

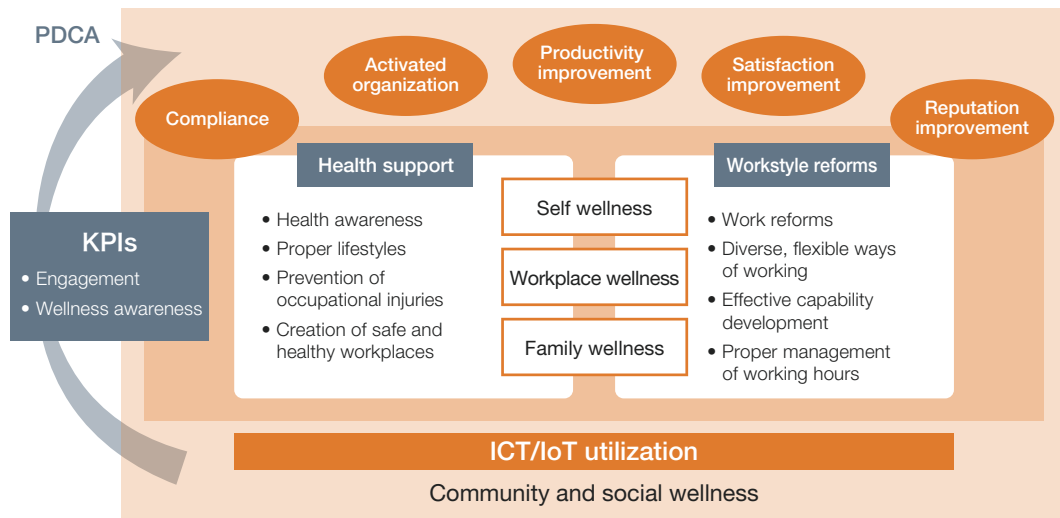


# KAITEKI Health and Productivity Management

## 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 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.

## Health Support

### ■ 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. We are coordinating and collaborating 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. Specifically, using ICT, we have set up a health portal system that makes medical data easily accessible all in one place. Such data includes health checkup results for single years and over time, health risk diagnoses and other health information, and medical fee notices. In addition, to help employees make changes to their behavior to improve their health, we have adopted a new health point incentive scheme designed to maintain motivation and encourage self-directed efforts.

Going forward, we will use special health guidance related to metabolic syndrome to help prevent lifestyle-related disease, provide follow-up guidance by mutually sharing health check-up data between the Company and the health insurance union and, to help prevent more serious health issues, encourage at-risk employees who meet certain criteria to receive consultations at medical institutions. By doing so, we aim to raise each individual's awareness and help them change their behavior for the better.

### ■ Creation of Safe and Healthy Workplaces

#### Second-Hand Smoke Countermeasures

To 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 working hours even when employees are working outside company premises. More than a year has passed since the introduction of these measures, and thanks to the understanding and cooperation of both smokers and non-smokers, we have greatly reduced exposure to second-hand smoke in workplaces. In addition, we offer employees aiming to quit smoking an antismoking support system that utilizes external support services, and the smoking rate among employees is gradually decreasing.



# KAITEKI Health and Productivity Management

## **Support for Employees Balancing Work and Medical Treatment**

In addition to its extensive compensation system for absence from work, in April 2021, MCC established a system of reduced working hours and reduced work days for those undergoing medical treatment. The new system allows employees to choose between taking leave and continuing to work while undergoing medical treatment, depending on their preferences and the demands of their treatment. Along with the launch of the system of reduced working hours and reduced work days for medical treatment, we created a handbook that serves as a manual for using the system as part of efforts to ensure that employees are aware of it.

We strive to create supportive environments for employees who wish to work while undergoing medical treatment, working in coordination with their primary physicians, our human resources divisions, industrial physicians, industrial nurses, and employees' bosses and coworkers. By creating frameworks that allow employees to easily seek advice, such as setting up an online cancer salon, we aim embrace our colleagues who are balancing treatment with work and, by working together, gain new insights into diversity and different values, thereby fostering a richer corporate culture. Enabling employees to balance work with medical treatment aligns with MCC's mission of realizing KAITEKI.

