



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 (MCC) works to earn the trust of its stakeholders by valuing and respecting them, engaging in dialogue and proper disclosure, and reflecting the fruits of such efforts in all its corporate activities.

Human Rights Policy

MCC has established the Mitsubishi Chemical Group Human Rights Policy as its topmost policy on human rights. Based on an approach to human rights due diligence compliant with the United Nations Guiding Principles on Business and Human Rights, we advance initiatives to identify, prevent, mitigate and account for negative human rights impacts arising from business activities.

Mitsubishi Chemical Group Human Rights Policy

Mitsubishi Chemical aims to contribute to the sustainable development of people, society and the Earth by providing solutions to environmental and social issues. Respect for human rights is a fundamental element in achieving our vision. The Mitsubishi Chemical Group Human Rights Policy (the “Policy”), governing all other human rights-related policies within the Group, complements our Mission and Basic Management Policy and outlines our approach to human rights in all of our business activities.

The Policy applies to all officers and members of Mitsubishi Chemical Group companies. We expect all our business partners to understand and act in line with the principles in this Policy.

The Human Rights Due Diligence Committee at Mitsubishi Chemical Corporation is responsible for the implementation of this Policy. The Board of Directors of Mitsubishi Chemical Corporation oversees compliance and implementation of this Policy.

Respect for Human Rights

We understand our business may have human rights impacts both inside and outside the company throughout our business activities, including research and development, procurement of raw materials, manufacturing, sales of products and services, distribution and disposal. We strive not to cause human rights infringements ourselves, nor to contribute to infringements of human rights caused by others, such as our business partners.

We are committed to respecting human rights understood as, at a minimum, those set out in the International Bill of Human Rights, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. In addition, we support the United Nations “Guiding Principles on Business and Human Rights” and the ten principles of the United Nations Global Compact, and conduct business activities based on these principles.

We comply with the laws of the countries and regions where we operate. If local law requirements contradict internationally recognized human rights standards, we seek ways to honor the principles of international human rights without violating local laws.

Human Rights Due Diligence

Based on the concept of “human rights due diligence”, we work to identify, prevent, mitigate, and account for negative impacts on human rights in which we may be involved. We comply with country-specific laws and regulations related to human rights due diligence, such as the UK Modern Slavery Act, wherever applicable to our operations. This includes mitigating specific human rights risks that fall within the scope of legislation, such as risks related to modern slavery or child labor.

If we identify that we have caused or contributed to human rights infringements, we endeavor to remediate them through appropriate means and processes. Where we find negative impacts on human rights directly linked to our business, we will use our knowledge and expertise, in collaboration with relevant stakeholders, to help mitigate such impacts even if we have not caused or contributed to them.

We recognize the importance of understanding negative impacts on human rights from the perspectives of stakeholders, in particular, affected stakeholders. We are committed to engaging with stakeholders when we consider our action to address potential and actual adverse human rights impacts linked to our business.

Human Rights Related to Our Business Activities

We recognize that addressing the following human rights issues related to our business activities forms an important part of our human rights responsibility.

- **Discrimination**

We strive to maintain workplaces that are free from discrimination based on race, color, gender, age, nationality or national origin, ethnic or social origin, caste, belonging to an indigenous people, family status, disability, health conditions such as HIV/AIDS status, marital status, pregnancy, language, sexual orientation, gender identity, religion, trade union affiliation or political or other opinions.

- **Harassment**

We shall not engage in any behavior that would impair the dignity of an individual, such as harassment in the workplace. We do not tolerate any words or actions that can be constituted as physical or mental harassment, which could make a person feel degraded.

- **Forced Labor**

We shall not engage in forced labor, nor tolerate any form of modern slavery, including bonded labor and human trafficking.

- **Child Labor**

We shall not employ any child under the legal working age as prescribed in national and/or local laws and regulations. We prohibit assigning hazardous or harmful work to young workers.



- Freedom of Association and Recognition of the Right to Collective Bargaining

We respect freedom of association and the right to collective bargaining, and other civil and political rights. We shall continue to develop a favorable relationship between employers and employees through engagement and open dialogue and shall create a workplace culture and environment that places a high value on communication, transparency and teamwork.

