

Sustainability Report 2021





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Editorial Policy

Mitsubishi Chemical (MCC) discloses information with the aim of reporting to as many stakeholders as possible on its initiatives aimed at its vision, realizing KAITEKI.

The fiscal 2021 report is organized into three main sections, "Management Structure," "Responsible Care Activities" and "Together with Stakeholders," which detail the efforts that comprise the foundation of our activities aimed at realizing KAITEKI. The report also includes information on our efforts to help achieve the Sustainable Development Goals (SDGs).

The content of this report is also available on the Sustainability section of MCC's website.

Beginning in fiscal 2021, we are conducting a survey about the Sustainability Website/Report via MCC's website to further enhance its content.

<https://www.m-chemical.co.jp/en>

Survey: <https://forms.office.com/r/xuyLfJqY2>



◀ Survey

Inquiries

Mitsubishi Chemical Corporation
 Corporate Planning Division, Group Management Department
 Palace Bldg., 1-1 Marunouchi 1-chome, Chiyoda-ku,
 Tokyo 100-8251

Reporting Period

Fiscal 2020 (April 2020 to March 2021)
 The report also covers some activities undertaken in fiscal 2021.

Scope of the Report

The basic scope of reporting encompasses Mitsubishi Chemical Corporation on a non-consolidated basis. However, certain sections contain reporting on a consolidated basis that encompasses Group companies. The scope of reporting, whether non-consolidated or consolidated, is indicated in each instance.

Referenced Guidelines

- Ministry of the Environment
Environmental Reporting Guidelines 2018
- Ministry of the Environment
Environmental Accounting Guidelines 2005

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Disclaimer

This report contains not only past and present facts about the Mitsubishi Chemical Corporation Group, but also forecasts related to social conditions, business plans, policies and estimates of their outcomes. These forecasts and estimates are assumptions or judgments based on the information available at the time of their writing. As such, actual future social conditions and business activity outcomes may differ from the forecasts and estimates presented in this report.

Message from the President

**To restore the health of the planet,
Mitsubishi Chemical will contribute as a
chemical company to the creation of
a circular economy.**

October 2021

Masayuki Waga

President & CEO



To begin, on behalf of the entire Mitsubishi Chemical Group, I would like to extend my deepest sympathies to all who have lost loved ones to COVID-19 and wish those battling the illness a swift recovery. I also wish to express my heartfelt gratitude to the healthcare professionals working on the front lines to treat patients as well as the many other working tirelessly to prevent the spread of virus and maintain the functioning of society in this difficult time.

Providing “Beyond Zero” Technologies is the Mission of Chemical Companies

This year has been a trying one as we were battered by wave after wave of COVID-19 cases. Even as restrictions lift in many places, the deep scars left on society by the pandemic remain. This experience has transformed values, and companies are now called upon to change in response. The promotion of remote work has led us to reexamine previously unquestioned norms about work hours and location, which I think has contributed to workstyle reforms at many companies. Mitsubishi Chemical (MCC) expanded its remote work system, first adopted in

fiscal 2017, consolidating main offices and opening satellite offices, with around 20% of employees at our head office campus working on site. I believe that our success in this area has been due to our efforts to take into consideration the life plans of individuals and to build systems that allow diverse human resources to remain highly motivated in their work—efforts undertaken with the aim of looking beyond conventional workstyles and creating environments in which diverse human resources can work and thrive. Indeed, I think that one of the few positive

byproducts of the pandemic has been the impetus it has provided for companies to change and evolve.

Chemical companies must not only provide safe and stable industrial materials, but materials that are low-cost, high-quality and unique. Figuring out how to do so is our greatest management task. The COVID-19 pandemic has not changed this. In particular, chemical companies are called upon to operate with due consideration given to the external environment. We must, of course, work to achieve reduced or even zero emissions of greenhouse

gases (GHGs). Beyond curbing our own emissions, however, we are also tasked with providing solutions that eliminate or capture the GHG emissions that are currently unavoidable. Only a limited sector of industry, including the chemical industry, can proactively provide environmental solutions. As a chemical company, it is MCC's mission to provide technologies to achieve not only zero, but “beyond zero” emissions, actually reducing greenhouse gases in the atmosphere.

Sharing the MCC Group's Purpose with All Employees

The MCC Group aims to realize KAITEKI¹ to enable the sustainable development of people, society and our planet Earth. To further clarify this aim, in April 2021 we worked with employees to designate a mission and values. In conjunction with the

organizational, R&D, personnel system and other wide-ranging reforms we have been implementing since the creation of the new MCC in 2017, the mission and values are intended to clearly communicate the company's orientation to employees.

Message from the President

Determining the future direction of the MCC Group is a task shared by both current management and the young employees who will take the helm in the future. To help as many employees as possible directly see and understand management's approach to day-to-day leadership and the processes involved, we included younger employees and overseas employees in discussions of the new mission and values.

Our mission, "THE POWER OF CHEMISTRY, Saving Our Planet and Creating Our Future Together," lays out the MCC Group's purpose in society. It reflects our strong determination to squarely face the challenges of enabling social development while solving environmental problems and creating a future in which both are achieved through the power of chemistry. In addition to the mission, we have designated five values: Excellence in Safety & Quality, Accepting Challenges, Unlimited Creativity, Growing Connectivity and Experience Pride. Of these,

I especially hope that our employees will practice Accepting Challenges; we seek to make the idea of constantly embracing challenges, unafraid of failure, one of our core values and standards of conduct. The key to accepting challenges is not working merely to extend the areas where we are already successful, but to take on difficult endeavors in areas in which we are not, outside the familiar territory of our established corporate culture. Only by doing are we truly embracing challenges. As long as we don't give up on a challenge, it cannot be called a failure. Indeed, giving up is the only true failure. We are sharing this mission and these values with our employees, so that they may help our people navigate when they are not sure how to proceed in efforts to save our planet.

¹ KAITEKI: KAITEKI means "the sustainable well-being of people, society and our planet Earth." It is an original concept of the Mitsubishi Chemical Holdings Corporation Group that proposes a way forward in the sustainable development of society and the planet, in addition to serving as a guide for solving environmental and social issues.

Saving Our Planet with the Power of Chemistry—Uniting Diverse People and Mindsets as One MCC

The MCC Group's new medium-term management plan launched in fiscal 2021 includes shifting toward circular business models. In our manufacturing processes, we will replace the use of fossil resources with renewable resources and strive to reduce waste. For example, by using carbon dioxide (CO₂) in place

of oil as a raw material, we may be able to turn CO₂, until now emitted from disposal processes, back into products. Doing so effectively turns a waste product into a resource for reuse as a raw material. This is the basic model of a circular economy. Artificial photosynthesis technology uses CO₂, a major GHG, as a raw material for photocatalytic reactions in which sunlight is used to break down water into oxygen and hydrogen. The hydrogen produced can then be reacted with CO₂ to synthesize methanol, which, in turn, can be used to produce olefins, a raw material for plastics. This technology could enable us to capture CO₂ and produce chemical products without relying on fossil resources.

As a first step toward a circular economy, MCC is working to provide environmental solutions leveraging new technologies. These include reverting used plastic into its raw materials, designing products to facilitate plastic reuse and recycling, green hydrogen production and CO₂ capture and utilization (CCU).

The MCC Group will leverage the strength of its extremely wide-ranging technological platform to provide solutions through innovation based on chemistry, thereby contributing to the creation of a circular economy.

In April 2021, we implemented organizational reforms, reducing our 10 business domains to five. To continue to provide optimal solutions to the needs of diversifying customers and markets, we transitioned to a market-oriented structure that is more closely attuned to customers and markets. We consolidated the business domains according to products and market segments and reorganized the corporate function domains into larger organizational units. By doing so, we have removed organizational barriers, enabling greater personnel exchange between neighboring business domains with the aim of promoting synergy and increasing the quality of solutions. In addition, by collaborating and sharing functions and systems across our approximately 300 Group companies, we will advance the interchange of people and knowledge and increase operational efficiency. We call this push "One MCC," and will work to foster awareness and promote initiatives accordingly.

"Utilizing People's Capabilities" is a component of the MCC Group'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. A third of Group employees are non-Japanese nationals. Given the considerable diversity of our employees in terms of nationality and language, it only makes sense that our employees' ways of thinking are diverse, too. That said, I hope that all of our employees will take pride in directly or indirectly providing useful value to the world through their work—to use the language of our mission, in playing a part in saving our planet—and that they understand the significance of their work in the MCC Group. Within our overall organization made up of diverse human resources, this shared spirit unites us as One MCC.

To Our Stakeholders

Chemical companies create environmental burden in the process of manufacturing products. With a history of using technology to overcome pollution problems, Japan is a global leader in pollution prevention technologies. Now, we face the new challenge of achieving carbon neutrality. The MCC Group will help solve this challenge by providing environmental

solutions. Mustering our full range of technological capabilities as an integrated chemical company under the banner of "One MCC," we will continue working toward the realization of KAITEKI. I ask for our stakeholders' understanding of this stance and our businesses, and for your continued support.





Aiming to Realize KAITEKI

As a core operating company of the Mitsubishi Chemical Holdings (MCHC) Group, Mitsubishi Chemical (MCC) shares the MCHC Group's mission, vision and core values, working to realize KAITEKI by providing solutions to environmental and social issues and contributing to the sustainable development of people, society and the Earth.



Toward our vision of realizing KAITEKI, in April 2021 we designated a mission and values for the MCC Group.

<p>Mission</p> <p>THE POWER OF CHEMISTRY</p> <p>Saving Our Planet and Creating Our Future Together</p>	<p>Values</p> <ol style="list-style-type: none"> 1. Excellence in Safety & Quality 2. Accepting Challenges 3. Unlimited Creativity 4. Growing Connectivity 5. Experience Pride
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MCC is working to address the following specific environmental and social issues to realize KAITEKI.

- GHG Reduction: We reduce greenhouse gas emissions to contribute to climate change mitigation.
- Food and Water Supply: We contribute to alleviating concerns about food and water supplies.
- Human Interface: We address safety and security to create true comfort.
- Digital Society Infrastructure: We support the next-generation digital society.
- Carbon Cycle: We pursue sustainable comfort in a carbon-circulating society.

What is KAITEKI?

Humanity has advanced to where it is today as a result of diverse economic activities as well as scientific and technological progress. At the same time, however, we have upset the natural balance of the global environment and are now confronted with complex problems ranging from climate change and natural resource and energy depletion to the uneven distribution of food and water. In addition to addressing these global issues, corporations are being asked by society to contribute to the fields of healthcare and medicine and to explore ways to improve convenience and advance technology while coexisting harmoniously with the planet.

KAITEKI refers to "the sustainable well-being of people, society and our planet Earth." An original concept of the MCHC Group, KAITEKI points to a way forward in the sustainable development of society and the planet in addition to serving as a guide for solving environmental and social issues.

MCC shares the vision of realizing KAITEKI with MCHC and, building on a foundation of chemistry, provides solutions to environmental and social issues through businesses related to performance products and industrial materials. In addition, MCC aims to more broadly contribute to the sustainable development of people, society and the Earth.

To advance corporate activities under the vision of realizing KAITEKI, we must earn the trust of stakeholders, and to do that, we must work in harmony with our stakeholders. As we advance our corporate activities, we will share our goals and the challenges we face with our stakeholders through dialogue and disclosure.



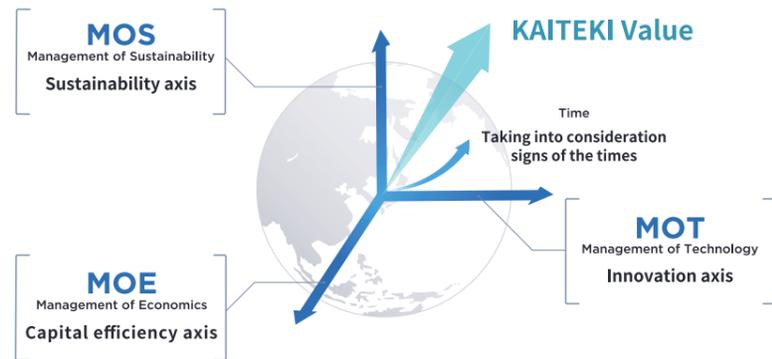
Aiming to Realize KAITEKI

KAITEKI Management

In line with KAITEKI, the MCHC Group seeks to advance corporate activities aimed at solving environmental and social problems. To do so, however, conventional value criteria and management methods are not sufficient.

We have therefore created our own management method, which we named KAITEKI Management, and put it into practice. This method is based on three management axes: Management of Economics, which aims to increase economic value by focusing on capital efficiency, Management of Technology, which aims to foster innovation that leads to higher economic and social value, and Management of Sustainability, which aims to enhance social value through improvements in sustainability. The MCHC Group evaluates and implements corporate activities based on these axes, its mission and its core values, always informed by an awareness of shifting trends and opportunities. We have created the term KAITEKI Value to refer to the corporate value defined by the combination of these three axes. By further enhancing said value, we get closer to realizing KAITEKI while improving the Group's sustainability. As an operating company, MCC also practices KAITEKI Management, implementing PDCA cycles using quantitative scoring on each of the three axes as it strives to increase corporate value, i.e., KAITEKI Value.

The Mitsubishi Chemical Holdings Group's KAITEKI Management



Management of Economics (MOE)

Management that focuses on capital efficiency. Pursuing profits by efficiently using various forms of capital, including human resources, assets and funds.

Management of Technology (MOT)

Management that strives to create innovation for society. Creating innovative products and services through the differentiation of technology that we possess.

Management of Sustainability (MOS)

Management that aims to improve sustainability. Contributing to the resolution of a variety of environmental and social issues through corporate activities that consider the future of people, society and the Earth.

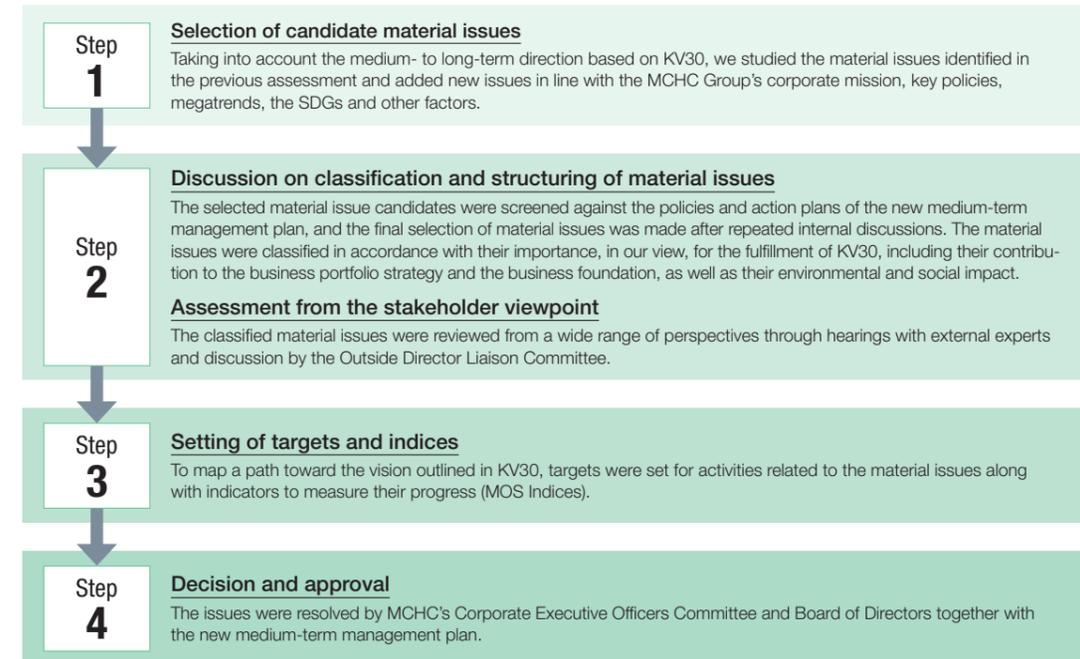
Time

Taking into consideration signs of the times

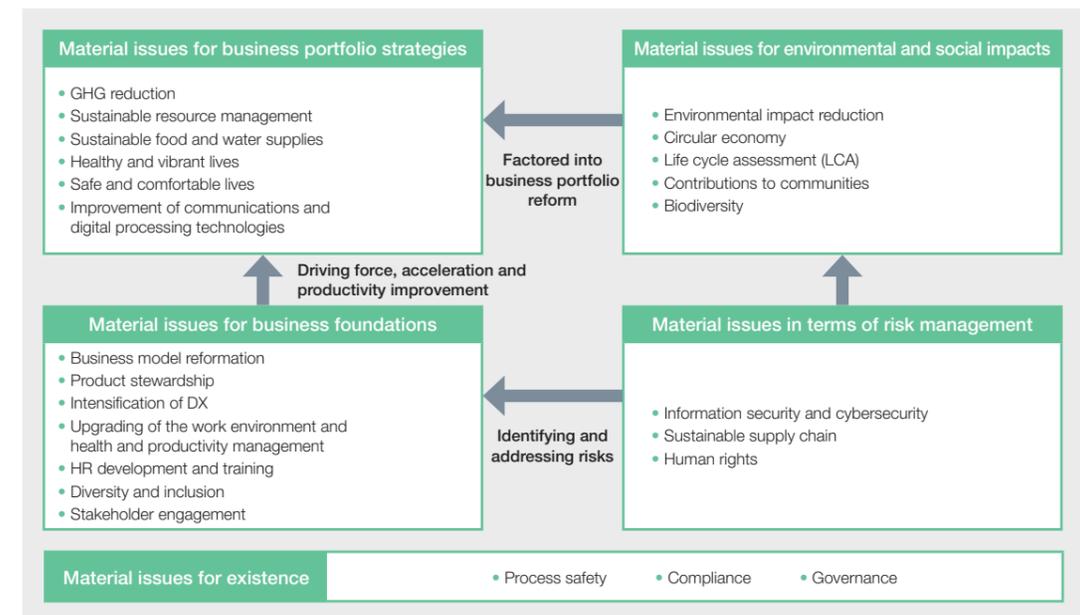
Materiality Assessment

Backcasting from its vision of an ideal society in 2050, Mitsubishi Chemical Holdings (MCHC) formulated the medium- to long-term basic management strategy KAITEKI Vision 30 (KV30), clearly defining the vision and the goals of the Group for 2030 and its growth path. MCHC has furthermore identified the material issues to be addressed by the MCHC Group as part of the new medium-term management plan, *APTSIS 25*, which is based on KV30. Sharing MCHC's material issues, Mitsubishi Chemical is working toward the realization of KAITEKI.

