Nikka-chan: JCIA’s official character

vegetable oil ink, which exerts little burden on the environment, is used.

Access

Kayabacho Station (Tokyo Metro Hibiya Line)  
Walk straight ahead from Exit No. 3 and turn right at the Shinkawa 1-chome Intersection.

Approximately 3 minutes on foot

Kayabacho Station (Tokyo Metro Hibiya Line)  
Walk straight ahead from Exit No. 1, turn left at the intersection with a Family Mart store, and then turn left at the Reiganjima Intersection.

Approximately 3 minutes on foot

Hatchobori Station (JR Keiyo Line)  
Approximately 8 minutes on foot from Exit No. B1

Contacts

General Affairs  
Department  
TEL 03-3297-2560  
FAX 03-3297-2610

Public Relations  
Department  
TEL 03-3297-2565  
FAX 03-3297-2615

International Affairs  
Department  
TEL 03-3297-2576  
FAX 03-3297-2615

Department of Business/Economic Information  
TEL 03-3297-2559  
FAX 03-3297-2615

Labor Department  
TEL 03-3297-2563  
FAX 03-3297-2615

Technical Affairs  
Department  
TEL 03-3297-2578  
FAX 03-3297-2615

Environment and Safety  
Department  
TEL 03-3297-2568  
FAX 03-3297-2606

Chemicals Management  
Department  
TEL 03-3297-2567  
FAX 03-3297-2606

LRI  
TEL 03-3297-2575  
FAX 03-3297-2606

Responsible Care  
Department  
TEL 03-3297-2583  
FAX 03-3297-2606

Chemical Products  
PL Consulting Center  
TEL 03-3297-2650  
FAX 03-3297-2604

Dream Chemistry 21  
Committee  
TEL 03-3297-2555  
FAX 03-3297-2615

This print material uses paper certified by the Forest Stewardship Council made from materials from property managed forests. For printing ink, vegetable oil ink, which exerts little burden on the environment, is used.
Message from the Chairman

Key Words: “Safety,” “Innovation,” and “Communication”

—The chemical industry will contribute to society by committing to solve global issues—

Throughout history, the chemical industry has supported the development of society. Today, as we are faced with environmental problems like climate change and global challenges in areas such as food, population, water, energy, health, and hygiene, that role is becoming even more important. At the same time, we will be even more proactive to engage in efforts to establish "security and safety" throughout the industry. At the same time, we will be even more proactive to supply information to nonmember chemical companies and other industries and providing them with support and cooperation. In order to establish a high level of safety, it is essential for the top executives of organizations to continue to act with a strong sense of crisis and urgency. The JCIA will aim to raise awareness through various activities and provide opportunities for the supply and exchange of information.

Furthermore, we will continue efforts on promotion and enlightenment for member companies so that Responsible Care ensuring effective safety, environmental, and health standards are put into practice in every process, from the manufacture of products to their disposal.

Promoting the Creation of Innovations
—Offering solutions to world-scale issues

The second key action, "creation of innovations that contribute to society," moves toward the realization of a sustainable society through innovation. The chemical industry has tremendous potential as a solution provider to solve the many challenges facing humankind in the twenty-first century. To achieve this goal, it is necessary, to develop innovative technologies and design new business models. As an advocate for the infrastructure required to launch innovations and move forward, JCIA will call on the government to adopt preferential measures and build an environment for the promotion of research and development.

Today, Japan’s population is declining, so expanding domestic demand will not be easy. From a global perspective, the environment surrounding Japan's chemical industry, which relies heavily on imports for resources, is difficult, and its cost competitiveness is weak. Under these circumstances, the only way to survive and contribute to a sustainable society is to provide high added value. I believe that the Japanese chemical industry, which has great potential to supply beneficial solutions, is capable of creating new innovations that will resolve challenges on a global scale and provide new values to society.

Sending a Clear Message
—For better understanding of the chemical industry—

The third key action, "enhancing communication with society," is an important point as well. JCIA has been sending out clear messages in an attempt to improve society's understanding of the chemical industry; moving forward, we must strengthen these efforts coordinating with international organizations to heighten communication around the world in an effort to advance acknowledgement and support of the chemical industry.

In this regard, the International Council of Chemical Associations (ICCA)* Board of Directors meeting and symposium held in Japan in May this year, the first time outside Europe and the United States, was an excellent opportunity to convey the efforts of the global chemical industry to the wider world. In addition, the ICCA and other related organizations will display leadership in promoting the industry’s position and engagement at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21*) to be held in Paris in 2015. An international framework for reducing global greenhouse gas emissions is expected to be agreed upon at COP21. Furthermore, as soon as the “sustainability package” combining technologies and efforts relating to chemicals management, Responsible Care, and environmental safety has been compiled, JCIA will disseminate this information in Asian countries in collaboration with local authorities, companies, and others.

The chemical industry is wide-ranging and more complex than other industries. Therefore, we must explain the potential and contribution of various products, one by one, and send out a clear message that the chemical industry is essential to the development of society.

Fostering of the Highly Motivated and Passionate Human Resources Needed by the Chemical Industry

The Japanese chemical industry has by far the greatest potential for providing solutions to the global challenges facing us today. However, these innovative solutions cannot be achieved overnight. The creation of a single innovation is a long-term commitment for 20 or 30 years. However, the most important factor to successful innovation is human resources. The development of an outstanding skilled work force is key to ensuring security and safety which I mentioned at the beginning of this message.

What the Japanese chemical industry needs now are people with aspirations to compete on the front lines of a global business world, a bold and challenging spirit, and a passion to create new things. For this purpose, JCIA is not only looking close at home but also taking a long-term perspective. While helping to train current employees in the industry, we are also devoting our efforts to developing the next generation of workers. So far we have taken measures at each stage, from elementary schools to graduate schools, and we will continue to support career development opportunities to foster the “new” leaders of the chemical industry in the next generation.

Demands on the chemical industry will only increase with time. We at JCIA will enhance our efforts in various ways in order to meet these needs.

August 2014

Chairman of the Japan Chemical Industry Association

01 JCIA Annual Report 2014

CONTENTS
01 Message from the Chairman
03 Priority Themes in FY 2014
04 CLOSE UP 2014
05 ICCA Board of Directors Meeting, First Held in Japan
07 Social Contributions of the Chemical Industry
09 Special Topic I
Chemicals Management Initiative
11 Special topic II
The JCIA’s Safety and Disaster-Prevention Efforts
13 Responsible Care (RC)
15 Summary of Activities
17 JCIA’s Activities
Society and Environment
20 JCIA’s Activities
Technology and Human Resource
23 JCIA’s Activities
Messages to Society
24 Introduction of the New Members
25 Glossary
26 Expectations of JCIA

JCIA Annual Report 2014 02
Priority Themes in FY 2014
JLCIA’s Director General Speaks about Priority Themes in FY 2014

Establishment and Dissemination of Sustainability Package and Chemical Day

From FY 2014, JLCIA is taking account of medium-term priority issues in its business plans. For a start, in the current fiscal year we have taken up and are actively promoting two themes: “deployment of a Sustainability Package in Asia” and “enhancing the presence of the chemical industry.”

