are consistent.
- Inquiring about the calculation method and the status of internal controls over the Statement.
- Analytical procedures and inquiries regarding quantitative data.
- On-site inspection of Iwakuni-Ohtake Works and Honshu Chemical Industry Co., Ltd. Wakayama Works and Research Center.
- Assessment of the Organization's Criteria to develop estimates were appropriate and consistently applied.
  (This does not include testing the data underlying the estimate or developing independent estimates to evaluate the estimate.)

The procedures performed in a limited assurance engagement vary in nature from and are less in scope than, those performed in a reasonable assurance engagement.
As a result, the level of assurance obtained in a limited assurance engagement is lower than what would have been obtained if a reasonable assurance engagement had been performed.

Limited Assurance Conclusion
Based on the procedures performed and evidence obtained by us, nothing has come to our attention that causes us to believe that the Statement in ESG Report 2025 is not prepared in conformance with the Organization's Criteria in all material respects.

For and on behalf of SGS Japan Inc.
Yokohama business Park North Square Ⅰ
134, Godo-cho, Hodogaya-ku, Yokohama
Business Assurance
Head of Certification/Accreditation
Yuji Takeuchi

This document is issued by the Company under its General Conditions of Service accessible at www.sgs.com/terms_and_conditions.htm.
Attention is drawn to the limitation of liability, indemnification and jurisdiction issues defined therein. Any holder of this document is advised that information contained hereon reflects the Company's findings as the time of its intervention only and within the limits of Client's instruction, if any. The Company's sole responsibility is to Client and this document does not exonerate parties to transaction from exercising all their rights and obligations under the transaction documents. Any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful and offenders may be prosecuted to the fullest extent of the law.

Calculation Report

Mitsui Chemicals, Inc.

1. Calculation period

Mitsui Chemicals: April 1, 2024 – March 31, 2025
Subsidiaries and Affiliates: Depends on each company's fiscal year-end.

