

## Basic Policy

The Mitsubishi Chemical Holdings Group identifies its stakeholders as its customers, shareholders, investors, communities, employees, business partners and everyone else who supports its corporate activities, as well as society at large and the foundation upon which it is built, the Earth. Based on this understanding, Mitsubishi Chemical works to earn the trust of its stakeholders by valuing and respecting stakeholders, engaging in dialogue and proper disclosure, and reflecting the fruits of such efforts in all its corporate activities.

# Together with Customers

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## Basic Policy

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In line with the Mitsubishi Chemical Holdings Group Charter of Corporate Behavior, Mitsubishi Chemical (MCC) constantly strives to achieve customer satisfaction by keeping the promises made in contracts with them, ensuring the safety and quality of all the products and services it supplies, engaging in close customer communications and advancing R&D.

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## Making Product Information Available

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Over 900 product information entries (approximately 400 in Japanese, 300 in English and 230 in Chinese), including information on the products of Group companies, are available on MCC's website. In addition, Safety Data Sheets (SDSs) and GPS Safety Summaries (GSSs) can also be accessed through the website (available in Japanese only).

For product information, please contact the department or Group company that handles the product in question. Lists of MCC's departments and Group companies with information on the products they handle are available on MCC's website.

<https://www.m-chemical.co.jp/en/products/departments/mcc/index.html>

If you are unsure which department to contact, please contact the call center for guidance.

Inquiries via the call center are directed to the relevant departments and logged in a database that is available to management.

Call center (+81) 3-6748-7300 9:00–12:00, 13:00–17:45 (Closed Saturdays, Sundays and national holidays)
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## Enhancing Customer Satisfaction

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The Mitsubishi Chemical Holdings (MCHC) Group believes that close customer communication is essential to achieving accurate insight into social issues and the challenges that customers face and to finding solutions together. Accordingly, the Group has been conducting customer satisfaction surveys since fiscal 2012. Specifically, we survey customers in and outside Japan about products handled by our core businesses, covering such topics as quality, supply systems, sales promotion and technical support, as well as the attitudes and reliability of individual operating companies. By analyzing the results of these surveys and implementing a PDCA cycle, MCC aims to provide even better customer service and improve customer satisfaction.

**Thinking about Creating a Better Future with Customers: KAITEKI SQUARE**

KAITEKI SQUARE was established in October 2012 in our Tokyo headquarters as a showroom for the MCHC Group. It is an important platform for communication with our customers and clients, a place where we can interact and exchange ideas about a better future.

This facility comprises two areas, namely, (1) an exhibition area showcasing the wide-ranging technologies the MCHC Group has developed to date and its forward-looking business initiatives and (2) the KAITEKI Theater, which shows a video on the theme of what we can do now for the children of the future. The displays in the exhibition area are focused mainly on products and provide visitors with hands-on experience with MCHC Group technologies.

In addition to the KAITEKI SQUARE showroom at the Tokyo headquarters, the MCHC Group operates KAITEKI SQUARE Yokohama at the Science & Innovation Center (Kanagawa Prefecture), KAITEKI SQUARE Yokkaichi at the Mie Plant, KAITEKI SQUARE Aichi at the Aichi Plant and KAITEKI SQUARE Sakaide at the Kagawa Plant. We use all of these facilities as places for communication with customers. In particular, KAITEKI SQUARE Yokkaichi not only features a showroom displaying Group technologies and products, but collaborates with the Customer Laboratory, a facility established to facilitate collaboration with customers, with the aim of fostering innovation.

A reservation through an MCHC Group employee is required to visit KAITEKI SQUARE facilities.



KAITEKI SQUARE at the Tokyo headquarters

# Together with Business Partners

Aiming to realize KAITEKI, an original concept created by the Mitsubishi Chemical Holdings Group, Mitsubishi Chemical (MCC) works with business partners to promote purchasing and procurement that take into account CSR-related considerations based on the Mitsubishi Chemical Holdings Group Charter of Corporate Behavior.

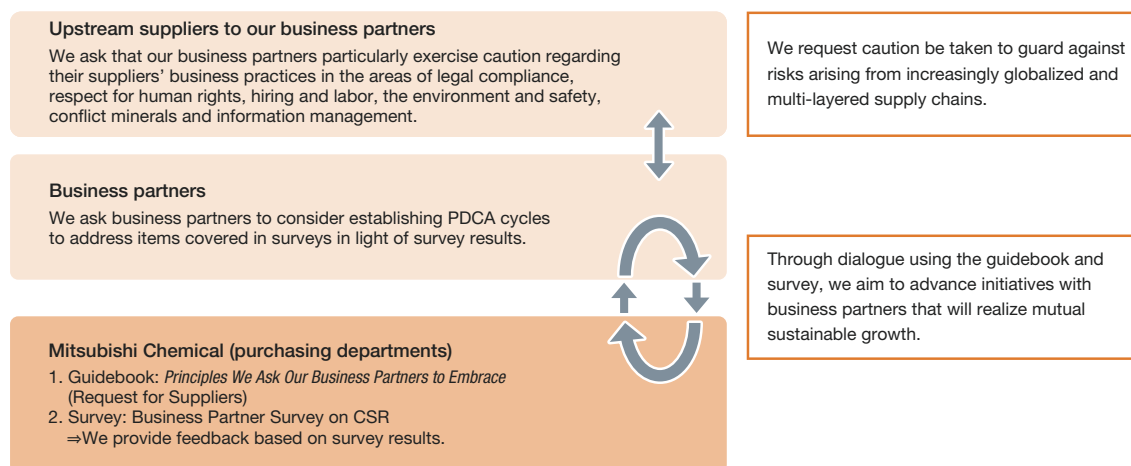
## Promoting Communication

We facilitate communication with raw materials and packaging materials suppliers using a guidebook and survey to ensure suppliers share our understanding of CSR issues and to confirm the status of related initiatives.