- Health and Safety

We shall endeavor to prevent workplace hazards by prioritizing safety over anything else. We shall ensure a safe occupational environment by exercising safety management in accordance with applicable national and/or local laws, and through the voluntary and proactive efforts of each employee. All employees are encouraged to report, without fear of detrimental treatment, any safety issues or concerns.

- Working Hours and Wages

We comply with applicable laws and regulations concerning working hours and wages in countries and regions where we operate. We are committed to setting an appropriate limit on maximum working hours in accordance with local laws, ensuring reasonable rest breaks and holidays, paying allowances in accordance with relevant laws, and prohibiting unfair wage reductions. We strive to create a comfortable working environment and pay due attention to the security and health of employees.

- Privacy Protection

We shall respect and protect the privacy of individuals. In handling personal information, we shall implement procedures to prevent any information loss or leakage in compliance with related laws and regulations.

- Product Use

We conduct thorough quality control to ensure product safety and continuously improve quality. We will listen to the requests of our customers and related stakeholders sincerely, and will continue our efforts to ensure that our products can be used safely and securely in accordance with the basics of Responsible Care activities.

- Business Partners

We will share our position on human rights with all business partners and are committed to working with suppliers and other relevant stakeholders to promote respect for human rights throughout our business activities. We endeavor to integrate consideration of human rights risk during the process of mergers and acquisitions.

- Community

We understand that our business activities may impact the human rights of local communities, such as land rights, access to water, the health of individuals in the community, and the rights of indigenous peoples. In addition to understanding local cultures and customs, we are committed to respecting human rights and acting as a good corporate citizen in communities to meet the expectations of the local communities.

- **Human Rights in High-Risk Situations**

Based on the basic philosophy of respect for human rights, we endeavor with particular care to prevent human rights infringement when we are faced with circumstances with heightened risk, including areas affected by conflicts, natural disasters or a culture of corruption.

Furthermore, we seek to responsibly procure minerals, including managing the risks associated with conflict minerals, by giving due consideration to possible related human rights impacts or environmental burden.

Grievance Mechanisms

If one of our members suspects that there has been an actual or potential violation of applicable laws and regulations or a violation of an internal policy, including this Human Rights Policy, then they can report the case to their supervisor or through our whistle-blowing systems. Received reports are investigated so that corrective actions and recurrence prevention measures can be taken in the event of a compliance violation.

We will continue our efforts to improve the effectiveness of our grievance mechanisms in order to respond appropriately to potential negative impacts on human rights related to our business activities.

Education and Training

We work to raise awareness of human rights within the organization and endeavor to ensure that each member understands issues related to human rights. In addition, we work to integrate human rights in our relevant corporate procedures so that this Policy is embedded throughout our business activities. We will further provide the necessary education and training to our officers and members to provide them with the knowledge and capability to effectively implement this Policy.

Utilization of Human Resources and Efforts to Ensure Diversity and Inclusion in the Workplace

We strive to create an organization where a diverse workforce is able to work in a lively and inclusive manner.

We apply an equal opportunities approach in recruitment, job assignment, promotion, employability and occupational development, and endeavor to develop and utilize human resources.

We aim at creating an environment where each employee is aware of their role, enhances necessary capabilities and respects diverse ways of working.

Reporting and Communication

We will monitor the status of policy implementation, including the status of human rights due diligence, and regularly disclose the progress of our efforts related to our human rights commitments.

This Policy has been approved by the Board of Directors of Mitsubishi Chemical Corporation.

Effective as of March 23, 2020



Together with Customers

Basic Policy

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.

Making Information Available to Customers

Over 850 product information entries (approximately 380 in Japanese, 270 in English and 200 in Chinese), including information on the products of Group companies, are available on MCC's website. Safety Data Sheets (SDSs) can also be accessed through the website (available in Japanese only).

In addition to product information, MCC uses its website to provide information about business-related topics, such as product development and production facility expansion, and information about non-business corporate activities and exhibitions as well as special feature articles.

