

Top message

Adhering closely to its Corporate Philosophy, the Mitsubishi Rayon Group will continue to fulfill its social responsibility and thereby contribute to the realization of a sustainable, KAITEKI* society.



Climate change, global warming, natural resource scarcity, spreading pollution, biodiversity destruction, rapid population growth, food and water shortages, aging populations with declining birthrates, severely lopsided wealth distribution, human rights abuses, religious and racial unrest—the world today is facing a wide variety of issues. Of course, there is no way that any one corporation could singlehandedly find solutions to all these issues. Nevertheless, the Group believes that every corporation bears a responsibility to confront such issues and to work to help find needed solutions through its corporate activities. We also believe that pursuing such activities is essential to the survival of any corporation in modern society.

The Group's Corporate Philosophy is "Best Quality for a Better Life." "Best Quality" is not something we insist on only when it comes to products and services. We apply the "Best Quality" standard to the development of personnel and other management resources as well as when dealing with business partners, customers and members of global and local communities. In this sense, our Corporate Philosophy expresses our commitment to pursuing "Best Quality" and contributing to sound social development. By acting on this commitment, we are working to help customers and ourselves to realize a "Better Life" and thereby helping to create a better society and environment.

The Mitsubishi Chemical Holdings Corporation (MCHC) Group, which Mitsubishi Rayon recently joined, has introduced Management of Sustainability (MOS) to aid in group management as it works toward realizing a KAITEKI. Through this management initiative, the MCHC Group is implementing specific activities with clear goals and schedules with an eye to establishing a sustainable society.

Reflecting MCHC Group, the Mitsubishi Rayon Group has also defined KAITEKI initiative promotion using MOS as a priority management issue under its New Design APTSIS 15, a five-year initiative through fiscal 2015. In line with our Corporate Philosophy, we employ MOS to clarify targets and results, and the understanding thus gained enables us to improve our activities further. In this way, we will continue to fulfill our social responsibility, thereby developing into a corporate group that helps realize a sustainable, progress toward KAITEKI.

*KAITEKI means a state of true SUSTAINABILITY , and also represents comfort for people, comfort for society, and comfort for the planet as a whole.



Basic approach to social responsibilities

As a member of the Mitsubishi Chemical Holdings (MCHC) Group, the Mitsubishi Rayon Group is dedicated to realizing KAITEKI.

Basic approach to social responsibilities

Drawing on the three decision criteria of Sustainability, Health, and Comfort, the MCHC Group aims to contribute to the attainment of KAITEKI.

In view of the MCHC Group's philosophy "Good Chemistry for Tomorrow – Creating better relationships among people, society, and our planet," we believe that we have a responsibility to realize KAITEKI, by disseminating the idea of KAITEKI value widely across society, through our corporate activities based on the three decision criteria of Sustainability, Health, and Comfort.



Our aspirations here at the MCHC Group

To achieve that, we will commit to maintaining and reinforcing basic corporate activities in areas that are essential to enhancing KAITEKI value, including corporate governance, safety, the environment, labor and human rights, aiming to contribute to the sustainable development of society.

MCHC's Social Responsibilities F



Sustainability (Biogas Boilers)

Sustainability

Sustainability is the concept of contributing society and the environment by reducing such greenhouse gases as CO2, minimizing damage to biodiversity, ensuring the safe handling of chemical substances and addressing the depletion of natural resources. The Mitsubishi Rayon Group works to conserve resources and energy as well as lower CO2 and other environmentally hazardous substances emitted during production. Beyond this, the Group is fully aware of the importance of helping to reduce CO2 emissions through its products. To counter natural resource depletion, we must focus on reducing the use of rare metals contained in catalysts and extending catalyst lifespan. In addition, the Group will select raw materials for use in its products that help decrease environmental burden.

■ Toyama Production Center and Toyama City Eco Town Initiatives

The Toyama Production Center lies adjacent to the Toyama City Eco Town Industrial Zone, in which numerous facilities are located. One company operating in this zone is Toyama BDF Co., Ltd., which has been manufacturing bio diesel fuel (BDF) from used edible oils discharged from food factories and meal supply centers since 2006. BDF is an environment-friendly fuel that is carbon neutral and emits a very minimal amount of sulfur oxide (SOX) compared with light diesel oil./p>

As part of environmental preservation measures undertaken since July 2007, the Toyama Production Center supplies Toyama BDF with used edible oil from its cafeteria. This oil, which had previously been thrown away, is then processed into BDF for use in some of Toyama Production Center's vehicles. Currently, four-ton trucks used by the logistics group, five-ton forklifts at the SHINKOLITETM plant and other on-site vehicles consume approximately 9,000 liters (fiscal 2010 result) of BDF annually.





In addition to these initiatives, we see an even wider range of uses for this type of bio fuel. The Toyama Production Center presently operates three fossil fuel-fired boilers to produce steam that powers each plant. To reduce our dependency on fossil fuels, new biogas-fired boilers have been installed at the Utilities center to serve as a renewable energy source. This installation was undertaken in cooperation with Toyama City. Commencing operations in March 2012, these boilers produce a portion of the steam that powers the Toyama Production Center's operations.





Toyama Production Center purchases biogas produced by Toyama Green Food Recycle, Inc., which is located in the Toyama City Eco Town. Moreover, we have received a grant from the New Energy Promotion Council (NEPC) to support the use of renewable energy through the purchase of biogas.

To prevent global warming, the Toyama Production Center is working to reduce CO2 emissions mainly by conserving energy. Using biogas-fired boilers is expected to decrease CO2 by 1,900 tons annually. In addition to being environmentally friendly, the use of biogas helps to lower costs. Undertaking resource- and environmental conservation measures together with local communities significantly contributes to our efforts to realize KAITEKI.

*Information on the Toyama City Eco Town is available on its official website 🗖 (Japanese language only).



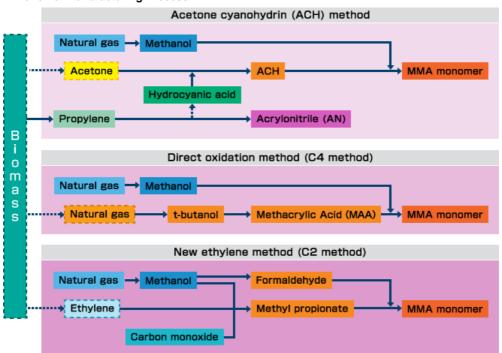
Sustainability (Sustainable MMA)

■ Sustainability: Sustainable MMA Development

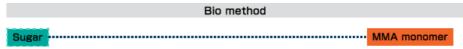
The depletion of natural resources is a major problem for those of us in the chemical industry. With petroleum in particular said to have only a fifty-year supply remaining, switching to raw materials and fuels not dependent on petroleum will be critical in the years ahead. Consequently, we feel it is our duty as a leading producer of methyl methacrylate (MMA) to reduce the environmental burdens caused by fossil fuel consumption and greenhouse gas emissions while contributing to the creation of a sustainable society.

The Mitsubishi Rayon Group is developing sustainable MMA monomer manufacturing technology based on the following two methods, both of which use biomass resources as ingredients. The Group will commence industrial production no later than 2016 while increasing biomass-derived MMA monomer production to approximately 50% of existing output.

(1) New Manufacturing Technology That Uses Biomass Ingredients in the Existing MMA Monomer Manufacturing Process



(2) New MMA Monomer Manufacturing Technology based on Biomass Fermentation



At the same time, we will work to reduce energy consumption and emissions during production by developing revolutionary catalysts for and processes to improve productivity in existing MMA monomer manufacturing methods.

The Mitsubishi Rayon Group is contributing to the achievement of KAITEKI by pursuing innovation in the area of sustainable MMA monomer development.



Health (Artificial Carbon dioxide Baths)

■ Health: Artificial Carbon dioxide Baths

The Japanese have enjoyed taking baths since early times because of their therapeutic effectiveness. Used by the samurai to heal battle wounds centuries ago, hot springs remain popular throughout Japan. The carbonate spring is a standard type of Japanese hot spring, in which CO2 diffuses into bath water.

In general, natural carbon dioxide baths are physiologically beneficial, especially for stimulating metabolism, detoxification and relaxation. In particular, these benefits increase in highly concentrated carbon dioxide baths containing over 1,000ppm of CO2 per liter of bath water. Because of their high temperatures, however, Japan has very few natural, highly concentrated carbon dioxide baths since CO2 does not naturally diffuse into high-temperature water in large amounts. In addition, producing artificial versions has proven to be quite difficult.

After many years of research, Mitsubishi Rayon developed original CO2 dissolution module technology. This, in turn, led to the successful development of the Artificial carbon dioxide baths, a device that can artificially produce highly concentrated carbonate bath water. This product has attracted a wide range of attention—particularly from medical and welfare facilities—as a new bath-related device that can add carbonation to hot water therapies. Orchestrating the Mitsubishi Chemical Holdings Group's strengths, we aim to improve people's health and thereby realize KAITEKI by accelerating the expansion of the Artificial carbon dioxide baths in the medical field.





A spa featuring the Ryusen no Yu carbon dioxide bath (Chigasaki City, Kanagawa Prefecture)

■ Itakura, the Mitsubishi Rayon Cleansui Co., Ltd. Manager in Charge of Developing the Artificial carbon dioxide baths

During the development of the triple-layer membrane design used in the Artificial carbon dioxide baths, we combined Mitsubishi Rayon's polymer, dilution, production, evaluation and other technologies to create membrane production technology based on a new melt spinning method.



Since the Mitsubishi Rayon Group did not possess the physiological expertise or related evaluation system at that time, however, we were forced to seek out outside experts to summarize data on the effect of artificial carbon dioxide baths on the body, application methods and equipment requirements. Without a doubt, the development of the Artificial carbon dioxide baths was a very difficult task.

By introducing as many people as possible to the Artificial carbon dioxide baths, we are providing KAITEKI through relaxing and healthy bathing. In addition, the Artificial carbon dioxide baths help promote bathing at a lower water temperature since artificial carbonation feels around 2 to 3°C warmer than regular bath water. This helps reduce thermal energy consumption while allowing us to make a modest contribution to a KAITEKI global environment.



Comfort (Mitsubishi Rayon's Rod Lens Wins the Monodzukuri Nippon Grand Award)

■ Comfort: For Its Rod Lens Array,* Mitsubishi Rayon Received the Ministry of Economy, Trade and Industry's (METI) Fourth Monodzukuri Nippon Grand Award** in the Manufacturing and Production Process Category

It is not an exaggeration to say that all Mitsubishi Rayon Group products create "comfort." The Mitsubishi Rayon Group undertakes stable production and supply of materials handled by the chemicals businesses to enable its customers to create products that provide society with greater comfort. Through these actions, we work to achieve our aim of realizing KAITEKI. The Group's stable production and supply operations are the source of its Monozukuri (manufacturing).

Mitsubishi Rayon became the first company in the world to develop technologies for manufacturing plastic rod lens arrays used in facsimile machine optical scanning devices. We then developed continuous manufacturing technology using a new polymer material design as well as a multi-layer extrusion process that applies fiber manufacturing technology (industrial production of this technology began twenty years ago). Following this, we dramatically improved productivity and yield thanks to manufacturing technology upgrades while successfully creating high-resolution lenses using our original polymer material design and precision diluent technologies. As a result, Mitsubishi Rayon plastic rod lens array applications have expanded to such products as color scanners and home-use multifunction printers.

