

Compliance

For the Mitsubishi Chemical Holdings (MCHC) Group, the word “compliance” is a broad term covering corporate ethics and general social norms, not only basic adherence to laws.

We regard compliance as one of the most important management issues for ensuring that we continue to exist as a company and be trusted by the public. Accordingly, we take various measures to instill a culture of compliance throughout the entire Group.

Compliance promotion structure

The Chief Group Compliance Officer (Group CCO) is appointed by the Board of Directors, and the Internal Control Office supports the Group CCO, acting as a secretariat for compliance matters.

The secretariat prepares standard training tools, organizes training courses, and has established hotlines and educational system for overseas Group companies to support the Group's activities. It seeks to ensure compliance in accordance with local conditions through Regional Headquarters (RHQ) established in the US, Europe, and China. Each operating company has its own Compliance Promotion Committee as well as an Internal Control Department that serves as secretariat. They operate hotline systems and implement training courses and seminars, business audits and compliance awareness surveys based on the MCHC Group Compliance Promotion Rules.

If an actual or potential compliance violation is found, the department with issues will report and consult with the CCO of each company and the Group CCO, receive guidance and directions, and take appropriate corrective actions and measures to prevent recurrence.

Hotline systems

Hotline systems are managed and operated with the Group, operating companies' Internal Control Departments, and external lawyers serving as contact points. In fiscal 2019, 142 cases were reported via the hotline systems. We respond to reported issues through our investigation teams, which are headed by the managers of the Internal Control Departments. Corrective measures are taken promptly in line with the relevant regulations under the direction of the CCO.

Measures and results in FY2019

In fiscal 2019, we commissioned an external agency to survey employees' awareness of compliance within the Group in Japan in order to continuously monitor the spread of compliance awareness.

At the same time, we have quantified the responses to questions related to matters such as individual awareness and behavior and the workplace climate as a compliance improvement awareness index and incorporated it into our MOS Indices.

We have conducted various training programs, hotline management, and awareness surveys overseas, and confirmed an increased awareness of compliance among employees.

The compliance departments will continue sharing information between Japan, the US, Europe, China, and other parts of Asia, and will promote compliance as a Group through this network.

Case studies of addressing the material issues

Compliance training

In the Group, we have conducted compliance training in Japan and overseas for all officers and employees based on hierarchy. We provide a variety of learning settings, including lecture-style training for large groups and discussion-style training for small groups to enhance the effectiveness of such training.



Compliance training at Mitsubishi Chemical (Thailand)