

Sustainability

Message from the Officer Supervising Corporate Sustainability Management



We will aim for innovative business growth that balances market needs with the environmental and social impacts while delivering superior value to our stakeholders.

Joseph Rinaldi

Vice President
Chief Strategy Officer

Aiming for a balanced growth

For any company to be successful, it must make sustainable management one of its top priorities. It is no longer a question of whether a company's growth should be oriented toward environmental and social sustainability but how it should be put into practice. There is no doubt that sustainability has been a hallmark of the Mitsubishi Chemical Group for a long time and this will not change. Sustainability management will remain a critical issue under the new management structure and will continue to be housed within the strategy office to ensure its undiluted attention.

In line with the new management policy, "Forging the future" our objective is innovative business growth that balances market needs with the environmental and social impacts while delivering superior value to our stakeholders.

Progress on our material issues

The MCG Group has identified material issues, including perspectives from business foundations and environmental and social impacts. We have also set KPIs and targets to measure the progress of these issues (▶ Page 70). Under the "One Company, One Team" culture and flat organization, each corporate function division, business group, and strategy will work as one to accelerate initiatives, achieve targets, and strengthen our sustainability management. In addition, we aim for an operation that enables us to monitor progress easily and engage more actively with our stakeholders.

In fiscal 2021, we announced our policy to achieve carbon neutrality. In line with this, we are making progress in developing an LCA calculation system that will serve as a management tool for shifting our corporate activities toward

carbon neutrality and a circular economy (▶ Page 76). We have also reaffirmed our commitment by earmarking significant investment capital yearly to make the policy a reality.

Regarding employee engagement and diversity, we have increased opportunities for dialogue between management and employees to deepen our mutual understanding. Also, the increasing diversity among leadership will lay the groundwork for enhancing diversity and inclusion.

Superior safety and compliance are at the core of a company's existence. Therefore, we will place greater emphasis and work as one team to improve our performance in these areas.

Meeting the expectation of our stakeholders

Even though the future of the socio-economic situation is challenging to predict, the movement for building a standard framework for sustainability information disclosure is accelerating. We interpret this acceleration as a clear indication of our stakeholders and society's high expectations toward sustainability. Therefore, we will push for growth and value creation that meets those expectations. Furthermore, we will fulfill our accountability by disclosing our process and results and being transparent in our corporate activities.