

Communication with Stakeholders

Shareholders

FY : Fiscal Year means the year ending March 31.
For example, FY2016 means April 1, 2015 - March 31, 2016

By maintaining and enhancing management efficiency, transparency and soundness, we strive to continuously create corporate value and make ourselves even more attractive to our shareholders.

1. Basic Philosophy

Our most important challenges are to strengthen our R&D activities from a long-term perspective, increase our competitiveness by developing new businesses, and maintain long-term growth of our business performance.
We are also working hard to enhance corporate governance with the aim of developing a trusted and attractive corporate culture. Management transparency and soundness are being boosted, and management monitoring and oversight functions are being strengthened through the appointment of independent outside directors and auditors.

2. Codes of Conduct

Code of Conduct to fulfill Responsibility to Shareholders

(1) Code of Conduct for Proper Recording of Information and Disclosure

- 1. When evaluating business activities, we shall focus not only on final results but also on business processes that deliver those results. We will strive to accurately and explicitly record our business activities.
- 2. We shall disclose information on management and business activities in a timely and appropriate manner.

(2) Code of Conduct for Preventing Insider Transactions

- 1. We shall not use, for our private interests, undisclosed material information which we have come to know through conducting our business and which concerns the JSR Group and/or other companies in which we engage.
- 2. In the case that we have and hold any undisclosed material information, we shall not release such information until it is disclosed officially. Additionally, we shall not sell and/or purchase JSR's and/or other relevant companies' shares or relevant financial products until official disclosures are made.

3. Investor Relations

JSR Group strives to promote investor relations (IR) with due consideration for our shareholders and investors, and to disseminate information regarding business situation and corporate policies promptly and accurately.

(1) Shareholders' Meetings

CSR Report 2016

Editorial Policy

Top Message

JSR Group CSR

Dialogue with Stakeholders

Priority issues identified by the JSR Group

Management

JSR Group CSR Priority Issues

Safety and Disaster Prevention

JSR Group CSR Priority Issues

Environmental Impact and Resource Reduction, and Climate Change Countermeasures

JSR Group CSR Priority Issues

Sustainable Society where People Can Enjoy Health and Longevity

JSR Group CSR Priority Issues

Communication with Stakeholders

Customers and Business Partners

Employees Fundamental Philosophy

Employees Diversity

Employees Work-Life Management

Employees Healthy Mind and Body

Employees Human Resources

Communication with Communities and society

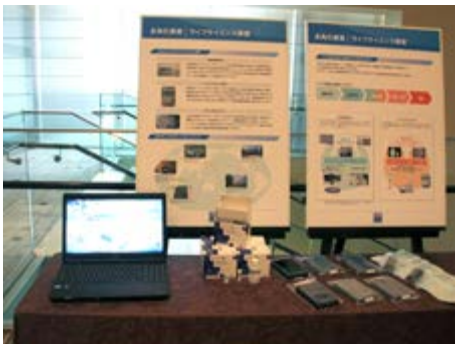
Shareholders

About the JSR Group

JSR has implemented a variety of measures to facilitate the exercise of shareholder voting rights. These include the holding of the general shareholders' annual meeting at an earlier date to avoid the typical peak period of shareholders' meetings, earlier notification for the meeting, the adoption of a voting system via Internet, participation in electronic platforms for the exercise of voting rights by institutional investors, and the listing of invitations to shareholders' meetings on our website in both Japanese and English.

We aim to make documents attached to invitations to our shareholders' meetings easy to understand. To this end, we provide not only legally required content, but also other useful information, such as information regarding our products and an overview of our mid-term business plan. Additionally, we make effective use of graphs, photographs, and color printing.

We also ensure that ordinary general meetings of shareholders are accessible and easy to understand for all shareholders by adopting various measures such as the exhibition of panels to explain about JSR, video and audio information relating to our business conditions, and the President's briefing on the mid-term business plan.



Panel exhibition at a shareholders' meeting

(2) Communication with Shareholders and Investors

In addition to conducting briefings on our business results after each quarter, we also organize seminars for investment institutions and analysts as well as various other events to achieve extensive bi-directional communication with shareholders and investors.

In the FY2016, we held five seminars for corporate investment analysts. We hold a total of nearly 300 meetings for investors in Japan and overseas per year. Feedback on opinions and questions received through these meetings is shared with management on a regular basis. With regard to the global development of JSR Group companies, we intend to implement IFRS from the next mid-term management plan that will take effect from March 2018 in an effort to improve the comparability of financial information regarding international capital markets.



IR meetings

The plant owned by JSR BST Elastomer Co., Ltd. (Thailand) (hereinafter, referred to as JBE) is shared among five Japanese chemical manufacturers, including JSR. They have started providing plant tours for investors and analysts.

Nearly 20 securities analysts and investors have visited JBE and taken the tour. JBE gave brief overviews of the plant and future plans followed by tours of the S-SBR synthetic rubber manufacturing process and the product warehouse.



Plant Tours

(3) Communication through Various Forms of Media

1. Information Disclosure on Our Website

In order to provide the latest information regarding our financial and business performances, JSR Group's website contains the section, "Investor Relations." This section includes the latest IR information, news releases, and the latest stock price information, which are indicated in a way that is easy to see. The section also presents various types of IR information, including documents regarding

[Evaluation by Outside Organization, Third-Party Opinion, and Independent Review](#)

[GRI Guidelines and Global Compact Content Index](#)

[Print Version of the CSR Report](#)

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Evaluation by Outside Organizations



our business results, annual reports, IR news, information related to our stocks, documents regarding our shareholders' meetings, and our company information for individual investors. We strive to provide necessary information in a timely and easy-to-understand manner.



Our website provides information regarding stock price, news, and other topics in a timely manner

2. Information Disclosure in Annual Reports

We publish an annual report (available only in English) every year regarding the relevant fiscal year's financial results, and management and business situations.

http://www.jsr.co.jp/jsr_e/ir/annual_report.shtml



Annual Report 2016

3. JSR Throughout Society

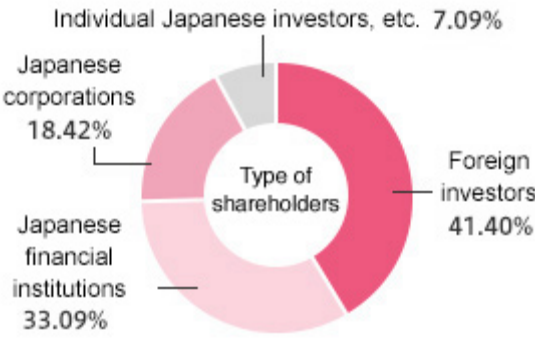
We send the "JSR Throughout Society (available only in Japanese) " brochure to our shareholders. This brochure aims to help our shareholders to understand that our Group's products are used extensively for a wide range of materials and parts needed in society. The brochure explains how our products are utilized in leading-edge fields such as fuel-efficient tires, smart phones, and life sciences field.



JSR Throughout Society Part 8

4. Shareholder Composition

The number of JSR shareholders was 17,449 as of March 31, 2016; shareholder composition is as follows:



* Shares owned by individual Japanese investors, etc. include treasury shares (3.30%).