Identification Process of Material Issues



Overview of Material Issues





MOS Indices

As part of its efforts to promote KAITEKI Management, Mitsubishi Chemical Holdings (MCHC) has created the MOS (Management of Sustainability) Indices to gauge its contribution to solving wide-ranging environmental and social issues in order to improve the present and future of people, society and the Earth. MCHC uses these indices to evaluate progress made with regard to MOS, one of its management axes, which aims to enhance social value through improvements in sustainability. In addition, the MCHC Group uses the MOS Indices to measure progress made on material issues identified with the formulation of its new medium-term management plan, APTS/S 25. By steadily implementing initiatives to address these issues, the Group aims to achieve KAITEKI Vision 30.

As an operating company, Mitsubishi Chemical also implements and evaluates management aimed at improving sustainability based on the new MOS Indices.

Material Issues for Business Portfolio Strategies

Material issues
GHG reduction
Sustainable resource management
Sustainable food and water supplies
Healthy and vibrant lives
Safe and comfortable lives
Improvement of communications and digital processing technologies

Switch to a business portfolio centered on growth businesses that contribute to resolving social issues

MOS Indices
Percentage of sales revenue from the growth businesses (businesses that contribute to solving social issues)

Material Issues for Business Foundations

Material Issues
Business model reformation
Product stewardship
Intensification of DX
Upgrading of the work environment and health and productivity management
HR development and training
Diversity and inclusion
Stakeholder engagement

Contribution to and acceleration of growth by strengthening and enhancing the business foundation

MOS Indices
Employee engagement
Diversity among management
Wellness awareness
Lost time injury frequency rate
Level of customer satisfaction
Evaluation related to the ESG stock index

Material Issues for Environmental and Social Impacts

Material Issues
Environmental impact reduction
Circular economy
Life cycle assessment (LCA)
Contributions to communities
Biodiversity

Reduction of negative impact, environmental and social contribution, and appropriate evaluation of impact

MOS Indices
Percentage of sales revenue from products ¹ that contribute to the circular economy or mitigate and adapt to climate change
GHG emissions
COD emissions
Progress of LCA activities
Amount of landfill waste ²

- 1 GHG reduction and carbon cycle sectors among growth businesses (businesses that contribute to solving social issues)
- 2 Amount of landfill waste regularly generated in the Group's routine production and logistics activity

Material Issues for Existence

Material issues
Compliance
Process safety
Governance

Material Issues in Terms of Risk Management

Material Issues
Information security and cybersecurity
Sustainable supply chain
Human rights

Appropriate risk management to avoid threats to continued corporate existence

MOS Indices
Number of serious compliance violations
Number of accidents
Participation rate in information security training



Initiatives to Help Achieve the SDGs

The SDGs and Realizing KAITEKI

The Sustainable Development Goals (SDGs) are a set of development goals for international society as a whole to pursue from 2016 to 2030 that were adopted as part of a resolution titled "Transforming our world: the 2030 Agenda for Sustainable Development" at the UN Sustainable Development Summit in September 2015. The SDGs comprise 17 goals and 169 targets for realizing a sustainable world. Governments and civil society, as well as the private sector, including corporations, are expected to utilize their resources and coordinate to help achieve the SDGs. The roles global corporations, in particular, are expected to fulfill, given their businesses spanning multiple countries and significant influence, is growing.

In accordance with its vision of realizing KAITEKI, the sustainable well-being of people, society and our planet Earth, the Mitsubishi Chemical Holdings (MCHC) Group adopted improving sustainability as one of its management axes in 2011. We aim to not only help solve environmental and social issues but contribute to the sustainable development of society and the planet. As such, we believe that many aspects of our vision of realizing KAITEKI parallel the SDGs.

Furthermore, MCHC has laid out how the SDGs relate to its important management issues (materiality) and MOS (Management of Sustainability) Indices—which it uses as key performance indicators to enhance sustainability—and has linked these issues and indices with SDG efforts.

Mitsubishi Chemical's Initiatives

As a member of the MCHC Group, Mitsubishi Chemical (MCC) has made realizing KAITEKI its vision and declared that it will seek to address societal issues by creating new value and providing said value to customers as solutions, thereby sustainably growing in concert with society. As a result, many of our initiatives, including the products and services we provide, contribute to the realization of the SDGs.

The *MCC Sustainability Report 2021* features the following five items, chosen as representative examples of MCC's wide-ranging initiatives that contribute to realizing KAITEKI and the SDGs.

Responding to the COVID-19 Pandemic: Social Contribution through Diverse Products and Technologies



SDG 3: Ensure healthy lives and promote well-being for all at all ages

Building a Circular Economy with the Aim of Sustainable Growth



SDG 13: Take urgent action to combat climate change and its impacts

Plant-Derived, Biodegradable Plastic BioPBS™



SDG 12: Ensure sustainable consumption and production patterns

Structural Repair and Strengthening Carbon Fiber Fabric REPLARK™



SDG 11: Make cities inclusive, safe, resilient and sustainable

Decentralized Water Treatment & Supply System



SDG 6: Ensure availability and sustainable management of water and sanitation for all



Responding to the COVID-19 Pandemic: Social Contribution through Diverse Products and Technologies



Relevant SDG

SDG 3: Ensure healthy lives and promote well-being for all at all ages

Seeing the strain that the COVID-19 (novel coronavirus) pandemic has put on the medical system, we at Mitsubishi Chemical (MCC) asked ourselves how we could contribute using the industrial materials and technologies of the MCC Group. Leveraging ideas and networks from within the Group, and the diversity and versatility of its chemicals, we have provided the following products to society.

Contributing through Products

Plastic Gowns

We developed plastic gowns based on instructions from the Ministry of Health, Labour and Welfare by adapting polyethylene rain ponchos. We added thumb holes at the ends of the sleeves to prevent them from riding up as well as a perforated line down the back to make it easy to take the gowns off, reducing the risk of contact-based infection. Furthermore, each gown weighs less than 100 grams, helping to reduce waste when used gowns are thrown away.



Plastic gown

Face Shields

MCC created face shields by applying polyester sheet manufacturing technologies used to produce food packaging trays along with curved creasing technologies developed for cosmetics case processing.

MCC was quick to donate and supply plastic gowns and face shields to medical institutions, helping to prevent the spread of infection in hospitals and clinics.



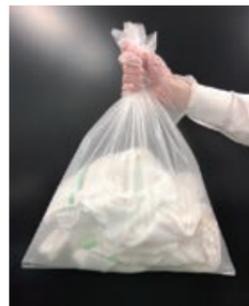
Standard face shield



Glare reduction face shield

Hi-Selon™ Laundry Bags

Laundry bags made from our water-soluble film Hi-Selon™ allow users to wash used sheets or clothing without touching them. Their use, mainly in hospitals, helps prevent infection.



Hi-Selon™ laundry bag

SHINKOLITE™ Cast Acrylic Sheet Partitions

MCC offers SHINKOLITE™ continuous cast acrylic sheets that are used to make partitions that help prevent the airborne spread of COVID-19 in daily life. Due to their excellent transparency, these products are being used in a wide array of settings, such as at the registers and counters of stores and restaurants; in offices; service counters at public service facilities; and on TV filming sets.



Standing partition made of SHINKOLITE™ cast acrylic sheet

HISHITANK™ Water Tanks

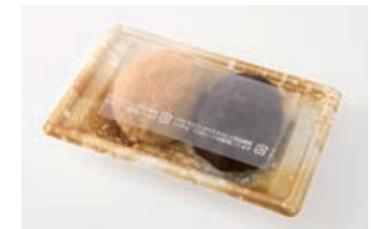
HISHITANK™ is a water tank made of fiber-reinforced plastic developed primarily to provide clean drinking water and featuring outstanding performance in terms of seismic resistance, hygiene, durability and workability. These tanks have been installed by the Nippon Foundation at facilities built to combat the COVID-19 pandemic. They have also been installed at quarantine lodging facilities built by the Hong Kong government specifically for COVID-19 patients and the Osaka Corona Severe Center to help ensure an adequate supply of hospital beds.



HISHITANK™ water tanks

Wasaouro™ Antibacterial, Anti-Mold Film

Wasaouro™ is an antibacterial, freshness-maintaining agent, the principal component of which is allyl mustard oil (allyl isothiocyanate, "AIT"), the main compound responsible for the spicy flavor of wasabi and Chinese mustard. AIT-impregnated transparent films gradually release AIT, providing an easy and safe way of maintaining food freshness and quality by suppressing the growth of bacteria and mold. This product is well suited to maintaining the quality of products with short shelf lives, such as boxed lunches, and opportunities for its use have grown as demand for takeout has grown during the COVID-19 pandemic.



Wasaouro™ antibacterial, anti-mold film

Anti-Virus Spray and Anti-Virus Wet Wipes

The MCC Group offers the anti-viral, anti-bacterial¹ products Anti-Virus Spray and Anti-Virus Wet Towel (wet wipes). The spray is made for use on home fixtures and furniture, such as doorknobs, tables and sofas, as well as clothing, curtains and other textiles, while the wet wipes are ideal for use on doorknobs and other objects on while on the go. The long-lasting anti-viral, anti-bacterial ingredient (quaternary ammonium salts) these products contain fend off viruses and bacteria and remains effective even after drying for approximately 20 days,² longer than previous products.

¹ Not effective on all viruses and bacteria.

² Effects and their duration may vary depending on usage conditions.



Anti-Virus Spray



Anti-Virus Wet Towel



Responding to the COVID-19 Pandemic: Social Contribution through Diverse Products and Technologies

Main Products Helping Combat the Spread of COVID-19 and Related Group Companies

Plastic gowns	J-Film Corporation
Face shields	J-Film Corporation
Laundry bags	MCC Trading Co., Ltd.
Partitions made from SHINKOLITE™ cast acrylic sheet	Mitsubishi Chemical Methacrylates Ltd.
HISHITANK™	Mitsubishi Chemical Infratec Co., Ltd.
Wasaouro™	Mitsubishi Chemical Corporation
Anti-Virus Spray	Shinryo Corporation
Anti-Virus Wet Wipes	Shinryo Corporation

Other Forms of Contribution

■ IP Open Access Declaration Against COVID-19

MCC joined the IP Open Access Declaration Against COVID-19 in May 2020. The declaration is a pledge to not assert any patent right, utility model right, design right or copyright against any development, manufacture, sale or other related activity carried out for the purpose of stopping the spread of COVID-19. MCC declared that, with regard to activities carried out for the sole purpose of stopping the spread of COVID-19, it would temporarily suspend its assertion of patent rights, utility model rights, design rights and copyrights and refrain from seeking compensation for their use.

■ For Children

With school closures and efforts to stay home to prevent the spread of infection, many children are spending more time than usual at home. To make this time more enjoyable and help spark an interest in chemistry, since May 2020, MCC has been soliciting chemistry experiment videos from its employees and posting them to the MCC Group internal portal site. Employees submitted more than 10 videos that encourage children to think, experiment and learn in a fun way using household materials and provide explanations of chemical phenomena. Beginning in July 2020, we published some of these on YouTube.



Experiment video

■ Providing a Vaccination Site Venue and Supplies

MCC's Toyama Plant allowed Toyama City to use the KAITEKI CHEMICAL Gymnasium as a group vaccination site free of charge to help increase the COVID-19 vaccination rate. In addition, we donated 17,000 high-efficiency N95 face masks that MCC's Shiga Plant had stockpiled to medical facilities in Nagahama City.

Going forward, while working in coordination with government and industry organizations, the MCC Group will continue to solicit ideas covering a wide range of topics from employees, seeking to combine its diverse products and technologies to proactively develop new products that will help combat the spread of COVID-19.

Building a Circular Economy with the Aim of Sustainable Growth

13 CLIMATE ACTION


Relevant SDG

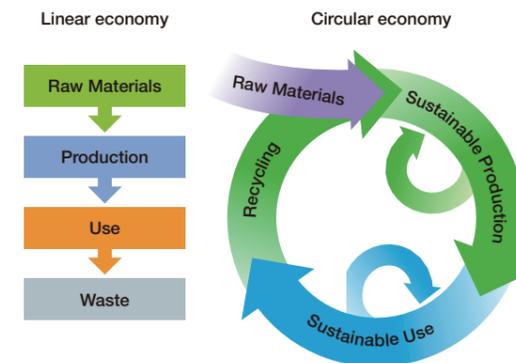
SDG 13: Take urgent action to combat climate change and its impacts

Offering New Business Solutions by Pursuing a Circular Economy

The world today faces numerous serious challenges, such as climate change and various problems arising from population growth. Chemical technologies have tremendous potential to solve a wide range of social issues. Mitsubishi Chemical (MCC), as a member of society and as an integrated chemical company, has long faced such issues head-on.

Particularly in recent years, demand from customers for sustainable products has been growing constantly in response to tightening environmental regulations in various countries. MCC aims to meet the demands of society while achieving sustainable growth by transitioning from a traditional one-way linear economy of "take-make-waste" to a circular economy (CE) based on the effective use of resources, including recycling, and the use of renewable raw materials.

Below, we highlight some of the concrete steps we are taking, such as the establishment of a division dedicated to the promotion of a CE and the implementation of initiatives to tackle the issues of plastic waste and climate change.



Offering Solutions from a Global Perspective in Collaboration with Value Chain Partners

In April 2020, MCC established the Circular Economy Department (changed to the Circular Economy Division as part of organizational reforms in April 2021; hereinafter, the "CE Division") to reinforce initiatives that address social issues related to sustainability. While work in each business domain to solve sustainability-related issues is ongoing, the CE Division operates from a global perspective and scale across business domains and with value chain partners to pursue CE-related solutions and develop them into businesses. The division will also actively promote collaborations with such business partners as academia and start-ups.

The CE Division handles CE-related issues on a company-wide basis. The division's activities include identifying CE-related issues and formulating strategies at the company-wide level, promoting the development of solutions into businesses and implementing sustainability management to reduce the impact on the environment of our business activities, including greenhouse gases (GHGs) and wastewater emissions. In addition, the division will gather and provide information on sustainability-related policy in various countries and support dialogue about CE between related departments and customers.



Building a Circular Economy with the Aim of Sustainable Growth

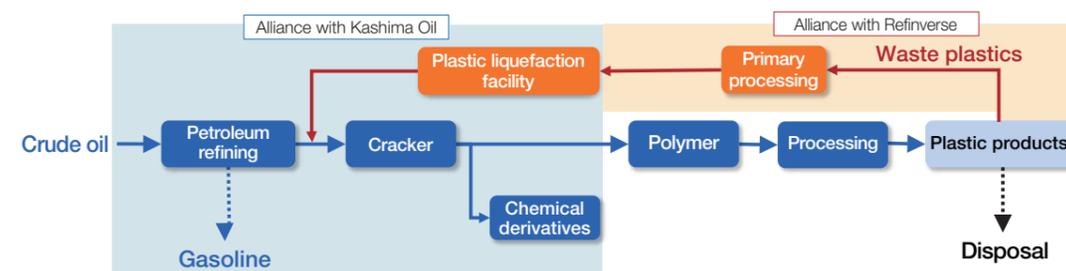
Advancing Partnerships to Build a Plastic Recycling Scheme

Recycling is extremely important to the transition from a linear economy to a circular economy.

Plastic recycling is broadly divided into two approaches: (1) mechanical recycling, in which collected used plastic is melted down and remolded for reuse, and (2) chemical recycling, in which it is decomposed into monomers or intermediate materials for repolymerization or broken down into oil or gas for use as a raw material in chemical production. MCC is advancing partnerships with a variety of partners that include technology development based on both approaches. In doing so, we are reinforcing efforts to build a scheme for recycling plastic waste—which have conventionally been simply incinerated or buried in landfills—into resources and raw materials. Featured below are some of the chemical recycling initiatives we are implementing in collaboration with value chain partners.

Plastic-to-Oil Conversion

MCC and ENEOS Corporation jointly established Kashima Complex LLP in 2019. Through this partnership, the companies are working toward the commercialization of the chemical recycling of plastic waste. Specifically, the two companies are constructing a plastic-to-oil conversion facility at MCC's Ibaraki Plant. The facility will commence operation in 2023 with an annual processing capacity of 20,000 tons, the largest of its kind in Japan. The conversion process at the facility will be carried out with supercritical water treatment technology from U.K.-based Mura Technology Limited. The recycled oil produced will be used as a raw material in existing oil refineries and naphtha crackers owned by ENEOS and MCC. It will be converted to petroleum products, chemicals and various plastic products, and, in this way, the two companies aim to realize highly efficient chemical recycling. In addition, the procurement of raw material plastic waste will be carried out in collaboration with Refinerve, Inc., with which MCC formed a capital and business alliance in August 2020.



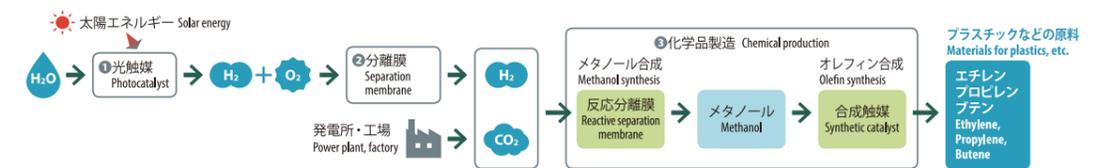
Chemical Recycling of Acrylic Resin

MCC and Mitsubishi Chemical Methacrylates Ltd. have for some time been investigating the recycling of polymethyl methacrylate (PMMA, or acrylic resin). In Europe, we are studying methods of recycling using existing technologies. In Japan, we constructed a new demonstration facility within the Osaka site of Microwave Chemical Co., Ltd., our partner for acrylic resin recycling technology study, in June 2021. Tentatively aiming to begin operations in 2024 in Europe and Japan based on these respective approaches, we are accelerating work toward the construction of acrylic resin recycling plants.

