

Respect for Human Rights and the Development of Diversity

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 and focuses efforts on these issues.

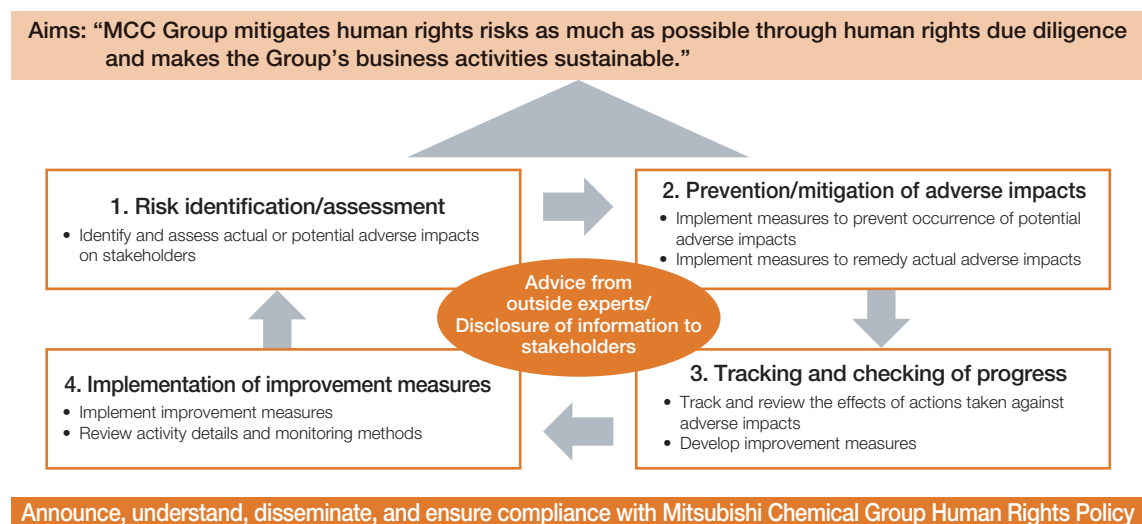
Respect for Human Rights

MCC established the Mitsubishi Chemical Group Human Rights Policy as its paramount policy on human rights to complement its mission and basic management policy and to guide initiatives related to respect for human rights in business activities. This policy was published in February 2021. Building on an understanding of human rights as defined in the International Bill of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, we uphold and conduct business activities based on the United Nations Guiding Principles on Business and Human Rights and the ten principles of the United Nations Global Compact. In addition to providing 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.

Our core initiatives in this area comprise the promotion of human rights due diligence in line with the United Nations Guiding Principles on Business and Human Rights. In addition to providing education on business and human rights based on the Mitsubishi Chemical Group Human Rights Policy, we monitor internal human rights risks and ensure preparedness to remediate any issues that may arise.

To promote human rights due diligence on a company-wide basis, we have established the Human Rights Due Diligence Committee, chaired by the president and with members that include the chief operating officer of each business domain and corporate function domain as well as the Chief Compliance Officer (CCO). The members of this committee regularly report on performance and discuss new initiatives as they implement PDCA cycles.

Human Rights Due Diligence Initiatives





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Furthermore, to enhance its understanding of initiatives to identify, prevent, mitigate and account for negative human rights impacts arising from business activities, MCC participates in human rights initiatives through its parent company, Mitsubishi Chemical Holdings. In fiscal 2020, we participated in the Human Rights Due Diligence working group organized by Global Compact Network Japan as well as the Caux Round Table Japan's Stakeholder Engagement Program.

Within the company, we maintain systems for appropriately dealing with human rights issues in order to create environments in which employees can exercise their abilities with peace of mind. 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 and are working to improve awareness and mindsets. At each plant, we have appointed harassment counselors that employees seeking help or guidance related to harassment or human rights issues can consult.

In fiscal 2020, we implemented training on unconscious bias for all workplace managers. The approximately 1,200 participants learned about inclusive leadership aimed at truly making the most of diversity to enhance competitiveness.

■ Fiscal 2020 Human-Rights Related Training

	In-house training		Human rights slogans ¹
	Sessions	Participants	Slogans submitted
Mitsubishi Chemical	126	5,038	4,150
Group companies	383	9,863	8,460
Total	509	14,901	12,610

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

Enabling Women to Succeed

MCC is working to nurture 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 holds 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.

About once a month, we also hold Career Encouragement Seminars in which women who are leaders in various fields speak about their own careers and beliefs. These seminars offer employees opportunities to find role models from within and outside the company and to proactively consider their careers. They also help supervisors learn about how they can best support their female employees. All employees and managers, regardless of position or gender, can participate in these seminars.

