# Materiality Assessment

Mitsubishi Chemical Holdings (MCHC) conducts materiality assessments to identify important management issues (materiality) and further enhance KAITEKI Value. While referring to processes outlined in international sustainability guidelines and incorporating the viewpoints of stakeholders, MCHC identifies and prioritizes important management issues that it needs to work toward resolving to realize KAITEKI. MCHC has reviewed its materiality assessments in light of the management strategies and corporate activities for *APTSIS 20*, the medium-term management plan that ends in fiscal 2020. Mitsubishi Chemical, too, is implementing activities based on the results of the MCHC Group's materiality assessments.

### Materiality Matrix

# Material Issues Related to the Global Environment

Key management issues that the MCHC Group should address through its corporate activities, innovation, and provision of products and services in the aim of achieving the sustainable well-being of our planet Earth.

#### Material Issues Related to Social Systems

Key management issues that the MCHC Group should address through its corporate activities, innovation, and provision of products and services in the aim of creating the sustainable well-being of society.

#### Material Issues Related to the Company and Its Organizational Structure

Key management issues that the MCHC Group should address in its internal operations and external relations as a corporate group aiming to realize KAITEKI.



## Set issues to be researched and analyzed

As a starting point, ordered corporate activities under *APTSIS 20* by analyzing macro trends. Reviewed material issues identified in the previous assessment and added new issues.

## PROCESS 2

## Assess issues from the viewpoint of stakeholders

Ordered and quantitatively assessed the importance of the issues based on public sustainability data, questionnaires, and interviews with experts.

### PROCESS 3

Identify and prioritize material issues the MCHC Group needs to address

MCHC management identified material issues accounting for management strategies and policies and activities under *APTSIS 20* and prioritized them (three issues of highest priority related to the MCHC Group's existence and 21 material issues to be addressed).

## PROCESS 4

#### Create the materiality matrix

Created the matrix along the two axes of importance (the magnitude of effect) for stakeholders and importance for the MCHC Group.

## PROCESS 5

**Company approval procedures** Discussed and approved the process of materiality assessment and the materiality matrix in the MCHC Management Committee (currently the Corporate Executive Officers Committee) and the Board of Directors.