Acrylic resin is a plastic product with excellent transparency and light resistance used for a wide range of applications, including vehicle lamp covers, sign boards, aquarium water tanks, paints and construction materials. In particular, since the start of the COVID-19 pandemic, demand for acrylic resin sheets used for protection against droplet infection has increased. Going forward, we are considering sourcing acrylic resin for recycling not only from waste generated by our plants, but from a broader market. As part of these efforts, we have partnered with Honda Motor Co., Ltd. to jointly implement demonstration testing of systems for the chemical recycling and reuse of acrylic resin collected from the taillights and other parts of end-of-life vehicles.

Reducing GHGs through an Artificial Photosynthesis Project

Artificial photosynthesis is a promising approach to reducing GHGs that uses CO₂ emitted from power plants and factories as a raw material for chemical products. Since 2012, MCC has participated as a member of ARPCHEM,¹ a NEDO² project aimed at realizing artificial photosynthesis, and is involved in the development of core technologies for all of the following three processes.



1. A photocatalyst splits water into gaseous hydrogen and oxygen; 2. the hydrogen is then safely separated out of the mixed hydrogen and oxygen gas using a separation membrane; and 3. the hydrogen is used as a raw material together with CO₂ recovered from the gas emissions of power plants or factories to produce chemical products.

The project's target for photocatalyst solar energy conversion efficiency has been set at 10%. In fiscal 2019, an efficiency of 7% was achieved in a laboratory setting. Outdoor demonstrations of the water splitting systems began in fiscal 2020.

1 ARPCHEM: Japan Technological Research Association of Artificial Photosynthetic Chemical Process, comprising INPEX CORPORATION, TOTO LTD., Japan Fine Ceramics Center, Fujifilm Corporation, Mitsui Chemicals, Inc., and MCC.
2 NEDO: New Energy and Industrial Technology Development Organization



Building a Circular Economy with the Aim of Sustainable Growth

Establishing a Long-term Vision for the Chemical Industry

MCC and the Center for Global Commons (CGC) at the University of Tokyo have formed an industry-academia partnership with the aim of formulating a long-term vision of the chemical industry's approach to sustainability with an eye toward society in 2050.

To ensure the sustainability of global environmental systems, CGC aims to scientifically demonstrate pathways for the fundamental transformation of socio-economic systems based on modelling and indices. In collaboration with a wide range of stakeholders, including private enterprises, CGC aims to drive this fundamental transformation through international cooperation.

MCC and CGC began joint research on April 1, 2021 to identify the social needs (particularly in the areas of products, services and social systems) of 2050, as well as those expected to emerge along the way by 2030 and 2040, and, given such needs, the role the chemical industry must play in protecting the Global Commons.³

Specifically, we will outline a vision for the chemical industry that encompasses reducing the environmental impact of the chemical industry itself as well as the role it must play and issues it must solve in relation to other industries and consumers in order to achieve socio-economic sustainability within the Planetary Boundaries.⁴ In particular, we are researching ways that the chemical industry can contribute to the transition of key economic systems in such areas as production and consumption, energy, food and cities. By bringing together outside expertise and knowledge, this research is able to gain insights from the latest initiatives in Europe and elsewhere in the world to build and utilize quantitative models for key chemical products, from their raw materials to their recycling or disposal, and thereby elucidate the path forward for Japan's chemical industry. The results of this research will be broadly shared with society to accelerate the realization of socio-economic sustainability.

³ Global Commons: The global environmental system upon which the sustainable development of humankind is founded.

⁴ Planetary Boundaries: The nine processes that stabilize the global environmental system (climate change, biodiversity, nitrogen and phosphorus cycles, etc.), in which thresholds that must not be crossed for humanity to develop sustainably are defined. Crossing these thresholds increases the risk of large-scale and irreversible environmental change. Climate change is in the uncertainty zone, and the biodiversity and nitrogen and phosphorus cycles are considered to have crossed the thresholds.

Plant-Derived, Biodegradable Plastic BioPBS™



Relevant SDG

SDG 12: Ensure sustainable consumption and production patterns

Striving toward Sustainable Production

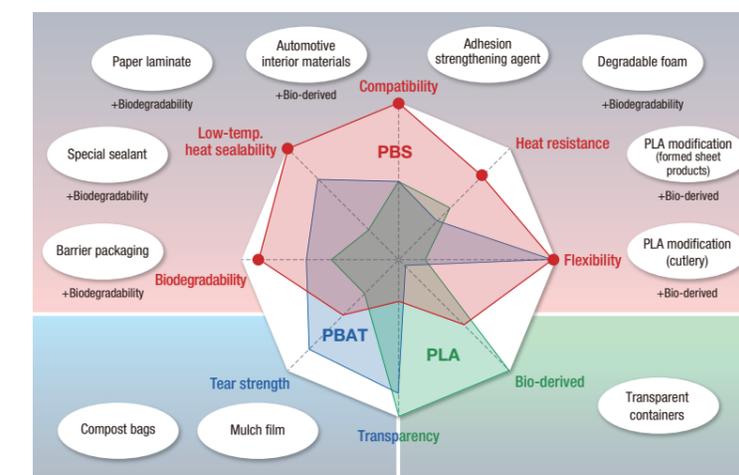
We are now facing such global-scale risks as accelerating climate change, the depletion of natural resources, disparities in water resource distribution, expanding and graying populations, and food and agricultural issues. Given this critical situation, as a chemical company, we believe it is our mission to realize, through innovation, the efficient use of natural resources and energy, the utilization of renewable resources and the reduction of environmental burden and to thereby enhance environmental and social sustainability.

Initiatives to replace non-renewable petroleum with renewable biomass as the raw material for plastic production are helping to more efficiently use resources and greatly contribute to ensuring sustainable production, part of one of the SDGs. At the same time, making plastics biodegradable while retaining their useful properties makes it easier for them to break down in the environment, helping to reduce environmental burden. With BioPBS™, a renewably sourced and biodegradable product, Mitsubishi Chemical (MCC) has developed a plastic that offers both of these unrelated attributes.

Features of BioPBS™

Polybutylene succinate (PBS) is an aliphatic polyester resin made from succinic acid and 1,4-butanediol, two raw ingredients typically manufactured from petroleum. In contrast, BioPBS™ is made with succinic acid derived from plant materials, a renewable resource. Its excellent biodegradability at ambient temperature—ultimately breaking down into water and CO₂—sets it apart from other biodegradable plastics like polylactic acid (PLA) and polybutylene adipate terephthalate (PBAT). BioPBS™ also boasts such outstanding qualities as low-temperature heat sealability, compatibility with other materials, heat resistance and flexibility. Moreover, many properties that BioPBS™ does not have by itself can be achieved when it is used in composites with other resins and materials.

Characteristics of PBS





Plant-Derived, Biodegradable Plastic BioPBS™

Applications of BioPBS™

BioPBS™ is manufactured and sold by PTT MCC Biochem Co., Ltd., a joint venture of PTT Global Chemical Public Company Limited (previously Petroleum Authority of Thailand) and MCC. Furthermore, MCC is advancing the development, manufacture and sale of compounds that impart new functions to BioPBS™, leveraging its excellent compatibility with other materials and biodegradability. BioPBS™ is currently being used in applications including those below.

■ Agricultural Mulch Film

Agricultural mulch film is used to cover the rows of soil in which agricultural products grow, helping prevent insect and weed infestation, stabilize ground temperature, maintain soil moisture and prevent fertilizer runoff. Because of the wide range of useful effects they offer, such films are in widespread use. However, after crops are harvested, ordinary mulch films must be collected from the fields and disposed of as waste plastic or incinerated.

The biodegradability of BioPBS™ is thus of great use in this application. Agricultural mulch film made with BioPBS™ need not be collected after the harvest, and can instead simply be plowed into the soil, where it naturally breaks down. This helps achieve sustainable production, part of one of the SDGs, while contributing greatly to labor saving in agriculture.



Use in agricultural mulch films

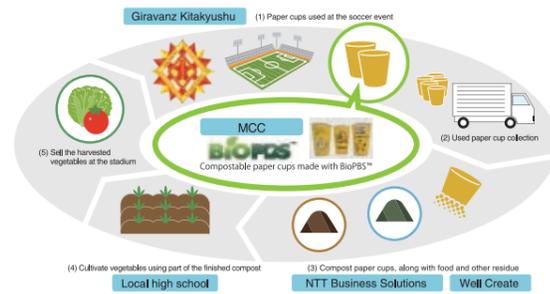
■ Paper Cups and Straws

Shopping bags, food containers and straws are some of the most prevalent examples of disposable plastics. MCC has made paper cups laminated with BioPBS™ and straws made from BioPBS™ compounds.

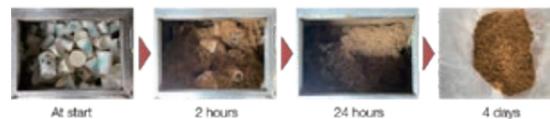
In 2021, MCC implemented a verification test as a step toward realizing a circular economy using compost derived from paper cups made with BioPBS™.

For the verification test, MCC supplied paper cups made with BioPBS™ for a soccer event hosted by Giravanz Kitakyushu, a Japanese soccer club. The used paper cups were then collected and composted together with food residue at composting facilities. A portion of the resulting compost was used to cultivate vegetables at a local high school, which will be the harvested and sold at the soccer stadium.

MCC aims to contribute to the realization of a circular economy by actively building recycling and composting systems in collaboration with various companies and municipalities.



Overview of the verification test



Composting process at the compost facilities

■ Coffee Capsules

Capsule coffee makers have rapidly grown in popularity in recent years. These machines heat water at high pressure then force it through the ground coffee beans, which are kept fresh inside a capsule, to brew coffee. For this to work, the capsules need to have a number of attributes, including heat resistance, impact resistance and sealability to preserve flavor. Because it meets these needs, BioPBS™ is used as a material for coffee capsules.



Use in a coffee capsule

The heat and impact resistance of BioPBS™ composites are useful in this application, but the biodegradability of BioPBS™ plays a major role as well. Because used coffee capsules contain wet coffee grounds, they are difficult to recycle as plastic. However, if they are made with biodegradable BioPBS™ composite, used capsules can be composted, a method of disposal with minimal environmental impact. By providing such products, we aim to enrich lifestyles while contributing to sustainable production, part of one of the SDGs.

Working toward the SDGs

MCC continues to advance R&D aimed at eventually producing the raw ingredients for PBS, including 1,4-butanediol, entirely from plants. We also aim for even higher biodegradability to better realize sustainable consumption and production patterns, one of the SDGs. MCC is putting its full strength—including advancing R&D, establishing production technologies, ensuring quality that meets demands, developing markets, and developing global business—into realizing these goals.



Structural Repair and Strengthening Carbon Fiber Fabric REPLARK™



Relevant SDG

SDG 11: Make cities inclusive, safe, resilient and sustainable

Targeting Sustainable Infrastructure

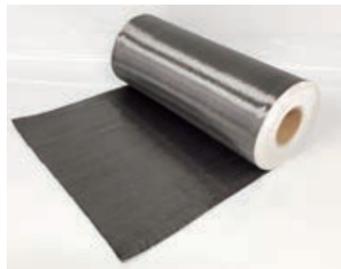
Recent years have seen numerous heavy rains, earthquakes, volcanic eruptions, tsunamis, droughts and other natural disasters around the world. Typhoons, heavy rains, and the subsequent flooding are becoming more frequent and more severe, and damage from earthquakes is unending. In addition to the harm they inflict in terms of human life, the economic toll of such disasters is a major barrier to the realization of a sustainable society. Natural disasters significantly impact highly developed countries and, in countries where infrastructure is underdeveloped, can wreak even greater harm.

As bridges, expressways, tunnels and other such infrastructure components age, their safety becomes harder to ensure; incidents involving collapsing or failing infrastructure in and outside Japan have been occurring one after another. Furthermore, the decreased utility of aging structures and the expense of repairing and strengthening them are major social issues.

The Mitsubishi Chemical (MCC) Group provides a range of products and services that aid in addressing the critical state of infrastructure and contribute greatly to the realization of the SDG "Make cities inclusive, safe, resilient and sustainable." One such product is the structural repair and reinforcement carbon fiber fabric REPLARK™ offered by Mitsubishi Chemical Infratec Co., Ltd.

Features of REPLARK™

Carbon fiber boasts many advantageous features: It has a specific gravity just 1/4 that of iron, yet approximately 10 times the strength of steel, and it is highly chemically stable, making it resistant to salt damage. REPLARK™ is a repair and reinforcement material made of unidirectional carbon fiber for steel and concrete structures. As a fabric, REPLARK™ can be applied to structures of various shapes and offers excellent workability. The grade of REPLARK™ made with PAN-based carbon fibers can be used to enhance the load bearing capacity of such structures as bridge columns, while the high-elastic-modulus grade made with pitch-based carbon fibers can greatly reduce rebar stress. In addition to REPLARK™ fabric, we offer a range of formed carbon-fiber reinforced polymer (CFRP) products, such as e-Plate (strips) or LEADLINE™ (rods), to meet the needs associated with various applications.



REPLARK™



e-Plate



LEADLINE™

Applications of REPLARK™

REPLARK™ provides the following functions when used with existing structures.

- It reinforces bridge girders against bending and enhances the fatigue durability of bridge deck slabs
- It improves the seismic resistance of bridge columns and other structures by absorbing energy from earthquakes
- It prevents concrete stripping from tunnel surfaces

In addition to offering the lightness, strength and elasticity of carbon fiber, REPLARK™ is simple to install; fabric impregnated with epoxy resin need only be applied to the structure surface. As such, it offers the following advantages for repairing and strengthening structures.

- Because it is lightweight and simple to install, carrying and handling the necessary materials at the worksite is easy
- It enables repairs in tight spaces where maneuvering and installing steel components is difficult
- It adds almost no weight to the structure being repaired or strengthened, helping reduce the load on the existing structure

The development of REPLARK™ goes back to the 1980s. Recognition of the need for such a product and its usefulness has gradually increased, and today it is starting to be used not only in Japan, but also in Southeast Asia and Europe.

Installation on Genta Bridge

Genta Bridge, located in Tottori City, Tottori, was completed in 1951. While in relatively good repair, the bridge was narrow, making passage difficult for large vehicles, and its load capacity was no longer sufficient due to the increasing size of vehicles on the road.

To address these issues, Tottori Prefecture sought to broaden and strengthen the bridge, but doing so by conventional methods would significantly increase the bridge's weight, requiring large-scale construction. Instead, the bridge's reinforced concrete girders were replaced with steel; external cables and REPLARK™ carbon fiber fabric were used for strengthening; and LEADLINE™ carbon fiber rods were used to strengthen the deck slabs. As a result, the overall cost was approximately halved from what it would have been using conventional construction methods. In recognition of these achievements, the bridge received the Japan Society of Civil Engineers 2014 Tanaka award.



Genta Bridge under construction



Structural Repair and Strengthening Carbon Fiber Fabric REPLARK™

Test of Bridge Deck Slab Strengthening Using e-Plate

In recent years, to save on-site labor, the use of e-Plate carbon fiber-reinforced plastic strips (carbon fiber yarn processed into strips at a plant) to strengthen deck slabs has been increasing. This construction method entails bonding e-Plate strips that have been impregnated with epoxy resin at a plant to the underside of deck slabs. Unlike deck slab underside reinforcement using REPLARK™, this method does not cover the entire underside of the slab, leaving the concrete visible, which makes it easier to observe the condition of the slab after reinforcement. The Public Works Research Institute's Civil Engineering Research Institute for Cold Region (based in Hokkaido) carried out a wheel load running test on slabs reinforced with this method and found that fatigue durability showed a more than tenfold improvement compared with unreinforced slabs.



Wheel load running test



Deck slab reinforced with e-Plate

Working toward the SDGs

As expressed by the SDG “Make cities inclusive, safe, resilient and sustainable,” building safe, reliable infrastructure is among the most important tasks we face. However, securing the funding and manpower needed to renovate infrastructure remains difficult. The MCC Group strives to find solutions to these two difficult and conflicting issues through innovation and global business development.

Decentralized Water Treatment & Supply System



Relevant SDG

SDG 6: Ensure availability and sustainable management of water and sanitation for all

Safe Water for the World

While approximately 70% of the Earth's surface is ocean, fresh water accounts for just 2.5% of all water on the planet. Most of this fresh water is in glaciers and ice sheets, groundwater or otherwise difficult to access; readily available surface water¹ in such forms as lakes and streams is estimated to make up just 0.01% of all water on Earth.

Furthermore, this readily usable water is unevenly distributed. According to a report published in June 2019 by the World Health Organization (WHO) and United Nations Children's Fund (UNICEF) Joint Monitoring Programme for Water Supply, Sanitation and Hygiene, some 2.2 billion people around the world do not have safely managed drinking water services, 4.2 billion people do not have safely managed sanitation services and 3 billion lack basic handwashing facilities. Achieving the SDG “Ensure availability and sustainable management of water and sanitation for all” will bring immeasurable benefits to people and society, saving lives by improving public sanitation, thereby helping prevent the spread of infectious disease and reducing infant mortality, while also reducing the gap between rich and poor, creating educational opportunities and contributing to regional economic development.

Moreover, given the frequency of major natural disasters around the world, securing water supply lifelines in times of disaster is a major issue facing developed countries, as well.

Mitsubishi Chemical Aqua Solutions Co., Ltd. (MCAS; formerly Wellthy Corporation) has been working to solve these problems for more than 20 years. Focusing on groundwater, which accounts for 0.76% of the planet's water, MCAS strives to contribute to the supply of safe water using the decentralized water treatment & supply systems it has developed. These systems are currently supplying water—an essential for daily life—both in Japan and overseas.

¹ Surface water: Water that originates mainly from precipitation and is present entirely above ground in such bodies as rivers and lakes.

What is a Decentralized Water Treatment & Supply System?

Capable of processing water from a wide range of sources, MCAS's decentralized water treatment & supply systems employ the company's accumulated membrane filtration technologies. MCAS handles everything from development and manufacture to the management and maintenance of these systems. MCAS systems are mainly used with groundwater in Japan and with surface water overseas. Their compatibility with diverse water sources gives the systems a major advantage. In addition, these systems offer the following advantages.