Aimed at supporting Japanese companies operating in Asia, “deployment of a Sustainability Package in Asia” is an effort to package and supply locally the practice of Responsible Care and support infrastructure nurtured by JLCIA over more than a decade in the areas of chemicals management and safety and environmental measures. Since it is easier to build relations with national governments, industrial circles, and foreign companies, we intend to use these connections and expand them together with Japanese companies operating locally. Deployment has already begun in such countries as Thailand, Vietnam, and Indonesia.

The second theme is “enhancing the presence of the chemical industry.” The chemical industry has a major role to play in the building of a sustainable society, but understanding of the chemical industry by society and citizens is not adequate. In order to foster understanding of the chemical industry’s contribution to society, in cooperation with scientific societies and other organizations, we have designated October 23 as Chemistry Day and the week including October 23 as Chemistry Week and are currently making efforts to promote Chemistry Day and Week. In FY 2014, we are planning various activities including special lessons for junior and senior high school students, chemical experiment shows for children, and events at universities utilizing their open campuses and other facilities. We hope that young people actively participate in these events, deepen their interest in chemistry, and become aware of the enormous potential of the chemical industry.

Director General, JLCIA

CLOSE UP 2014
ICCA Board of Directors Meeting, First Held in Japan

On May 29, 2014, the Board of Directors which is the highest decision-making organ of the International Council of Chemical Associations (ICCA) met worldwide for the first time in Tokyo. This was the first time the Board meeting is held in Asia.

There are many challenging issues in the world, for example, population growth, food problem, energy issue, global warming, and others that require a global response beyond national boundaries. The chemical industry must play a significant role in solving these challenging issues in order to promote a sustainable society. Because the chemical industry produces materials, technologies, and products for every other industry.

ICCA engages in discussions on the opinions and policies from the industries concerned with the global challenging issues and offers opinions to the policy decision makers. In addition, ICCA promotes the voluntary initiative toward the thorough implementation of appropriate management of chemicals and products as well as the development of standards. The activities of ICCA are getting more important making quick and correct judgments in response to the continuously changing world situation is required.

On this page, the resolutions made at the ICCA Board of Directors meeting are introduced and the “Special Seminar by ICCA” which were held taking advantage of the first meeting of the Board in Japan are reported and described.
Chemistry Can Contribute Most to the Energy Saving among All Industries
Finally, the chair of "Energy and Climate Change" LG, Mr. Shiogden Otuka took the rostrum and gave a speech on the "Chemical Industry as A Solution Provider." Mr. Otuka presented how the chemical industry has the highest potential for contributing to the energy-saving among all industries demonstrating that chemical products are used in 96% of all the products in the world, and that the products and technologies that are provided by the industry can reduce energy consumption by 47% and greenhouse gas emissions by 50% by 2050.

RC in the Midst of Expansion
First, the chair of "Responsible Care" LG, Dr. Hans Jürgen Korte, gave a speech. Dr. Korte presented in figures the actual performance of the industry that has been improved by RC and introduced examples of the values and evaluations obtained through the activities for each of the countries concerned. In addition, he introduced the recent initiatives of technical support and capacity building in progress in the emerging countries of Asia and Africa, demonstrating the steady extension of the countries and regions practicing RC.

Necessity of Appropriate Chemicals Management Worldwide
Next, the co-chair of "Chemical Policy and Health" LG, Dr. Martin Kayser took the rostrum and explained the Global Product Strategy (GPS) which is a major initiative as RC in the ICCA. Dr. Kayser insisted on the importance of appropriate management of the chemicals worldwide while introducing some tips for promoting GPS and referring to the guidance which is displayed in 8 languages. In addition, the BASF plan was also introduced with respect to risk assessment and disclosure to the general public.

As the same co-chair of "Chemical Policy and Health" LG, Dr. Michael Witt explained the cooperation by ICCA with UN organizations. Dr. Witt introduced the building of a collaborative relationship with UNESCO and the role of human resource development related to the chemical safety, and construction of chemicals management system. Especially as a specific example, the progress of an initiative aiming at safety management of chemicals at the main ports in Kenya and Ghana was introduced.

Discussions on the Future of Chemical Industry
ICCA Symposium was held on the same day ICCA Board of Directors meeting was held on the theme of "What Should Chemistry Aim at in 21st Century?" Approximately 400 persons gathered at this symposium, including top managers of ICCA member corporations and organizations, listening to the enthusiastic speech of the presenters on behalf of the "chemical industry."

Dr. Ryoji Noyori, President of RIKEN, Sending Cheers to Chemical Industry [Keynote Lecture]
Dr. Ryoji Noyori, President of RIKEN, a doctor and a winner of the 2001 Nobel Prize in Chemistry, marked a start of the symposium. ICCA asked Dr. Noyori to give a lecture titled "Chemistry Shapes Our Future" from the viewpoint of the representative of academia. After starting his lecture by saying that the opportunity he had of gaining an interest in chemistry was the starting point and by alluding to the charm and possibilities of chemistry “which can create value from nothing,” Dr. Noyori elaborated, with a sense of giving encouragement to the chemical industry, on the challenging issues that Japanese chemical industry has to solve in order to achieve further growth of the industry and on the necessity of wisdom and preparation, collaboration and interaction across the borders of the various fields.

In the panel discussion, each of the three top managers of Japan, the U.S., and Europe made speeches and expressed their own thoughts on the possibilities of chemistry and the role the industry has to assume for the realization of sustainable society.

Messages from the World’s Top-level Managers [Panel Discussion]
Dr. Bock: In the future global climate, it is necessary to consider the issues of "population growth and urbanization," "resources," and "food" and it is also important to embrace a commitment to solving the problems and to communicate the role and contribution to society.

Dr. Kobayashi: The number of the patent applications in the chemical industry accounts for 35% of the world total. It is only the chemical industry that will continue creating technological innovation on a revolutionary scale and contribute to human society at large in the future.

Dr. Kayser insisted on the importance of appropriate management of the chemicals
That can help to improve and introduce examples of the
Dr. Kayser insisted on the importance of appropriate management of the chemicals
That can help to improve and introduce examples of the
As one of the key industries, the chemical industry contributes to society by supplying raw materials, synthetic materials, and so on to various industries. Housing, a familiar topic to all of us, is, on this occasion, presented as a specific example of the contribution made by chemistry.