Mitsubishi Rayon received the Fourth Monodzukuri Nippon Grand Award's Minister of Economy, Trade and Industry's Prize in the Manufacturing and Production Process Category in recognition of the Company's ongoing efforts to develop as well as improve the precision of these fundamental manufacturing technologies.

Recognizing that the multi-functionality of numerous printer and copier models will continue evolving in the years ahead, we are currently developing a high-resolution rod lens compatible with enhanced colorization and resolution. We aim to realize KAITEKI by further honing our rod lens manufacturing capabilities.



■ Koike, Production Manager at the Award-Winning Optical Devices Plant

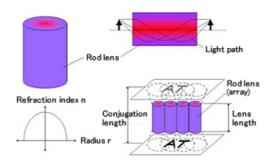
All stages of rod lens array manufacturing involve continuous refining, from blending raw materials to precision dilution of lenses, array fabrication and testing. At that time, many difficulties remained unsolved. Lacking any models to follow, the development and manufacturing departments worked together to steadily introduce new highly functional technologies. Through the accumulation of these technologies, we became the first in the world to successfully create rod lenses.



The Optical Devices Plant continuously works in unison to maintain stable production in order to eradicate equipment malfunctions that are a major cause of high failure rates during production.

*Rod lens array

Measuring less than 1mm in diameter, rod lenses are cylindrical lenses with refractive index distributed in a concentric circle. Upright images can be achieved by adjusting lens length using the properties of light, which travels from the edge of the lens and penetrates along predetermined cycles in tandem with changes in refraction. Rod lens arrays consist of multiple rod lenses aligned in a row between two substrates.



**The Monodzukuri Nippon Grand Award

This award was established to foster the ongoing development of Monozukuri—the art of manufacturing that supports Japanese culture and industry—and pass it along to future generations by recognizing those individuals who have made outstanding contributions in this field. The Ministry of Economy, Trade and Industry, the Ministry of Land, Infrastructure and Transport, the Ministry of Health, Labour and Welfare, and the Ministry of Education, Culture, Sports, Science and Technology have been jointly presenting the Monodzukuri Nippon Grand Award biennially since 2005.



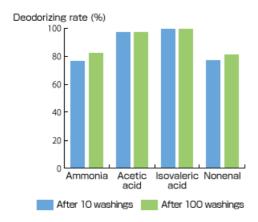
Comfort (CUTELY)

■ Comfort: The Development of CUTELY® Deodorant Acrylic Fiber

Mitsubishi Rayon has developed CUTELY®, a new deodorant acrylic fiber that is effective against four types of odors caused by perspiration and aging thanks to the Company's original special blend technology.

Features of CUTELY®

- Composed of an unspecified fiber resulting from spinning together acrylic and acetate at the raw cotton manufacturing stage using Mitsubishi Rayon's original special blend technology
- A multifunctional fiber able to eliminate odors caused by perspiration and aging while possessing antibacterial and moisture absorption/retention properties
- These superior qualities remain after repeated wearing and washing owing to functionality that is incorporated into fibers at the raw cotton manufacturing stage



Certification Criteria

Ammonia deodorization rate: 70% and above
Acetic acid deodorization rate: 80% and above
Isovaleric acid deodorization rate: 85% and above
Nonenal deodorization rate: 75% and above

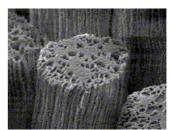
Reference Data

Tests conducted on materials consisting of fraise cloth mixed with 30% CUTELY®

- Incorporated with the natural polymer chitosan, CUTELY® inhibits the growth of microorganisms to prevent noticeable odors. CUTELY®'s superior antibacterial and deodorizing performance remains after repeated wearing and washing thanks to the incorporated of chitosan at the fiber manufacturing stage.
- Compared with normal acrylic fiber, CUTELY® realizes comfort by maintaining moderate moisture levels in clothing

CUTELY® Fiber Structure

CUTELY® is a "sea-island" structure fiber, with acrylic comprising the "sea" component and acetate forming the "island" component. Its porous fiber configuration makes it easy to absorb odor components into fiber interiors while the deodorant particles quickly eliminate the absorbed odor components.



An image of dissolved acetate. The black-looking areas are acetate.

■ An Overview of CUTELY®'s development by Omiyaji, Assistant Manager of the Fibers Research & Development Office(Otake)

We developed CUTELY® with the objective of creating a single material capable of eliminating four types of odors caused by perspiration and aging. Optimizing compound spinning technologies (raw cotton)— Mitsubishi Rayon's strong suit—and post-processing technologies (spinning and dyeing) enables CUTELY® to eliminate both ammonia and nonenal, which had been previously difficult to remove. We hope people of all ages use CUTELY®



as a material for realizing KAITEKI, not only in the clothing segment(which includes undergarments and sports clothes), but the bedding segment as well.



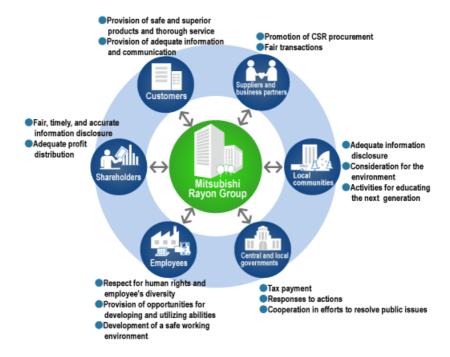
The Mitsubishi Rayon Group and CSR

How the Mitsubishi Rayon Group views CSR

The Mitsubishi Rayon Group recognizes that its very existence as a going concern rests on its ability to fulfill the Group's corporate social responsibility and garner the trust of society. In encouraging each and every employee to practice its corporate philosophy as embodied in the Group's "Corporate Behavior Charter," Mitsubishi Rayon is better positioned to promote CSR activities as a corporate entity. Striving to meet the ever-increasing expectations of society while at the same time strengthening its business activities, the Mitsubishi Rayon Group is endeavoring to contribute to the sustainable development of society.

The Mitsubishi Rayon Group and its major stakeholders

Building relationships of trust with stakeholders is the most important aspect in carrying out CSR activities. Building on a cumulative process of interactive dialogue, we will accurately reflect the opinions, expectations and needs of stakeholders in our business activities and cooperate with stakeholders in an effort to ensure the sustainable development of society.



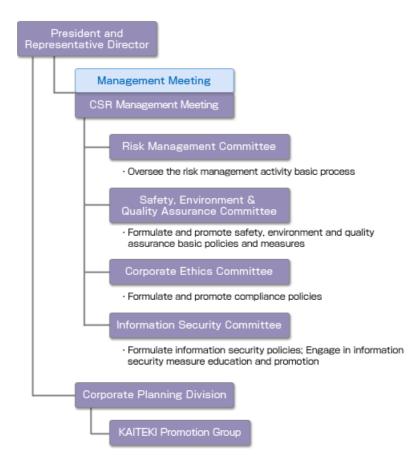


CSR Implementation Structure

The Mitsubishi Rayon Group's CSR structure has instituted a CSR management and decision-making meeting mechanism that encompasses CSR activities as a whole. This management and decision-making mechanism oversees a CSR activity proposal and promotion structure that comprises the Risk Management Committee, Safety, Environment & Quality Assurance Committee, Corporate Ethics Committee and Information Security Committee. Complementing this overall framework, the Corporate Planning Division KAITEKI Promotion Group has been established to serve as an overarching CSR secretariat.

CSR management meetings are chaired by the president and comprised of management meeting members. In addition to receiving reports on activity details, CSR management meetings serve as a forum to deliberate on and determine Group CSR activity plans under the supervision of corporate auditors.

Each of the Risk Management, Safety, Environment & Quality Assurance, Corporate Ethics and Information Security committees formulate activity plans on an individual presiding theme basis. Once a matter is determined at the CSR management meeting level, each committee then works diligently to promote specific activities.





Corporate Governance

Basic Perspective

The Mitsubishi Rayon Group is working to enhance its corporate governance based on its view that "corporate social responsibility consists of undertaking fair business activities in compliance with laws and with a high standard of corporate ethics." To achieve this, the Group has established the following systems:

1. Business operating system for assured decision-making and efficient operational execution In April 2007, the Mitsubishi Rayon Group discontinued its previous operational divisions and flattened its operating system, with all divisions reporting directly to the President.

2. System for carrying out adequate monitoring and supervision

The Mitsubishi Rayon Group has established internal control and risk management systems.

An Audit Office Directly Controlled by the President

The Mitsubishi Rayon Group established its Audit Office to administer internal audits under the direct control of the President, in addition to audits undertaken by corporate auditors and accounting auditors. The Group is enhancing mutual collaboration and operating standards through regular information exchanges among corporate auditors, accounting auditors and the Audit Office as well as meetings with the President and said auditors.

Further Upgrading Internal Control Systems

The Group established and is further upgrading internal control systems based on its internal control policy. In fiscal 2009, the Group continued to strengthen its risk management system while further upgrading and appropriately operating the internal control systems necessary for ensuring reliable financial reporting.



Compliance

The Mitsubishi Rayon Group fully recognizes the essential role compliance plays in gaining the trust of society and maintaining corporate growth. Based on this, the Group works to steadily raise compliance awareness among employees by conducting Groupwide compliance promotion programs. Understanding that compliance means adhering to social demands, we regularly conduct ongoing training programs to ensure that all employees consistently maintain full compliance awareness during the course of their duties.

Establishing Organizations to Promote Compliance

Previously, the Mitsubishi Rayon Group undertook compliance activities centered on the following core organizations: General Administration Department, Human Resources Department, Safety, Environment & Quality Assurance Department and Audit Office. In order to fully share and implement our compliance philosophy Groupwide, we established the Compliance Promotion Group within the General Administration Department in May 2011 as an organization that focuses specifically on advancing compliance. The Compliance Promotion Group has enabled us to commence Groupwide compliance initiatives with a renewed focus.

Rejuvenating the Compliance Consultation Desk

The Mitsubishi Rayon Group works to maintain strict compliance in accordance with the Business Code of Conduct Based upon Corporate Ethics. To that end, we have set up two in-house compliance consultation desks (staffed by the Director of the Audit Office and corporate auditors) and one external desk (staffed by attorneys). These Groupwide compliance consultation desks enable us to rapidly identify and address legal violations and corporate ethics breaches.

Consultation is offered not only to Group employees but also to temporary workers dispatched by employment agencies and business partners. The service is available on either an identified or an anonymous basis. In every instance, reports on the results of investigations carried out concerning matters raised are made to those who identify themselves during consultations. In addition, we recently revised the Regulations Pertaining to the Compliance Consultation Desk, Etc. and added a telephone- and fax-based external compliance consultation desk in October 2011 to make consultations easier.

