Environment and Safety

Basic Policy

Mitsubishi Chemical (MCC) has established the Environment and Safety Principles as well as Policies Related to Environment and Safety, and it implements activities related to process safety and disaster prevention, occupational safety and health, and environmental conservation.

Environment and Safety Principles

- 1. Safety lies at the foundation of the company's very existence, and ensuring safety is the company's social responsibility.
- 2. The company has an obligation to conserve and improve the environment and become an entity that is friendly to both people and the planet.

Policies Related to Environment and Safety

- 1. We will comply with social rules and standards, including corporate ethics in addition to applicable laws.
- 2. We will pursue zero accidents and zero occupational injuries.
- 3. We will reduce our environmental impact to prevent global warming and protect the natural environment.
- 4. We will educate our employees about the environment and safety so that they can act with awareness of their own responsibilities.
- 5. We will communicate closely with society to enhance understanding and trust.
- 6. We will continue making improvements by utilizing the latest technologies and available internal and external information.

Based on the above environment and safety principles and policies, every year, MCC creates a Group environment and safety action plan. The plan reflects the results of the previous year's plan and audits and lays out yearly targets, policies and key measures.

The fiscal 2017 plan included the annual targets of zero serious process safety incidents, zero serious occupational accidents, zero environmental incidents and contribution to the global environment. The annual policy under the plan was to effectively understand workplace weaknesses and steadily make improvements. In line with this plan and the status of each workplace, we carried out environment and safety activities.

Audits of Environment and Safety Activities

MCC conducts safety audits and environmental audits covering 16 plants, one R&D center and 88 domestic and overseas Group company sites.

In fiscal 2017, MCC conducted safety audits of 15 plants and 20 Group company sites as well as environmental audits of nine plants and one Group company site. Through the audits, MCC checked and evaluated the workplaces' PDCA cycles based on audit subjects designated in the fiscal 2017 audit plan and provided guidance related to needed improvements.

MCC checks to confirm that audited plants and Group companies are working to make necessary improvements by, for example, improving their facilities or reviewing their standards in response to guidance provided as a result of such audits.

| | FY2017 audits performed | Total issues identified | FY2017 audit plan audit subjects |
|-----------------------------|------------------------------------------|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Safety audits by MCC | MCC: 15 plants Group companies: 20 sites | 165 | Implementation of action plans Implementation of measures to prevent occupational accidents, other incidents and their recurrence Compliance with safety laws |
| Environmental audits by MCC | MCC: 9 plants Group companies: 1 site | 45 | Compliance with environmental laws PDCA cycles for environmental conservation activities |