Outline of Chemical Industry of Japan (by Graphs)

- **Value of Shipment (FY 2012)**
  - $30 trillion
  - Richest in manufacturing industries

- **Number of Employees (2012)**
  - 86
  - Ranks third in manufacturing industries

- **R&D Expenditures (FY 2012)**
  - 10 trillion
  - Richest in manufacturing industries

- **Capital Investment (FY 2012)**
  - $1.2 trillion
  - Richest in manufacturing industries

Achievement in Reduction of Greenhouse Gas Emissions through the Chemical Industry’s Voluntary Action Plans

- **Total amount of emission (FY 2015)**: 54.2 million tons
- **Comparison with Emissions in Base Year**:
  - 2015: 57.9 million tons
  - Base year: 62 million tons

JCIA at a glance

- **Name**: Japan Chemical Industry Association (JCIA)
- **Established**: April 1948—JCIA formed as a voluntary association
- **April 1991**: Incorporated as a legal entity
- **April 2011**: Shifted to a general incorporated association

**Mission**:
As the leading trade association of the Japanese chemical industry, JCIA seeks to promote the healthy development of the chemical industry through the research and study of production, distribution and consumption of materials relating to the chemical industry. JCIA also focuses on the research and study of various issues relating to technology, labor environment and chemical safety of the industry, and on planning, appropriate measures and actions to the economic prosperity of Japan and the betterment of the national standard of living.

**Activities**:
1. Research and study on the production, distribution and consumption of chemical products.
2. Research and study on issues concerning technology, labor, environment, chemical safety, etc., as well as planning and promoting measures and actions.
3. Consultations for outstanding achievement in new technologies and safety records.
4. Collection and dissemination of information, communications and cooperation with related organizations in Japan and overseas.
5. Public outreach and advisory activities, workshops and seminars.

**Committees**:
- Policy Coordinating Committee
- Councilors’ Committee
- Public Relations Committee
- International Affairs Committee
- Economy and Tax System Committee
- Environment and Safety Committee
- Technical Affairs Committee
- Responsible Care Committee

- **From April 1 to March 31 of the following year**
- **Number of members**: 177 companies and 79 organizations (as of July 1, 2014)
Chemicals Management Initiative

Aiming at the Sustainable Development of Chemical Industry through Chemicals Management at the Global Level

International trend related to chemicals management

With “World Summit on Sustainable Development (WSSD)” which was held in Johannesburg in 2002 as a turning point, today’s chemicals management is based on the agreement aiming that by 2020, chemicals are produced and used in ways that minimize significant adverse effects on human health and the environment, taking into consideration that precautionary principle using risk assessment and management methods based on transparent science. A “Strategic Approach to International chemicals management (SAICM)” has therefore been developed resulting in a clear paradigm shift from hazard-based management focusing only on conventional chemical substance-specific hazards to a risk-based management based on scientific methods. Under these trends and moves, both of government and private sector are developing various measures and JCIA is conducting various activities to support its members to solve the challenging issues encountered.

Preparation and publication of “GPS/JIPS Safety Summaries” reflect corporate attitude towards chemicals management

Executive Director, JCIA
Ph.D. in pharmacology
Fumiaki Shono

Development and promotion of GPS/JIPS activities

Chemical industry is proactively promoting Responsible Care (RC) activities and Global Product Strategy (GPS) led by the International Council of Chemical Associations (ICCA), to which JCIA belongs.

GPS is one of the voluntary initiatives to minimize the risk of the chemical products in the whole supply chain through the disclosure of information on safety, risks, and management method to the benefit of the general public as well as to conduct risk evaluations by corporations for their chemical products and proper risk-based management. The “Risk Assessment Guidance” has been established and published for the purpose of promoting such voluntary initiatives.

JIPS* (Japan Initiative of Product Stewardship) is the Japanese version of GPS. It discloses the information to the general public including customers by uploading the information in the form of “GPS/JIPS Safety Summaries” to ICCA website of "GPS chemicals portal.”

JCIA rolled out a GPS/JIPS promotion campaign from November 2013 to April 2014, as a result the number of Safety Summaries has reached to a record of a total of approximately 350 issues uploaded by Japanese companies so far encouraging expectations of a further increase in the number of uploads in the future.

The entire chemical industry is promoting GPS/JIPS and aiming the achievement of WSSD 2020 goal through risk reduction in the whole life cycle from the manufacturing of chemical products to the disposal of waste.

Promoting the scheme of “Information communication” in the supply chain

The “SCRUM project” (Project of Supply chain Chemical Risk management and Useful Mechanism discussion) has been launched through the collaborative work with the Joint Article Management Promotion-consortium (JAMP)** from the viewpoint of “management of chemicals in products” for the purpose of sharing the chemical risk information with cross-sectional industries. Their activities have been promoted to establish a scheme for sharing risk information on chemical substances throughout the supply chain from the manufacture, use, and discarding of the chemical products and to propagate the scheme. In October 2013, “The draft guideline for the risk management of chemical substances in the supply chain (1st edition)” has been developed and published for the implementation of risk management of chemical substances through the supply chain and for its propagation.

On the other hand, Ministry of Economy, Trade, and Industry has launched the “new project to study regarding chemical substance regulations and the deployment of Japanese corporations to Asian countries” in May last year, and various types of discussions were made on the concept of the communication scheme for the chemical substances contained in products through the supply chain, and their concept has been summarised. JCIA participated in the project as one of the members.

JCIA promotes the further activities for aiming the achievement of WSSD 2020 Goal under a government-private partnership.

 chậm

<Global progress of chemicals management and its challenge>

| 2002 | World Summit on Sustainable Development (WSSD) |
| 2006 | International Conference on Chemicals Management (ICCM)* |

| Laws and regulations on chemicals management |
| Activities in the chemical industry |
| Industry cross-sectional activities |

<JCIA BIGDr>

Function-1 Hazard and regulatory information search
Function-2 Browse of safety summary
Function-3 Rational preparatory tool for safety summary
Function-4 Reference materials
Function-5 Links
Function-6 Help

BIGDr: The Base of Information Gathering, sharing & Dissemination for risk management of chemical products

Risk assessment method

<Sound risk management throughout the supply chain (information communication)>
Special Topic II
JCIA’s Safety and Disaster-Prevention Efforts
We need to make further efforts to firmly establish the activity for keeping security and prevention of industrial accidents

JCIA has compiled “Safety and Accident Prevention Guidelines” and “Best Practices of Safety and Disaster Prevention, Industrial Health and Safety,” and rollout of new measure

Promotion of utilizing “Safety and Accident Prevention Guidelines” and “Best Practices of Safety and Disaster Prevention, Industrial Health and Safety,” and rollout of new measure

Yutaka Haruyama
Executive Director, JCIA

Establishment and diffusion of guidelines, and implementation of follow-up survey

In the recent 10 years, the accidents have kept on increasing. Especially, serious accidents have occurred at chemical plants last year and the year before. Based on its understanding that ensuring security and safety is the paramount issue for the chemical industry, JCIA has embarked on various efforts.

As a specific effort to prevent recurrence of serious accidents, JCIA has compiled “Safety and Accident Prevention Guidelines” and distributed them over 250 member companies and organizations as part of the implementation of usage diffusion. Furthermore, we have confirmed its utilization status and have conducted a follow-up survey from January to March this year in order to link the utilization status to the progress of security and safety activities. As a result, we found that approximately 75% of the member companies that responded to the questionnaire survey thoroughly understood the objectives of the guidelines and committed themselves to the observance of safety and accident prevention up to the top management. We have confirmed the existence of a high level of awareness among the member companies with regard to safety and disaster prevention by the above facts.