Thorough Compliance Education, Training and PR

We make every effort to regularly conduct education, training and PR at each workplace to fully instill an awareness of shared values and our Business Code of Conduct in each employee. In fiscal 2011, we conducted basic compliance training and related e-learning courses for employees engaged in core operations at Group head offices and affiliates located in Tokyo and Osaka. We also implemented training for approximately 3,800 employees (including temporary and dispatch workers) employed at head offices, branch offices and affiliates. During these training sessions, we raised awareness of the newly established external compliance consultation desk. Taking advantage of e-learning, we provided basic compliance training specifically for new managers and assistant managers as well as held examinations to test their knowledge and understanding of compliance in such areas as customers, partners, competitors and society. Using internal databases, we published the Compliance Report every other month to showcase good compliance actions as part of our employee education and awareness raising activities.



Risk Management

The Mitsubishi Rayon Group is aware that in order for the Group to meet public demands and sustain its development, it is essential for it to establish a mechanism for thoroughly understanding and managing various key risks both within and outside its business, in other words a "risk management system." With this awareness, the Mitsubishi Rayon Group has undertaken the following activities for managing risks.

Risk Management Committee

In October 2007, the Mitsubishi Rayon Group established the Risk Management Committee for strengthening its risk management system. The Risk Management Committee determines policies and controls basic processes for risk management activities carried out by the Mitsubishi Rayon Group. In an emergency, the Crisis Control Center is established under the Committee. With its unified chain of command and swift policy decisions, the Crisis Control Center works to prevent damage escalation and achieve rapid restoration. The Mitsubishi Rayon Group operates in compliance with the Risk Management Regulations, which prescribe the policies and methods for managing key risks involved in operational execution along with methods of responding to presupposed individual crisis situations.

Revision of Standards for Analyzing and Evaluating Risks

In the Mitsubishi Rayon Group, the Risk Management Committee determines risk management policies and controls basic processes for the Group's risk management activities. In an emergency, the Crisis Control Center is established under the Committee and works to prevent further damage and enable rapid restoration. The Group operates in compliance with the Risk Management Regulations, which prescribe the policies and methods for managing key risks concerning operational execution, along with methods of responding to presupposed crisis situations. In fiscal 2009, the Group upgraded its risk management system by revising risk-analysis and evaluation standards.

Overseas Risk Management

Companies are expected to link manufacturing and sales bases in Japan, other Asian countries, the United States, Europe and elsewhere around the world in order to operate successfully in global markets. Against this backdrop, the need for ensuring sound management through enhanced corporate governance and risk management is gaining in importance.

The Mitsubishi Rayon Group engages in unified risk management Groupwide, encompassing operations both in Japan and overseas. In particular, many Group companies operate overseas. In areas where the need for risk management is high, we undertake risk management in tandem with the Mitsubishi Chemical Holdings Corporation management companies, Mitsubishi Chemical Holdings America, Inc. (North America) and Mitsubishi Chemical Holdings (Beijing) Co., Ltd. (China). Strengthening and promoting risk management and governance functions in the rapidly developing Chinese market is a management issue of utmost importance for the Group. To this end, Mitsubishi Rayon Group is working to strengthen and promote the development of risk management activities aimed at enhancing business operations as well as improving governance capabilities in China. Specifically, Mitsubishi Rayon (Shanghai) plans and implements risk management initiatives.

Enhance Risk Management in China

■ Strengthening Corporate Risk Management in China

- In fiscal 2011, Mitsubishi Rayon Group continued to promote various initiatives to counter major legal and systemic risks in China. These included standardizing in-house rules and processes to effectively and accurately meet frequent changes in laws, regulations and other related systems; introducing a system aimed at identifying new latent risks; and enhancing the risk awareness of local staff by inviting an outside expert to hold compliance seminars. As part of Mitsubishi Rayon (Shanghai)'s risk-related training initiatives, seminars on the Antimonopoly Act were held.
- The Mitsubishi Rayon Group is strengthening its responsiveness to risks associated with new cross-border business endeavors in Japan, China and elsewhere. To that end, we are undertaking risk management (i.e. addressing emergent risks and preventing projected ones) directly related to significant legal, taxation, intellectual property and labor risks in all of our Chinese business proposals.
- The Mitsubishi Rayon Group regularly holds meetings for risk-management supervisors in China to determine the themes of specific risk management activities and enable the centralized management of said activities. These meetings help the Group to steadily reinforce its corporate risk management in the face of a dynamically changing business environment. In addition, we are developing more efficient and effective risk management systems by augmenting risk management cooperation among Group companies as a member of the Mitsubishi Chemical Holdings Group.

■ Enhancing Risk Management to Ensure Safe, Environment-Friendly, High Quality Products in China

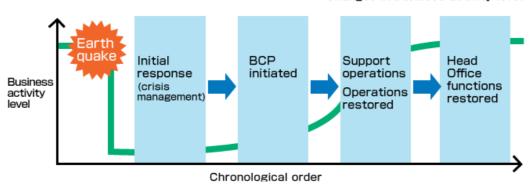
- In fiscal 2011, the Mitsubishi Rayon Group continued to focus on developing and entrenching risk management systems to ensure safe, environment-friendly, quality products while establishing new standards and management targets to facilitate ongoing safety and environmental risk management. We also held training and exchange meetings for safety/environmental supervisors and manufacturing managers to improve the risk management capability of the local staff.
- The Mitsubishi Rayon Group is strengthening risk management to ensure safe, environment-friendly, high quality products in China by cooperating with Mitsubishi Chemical Holdings Group companies. Accordingly, we promote safety initiatives that all employees can participate in, including accident prevention and risk assessment activities as well as safety days and safety reinforcement month. In addition, we maintain databases to quickly disseminate risk-related case studies provided by all Mitsubishi Rayon Group companies.

Business Continuity Plan (BCP)

■ Implementing Mitsubishi Rayon's Initial Response (Crisis Management) Actions and BCP in Anticipation of an Earthquake Directly under Tokyo

To prepare for a scenario in which the Mitsubishi Rayon Head Office is no longer operational following a major earthquake in Tokyo (presuming that all other business bases, excluding the Yokohama Production Center, are unaffected), we have formulated a continuity management to ensure the safety of Head Office employees as well as basic BCP-related conduct for each Head Office department. This conduct involves Head Office departments deciding in advance which support departments will take over individual Head Office operations. After the BCP has been initiated, support departments in each region will voluntarily begin providing assistance until Head Office operations are restored. Through these actions, we aim to fully restore Head Office functions as soon as possible.

Changes in business activity level



*The green line indicates the fastest possible restoration of pre-earthquake operations.

■ Continuity Management Drill

On November 7, 2011, we conducted the first continuity management drill at the Head Office based on the presumption that a major earthquake has struck Tokyo during regular business hours. Issues identified during the drill were reflected in the revised continuity management plan.

■ BCP Drill

Following the continuity management drill, we held a BCP drill on November 16, 2011 under the presumption that a major earthquake has occurred in Tokyo. The drill involved the Osaka Branch, the Toyohashi, Toyama and Otake production center support departments, applicable Head Office departments-in-charge and the Otake Crisis Control Center.

During the drill, support department managers initiated the BCP after verifying that the Head Office was not operational due to the earthquake and gave instruction to the staff members in charge to commence support operations. The staff members in charge then contacted customers to inform them of the commencement of operations (assuming the customers are Head Office departments) and entered this information into the internal Major Tokyo Earthquake Database. In addition, the staff members in charge verified the Head Office sales status over several days using backbone operation systems and reported this information to the relevant managers. Following this, the managers reported the status of these actions to the Otake Crisis Control Center.

The Otake Crisis Control Center gathered and organized all drill-related information to ascertaining the BCP support status of all departments. Following this, the General Administration Department of Osaka publicized Mitsubishi Rayon's BCP implementation status on the company website (during the drill, information was recorded in internal databases).

Each regional support department was rated highly by their peers for their enthusiastic participation during the drill as well as their ability to act in a coordinated and precise manner. Looking ahead, we will work to improve our preparedness against actual disasters by upgrading necessary documents and regularly conducting BCP drills.

Summarize BCP support status and publicize via General Administration Department of Osaka

Future Issues

In order to effectively draft manuals and refine the BCP, repeated revisions and conducting regular drills are critical.

Head Office continuity

1. Conduct regular drills

management:

2. Develop a joint disaster prevention system with the Yokohama

Production Center

Head Office BCP:

- 1. Regularly revise manuals and conduct drills
- 2. Enhance documents and information required for business operations
- 3. Upgrade emergency fund disbursement functions in Otake Crisis Control Center

In addition, we are launching an investigation into BCP measures for business bases in order to formulate them in the same manner as those used at the Head Office.

Information Security

The Mitsubishi Rayon Group established its Information Security Policy in fiscal 2004 and is undertaking activities centered on the Information Security Committee to increase information security. From the perspective of internal control (J-SOX), the Group inspected mobile devices and tightened control of information access rights in fiscal 2009. The Group has expanded the application of improved physical security measures in areas such as facilities, equipment and devices, with the use of IC cards1 called PIAS2. We will continue to promote PDCA cycles to reinforce information security activities.

^{💥1} IC card: A card mounted with integrated circuits (ICs) for data storage and computation

X2 PIAS: Physical Security Integrated Admission System, the Mitsubishi Rayon Group's unified access control system



Safety, Environment and Quality Assurance Management Systems

- Organization for Promoting the Management of Safety, the Environment and Quality Assurance
- Audit on Safety, the Environment and Quality Assurance in Fiscal 2011

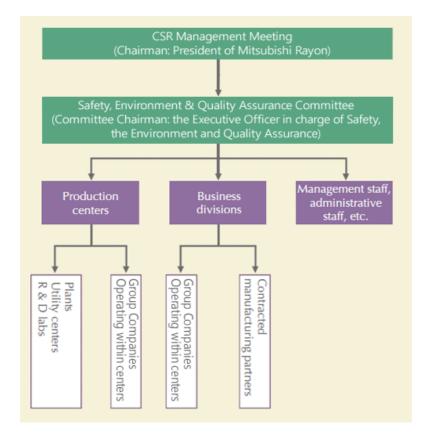
Based on the Responsible Care* policy, we undertake business activities in consideration of the environment, safety and quality assurance.

*Responsible Care

"Responsible care" is a voluntary initiative in which companies ensure environmental friendliness, safety and health at all stages of chemical substance usage—from development to production, distribution, use and final disposal —while communicating with the public about these activities and achievements.

Organization for Promoting the Management of Safety, the Environment and Quality Assurance

The Mitsubishi Rayon Group adopts a top-down approach for managing safety, the environment and quality assurance. Accordingly, basic management policies and measures in these areas are determined by the CSR Management Meeting (Chairman: President of Mitsubishi Rayon), which serves as a decision-making body for all Group CSR activities. Placed beneath the CSR Management Meeting, the Safety, Environment & Quality Assurance Committee (Committee Chairman: the executive officer in charge of safety, the environment and quality assurance) was established as a body that formulates and promotes basic policies and measures.



Basic Policies on Safety, the Environment, and Quality Assurance

- •Top priority shall be placed on safety and the environment in all business activities, as these are essential for corporate existence.
- •We shall supply our customers with satisfactory, safe, and reliable products.