## **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 four years through fiscal 2020 found that the number of times employees reported having fallen in the past year had declined, and employee fitness test results showed a decrease in employees at high risk of falling. In fiscal 2020, we worked 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. As remote work increases and work-styles undergo other changes, we will continue to practice KAITEKI exercises, working to help employees of all ages, throughout the MCC Group, develop the physical strength and skills to prevent falls.

## **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. Through these efforts, 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 Business Reengineering projects.

## ■ 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 striving 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> Also, 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 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 20, 25, 30, 35, 40, 45, 50, or 55 years old as of April 1 of said year).

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.

### 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 and in light of recent lifestyle changes, we are strongly promoting the use of remote work. We allow employees to work the entire week remotely to enable more flexible workstyles. 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



# KAITEKI Health and Productivity Management

## “Mitsubishi Chemical Has Decided”

We have distilled our KAITEKI Health and Productivity Management measures into 33 declarations under the title “Mitsubishi Chemical Has Decided” and published them within the Group and externally. These 33 declarations were formulated to reflect employees’ wishes for the kind of company they want MCC to be and clearly declare the company’s stance and determination as it works toward the goals of KAITEKI Health and Productivity Management.

No.	The 33 Declarations (as of April 1, 2021)
1	We will promote the KAITEKI Health and Productivity Management.
2	For the sake of the maintenance and control of employees’ health, we will engage more actively and effectively in the prevention and treatment of diseases, and achieving a balance with work.
3	We will position the organizational management and cultivation of subordinates based on the KAITEKI Health and Productivity Management as priority issues of personnel with titles.
4	We will eliminate harassment at workplaces.
5	We will eliminate workers’ accidents.
6	We will fully implement countermeasures against passive smoking at workplaces.
7	Personnel assignments will be reviewed so that employees at the manufacturing sites will also be able to take appropriate holidays and leave.
8	We will improve the toilet environment at the manufacturing sites.
9	Unpaid overtime work is not acceptable.
10	Teleworking will be promoted.
11	“E-mailing on holidays” and “ordering the preparation of documents assuming work on holidays” are prohibited.
12	All employees will be able to take a vacation of three consecutive days.
13	The head of an organization who lets subordinates take sufficient paid holidays will be evaluated and recognized by adding the factor to the evaluation/recognition items.
14	We will actively provide support in cases where an employee wishes to accompany his/her transferred spouse or wishes to return to the parents’ home to provide nursing care.
15	We will support employees who are rearing children from a long-term perspective.
16	We will achieve a rate of 100% for male employees taking child care leave or shortened working hours.
17	Shortened working hours can also be applied under other personal circumstances such as taking care of a sick family member.
18	We will eliminate retirement due to providing nursing care for a family member.
19	We will convert our workplace into a space in which diverse human resources can work together actively and with enthusiasm regardless of gender, nationality, disabilities, sexual orientation, gender identity, etc.
20	We will promote employment across the company by expanding the scope of work for people with disabilities and improving the workplace environment.
21	Welcome Talent! In addition to new graduates, we will aggressively conduct mid-career employment.
22	Welcome Back! We welcome people coming back to our company with experience at other companies.
23	We will provide support (training, etc.) for all employees so that each one will be able to work comfortably after joining the company.
24	Appointment will be conducted considering duties, experience and contribution rather than age, years of service or gender.
25	The experience of taking child care leave and nursing care leave, etc., is valuable, and thus taking holidays will not be treated disadvantageously upon the appointment, promotion and evaluation of employees.
26	We will conduct career design interviews and one-on-one-meetings to support each employee’s growth.
27	We will create a system that allows employees to proactively take on challenges by asking them about their career aspirations and other preferences, such as where and how they want to work.
28	We will support employees who have a positive attitude about learning.
29	Train yourselves outside MCC!
30	We will support employees who have a positive attitude about volunteering.
31	We will work to bolster communication and organizational vitality.
32	We will reduce work that is very mentally and physically taxing to create work environments where all employees, including the elderly and women, can excel.
33	We will promote digital transformation to create new value and increase productivity.