In the course of this survey, we collected many opinions and requests from the members as below:

- It is necessary to provide the reference material for the interpretation of important check-item points and the reason of their settings in order to enhance the utilization of the guidelines.
- It is preferable to share the information based on the specific utilization examples by other member companies.
- It is preferable to compile the guidelines in a form that can be utilized as training and job education material from the viewpoint of technology transfer and human resource development.

In responding to the requests above, we included specific measures in the activity plan this fiscal year (FY 2014) as new projects and measures.

- JCIA established the Safety and Accident-Prevention Study Working Group in view of the fact that a series of serious accidents had occurred, and compiled guidelines based on thorough investigations of the accident examples via the cooperation by deeply-interested industrial groups and experts.
- Sharing best practices and expansion of the range of use of them from the viewpoint of “Security Capability”

JCIA has implemented the award of safety prizes for 37 years, and summed up precedents of prize awards bestowed for “no-accident and no-disaster in the actual workplace” activities in the past from the viewpoint of the security capability in the form of a “Best Practices of Safety and Disaster Prevention, Industrial Health and Safety” which was put forward by the Japan Society for Safety Engineering (JSSE) (Japan Safety Competency Center). This summary of best practice precedents is used not only by the members of JCIA but also at the various work sites. In addition, JCIA has rolled out the utilization of the best practice precedents on a broad front, focusing on the viewpoint of enhancing the on-site security capability in conjunction with JSSE.

<Extract from “Best Practices of Safety and Disaster Prevention, Industrial Health and Safety”>

JCIA Symposium 2014 held on the theme of “Safety and Disaster Prevention”

JCIA held the “JCIA Symposium 2014” in the Keidanrenkaikan Hall on June 2, 2014.

The theme of this year was “Safety and Disaster Prevention.” General comments were given to each of the prizes awarded by JCIA (Safety Award, RC Award, and Technology Award) followed by speeches by the award winners and special speeches on the theme of safety and disaster prevention, as well as panel discussions were conducted. Two special speeches were made by Mr. Yoshitaka Terakawa, the President of DuPont K.K. and by Mr. Takashi Matsushita, Director, Managing Executive Officer & General Manager of IDEMITSU on the theme of “What does the safety mean for DuPont?” and “Safety at IDEMITSU” respectively, while the panel discussion on the theme “Safety from the Management Perspective” was chaired by Mr. Masamitsu Tamura, Professor Emeritus of Tokyo University as the moderator, and two award winners who made special speeches and Mr. Yutaka Haruyama, Executive Director of JCIA as panelists. In addition, a social gathering was held after the completion of the symposium for the purpose of deepening communication and exchange.

*Position titles are given as of the date of holding the event.
The chemical industry is committed to the safe, responsible, and sustainable management of chemical substances by all companies handling chemical substances in every process, from the development, manufacture, distribution, and use of chemical substances to disposal and recycling after final consumption. Responsible Care means voluntarily preserving environment, safety, and health, publishing the results of activities, and engaging in dialogue and communication with society in order to realize this commitment.

What is Responsible Care?

The chemical industry is committed to the safe, responsible, and sustainable management of chemical substances by all companies handling chemical substances in every process, from the development, manufacture, distribution, and use of chemical substances to disposal and recycling after final consumption. Responsible Care means voluntarily preserving environment, safety, and health, publishing the results of activities, and engaging in dialogue and communication with society in order to realize this commitment.

The Responsible Care Global Charter stipulates the guiding principles set by the International Council of Chemical Associations (ICCA) for the development of the Responsible Care Initiative. Member companies conduct activities on the basis of this charter.

In 2014, the RC Global Charter has been revised to be simpler and as specific action strategy reflecting the changes of the priority measures since its establishment. Upon revision of the Charter, CEOs of the member companies are requested to re-sign it in order to enhance awareness of RC and its worldwide implementation.

Major Points of Revision

1) Specific “action strategy” has been clearly stated in “theory and concept” mainly described in the old Charter.
2) Progress on chemicals management has been integrated.
   - Safety management for chemical products through science-based methods and risk assessment.
   - As a specific method, GPS is promoted.
3) Greater contribution to process safety and the enforcement of security measures against terrorism and cyber-attacks has been integrated.
4) Contribution of the chemical industry to sustainable development with a view to achieving the goal of WSSD 2020 has been clearly stated.
5) The message has been simplified for easier understanding by external stakeholders (international organizations, international/domestic NGOs, and others).

Implementation of Responsible Care (commitment to better safety, environment, and health)

Together with member companies, the RC Committee makes efforts to achieve the following five goals. It also promotes communication with society by publishing the results of activities.

- **Environmental Protection**
  - We shall protect peoples’ health and nature around the world.
- **Process Safety and Disaster Prevention**
  - We shall endeavor to prevent industrial accidents and adopt measures against natural disasters.
- **Occupational Health and Safety**
  - We shall protect the safety and health of working people.
- **Chemicals and Product Safety**
  - We shall clarify the properties and handling procedures of chemical products and protect the safety, health, and environment of all handlers, including customers.
- **Distribution Safety**
  - We shall endeavor to prevent accidents and disasters in distribution.

Schedule

May 2014: To finalize the draft revised Charter at ICCA Board of Directors, and to decide future plans

June 2014 and after: To ask for CEOs (or presidents) of the companies belonging to the respective ICCA member associations to sign the revised Charter

June 2015: To release the revised Charter as a means for the chemical industry to make a contribution to the attainment of the goal set for 2020, and to conduct the publication event of the revised RC Global Charter in order to publicize at ICCM-4 (in September 2015)

Topics of Responsible Care Activities in FY 2013

In FY 2013, JCIA has committed itself, as priority matters, to continual improvement of RC implementation and the degree of social awareness and to geographical expansion of RC through the support to the activities in Asian countries.

- Hosting the members’ exchange meetings: Osaka in July, Fukushima in September, and Tokyo in February
- Upgrading RC award: Establishment of RC award judging committee. Categorization of RC awards into RC grand prix award, outstanding award, and award for effort
- Preparation of JCIA’s annual report and reference materials, and hosting the meetings for reporting RC implementation status (in Tokyo and Osaka in December)
- Supporting the local dialog meetings: in 7 areas (Yamaguchi-nishi, Kawasaki, Sakai & Senboku, Iwakuni & Tottori, Osaka, Toyama & Takaoka, Niigata-kita)
- Supporting the individual dialog meetings, organizing risk communication workshops and dialog meetings with consumers
- Collaboration with RCLG: review of the reporting criteria of process safety incidents (process safety metrics) for process safety improvement

The 8th Responsible Care Awards

Awards:
- Responsible Care Grand Prize Award: Nippon Chemical Industries, Ltd.
- Responsible Care Outstanding Award (Special Recognition Award): Osaka Gas Co., Ltd.
- Responsible Care Grand Prix Award: Otsuka Chemical Co., Ltd.
- Responsible Care Grand Prix Award: Kao Customer Marketing Co., Ltd.