(Established in 1998)

Action Guidelines on Safety and the Environment

- ①All laws and regulations shall be observed, with additional measures stricter than what is legally required adopted when deemed necessary.
- ②All actions shall be taken with a strong sense of responsibility so that any and all types of accident are prevented.
- 3All actions shall be rooted in the spirit of self-accountability and autonomous management.
- (a) All business activities shall be carried out under careful consideration to the environment.
- ⑤Every possible effort shall be made to uphold safety and reduce environmental burden throughout the entire life cycle of each product.
- ⑥Education shall be used to improve consciousness of safety and the environment, with the result put to practical use at the workplace.
- ②Active communication shall be maintained with international and local communities to raise the level of corporate transparency.
- Scientific and technical means shall be utilized to make improvements on a constant step-by-step basis.

(Established in 1998 and partially revised in 2001)

Basic Policy on Quality Management

To manufacture and supply products that satisfy customers and meet their requirements, the Mitsubishi Rayon Group has established its Safety, Environmental and Quality Management Regulations. The Group takes a thorough approach to quality management through promoting cooperation between the relevant departments, and does its utmost to ensure quality both effectively and economically, thereby achieving its goal of quality assurance.

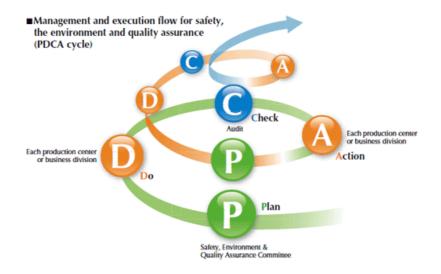
(Established in 1984)

■ Establishment of Quality Management Committees

The Mitsubishi Rayon Group has established a committee for each stage of quality management at Head Office, production centers and manufacturing plants, and seeks to raise quality through strict quality management, discussion of quality issues and measures to resolve any issues.

■ Items for quality assurance

- 1. Management of raw materials, parts, etc.
- 2. Management of manufacturing drawings for products, quality standards, etc.
- 3. Management of manufacturing processes, manufacturing facilities, etc.
- 4. Management of subcontractors
- 5. Management of inspections, tests and measuring and test equipment
- 6. Management of encasement, packaging, labels, warehouse arrivals, storage and shipments
- 7. Quality records and audits
- 8. Processing non-compliant products and handling complaints



Audit on Safety, the Environment and Quality Assurance in Fiscal 2011

■ Audit Types

Audit type	Audit target
General audit Audits conducted by management under the Safety, Environment & Quality Assurance Committee (with a corporate auditor and an executive member of the union as observers)	MRC*
Departmental audit Audit to supplement general audit; this is a detailed audit on the sampled departments	MRC*
Group company audit Audit that is implemented as part of the Group's management under approval by the Safety, Environment & Quality Assurance Committee	Group companies
Safety audit Audits conducted by the Head Office on production centers authorized in accordance with the High Pressure Gas Safety Act	Production centers authorized in accordance with the High Pressure Gas Safety Act
Special audit Audit that is implemented under the direction of the Chairman of the Safety, Environment & Quality Assurance Committee in the event of a serious accident or disaster	Mitsubishi Rayon Group
Product liability and quality assurance audit Audit that is implemented on the entirety of business activities from marketing to production under approval by the Safety, Environment & Quality Assurance Committee.	MRC* product lines
Extraordinary audit Extraordinary audit that is not one of the above regular audits.	Mitsubishi Rayon Group
Quality assurance audit of contract manufacturing partners Quality assurance audit of companies manufacturing Mitsubishi Rayon* products as subcontractors	Contract manufacturing partners

 $[\]underline{\ ^* Please \ refer \ to \ "Targets \ for \ combining \ environment-related \ data" \ for \ the \ scope \ of \ audit \ targets}$

■ List of audits executed in fiscal 2011

Audit type	Department/Company	Audit target						
General audit	Otake Production Center, Toyohashi Production Center, Toyama Production Center and Yokohama Production Center							
Departmental audit	Safety and/or the environment							
Group company audit	Group companies overseas (three companies) and Group companies in Japan (two companies)	Safety, the environment and quality assurance						
Safety audit	Otake Production Center							
Special audit	oecial audit Otake Production Center							
Extraordinary audit	Otake Production Center, Toyohashi Production Center, Toyama Production Center, Yokohama Production Center and Hachinohe Factory	The environment						
Product liability and quality assurance audit (MRC product lines)	Department in charge of methyl methacrylate (MMA), ACRYPET, METABLEN, and filters	Product liability and quality assurance						
Quality assurance audit to contract manufacturing partners Contract manufacturing partners (six companies)		Quality assurance						

■ Audit results for fiscal 2011

Audit results for fiscal a	Report
General audit	The audit confirmed that all production centers were steadily carrying out safety and environmental initiatives but were requested to take all actions necessary to eradicate accidents.
Departmental audit	All audited departments were confirmed to be precisely undertaking the "check" and "action" phases of PDCA regarding safety and occupational health measures. In addition, surveys focusing on environmental burden management status and efforts to prevent environmental accidents were conducted. Consequently, each audited department was instructed to make necessary improvements.
Group company audit	All audited companies improved safety, environment and quality assurance management activities since the previous audit. Moreover, all audited companies were requested to closely adhere to the PDCA cycle in order to ensure that all actions are effective.
Safety audit	The follow up to last year's survey focused on confirming the preparedness of facility management systems. The progress of improvements was verified. In fiscal 2011, the Nuclear and Industrial Safety Agency conducted an on-site interim inspection, and the security audit focused on verifying compliance with the Agency's recommendations. Steady progress was made in these areas.
Special audit	Taking a serious look at the reasons why a wastewater valve was left open, an audit was conducted into the direct and indirect causes of the accident in the area of risk management. The audit also examined the causes of the accident in terms of crisis management, the overall background and organizational culture. Instructions were given to make improvements in both hard and soft areas to absolutely ensure that abnormal wastewater leakage does not reoccur.
Extraordinary audit	As an extension of the special audit, an extraordinary audit was conducted on six departments at five production centers (including the Hachinohe Factory). Each department was instructed to improve inherent problems with a view to absolutely ensure that abnormal wastewater leakage does not occur. The Safety, Environment and Quality Assurance Department performed the same type of audit at other departments at each production center. Follow-up extraordinary audits are scheduled to be performed after six months and one year.
Product liability and quality assurance audit	Audits were conducted on a total of 10 departments, including four target product lines, business divisions, factories and R&D departments. The audit focused on compliance in the areas of product liability and quality assurance systems, screening status until new product release, contract manufacturing partner management and new product development. Each department was given specific instructions to make improvements.

Targets for combining environment-related data

Only companies that mainly engage in manufacturing and processing are subject to the combination of environment-related data. See (1) through (4) below for expressions used in this report.

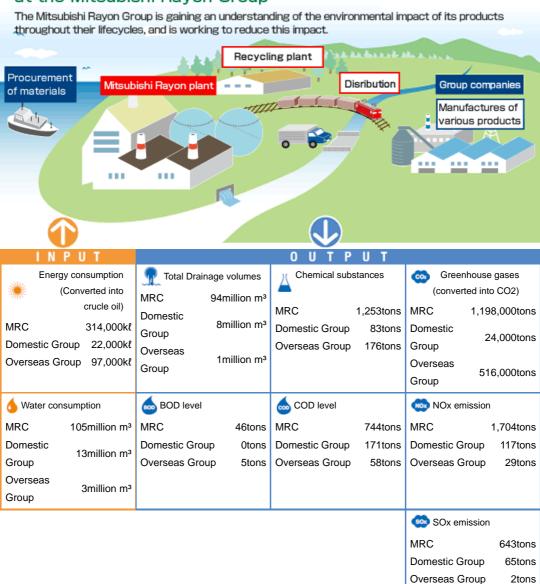
- (1)MRC Group: companies that come under the following categories (2) to (4)
- (2)MRC: Mitsubishi Rayon and Group companies operating at Mitsubishi Rayon's production centers
- (3)Domestic Group: consolidated subsidiaries in Japan other than those which come under the above category (2)
- (4)Overseas Group: consolidated subsidiaries in other countries

Subject companies and data



Overview of Environmental Burdens

Overview of Environmental Burdens at the Mitsubishi Rayon Group





Reduction in Chemical Substances Emitted

The Mitsubishi Rayon Group works to decrease substances that impact the environment while actively reducing waste and promoting recycling.

Chemical Emission Reduction

The Mitsubishi Rayon Group is reducing chemical emissions in accordance with its Fifth Chemical Substance Reduction Plan, with fiscal 2015 as the target year.

Fifth Chemical Substance Reduction Plan Initiatives

<Targets>

1. Reduction of total emissions (target year: fiscal 2015)

By the target year, total emissions of MRC-PRTR substances (442 substances) by MRC Group (excluding Lucite International) shall be reduced to 70% of the emissions recorded in fiscal 2005 (reference year).

- 2. Reduction of emissions of individual managed substances (target year: fiscal 2015) Reductions will be made in the specific substance groups detailed below:
- i) Twelve volatile organic compound (VOC) substances that account for most of MRC's atmospheric emission volume
- ii) Five substances that the MRC Group emits the most

<Results>

Total emission reductions exceeded targets due to lower production volume. We will undertake reduction initiatives to achieve targets even after production volume recovers.

*MRC-PRTR substances: 433 substances subject to the PRTR research conducted by the Japan Chemical Industry Association (JCIA) on its corporate members (including substances subject to legal notification) and nine other substances emitted by MRC in high volumes for a total of 442 substances.

► Click here for detailed charts and graphs

Management of Chemical Substances in Procured Goods

The Group began conducting green procurement surveys in fiscal 2005 to fully comprehend and manage substances that impact the environment (including raw materials and other procured goods) and have the potential to pose a health hazard. The Group will continue conducting green procurement surveys as well as take the steps necessary to effectively manage chemical substances.

Safety Inspection Programs for Existing Chemical Substances with High Production Volumes

These safety screening programs are international efforts to gather and assess hazard data that is in short supply on existing chemical substances with high production volumes. Since 1999, the Mitsubishi Rayon Group has been participating in the international program, International Council of Chemical Associations (ICCA) Initiative, which focuses on 21 substances (activities have been completed for 12 substances, suspended for eight substances and withdrawn from one substance), as well as the domestic Japan Challenge Program, which targets two substances (activities have been completed for two substances). We will continue to gather hazard data on existing chemical substances with high production volumes in the years ahead.

Commencing Treatments to Eliminate Polychlorinated Biphenyl (PCB)

In order to comply with the Act on Special Measures against PCB Waste established in 2001, the Mitsubishi Rayon Group adopted a policy of removing all equipment containing PCB by 2015. The treatment of equipment containing high concentrations of PCB has been centralized under the Japan Environmental Safety Corporation (JESCO), which was established in accordance with the above act. Although the Group was scheduled to start systematically treating items containing PCB, this implementation was significantly delayed by JESCO's slow commencement of operations and other difficulties. Continuing from the previous fiscal year, we treated equipment with high concentrations of PCB at certain production centers in fiscal 2011. Having decided on a method for treating equipment with low concentrations of PCB, we are now set to commence such operations. Even though total removal may take longer than planned, the Mitsubishi Rayon Group will manage its equipment in accordance with the law until disposal becomes possible.



