



Responsible Care[®]
OUR COMMITMENT TO SUSTAINABILITY

JSR Group CSR Report 2016
Independent Review Report

July 13, 2016

To: Mitsunobu Koshiba
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Chief Director, Responsible Care Verification Center
Japan Chemical Industry Association

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■ Objective of Verification

This Responsible Care report verification is performed by the Responsible Care Verification Center with respect to the JSR Group CSR Report 2016 (Print Version and Online Version) prepared by JSR Corporation (hereinafter, "Report"), with the objective of verifying the following and reporting opinions from the perspective of a chemical industry specialist.

- 1) The reasonableness of the methods of calculation and aggregation of performance indices (numerical data), and the accuracy of the numerical data
- 2) The accuracy of information other than numerical data
- 3) Responsible Care and CSR activities
- 4) Characteristics of the Report

■ Verification Methodology

- At the Head Office: An inspection concerning the reasonableness of the aggregation method of numerical data reported from each site (office, plant) as well as the accuracy of information other than numerical data. It was conducted by interviewing relevant business managers and Report editors concerning the content as well as receiving necessary documents and explanation.
- At the Kashima Plant: An inspection concerning the reasonableness of the methods of calculation of numerical data reported to the Head Office and the accuracy of numerical data as well as the accuracy of information other than numerical data. It was conducted by interviewing relevant business managers and Report editors, receiving necessary documents and explanations, and checking them against evidence.
- The numerical data and other information provided in the Report were inspected by sampling.

■ Opinion

- 1) The reasonableness of the methods of calculation and aggregation of performance indices (numerical data), and the accuracy of numerical data

In this item, we have confirmed the following:

- Reasonable methods were adopted for the calculation and aggregation of numerical data at both the Head Office and the Kashima Plant.
- Within the inspection, the numerical data is calculated and aggregated accurately.

- 2) Accuracy of information other than numerical data

In this item, we have confirmed and inspected the following:

- Information provided in the Report is accurate. Some suggestions were given at the drafting stage concerning inappropriate expressions and difficult-to-understand text; however, they have all been corrected in the current report.

- 3) Responsible Care (RC) and CSR activities

In this item, we have confirmed that JSR took very seriously the serious labor accident that occurred at the Yokkaichi Plant in July 2014 and launched two Group-wide projects, "Safety Infrastructure Reform Project" and "Workplace Accident Eradication Project."

And we have confirmed the following:

- a. The Safety Infrastructure Reform Project engaged in review and implemented measures related to "organization, system and equipment" of the safety infrastructure.
- b. The Workplace Accident Eradication Project implemented measure for equipment to prevent workplace accidents and identified issues, and proposed measures related to "people and culture" of the safety culture.

Furthermore, we have proposed measures related to "people and culture" of the safety culture; and we hope that measures and proposals will be completed and that safety infrastructure and safety culture will be reconstructed well.

- We have confirmed that dialogue between experts and JSR directors is planned every year.

We greatly admire that opinions in this dialogue was disclosed in the CSR Report, and the results of the dialogue were reflected in JSR Group CSR activities. This entire process is quite admirable.

- It is admirable that the following activities are steadily achieving results.

We appreciate the following about the RC activities at Kashima Plant:

The main theme of the activities was "reducing environmental impact," which had two targets, "mid- to long-term targets" and "fiscal target".

<Mid- to long-term targets>

Kashima Plant has accomplished the followings:

- a. Installment of a large-scale grand flare
- b. Installment of a regenerative thermal oxidizer
- c. Switching Kashima South Joint Power Corporation fuel from heavy oil to natural gas

<Fiscal target> "Energy conservation and CO₂ reduction plan"

Kashima Plant has accomplished following:

- a. Switching large-size motors to inverters
- b. Continuous efforts in various energy-saving items including renewal of deteriorated distillation columns
- c. Continuing zero occurrence of environmental-related complaints (odor, noise, etc.) through improvement of equipment and operational procedures
- d. Achieving 14.3% reduction of CO₂ emissions in FY2016 compared to the target of a 6% reduction against FY1991, and achieving 79% reduction of VOCs emissions in FY2016 compared to the target of 70% reduction against FY2001.

- 4) Characteristics of the Report

- This Report consists of an Online Version that reports JSR Group initiatives on CSR activities with comprehensive data and Print Version that summarize the highlights of the Online Version.