We utilize survey results to provide feedback to business partners and engage in dialogue about making specific improvements. By doing so, MCC aims to build sound relationships with its business partners that enable mutual growth and improvement.

In fiscal 2019, we provided feedback based on the results of a survey of our key business partners conducted in fiscal 2018. We believe that the survey, covering such topics as the Mitsubishi Chemical Holdings Group Charter of Corporate Behavior and responses to recent external trends, helps us to more accurately express our commitments and priorities, and improve the quality of communications with business partners.

### Mitsubishi Chemical's CSR Procurement



## Compliance with the Act against Delay in Payment of Subcontract Proceeds, Etc. (the "Subcontract Act")

To maintain sound relationships with its business partners, MCC has clarified a system for ensuring compliance with the Subcontract Act and established internal rules, including the Subcontract Act Compliance Regulations, which indicate the specific scope of application and compliance requirements of the Subcontract Act. To ensure that transactions are conducted pursuant to such internal rules, MCC periodically implements internal training and audits of related departments.

## Together with Employees

Mitsubishi Chemical (MCC) is implementing a range of initiatives aimed at enabling employees—upon whom realizing KAITEKI depends—to exercise their abilities to the fullest as well as at achieving sustainable corporate development based on a relationship of trust between employees and management.

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### Basic Policy

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“Utilizing people’s capabilities” is one of the fundamental management policies of the MCC Group. We practice health and productivity management and carry out management with the aim of empowering all Group members to work with enthusiasm, motivation and initiative, allowing each individual to exercise their abilities to the fullest while promoting diversity and viewing the diversity of human resources as a strength.

#### **The Human Resources and Organization We Aspire to Be**

We, as individuals, aspire to:

- Think deeply about, take action according to, and take responsibility for our own duties and roles.
- Proactively embrace differences, respect one another and broadly connect with others.
- Look beyond the status quo and take new action to continuously and ambitiously seek to create value.

We, as an organization, aspire to:

- Share common goals and a common direction and create an organization where we can all thrive.
- Anticipate change and work together to take action quickly.
- Leverage diverse individuality and ways of thinking to continually seek value creation that is greater than the sum of our individual contributions ( $1 + 1 > 2$ ).

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## Personnel Strategy for Sustainable Corporate Development

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MCC is mainly implementing initiatives related to the following issues with the aim of utilizing people's capabilities.

- KAITEKI Health and Productivity Management
- Respect for human rights and promoting diversity
- Effective placement and human resource development

In implementing initiatives related to the first of these, KAITEKI Health and Productivity Management, we are focusing on both health support and workstyle reforms, aiming to improve health at the individual and workplace levels. That is, we are working to realize workstyles that facilitate health and job satisfaction for every employee as well as workplace environments that allow each individual to thrive and utilize their abilities to the fullest. MCC is working strategically—investing and building frameworks—to make this happen. We are encouraging every employee to proactively examine their own health, work and workplace, ask what they can do to enhance their own health and vigor at work, and take action accordingly. We believe that this approach will help each employee achieve a greater sense of satisfaction and achievement both at work and in their everyday lives. Furthermore, individuals and organizations backed up by health exert a positive influence in their families and communities. In this way, we are confident that we can contribute to society through our businesses and thus contribute to realizing KAITEKI.

As for the second issue, respect for human rights and promoting diversity, we want the MCC Group to be an organization in which all employees respect one another's diverse individuality and values, including nationality, race, religion, age, gender, gender identity, sexual orientation and disability or lack thereof, and together fulfill the Group's corporate social responsibility while enabling every individual in the Group to exercise their abilities to the fullest. Aiming to lay the foundations and create support to enable diverse human resources to thrive, we are further developing our existing initiatives related to respect for human rights, hiring people with disabilities, enabling women to succeed, and providing support for child care and nursing care. At the same time, we are working to create environments that are accommodating of all employees, regardless of nationality, and to foster understanding and provide support for LGBT individuals and other sexual minorities.

The third issue is effective placement and human resource development, an area in which we aim to enable every employee to work with enthusiasm, motivation and initiative and to exercise their abilities to the fullest. Specifically, we are engaging in personnel placement on a Group-wide basis to meet the demands created by globalization. We have also adopted a career development program—a system for medium- to long-term strategic personnel placement and development with the aim of encouraging employees to pursue self-directed growth. Going forward, based on this program, while clearly delineating the roles of the Group in Japan and the regional headquarters, we will advance effective placement and human resource development across the MCC Group as a whole.

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## Aiming for “Sustainable Engagement”: The MCC & me Survey

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In fiscal 2019, MCC Group launched the MCC & me Survey, an engagement survey replacing the Employee Perception Surveys implemented in years past, on a global basis. Approximately 34,000 Group employees answered the survey, for a response rate of 79%.