2. Calculation Results

Scope	Boundary	Assertion	Calculation methodlogy / Definition of Scope
GHG emissions (Scope1)	① Mitsui Chemicals, Inc. ② Domestic subsidiaries and affiliates 29 companies ③ Overseas subsidiaries and affiliates 45 companies ④ Mitsui Chemicals Group 75 companies	① 3,383 kt-CO2 ② 106 kt-CO2 ③ 42 kt-CO2 ④ 3,531 kt-CO2	Greenhouse gas emissions are calculated in accordance with the GHG Protocol. Fuels used by off-site vehicles are excluded.
GHG emissions (Scope2)	① Mitsui Chemicals, Inc. ② Domestic subsidiaries and affiliates 29 companies ③ Overseas subsidiaries and affiliates 45 companies ④ Mitsui Chemicals Group 75 companies	① 486 kt-CO2 ② 96 kt-CO2 ③ 316 kt-CO2 ④ 896 kt-CO2	Calculated on a market-based approach in accordance with the GHG Protocol. Some electricity sold to other companies is excluded.
Energy Consumption	① Mitsui Chemicals, Inc. ② Domestic subsidiaries and affiliates 29 companies ③ Overseas subsidiaries and affiliates 45 companies ④ Mitsui Chemicals Group 75 companies	① 64.6 PJ ② 4.0 PJ ③ 6.2 PJ ④ 74.9 PJ	Energy consumption is calculated. At sites where regional partnership memorandums are concluded, calculations are made in accordance with the Act on the Rational Use and Proper Management of Energy and the Act on the Promotion of the Use of Non-Fossil Energy.
GHG Emissions (Scope 3: Category 1 Purchased goods and services)	Mitsui Chemicals Group 23 companies	9,185 kt-CO2	Only directly procured portions are included in the calculation. Emissions coefficient: Raw materials: AIST-IDEA v3.4 Packaging materials: Ministry of the Environment and Ministry of Economy, Trade and Industry "Emissions Intensity Database for Calculating Greenhouse Gas Emissions through Supply Chains Ver 3.5 (March 2025)" Calculation method: Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.7 (March 2025)" Assumptions, allocation method, etc.: Calculated from the amount and value of purchases.
GHG Emissions (Scope 3: Category 11 Use of sold products)	Mitsui Chemicals, Inc.	145 kt-CO2	Emissions coefficient and calculation method: Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.7 (March 2025)" Assumptions, allocation method, etc.: Calculated based on the sales volume of Urea, AdBlue, and CO2 for dry ice, which fall under direct emissions.
GHG emissions (Scope3: Category12: End-of-life treatment of sold products)	Mitsui Chemicals Group 43 companies	5,824 kt-CO2	Emissions coefficient: Ministry of the Environment and Ministry of Economy, Trade and Industry "Emissions Intensity Database for Calculating Greenhouse Gas Emissions through Supply Chains ver 3.5 (March 2025)" Calculation method: Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.7 (March 2025)" Assumptions, allocation method, etc.: Calculated based on the volume of product sales.
Hazardous waste	Mitsui Chemicals Group 107 companies	30.3 kt	Total amount of hazardous waste emitted outside factories as "speciallycontrolled industrial waste" as defined by "the Act on Waste Managementand Public Cleansing".
Landfill waste	Mitsui Chemicals Group 107 companies	1.4 kt	Total amount of industrial waste ultimately disposed of in landfills.
Volatile organic compound (VOC) emissions	① Mitsui Chemicals, Inc. ② Domestic subsidiaries and affiliates 34 companies ③ Overseas subsidiaries and affiliates 72 companies ④ Mitsui Chemicals Group 107 companies	① 1,427 t ② 667 t ③ 83 t ④ 2,177 t	Total amount of volatile organic compounds(VOCs) emitted from the plants. Includes the major 100 VOCs as indicated by the Ministry of the Environment. Substances with annual usage of less than 10 kg are excluded from calculation.
NOx Emissions	① Mitsui Chemicals, Inc. ② Domestic subsidiaries and affiliates 34 companies ③ Overseas subsidiaries and affiliates 72 companies ④ Mitsui Chemicals Group 107 companies	① 2,503 t ② 82 t ③ 37 t ④ 2,622 t	Total emissions of nitrogen oxides. Includes that generate soot and smoke that are subject to the Air PollutionControl Law.
SOx Emissions	① Mitsui Chemicals, Inc. ② Domestic subsidiaries and affiliates 34 companies ③ Overseas subsidiaries and affiliates 72 companies ④ Mitsui Chemicals Group 107 companies	① 494 t ② 13 t ③ 18 t ④ 525 t	Total emissions of sulfur oxides. Includes that generate soot and smoke that are subject to the Air PollutionControl Law.
COD Emissions	① Mitsui Chemicals, Inc. ② Domestic subsidiaries and affiliates 34 companies ③ Overseas subsidiaries and affiliates 72 companies ④ Mitsui Chemicals Group 107 companies	① 730 t ② 70 t ③ 313 t ④ 1,112 t	Total emissions of COD (Chemical Oxygen Demand) in wastewater.

Total water withdrawal (surface water, ground water, seawater, third-party water)	① Mitsui Chemicals, Inc.	①	483.1 Mm³	Total water withdrawal (surface water, ground water, seawater, third-party water).
	② Domestic subsidiaries and affiliates 34 companies	②	24.2 Mm³	
	③ Overseas subsidiaries and affiliates 72 companies	③	1.8 Mm³	
	④ Mitsui Chemicals Group 107 companies	④	509.1 Mm³	
Surface water	① Mitsui Chemicals, Inc.	①	0.0 Mm³	Total water withdrawal (surface water).
	② Domestic subsidiaries and affiliates 34 companies	②	1.9 Mm³	
	③ Overseas subsidiaries and affiliates 72 companies	③	0.0 Mm³	
	④ Mitsui Chemicals Group 107 companies	④	1.9 Mm³	
Ground water	① Mitsui Chemicals, Inc.	①	0.5 Mm³	Total water withdrawal (ground water).
	② Domestic subsidiaries and affiliates 34 companies	②	0.3 Mm³	
	③ Overseas subsidiaries and affiliates 72 companies	③	0.0 Mm³	
	④ Mitsui Chemicals Group 107 companies	④	0.8 Mm³	
Seawater	① Mitsui Chemicals, Inc.	①	399.9 Mm³	Total water withdrawal (seawater).
	② Domestic subsidiaries and affiliates 34 companies	②	16.6 Mm³	
	③ Overseas subsidiaries and affiliates 72 companies	③	0.0 Mm³	
	④ Mitsui Chemicals Group 107 companies	④	416.5 Mm³	
Third-party water	① Mitsui Chemicals, Inc.	①	82.7 Mm³	Total water withdrawal (third-party water).
	② Domestic subsidiaries and affiliates 34 companies	②	5.4 Mm³	
	③ Overseas subsidiaries and affiliates 72 companies	③	1.8 Mm³	
	④ Mitsui Chemicals Group 107 companies	④	89.9 Mm³	
The gender pay gap / % (Percentage of women's basesalary to man's base salary.)	Mitsui Chemicals, Inc.	Management staff	96.2 %	Gender pay gap in basic salary of full-time employees (excluding loanedemployees) at Mitsui Chemicals. [Annual basic salary of women÷ Annual basic salary of men × 100%]
		Non-Management staff	103.0 %	
Lost-TimeInjuryFrequencyRate	Mitsui Chemicals Group 55 companies		0.28	Number of deaths and injuries due to occupational accidents per million total actual working hours (excluding those due to mental illness). [Frequency Rate = (Number of persons affected by accidents × 1,000,000 hours) / Total working hours of all employees] Includes on-site operational contractors and Construction Subcontractors operating within Mitsui Chemicals' manufacturing sites.
Number of Work-related fatalities	Groups' Employees of 55 companies		1	Number of Group employee fatalities due to work-related accidents.
	Contractor's employees		0	Number of contractor fatalities due to workplace accidents. Note: Includes on-site operational contractors and Construction Subcontractors operating within the Mitsui Chemicals Group's (55 companies) manufacturing sites.
Number of Major Accidents	The Mitsui Chemicals Group 55 companies		0	Number of major accidents. Major Accidents: Accidents and abnormal conditions with a severity level of 18 points or more, as specified by the Japan Petrochemical Industry Association (JPCA) under the Center for Chemical Process Safety (CCPS) evaluation procedures, or events that involve death.