Members:
- Preservation of Biodiversity by Utilizing Biotope
- Safety Enhancement Activity Aiming at Improvement in Effectiveness of Risk Assessment and Fostering Human Resources for Safety
- Expansion of EHS Education by Establishing Safety Days
- Promotion of Direct Environmental Communications Activity
- Establishment of a Framework to Decrease Production Loss Utilizing Integration Power through Introduction of Material Flow Cost Accounting (MFCQA)
- Improvement in Managing Plant Drainage
- Activity of Disaster Prevention at Nissan Kayaku JSC Plant

Awards themes:
- Preservation of Biodiversity by Utilizing Biotope
- Safety Enhancement Activity Aiming at Improvement in Effectiveness of Risk Assessment and Fostering Human Resources for Safety
- Expansion of EHS Education by Establishing Safety Days
- Promotion of Direct Environmental Communications Activity
- Establishment of a Framework to Decrease Production Loss Utilizing Integration Power through Introduction of Material Flow Cost Accounting (MFCQA)
- Improvement in Managing Plant Drainage
- Activity of Disaster Prevention at Nissan Kayaku JSC Plant

Award winners who made lectures in JCIA Symposium 2014 (June 2014, Tokyo)

Environmental Protection
- We shall uphold the peoples’ health and nature around the world.

Process Safety and Disaster Prevention
- We shall endeavor to prevent industrial accidents and adopt measures against natural disasters.

Occupational Health and Safety
- We shall protect the safety and health of working people.

Chemicals and Product Safety
- We shall clarify the properties and handling procedures of chemical products and protect the safety, health, and environment of all handlers, including customers.

Distribution Safety
- We shall endeavor to prevent accidents and disasters in distribution.
## FY 2013 Achievements and FY 2014 Activity Plan

### Summary of Activities

In accordance with its objectives of realizing the sound development of the chemical industry and thereby contributing to the prosperity of the Japanese economy and improvement of people’s lives, JCIA promotes activities focusing on dissemination of the Responsible Care (RC) initiative and the achievement of goals stipulated by theme in three activity areas.

#### Activity

<table>
<thead>
<tr>
<th>Main Implementation Items in FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation of RC award lectures at JCIA Symposium 2013, and establishment of a RC Grand Prix Award, RC Outstanding Award, and RC Award for Effort for FY 2014</td>
</tr>
<tr>
<td>Supporting of regional dialog meetings and consumer dialog meetings</td>
</tr>
<tr>
<td>Preparation of revised proposal for the Global Charter of RC as a task force member in the RC Leadership Group</td>
</tr>
<tr>
<td>Continuous improvement of RC activities and promotion of social recognition</td>
</tr>
<tr>
<td>Expansion at the base for RC activities by providing support for activities to the Asian countries, including development of Sustainability Package etc.</td>
</tr>
</tbody>
</table>

### Safety and Environment

- Efforts concerning safety and disaster prevention, industrial safety and health, and environmental issues
  - Explanatory meeting regarding the “Safety and Accident Prevention Guidelines” and propagation (follow-up) activities
  - Issuance of “Best Practices of Safety and Disaster Prevention and Health and Safety”

#### Human resource development, chemical education, and enlightenment

- New LRI support activity
  - Adoption and promotion of 26 subjects as challenging issues for research consignment
  - Implementation of results reporting events, and proactive introduction of domestic and overseas 
- Summary of the results achieved in the fiscal year (FY 2012) of “Environment Voluntary Action Plan”
- Promotion of the JIPS and SCRUM projects
- Development and starting of operation of the risk assessment supporting system, “JCIA BIGDr”

### Technology and Human Resource

- Efforts on prevention of global warming and dissemination of CLCA
  - Development of the Foster Program of Human Resources in Chemistry: holding of events for Research presentation meeting and introducing examples of activities by doctor-degree holders, and holding of student-company exchange meetings
- Efforts concerning the promotion of safety and accident prevention measures
  - Promotion of safety and accident-prevention measures
  - Promotion of efforts to address environmental and safety problems
- Efforts concerning new technologies and management of research consignment
  - Adoption and promotion of 20 subjects as challenging issues for research consignment
  - Implementation of results reporting events, and proactive introduction of domestic and overseas

### Messages to Society

- Public relations activities
  - First publication of JCIA annual report
  - Transmission of information to the members on Publication Relation Network etc.
  - Press release on JCIA activities
- International activities
  - Issued proposals from the chemical industry regarding Economic Partnership Agreement (EPA) and Free Trade Agreement (FTA) negotiations
  - Participation in and support for ICGA activities
  - Strengthening of relations with related organizations in Asian countries through collaboration and consultation, and providing support
  - Implementation of seminars and other events related to the challenging trade issues
- Tax system lobbying
  - Putting together the demands related to the FY 2014 tax reform, and making approaches to the administrative authorities
  - Instituting of economic strategy section meetings

### Building up trust from the members

- JCIA Symposium (Technology and Human Resource)
  - 2nd JCIA Symposium (6 times/year)
  - 3rd JCIA Symposium (6 times/year)

### Improvement of the presence of the chemical industry

- JCIA Annual Report 2014
  - “Chemical Industry and Chemicals Management Workshop in Vietnam”
  - “Publication of the 3rd edition of the cLCA report”

### Specific activity performance list (From August 2013 to July 2014)

- JCIA Symposium (Technology and Human Resource)
  - JCIA Symposium 2013
  - JCIA Special Seminar (4 times/year)
  - JCIA Special Seminar (6 times/year)
  - JCIA Special Seminar (8 times/year)

- Safety Environment
  - Safety Environment
  - Safety Environment
  - Safety Environment
  - Safety Environment

- Transportation
  - Transportation
  - Transportation
  - Transportation

- Safety Environment
  - Safety Environment
  - Safety Environment
  - Safety Environment

- Safety Environment
  - Safety Environment
  - Safety Environment
  - Safety Environment

- Safety Environment
  - Safety Environment
  - Safety Environment
  - Safety Environment

- Safety Environment
  - Safety Environment
  - Safety Environment
  - Safety Environment
**JCIA’s Activities**

**Safety and Environment**

**Safety and Disaster Prevention**

Based on its understanding that ensuring security and safety is the paramount issue for the chemical industry, JCIA has issued the “Safety and Accident Prevention Guidelines” summing up the accident prevention measures learned from recent accidents at chemical plants and made efforts to explain and diffuse them to JCIA member companies and parties. In addition, we have conducted follow-up survey in order to respond specifically to the requests made by the members during the execution of the survey in an attempt to establish reference materials for training and vocational education.