We aim to use the survey to understand the state of “sustainable engagement”—a term we use to refer to the intensity of employees' connection to their organization, marked by committed effort to achieve goals (being engaged) in environments that support productivity (being enabled) and maintain personal well-being (feeling energized). We believe that understanding and bolstering sustainable engagement will help enhance employee performance and thereby improve customer satisfaction and business performance.

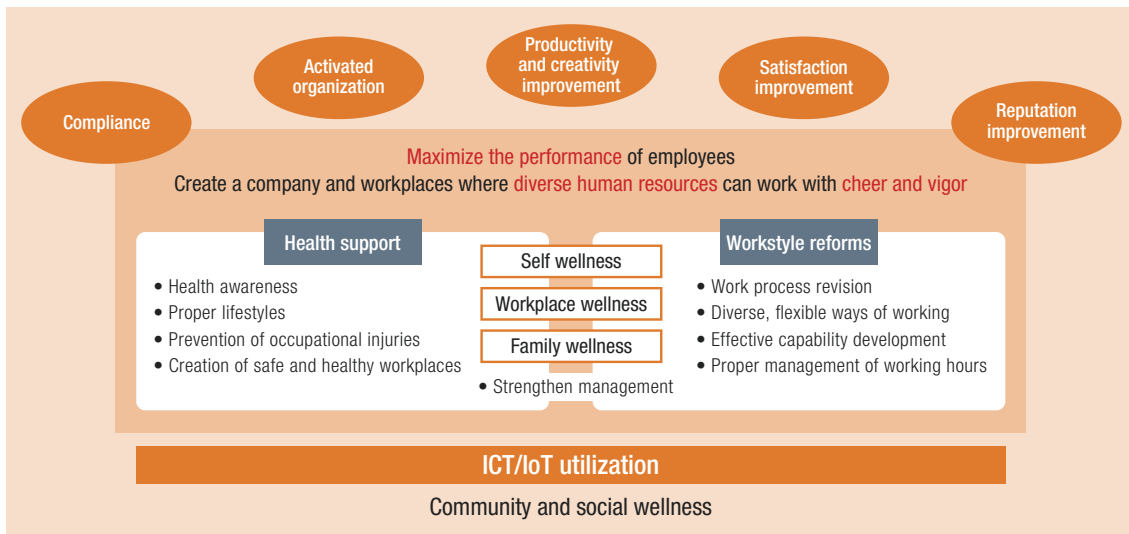


# KAITEKI Health and Productivity Management

## 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.

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## Health Support

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### ■ Health Support Measures to Realize KAITEKI Health and Productivity Management

MCC positions all health support measures, including those required by law, as KAITEKI Health and Productivity Management initiatives. We are implementing a variety of measures to realize self wellness, workplace wellness and social wellness. Specifically, 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 support the maintenance and improvement of their physical and mental health. Going forward, we will coordinate and collaborate with the health insurance union to more accurately grasp challenges to employee and workplace wellness and promote more effective and efficient measures in line with such challenges as we aim to realize KAITEKI from the perspective of health.

### ■ Raising Health Awareness and Improving Lifestyle Habits

#### Collaborative Health Initiatives

MCC proactively coordinates and collaborates with its health insurance union, working to raise the health awareness of employees and their families and carry out effective, efficient health promotion efforts based on the clear division of roles and good workplace environments. Going forward, we will use special health guidance to help prevent lifestyle-related disease, provide follow-up guidance by sharing health check-up data that is available to both employees and the company, and encourage at-risk employees to receive consultations at medical institutions.

### ■ 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 banned 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 have banned smoking during work hours even when employees are working outside company premises. In addition, we continue to provide support services for employees aiming to quit smoking, which we introduced before the ban on smoking during work hours, and have in place an antismoking support system.

### ■ 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. Medical interviews over the ensuing three years through fiscal 2019 found that the number of times employees reported having fallen in the past year had declined, and approximately 65% of employees showed improvement in their fitness test results. In fiscal 2020, we have been working on exercise-related tools, such as videos, for the global Group and diverse employees to accelerate the expansion of initiatives at Group companies in and outside Japan. Through such measures, we are working to help employees of all ages, throughout the MCC Group, develop the physical strength and skills to prevent falls.



# KAITEKI Health and Productivity Management

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## Workstyle Reforms

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### ■ 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. The corporate function domains, such as human resources and administration, publish 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 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 system<sup>1</sup> and by setting planned annual days off.<sup>2</sup> 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).

<sup>1</sup> Employees who take two or more consecutive annual paid vacation days can receive one additional day off on the following business day once a year (up to three days a year for employees who are 30, 35, 40, 45, 50, or 55 years old as of April 1 of said year).

<sup>2</sup> 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.

#### Between-Shift Intervals

To help ensure that employees get adequate rest and do not begin a new day before recovering from the fatigue of the previous, and to avoid health risks stemming from overwork as a result of long working hours, we have established the Between-Shift Interval Guidelines. These guidelines recommend that employees try to secure an interval of at least 11 hours between the time they finish work one day and begin work the next. We have also made it easy to check if employees have secured this interval on their attendance charts.