- The system can be installed on an area the size of a few parking spaces and requires less investment than a large-scale centralized water purification plant
- Customers can select the optimal system configuration for the type and characteristics of their water source and the usages and required supply capacity of treated water
- A remote monitoring system ensures a safe and stable water supply
- The system can reduce water supply costs



Decentralized water treatment & supply system



Decentralized Water Treatment & Supply System

Furthermore, because these water supply systems are decentralized and enable local production for local consumption, they also offer the following merits.

- Construction does not take long, so the lead time from the start of installation to the start of water supply is short
- Maintenance requires little cost or labor
- The training necessary for upkeep and management is simple
- As a secondary water supply in addition to public water supply, the system can provide a water supply lifeline that is resilient to disasters
- The system can fill gaps in public water supply systems in rural or remote areas of developing countries

Applications of the Decentralized Water Treatment & Supply System

MCAS's decentralized water treatment & supply system business is aimed at realizing safe, stable water supply for everyday use, helping secure an uninterrupted water supply at times of natural disaster and supporting the business continuity of its customers.

Clean Water and Agriculture Promotion Project in Kenya

MCAS is working with the United Nations Development Programme (UNDP) on a project to supply clean water to a community of approximately 40 households in Machakos County, Kenya.

Because there is no electricity supply in the community, we installed a slow sand filtration system (a filtration system that uses gravity) that requires no power and only simple maintenance. This system purifies water taken from a nearby canal for use by the local residents. At the same time, we have developed a clean water business model whereby local residents can sell purified water to their neighbors to secure a cash income.

In addition to supplying clean water, we are focusing efforts on promoting local agriculture. By installing facilities for drip irrigation (in which water is supplied in small amounts only where needed) and reusing activated carbon previously employed in water filtration as a soil conditioner, the project is improving water use efficiency and reducing waste. With an eye to promoting traditional leafy vegetables that offer high added value but are not currently grown in the area as possible cash crops, we aim to help expand the cultivation of cash crops rooted in the area and thereby increase incomes in the community as a whole.

These efforts are helping local residents achieve economic independence and creating educational opportunities. Furthermore, through such knock-on effects as the health benefits to local residents of eating highly nutritious traditional vegetables, we are contributing to the world via the supply of water.



Clean water project in Kenya

Groundwater Membrane Filtration System

Our groundwater membrane filtration system is a decentralized water supply system that uses the sophisticated membrane filtration treatment that MCAS has developed to process groundwater into safe, reliable drinking water. Used as a secondary water source alongside a public water utility, this system can provide a water supply lifeline during times of disaster. The system offers the following merits.

- The system facilitates operational continuity in times of disaster, most notably at medical institutions and nursing care facilities, where water supply is essential, as well as at retail facilities, hotels, schools and other important public facilities, and at factories
- The system enables social contribution by enabling the user to supply neighboring residents with water when public water supply is cut off, such as at times of disaster
- Using groundwater in the course of regular operations can help reduce water utility costs
- By using groundwater, which has a stable temperature year-round, the system can increase cooling tower efficiency in the summer and fuel efficiency for hot water supply in the winter, reducing both cost and environmental burden

In areas where public water supply was cut off after the Kumamoto Earthquake in 2016 and Northern Osaka Prefecture Earthquake in 2018, these systems stayed operational. As a result, hospitals that had groundwater membrane filtration systems had no interruption in water supply and were able to continue operating. We also heard from many customers that they were able to contribute socially by providing water to nearby residents.

Working toward the SDGs

Safe water is a limited resource; even those of us who enjoy its benefits every day are reminded how precious it is when a natural disaster strikes. As such, although achieving the SDG "Ensure availability and sustainable management of water and sanitation for all" will be extremely difficult, its realization will help not only ensure safety and peace of mind in everyday living for people around the world, but contribute greatly to the sustainable development of people and society.

We at the MCC Group will persistently work toward the achievement of this challenging task through innovation and global business development.



Basic Policy

As a member of the Mitsubishi Chemical Holdings (MCHC) Group, the Mitsubishi Chemical (MCC) Group abides by MCHC's basic Group management guidelines and shares specific Group management policies and strategy determined by MCHC. The MCC Group also adheres to MCHC Group policies and rules to ensure that it fulfills its corporate social responsibility in areas such as internal controls, risk management and compliance and actively implements management initiatives to enhance corporate value as a core operating company of the MCHC Group.

Basic Regulations

The Mitsubishi Chemical Group strives to ensure compliance based on the Mitsubishi Chemical Holdings Group Charter of Corporate Behavior, a common set of compliance regulations shared throughout the Group.

Mitsubishi Chemical Holdings Group Charter of Corporate Behavior

We define KAITEKI as “the sustainable well-being of people, society and our planet Earth”, and have “realizing KAITEKI” as our vision. We will not stop at providing solutions to environmental and social problems, but also aim to contribute to sustainability in both through our corporate activities.

To this end, we shall act based on the concept of MOS (Management of Sustainability) with sound ethics and good common sense in every aspect of our corporate activities as outlined below, to ensure sustained development as a corporate group that engenders society's trust.

■ Awareness and Responsibility

We shall contribute to the realization of KAITEKI through our business with a keen sense of corporate social responsibility, based on the fundamental understanding that the foundation of our corporate activities is society's trust and confidence in us.

■ Accountability and Transparency

We shall, recognizing the importance of accountability in corporate activities, preserve transparency in such activities, disclose information appropriately, and always maintain a stance of openness, both internally and externally.

■ Legal Compliance and Fairness, Equitability, and Integrity

We shall comply with laws and international standards and shall hold ourselves to the highest ethical conduct at all times. In addition, we shall always adopt an attitude of fairness, equitability, and integrity towards customers, business partners, shareholders, government agencies, local communities, and other stakeholders. This attitude shall also apply to our dealings with each other.

■ Valuing Stakeholders

We shall respect and communicate closely with all stakeholders including customers, suppliers, shareholders, business partners, government agencies, local communities, and employees, and consider the outcomes of such communication in our corporate activities.

■ Respecting Human Rights

We shall respect the dignity and rights of all people and shall not discriminate against people unfairly on the basis of race, sex, religion or other protected status. We shall also expect our suppliers and other contractors to refrain from any infringement of human dignity and rights or discriminatory practices.

■ Employment and Labor

We shall not engage in any form of forced, compulsory, or child labor, and shall require our suppliers and other contractors to adhere to the same standards. Mitsubishi Chemical Holdings Group managers at all levels shall respect human diversity and create working environments where employees can exercise their abilities to the utmost in safe and healthy settings, in order to make optimal use of human resources. Managers shall build sound relations with employees through close dialogue, and shall respect employees' rights, including freedom of association and the right to collective bargaining.

■ Environment and Safety

We shall strive to reduce environmental impact and protect the environment and ecosystems in our operations in addition to supplying environmentally friendly products and services. Recognizing that the health and safety of our employees and communities in which we do business form the foundation for the very existence of our company and that we have a corporate social responsibility to assure the health and safety of others, we shall continue to ensure safe business activities.

Basic Regulations

Fair Business Practices

We shall conduct business fairly and sincerely, adhering to ethical principles and refraining from unfair trade practices and any form of bribery or corruption, to contribute to sound social and economic development through fair competition in the market. We shall refuse to work with any group, organization or individual engaged in unlawful activities, and under no circumstances shall we have any relations with anti-social influences.

Customer Satisfaction

We shall constantly strive to satisfy our customers by keeping the promises made in contracts with them, doing our utmost to ensure the safety and quality of the products and services we supply, and engaging in dialogue and R&D.

Information Management

We shall, in the course of our corporate activities, maintain appropriate records and make reports as required by law and regulation. We shall manage information carefully to prevent leakage of confidential data relating to customers, business partners, or our own business.

Science and Technology

We shall advance R&D by bringing together outstanding researchers from Japan and overseas, and contribute to the realization of KAITEKI through innovation. We shall recognize the importance of our own and others' intellectual property rights and respect such rights.

Community Involvement

We shall contribute broadly to society through our businesses. In addition, we shall respond to the desires and expectations of local communities by enhancing our understanding of their cultures and customs and acting as a good corporate citizen.

Shared Standards

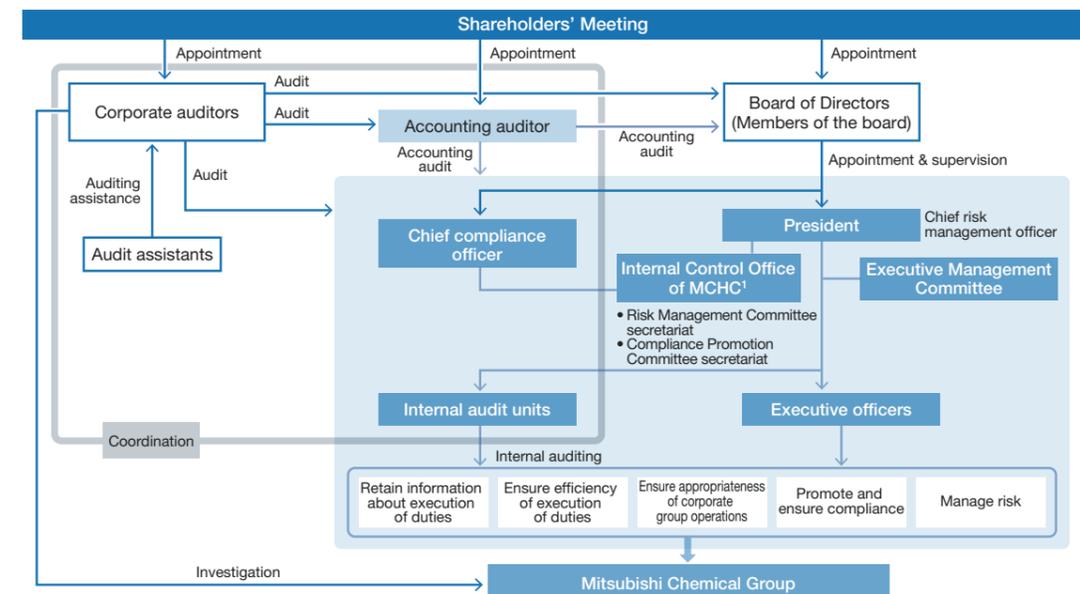
Mitsubishi Chemical Holdings Group managers shall recognize their responsibility to embody the spirit of this charter and shall ensure that employees are fully aware of its content. We shall expect our suppliers and other business partners to share all the standards set out in this charter, including but not limited to standards relating to human rights, employment, and labor.

Corporate Governance

The top priorities for corporate governance of the Mitsubishi Chemical (MCC) Group are to ensure fast and efficient decision making and business execution, clarify management responsibilities, ensure compliance and strengthen risk management.

The MCC Group's basic corporate governance structure is illustrated below. MCC has adopted an executive officer system to separate management and executive functions. Furthermore, MCC has defined the extent of the authority of such decision-making bodies as the Board of Directors and various management positions in its internal rules. Through these and other measures, MCC ensures proper, efficient managerial decision making and business execution.

Corporate Governance Structure of the Mitsubishi Chemical Group (as of June 21, 2021)



¹ Internal control promotion, including risk management for MCC and its group, is conducted by Mitsubishi Chemical Holdings Corporation.

Board of Directors

The Board of Directors meets once a month in principle. In accordance with the regulations of the Board of Directors and other relevant rules, the board makes decisions on important managerial matters and basic matters concerning Group management and provides oversight of the execution of duties by directors. The six directors (four of whom concurrently serve as executive officers as of June 21, 2021) form a management structure capable of quickly adapting to environmental changes. To further clarify the managerial responsibilities and role of each director, the term of office for a director is one year. Human resources judged to possess the necessary skills and qualities to realize the Group's corporate philosophy and fulfill its social responsibilities are selected as candidates for director by the Board of Directors. Candidates are then elected by a resolution of the Shareholders' Meeting.



Corporate Governance

Executive Management Committee

The Executive Management Committee is an advisory body that assists the President in making decisions, deliberating important matters concerning business execution, such as the investment and financing activities of MCC and the MCC Group. Particularly important managerial matters deliberated by the Executive Management Committee are acted on only upon the resolution of the Board of Directors. The Executive Management Committee meets twice a month in principle. The committee comprises the President, the chief operating officers of the business domains, the supervising officers of the corporate function domains, the presidents of the regional headquarters and the general manager of the Corporate Planning Division. The members of the board and corporate auditors may also attend its meetings as needed.

Corporate Auditors

MCC has five corporate auditors to audit its activities (as of June 21, 2021). The corporate auditors attend Board of Directors, various committee and other important meetings, receive reports from members of the board and other relevant parties, investigate the status of the company's business and property, and audit the execution of duties by members of the board. MCC does not have a Board of Corporate Auditors, but voluntarily maintains a Corporate Auditors Liaison Committee to facilitate coordination and cooperation among the corporate auditors. The Corporate Auditors Liaison Committee meets once a month in principle. At meetings, the corporate auditors discuss audit plans and other important audit-related matters. Corporate auditors, the accounting auditor and the Internal Audit Division work in close coordination, exchanging opinions on their respective audit processes and results.

Committees

The company maintains a number of committees, including the Compliance Promotion Committee, Risk Management Committee, Information Security Committee, Environmental and Safety Promotion Committee and Human Rights Due Diligence Committee. These committees refer or report important matters to the Board of Directors or the Executive Management Committee.

Internal Controls

Basic Policy

Based on the Basic Policy for Development of Internal Control System established by the Board of Directors, Mitsubishi Chemical (MCC) has developed an internal control system that encompasses MCC Group systems, including those related to compliance promotion and risk management. By doing so, MCC strives to ensure appropriate operations and the reliability of financial and other information on behalf of itself and the Group in order to enhance corporate value. The Board of Directors reviews and monitors the maintenance and operational status of the internal control system once a year, and individual organizations work to strengthen and develop the system on an ongoing basis.

Developing Our Internal Control Systems

Based on the Mitsubishi Chemical Group Regulations for Promoting the Development of the Internal Control System, established July 1, 2017, MCC is reinforcing Group governance, including compliance, as well as enhancing the efficacy and efficiency of related operational processes and improving the execution of such processes at MCC Group companies.

In fiscal 2020, MCC established global controls shared across the MCC Group for important operational processes and began efforts to reinforce internal control by improving the visibility of operations at Group companies. MCC will continue to build schemes that enable MCC Group companies to independently check the development and operational status of their internal control systems and implement improvements.

Compliance

Fair Business Practices

■ Mitsubishi Chemical Holdings Group Global Anti-Bribery Policy

MCHC has established the Mitsubishi Chemical Holdings Group Global Anti-Bribery Policy, aiming to prevent bribery on the part of its operating companies and their executives and thus ensure compliance with anti-bribery laws and regulations in all the countries where it operates, prevent corruption, and help establish and maintain fair business practices.

The policy prohibits bribes to public officials and includes provisions concerning accounting records, compliance structures and penalties for violations.

Within the MCC Group, the supervisors of domestic sales employees hold interviews with said employees to confirm their actions with regard to risks related to sales, including those surrounding anti-trust legislation, bribery and the Subcontract Act.

Monitoring and Reporting Systems

■ Compliance Hotline

The MCC Group has established a hotline through which employees can contact the Internal Control Department, an external lawyer or a hotline service company to seek advice or report possible compliance violations. The Group strives to ensure that the hotline is operated properly and employees are aware of it. The hotline is operated with maximum consideration for the privacy of users, and individuals are not treated disadvantageously for having used the hotline for consultation or reporting. In the event that a hotline user is subject to disadvantageous treatment or reprisal, the individuals responsible are subject to disciplinary action as needed.

■ Compliance Perception Surveys

The MCC Group uses employee perception surveys to monitor the degree of compliance awareness among employees. Survey results are analyzed in detail and used to provide feedback to related officers. Challenges and problems identified as a result of said analysis are reflected in compliance-related measures and training.

■ Response to Compliance Violations

In the event of a compliance violation, the compliance officer and the departments overseeing compliance work together to implement an appropriate initial response that rectifies or otherwise deals with the situation. They then investigate the cause of the violation and implement recurrence countermeasures. Any employee who has committed a compliance violation is dealt with as necessary, possibly with disciplinary action, in accordance with the Employee Work Regulations or other relevant regulations of the Group company to which the employee belongs.

Risk Management

The Mitsubishi Chemical (MCC) Group promotes risk management activities on a Group-wide basis based on the Mitsubishi Chemical Group Risk Management Regulations. In the course of business operations, the executives and management-level employees of MCC Group companies identify and evaluate risks that could significantly impact the Group and deal with such risks appropriately to minimize their impact on Group management and society, including the Group's stakeholders.

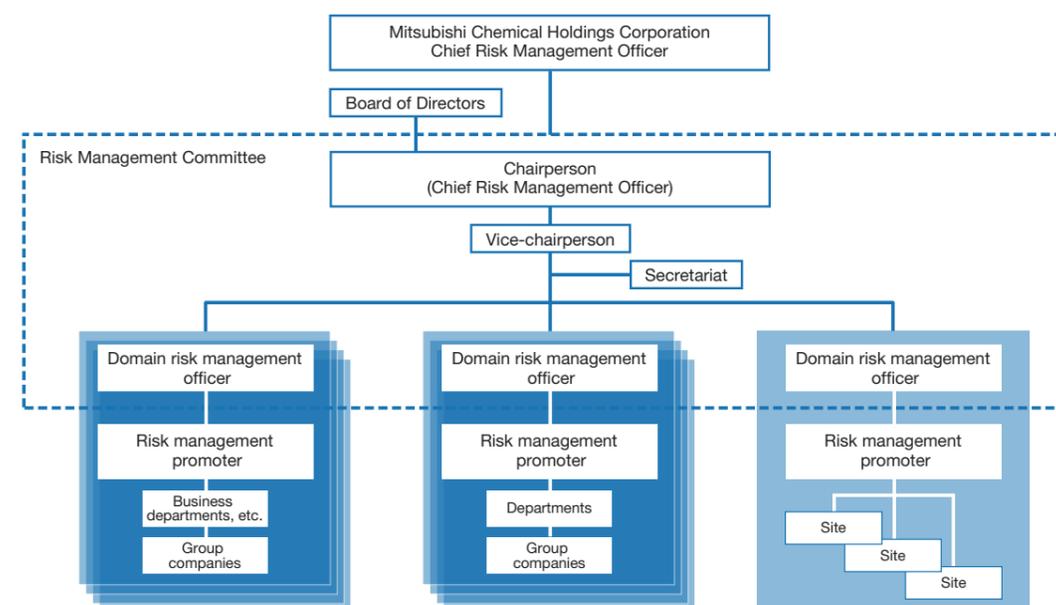
Risk Management Structure

MCC has set up a Group-wide risk management system headed by its President, who serves as the Group's Chief Risk Management Officer, and strives to ensure that this system operates appropriately and smoothly.

