☑ Indicators with this icon have been assured by KPMG AZSA Sustainability Co., Ltd. for fiscal 2019.

Environmental Data

Scope of data aggregation

The data covers the four operating companies (Mitsubishi Chemical Corporation, Mitsubishi Tanabe Pharma Corporation, Life Science Institute, Inc., and Taiyo Nippon Sanso Corporation) and their domestic and overseas Group companies. (Group companies are directly-owned consolidated subsidiaries.) Because of the expanded boundary of the KAITEKI Vision 30 (KV30), one domestic joint operation company was added to the fiscal 2019 data.

Energy consumption/Greenhouse gasses (GHG)*1	FY2016	FY2017	FY2018	FY2019
☑ Greenhouse gas emissions (Scope 1 + Scope 2) (1,000 metric t-CO_2e)*2	14,269	14,815	14,187	16,629*4
☑ Scope 1	7,223	7,470	6,787	8,455
☑ Scope 2	7,046	7,345	7,400	8,174
☑ Scope 3*5	54,370	49,640	49,260	51,820
☑ Energy consumption (GWh)*3	38,950	40,977	39,126	49,110

*1 Based on the GHG protocol, energy used to produce electricity and steam sold externally and the resulting CO_2 emissions are not excluded. The data for fiscal 2019 includes half of energy consumption and GHG emissions by the joint operation.
*2 The emission factors specified in the Act on Promotion of Global Warming Countermeasures are used for the calculation of emissions in Japan. GHG emissions that are not subject to reporting under the Act are mostly calculated based on the mass balance of chemical reactions. Overseas Scope 1 emissions are calculated with the emission factors specified in the Act on Promotion of Global Warming Countermeasures, and overseas Scope 2 emissions are calculated with power company-specific emission factors or country level emission factors for electricity published by the IEA.
*3 The unit higher heating values for fuels specified in the Act on the Rational Use of Energy are used.
*4 In addition to adding the one domestic joint operation company to the boundary for fiscal 2019 data, GHG emissions from businesses acquired in previous years and from the expanded boundary for KV30 resulted in an increase of 2,442 thousand metric tons of CO_2e year on year. However, if these effects are excluded, GHG emissions were reduced by 54 thousand metric tons of CO_2e year on year.
*5 See page 3 of the non-financial data sheet on the Company's website for the calculation method for Scope 3 GHG emissions.

Environmental impact	FY2016	FY2017	FY2018	FY2019
☑ NOx emissions (1,000 metric tons)	8.96	8.12	7.54	8.28
☑ SOx emissions (1,000 metric tons)	4.77	4.42	3.81	3.15
☑ COD emissions (1,000 metric tons)*6	2.00	2.08	1.84	1.80
☑ Total nitrogen emissions in water discharged (1,000 metric tons)*6	6.06	6.04	5.64	5.67
☑ Total phosphorous emissions (1,000 metric tons)*6	0.09	0.07	0.10	0.11

*6 COD emissions, total nitrogen emissions and total phosphorous emissions each show total quantity of emissions discharged into rivers, lakes and oceans. Emissions into sewage systems and off-site wastewater treatment plants are excluded.

Water use	FY2016	FY2017	FY2018	FY2019
☑ Water withdrawal (Million m^3) (excluding seawater)	189	193	189	204

Social Data

Constitution of employees (MCHC Group)		FY2016	FY2017	FY2018	FY2019
Number of consolidated employees		69,291	69,230	72,020	69,609
Number of employees by district	In Japan	44,034	43,406	43,709	40,732
	Outside Japan	25,257	25,824	28,311	28,877

Aggregation period Each fiscal year from April 1 to March 31, or as of March 31

Scope of data aggregation The figures show those employed by Mitsubishi Chemical, Mitsubishi Tanabe Pharma, Life Science Institute, and Taiyo Nippon Sanso (including those seconded to other companies but excluding those seconded from other companies).

Diversity/Work-life balance/Occupational safety		FY2016	FY2017	FY2018	FY2019
☑ Number of employees		21,736	21,770	22,064	23,116
☑ Number of employees by gender	Male	18,459	18,440	18,578	19,444
☑	Female	3,277	3,330	3,486	3,672
☑ Percentage of female employees (%)		15.1	15.3	15.8	15.9
☑ Percentage of female managers (%)*7		7.7	8.0	8.6	8.9
☑ Paid leave utilization rate (%)*8		67.6	65.4	71.1	70.8
☑ Lost-time injury frequency rate (LTIFR)*9, *10		0.30	0.26	0.99	1.09

*7 Percentage of female employees out of all employees at assistant manager level and above.
*8 The denominator is the number of days newly granted and the numerator is the number of days acquired in the reporting fiscal year. The denominator does not include the number of days carried over from the previous fiscal year.
*9 Scope of data aggregation: The data for fiscal 2016 and fiscal 2017 covers the figures from domestic operations of the four operating companies (Mitsubishi Chemical, Mitsubishi Tanabe Pharma, Life Science Institute, and Taiyo Nippon Sanso) and their Group companies with operating divisions active within Japan. The data from fiscal 2018 covers these four operating companies and their domestic and overseas Group companies with operating divisions active.
*10 The LTIFR is the number of lost-time injuries and fatalities per million hours worked.

KPMG

Independent Assurance Report

To the President and CEO of Mitsubishi Chemical Holdings Corporation

We were engaged by Mitsubishi Chemical Holdings Corporation (the "Company") to undertake a limited assurance engagement of the environmental and social performance indicators marked with ☑ (the "Indicators") for the period from April 1, 2019 to March 31, 2020 included in its KAITEKI REPORT 2020 (the "Report") for the fiscal year ended March 31, 2020.

The Company's Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the "Company's reporting criteria"), as described in the Report.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the 'International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information' and the 'ISAE 3410, Assurance Engagements on Greenhouse Gas Statements', issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- Interviewing the Company's responsible personnel to obtain an understanding of its policy for preparing the Report and reviewing the Company's reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company's reporting criteria, and recalculating the Indicators.
- Visiting the Santo Site of the Shiga Plant of Mitsubishi Chemical Corporation selected on the basis of a risk analysis.
- Evaluating the overall presentation of the Indicators.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Report are not prepared, in all material respects, in accordance with the Company's reporting criteria as described in the Report.

Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG AZSA Sustainability Co., Ltd.

KPMG AZSA Sustainability Co., Ltd.
Tokyo, Japan
October 14, 2020