## ■ Promoting Flexible Workstyles

### Remote Work System

As part of efforts to enable employees to work more productively, we have introduced a remote work system. Eligibility for this system is not limited to employees engaged in child care or nursing care; all daytime employees can use the system. Previously, use of this system was capped at two days a week, but we removed this limit in October 2020 for greater flexibility. In addition to their regular workplaces or homes, employees can use satellite office spaces contracted by the company.

### 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

# Respect for Human Rights and the Development of Diversity

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## Basic Policy

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Mitsubishi Chemical (MCC) regards respect for human rights as the basis of its management and the development of diversity as part of its management strategy. MCC has established its Basic Policy on Respect for Human Rights and the Development of Diversity to focus efforts on these issues.

### **Basic Policy on Respect for Human Rights and the Development of Diversity**

Within the MCC Group, all employees shall respect one another's diverse individuality and values, including nationality, race, religious beliefs, age, gender, gender identity, sexual orientation and disability or lack thereof. In this way, we aim to enable every individual to develop their abilities to the fullest and to achieve sustainable growth by creating new value for society.

#### **Respect for Human Rights**

In line with the Mitsubishi Chemical Holdings Group Charter of Corporate Behavior, we shall respect the dignity and rights of all people and shall not unfairly discriminate under any circumstances. Furthermore, each employee shall endeavor to correctly understand human rights and related issues and help create workplaces that realize KAITEKI and are free of discrimination and harassment.

#### **Developing Diversity**

In line with the Mitsubishi Chemical Holdings Group Charter of Corporate Behavior, we shall build organizations that take strength from diversity, in which each individual is aware of their role, strives to enhance their abilities as needed, and utilizes said abilities to the fullest to contribute to the creation of KAITEKI value. Furthermore, we shall endeavor to balance our work and personal lives and, by deepening dialogue and mutual understanding, create a workplace culture that is rich in drive and energy and that realizes KAITEKI.

To promote respect for human rights and diversity on a company-wide basis, we have established the Human Rights and Diversity Development Committee, chaired by the President and comprising the chief operating officer of each business domain and corporate function domains. The members of this committee regularly monitor performance and discuss new initiatives as they implement PDCA cycles.

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## Respect for Human Rights

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The Mitsubishi Chemical Holdings Group has established the Mitsubishi Chemical Holdings Group Global Policy on Respecting Human Rights, Employment and Labor. In light of the Universal Declaration of Human Rights and United Nations Global Compact, MCC has adopted this policy as its action guidelines.

In addition to implementing the necessary employee education to ensure respect for individual dignity and rights, MCC forbids child labor and forced labor and strives to maintain proper working conditions. Through these efforts, MCC seeks to fulfill its corporate social responsibility to ensure that the rights of all its stakeholders are respected. We have also begun to create a human rights due diligence system based on the United Nations Guiding Principles on Business and Human Rights. Currently, we are preparing to publish an MCC Group human rights policy.

Within the company, we maintain systems for dealing with human rights issues appropriately. Specifically, we are implementing a variety of educational and other initiatives, including rank-specific training and e-learning, aimed at deepening awareness and knowledge of human rights. In addition, we are promulgating a clear message of zero tolerance for harassment while working to improve awareness and mindsets. At each plant, we have appointed harassment counselors, to whom employees can go to seek help or guidance related to harassment or human rights issues.

In fiscal 2019, as part of initiatives to deepen understanding of gender diversity in particular, we implemented e-learning for all MCC employees. We also began applying benefit and support systems to employees with same-sex partners on an equal basis to those with legally recognized spouses.

### ■ Fiscal 2019 Human-Rights Related Training

	In-house training		Human rights slogans <sup>1</sup>
	Sessions	Participants	Slogans submitted
Mitsubishi Chemical	76	3,882	3,408
Group companies	246	6,891	7,493
Total	322	10,773	10,901

<sup>1</sup> To promote employee awareness of human rights, every summer we ask employees and their families to submit human rights-related slogans.

# Respect for Human Rights and the Development of Diversity

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## Enabling Women to Succeed

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MCC is working to develop female managers, provide career development support for female employees, implement workstyle reforms and develop its workplace culture through a range of initiatives.

The Mitsubishi Chemical Women's Council, launched in 2018, is a company-wide project sponsored by the president and aimed at promoting the success of women. The Council works to provide career development support to women by holding career workshops for specific job types, providing opportunities for participants to network and consider their careers as well as their own development. In addition, the Council has held dialogues with top management as part of efforts to understand the challenges faced by female employees. Furthermore, we send employees to training programs organized by external organizations and offer training on various specific themes that is open to all. Through such initiatives, we are providing opportunities for employees to expand their perspectives and enhance their skills.

MCC is providing support to enable its female employees to achieve greater success as part of efforts to utilize its people's capabilities in line with its basic policy on promoting diversity. At the same time, we are building a foundation to ensure that women and all employees can succeed in their own ways by providing accurate evaluations and increasing awareness of flexible workstyles.

We have formulated the action plan below based on the Act on Promotion of Women's Participation and Advancement in the Workplace.

### **MCC's Action Plan**

We have established the following action plan to support the development and success of female employees.