Initiatives for Preventing Global Warming

The Mitsubishi Rayon Group is doing its utmost to achieve a sustainable society by focusing on activities that reduce CO2 emissions and save energy.

Toward a Low-Carbon Society

We are undertaking various activities to prevent global warming. CO2 accounts for the majority of greenhouse gases emitted by MRC Group. Eighty percent of CO2 emitted by the Group comes from energy use. Consequently, we are applying our ingenuity in fuel-conversion and resource-saving activities, which are centered on energy conservation.

<Our Main Activities>

Energy-saving activities in production and administrative operations

Energy-saving and fuel-conversion activities in logistics operations

Energy-saving and fuel-conversion activities chiefly in energy-related operations

Resource-saving activities

Energy loss-eradication activities

<Targets>

1. Energy consumption per unit of production

Reduce energy consumption per unit of production by 20% or more compared with fiscal 1990 by fiscal 2012

2. CO2 emissions attributable to energy use

Endeavor to keep average CO2 emissions attributable to energy use from fiscal 2008 to fiscal 2012 below the level recorded in fiscal 1990

<Results>

As a result of promoting energy conservation activities, and thanks to an improvement in our production center utilization, our energy consumption per unit of production in fiscal 2011 improved one percentage point year on year. In contrast, our CO2 emissions attributable to energy use increased 70,000 tons year on year to 980,000 tons, despite our emissions reduction efforts, due to increased production.

► Click here for detailed charts and graphs

Initiatives in Logistics Operations

MRC Group has promoted modal shifts, decreasing truck transport and increasing marine and rail transport. Mitsubishi Rayon became a certified "Eco-Rail Mark" company in April 2010 under a program promoted by the Ministry of Land, Infrastructure, Transport and Tourism. At the same time, Mitsubishi Rayon's acetate tow for cigarette filters, "DIANAL" acrylic coating material and "ACRYPET" acrylic molding material were certified as products allowed to carry the Eco-Rail Mark. Looking ahead, the Group will continue to promote eco-friendly logistics operations.

■ CO2 emissions in logistics (outsourced) (1,000 tons of CO2/year)

Fiscal year	2007	2008	2009	2010	2011
CO2 emissions	15	11	11	12	10





Safety and Disaster Prevention Initiatives

Overview of Activities in Fiscal 2011

In line with the new APTSIS 15 medium-term management plan (target year fiscal 2015), the Group promoted and improved safety and disaster prevention initiatives. These initiatives centered on three goals set out in the plan: (1) eliminate injuries that result in work absence and eliminate serious accidents; (2) provide support for Group companies; and (3) set targets to meet external commitments.

1) Eliminate Injuries That Result in Work Absence and Eliminate Serious Accidents

Activities focusing on domestic production centers

- 1. Safety conventions, at which managers directly emphasize the importance of safety (held July 6 at four production centers)
- 2. Simultaneous workplace patrols by supervisors undertaken daily between 1:00 p.m. and 1:30 p.m.
- 3. Safety events for staying mindful of past serious accidents in each division
- 4. Safety reinforcement month (July and December)

Activities undertaken that include Group companies

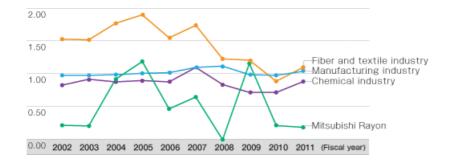
- Training for production managers and integrated training for safety personnel of Group companies in Japan
- Safety assessments of new equipment and renewed equipment (expansion of the scope of assessment)
- 3. Improvements in reporting and issues cited in the general audit
- 4. Audits of Group companies based in China through the Safe, Environmental and Quality Products and Compliance Promotion Office at Mitsubishi Rayon (Shanghai) Co., Ltd.

Occupational injuries

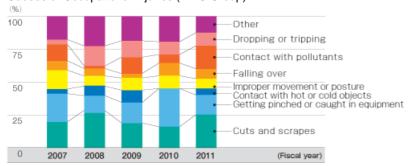
The total number of occupational injuries Groupwide increased by nine cases from fiscal 2010. This was attributable to the addition of Lucite International in fiscal 2011 as well as the undertaking of occupational injury management. We will work to reduce the number of occupational injuries Groupwide (including Lucite International).

■Incidence Rates of Occupational Injuries* (with work absence of 1 day or more)

 * Frequency of days away from work due to injury: Days missed due to injury / 1 million work hours



■Causes of Occupational Injuries (MRC Group)

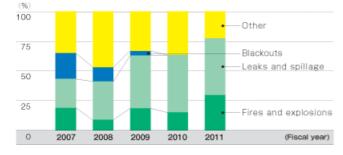


Accidents

The total number of accidents Groupwide increased by nine cases compared with fiscal 2010. This was attributable to the addition of Lucite International in fiscal 2011 as well as the undertaking of accident management. Excluding Lucite International, however, the total number of MRC Group accidents decreased by nine cases year on year.

An accident occurred at the Otake Production Center on April 25, 2011 that led to a wastewater spill exceeding the Water Pollution Control Law's regulatory pH limits. Although damage as a result of this accident has not been confirmed, we take this incident extremely seriously. We deeply regret the legal violation that occurred as well as the difficulties and concern caused to stakeholders. We will redouble our efforts to prevent such accidents from occurring in the future by revamping and strengthening related management systems.

■Accident Causes (MRC Group)



2) Provide Support for Group Companies

Since fiscal 2009, we have continued to hold training sessions for safety/environment personnel at domestic Group manufacturing companies. In China, Mitsubishi Rayon (Shanghai) Co., Ltd. implemented various measures primarily through its Safety, Environmental and Quality Products and Compliance Promotion Office, which included strengthening safety management systems, audits and training.

3) Set Targets to Meet External Commitments

The Group has set voluntary targets regarding the reduction of chemical emissions, the reduction of the external landfill volume of waste and the prevention of global warming, and is promoting activities aimed at achieving these targets. For further details, please refer to our chemical substance reduction, waste reduction and global warming prevention initiatives.

Fiscal 2012 Action Plan

1) Aim to Eliminate Injuries That Result in Work Absence and Eliminate serious accidents

We will work to prevent occupational injuries and accidents based on our efforts to revise, promote and thoroughly undertake specific initiatives. These initiatives are intended to increase the effectiveness of measures undertaken since fiscal 2011.

2) Provide Support for Group Companies

We will continue providing environmental and safety-related support to Group companies.

3) Set Targets to Meet External Commitments

We will continue working to reduce environmental burdens by achieving the 2012 plan's targets regarding the reduction of chemical emissions, the reduction of the external landfill volume of waste and the prevention of global warming.

Disaster Prevention Measures

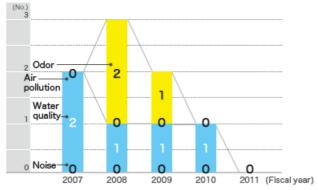
■ Disaster prevention activities

The Mitsubishi Rayon Group is conducting disaster prevention activities, including safety training to employees, inspection and maintenance of its equipment, and disaster prevention drills. In addition, the Group engages in disaster drills and other events jointly organized with local organizations. The Group is also endeavoring to prevent accidents and disasters during transport and is adopting logistical safety measures should any incident occur.

Environmental Complaints

Although we received no odor-, water quality-, noise- or air pollution-related complaints in fiscal 2011, a domestic Group company fielded one tree-related complaint. In this case, we immediately took corrective actions to remedy the problem and prevent reoccurrences. The Mitsubishi Rayon Group strives to undertake business activities that fully consider the lifestyles of local residents.

■Number of Complaints Received by the MRC Group





Waste Reduction Initiatives

Waste Reduction and Recycling

MRC Group is working to realize the Groupwide Zero Emissions Plan's fiscal 2015 waste reduction target in order to decrease its external landfill volume.

Groupwide Zero Emissions Plan (Target Year: Fiscal 2015)

<Target>

Zero emissions will be achieved throughout MRC Group in Japan (involving each production center and Group company) by fiscal 2015. Data calculation includes all waste, excluding combustion ash from power generation.

<Results>

In fiscal 2011, the first year of the Groupwide Zero Emissions Plan, one production center as well as four internal and five external Group companies achieved zero emissions.

*The term "zero emissions" refers to the ratio of landfill volume accounted for by waste that is 1% or below.



Resource Conservation Activities (Chemical Recycling)

Acrylic resin is a recyclable material that, with appropriate heating, can be decomposed into MMA monomer and reused to make new products. In 1997, the Toyama Production Center began operating a recycling plant using an original recycling technology. This plant recycles acrylic resin waste generated on site into high-purity MMA monomer. Aiming to help realize a sustainable society, Mitsubishi Rayon is working to establish a larger-scale monomer recycling system to recycle acrylic resin products currently in use.





Environmental Data and References

Targets for Combining Environment-Related Data

■ Targets for Combining Environment-Related Data in Fiscal 2011

				ction in Chemical z Prevention of Global tances Emitted z Warming				Major Environmental Index						ISO Certification		
			Total emission targets	Individually managed substances	waste emissions	Energy consumption per unit of production	Greenhouse gas emissions	Water consumption	Total drainage volume	BOD emissions	COD emissions	SOx emissions	NO x emissions	I S O 9 0 0 1	I S O 1 4 0 0 1	
	(2) M R C	Otake Production Center and on-site Group companies	0	0	0	0	0	0	0	-	0	0	0	0	0	
		Toyohashi Production Center and on-site Group companies	0	0	0	٥	0	0	0	0	0	0	0	0	0	
(1) M R C		Toyama Production Center and on-site Group companies	0	0	0	0	0	0	0	0	_	0	0	0	0	
G r o u p			Yokohama Production Center and on-site Group companies	0	0	0	0	0	0	0	-	0	0	0	0	0
	(3) D	MRC Unitec Co., Ltd.	0	0	0	-	0	0	0	-	0	0	0	0	0	
	o m e s	Diatec Co., Ltd.	0	0	0	-	0	0	0	0	0	0	0	0	0	
		ToeiKasei Co., Ltd.	0	0	0	-	0	0	0	-	-	0	0	0	0	
	t i c	Dia-Nitrix Co., Ltd. (excluding plants within MRC site)	0	0	-	-	-	0	0	-	0	0	0	0	0	