The supervising officers of the business domains and corporate function domains serve as domain risk management officers charged with maintaining, operating, directing and overseeing the risk management systems within their respective units, including those of MCC Group companies. Meanwhile, the Risk Management Committee, established to support the Chief Risk Management Officer as a supplementary decision-making organ, regularly confirms the operational status of the MCC Group's risk management system and deliberates on important matters related to the development and operation of the system, basic policy and plans regarding risk management activities, and management objectives and countermeasures related to serious risks.

The internal audit units periodically audit the operational status of the risk management system and report their findings to the Chief Risk Management Officer (the President).

Risk Management Structure of the Mitsubishi Chemical Group





Risk Management

Initiatives

Since the formation of the new MCC, in addition to the risks individually identified and addressed by each department, management has designated the eight risks listed below as risks to be dealt with on a company-wide basis and is working to reinforce risk management efforts accordingly.

- (1) Process safety and stable operations
- (2) Compliance promotion
- (3) Governance and global management
- (4) Crisis management and business continuity
- (5) Information security
- (6) Workstyles
- (7) Environmental friendliness
- (8) Trade

In fiscal 2020, we implemented special process safety inspections at overseas Group companies to reinforce the promotion of safety and stable operations. We also proactively strengthened efforts to promote business continuity, including efforts to quantitatively understand the supply chains of important products. Furthermore, amid significant environmental changes caused by the COVID-19 pandemic, we took steps to reinforce the management of working hours and monitored changes in working hours accompanying the expansion of remote work.

Business Continuity Plans

The MCC Group formulates business continuity plans (BCPs) to minimize the impact suffered by its customers and business partners in the unlikely event of a natural disaster or a major accident.

Specifically, when responding to such crises as a major earthquake in the Nankai Trough or a pandemic, MCC gives greatest priority to assuring the safety of human life, including the lives of employees, their families, business partners and local residents. We have also prepared manuals that lay out steps to be taken after such safety is assured, namely, how to maintain or quickly resume the supply of key products essential to society and thus fulfill our product supply obligations to our customers.

In addition, we maintain arrangements that will ensure that operations important to the whole Group can be continued elsewhere should the head office be incapacitated by a major earthquake striking the Tokyo metropolitan area.

Intellectual Property

Basic Policy

■ Respecting Intellectual Property Rights

The so-called intellectual property age has been under way for some time now, and, in recent years, not only conventional patents, know-how, and trademarks, but also data itself, has come to be recognized as having intrinsic value and an important form of intellectual property. Mitsubishi Chemical (MCC) regards all these forms of intellectual property as important management assets and strives to effectively utilize them to increase corporate value. Accordingly, MCC protects and utilizes these important management assets and takes appropriate measures when its own intellectual property rights are infringed upon by other parties. At the same time, the company endeavors to respect the valid intellectual property rights of other parties, maintaining an oversight framework and carrying out careful research and countermeasures to ensure that it does not infringe upon such rights.

■ Intellectual Property Strategy

MCC's intellectual property strategy is to create and utilize intellectual property as necessary to improve and maintain the intellectual property environment of each of its businesses.

Reflecting the increasing globalization of MCC's businesses, the company is working to create and utilize intellectual property from a global perspective that includes overseas locations.

Furthermore, to leverage the tide of digital transformation seen in recent years, we are proactively working to increase the efficiency and sophistication of our operations using digital technologies.

We not only utilize intellectual property data as part of our intellectual property strategy, but also proactively implement initiatives to make use of it in our businesses, R&D and management.

■ Intellectual Property Coordination

MCC actively promotes intellectual property coordination across the MCC Group as a whole. In addition to exchanging information, sharing their intellectual property enables MCC Group operating companies to accelerate business and technological development. We also engage in collaboration with third parties to guard against issues related to utilizing their intellectual property.

In line with this basic policy, MCC advances unified intellectual property activities chiefly through the Intellectual Property Department and in coordination with the business and R&D departments.

Intellectual Property Training

MCC implements intellectual property training for business and R&D departments aimed at developing human resources who effectively make practical use of intellectual property—a management resource—in businesses and management. In addition to on-the-job training, we operate a rank-specific program covering everyone from new recruits to the leadership class. With an emphasis on ensuring that employees utilize the knowledge and skills gained through such training in their work, we implement practical education for business and R&D departments that goes beyond just legal knowledge.



Intellectual Property

Human Resource Development and Recruiting of Intellectual Property Department Staff

MCC believes that its Intellectual Property Department should be staffed by human resources who can advance intellectual property activities that contribute to MCC's businesses alongside business and R&D departments and who can contribute to the company's businesses and management from the perspective of intellectual property. Accordingly, we are developing human resources who have practical work execution, planning/strategy and organizational management abilities. Recognizing the importance of diverse experience, our human resource development includes overseas training, various forms of external training and work experience in areas other than intellectual property. In these ways, we aim to develop specialized intellectual property-related skills as well as the general business skills necessary for a business person.

To develop the kind of human resources described above, we assign new graduate hires to the Intellectual Property Department on an ongoing basis and proactively hire mid-career individuals with a view to finding diverse talent.

Through these recruitment and development efforts, we aim to maintain an Intellectual Property Department made up of diverse and unique individuals, and in which employees feel a sense of professional fulfillment and pride.

Code of Research Conduct

MCC has established the Code of Research Conduct to ensure that its researchers' conduct, in all R&D activities, is always exemplary. To ensure that researchers carry out research responsibly, the Code includes provisions regarding the proposal of research topics and execution of related research, management of data, presentation of results, communication between researchers and procedures for addressing compliance problems.

MCC utilizes a variety of opportunities to implement education related to the Mitsubishi Chemical Holdings Group Charter of Corporate Behavior (the Mitsubishi Chemical Holdings (MCHC) Group's basic regulations concerning compliance) and the Code of Research Conduct to ensure that researchers act with an awareness of such rules as they carry out their duties. Reflecting these efforts, MCC's researchers bring a strong sense of ethics, sincerity and humility to their R&D work, seeking to live up to the trust and expectations of society by respecting both our own intellectual property and that of other parties while contributing to the growth and development of MCC and the MCHC Group as a whole on an ongoing basis.

Information Security

Basic Policy

The Mitsubishi Chemical (MCC) Group has established the Mitsubishi Chemical Group Information Security Policy to protect its information assets as well as those of its customers and business partners and to minimize the impact on its businesses in the event of an information security incident. In line with this policy, the Group works to maintain and enhance appropriate information management and information security.

Management Structure

The overall information security management structure comprises the Information Security Committee and its subcommittees: Information Asset Management, Personal Information Management, Information System Security, R&D System Security and Control System Security. Under this structure, we strive to maintain, manage and enhance information security.

Defensive Measures against Cyber Threats

The MCC Group has both management and technological measures in place to defend against cyber threats. In light of the growing sophistication of cyber attacks, we have set up a framework for responding rapidly to incidents around the globe (MCC-SCIRT¹). We work to reinforce our response capabilities through such measures as incident response drills, which are carried out every year. We are also taking steps to reinforce security in light of the recent shift toward cloud-based services and changes in workstyles, including the expansion of remote work.

¹ CSIRT: Computer Security Incident Response Team

Measures to Prevent Leaks of Personal Information and the Confidential Information of Customers and Third Parties

In accordance with its information asset management regulations, MCC designates information managers to handle the various types of confidential information (including customer information and technical data) it holds and information disclosed to it by customers and third parties. Such information assets are managed, utilized and inspected in accordance with the level of information asset management appropriate for each type.

Furthermore, MCC has established its own Rules on Handling Personal Information and strives to ensure strict compliance with the Act on Protection of Personal Information, the Act on the Use of Numbers to Identify a Specific Individual in Administrative Procedures and other relevant laws, regulations and guidelines as well as the E.U. General Data Protection Regulation (GDPR) promulgated in May 2018.

Personnel-Related Measures

The MCC Group regularly conducts awareness-raising and training events for employees to promote strict information management. We also provide annual global information security education comprising internal training via e-learning and targeted email attack response drills.



Internal Audits

The Internal Audit Division, which is independent of business and administrative operations, conducts internal audits to assess the effectiveness of internal controls at Mitsubishi Chemical Group companies, monitoring such factors as the adequacy and the efficiency of each organization's governance, risk management and operating processes. The Internal Audit Division shares the results of such internal audits with the relevant organizations, working in close collaboration with them to improve internal controls.



Basic Policy

Mitsubishi Chemical carries out Responsible Care (RC) activities,¹ which are voluntary activities in the chemical industry for ensuring environmental conservation, health and safety. In line with the Mitsubishi Chemical Holdings Group Charter of Corporate Behavior and with the aim of realizing KAITEKI, we implement RC activities based on the five pillars of process safety and disaster prevention, occupational safety and health, environmental conservation, chemical and product safety, and logistics safety.

¹ Responsible care activities: Voluntary activities undertaken by companies that handle chemical substances to protect the environment, health and safety across all related processes, from the development of such substances to their manufacturing, distribution, use, final consumption and disposal. These activities also encompass the publishing of the results of such efforts and dialogue and communication with society.

Implementation Framework

Mitsubishi Chemical (MCC) has designated departments responsible for promoting each of the five pillars of its Responsible Care (RC) activities. These departments work together to carry out RC activities. The designated departments draft annual RC action plans that are then deliberated by the Environmental and Safety Promotion Committee, comprising the director in charge of RC, representatives of the business domains and plant general managers, before being discussed by the Executive Management Committee and then going to the President for final approval. The director quickly informs employees of the approved plans and orders the creation of action plans for plants and business domains based on said plans. The departments responsible for implementing RC activities monitor the action plans of the plants and business domains and their implementation status and provide support and instruction aimed at improvement, thereby helping to improve the RC activities of the MCC Group as a whole.

RC activity pillar	Implementation division
Process safety and disaster prevention	Environment & Safety Division
Occupational safety and health	
Environmental conservation	
Chemical and product safety	Product Stewardship & Quality Assurance Division
Logistics safety	Purchasing & Logistics Division

Environment and Safety

Basic Policy

Mitsubishi Chemical (MCC) has established the Environment and Safety Principles as well as Policies Related to Environment and Safety, and it implements activities related to process safety and disaster prevention, occupational safety and health, and environmental conservation.

Environment and Safety Principles

1. Safety lies at the foundation of the company's very existence, and ensuring safety is the company's social responsibility.
2. The company has an obligation to conserve and improve the environment and become an entity that is friendly to both people and the planet.

Policies Related to Environment and Safety

1. We will comply with social rules and standards, including corporate ethics in addition to applicable laws.
2. We will pursue zero accidents and zero occupational injuries.
3. We will reduce our environmental impact to prevent global warming and protect the natural environment.
4. We will educate our employees about the environment and safety so that they can act with awareness of their own responsibilities.
5. We will communicate closely with society to enhance understanding and trust.
6. We will continue making improvements by utilizing the latest technologies and available internal and external information.

MCC has established the MCC Group Basic Safety Behaviors, three behaviors for all employees to practice in order to prevent employee behavior-related accidents. We aim to foster an interdependent mindset throughout the organization; to this end, employees not only work to internalize the basic behaviors themselves, but remind one another and raise each other's awareness.

MCC Group Basic Safety Behaviors

1. Hold the handrail on the stairs
2. Do not bring your hand close to a moving object
3. Do not walk around while looking at something in your hands

Based on the above environment and safety principles and policies, every year, MCC creates a Group environment and safety action plan. The plan reflects the results of the previous year's plan and audits and lays out yearly targets, policies and key measures.

The fiscal 2020 plan included the annual targets of zero serious process safety incidents, zero serious occupational accidents, zero environmental incidents and contribution to the global environment. The annual policy under the plan was to precisely understand workplace weaknesses and steadily make improvements. In line with this plan and the status of each workplace, we carried out environment and safety activities.

Audits of Environment and Safety Activities

MCC conducts safety audits and environmental audits covering 15 plants, two R&D centers and 94 domestic and overseas Group company sites.

In fiscal 2020, MCC conducted safety audits of 12 plants and 23 Group company sites as well as environmental audits of six plants, one R&D center and three Group company sites. Through the audits, MCC checked and evaluated the workplaces' PDCA cycles based on audit subjects designated in the fiscal 2020 audit plan and provided guidance related to needed improvements.

MCC checks to confirm that audited plants, R&D centers and Group companies are working to make necessary improvements by, for example, improving their facilities or reviewing their standards in response to guidance provided as a result of such audits.

	FY2020 audits performed	Total issues identified	FY2020 audit plan audit subjects
Safety audits by MCC	<ul style="list-style-type: none"> • MCC: 12 plants • Group companies: 23 sites 	127	<ul style="list-style-type: none"> • Implementation of action plans • Implementation of measures to prevent occupational accidents, other incidents and their recurrence • Compliance with safety laws
Environmental audits by MCC	<ul style="list-style-type: none"> • MCC: 6 plants and 1 R&D center • Group companies: 3 sites 	25	<ul style="list-style-type: none"> • Compliance with environmental laws • PDCA cycles for environmental conservation activities

Process Safety and Disaster Prevention, Occupational Safety and Health

Basic Policy

Mitsubishi Chemical (MCC) creates action plans comprising annual targets, annual policies and key measures reflecting the status of activities and results of the previous fiscal year and uses said plans to carry out process safety and disaster prevention and occupational safety and health activities. In fiscal 2020, we implemented activities in line with the annual goals of zero serious process safety incidents and zero serious occupational accidents as well as the annual policy of precisely understanding workplace weaknesses and steadily making improvements.

Preventing Process Safety Incidents and Occupational Accidents, Key Measures

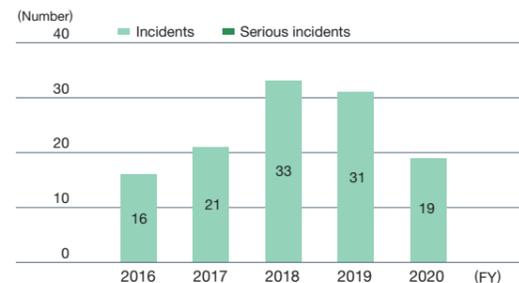
In fiscal 2020, there were 16 incidents, including small fires and leaks of hazardous materials, as well as three chlorofluorocarbon gas leak incidents.

The main causes of the incidents were the corrosion and degradation of facilities and insufficient checking during facility inspections and operations. Behind these factors were management problems, including delays in response to facility aging, insufficient knowledge and insufficient education. However, as process safety incidents have been decreasing, we believe that patrols and other efforts to improve facility management are beginning to produce results.

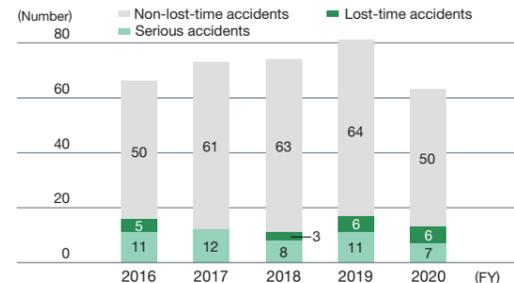
In fiscal 2020, seven serious occupational accidents resulting in four or more days of lost work occurred in Japan. These accidents included such incidents as getting caught or entangled in machinery and contact with high/low temperatures. The main causes of these occupational accidents were lack of competency in basic practices and operations, inadequacies in work procedures and inadequacies in structure design and management. Behind these factors were management problems, including insufficient education and training, insufficient safety activities, and insufficient risk assessment.

Although the total number of lost-time accidents (including those classified as serious) decreased from the previous fiscal year, numerous such accidents still occur, and we will continue striving to reduce the occurrence of occupational accidents.

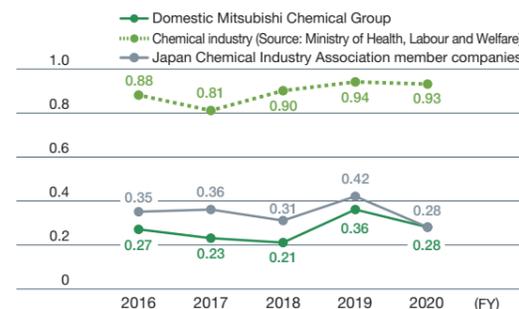
Mitsubishi Chemical Group Process Safety Incidents in Japan



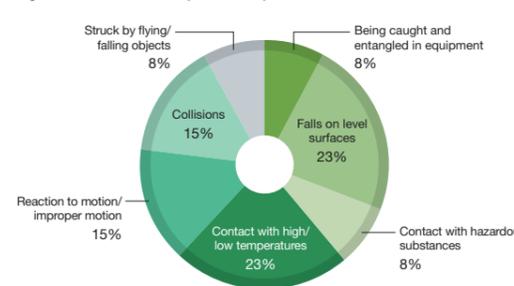
Mitsubishi Chemical Group Occupational Accidents in Japan



Annual Rate of Lost-Time Accidents



Mitsubishi Chemical Group Lost-Time Accidents by Classification (FY2020)



* Data for fiscal 2016 are the totals of the figures for the previous Mitsubishi Chemical, Mitsubishi Plastics and Mitsubishi Rayon and their respective domestic group companies. The same applies hereinafter.
 ** The figure for chlorofluorocarbon gas leak incidents represents leaks from refrigeration equipment with a capacity of 20 refrigeration tons or greater.

In light of the problems underlying these process safety incidents and occupational accidents, in fiscal 2021, we are implementing the following key measures.

Thoroughness and Continuation of Safety Activities

In addition to efforts to thoroughly ensure safe basic practices and operations, we are reviewing and working to ensure adherence to proper procedures and safety equipment use in construction and other operations, steadily implementing change management and risk assessment, thoroughly responding to incidents and occupational accidents, and effectively utilizing information to prevent the recurrence of incidents and occupational accidents as well as the occurrence of similar incidents and accidents.