**Industrial Health and Safety**

With respect to the “Industrial health and safety,” JCIA understands the status of investigation of the examination items set forth in the 12th Industrial Accident Prevention Plan at the Health and Safety Subcommittee of the Ministry of Health, Labor and Welfare’s Labor Policy Council and the trends with regard to regulatory restrictions, and intends to give support notification to the respective member companies of JCIA and to a speedy notification to the respective member companies.

JCIA has also been making efforts to prevent atmospheric, water, and soil pollution by detoxification of factory effluents. Activated sludge treatment facility prevents sea and river pollution by detoxification of factory effluents.

JCIA endeavors to gather and reflect the opinions and demands of member companies concerning study groups, collected materials, and moves toward legislative revisions relating to the environment conducted by the administrative authorities or other domestic or international organizations. Aiming to build a recycle-oriented society that curbs the consumption of resources and protects the environment, JCIA member companies make efforts to reduce the volume of industrial wastes and final disposal by reviewing raw materials and production processes and promoting retrieval and reuse. JCIA keeps track of their achievements.

**Industrial Waste Reduction**

JCIA member companies are making efforts to prevent atmospheric, water, and soil pollution by improving disposal technology and conducting positive capital investment. Significant results have been achieved in the reduction of chemical substance emissions, including the reduction of volatile organic compound (VOC*) and PRTR* substances. JCIA keeps track of their achievements. The graphs below show atmospheric, water, and soil emissions, but actually there were almost no soil emissions in the years surveyed (less than 0.2% of the total).

**VOC Emissions**

The JCIA’s interim report figures for FY 2013,

**Emissions of PRTR Substances**

The JCIA’s interim report figures for FY 2013,

**Emissions of Voluntarily Surveyed Substances**

The JCIA’s interim report figures for FY 2013,
With respect to the “Environment Voluntary Action Plan” (from FY 1997 to FY 2012) related to the energy saving, energy consumption reached an average of 85 for 5 years from FY 2008 to 2012 (the base index is set to 100 in FY 1990), and the activities have been completed. The “Commitment to a Low-carbon Society” activities were launched in FY 2013 and the emission reduction was determined based on the CO2 emission in case of BAU (Business As Usual) as the target value, with the base year being FY 2005. The reduction of greenhouse gas emissions (CO2) and three alternatives to CO2 emissions (CO2 and three alternatives to CO2 emissions) amounted to 27 million tons in FY 2012 (see bottom of page 8 for detailed information which was a significant achievement corresponding to 2.1% of the annual greenhouse gas emissions of 1.3 billion tons in Japan.

### Prevention of Global Warming

#### Chemicals Management

JCIA’s activities related to chemicals management are mainly:

1. Supporting JCIA’s members in the matters of regulations and institution related to the chemicals management
2. Rollout of the voluntary activities related to the chemicals safety
3. Promoting research and technology evaluation etc. to support the above (1) and (2) as basic activities.

In particular, the following activities are being rolled out:

- Investigation, analysis and reporting of the regulations related to chemicals in Japan and overseas
- JCIA has further strengthened the supports to its members in the matter of the regulations which are currently process of establishment among especially Asian countries by collecting data on and analyzing the trends of the related regulations and institutions related to chemicals management in Japan and overseas and also by providing the information to JCIA’s members in a speedy and precise manner and by proposing policy opinions to the relevant administrative authorities.

- Investigation and development of risk assessment technologies (QSAR seminar)

As regards new issues, JCIA implemented QSAR seminars for its members in September 2013 and in March 2014 for the purpose of promoting the advocacy and utilization of QSAR by the government and private sector, and has made efforts to share the technical information for the implementation of appropriate assessment.

### JCIA’s Activities

#### Technology and Human Resource

- Reinforcement of collaboration with the Asian countries (including in particular GPS advocacy activities, training on risk assessment methods given by the Ministry of Economy, Trade, and Industry)
- GPS risk assessment workshops focused on the preparation of GPS safety summary were held in Singapore, Chinese Taipei, Indonesia, and Malaysia with the collaboration of ICGA Chemical Policy and Health (CPAH) and RC Lead-Environmental groups. Through these activities, JCIA has been supporting GPS advocacy activities of the respective associations in ASEAN and strengthening the relationship with the associations in the respective countries.
- JCIA proactively participates in the Asian Sustainable Chemical Safety Plan of the Ministry of Economy, Trade, and Industry (METI) and dispatches persons in charge and experts to METI’s risk assessment method training seminar, and also supports the Asian chemical substances risk assessment methods training seminar held in Tokyo (with the participation of officers belonging to governments and private companies in charge of chemical products in Thailand, Vietnam, and Indonesia).

E for further details, please refer to Reference Materials on JCIA’s website.

- GSAR seminar (September, 2013)

#### Energy and Environmental Policies

For resource-lacking Japan, the securing of energy at affordable prices in a stable manner is an important issue. The industrial world, which experienced oil crises twice in the 1970s, has made relentless efforts to improve energy efficiency, and today Japan is known as an “advanced energy-saving nation.”

Self-help efforts have a limit, however. In order to achieve sustainable economic growth, it is necessary to insist on the viewpoint of the industry so that appropriate measures are taken in energy policy as well.

For resource-lacking Japan, the securing of energy at affordable prices in a stable manner is an important issue. The industrial world, which experienced oil crises twice in the 1970s, has made relentless efforts to improve energy efficiency, and today Japan is known as an “advanced energy-saving nation.”

Self-help efforts have a limit, however. In order to achieve sustainable economic growth, it is necessary to insist on the viewpoint of the industry so that appropriate measures are taken in energy policy as well.

The new international framework for the reduction of greenhouse gases after 2020 will be agreed at the COP21 (Twenty-first Session of the Conference of Parties to the United Nations Framework Convention on Climate Change) held in Paris at the end of 2015. JCIA of which JCIA is a member, adopted the written opinion statement on energy and climate change at the Board of Directors Meeting held in May 2014.

For further details, please refer to Reference Materials on JCIA’s website.

#### The Chemical Industry’s Contribution and Enlightenment toward Reduction of CO2 Emissions

Energy-saving products utilizing materials and technologies derived from the chemical industry significantly contribute to the prevention of global warming. JCIA quantified the contribution of chemical products to reducing CO2 emissions by applying the new method of cLCA (carbon Life Cycle Analysis) and published a report summarizing the cases titled “Life Cycle Analysis of Chemical Products in Japan and around the World (third edition).”

The Chemical Sector of the World Business Council for Sustainable Development (WBCSD) and ICCA in alliance have issued “Addressing the Avoided Emissions Challenge,” which is a global guideline in the cLCA method based on the “Guidelines for Calculation of the Avoided CO2 Emissions” in the Japanese version, which was issued in February 2012. We will disseminate this method not only in the chemical industry but also in other industries.

#### “Addressing the Avoided Emissions Challenge” (October 2013)

The Japanese chemical industry, which has been a leader in the development of environmentally friendly products, is contributing to the reduction of greenhouse gases with the perspicacity of a global vision.