						1								
	Tosen Co., Ltd.	0	0	0	-	0	0	0	-	-	0	0		
G	Ryoko Sizing Co., Ltd.	0	0	0	-	0	0	0	-	-				
r o	MRC Koda Co., Ltd.	0	0	0	-	0	0	0	-	-	-	-	0	0
u p	Nippon Rensui Co.	0	0	-	-	0	0	0	-	-	-	-	0	
	Nitto Gypsum Board Co., Ltd.	0	0	0	-	0	0	0	0	0	0	0	0	0
	Thai MMA Co., Ltd.	0	0	-	-	0	0	0	0	0	0	0	0	0
	Huizhou MMA Co., Ltd.	0	0	-	-	0	0	0	-	-	0	0	0	
	Suzhou Sanyouli Chemicals Co., Ltd.	0	0	-	-	٥	0	0	-	0	-	-	0	0
(4)	Diapolyacrylate Co., Ltd.	0	0	-	-	0	0	0	-	-	-	-	0	0
O v e r s	Mitsubishi Rayon Polymer Nantong Co., Ltd.	0	0	-	-	0	0	0	0	0	0	0	0	0
e a s	Diatec (Shanghai) Co., Ltd.	0	0	-	-	0	0	0	-	-	-	-	0	0
G	Suzhou MRC Opto-Device Co., Ltd.	0	0	-	-	0	0	0	-	-			0	
o u p	Dianal America, Inc.	0	0	-	-	0	0	0	-	-	-	-	0	0
	Grafil, Inc.	0	0	-	-	0	0	0	-	-	0	0	0	
	Newport Adhesives and Composites, Inc.	0	0	-	-	٥	0	0	0	0	0	0	0	
	Dalian Rayon Environmental Equipment Co., Ltd.	0	0	-	-		0	0	0	0	-	-	0	0

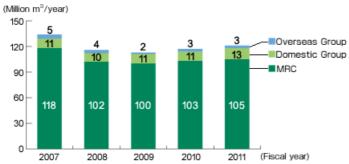
Environmental Data by Production Center

■ Environmental Data for Fiscal 2011 by Production Center

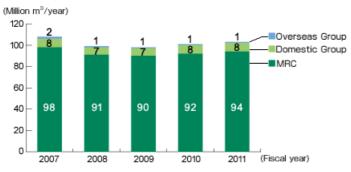
Name	Otake Production Center	Toyohashi Production Center	Toyama Production Center	Yokohama Production Center
Location	Miyukicho, Otake City, Hiroshima Prefecture	Ushikawadori, Toyohashi City, Aichi Prefecture	Kaigandori, Toyama City, Toyama Prefecture	Daikokucho, Tsurumi-ku, Yokohama City, Kanagawa Prefecture
Chemical emissions (tons) (Figures in brackets show the number of substances)	836(81)	33(29)	380(23)	4(14)
SOx emissions (tons)	580	18	45	0
NOx emissions (tons)	1,233	144	327	0
COD emissions (tons)	735	7	-	1.5
BOD emissions (tons)	-	4	42	-
Water Consumption (million m ³)	89	5	11	0
Drainage (million m ³)	78	5	11	0
External landfill volume (excluding power combustion ash) (tons)	963	5	713	31
Energy use per unit (year- on-year change)	Up 0.1%	Down 10.1%	Down 3.8%	Up 7.8%

Major Environmental Index

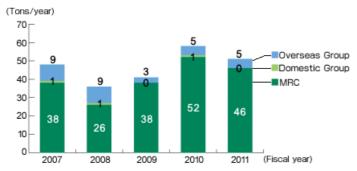
■ Water Consumption



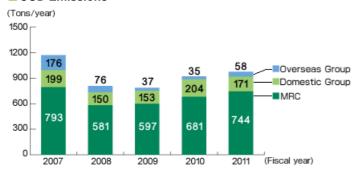
Drainage



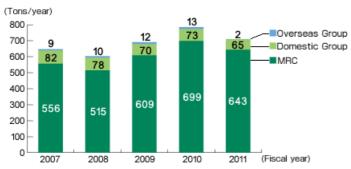
■ BOD Emissions



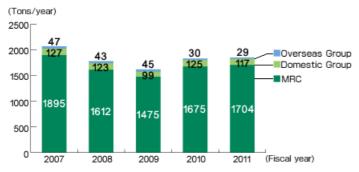
■ COD Emissions



■ SOx Emissions



■ NOx Emissions



Total Chemical Emissions

■ Total Chemical Emissions (5th Plan Target 1) ▶ Detailed explanation (Tons/year) 3000 ┌ Overseas Group ---Domestic Group ■MRC 70% (Target) (Fiscal

■ List of Individually Managed Substances (5th Plan Targets 2)

i) Twelve VOC substances that Mitsubishi Rayon released into the atmosphere in large volumes

Substance
Acrylonitrile
Dichloromethane
1,3-Butadiene
N,N-dimethylformamide
Styrene
Toluene
Methyl alcohol
Propylene
Isopropyl alcohol
Tert-butyl alcohol
Vinyl acetate
n-hexane

ii) Five Substances That the Mitsubishi Rayon Group Emits the Most

Substance
Methyl methacrylate
Acetone
Dimethylacetamide
Inorganic cyanogen compound
Dimethyl ether
•

Major Chemical Emissions and Transfer Volumes

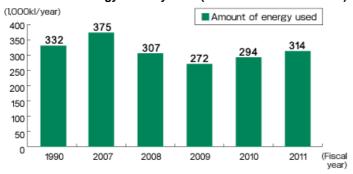
■ Emissions and Transfer Volumes of MRC-PRTR Substances in Fiscal 2011 (Tons/year)

Substa	nce	Atmosphere	Waster	Soil	Total Emissions	Transfer Volume
Dimethylacetamide		299	129	0	428	93
Acetone		293	27	0	320	54
Methyl methacrylate		125	45	0	170	365
Dichloromethane		82	0	0	82	6
Dimethyl ether		25	55	0	80	0
Tert-butyl alcohol		51	2	0	52	0
Propylene		47	0	0	47	0
Inorganic cyanide		46	0	0	46	0
N,N-dimethylformamide		31	3	0	34	111
Methyl alcohol		26	6	0	32	232
Other substances		162	60	0	222	997
Total		1,187	326	0	1,513	1,859
(Including revised PRTR Law substances)		(672)	(214)	(0)	(885)	(1,280)
MRC		967	286	0	1,253	889
Breakdown	Domestic	77	6	0	83	397
	Overseas	143	33	0	176	573

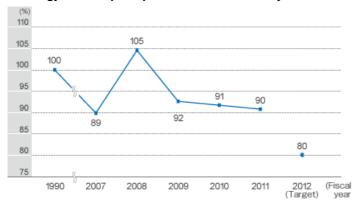
^{*}Includes MRC-PRTR substances and substances added under the revised PRTR Law

Initiatives for Preventing Global Warming

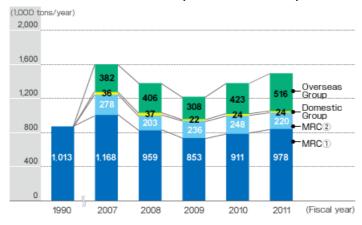
■ Amount of Energy Used by MRC (Converted into Crude Oil)



■ Energy Consumption per Unit of Production by MRC

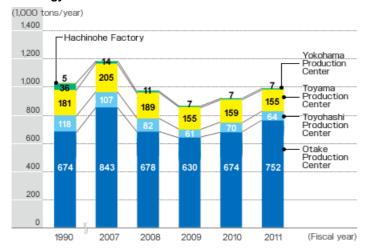


■ Greenhouse Gas Emissions (Converted into CO2)



- *MRC 1 is the volume of CO2 emissions derived from energy use at the four production centers in Japan.
- *MRC 2 is the volume of CO2 emissions derived from items added to comply with the revised Law Concerning the Promotion of the Measures to Cope with Global Warming and the revised Law Concerning the Rational Use of Energy.
- ${}^{\star}\text{Aggregate amounts of domestic Group companies are included in the main body of Mitsubishi Rayon}$
- *Some figures have been revised due to adjustments made to calculation methods in fiscal 2009

■ Energy-Derived CO2 Emissions



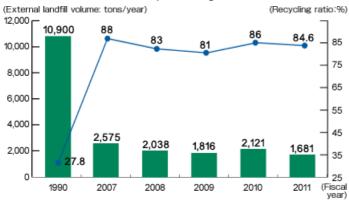
^{*}Some figures have been revised due to adjustments made to calculation methods in fiscal 2009.

■ Greenhouse Gas Emissions of Fiscal 2011 (Converted into CO2)

David Jane (a Caral 2014 (4 200		Fire other		
Breakdown for fiscal 2011 (1,000 tons/year)	Energy- derived	Derived from other sources	Five other gases	
Mitsubishi Rayon	989	207	3.9	
Domestic Group	24	0	0.3	
Overseas Group	264	252	0.0	

Initatives for Reducing Waste

■ External Landfill Volume (Excluding Power Combustion Ash) and Recycling Ratio



Environmental Accounting

■ Aggregate results for environmental accounting in fiscal 2011

(Million yen)

Aggregate items established in the Ministry of the Environment guidelines			Investment	Cost
		[1] Pollution prevention costs	954	2,360
	(1)Business area cost	[2] Global environmental conservation costs	44	42
Environmental		[3] Global environmental conservation costs	45	1,354
conservation costs	(2) Up / Down stream costs		0	-184
	(3) Administration	cost	0	564
	(4) Social activity of	cost	4	109
	(5) Environmental	remediation cost	0	9
		1,047	4,253	

(Million yen)

Aggregate items established in the Ministry of the Environment guidelines		
	(1) Proceeds from recycling activities	1,207
Farancia basefit	(2) Expense reductions due to energy conservation	270
Economic benefit	(3) Expense reduction due to waste disposal	-3
	Total	1,474

(Million yen)

	(iviiiioii yoii)
Wastewater measures costs (disposal costs, etc.) shown as the amount of compliance costs (operation and maintenance expenses) related to pollution control/environmental laws and agreements	149
Waste disposal costs shown as the amount of waste reduction and resource management promotion costs (operation and maintenance expenses)	434

■ Basic Information on Environmental Accounting

Environmental Accounting in General

■ Focus: costs and results of environmental activities

■ Scope: Mitsubishi Rayon Co., Ltd.

■ Period: fiscal 2011

Environmental Conservation Costs

•Scope/Classification :refer to the Ministry of the Environment's The Establishment of an

Environmental Accounting System (2000 report)

Personnel costs are included.

Depreciation costs of facilities investments are excluded.

Research and development costs are excluded.

Economic Benefit

•Scope/Classification :result of environmental and safety-related activities in fiscal 2011, which

can be calculated rationally

•Revenues :proceeds from the sales of valuable material and transactions of scrap

materials, etc.

•Energy conservation :the amount of energy savings from production activities

•Waste disposal :amount of cost decrease compared with the previous fiscal year

Green Purchasing

Mitsubishi Rayon promotes green purchasing through the purchase of environment-friendly products used internally, including stationery and office equipment.

(Fiscal year)

		2007	2008	2009	2010	2011
Donor	Copy paper	98%	95%	100%	96%	100%
Paper	Toilet paper	100%	100%	100%	100%	100%
	Notebooks	100%	97%	72%	98%	64%
Stationery	Pens	100%	88%	79%	100%	95%
	Files	99%	94%	99%	92%	94%
	Personal computers	100%	55%	87%	100%	100%
Office	Printers	100%	71%	100%	100%	100%
equipment	Facsimiles, copying machines and multifunctional printers	100%	100%	100%	67%	100%
Other items	Lighting equipment	100%	100%	86%	69%	73%
Other items	Fluorescent lights	50%	50%	36%	79%	84%

^{*}Figures above are totals for Mitsubishi Rayon

▶ Targets for Combining Environment-Related Data



Relationships with Local Communities

The Mitsubishi Rayon Group contributes to the development of local communities by proactively promoting activities anchored in each community.