*Due to rounding, the total of individual items may not match the overall Group value.

For details on data collection sites, please refer to the "ESG Report 2025" editorial policy on the Mitsui Chemicals website.

Editorial Policy | Sustainability | MITSUI CHEMICALS, INC.

Calculation Report

Mitsui Chemicals, Inc.

1. Calculation period

April 1, 2023 to March 31, 2024

2. Calculation Results

Scope	Boundary	Assertion	Calculation methodlogy / Definition of Scope
GHG Emissions (Scope 3: Category 1 Purchased goods and services)	Mitsui Chemicals Group 23 companies	9,211 kt-CO2	Only directly procured portions are included in the calculation. Emissions coefficient: Raw materials: AIST-IDEA v3.4 Packaging materials: Ministry of the Environment and Ministry of Economy, Trade and Industry “Emissions Intensity Database for Calculating Greenhouse Gas Emissions through Supply Chains Ver 3.4 (March 2024)” Calculation method: Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.6 (March 2024)" Assumptions, allocation method, etc.: Calculated from the amount and value of purchases.
GHG Emissions (Scope 3: Category 11 Use of sold products)	Mitsui Chemicals, Inc.	131 kt-CO2	Emissions coefficient and calculation method: Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.6 (March 2024)" Assumptions, allocation method, etc.: Calculated based on the sales volume of Urea, AdBlue, and CO2 for dry ice, which fall under direct emissions.
GHG emissions (Scope3: Category12: End-of-life treatment of sold products)	Mitsui Chemicals, Inc.	1,841 kt-CO2	Emissions coefficient: Ministry of the Environment and Ministry of Economy, Trade and Industry "Emissions Intensity Database for Calculating Greenhouse Gas Emissions through Supply Chains ver 3.4 (March 2024)" Calculation method: Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.6 (March 2024)" Assumptions, allocation method, etc.: Calculated only for the product itself for plastic products, polymer raw material products, and lubricant products among the products sold under the Mitsui Chemicals brand.
	Mitsui Chemicals Group 44 companies	6,122 kt-CO2	Emissions coefficient: Ministry of the Environment and Ministry of Economy, Trade and Industry "Emissions Intensity Database for Calculating Greenhouse Gas Emissions through Supply Chains ver 3.4 (March 2024)" Calculation method: Ministry of the Environment and Ministry of Economy, Trade and Industry, "Basic Guidelines for Calculating Greenhouse Gas Emissions through Supply Chains Ver 2.6 (March 2024)" Assumptions, allocation method, etc.: Calculated based on the volume of product sales.

For details on data collection sites, please refer to the "ESG Report 2025" editorial policy on the Mitsui Chemicals website.
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