**Supports for research/technology assessment**

- Long-range Research Initiative on Chemicals (New LRI)
- Supports for technology assessment (nonmaterial etc.)
Fostering Program of Human Resources in Chemistry

Fostering Program of Human Resources in Chemistry was established in 2010. The purpose of the program is to express the needs for human resources with doctoral degree required by the chemical industry and to support the doctoral course which can implement advanced curriculum responding to the needs and its students so that they will be engaged in the future chemical industry. At present, 37 companies participating in the program support 24 graduate school majors selected by screening.

As a FY 2013 initiative, “Research presentation meetings and introducing examples of activities by doctoral degree holders” was held in October to encourage interaction between students and member companies. In addition, a student-company exchange meeting was held in December at which doctoral course students and company representatives had the opportunity to talk directly about employment and recruitment. This program also provides scholarship grants to recommended students for specialized study subjects in which they have done most excellent work as one of the targets eligible for support.

The program’s objective is to foster the high-level human resources required by the chemical industry.

- University doctoral course students: those on life specialization
- Doctoral degree holders required by the industry (special skills, business, studies, etc.)

Fostering Program of Human Resources in Chemistry
Supports the development of human resources with doctoral degree required by the industry.

Chemical Risk Forum

For those who were engaged in chemicals management, JCIA conducted in FY 2013 educational program called ‘Chemical Risk Forum’ that consisted of basic knowledge of chemicals management and practical methods for risk assessment of chemicals. It also included latest regulatory trends for chemicals in Japan, Asia, Europe, and the United States of America. JCIA will continue to conduct the program improved to fit the needs of participants. In addition to this, JCIA will launch a new introductory program for those who need to learn the fundamentals of risk management of chemicals. It will also help to understand the concept of chemicals management, and will enhance the spread of methods for the risk assessment of chemicals.

Subsidization of <LRI: Long-range Research Initiative>

The chemical industries in Japan, the U.S., and Europe are promoting the “Long-term support for research into the effects of chemical substances on human health and the environment (LRI)” under the International Council of Chemical Associations (ICCA).

JCIA started its supporting activities in 2000, and transformed it into the “New LRI” in 2011, taking in the changes in recent international trends related to the chemicals management into consideration. In FY 2013, 3 designated subjects and 5 applied subjects were newly adopted, and total 20 subjects are being operated.

Under LRI, researchers are providing new insights and developing evaluation methods based on scientific evidence for the appropriate evaluation and management of chemical substances.

In August 2013, the 2nd JCIA New LRI annual meeting which attracted over 200 participants was held, at which JCIA presented the results of research activities introduced to ASEAN countries on the premise that the results are to be rolled out to overseas.

Promoting understanding of the contribution made to chemical industries by the chemical society and the economy, and promoting a correct understanding of these contributions.

The Chemical-experiment show for children and the integrated deployment of a chemistry image campaign.

The chemical-experiment show for children and the integrated deployment of a chemistry image campaign.

The program’s objective is to foster the high-level human resources required by the chemical industry.

- For those who were engaged in chemicals management, JCIA conducted an educational program called ‘Chemical Risk Forum’ that consisted of basic knowledge of chemicals management and practical methods for risk assessment of chemicals. It also included latest regulatory trends for chemicals in Japan, Asia, Europe, and the United States of America. JCIA will continue to conduct the program improved to fit the needs of participants. In addition to this, JCIA will launch a new introductory program for those who need to learn the fundamentals of risk management of chemicals. It will also help to understand the concept of chemicals management, and will enhance the spread of methods for the risk assessment of chemicals.

- The chemical industries in Japan, the U.S., and Europe are promoting the “Long-term support for research into the effects of chemical substances on human health and the environment (LRI)” under the International Council of Chemical Associations (ICCA).

- JCIA started its supporting activities in 2000, and transformed it into the “New LRI” in 2011, taking in the changes in recent international trends related to the chemicals management into consideration. In FY 2013, 3 designated subjects and 5 applied subjects were newly adopted, and total 20 subjects are being operated.

- Under LRI, researchers are providing new insights and developing evaluation methods based on scientific evidence for the appropriate evaluation and management of chemical substances.

- In August 2013, the 2nd JCIA New LRI annual meeting which attracted over 200 participants was held, at which JCIA presented the results of research activities introduced to ASEAN countries on the premise that the results are to be rolled out to overseas.

- JCIA brings to the notice of society at large the importance of chemistry and of the chemical industry which significantly contributes to people’s life and to the economy, and promotes a correct understanding and brings together excellent human resources who will be the bearers of the next generation so as to assure the further development of the chemical sector, and in order to cultivate them, it is implementing various education-supporting activities such as the “Dream Chemistry-21” campaign project.

- The DVD, “Plastic and our life” as a supplemental material for vocational education for teachers in junior-high and high schools

- The chemical-experiment show for children in summer-vacation

- Seminar for science teachers

- Leaflet: “Learning chemistry through experiments”

- Local experiment class

- DVD: “Plastic and our life”

- Leaflet: “Learning chemistry through experiments”

- Local experiment class

- Children’s science experiment class

- Playing card on chemistry on the web

- “Eco-Products” exhibition (exhibition in booth)
JPICIA’s Activities
Messages to Society

Establishment of Chemistry Day and Chemistry Week
In 2013, the four organizations, namely, the Chemical Society of Japan, the Society of Chemical Engineers of Japan, the Japan Association for Chemical Innovation, and the Japan Chemical Industry Association, have announced a Chemistry Day which falls on October 23, and a Chemistry Week which falls on the week including October 23, starting from Monday to Sunday, in association with the Avogadro constant, 6.022 10^23 mol. Many countries overseas including the U.S. celebrate October 23 as Mole Day in commemoration of “mol”. JCIA also has conducted various types of activities to diffuse and enlighten the public about “Chemistry Day” since this year.

Demands for Tax Reform
The Japanese chemical industry can be described as a large industry supporting the Japanese economy and employment. Domestically, it ranks second in terms of the shipment value and third in terms of the number of employees (see page 7 for details); internationally, it ranks third in terms of shipment value after China and the United States.

Nevertheless, the business environment is harsh. Factors such as energy costs continuing at a high level and the business environment being uncompetitive in the international market. On behalf of the chemical industry, therefore, JCIA has submitted tax reform demands to the Japanese government to put the business environment of the Japanese chemical industry on an equal footing with that of other countries.

In FY 2013 JCIA submitted the following demands to the government.

- Expansion of tax measures to promote R&D
- Drastic revision of taxes for Climate Change Mitigation
- To relax the requirements for the application of the corporate reorganization taxation system
- Exemption in principle of the gasoline tax
- To review the corporate effective tax rate

Response to Trade Issues
In the present condition in which bilateral and multilateral economic agreements are signed and negotiated extensively throughout the world, the Japanese chemical industry has to respond to the international trade issues which these economic agreements are dealing with. In ongoing collaboration with government, Government ministries and agencies, industry associations of respective countries or regions, JCIA has, with regard to trade issues such as EPA/FTA (Economic Partnership Agreement/Free Trade Agreement), notably TPP* and TPP*, the rules of origin, and anti-dumping regulations, continued supporting negotiations between governments through offering information and opinions, sharing information closely with industry associations of other countries or regions, and transmitting information to all members of JCIA.