Communicating with Local Communities

■ Exchanges with Local Communities

The Group conducts factory tours mainly for government officials and nearby residents as part of its efforts to interact with local communities both in Japan and abroad. These activities provide opportunities to promote understanding of the Group's businesses as well as its environmental and safety measures.



Accepting interns from Toyokawa School for the
Disabled
(Toyohashi Production Center)



Vocational experience program for junior high school students during Career Start Week (Otake Production Center)

■ Volunteer Activities by Overseas Group Companies

Thailand experienced significant flood damage due to overflowing rivers following constant heavy rain that began in July 2011. Employees from the Lucite International Group company, Thai Poly Acrylic Public Company Limited (TPA), participated in cleanup activities in surrounding flood-stricken areas. Through these actions, TPA made every possible effort to aid in the rapid restoration of these communities.



TPA, together with its fellow Thai-based methyl methacrylate (MMA) production partner, the Siam Cement Group (SCG), installed drinking water production equipment in nearby communities. Sales of the water produced from this equipment have become a source of income for these communities. In addition, TPA and SCG installed drinking water facilities and repaired playgrounds at local elementary schools. In both cases, the construction costs were funded by SCG. Looking ahead, TPA and SCG will continue working together to communicate with local communities.







■ Exchanges with Local Communities through Sports

Each Group company makes its grounds, gymnasiums and other facilities available to the local community, which many residents make use of. In addition, Group companies organize sports tournaments in an effort to foster exchanges with local residents and promote the development of young people.

Clean-Up Activities

To keep local communities clean, Mitsubishi Rayon carries out cleanup activities in neighboring areas on a regular basis. Efforts are not limited to internal activities as Mitsubishi Rayon joins clean-up campaigns organized by local governments and non-profit organizations. Through these efforts, we are undertaking environmental beautification activities that reflect local interests.



Clean Up Toyama
(Toyama Production Center)

Activities for Nurturing and Educating the Next Generation

■ Waku Waku! (Exciting) science classroom

The simple questions "Why?" and "How?" that children ask are the origins of manufacturing. Wishing to convey the wonders and delights of science using its products and everyday items, the Mitsubishi Rayon Group sends its employees to elementary and junior high schools to teach lessons. Mitsubishi Rayon held science experiment demonstrations using plastic optical fibers at the Summer Vacation Chemistry Experiment Show at the National Museum of Emerging Science and Innovation held in November 2011. Thanks to this demonstration, many children were able to experience first hand the mysteries of light.



■ Developing Future Scientists

Young researchers employed at the Yokohama Corporate Research Laboratories visited Shiba Elementary School in Minato-ku, Tokyo in December 2011 to teach science lessons with the aim of sparking the students' interest in R&D.

In addition, the Otake Production Center participated in the Summer Vacation Chemistry Experiment Show 2012 hosted by the Otake City Board of Education, giving elementary school children the opportunity to take part in a workshop involving plastic.



■ Supporting the Soalon Design Contest

Mitsubishi Rayon Textile Co., Ltd. supports a design contest for Bunka Gakuen students, who are expected to eventually play an active role in the fashion industry. Mitsubishi Rayon Textile supplied the Soalon, a rare triacetate fiber that is environmentally friendly, for the textiles used in the contest.



■ Supplying Carbon Fiber to Schools Competing in Japan's Student Formula SAE Competition

Lightweight and strong, carbon fiber has gained attention as a material that enables massive weight reduction. In Student Formula SAE Competition of Japan, teams of students compete in a test of their overall manufacturing capabilities as they plan, design and produce car bodies. Mitsubishi Rayon supplies carbon fiber as a material for the car body and parts to Toyohashi University of Technology's Car Society, one of the competitors.

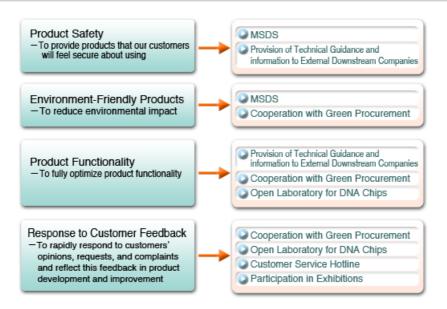




Relationships with Customers/Product Safety

The Mitsubishi Rayon Group is working to ensure the safety of its products to deliver the highest level of quality possible to customers. We are also endeavoring to communicate with a greater number of customers through events and exhibitions.

Relationships with Customers



MSDS

In the sale and delivery of chemical products, the Mitsubishi Rayon Group provides information on the properties, proper handling and disposal of the products in the form of material safety data sheets (MSDSs).

■ Providing Technical Services and Information to Customers

We comply with the differing legal regulations of the countries in which we do business while disclosing product material specifications to meet customer needs. Moreover, we provide such services for fiber processors as preparing technical manuals, dispatching technicians and developing quality management databases.

■ Cooperation with Green Procurement

Upon request, we provide customers with information on hazardous substances contained in chemical products.

■ Open Laboratory for DNA Chips

In April 2001, we established a special open laboratory for DNA chips within our Yokohama Corporate Research Laboratories as a forum for information exchange with customers.

■ Customer Service Hotline

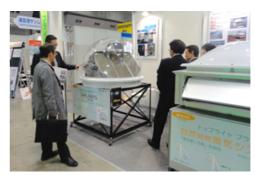
We have established a toll-free hotline to field opinions, inquiries, and complaints from customers in relation to our CLEANSUI home water purifiers.

■ Participation in Exhibitions

The Mitsubishi Rayon Group is working to initiate direct dialog with a greater number of customers by proactively taking part in exhibitions. To improve customer satisfaction with regard to products and services, the Group reflects feedback from customer in its product safety and quality improvement initiatives.



Exhibiting at Singapore International Water Week (SIWW) 2012



Exhibiting at the Eco House & Eco Building Expo (Ryoko Co., Ltd.)

Proceeding with REACH* Registration

The Group completed the registration of six high-production substances by the 2010 deadline and is currently preparing to register other substances by the 2013 deadline in cooperation with consortiums in Europe. Since 2010, we have been promoting the sharing of REACH regulation-related information with Mitsubishi Chemical Corporation. Also, we are advancing preparations for REACH registration through intensive collaboration with Lucite International as the Mitsubishi Rayon Group's representative in Europe.

*REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) is an EU regulation to protect human health and the environment

Ensuring GHS*1 Compliance in Individual Countries

Although the Group has completed the incorporation of Japanese GHS requirements into its MSDS*2, many East Asian countries, such as China, South Korea and Taiwan, have formulated their own GHS regulations as part of their efforts to establish effective legal frameworks. While establishing GHS information access routes, we will appropriately address GHS policies being formulated in various countries.

*1 GHS: Globally Harmonized System of Classification and Labelling of Chemicals

*2 MSDS: Material Safety Data Sheet

Basic Policy on Safety of Product

The Mitsubishi Rayon Group has established the basic management policy of providing safe products that are reliable and satisfactory from our customers' perspective.

Established in 1995

Pre-Launch

To provide products that our customers will feel secure about using, we thoroughly evaluate the safety of new products and/or new applications as well as production processes and facility alterations. In addition, we conduct safety evaluations that take into account any information pertaining to potential new risks or hamful effects that we may receive.

Production Management

To ensure consistent quality, MRC has adopted an ISO 9001 based system of production management. In addition, domestic and overseas Group companies have in place similar production management frameworks.

Logistics Safety

To prevent accidents during transport, we hold periodic conferences with distribution companies to review previous accidents and provide education on the hazardousness of products being shipped. We also require drivers to carry yellow cards, which provide response instructions for accidents, at all times to minimize damage should an accident occur.

Customers



Relationships with Suppliers

Promotion of CSR Procurement

The Mitsubishi Rayon Group acts in line with its basic policy of undertaking fair and transparent transactions. Contributing to the realization of better lives on a sustainable basis, the Group formulated the CSR Procurement Policy to gain the cooperation of suppliers and build healthy business relationships with them.

CSR Procurement Policies

1. Compliance with laws and social standards

We will maintain high ethical standards and adopt a basic stance of complying with laws and social standards to conduct sound purchasing and procurement, and we will endeavor to operate fairly and equitably.

Securing the ecological soundness and safety of products purchased

We will always place top priority on environmental considerations and maintenance of safety when purchasing and procuring products and services.

Respect for human rights and improvement to working conditions

In purchasing and procurement, we will respect the fundamental human rights of workers and carry out our operations without unjust discrimination. In parallel, we will strive to ensure the safety and health of all those working in the Mitsubishi Rayon Group's workplaces and to improve working conditions.

4. Development of partnerships

We will maintain mutual relationships of trust with all business partners under the fundamental awareness that we are working together, mutually for business implementation and for conducting fair and transparent purchasing and procurement.

5. Requests for business partners

- (1) Compliance with laws and social standards
- (2) Provision of products and services whose ecological soundness and safety have been ensured
- (3) Initiatives for raising respect for human rights and improving working conditions
- (4) Provision of satisfactory quality and prices, reliable delivery periods and timely information

Established in March 2008

■ Requesting Suppliers Complete and Submit the CSR Procurement Questionnaire

For suppliers who have been asked to complete and submit Mitsubishi Rayon's CSR Procurement Questionnaire, please download the form by clicking the link below.

Please fax or email the completed form to the designated Mitsubishi Rayon manager.

^{*}Suppliers who submit questionnaires without being requested to will not receive a reply. Thank you for your understanding.

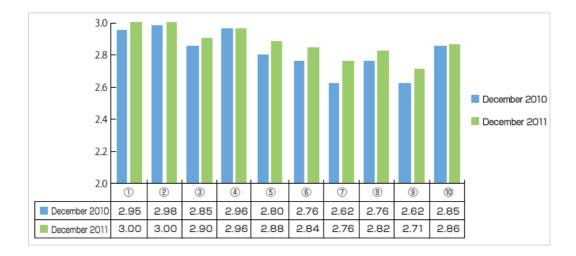
The fiscal 2011 survey on distribution companies reveals the same trend as the Group's suppliers, with results for questions (7) and (9) of the survey (see table below) remaining low.