The Contact Us page of the website (<https://www.m-chemical.co.jp/en/contact/index.html>) offers contact information for inquiries about various topics.

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)

Enhancing Customer Satisfaction

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 strives 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 fiscal 2020, we launched Digital Showroom, which allows customers to take an online tour of the exhibition area. As part of this virtual tour, a guide talks with guests via the online platform. Although online guests cannot physically interact with the hands-on aspects of the exhibits, we use a variety of tools, such as enlarged photos and videos, to give users a sense of what the exhibits are like. Accessible to guests from any country or region, Digital Showroom has been used by many customers.

Going forward, we will continue to use the real showroom and Digital Showroom, as circumstances require, to encourage guests to think about creating a better future.

* A reservation through an MCHC Group employee is required to visit KAITEKI SQUARE facilities or take part in a Digital Showroom tour.



KAITEKI SQUARE at the Tokyo headquarters



Together with Supply Chains

As a member of the Mitsubishi Chemical Holdings (MCHC) Group, the Mitsubishi Chemical (MCC) Group aims to realize KAITEKI, an original concept created by the MCHC Group. To this end, the MCC Group works with business partners and the entire supply chain to promote purchasing and procurement that take into account CSR-related considerations based on the Mitsubishi Chemical Holdings Group Charter of Corporate Behavior and Mitsubishi Chemical Group Human Rights Policy.

Basic Procurement Policy

1. Fairness, Equitability and Transparency

We conduct procurement activities in a fair, equitable and transparent manner. We are aware of the importance of accountability for our procurement activities and disclose relevant information as appropriate.

We select suppliers based on comprehensive evaluations using appropriate criteria in the areas of cost competitiveness, technical skill and corporate stance (compliance with laws and social norms, environmental consideration, respect for human rights, etc.). We maintain a posture of openness in procurement to all companies in Japan and abroad.

2. Partnerships and Mutually Beneficial Relationships

Based on the recognition that all our suppliers are our partners in business, we strive to enhance mutual understanding and build relationships of mutual trust while striving to carry out procurement activities that advance mutual business development.

3. Compliance with Laws and Regulations

In procurement activities, we comply with social norms and the letter and spirit of applicable laws and regulations.

4. CSR Procurement

Constantly keeping the spirit of corporate social responsibility in mind, we conduct sustainable procurement activities with due consideration given to resource protection, environmental conservation, safety, human rights and other such factors.

Sharing CSR Procurement Policies with Business Partners through a Guidebook

The MCC Group believes that it is extremely important to build partnerships based on mutual trust with business partners while advancing CSR procurement activities throughout the supply chain, and that the cooperation of business partners is indispensable to doing so. To this end, we have prepared a guidebook of essential standards that we wish to share with our business partners. We provide new suppliers with copies of this guidebook to share our approach and ask for their cooperation and support. The guidebook is available at any time on MCC's website.

Promoting Communication Using a CSR Survey

We facilitate communication with raw 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 partners¹ 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.

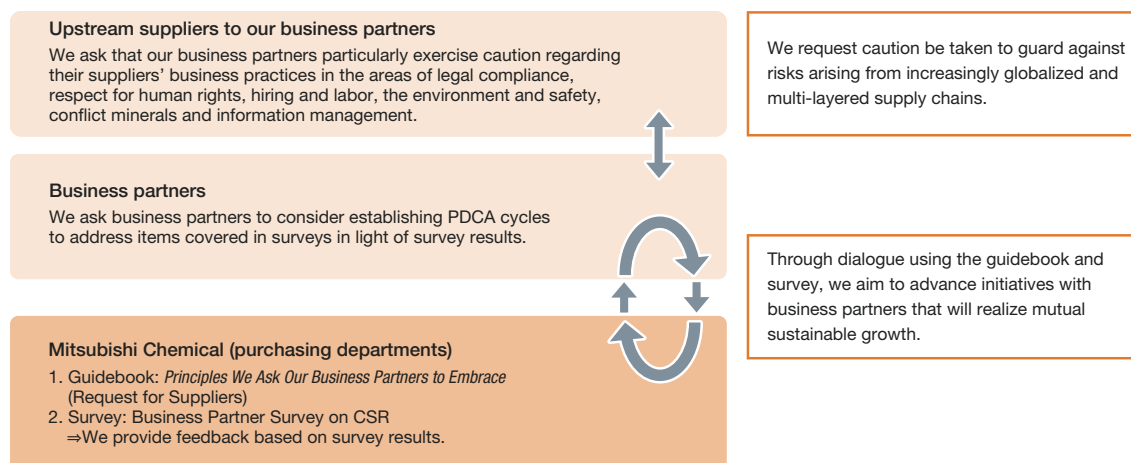
In fiscal 2020, we overhauled the survey, enhancing its content to enable us to better understand supply chain risks related to human rights, labor, the environment, fair business practices, compliance and other topics and thereby implement improvements. We distributed the survey to the key business partners of the Purchasing Department.

