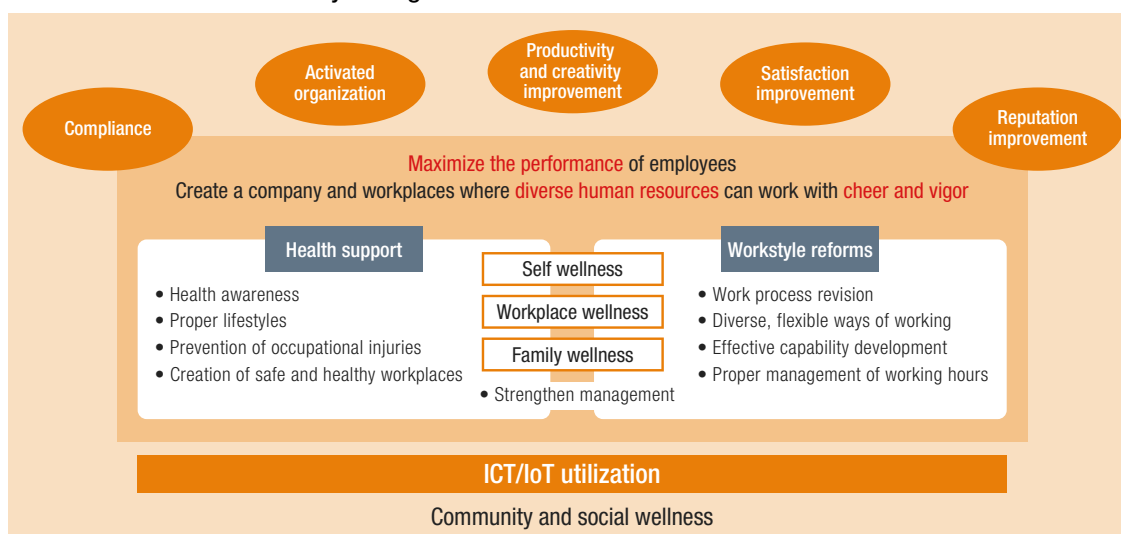


KAITEKI Health and Productivity Management

Basic Policy

Mitsubishi Chemical (MCC) is implementing KAITEKI Health and Productivity Management, aiming to ensure that every employee can thrive and find purpose and satisfaction in their job while leading a rich life, striking a good balance between work and private life. We have defined what KAITEKI Health and Productivity Management is and set out initiatives and goals in this area under a name that incorporates our ideal of KAITEKI—KAITEKI Health and Productivity Management. Accordingly, we are strategically investing management resources in order to maximize the performance of one of the greatest assets of any company—the people who work there—from the perspective of health.

KAITEKI Health and Productivity Management



We are advancing KAITEKI Health and Productivity Management, based on health support and workstyle reforms, by carrying out specific initiatives and measures based on the three perspectives shown below.

Self Wellness

Being Healthy Ourselves

In line with the principle that the primary responsibility for one's health lies with oneself and to ensure that we can work effectively, we will each take the initiative to manage our own well-being.

Workplace Wellness

Creating Healthy Workplaces

We will respect the individuality of the people we work with and support one another in order to build vibrant, creative workplaces by improving workplace environments and work processes.

Social Wellness

Building Healthy Families and Nurturing Our Ties to the Community

By enhancing self wellness and workplace wellness, we will aim to broadly contribute to society as members of our respective families and communities.

We have established a vitality index, workstyle index, and health index as key performance indicators (KPIs) of the progress and results of the initiatives and measures based on the above three perspectives. We use these KPIs to implement PDCA cycles.

We are also working with our health insurance union and labor unions while promoting information sharing and coordination with Group companies.

KAITEKI Health and Productivity Management

Health Support

Basic Policy for Managing and Enhancing Health

MCC has laid out necessary rules for managing employees' physical and mental health in its Health Management Regulations. We maintain a health and safety management system and provide health check-ups and stress check tests in compliance with relevant laws and regulations. While duly respecting our employees' privacy, we actively work to maintain and improve their physical and mental health and implement health management activities. Managers and specialized staff, including human resource department staff and industrial physicians, each aware of their own roles and duties, coordinate to maintain and improve conditions, namely working hours, work content and burden, and work environments. Furthermore, should any physical or mental health problems that may affect an employee's ability to do their job arise, said staff responds appropriately.

Occupational Accident Countermeasures Focusing on Human Factors

KAITEKI Exercises and Safety Fitness Tests

In Japan and within the company, falls are one of the most frequently occurring causes of injury. We have made company-wide efforts to prevent such falls, including improving facilities, revising work practices and implementing various forms of training, but these initiatives have not reduced the number of injuries caused by falls.