MCC is providing support to enable its female employees to achieve greater success as part of efforts to utilize its people's capabilities. At the same time, we continue to build 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

1. Plan Duration

April 1, 2021–March 31, 2026 (five years)

2. Targets

- (1) Maintain a rate of 20% women among hires
- (2) Raise the rate of eligible male employees taking child care leave to 50% by March 31, 2026

3. Initiatives

Hiring initiatives

- Continue to hire and appoint capable women to various job types and levels
- Implement external PR related to hiring (revamp hiring-related PR methods, implement PR targeting high school students)
- Improve work environments (reduce mental and physical stress, improve bathrooms and changing rooms)

Retention initiatives, etc.

- Study mechanisms for retaining female employees (supporting networking, etc.)
- Increase opportunities for employees to broaden their perspectives, enhance their skills and acquire role models through support for internal and external networking
- Continue support for employees balancing work and home life (such as child care and nursing care responsibilities)



2021: MCC received the Eruboshi certification (Grade 2) as an excellent company based on the Act on Promotion of Women's Participation and Advancement in the Workplace.

Career Support Initiatives

To promote self-directed employee career development, we hold career fairs that include lectures by outside experts as well as career consultations and feature interviews with employees. Employees and their supervisors also engage in career design interviews in which they discuss the employee's career from a medium- to long-term perspective, and we hold age group-specific career workshops in which employees think about the careers of people their age. Through these and other measures, we offer support centered around the theme of proactively considering one's career.



Balancing Work and Home Lives

■ Initiatives Related to Child Care

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 handbooks on balancing work and child care.

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

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

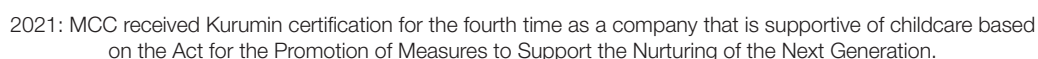
April 1, 2021–March 31, 2026 (five years)

2. Targets

- (1) Raise the rate of eligible male employees taking child care leave to 50% by March 31, 2026
- (2) Develop a workplace culture that enables diverse employees to fully utilize their abilities

3. Initiatives

- Promote workplace understanding of the importance of diversity and women's professional success (advance workplace understanding of the need to promote and retain women, etc.)
- Promote understanding of diverse workstyles
- Support self-directed career development (operate personnel systems that presuppose autonomous career development, including open recruitment and proactive efforts toward career advancement, and provide career workshops and other opportunities for employees to consider their own careers)
- Continue workstyle reforms



■ 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 a handbook on balancing work and nursing care and holding seminars. Through such efforts, we are creating environments that allow employees to work with confidence.

From fiscal 2020, we are working to make the information employees need readily available and accessible by, for example, publishing the handbook and a video on measures employees should take when the need to provide nursing care arises. We are also working to raise the quality of nursing care support services.



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.

■ Consideration of Employee Work Location Preferences

MCC gives consideration to employees' work location preferences in a number of ways, aiming to enhance productivity through the accommodation of diverse workstyles.

- Work Location Continuation
Employee transfers that entail moving residence are carried out only after checking with the individual about such transfer and with consideration given to their life plan. For management position employees who may be ordered to accept a transfer that entails moving due to business management requirements, we have established a system by which they can register their desire remain in their current work location, guaranteeing that they will remain there for up to six years.
- Preferred Work Location
Employees can register their preferred work location and job type when they would like to move from their current work location to another for such reasons as to accompany their spouse on a work transfer or to provide nursing care to a parent. Using this system, MCC does its utmost to find ways to align the needs of the individual and the company.
- Remote Work
To avoid transferring employees away from their families, employees who are raising children or provide nursing care are allowed to work remotely from anywhere in Japan.

■ 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/work days for child care: As long as approved by the company
- Injury/illness nursing care leave: Up to 10 days per year (can be used in half-day units)
- Temporary retirement for family care: Three years per qualifying family member
- Reduced working hours/work days for nursing care: As long as approved by the company
- 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.
- 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
- Day care information service
- Nursing care allowances
- Establishment of external nursing care consultation points



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Hiring People with Disabilities

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 2021, 2.42% 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 April 2021, said company had 82 employees with disabilities (of 116 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.



Sharing the Dignity and Fulfillment of Work while Contributing to Society



Kouichi Ishida
Managing Director
Kasei Frontier Service, Inc.

Kasei Frontier Service has employees with disabilities of varying types as well as employees without. We are truly a company where diverse human resources are able to work with vigor. We focus on carrying out our work with care and sincerity. In addition to developing diversity, we strive to create an inclusive corporate culture of mutual assistance and true trust and respect.

Amid a rapidly changing environment, we are proactively working to develop new areas of work beyond what we have done in the past. Going forward, while sharing the value and fulfillment of work with everyone at Kasei Frontier Service, we will meet diverse customer needs as we strive to contribute to the good of people and society.