#### **1. Plan Duration**

April 1, 2017–March 31, 2021 (four years)

#### **2. Numerical Target**

Double the percentage of management positions (line manager or equivalent and above) held by women from the 2017 level

#### **3. Initiatives**

- (1) Implement systematic career development support for female employees
- (2) Develop female managers
- (3) Enhance educational opportunities for motivated employees
- (4) Implement workstyle reforms and develop workplace culture

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## Balancing Work and Home Lives

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Enabling every employee to utilize their abilities and balance their work and home lives is essential to promoting diversity. MCC supports its employees with numerous systems designed to meet the needs attendant to a range of life stages.

### ■ Initiatives Related to Child Care

We have created an environment that supports employees with children from a long-term perspective to make it easier to work while raising children. To help avoid difficulties related to taking and returning from child care leave, we have made pre-child care leave (or for women, pre-maternity leave) meetings between employees and their line managers mandatory and, to facilitate an earlier return from child care leave, set up a “concierge service” to assist parents in finding and securing spots in daycare facilities. Furthermore, to alleviate concerns about difficulties securing such a spot, ineligibility for certain support systems after children begin their fourth grade school year, or finding a place to care for children during long school breaks, we have partnered with external daycare facilities to secure a number of places for the company. Through such measures, we have created an environment that helps employees return to work with confidence.

To facilitate fathers’ active participation in child care, we have extended the period during which they can take paternity leave and allowed the use of expired annual paid vacation days for child care. We are also working to foster a corporate culture that encourages the use of child care leave by such means as providing awareness-raising videos that expecting fathers and their supervisors can watch together and distributing handbooks on balancing work and child care.

In fiscal 2019, for Family Day at the head office and nearby sites, we held workplace tours and other events, helping to boost employee motivation and understanding at workplaces of employee’s home circumstances.

We have formulated the action plan below based on the Act for the Promotion of Measures to Support the Nurturing of the Next Generation.

#### **MCC’s Action Plan**

To facilitate balanced work and personal lives for employees and enable all employees to exercise their abilities by creating accommodating work environments, we have established the following action plan.

##### **1. Plan Duration**

April 1, 2017–March 31, 2021 (four years)

##### **2. Targets and Initiatives**

Target 1: Create environments that facilitate the success of employees engaged in child care

- Monitor the usage of systems to support employees in balancing their work and personal lives as well as the results of related initiatives and share findings broadly with employees
- Provide support to help employees continue working and return to work smoothly and promptly after child care leave

Target 2: Develop a workplace culture that is supportive of employees balancing work and home responsibilities

- Foster increased understanding of company systems
- Respect employees’ diverse values and workstyles while creating a workplace culture in which each employee recognizes their role and can exercise their abilities to the fullest
- Reduce working hours
- Encourage the use of paid leave

Target 3: Carry out other initiatives to support the development of the next generation

- Provide opportunities for children to come into contact with workplaces, such as plant tours
- Foster understanding of the meaning of work among young people and provide work experience opportunities

# Respect for Human Rights and the Development of Diversity

## ■ Initiatives Related to Nursing Care

Aiming to eliminate retirement due to the need to provide nursing care for a family member, MCC works to raise awareness of the importance of advance preparation for providing nursing care by offering handbooks about nursing care and holding seminars. At the same time, we are creating environments that allow employees to work with confidence by promoting awareness of available work support, allowances and subsidies and providing individual consultations with experts.

We also support networking among employees facing the need to provide nursing care by providing the Nursing Care Cafe as a place for dialogue.

From fiscal 2020, we are working to make the information employees need readily available and accessible whenever they need it by, for example, publishing a video on measures employees should take when the need to provide nursing care arises and creating an electronic version of the nursing care handbook. We are also reinforcing the internal consultation system, centered on advisors specializing in measures to prevent the need for retirement to provide nursing care, and working to raise the quality of nursing care support services.



Handbook on balancing work and nursing care (24 pages)



The "Tomonin" mark, created by the Ministry of Health, Labour and Welfare, can be used by companies that strive to ensure workplace environments that enable employees to balance work and nursing care. MCC has been certified to use this mark.

## ■ Main Systems to Support Employees in Balancing Their Work and Personal Lives

- Temporary retirement for child care: Until the April 30 after the child's third birthday
- Reduced work hours for child care: Until the end of the child's third grade school year
- Injury/illness nursing care leave: Up to 10 days per year (can be used in half-day units)
- Temporary retirement for family care: One year per qualifying family member
- Reduced working hours for nursing care: Maximum two-hour reduction in working hours per day (as long as necessary)
- Reduced work days for nursing care: Maximum five-day reduction in working days per month (as long as necessary)
- Nursing care leave: Up to 20 days per year (can be used in half-day units)
- Livelihood support leave (system for accumulating expired annual paid leave): Can be used for recovery from illness or injury, child care, nursing care, etc.
- Declaration of desired place of work: Allows employees to specify their desired place of work to accommodate family circumstances
- Temporary retirement for spouse's overseas service: Allows employees to take leave of up to three years to accompany their spouse on an overseas work assignment
- Menstrual leave: Allows employees to take leave of up to a total of one year for advanced fertility treatment that meets certain standards
- Telework system for employees whose work is suitable for telecommuting
- Day care cost allowance
- Day care information service
- Partnerships with nursing care facilities
- Nursing care subsidies and allowances
- Home care worker allowance
- Establishment of external nursing care consultation points

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## Hiring People with Disabilities

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MCC's basic policy is to ensure that the individuality of every employee, disabled or not, is respected and that all employees can thrive. In accordance with this policy, MCC is advancing initiatives to promote the hiring of people with disabilities and enable them to exercise their abilities. Each business site partners with special-needs schools and institutions to proactively provide work experience opportunities. We also strive to develop working environments that are accommodating to employees with disabilities and seek to retain such employees. As of June 2020, 2.28% of MCC employees were people with disabilities.