To address this problem, in addition to existing measures, we have begun focusing on human factors, namely physical strength and dexterity. Specifically, we are advancing fall-prevention physical training as part of KAITEKI exercises and carrying out safety fitness tests to assess employees' fall risk. Beginning in fiscal 2017, we steadily began such initiatives across the company. At the plants that began such initiatives first, employee surveys and medical interviews found that the number of times employees reported having fallen in the past year had declined, and more than 60% of employees showed improvement in their fitness test results. Going forward, we will work to develop internal tools using IoT technologies to enhance the precision and continuity of these initiatives while looking for ways to increase the variety of exercises so that physically handicapped employees can readily take part. Through such measures, we are working to help employees of all ages develop the physical strength and skills to prevent falls.

Raising Health Awareness and Improving Lifestyle Habits

Adopting Health Support Tools That Use ICT/IoT

We have introduced i² Healthcare, a system to support employee health, as infrastructure to back up KAITEKI Health and Productivity Management. We are using the system as part of our initiatives to promote healthy lifestyle habits, seeking to increase health awareness and help employees improve their lifestyle habits.

To this end, we are loaning wearable activity-tracking devices to employees who request them. Fitting like a wristwatch, such devices allow users to monitor their physical condition, including heart rate and the amounts of exercise and sleep they are getting. Data collected from such devices are being used with the i² Healthcare system to enhance employee health.

Health Promotion Declarations by All Employees

To encourage each employee to be more aware of Self Wellness and Workplace Wellness, think about what they can do to enhance their own health and vigor at work, and take action, we have begun an initiative in which each employee makes a health promotion declaration in their own words.

■ Creation of Safe and Healthy Workplaces

|| Second-Hand Smoke Countermeasures

To reduce second-hand smoke in work environments as much as possible and create workplaces where all employees can work in good health and with peace of mind, we plan to ban smoking by employees at all company workplaces, including the head office and branches, effective April 1, 2020. At the same time, in consideration of the health of individuals from outside the company, local residents and employees' families, we will ban smoking during work hours even when employees are working outside company premises. We are currently advancing a range of preparations to this end.

Workstyle Reforms

■ Work Reform

By achieving radical innovations at the workplace level under the leadership of on-site managers, we are eliminating inefficiencies and freeing up time. By doing so, we aim to pursue more value-creating work and improve work-life balance. Corporate departments, such as human resources and administration, suggest guidelines for running meetings and preparing documents and e-mails. At the same time, we are supporting such work reforms by providing enhanced IT communication tools. We are advancing work reforms in coordination with the UPI20 company-wide productivity improvement initiative.

■ Proper Management of Working Hours

As part of workstyle reforms under KAITEKI Health and Productivity Management and to prevent excessive working hours and ensure compliance, MCC is working to appropriately manage working hours.

|| Eliminating Excessive Working Hours and Increasing the Paid Vacation Usage Rate

To accurately track actual working hours, our attendance system records when employees log on and off of the computers they use. This helps prevent discrepancies between actual and reported working hours.

We are also implementing awareness-raising activities, such as presentations for managers about the proper management of working hours, aimed at reducing overtime through self-directed work improvement in each department.

Furthermore, we are working to make it easier for employees to take time off using such programs as the refresh leave system¹ and by setting planned annual days off.² Furthermore, to support employees' self-directed social contribution efforts, we have established a volunteer leave system (up to five days per year) and donor leave system (as many days as needed).

1 Once a year, employees who take two or more consecutive annual paid vacation days can receive one additional day off on the following business day. Employees who have been with MCC for more than a year as of April 1 are eligible to use this system.

2 A system that makes it easier for daytime employees to use their annual paid vacation by designating certain days for everyone in the company to take off at once. Up to three days per year.

KAITEKI Health and Productivity Management

■ Promoting Flexible Workstyles

|| Remote Work System

In November 2017 we introduced a remote work system, enabling employees to work from home or elsewhere.³ Eligibility for this system is not limited to employees engaged in child care or nursing care; all daytime employees who have been with MCC for a year or more can use the system up to two days a week. We believe this system will benefit employees, helping to improve work-life balance and reduce the burden of commuting. Going forward, we are setting up satellite offices to create environments that facilitate more flexible workstyles.

³ The status of system implementation varies by location.

|| Overview of Leave Systems

MCC has established the following leave systems to enable employees to balance their work and private lives.

■ Main Leave Systems (Besides Child Care and Nursing Care Leave)

Leave to accompany a spouse on overseas assignment; volunteer leave with the Japan Overseas Cooperation Volunteers; fertility treatment leave

■ Livelihood Support Leave

Employees can accumulate up to 40 expired annual paid vacation days (which are valid for two years after being granted) as days they can use under the livelihood support leave system. These days can be used by employees if they are ill or injured, pregnant, engaged in nursing or child care, undergoing fertility treatment, victims of a natural disaster or volunteering.

■ Principal Special Types of Time Off

Bereavement/memorial service leave; marriage leave; menstrual leave; leave for employees directly affected by or unable to get to work due to a natural disaster; volunteer leave; donor leave; workplace transfer leave; home visit leave; refresh leave; jury duty leave; public service leave; maternity leave; paternity leave; nursing care leave