In fiscal 2021, based on the results of the survey distributed by the Purchasing Department in fiscal 2020, we will provide feedback to business partners and implement other communication aimed at improvement. We have also begun distributing the survey to key business partners that provide raw materials to the business domains.

Going forward, we will continue efforts to realize purchasing and procurement that take into account CSR-related considerations through these and other activities.

¹ Key business partners: Business partners in the upper 90th percentile of all business partners by total raw material purchase price in the previous fiscal year.

Mitsubishi Chemical's CSR Procurement





Together with Supply Chains

Internal Training

MCC believes that human resource development is important for the promotion of purchasing and procurement that take into account CSR-related considerations.

The Purchasing Department and Logistics Department hold the KAITEKI Promotion Conference for their employees twice a year to teach about and explain CSR.

We provide training on the tenets of the Basic Procurement Policy (namely, Fairness, Equitability and Transparency; Partnerships and Mutually Beneficial Relationships; Compliance with Laws and Regulations; and CSR Procurement) for new recruits or transferees assigned to the Purchasing Department.

In fiscal 2020, we held a training seminar on human rights due diligence for all Purchasing Department employees in an effort to promote respect for human rights in the supply chain.

In addition, we encourage junior employees to acquire Certified Procurement Professional (CPP)² certification as a way of improving individuals' skills on an ongoing and systematic basis.

As social concern regarding CSR procurement grows, we will continue to focus efforts on human resource development in this area.

2 Certified Procurement Professional (CPP): A privately operated system of certification by the All Japan Federation of Management Organizations. The certification is granted to individuals involved in corporate purchasing and procurement who possess sufficient specialized knowledge in the field of purchasing and procurement.

Declaration of Partnership Building

MCC published a Declaration of Partnership Building in April 2021 in agreement with the objectives of the Council on Promoting Partnership Building for Cultivating the Future. This council comprises the Chairman of the Keidanren, Chairman of the Japan Chamber of Commerce and Industry and President of the Japanese Trade Union Confederation as well as related government ministers (from the Cabinet Office, Ministry of Economy, Trade and Industry, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries and Ministry of Land, Infrastructure, Transport and Tourism). By working with business partners in our supply chain and value-creating businesses to foster mutually beneficial relationships, we aim to build new partnerships.

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.

Basic Policy

"Utilizing people's capabilities" is a component of the basic management policy of the MCC Group. We will practice KAITEKI Health and Productivity Management and conduct business by empowering all Group members to engage in their work with enthusiasm, self-motivation and initiative and to demonstrate their individual capabilities to the fullest as we promote diversity in human resources as a positive force.

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 ($1 + 1 > 2$).



Together with Employees

Personnel Strategy for Sustainable Corporate Development

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 other'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.

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

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. In fiscal 2021, approximately 39,000 Group employees answered the survey, for a response rate of 83%.

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.