In 1993, we established the special subsidiary Kasei Frontier Service, Inc., which mainly provides PC data entry and printing services, to help people with disabilities achieve growth by taking on work responsibilities and thus contribute to society. As of June 2020, said company had 78 employees with disabilities (of 108 total employees).

In April 2020, MCC signed on to The Valuable 500, an international initiative aimed at promoting disability inclusion. The entire Group, including Kasei Frontier Service, will continue to promote the employment of people with disabilities as it strives to meet the expectations and requirements of today's increasingly diverse society.



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### Sharing the Dignity and Fulfillment of Work while Contributing to Society

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Kasei Frontier Service has many employees with disabilities of varying types and degrees, as well as employees without. We are truly a company where diverse human resources are able to work with vigor. Based on our corporate philosophy of "Brighten the world at your corner," we focus on carrying out our work with care and sincerity at all our workplaces. In addition to developing diversity, we strive to create an inclusive corporate culture of mutual assistance, trust and respect.

Going forward, while sharing the value and fulfillment of work with everyone at Kasei Frontier Service, we will meet the needs of the MCC Group and a wide range of customers as we strive to contribute to the good of people and society.



**Kouichi Ishida**  
Managing Director  
Kasei Frontier Service, Inc.



# Effective Placement and Human Resource Development

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## Basic Policy

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At Mitsubishi Chemical (MCC), we aim to achieve our vision—realizing KAITEKI. To that end, we strive to secure, retain and effectively place human resources who are understanding of diverse values, identify issues on their own, and involve those around them as they continually take on new challenges.

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## Hiring

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MCC does not hire individuals younger than 18 years old and practices fair, non-discriminatory hiring.

Specifically, we take thoroughgoing measures to enforce a stance of respecting human rights such that matters unrelated to the applicant's suitability and capabilities are neither asked about nor investigated in the course of the hiring process, including in interviews, and that such matters do not factor into hiring decisions. Unrelated matters include nationality, religion, gender, gender identity, sexual orientation, disability and pregnancy.

We strive to ensure fairness in hiring new graduates, regardless of where the applicant lives or when they graduate, by such means as holding hiring orientations and interviews online and hiring in both the spring and autumn. Furthermore, by offering scholarship programs and internships for which students can receive college credit, we provide work experience opportunities and support the development and research activities of the next generation.

Furthermore, to secure human resources with experience at other companies and specialized knowledge, we also focus efforts on mid-career hiring. By hiring human resources with varying backgrounds and values, we aim to further bolster diversity and our businesses.

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## Effective Placement and Human Resource Development

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We aim to realize optimal personnel placement and human resource development on a Group-wide basis to meet the demands created by changes in the business environment and globalization while encouraging employees to pursue self-directed growth.

“Utilizing people’s capabilities” is a component of MCC’s fundamental management policies. We carry out management with the aim of empowering every Group member to work with enthusiasm, motivation and initiative, allowing each individual to exercise their abilities to the fullest while promoting diversity and viewing the diversity of human resources as a strength. With employees thinking ever more autonomously about their own careers and working lives lengthening, we are working to proactively provide career development support so that every individual is able to flexibly adapt to changes in their environment and find professional fulfillment in their work.

As a part of career development support measures, we conduct career design interviews. Such interviews involve an employee and their supervisor discussing the employee’s current situation and how said employee plans to grow over the medium to long term. This approach is designed to help employees take the initiative and grow. Each employee works to identify their own strengths and consider for themselves how they can hone and utilize those strengths to, ultimately, contribute to society. At the same time, the company systematically examines ways to utilize and enhance each individual’s strengths in order to achieve corporate growth.

In recognition of these initiatives, MCC received the Innovation Prize in the Ministry of Health, Labour and Welfare’s Good Career Company Awards 2019.



Across the entire MCC Group, including overseas sites, we are working to effectively place and develop promising human resources in each region<sup>1</sup> and the next generation of executive management candidates for the MCC Group.

With regard to promising human resources in each region, the regional headquarters established in April 2017 implement systematic human resource development and placement within their respective regions. At the same time, regarding the next generation of executive management candidates, we are working with the regional headquarters to implement unified global management, identifying key positions and preparing succession plans for them as well as monitoring the placement of management candidates who are expected to fill such positions in the future. The company-wide HR Committee convenes on a regular basis to manage such efforts. Furthermore, we are applying these initiatives across the entire MCC Group, including overseas companies, working to implement more systematic and effective human resource development and placement.

<sup>1</sup> Refers to the four regions that the MCC Group has designated as its units for global business development, namely the Americas; Europe, the Middle East and Africa; the ASEAN region, India and Australia; and China and Hong Kong.



# Effective Placement and Human Resource Development

## Human Resource Development System

MCC believes that on-the-job training—learning through actual, on-site work experience—is the foundation of employee growth. We expect on-the-job training to lead employees to grow autonomously through the process of identifying issues in the course of their ordinary work and solving said issues with support from those around them.