To minimize and contain harm in the event of an accident or natural disaster, such as an earthquake, we have in place systems for rapid response within plants and the prevention of negative impacts on the areas around our sites and conduct drills accordingly.

Thoroughness and Continuation of Facility Management

To prevent incidents and occupational accidents, we properly inspect facilities for age-related deterioration and repair and replace them as needed while steadily performing regular monitoring to ensure that signs of irregularities in facilities are quickly detected and dealt with appropriately.

Human Resources Training

We strive to train people who prioritize safety at all times and who can think for themselves, have good judgment and take action. Furthermore, to enhance risk assessments, we are proactively developing human resources with specialized risk assessment knowledge and skills.

Enhancing Safety Culture

We have launched initiatives aimed at realizing organizations in which employees mutually enhance one another's awareness regarding safety, such as the MCC Group Basic Safety Behaviors, in which all employees remind each other to practice safe behaviors. In addition, to comprehensively understand the safety culture and particular characteristics of specific workplaces, we have begun implementing safety culture surveys of all employees at specific workplaces and analyzing the results with the help of third-party experts.

Focus Promoting the Consistent Practice of the MCC Group Basic Safety Behaviors

MCC is working to raise awareness to ensure that all employees consistently practice the MCC Group Basic Safety Behaviors. To foster knowledge and awareness of the basic safety behaviors, we provided posters to our sites in and outside Japan and distributed tote bags and hand towels printed with illustrations of the basic safety behaviors at domestic sites.

We also held a lecture on preventing falls to deepen employees' understanding of the importance of using handrails, the dangers of walking while distracted and occupational accident prevention. A video of the lecture was used in e-learning, helping to firmly root the basic safety behaviors.




Hand towel and tote bag MCC Group Basic Safety Behaviors poster

Risk Assessment

MCC implements robust risk assessments of processes, operations and chemicals, striving to prevent process safety incidents and occupational accidents. In these risk assessments, we comprehensively identify, evaluate and work to reduce risks related to process safety, occupational accidents and health. This includes risks not only under steady conditions, but also unsteady conditions, such as when responding to a problem. Furthermore, to effectively reduce risks related to changes, we use mechanisms for identifying all changes and conduct risk assessments under the supervision of expert technicians.

Process Safety and Disaster Prevention, Occupational Safety and Health

Enhancing Self-Directed Process Safety

MCC's Ibaraki, Mie, Okayama and Hiroshima plants are accredited as having high-level process safety under the High Pressure Gas Safety Act. These plants maintain a high level of process safety by creating mechanisms in line with the requirements for accreditation under the High Pressure Gas Safety Act, such as 1. Process safety management and inspection frameworks, 2. Continuous improvement of process safety systems via PDCA cycles, 3. Risk assessments and 4. Education and training.

In addition, we are proactively working to advance smart process safety, aiming to leverage the latest digital transformation (DX) technologies to further enhance process safety management and make more precise judgements based on collected data. By doing so, we seek to address social issues and changes in the environment, including dramatic advances in technology, such as IoT, big data (BD), AI and drones; increasingly serious and frequent disasters; the risk of major earthquakes; the aging of plant facilities; and decreasing numbers of process safety personnel.

Focus Mie Plant Receives Outstanding Award in the JCIA's RC Awards

MCC's Mie Plant implements joint patrols involving facility management departments and operational management departments to address the desire of employees to learn about specialized maintenance and apply that perspective in patrols. This helps to more quickly detect signs of irregularities. In addition, to share expertise and provide reinforcement for weaknesses caused by differences in levels of experience with specific facilities, we are implementing departmental patrols in which employees make explicit and share their know-how, including key points to inspect during patrols and methods for checking places where changes have occurred. For these activities, the Mie Plant received the Outstanding Award in the Fiscal 2020 Responsible Care (RC) Awards of the Japan Chemical Industry Association (JCIA). This award is bestowed in recognition of process safety management enhancement activities (in the areas of infrastructure development, facility stabilization and human resource development) that serve as a model for other organizations.



Departmental patrol



Outstanding Award from the JCIA

Working Environment Management

Some employees within the MCC Group perform work that requires occupational health considerations, such as the handling of specified chemical substances and organic solvents and operations performed in hot or noisy conditions. To prevent health problems in these employees, the MCC Group manages working environments based on ongoing working environment measurement performed in accordance with relevant laws and guidelines and its own rules. In addition, MCC carries out a range of occupational health measures, such as implementing specialized health checkups, workplace inspections by industrial physicians and initiatives to reduce risks identified by chemical substance risk assessments.

Human Resource Development Initiatives

MCC implements human resource development using educational plans tailored to specific types of work and levels of seniority.

We carry out education and drills for employees who conduct operations at manufacturing sites to ensure that they can correctly carry out basic practices and operations and follow rules about prohibited behaviors. We also use creative techniques to help employees apply the knowledge gained through education at actual work sites. Furthermore, we carry out experiential education using facilities that provide simulated experiences of process safety incidents and occupational accidents to increase employees' sensitivity to danger.

For technical staff, we also provide chemical engineering education and carry out such initiatives as mandatory participation in safety assessments of processes at their respective work sites. Through such efforts, we are developing chemical process safety engineers with specialized knowledge of chemical substances and reactions and risk assessment methods.

Focus Training Using VR Technology

MCC's manufacturing sites are introducing a training and drill system that utilizes virtual reality (VR). This system allows employees to virtually experience accidents, such as falls and being caught or entangled in equipment, to heighten their sensitivity to danger and help prevent occupational injuries. The system can be used to practice on-site work (such as opening and shutting valves) as well as to drill employees in basic operations, such as the handling of tools and correct work posture and position. We expect it to be very useful for developing plant operators.

MCC's Okayama Plant operates a VR danger simulation training system.

We have been using the VR system since fiscal 2020 to recreate dangerous circumstances and provide simulated experiences that are difficult to achieve using conventional practical safety training equipment.

In fiscal 2021, we plan to add seven new lessons to system, bringing the total to 12. By having employees experience simulations with the system, we are striving to further enhance their sensitivity to danger.



Lesson selection menu



Simulated experience of fall danger



An employee during training

At MCC's Mie Plant, to enhance employee training, we have created and operate a VR training program for implementing an emergency response to a stop the plant's raw material feed. The program uses video from the actual site and helps employees learn how to implement emergency measures, such as opening and closing valves.

Employees who have undergone the training have responded positively, noting that it allows them to train by themselves whenever they have time, clearly indicates which actions are correct and incorrect, making it easier to learn, and allows them to undergo training appropriate to their knowledge level. We thus expect that the system will help save time and accelerate employee training.



VR training using video of the plant

Process Safety and Disaster Prevention, Occupational Safety and Health

Accident and Natural Disaster Response

MCC has in place a range of countermeasures to minimize and contain harm due to accidents and natural disasters. We evaluate potential external effects, including impact on surrounding areas, and establish response procedures to be implemented in the event of a disaster. We also conduct training based on scenarios in which accidents occur simultaneously at multiple facilities or plants due to large-scale natural disasters or other factors. Through such efforts, we maintain an emergency response system.

■ Earthquake-Resistant High-Pressure Gas Equipment

MCC uses earthquake resistance design standards to evaluate the earthquake resistance of such facilities as spherical storage tanks with welded steel pipe braces and high-pressure gas facilities designated as vital in terms of earthquake-resistant design. Based on such evaluation, MCC draws up plans to improve facilities where necessary and advances earthquake countermeasures in line with said plans.

- (1) Spherical storage tanks with welded steel pipe braces
In fiscal 2020, we completed earthquake countermeasures for the nine tanks found to require them.
- (2) High-pressure gas facilities designated as vital in terms of earthquake-resistant design
In fiscal 2020, we completed earthquake countermeasures for the 28 facilities found to require them.

Environmental Conservation

Basic Policy and Key Measures

Aiming to contribute to the global environment, Mitsubishi Chemical (MCC) proactively works to reduce its greenhouse gas emissions, conserve resources and energy, prevent contamination of the air, water and soil, limit waste generation, encourage reuse and recycling, engage in activities and develop technologies that help conserve the natural environment, and develop and produce environmentally friendly products. In these ways, MCC strives to reduce its environmental burden at every level of its business activities.

In addition, to ensure legal compliance, we carry out training on environmental laws and regulations, conduct environmental audits and hold twice annual liaison meetings at which MCC Group managers in charge of environmental issues exchange the latest information about legal amendments and other issues.

In fiscal 2020, we set the annual targets of zero environmental incidents and contributing to the global environment and implemented the following key measures.

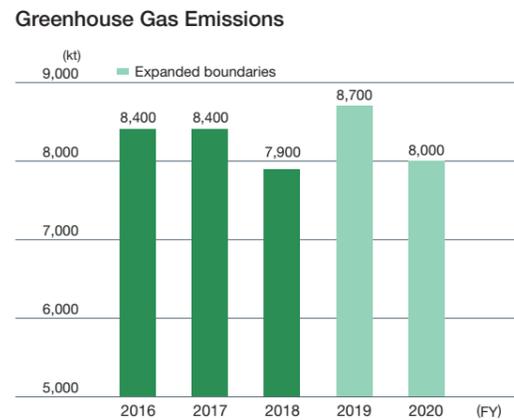
- **Reducing Environmental Risk**
We are implementing legal education and environmental audits to ensure compliance with environmental laws and regulations while systematically reducing environmental risk by implementing risk assessments.
- **Reducing Environmental Impact**
We are working to reduce our environmental impact through such means as cutting greenhouse gas emissions, saving resources and energy, and reducing emissions of pollutants.
- **Coexisting Harmoniously with Local Communities**
We are letting local communities know about our environmental conservation initiatives and promoting harmonious coexistence through communication.

Environmental Conservation

Addressing Climate Change

In line with the target set by Mitsubishi Chemical Holdings (MCHC) of reducing greenhouse gas emissions at least 17% compared with fiscal 2005 levels by fiscal 2015, MCC worked to cut its greenhouse gas emissions and achieved the fiscal 2015 target. We have maintained emissions at this lower level since fiscal 2016.

Going forward, we will advance initiatives to further reduce greenhouse gas emissions in line with the MCC Group medium-term management plan, which includes initiatives aimed at helping achieve the Japanese government's emissions reduction targets for 2030.



* Data for fiscal 2016 are the totals of the figures for the previous Mitsubishi Chemical, Mitsubishi Plastics, Mitsubishi Rayon, and their respective domestic group companies.
 ** GHG emissions have been calculated based on the GHG Protocol.
 *** Figures for fiscal 2019 and after have been revised in line with the expansion of the boundaries of MCHC's medium- to long-term basic management strategy, KAITEKI Vision 30.

Focus Reducing GHG Emissions Using Biomass Fuel at the Hiroshima Plant

The on-site power generation facilities of MCC's Hiroshima Plant use coal-fired boilers to produce and supply electricity and steam. These boilers previously represented approximately 90% of the plant's CO₂ emissions. To reduce this significant environment burden, since 2008, we have been studying the use of fuels that help reduce CO₂ emissions. Through the full-scale use of co-firing with biomass fuel, including wood scraps, in fiscal 2019 we achieved an annual CO₂ reduction effect of 4,700 tons. Going forward, we aim to further increase the co-firing rate and thereby enhance the CO₂ reduction effect.

Balancing CO₂ emission reduction with fuel cost, we will continue to work as one to realize KAITEKI using environmentally friendly technologies.



Biomass boiler at the Hiroshima Plant

Life Cycle Assessment

Life cycle assessment is an approach that enables the quantitative evaluation of the environmental burden generated by a product or service over its entire life cycle (from resource collection through raw material production, product manufacturing, distribution, consumption, disposal and recycling) or at specific stages of said life cycle. The evaluation of the environmental impact of MCC's products and services over their entire life cycles better enables the company to develop environmentally friendly products and services and provide them to society.

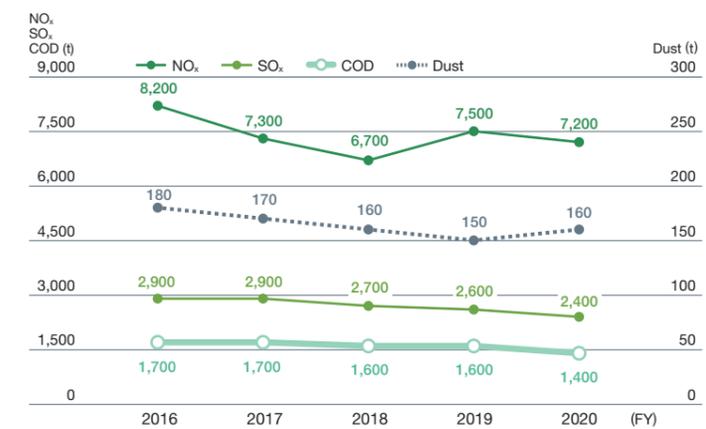
Preventing Air, Water and Soil Pollution

MCC handles a wide range of chemical substances and therefore maintains ongoing measures to reduce emissions of hazardous air pollutants and of pollutants into public bodies of water through such means as installing and improving emission gas and wastewater treatment facilities.

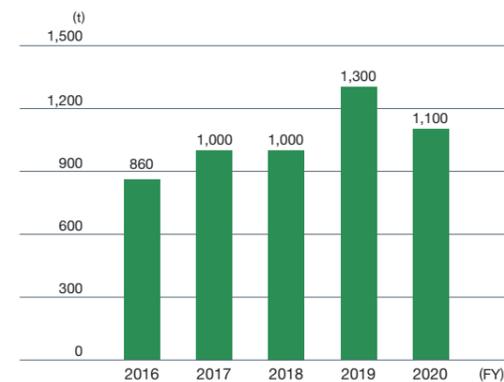
We have been reducing or maintaining at a steady level the environmental burden our businesses place on atmospheric and water quality, as measured by NO_x, SO_x and dust emissions as well as chemical oxygen demand (COD). MCC's emissions of PRTR-regulated substances¹ and VOCs² have also been declining.

1 Pollutant Release and Transfer Register (PRTR): A system for filing notifications of the amounts of chemical substances released and transferred. This system enables the identification, aggregation and publishing of data on the types, sources and amounts of hazardous chemical substances that have been released into the environment or transferred outside facilities as waste.
 2 Volatile organic compound (VOC): Typical substances include toluene and xylene. These compounds became subject to regulation by the amended Air Pollution Control Act of 2006 as source substances of photochemical oxidants (photochemical smog).

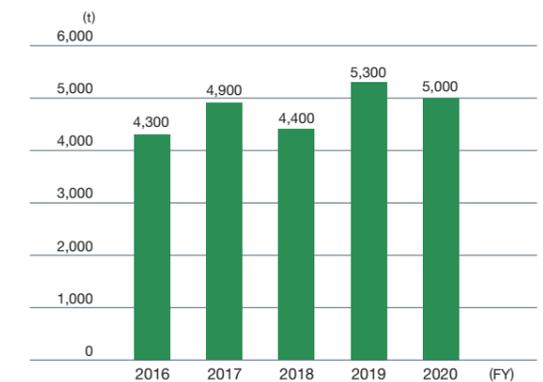
Reducing Our Environmental Burden on the Atmosphere and Public Water Sources



PRTR-Regulated Substance Emissions



VOC Emissions



* Figures for fiscal 2019 and after have been revised in line with the expansion of the boundaries of MCHC's medium- to long-term basic management strategy, KAITEKI Vision 30.

Environmental Conservation

Focus Environmental Conservation Initiatives at the Shiga Plant

MCC's Shiga Plant uses a great volume of plastic pellets as raw materials. The plant takes steps to prevent these pellets from spilling into public waterways, such as setting up pellet-catching nets in rainwater drainage channels.

In addition, every year, the Shiga Plant takes part in a day of mass-cleanup activities around Lake Biwa and Lake Yogo coordinated by Nagahama City and a Nagahama beautification group, working to conserve the environment in the local area. We will continue to implement initiatives to protect the environment and the area's natural beauty.



Mass cleanup activities at Lake Biwa and Lake Yogo

Waste Reduction and Recycling

MCC is advancing 3R activities (reduce, reuse, recycle) in an effort to reduce its waste. The waste recycling rate has been increasing, and the amount of waste disposed of in landfills has been decreasing, but in fiscal 2020, plant demolition generated one-off waste that resulted in an increase in waste disposed of in landfills. Going forward, we will continue working to improve our waste recycling rate by strictly enforcing sorted collection and strengthening coordination with disposal contractors.

Waste Generated and Recycling Rate



Waste Disposed of in Landfills and Landfill Disposal Rate



* Figures for fiscal 2019 and after have been revised in line with the expansion of the boundaries of MCHC's medium- to long-term basic management strategy, KAITEKI Vision 30.

Biodiversity Conservation

Based on the Mitsubishi Chemical Holdings Group Biodiversity Preservation Policy, MCC pursues initiatives that contribute to the global environment and thus conserve biodiversity. Through these initiatives, we work to reduce environmental risk and impact and thereby lessen our business activities' impact on biodiversity. In addition, we strive to conserve the natural environment by cleaning up neighboring areas and coastal areas and protecting our plants' green areas.

Environmental Accounting

MCC uses environmental accounting, based on the Ministry of the Environment's guidelines, to better understand the costs and effects of its environmental burden reduction and conservation efforts.

In fiscal 2020, MCC invested ¥2.2 billion in such areas as reinforcing wastewater management and air pollution prevention and incurred ¥35.1 billion in expenses, including those for the operation and maintenance of pollution prevention equipment and proper waste disposal. Meanwhile, such positive factors as revenue from the sale of valuable materials and savings from energy use and lower waste disposal costs totaled ¥1.2 billion.