Personnel System Aimed at the Growth of Both the Company and Employees

We believe that, even in an environment changing as rapidly as the one we find ourselves in today, if each employee takes up new challenges and demonstrates creativity, it will lead to corporate growth. To that end, we must ensure that the Company and employees build relationships in which they both choose to engage with and energize each other and develop a corporate culture through which they can grow together. As the foundation for such relationships, MCC has built a personnel system focused on the three key themes of self-directed career development; transparent working conditions and compensation structures; and promoting and supporting workforce diversity. We will bolster a shared value of mutual respect and thereby develop a culture that will help realize KAITEKI through career development support that includes using open recruitment as the main means of employee transfer, consideration for employee preferences in location transfers and more frequent meetings; a compensation system that is better linked to responsibilities and results and not dependent on age, years of service or family structure; and welfare and benefits that accommodate diversity and the differing circumstances of each individual.

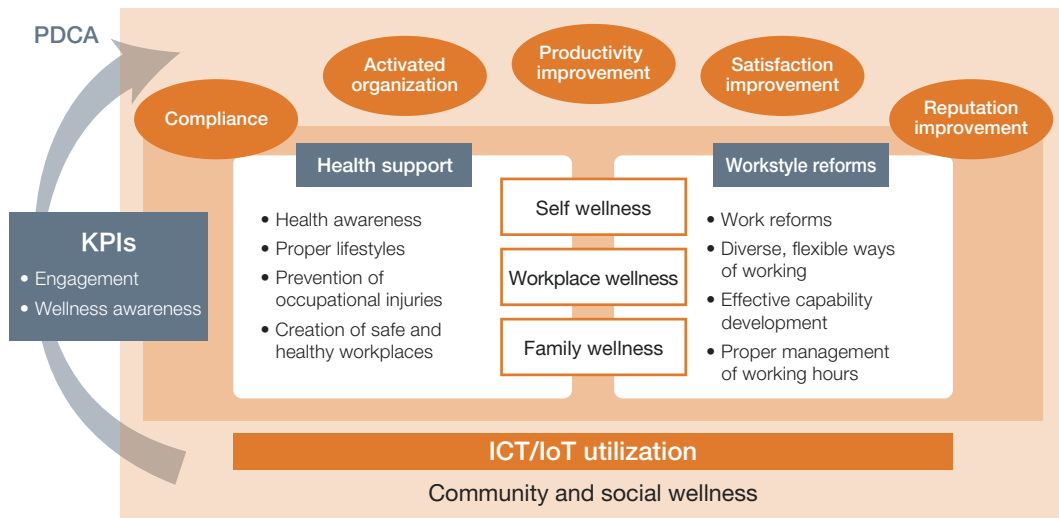


KAITEKI Health and Productivity Management

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 system¹ and by setting planned annual days off.² 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.

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.

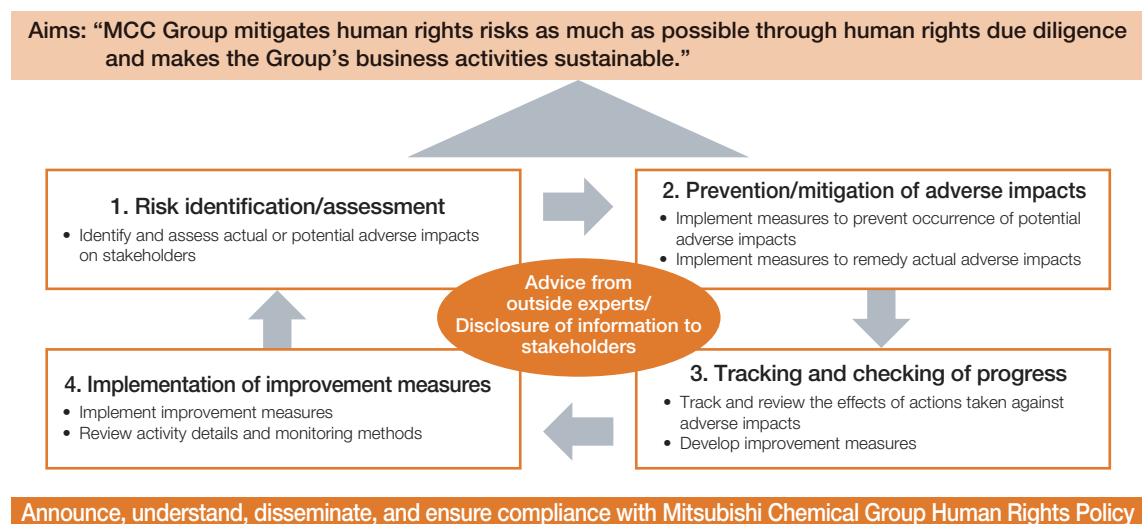
Respect for Human Rights

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





Respect for Human Rights and the Development of Diversity

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.