To support and reinforce this process, we have introduced measures that enable employees to proactively design their own careers. We also maintain an off-the-job training program that enables employees to learn how to fulfill their expected roles.

Furthermore, we support both human resource development and organizational development. In doing so, we aim to help strengthen individuals and the organization, by both supporting the individual efforts of employees to develop their abilities by, for example, acquiring the skills needed to carry out their duties, and by increasing engagement. In this way, we seek to build win-win relationships that empower each employee to autonomously learn and work with vigor.

In addition to the human resource development initiatives implemented by the Human Resources Department, each business department implements measures tailored to its unique characteristics. For example, technical departments carry out uniform education and training through internal projects, aiming to develop engineers with the abilities to work in a wide range of fields and advanced professional safety skills. Such initiatives at the business department level are a tremendously important part of company-wide human resource development.

Positional Manager	Interview Skill Training							
	New Positional Manager Training							Survey/ Training
Manager	Management Practice Training I & II							
	New Manager Training		Short-Term Overseas Training	Off-Site/Language/Official Certificates	Career Design Workshop (for employees around 40 y/o)	Diversity (Human Rights) Promotion		
Mid-Level Staff	Management Basic Training I & II							
	Mentor Training							
Younger Staff	Third Year Employee Training							
	Second Year Employee Training							
	New Employee Training							
Categories of Training	Hierarchical/Basic	Digital/IT	Global	Support Learning	Career Design	Diversity/Contact	Organization Development	
Enhancement of Individuals				Enhancement of Organization/Improvement of Engagement				

At the same time, Mitsubishi Chemical Holdings (MCHC) holds such programs as Group New Executive Training. The MCC Group actively sends its employees to participate in these programs, which offer opportunities for them to develop themselves through friendly competition within the MCHC Group.

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## Global Executive Development

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The MCC Group is forcefully globalizing its management structure. To encourage the development of the human resources needed to handle global management, we are carrying out a range of training and other programs in and outside Japan.

The development of globally oriented management personnel requires the cultivation of global mindsets and amassing of global experience. To this end, we offer programs to develop global mindsets in Japan as well as overseas dispatch programs, including Short-Term Overseas Training, in which participants work to solve problems in a multicultural environment. By providing opportunities to gain global experience tailored to the specific level of each individual, we are working to develop globally oriented management personnel.

Furthermore, in April 2019, we launched “Experience JAPAN,” a program through which non-Japanese employees of Group companies at overseas sites can come to work in Japan for about a year. By providing work experience in Japan, this program enables such employees to learn about Japanese culture, the particular characteristics of Japanese companies and Mitsubishi Chemical while promoting mutual understanding between such employees and those based in Japan, fostering a sense of unity across the MCC Group.



## Labor-Management Relations

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### Labor-Management Relations Based on Mutual Trust

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In line with the Mitsubishi Chemical Holdings Group Charter of Corporate Behavior, Mitsubishi Chemical (MCC) respects employees' rights, including freedom of association and the right to collective bargaining, and strives to build sound relations with employees through close dialogue.

Mitsubishi Chemical is working to build labor-management relations based on mutual trust with its employees' labor union through such means as maintaining close ongoing dialogue and holding regular biannual management meetings (in spring and autumn) with the labor union in line with a labor agreement to exchange opinions.

# Together with Communities and Society

## Basic Policy

In line with the Mitsubishi Chemical Holdings Group Corporate Citizenship Activities Policy, the Mitsubishi Chemical (MCC) Group conducts corporate citizenship activities in such areas as creating an inclusive society, fostering the development of the next generation, protecting the global environment, communicating with local communities and disaster support. Since fiscal 2019, we also focus efforts on initiatives to address ocean plastic issues.

### ■ Mitsubishi Chemical Holdings Group Corporate Citizenship Activities Policy

The Mitsubishi Chemical Holdings (MCHC) Group strives to deepen its understanding of the culture and customs of the communities and countries where it operates and to contribute to society through its businesses. Furthermore, as a good corporate citizen, the MCHC Group works to meet the demands and expectations of society and communities and realize KAITEKI.

#### Approach

- Conduct corporate citizenship activities in communities and countries where we operate from a viewpoint of sustainability (Green), health, and comfort.
- Deepen our understanding of social needs through communication with various stakeholders and other organizations.
- Conduct activities together with employees and encourage their positive participation.
- Support employees in their volunteer activities.

## Corporate Citizenship Activities

### ■ Creating an Inclusive Society

In April 2017, MCC signed an agreement to become an official partner of the Japanese Para-Sports Association (JPSA), as it agrees with JPSA's mission of creating a vibrant, inclusive society.

At JPSA sporting events, employees volunteer (operating reception, setting up facilities, etc.) in addition to watching and cheering the matches. We also hold internal Boccia competitions and provide an opportunity for employee's family members to experience the sport on Family Day, when we invite them to our workplaces. Through such efforts, we actively promote understanding of parasports among employees. By helping to further spread and develop such sports, MCC seeks to contribute to the realization of an inclusive society that is healthy, both physically and mentally, and where each person's individuality is respected.