Investment and Expenses Related to Environmental Conservation and Process Safety

Environmental conservation costs		(Millions of yen)	
Category	Main initiatives	FY2020	
		Investment	Expenses
Costs within business areas	Pollution prevention costs	1,639	15,642
	Global environmental conservation costs	313	902
	Resource-recycling costs	241	7,851
Upstream/downstream costs		0	0
Environmental conservation costs in management activities		0	2,123
Environmental conservation costs in R&D activities		0	7,418
Environmental conservation costs in social contribution activities		17	489
Costs of dealing with environmental damage		2	72
Other environmental conservation-related costs		0	570
Total		2,212	35,067

Positive economic effects		(Millions of yen)
		FY2020
Income from recycling		698
Energy cost savings		277
Income from resource conservation		193
Total		1,168

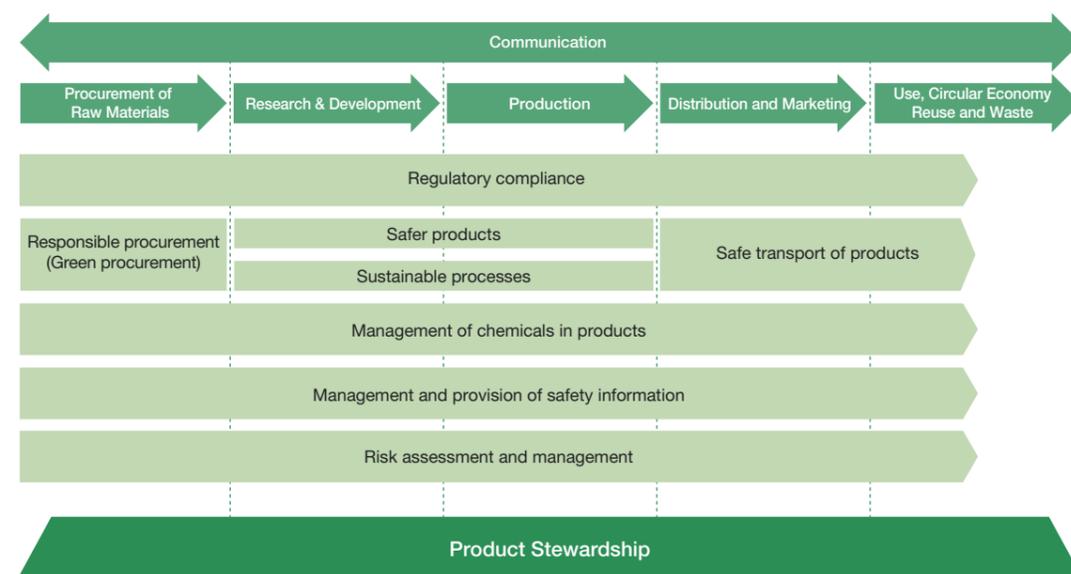
Product Stewardship

Basic Policy

It is the responsibility of Mitsubishi Chemical (MCC) to cooperate with stakeholders to protect the environment and the health and safety of people at every stage of its products' life cycles (encompassing the procurement of raw materials, research & development, production, distribution and marketing, and use, circular economy reuse and waste).

In line with its mission of realizing KAITEKI and as part of its responsible care activities, MCC strives to implement product stewardship initiatives, which are part of the foundation of responsible care, through safety management at every stage of its products' life cycles. In addition, we proactively provide information about product risks to stakeholders and engage in dialogue to ensure proper management. Through such efforts, we work to ensure appropriate end use of our products from the perspectives of quality assurance and security export control.

Mitsubishi Chemical's Product Stewardship Initiatives



- **Communication**

Communicate with stakeholders, both internal and external, including customers, regulators and the public, about the safe and secure use and potential hazards of the products we manufacture and any associated risks to ensure that our products are handled appropriately at each stage of their life cycles.

- **Procurement of Raw Materials**

Set high expectations for the health, safety, security and environmental performance and social responsibility of suppliers and obtain information related to the safety of procured raw materials from business partners.

- **Product Development**

Develop products that have no risk or minimize the risk of adverse health, safety and environmental impacts throughout their entire life cycles and deliver added value, and retain development information for security.

- **Production**

Protect the health and safety of our employees and the local community by improving production processes and promoting a corporate culture that places the highest priority on human health and safety, and minimize our environmental footprint by avoiding chemical pollution, reducing energy consumption, supporting recycling and ensuring proper disposal of waste from the products we manufacture, and keep production information for security.

- **Distribution and Marketing**

Provide accurate and detailed information related to product safety and handling to business partners involved in the storage, transport, distribution, marketing and use of our products; and implement appropriate responses, including the provision of additional support to improve product handling practices, as needed.

- **Use, Circular Economy Reuse and Waste**

Work with our business partners to provide relevant information to ensure safe and secure use and to support the recycling, reuse and proper disposal of our products.

These initiatives are in line with the Strategic Approach to International Chemicals Management (SAICM).¹ Along with process safety and disaster prevention, occupational safety and health, environmental conservation, chemical and product safety, and logistics safety, these initiatives are aimed at realizing KAITEKI through risk-based chemicals management across product life cycles.

¹ Strategic Approach to International Chemicals Management (SAICM): A strategic approach to international chemicals management adopted by the International Conference on Chemicals Management (ICCM) and approved by the United Nations Environment Programme (UNEP) in 2006.

Security Export Control

Basic Policy

At present, ongoing efforts are being made via international initiatives, mainly through the United Nations, to reduce the threat of weapons of mass destruction. At the same time, however, tensions between the United States and China and other countries and regions are intensifying in the name of ensuring national economic security, and the international security environment is changing rapidly.

Japan is working toward a rules-based international order and to that end has been leading the formulation and use of multilateral agreements, such as the EU-Japan Economic Partnership Agreement (EU-Japan EPA).

Mitsubishi Chemical (MCC) believes that security-related risk management and the effective use of economic partnership agreements are important to realizing sustainability. To that end, MCC particularly strives to ensure effective security export control based on the appropriate application of not only Japan's Foreign Exchange and Foreign Trade Law, but also export-related U.S. laws and the similar laws of many other countries, in addition to its own Security Export Control Policy.

Policy of Security Export Control for the MCC Group

- (1) We do not engage in concerns that threaten the maintenance of international peace and security.
- (2) We comply with export control laws applicable to countries and regions where we conduct business.
- (3) We appoint a person who is responsible for export control and improve and enrich the export control system.
- (4) We comply with U.S. law when trading, including re-exporting, products or technology originating in the United States.

Security Export Control System

MCC has established a tiered export control system based on its Security Export Control Rules. The chief executive of this system is MCC's president. Through this system, we work to prevent legal violations and avoid reputation risk using such means as thorough export screening, notifications about legal changes, raising internal awareness about security export control and internal audits of exporting departments. In 2020, we began to build a network in each region to reinforce the export control functions of our regional headquarters. In addition, we decided to apply this system to effectively utilize existing frameworks in the determination of product origin as required under economic partnership agreements.

Export Control Mechanisms

MCC implements three screening steps: Item classification using the export screening system, customer screening and transaction verification. Recent years have seen numerous restrictions placed on foreign companies, such as sanctions imposed by the United States, and we monitor and appropriately respond to such rules.

We also apply this system to meet the requirements of trading under economic partnership agreements.

Training and Education

MCC provides both regular and as-needed internal education to ensure thorough compliance with laws, regulations and internal rules in the areas of export control and economic partnership agreements. In fiscal 2020, we held 49 explanatory meetings targeting business domains, corporate function domains, plants, our R&D center, and branches. These meetings were held mainly online to prevent the spread of COVID-19. A total of 10,979 employees also took part in security export control training via e-learning. Going forward, we will continue to carry out training and education that covers the basics of legal compliance while finding new ways to increase the effectiveness of our programs, such as by introducing content important to the real-life practice of compliance and new educational tools as needed. In addition, we will gather the necessary information from governments and other actors regarding economic security (a topic of growing importance) and the establishment and amendment of laws in other countries and share it with employees in a timely manner while working to implement appropriate responses in coordination with related departments.

Effects

As a result of such initiatives, in fiscal 2020, MCC recorded no legal or regulatory violations related to security export control and achieved importer-side tariff savings of approximately ¥500 million on direct exports through the use of economic partnership agreements.

Going forward, we will continue to contribute to the realization of KAITEKI through these activities.

Chemicals Management

Management System and Rules

Mitsubishi Chemical (MCC) maintains a system, including internal rules and systematic checks, that ensures the rigorous product stewardship-based management of chemicals in all its business domains.

To effectively utilize the favorable properties of its chemical raw materials, MCC seeks out, aggregates and shares within the company information on all substances related to its products, including that on chemical hazards, applicable domestic and international regulations, and the results of risk assessments. In addition, we have built a support structure to better enable the business domains to implement proper chemicals management.

Because chemical regulations vary by country and region, MCC has appointed persons responsible for overseeing product stewardship at the regional headquarters to reinforce the global management system.

We have laid out the essentials of chemicals management in our Chemicals Management Regulations, Standards for the Safe Management of Chemicals and Standards for Product Safety Management. Furthermore, we have formulated guidelines and manuals that provide concrete methods for working within regulations, authoring and issuing SDSs¹ and implementing voluntary chemicals management. These efforts help ensure proper management.

¹ Safety data sheet (SDS): A document for providing information on the properties, hazards and toxicity, safety measures and emergency responses concerning chemical substances when transferring or providing chemicals to other business entities.

Compliance with Chemicals Management Regulations

Japanese Laws and Regulations

MCC complies with wide-ranging laws concerning chemicals, including the Chemical Substances Control Law (CSCL), the Industrial Safety and Health Act's requirements concerning filing new chemical substance notifications, and the Poisonous and Deleterious Substances Control Law's requirements concerning the registration and management of manufacturing, importing and sale businesses as well as record maintenance. To ensure that such compliance is thorough and comprehensive, MCC has established internal rules and guidelines related to compliance with domestic laws and carries out centralized management using a database of notifications filed. In fiscal 2020, we overhauled our guidelines for annual reports on handling amounts and other data required under the CSCL and implemented training for the entire company, including manufacturing and import departments, to promote continued efficient and sure management.

Overseas Laws and Regulations

In the run-up to 2020, the target deadline for achieving the overall goal of the SAICM,² countries around the world (including China, South Korea, Taiwan, the United States and Turkey) enacted and amended legal regulations on chemicals. In the European Union, as part of the European Green Deal, the European Commission announced the Chemicals Strategy for Sustainability: towards a toxic-free environment in October 2020, taking a major step forward to promote innovation aimed at the use of safe and sustainable chemical substances. To respond to such changes, we are working with the regional headquarters and overseas Group companies to collect the latest information on legal requirements in each region or location and develop a system to ensure a more accurate response to regulations. In fiscal 2020, we focused efforts on the management of self-registration under EU REACH³ and UK REACH as well as on commenting on the systems to the regulatory authorities; pre-registration under Turkey's KKDİK (a law similar to REACH); responding to the promulgation of China's amended Measures for the Environmental Management Registration of New Chemical Substances; and responding to Vietnam's chemical inventory supplementation notification system.

² Strategic Approach to International Chemicals Management (SAICM): A strategic approach to international chemicals management adopted by the International Conference on Chemicals Management (ICCM) and approved by the United Nations Environment Programme (UNEP) in 2006.

³ Registration, Evaluation, Authorization and Restriction of Chemicals (REACH): EU regulations regarding the registration, evaluation, approval and restriction of chemical substances.

Voluntary Chemicals Management Initiatives

Participation in Chemical Industry Activities

MCC takes part in the international activities of the Chemicals Policy & Health Leadership Group of the International Council of Chemical Associations (ICCA) and cooperates in promoting product stewardship in the chemical industry. In recent years, MCC has also actively participated in initiatives to address the global issue of microplastics.

Furthermore, looking toward new developments in chemicals management beyond the 2020 goal of SAICM and building on the SDG⁴ vision established by the Japan Chemical Industry Association (JCIA), MCC aims to go beyond solving environmental and social issues as a chemicals manufacturer to contribute to the sustainable development of society and the planet, in line with its vision of realizing KAITEKI.

Mitsubishi Chemical's Voluntary Initiatives

To prevent the theft and/or abuse of chemicals, MCC has established its own list of MCC-specified chemicals, which includes voluntarily designated substances in addition to legally designated or restricted substances. We have established safety management guidelines for managing these substances at plants and laboratories, during logistics operations and during transfer to customers. In this way, we are working to reinforce the management of such substances.

⁴ Sustainable Development Goals (SDGs): A set of development goals aimed at realizing a sustainable world by 2030 that were adopted at the UN Sustainable Development Summit in September 2015.

Providing Reliable Chemical Substance and Product Information (SDSs, etc.)

MCC has adopted and begun the operation of comprehensive chemicals management systems (for example, SAP-EHS) to support its expert staff in the proper provision of information to customers throughout supply chains in and outside Japan as well as management based on the most up-to-date information related to chemicals management.

The systems comprise databases of the chemical substances and components of products handled by MCC, their hazardous properties, relevant domestic and international laws and regulations, and other information. The systems are capable of performing the GHS⁵ classification of chemical substances, determining the applicability of laws and regulations, and producing SDSs and labels in line with the laws and standards of a wide range of countries and regions, including Japan, Europe, the United States, and East Asian and ASEAN countries, for review by expert staff. The system uses highly reliable data that is carefully reviewed by experts at Mitsubishi Chemical Research, an MCC Group company, to generate GHS classifications. Furthermore, we are implementing proactive product management using a function of the system that enables users to search chemical substances and products in the MCC database that may be subject to anticipated legal or regulatory amendments.

⁵ Globally Harmonized System of Classification and Labelling of Chemicals (GHS): A system for classifying chemicals by the type and degree of their hazardous properties based on globally harmonized rules and communicating this information using labeling and the provision of SDSs.

Chemicals Management

In-House Chemicals Management Training

In addition to basic chemicals management education, MCC hosts the Chemicals Management Seminar (“PS Seminar”) on a monthly basis at MCC Group headquarters. This seminar serves to teach Group company employees about increasingly stringent regulations in and outside Japan and how to address them. In fiscal 2020, we held special lectures on the theme of chemicals management, safety and security for management. A total of 1,527 employees participated via an online meeting system.

We conducted e-learning about the Poisonous and Deleterious Substances Control Law to prevent compliance violations due to inadequate understanding of the law, in which a total of 1,435 employees participated.

We also provided education for the entire company, including plants and the R&D center, on the basics of the CSCL and Industrial Safety and Health Act and held liaison meetings on specific topics, such as food packaging material regulations and chemical product regulations in certain countries. Further, we provided basic training on relevant laws on 11 occasions at plants, our R&D center and Group companies, providing detailed, concrete guidance on working within laws.



In-house chemicals management training

Quality Assurance

Basic Policy

The Mitsubishi Chemical (MCC) Group believes that implementing thorough quality control (QC) is important to ensuring product safety and continuously improving quality so that MCC Group customers can use MCC Group products safely and with confidence.

As an integrated chemical company that provides a wide array of products and services to customers in a broad range of industries, it is MCC’s duty to prevent quality and product liability issues while working to further increase customer satisfaction by offering safe, reliable products and services. We strive to fulfill this duty in line with the following basic policy.

- In order to realize KAITEKI for customers, we provide products and services that customers can use with confidence.
- We listen carefully to each customer’s requests and respond rapidly and sincerely.
- In accordance with the basis of our responsible care activities, we strive to achieve continuous improvement in quality.

Quality Assurance Initiatives

The MCC Group established new rules and policies at the time of the merger that formed the new MCC in April 2017 and has since been working to ensure awareness of the basic policy throughout the company. We are building appropriate quality management systems (based on ISO 9001,¹ GMP,² etc.) at our manufacturing sites and working to strengthen our quality assurance framework. Furthermore, we hold regular quality assurance meetings to share and effectively utilize information about quality within the Group as part of continuous efforts to improve quality. At the same time, we are focusing on quality assurance training. In fiscal 2019, we held lectures with outside instructors for executives (a total of 200 participants), working to increase awareness of quality and translate this awareness into practice. In fiscal 2020, to prevent the spread of COVID-19, lectures were conducted online, with a total of 700 participants taking part in a lecture for executives in October and a lecture for managers in November.

¹ ISO 9001: An international standard for quality management published by the International Organization for Standardization.

² Good Manufacturing Practice (GMP): Quality management standards for the production management of pharmaceuticals and related products.

Product Information Disclosure

Around the world, corporations are facing growing demand to exercise the proper management of chemical substances in products throughout entire product life cycles as well as to disclose information on such chemical substances. To accurately respond to these demands, MCC has established management standards for chemical substances in products and continues to contribute to the smooth operation of chemSHERPA³ through the Joint Article Management Promotion-consortium (JAMP).⁴ Furthermore, with regard to conflict minerals,⁵ which present possible human rights issues, we have established a policy and strive to meet customer requests.

MCC is working with its business partners and customers to contribute to the creation of a social system capable of managing chemicals throughout the supply chain.

³ chemSHERPA: A new private-public information communication scheme aimed at standardizing communications about the chemicals included in products.

⁴ JAMP: A cross-industry organization that works to promote the appropriate management, disclosure and communication of information on chemicals contained in “articles” (parts and final products) throughout the supply chain.

⁵ Conflict minerals: Tantalum (Ta), tin (Sn), gold (Au), tungsten (W), cobalt (Co) extracted in the Democratic Republic of the Congo and neighboring countries that are used to fund armed groups.

Handling Product Complaints

Information about complaints related to products is compiled in a quality complaint database so that it can be effectively utilized. Business domains take the main role in quickly responding to customers as needed, striving to enhance customer satisfaction. Significant complaints are aggregated at the company-wide level and analyzed to prevent recurrences.

Logistics

Basic Policy

Mitsubishi Chemical (MCC) strives to put safety first and promote strict compliance, risk management, respect for human rights and communication with business partners in order to realize KAITEKI. Based on a product stewardship approach, we are promoting KAITEKI logistics to earn the trust of customers and society in logistics operations.

Hazardous Materials Transport Initiatives and System to Prevent External Harm in Case of an Accident

MCC focuses considerable effort on ensuring the safe transport of hazardous materials.

Related MCC departments and logistics subsidiaries regularly hold meetings on responsible care and risk management, maintaining close communication and implementing measures aimed at reducing problems, accidents and occupational injuries.

We work with logistics subsidiaries to ensure that all shipments are accompanied by yellow cards¹ and educate our business partners about the chemical properties of our products and safety. In these ways, we work to enhance understanding of the products being transported and sensitivity to safety.