Respect for Human Rights and the Development of Diversity

Balancing Work and Home Lives

MCC not only offers support to employees who have child care and nursing care responsibilities, but considers each individual's life plan and offers systems that enable diverse employees to remain highly motivated in their work to support employees in balancing their work and home lives.

■ 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.

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.

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, 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



2021: MCC received Kurumin certification for the fourth time as a company that is supportive of childcare based on the Act for the Promotion of Measures to Support the Nurturing of the Next Generation.

■ 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



Respect for Human Rights and the Development of Diversity

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.

Effective Placement and Human Resource Development

Basic Policy

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.

Recruiting and Hiring

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 recruiting and hiring process, including in interviews, and that such matters do not factor into hiring decisions. These measures include training for interviewers to promote understanding among those in charge of hiring decisions. Unrelated matters include nationality, religion, gender, gender identity, sexual orientation, disability and pregnancy.

We strive to ensure fairness in recruiting and hiring new graduates, regardless of where the applicant lives or when they graduate, by such means as holding job fairs 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.

Effective Placement and Human Resource Development

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 basic management policy. 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 striving 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 the 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.



Effective Placement and Human Resource Development

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 region¹ 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.

¹ 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.

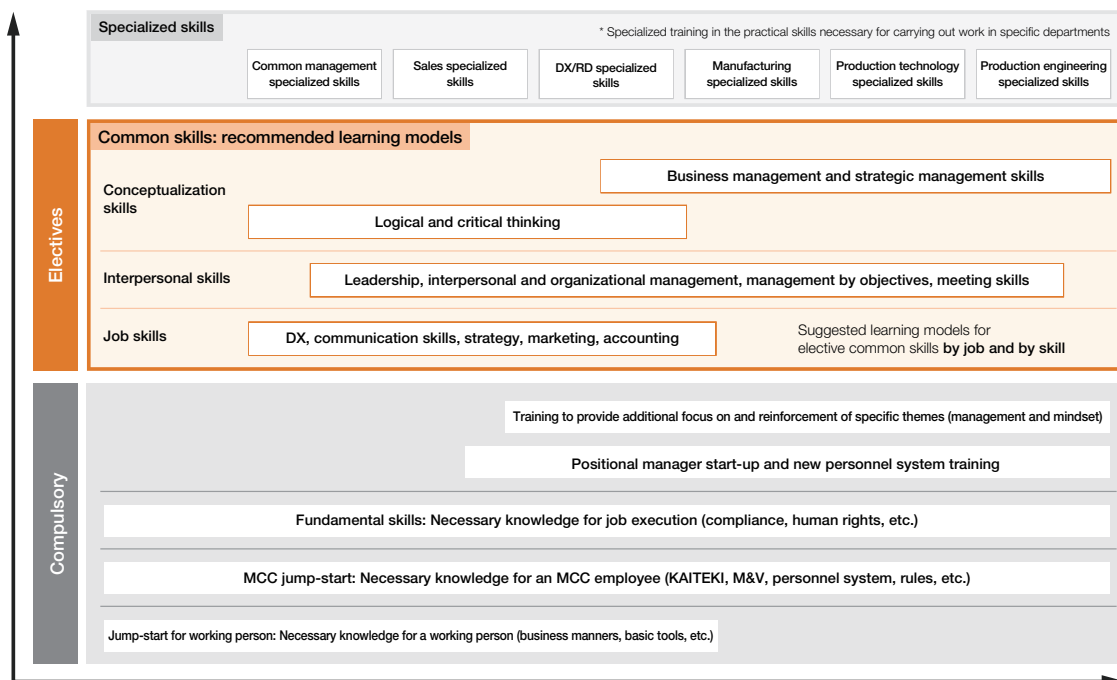
Human Resource Development System

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 the roles expected of them.