▲ Employees at the JPSA's Japan Para Championships in July 2019



▶ A guest trying Boccia on Family Day in July 2019 (head office)

### ■ Fostering the Development of the Next Generation

The MCC Group holds chemistry experiment workshops at various locations, aiming to spark an interest in chemistry and science among children, who represent the next generation. Furthermore, we perform chemistry experiment shows for children at events held by the Yume Kagaku-21 Committee. (The Yume Kagaku-21 Committee comprises the Chemical Society of Japan; Society of Chemical Engineers, Japan; Japan Association for Chemical Innovation; and Japan Chemical Industry Association.)

## Together with Communities and Society

### ■ Protecting the Global Environment and Communicating with Local Communities

MCC works to protect the global environment by engaging in woodland conservation and clean-up activities of local areas and waterfronts near its operating sites. We also proactively work to maintain communication with local communities.

#### Woodland Conservation Activities

At the Okayama Plant, to protect and nurture the Takahashi River system, from which the plant draws water for industrial use, we work with an NPO to implement woodland conservation activities in an upstream area known as Takahashi Utsukushii Mori (“Beautiful Forest of the Takahashi District”). Similarly, in Tokyo, we participate in Tokyo Greenship Action, under which the Tokyo Metropolitan Government, NPOs and companies work together. Through such efforts, we carry out woodland conservation activities in the areas where the MCC Group operates.

#### Communicating with Local Communities

We implement regular clean-up activities in the areas around our operating sites. Furthermore, we participate in local events, invite local residents to events at plants, and open our sports fields and athletic facilities to the public. We also host tours for students as part of ongoing efforts to communicate with local communities.



April 2019 woodland conservation activities at Takahashi Utsukushii Mori (Okayama Plant)



November 2019 workplace experience event for students of a nearby junior high school (Shiga Plant)

## ■ Disaster Support

In and outside Japan, MCC provides monetary and material donations to areas affected by natural disasters. Within Japan, we also actively provide human support to affected areas, including through employee volunteering.

After typhoons Faxai and Hagibis in 2019, we made monetary donations, and Mitsubishi Chemical Cleansui provided Cleansui Pure Water bottled water.

As part of efforts to support recovery in Japan's Tohoku region, since 2013, the MCHC Group has held an annual market featuring local specialty products from Iwate, Miyagi and Fukushima prefectures. We also carry out a project in which high school students directly sell products they develop and manufacture themselves using locally produced goods at these markets. Going forward, we will continue to support recovery directly and the recovery initiatives of Tohoku residents.

### Addressing Ocean Plastic Issues: Beach and Other Clean-Up Activities Near All Domestic Sites

In line with its vision of realizing KAITEKI—the sustainable well-being of people, society and our planet Earth—MCC has long contributed to solving social issues through its businesses, for example, through the provision of the biodegradable biomass plastic BioPBS™.

At the same time, in light of growing calls for responsible consumption and production, as set forth in the SDGs, we believe that, in addition to contributing through our businesses, every employee must take action as part of corporate citizenship activities. As such, the entire company is promoting clean-up activities in coastal and other areas. In fiscal 2019, all of MCC's domestic locations implemented clean-up activities along coasts, rivers, lakes and other areas, helping to reduce plastic waste that is washed out to sea.

In fiscal 2019, a total of 1,160 people took part in these activities (including employees' families).



Clean-up activities at Waita Beach (Fukuoka Plant)



Nasa Beach, Toshijima (Mie Plant)





## Company Data (Social)

### Employee Composition

#### Employees Working at Mitsubishi Chemical

By gender		By employment type		By age group	
Male	12,574	Open ended	13,683	29 or younger	2,311
Female	2,014	Fixed term (rehired retirees, contractors)	825	30 to 39	3,344
		Other (part-time, etc.)	80	40 to 49	4,407
				50 to 59	3,774
				60 to 69	744
				70 to 79	2
Total: 14,588					

As of April 2020

#### Employees Employed by Mitsubishi Chemical

By gender		By employer		Average age
Male	15,637	Mitsubishi Chemical	14,382	43.3
Female	2,641	Group companies	3,896	
		Auxiliary organizations		
Total: 18,278				

As of April 2020

### Managers Employed by Mitsubishi Chemical

Male	4,847 (93.3%)
Female	349 (6.7%)
Total	5,196

As of April 2020

### Total Working Hours

Average total annual working hours	2,008
Average monthly overtime pay	¥51,055

Year ended March 31, 2020

### New Hires to Mitsubishi Chemical New Graduate Hires

	Professional career group	Career group
Male	176 (92.6%)	188 (84.7%)
Female	14 (7.4%)	34 (15.3%)
Total	190	222

### Paid Time Off Usage

Paid time off usage rate	72.6%	
Employees who used maternity leave	75	
Employees who used child care leave	Male	52
	Female	145

Year ended March 31, 2020 (except for the paid time off usage rate, which is for the year ended December 31, 2019)

### Mid-Career Hires

	Professional career group	Career group Management positions
Male	148 (75.5%)	99 (80.5%)
Female	48 (24.5%)	24 (19.5%)
Total	196	123

Individuals hired from April 2, 2019 to April 1, 2020

### Employee Union Membership Rate

68.1% (As of March 31, 2020)

### Employment of People with Disabilities

Full-time positions held by employees with disabilities	426
Total number of employees used to calculate the percentage of employees with disabilities	18,711.5
Percentage of employees with disabilities	2.28%

As of June 1, 2020