In addition to initiatives aimed at preventing accidents, we also conduct regular disaster drills with logistics subsidiaries and are taking steps to address the risk of a serious road accident through a contract and drills with the Maritime Disaster Prevention Center. Furthermore, for products that present particularly high risk if stolen or lost, we have established our own management standards that we use in the transportation and storage of such products.

¹ Yellow card: A document that contains emergency safety procedures to be taken in the event of a transportation accident and contact information for MCC.

Participation in the Sustainable Logistics Movement

Japan's Ministry of Land, Infrastructure, Transport and Tourism, Ministry of Economy, Trade and Industry and Ministry of Agriculture, Forestry and Fisheries are calling on listed companies and key companies in each prefecture of Japan to participate in the Sustainable Logistics Movement.²

As this movement aligns well with MCC's existing KAITEKI logistics initiatives, the company is participating by expanding initiatives aimed at achieving sustainable logistics based on the following eight-point voluntary declaration of conduct.

- We will work with logistics subsidiaries to improve the efficiency and stability of logistics on an ongoing basis and sincerely discuss any suggested improvements or questions from logistics operators.
- We will implement lorry and truck reservation systems to reduce waiting times.
- We will promote the use of pallets to reduce cargo handling that truck drivers perform by hand.
- We will consolidate product storage spread across warehouses near plants to improve shipment collection efficiency.
- We will formulate transport plans in advance to ease shipping rushes around long holiday periods, such as Golden Week and New Year's.
- We will promote modal shifts of long-distance truck transport to railways and ships to improve logistics stability and per-unit energy consumption.
- We will prioritize compliance with relevant laws when selecting and hiring logistics operators.
- We will clearly indicate safe work procedures, take steps to secure safe routes and, as needed, form security transport agreements to prevent occupational injuries and accidents.

² Sustainable Logistics Movement: An initiative aimed at creating more worker-friendly working conditions in response to the increasingly serious shortage of truck drivers in Japan. Specifically, the movement aims to stably secure the necessary logistics operations for the livelihood of Japan's people and its industrial activity and thereby contribute to stable economic growth by improving trucking productivity and logistics efficiency and creating more worker-friendly working conditions, including those for women and drivers over the age of 60.

Focus

Received Maximum Five-Star Coastal Ship Energy Conservation Rating

MCC Group company Mitsubishi Chemical Logistics Corporation (MCLC) has a long-term charter contract for the vessel *RYOREI MARU No. 1*, a carrier for liquefied ammonia, one of MCC's products. The ship's owner EIKO KAIUN CORP., design firm Kegoya Dock Co., Ltd., and user MCLC worked together to develop a unique hull for the ship, which entered service in 2020. As a result of this work, the ship realizes a 34% reduction in fuel consumption when in operation compared with the standard values for vessels of the same type.

In recognition of the improved performance, in March 2021 the Maritime Bureau of the Ministry of Land, Infrastructure, Transport and Tourism granted the vessel the maximum five-star ranking under the energy conservation rating system for coastal vessels.

In addition, during the vessel's development, the developers sought to improve the onboard work environment, which has recently come to light as a problem on many coastal chemical carriers. Along with improving the vessel's energy efficiency, the living space was also expanded, creating a more comfortable workplace for the crew.



Company Data (Environment and Safety)

Mitsubishi Chemical Group Companies Promoting Responsible Care Activities

As of March 2021

■ Carbon Chemicals Business Domain

Japan Polychem
 Japan Polypropylene
 Japan Polyethylene
 Mitsubishi Chemical Indonesia

■ Carbon Business Domain

Kansai Coke and Chemicals

■ MMA Business Domain

Mitsubishi Chemical Lucite Group
 Huizhou MMA
 Thai MMA
 Mitsubishi Chemical Polymer Nantong
 Suzhou MRC Opto-Device
 Diapolyacrylate

■ Advanced Polymers Business Domain

Mitsubishi Chemical Performance Polymers Europe
 Mitsubishi Chemical Performance Polymers Thailand
 MCPP India
 Mitsubishi Chemical Performance Polymers
 MCPP Compounds Indonesia
 Mitsubishi Chemical Performance Polymers (China)
 Mitsubishi Chemical Performance Polymers (Chengdu)
 RHOMBIC

■ High Performance Chemicals Business Domain

Diachem Resins Indonesia
 Toei Kasei
 Dianal America
 Japan Coating Resin
 ARKEMA Yoshitomi
 Mitsubishi-Chemical Foods

■ Information, Electronics and Display Business Domain

MC PET Film Indonesia
 Mitsubishi Polyester Film Suzhou
 Mitsubishi Chemical Converting Film Wuxi
 Mitsubishi Chemical Taiwan
 Mitsubishi Chemical Infonics
 Cleanpart
 Shinryo
 Taisei Kayaku
 Kansai Kagaku Kogyo
 Qualicaps

■ High Performance Films Business Domain

J-Film
 DiaPlus Film
 Mitsubishi Polyester Film (U.S.A.)
 Mitsubishi Polyester Film (Germany)

■ Environment and Living Solutions Business Domain

Dalian Rayon Environmental Equipment
 Wuxi Rayon Membrane Technology
 Mitsubishi Chemical Aqua Solutions
 Mitsubishi Chemical Cleansui
 Resindion
 Mitsubishi Chemical Agri Dream
 Astro
 DIATEX

■ Advanced Moldings and Composites Business Domain

Mitsubishi Chemical Advanced Materials
 Gemini Composites LLC
 Toyama Filter Tow
 Tosen
 Ryoko Sizing
 Mitsubishi Chemical Carbon Fiber and Composites (U.S.A.)
 Evanston Carbon Fiber
 Challenge
 MCC Composite Products
 Aldila
 Wethje Carbon Composites
 Mitsubishi Chemical Infratec
 Mitsubishi Chemical Composites America
 MCC Advanced Moldings

■ New Energy Business Domain

MC Ionic Solutions UK
 MC Ionic Solutions US
 Qingdao Anode Kasei
 MU Ionic Solutions

■ Corporate Domain

Mitsubishi Chemical Logistics
 Mitsubishi Chemical Engineering Corporation
 Ryoko Tekunika
 Hokuryo Mold
 Mitsubishi Chemical High-Technica

Company Data (Environment and Safety)

Safety Data

Data for fiscal 2016 are the sums of the figures for the previous Mitsubishi Chemical, Mitsubishi Plastics, Mitsubishi Rayon and their respective domestic group companies before the formation of the current Mitsubishi Chemical.

Mitsubishi Chemical Group Process Safety Incidents in Japan

Classification	FY2016	FY2017	FY2018	FY2019	FY2020
Incidents	16	21	33	31	19
Serious incidents	0	0	0	0	0

Mitsubishi Chemical Group Occupational Accidents in Japan

Classification	FY2016	FY2017	FY2018	FY2019	FY2020
Non-lost-time accidents	50	61	63	64	50
Lost-time accidents	5	0	3	6	6
Serious accidents	11	12	8	11	7

Mitsubishi Chemical Group Lost-Time Accidents by Classification

Classification	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Cuts	6	1				7
Being caught and entangled in equipment	9	14	5	3	1	32
Falls on level surfaces	9	8	1	4	3	25
Contact with hazardous substances	6	2		1	1	10
Contact with high/low temperatures	2			1	3	6
Reaction to motion/improper motion			2	3	2	7
Collisions		5			2	7
Falls from high places	4	8	2	1		15
Struck by flying/falling objects	1		1		1	3
Others	2	4		4		10

Environmental Data

Data for fiscal 2016 are the sums of the figures for the previous Mitsubishi Chemical, Mitsubishi Plastics, Mitsubishi Rayon and their respective domestic group companies before the formation of the current Mitsubishi Chemical.

Mitsubishi Chemical Group Emissions of Pollutants into the Atmosphere and Water Systems (t)

Pollutant	FY2016	FY2017	FY2018	FY2019	FY2020
NO _x	8,200	7,300	6,700	7,500	7,200
SO _x	2,900	2,900	2,700	2,600	2,400
Dust	180	170	160	150	160
VOCs ¹	4,300	4,900	4,400	5,300	5,000
BOD	100	250	160	160	230
COD	1,700	1,700	1,600	1,600	1,400
Total phosphorus	60	50	50	50	50
Total nitrogen	5,700	5,800	5,400	5,500	4,700

¹ Includes PRTR-regulated substances.

* Figures for fiscal 2019 and after have been revised in line with the expansion of the boundaries of the medium- to long-term basic management strategy of Mitsubishi Chemical Holdings (MCHC), KAITEKI Vision 30.

Mitsubishi Chemical Group Water Intake and Discharge Volumes (km³)

Type	FY2016	FY2017	FY2018	FY2019	FY2020	
Intake	Tap water	31,300	1,400	1,300	1,300	1,600
	Surface water	—	47,800	48,300	52,900	51,600
	Groundwater	23,200	25,500	25,900	26,000	24,300
	Industrial water	97,800	82,900	77,000	75,200	72,500
	Seawater	463,100	461,300	493,500	496,400	475,200
Discharge	Oceans	495,100	488,800	552,000	565,000	543,900
	Streams and wetlands	48,300	52,400	52,000	49,500	47,400
	Sewage	3,600	3,300	3,800	4,000	3,600

* Figures for fiscal 2019 and after have been revised in line with the expansion of the boundaries of MCHC's medium- to long-term basic management strategy, KAITEKI Vision 30.

ISO 14001 Certified Mitsubishi Chemical Manufacturing Sites and R&D Centers

Site/Center	Certification body	Registration date	Site/Center	Certification body	Registration date
Ibaraki Plant	JCQA ¹	March 2001	Tsukuba Plant	JCQA	February 2000
Toyama Plant	LRQA ²	July 2016	Tsurumi Plant	LRQA	October 2016
Aichi Plant	LRQA	July 2016	Hiratsuka Plant	JQA	March 2000
Mie Plant	JCQA	July 1999	Ogaki Plant	SGS ⁴	July 2001
Shiga Plant	JQA ³	December 1999	Kumamoto Plant	SGS	July 2001
Okayama Plant	JCQA	March 2000	Osaka R&D Center	JCQA	November 2019
Hiroshima Plant	LRQA	March 2016			
Kagawa Plant	LRQA	December 2000			
Fukuoka Plant	JQA	July 2000			
Onahama Plant	JCQA	March 2003			

As of March 31, 2021

¹ JCQA: Japan Chemical Quality Assurance Ltd.
² LRQA: Lloyd's Register Quality Assurance Limited
³ JQA: Japan Quality Assurance Organization
⁴ SGS: SGS Japan Inc.



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 inquires 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.

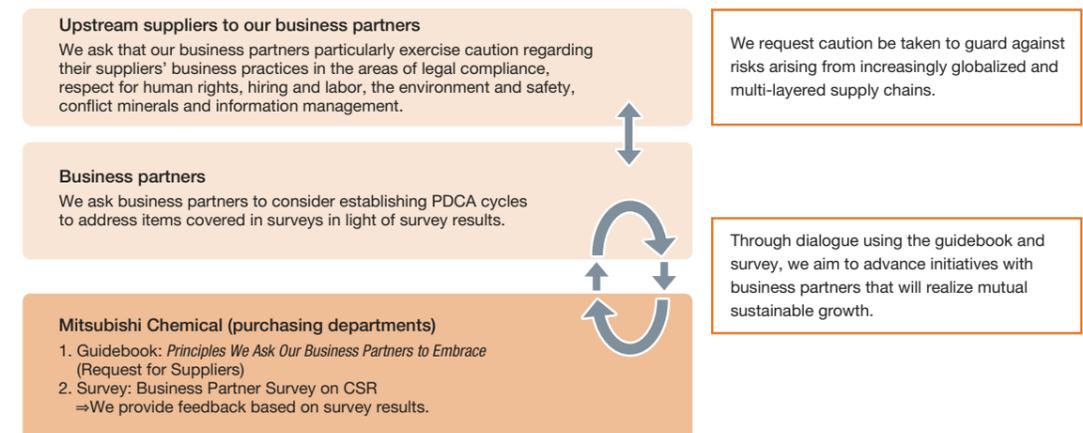
In fiscal 2020, we overhauled the survey, enhancing its content to enable us to better understand supply chain risks related to human rights, labor, the environment, fair business practices, compliance and other topics and thereby implement improvements. We distributed the survey to the key business 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 another's diverse individuality and values, including nationality, race, religion, age, gender, gender identity, sexual orientation and disability or lack thereof, and together fulfill the Group's corporate social responsibility while enabling every individual in the Group to exercise their abilities to the fullest. Aiming to lay the foundations and create support to enable diverse human resources to thrive, we are further developing our existing initiatives related to respect for human rights, hiring people with disabilities, enabling women to succeed, and providing support for child care and nursing care. At the same time, we are working to create environments that are accommodating of all employees, regardless of nationality, and to foster understanding and provide support for LGBT individuals and other sexual minorities.

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

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.

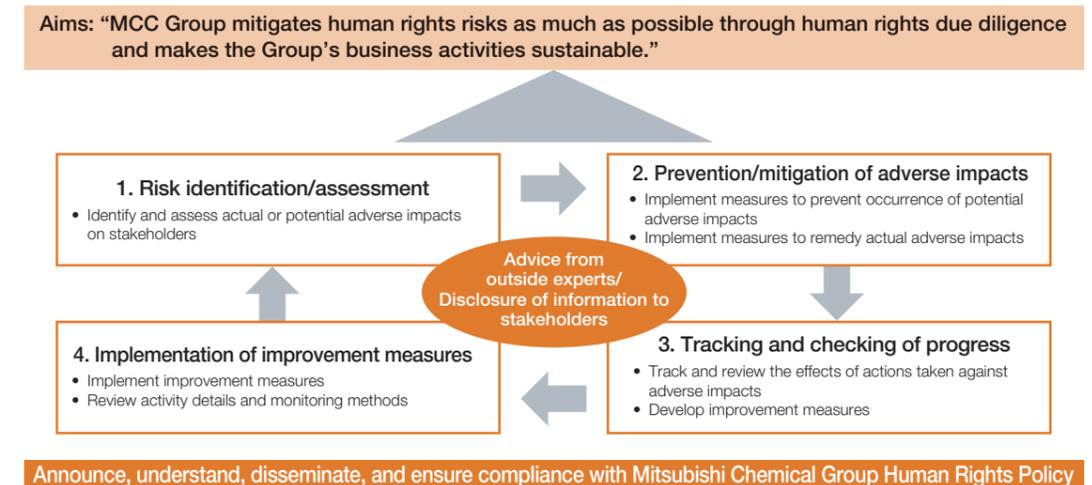
Respect for Human Rights

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.

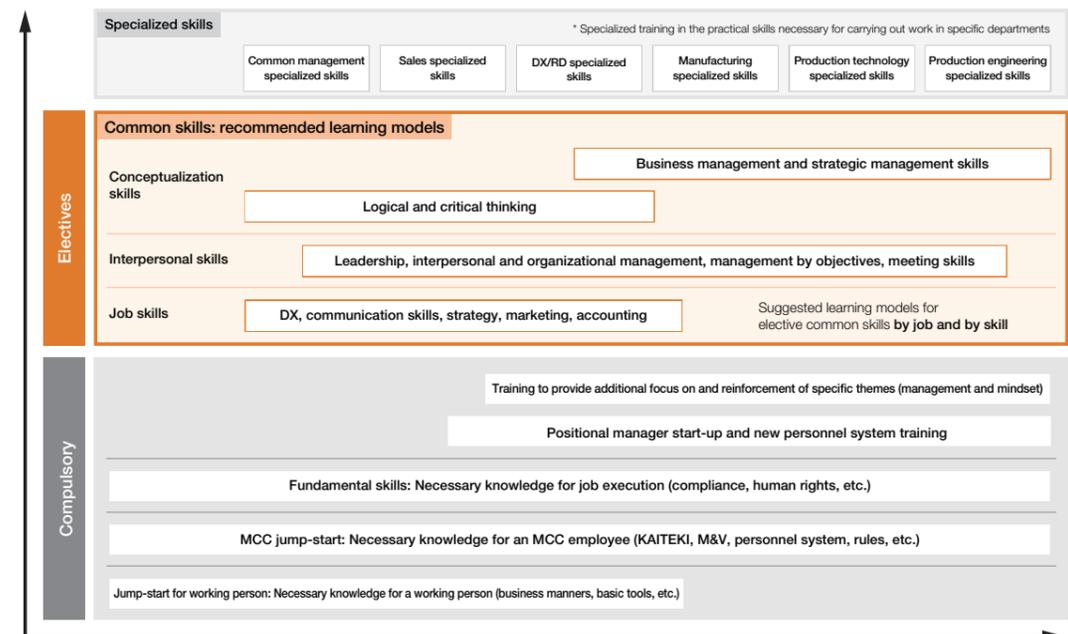
Human Resource Development System

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)



About Mitsubishi Chemical

Company Overview

The current Mitsubishi Chemical Corporation was formed on April 1, 2017 through a merger with Mitsubishi Plastics, Inc. and Mitsubishi Rayon Co., Ltd. As of March 2021, Mitsubishi Chemical Corporation and its 295 Group companies operate in business areas that include performance products and industrial materials.

Company Name	Mitsubishi Chemical Corporation
Address	Palace Bldg., 1-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8251, Japan
Founded	August 31, 1933
Established	April 1, 2017
Paid-in capital	¥53,229 million
Businesses	Performance products, industrial materials and others
Sales revenue (consolidated)	¥2,062.0 billion (fiscal 2020)
Employees (consolidated)	42,660 (as of March 31, 2021)

As of April 1, 2021

Business Domains

Mitsubishi Chemical supplies a diverse range of goods, from materials to functional products. In doing so, not only does it support the foundations of various industries, it also provides solutions that contribute to solving a wide range of social issues, including those below.

Efforts to Tackle Social Issues

- GHG Reduction: We reduce greenhouse gas emissions to contribute to climate change mitigation.
- Food and Water Supply: We contribute to alleviating concerns about food and water supplies.
- Human Interface: We address safety and security to create true comfort.
- Digital Society Infrastructure: We support the next-generation digital society.
- Carbon Cycle: We pursue sustainable comfort in a carbon-circulating society.

Business Domains

- Basics: Basic Materials, MMA
- Specialities: Polymers & Compounds
- Moldings: Films & Molding Materials
- Solutions: Advanced Solutions