In FY 2013, it should first be noted that, JCIA presented in July to the Government’s Countermeasures Headquarters its “Opinions on TPP negotiations” which summed up the requests in the Japanese chemical industry in connection with TPP negotiations.

The statement on supporting the further promotion of FTA negotiations between EU and Japan has been published by JCIA in alliance with the European Chemical Industry Council (Cefic) in November. Further, JCIA participated in the “Japan-EU Industry Dialogue” organized by the Kishidan (the Federation of Economic Organizations) and Business Europe (European Managers’ Federation) and held in March 2014, and together with Cefic strongly supported the promotion of the Japan-EU FTA negotiations from the standpoints of both the Japanese and European chemical industries.

Joint statement on the Japan-EU FTA

For the purpose of information transmission to the members of JCIA, seminars on the rules of origin and anti-dumping regulations, were conducted for 4 times by inviting experts from the Ministry of Economy, Trade, and Industry and the Tokyo Customs. JCIA will conduct seminars based on the needs of the members of JCIA, and will continue providing information in a more timely manner through JCIA website.

Introduction of the New Members
We herein introduce the new members admitted to JCIA. We thank you for letting us know the current status of your activities and your future expectations towards JCIA.

Canon Inc.
- Profile
  Established in August 1937
  Paid-in Capital: 174.7 billion yen (As of the end of December 2013)
  Sales amount (not consolidated): 2128.7 billion yen
  Number of employees (not consolidated): 26,114

- Purpose of becoming a member
  We joined the Association because we need to gather the latest information about the regulations (especially in non-English-speaking countries) applicable to the global roll-out of business, the actual status of operation and the moves and the way of thinking of the upstream industry (chemicals manufacturers etc.).

- Current activity status
  We are establishing an ongoing company-wide commitment to matters related to the chemical substance control standards for our products, promotion of green procurement, and reduction of emission quantities of chemical substances subject to control. It is very helpful for selling our products worldwide to obtain the latest information from JCIA by participating in the Chemicals Management Committee, Foreign Legislation WG, and EU Legislation WG.

KOKUYO Co., Ltd.
- Profile
  Established in October 1905
  Paid-in Capital: 15.8 billion yen (As of the end of December 2013)
  Sales amount (not consolidated): 288 billion yen
  Number of employees (consolidated): 6,399

- Purpose of becoming a member
  We joined JCIA to promote response to inquiries from the consumers for the stationery and furniture business and the deployment of voluntary criteria creation for managing chemical substances included in the products as well as obtaining of the latest information of the regulatory restrictions domestic and overseas and in-house sharing of above information.

- Current activity status
  We have just completed a draft of the in-house standard for the hazard base according to JCIA knowledge. Therefore, we will initiate the risk survey of the products. Then, we will discuss the survey results to finish the management criteria for the purpose of transmitting the criteria to publication and operation.

- Request and expectations towards JCIA
  We are welcoming the examples of consultations with consumers on PL (product liability) of the chemical substances and obtaining information about precedents new regulations both in Japan and in other countries etc. are helpful to our drawing up of preliminary measures for our products. In order to have the downstream companies get to know the way the upstream chemical industry thinks, we welcome the making of policies which incorporate your interpretations as experts and your opinions as members with respect to the domestic and overseas regulations to be laid down in the future. Furthermore, we are welcoming also activities such as negotiations with public organizations which individual companies cannot conduct on our own and public comments on the problems of the legal and regulatory system.

- Product line
  Plastics, leather, furniture, office products, etc.

- Purpose of becoming a member
  We joined as a member in June 2014 and have been exhibiting our products to people who are in the chemical field. Furthermore, we are also looking forward to JCIA serving as a liaison bridge between downstream companies like us and upstream companies / public organizations.

- Request and expectations towards JCIA
  We are also welcoming the examples of consultations with consumers on RL (regulatory liability) of the chemical substances. We also hold the request that if JCIA could guide us in how to utilize chemical substances in the easily understandable manner for the people like us in fields other than the chemical field. Furthermore, we will see the future of JCIA following the achievement of the 5th JCIA KOCIC Annual Meeting.
**Future in Japan Stakes on the Innovation in the Chemical Industry**

**Dr. Hiroyuki Itami**
Dean, Professor of Management, Graduate School of Innovation Studies, The University of Tokyo, School of Science, and also Professor Emeritus of Hitotsubashi University.

1969 graduated from the Faculty of Economics of Hitotsubashi University. 1969-1979 worked as assistant professor of the Faculty of Economics of Hitotsubashi University. 1973-1975 Professor of Management at Hitotsubashi University. 1976-1977 Associate Professor, Hitotsubashi University, and in 1985 Professor at Hitotsubashi University. Now Dean, Professor of Management, Graduate School of Innovation Studies, The University of Tokyo, School of Science, and also Professor Emeritus of Hitotsubashi University.

As this annual report introduces, I attended ICCA Symposium as a moderator, and one of the most impressive expressions used by Dr. Pailn, President and CEO of PTT Public Company Limited was his saying “The license of business operation”. Dr. Pailn said that it is necessary for a corporation to grow to the level of being completely granted a license to society in the sense of receiving some income. They shall keep on creating innovations. They shall keep on providing continuously the chemical materials and chemical systems that are required by the society by honing technology. In turn, society bestows a vast value-added content upon the chemical industry as a reward for its innovations. The fact that innovation has been the second keyword in the message from the chairman in the annual report is indeed the right nail on the head.

The innovation-oriented country is Japan’s national policy. Thus, Japan’s future hopes to engage in activities that are contributory to human health. The people in the chemical industry should be engaged in activities that create the nation’s largest value-added amount surpassing the automotive and electric industries. The number-one industry in Japan’s chemical industry, judged on the basis of the magnitude of the economic contribution, makes it terms of the value-added content it creates. The people in the chemical industry should be proud that their industry is Japan’s number-one industry despite the sorry fact that Japan is not necessarily blessed with her natural conditions including scarcity of feedstock.

Yet, how can we keep on creating a value-added content as the number-one industry in the world? The report offers the first answer. They shall keep on creating innovations. They shall keep on providing continuously the chemical materials and chemical systems that are required by the society by honing technology. In turn, society bestows a vast value-added content upon the chemical industry as a reward for its innovations. The fact that innovation has been the second keyword in the message from the chairman in the annual report is indeed the right nail on the head.

The innovation-oriented country is Japan’s national policy. Thus, Japan’s future hopes to engage in activities that are contributory to human health. The people in the chemical industry should be engaged in activities that create the nation’s largest value-added amount surpassing the automotive and electric industries. The number-one industry in Japan’s chemical industry, judged on the basis of the magnitude of the economic contribution, makes it