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 through, for example, the acquisition of 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 abilities 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.



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.

Global Executive Development

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. 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 MCC while promoting mutual understanding between such employees and those based in Japan, fostering a sense of unity across the MCC Group.



Labor-Management Relations

Labor-Management Relations Based on Mutual Trust

In line with the Mitsubishi Chemical Holdings Group Charter of Corporate Behavior and Mitsubishi Chemical Group Human Rights Policy, 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.

MCC 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 joint management council meetings with the labor union in line with a labor agreement to exchange opinions.

Based on a suggestion from the labor union at the December 2020 joint management council, the President held dialogues with employees on the theme of safety from January to June 2021, providing an opportunity for direct communication. We plan to hold similar dialogues on other themes going forward.

Together with Communities and Society

Basic Policy

In line with the Mitsubishi Chemical Holdings Group Corporate Citizenship Activities Policy and Mitsubishi Chemical Group Human Rights 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 supporting regions hit by natural disasters. 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, 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.

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.

■ Fostering the Development of the Next Generation

The MCC Group holds chemistry experiment workshops at various locations and offers guest lessons at schools, 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.)



Guest lesson at an elementary school
(Shiga Plant)



Guest lesson at a junior high school
(Ibaraki Plant)



Together with Communities and Society

Protecting the Global Environment

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.



Clean-up activities at Shibukawa Beach
(Okayama Plant)



Clean-up activities at Nasanohama Beach, Toshijima
(Mie Plant)

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.



Scratch art lesson (Toyama Plant)

Supporting Regions Hit by Natural Disasters

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.

Furthermore, we made a monetary donation to the Kumamoto branch of the Japanese Red Cross Society to support the areas affected by the 2020 Kyushu floods. Going forward, we will continue to support recovery directly and the recovery initiatives of local residents.

Company Data (Social)

Employee Composition

Employees Working at Mitsubishi Chemical

By gender		By employment type		By age group	
Male	12,459	Open ended	13,726	29 or younger	2,319
Female	2,092	Fixed term (rehired retirees, contractors)	760	30 to 39	3,313
		Other (part-time, etc.)	65	40 to 49	4,216
				50 to 59	3,982
				60 to 69	708
				70 or older	12

Total: 14,551

As of April 2021

Employees Employed by Mitsubishi Chemical

By gender		By employer		Average age
Male	15,574	Mitsubishi Chemical	14,351	43.5
Female	2,696	Group companies	3,919	
		Auxiliary organizations		

Total: 18,270

As of April 2021



Company Data (Social)

Managers Employed by Mitsubishi Chemical

Male	4,809 (92.9%)
Female	370 (7.1%)
Total	5,179

As of April 2021

Total Working Hours

Average total annual working hours	2,002
Average monthly overtime pay	¥51,553

Year ended March 31, 2021

New Hires to Mitsubishi Chemical New Graduate Hires

	General employees	Percent of total
Male	273	80%
Female	68	20%
Total	341	100%

Leave Taken

Rate of annual paid leave taken		73.5%
Maternity leave taken		82
Employees who took childcare leave	Male	105
	Female	144

Year ended March 31, 2021
(Except for the period for annual paid leave, which is from January 1, 2020 to December 31, 2020)

Mid-Career Hires

	General employees	Management positions	Total	Percent of total
Male	208	35	243	86%
Female	31	8	39	14%
Total	239	43	282	100%

Individuals hired from April 2, 2020 to April 1, 2021

Employment of People with Disabilities

Full-time positions held by employees with disabilities	453
Total number of employees used to calculate the percentage of employees with disabilities	18,687.5
Percentage of employees with disabilities	2.42%

As of June 1, 2021

Employee Union Membership Rate

68.3% (As of March 31, 2021)