Distribution Questionnaire:

Self-evaluation standard regarding the status of initiatives

- 1: Will take action to thoroughly familiarize oneself about this
- 2: Actions to date remain insufficient
- 3: Initiatives almost completely implemented

	Requirements	Outline of measures	Self- evaluation
1.	Compliance with laws and social standards	(1)Compliance with laws applied to business activities including the Company Law, Antitrust Law, Subcontract Law, intellectual property rights regulations, labor regulations, traffic regulations and environmental regulations	
		(2)Have no questionable relationships with politicians and governments, and have not come under the influence of, or have developed close ties with, antisocial forces and groups	
		(3) Value stakeholders connected to business activities, including customers, consumers, local communities, shareholders, investors and business partners while working to maintain and expand appropriate and effective relationships with them	
		(4)Appropriately manage access, use and disclosure of personal and customer information	
2. Provide services that secure ecological soundness and safety		(5)Promote the provision of services that take ecological soundness and safety into consideration	
		(6)Work to ensure safety and reduce environmental load during business activities and in overall services	
3.	Measures to improve and augment respect for human rights and working	(7)In the spirit of the Global Compact, endorse internationally accepted rules regarding human rights, labor standards, the environment and corruption prevention to the degree in which these items affect distribution companies	
	conditions	(8) Value employee human rights, personalities and individuality, ensure a safe and comfortable workplace, and assist in career and skills development	
4.	Satisfactory distribution quality and prices, and	(9)Constantly undertake R&D into new products and services, and provide socially beneficial products and services to customers	
	timely information provision	(10)Deliver only fair-priced services of satisfactory distribution quality while providing useful information services related to products	
			Total



We also conducted surveys of distribution companies' energy conservation initiatives by selecting the following self-evaluation criteria, which will enable us to quantitatively evaluate the energy conservation measures of suppliers in the future:

- Strengthen administrative systems through green management certification and energy use visualization
- Reduce CO2 emissions by promoting modal shifts
- Undertake recycling

In fiscal 2012, Mitsubishi Rayon will continue to inform suppliers about and jointly raise awareness of CSR procurement activities. In addition, we will reduce the use of raw materials containing harmful substances by engaging in green procurement. Although we currently rely on customer self-evaluations, we will work to enhance mutual CSR activities through on-site visits.



Relationships with Employees

In order to maintain both sustainable business growth and employee satisfaction, the Mitsubishi Rayon Group respects the diverse talents of its employees while creating workplaces that offer them opportunities to achieve their ambitions and fully display their skills.

Human Resource Development

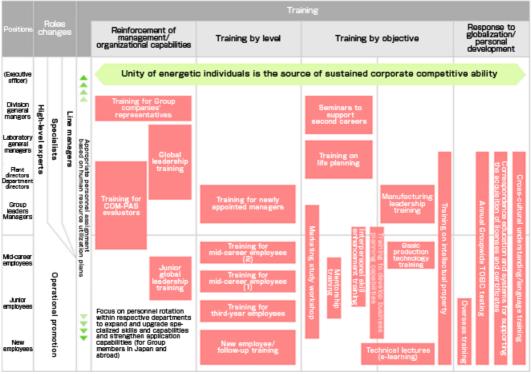
Based on its view that the capabilities of people and organizations are the key source of corporate growth and competitive ability, the Mitsubishi Rayon Group views human resource recruitment, training and application as important management challenges, and focuses its efforts on these areas.

■ Training Programs

The Mitsubishi Rayon Group supports employees' efforts to develop their capabilities and skills by combining daily on-the-job (OJT) training with training programs and activities that assist in personal development. The Mitsubishi Rayon Group has adopted human rights education, legal compliance, thorough enforcement of corporate ethics, and the promotion of safety and environmental management as common themes of the training programs it has designed for new employees and managers. In addition, in view of the Group's increasing global operations, it is increasing its efforts to train individuals who can serve as managers based on their understanding of cultures and systems of the regions where they are assigned.

Main training system

- Personal development training
- Training for newly appointed managers
- Life planning training



■ COM-PAS Target-based Personnel Evaluation System

The Mitsubishi Rayon Group takes the view that strong unity of direction across all Group members is critical for its sustained development as a group of US* companies. Based on this view, the Group has introduced a personnel performance evaluation system that stimulates communication within its organization, provides employees with common organizational targets, and accurately rates individuals who work hard and succeed in achieving the targets. This system is nicknamed COM-PAS (Communication, Plan, Action & Success). To make the system more effective, the Group offers manager-focused training to evaluators on an annual basis in order to increase the fairness, persuasiveness and transparency of the evaluations. The Mitsubishi Rayon Group believes that this target-based personnel management process, from target establishment to performance evaluation, maximizes the capabilities of individual employees and, by extension, allows the entire Group to display its organizational strength.



Training for COM-PAS evaluators

* US

US stands for Uniqueness Specialties, which are projects combining originality and advantages at the same time.

Work-Life Balance

■ Measures for Supporting Efforts to Balance Work and Family Life

Since fiscal 2005, the Mitsubishi Rayon Group has established and implemented its Action Plan for General Business Operators in accordance with the Act for Measures to Support the Development of the Next Generation. This action plan helps us boost corporate vitality and contribute to society through the development of better working conditions for Group employees, which includes supporting their efforts to balance work and family life. Mitsubishi Rayon's latest measures are as follows.

Action Plan for General Business Operators in accordance with the Act for Measures to Support the Development of the Next Generation (Fourth)

The following action plan has been formulated to enable all employees to reach their full potential by creating positive working environments that allow them to both work and raise children.

1. Two-year plan from April 1, 2012 to March 31, 2014

2. Overview

<Objective One>

Create an environment that makes working and raising children easier for male and female employees and, in turn, fosters an ongoing sense of enthusiasm toward for their duties. The following measures commenced in April 2012:

- Create Groupwide mechanisms that encourage employees to feel positive about returning to work mainly through consultations with those taking parental leave
- Encourage male employees to participate in child rearing
- Promote and entrench proper understanding and management of work-life balance support systems

<Objective Two>

Undertake measures to create enthusiastic and dynamic workplaces The following measures commenced in April 2012:

- Enhance measures to reduce overtime work and encourage employees to take paid vacations
- Strengthen measures to increase mutual understanding and cooperation among employees with diverse backgrounds

<Objective Three>

Bolster measures that foster the development of the next generation The following measures commenced in April 2012:

- Increase opportunities for children to tour their parents' workplaces
- Provide opportunities for youth to learn about different professions and receive hands-on work experience

In 2008 and 2010, the Group was certified by the Tokyo Labor Bureau as a General Business Operator Conforming to Standards based on the Act for Measures to Support the Development of the Next Generation and obtained the Kurumin Certification Mark. In June 2010, the Group received the Tokyo Labor Bureau Director's Excellence Award from the Ministry of Health, Labour and Welfare at the Commendations for Equal and Balancing Promotion Companies (Family-Friendly Company category). In addition to enhancing work-life balance support systems, we are promoting the realization of continuous work-life balance by cultivating a corporate culture that values mutual respect and understanding for various lifestyles and values.



Next Generation Kurumin Certification Mark



Booklets distributed to promote efforts for improving work-life balance

■ Welcome Back Scheme

Mitsubishi Rayon launched the back-to-work registration scheme for former employees in January 2008 to give former Mitsubishi Rayon employees who had left voluntarily the opportunity to return to work with the Company. Registration is open to all former employees regardless of their reason for leaving, including childbirth and nursing. This is a new back-to-work scheme which meets various changes in life stages.

For a More Enjoyable Working Environment

■ Human Rights Protection

The Mitsubishi Rayon Group respects human rights and strives to create fair working environments for employees. In addition, the Group is seeking to raise awareness of the need to respect human rights by giving human rights education lectures in various Group employee training programs. With regard to sexual harassment and workplace bullying, the Mitsubishi Rayon Group has spelled out its position of zero tolerance in its employment regulations. The Group is raising awareness of sexual harassment through in-house magazines and employee training programs. In addition, the Group has set up sexual harassment counseling desks in head offices, branch offices and production centers, and has established a committee to formulate countermeasures in a bid to develop a system able to rapidly respond to any form of sexual harassment.

Employment of People with Disabilities

As part of its CSR activities, Groupwide efforts are made to hire more people with disabilities and develop facilities to accommodate them in an attempt to achieve and exceed the statutory requirement.

■ Reemployment policy

The Mitsubishi Rayon Group launched a reemployment policy in fiscal 2001. The Group is reemploying workers in accordance with the intention of the Law Concerning Stabilization of Employment of Older Persons (revised in 2006). In principle, all employees, including managers, are eligible for reemployment after the age of retirement based on the conditions specified by the Group. The Mitsubishi Rayon Group ensures compatible working styles for reemployed individuals so that they continue to feel as motivated as ever.

■ Mentorship System

Mitsubishi Rayon introduced the Mentorship System in fiscal 2009. This system encourages senior employees to provide ongoing support and guidance to young career employees in order to help them adapt to the work environment, encourage their development into full members of society and improve their job performance.

■ Support for Resuming Work after Forced Absences Due to Illness and Injury

If is important to prevent physical and mental illness and injury through lifestyle improvements and everyday care. If employees do become ill or injured, it is essential to create an environment that allows them to concentrate on their treatment for the required length of time and then return to work without any problems. In view of this need, in April 2008 the Mitsubishi Rayon Group established programs and systems that support the trouble-free resumption of work after leave taken due to physical and mental ailments. Mitsubishi Rayon offers follow-ups to sick employees in cooperation with contracted occupational physicians while they are undergoing treatment. In addition, we produce a work resumption program for each employee following his or her application to resume work. Based on the program, Mitsubishi Rayon workers can return to work in two stages, which consist of working on a trial basis and shorter working hours upon returning to work. These new support initiatives allow employees to gradually build up to a return to full time work after a required preparatory period.

Occupational Health

■ Promotion of Mental Health

With regard to mental healthcare, the Mitsubishi Rayon Group established the Mitsubishi Rayon Mental Healthcare Guidelines in fiscal 2002, distributed a booklet on the subject to Group employees and organized related seminars. Through these and other activities, we are making a proactive effort to maintain and promote mental health. In fiscal 2006, the Group introduced a counseling system using specialists. This system was made available on the Internet in April 2008, making it easier for employees overseas to use. In addition, we have set up a system that allows employees to work on a trial basis or shorter working hours upon their return to work after a long period of absence due to unavoidable circumstances, including a mental or physical illness or injury. This assists them with making a smooth transition to resuming work.

Employment

■ Basic Policy for Employing Recent Graduates and Mid-Career Workers

The conditions in which companies operate are changing on a daily basis along with social frameworks. The Mitsubishi Rayon Group continues to hire a diverse array of promising individuals in order to survive under these conditions and to achieve the Group's goals. The Group's employment strategy is to concentrate on career workers on an as-needed basis, in addition to the periodic recruitment of recent graduates.

Internship

Mitsubishi Rayon offers an internship program which is available mainly to students from universities, graduate schools and technical colleges. Each Mitsubishi Rayon production center receives 10 to 30 students every year, which gives the students the opportunity to gain firsthand experience in manufacturing and research on-site and to consider their career options. Mitsubishi Rayon makes the internship program available to foreign students in Japan as well.



CSR Report

KAITEKI Report 2012

CSR reports of Mitsubishi Chemical Holdings are available from here KAITEKI Report 2012 □

Back Number

This site provides details of the Mitsubishi Rayon Group's CSR Activities in FY2011.



FY 2001 (PDF:1.2MB)



FY 2002 (PDF:301KB)



<u>FY 2003</u>) (PDF:421KB)



<u>FY 2004</u> (PDF:621KB)



<u>FY 2005</u> (PDF:5.0MB)



<u>FY 2006</u> (PDF:6.4MB)



<u>FY 2007</u> (PDF:4.4MB)



<u>FY 2008</u> (PDF:7.1MB)



<u>FY 2009</u> (PDF:3.8MB)



<u>FY 2010</u> (PDF:4.2MB)



<u>FY 2011</u> (PDF:3.5MB)