



Rebalancing our portfolio for growth. Raising corporate value in a low-carbon economy.

Jean-Marc Gilson
President & CEO

Introduction 1
Table of Contents and Editorial Policy 3

1 Top Commitment

Message from the President 5

2 Value Creation Story

History of the MCHC Group and Its Core Technologies 11
Value Creation Model 13
 KAITEKI Management 13
 Strengthen and Utilize Business Resources 15

3 Previous Medium-Term Management Plan (FY2016–FY2020) APTSIS 20 Overview

Progress of Portfolio Reforms (Review of Medium-Term Management Plan) 17
APTSIS 20 Overview 19
 MOE 19
 MOS 23
 MOT 24

4 New Medium-Term Management Plan APTSIS 25 Strengthening of the Business Foundation toward Further Growth

Approach to 2050 25
APTSIS 25 Step 1 (FY2021–FY2022) 27
Message from the CFO 33

Sustainability

Message from the CSO 35
Material Issues Identified in APTSIS 25 and New MOS Indices 37
Strengthening of Sustainability Management 43
Report in Line with the TCFD Recommendations 45

Transformation-Oriented Human Resources Strategy

Message from the Corporate Officer Supervising HR Management 47
KAITEKI Health and Productivity Management Initiatives 48
Initiatives for Human Resources and Organizations 49

Innovation

Message from the CIO 51
Advancing R&D and Developing Next-Generation Businesses 52
Value Creation through Digital Transformation 53
Corporate Venture Capital Activity 55

Governance

Special Feature: Selection Process for the New President 57
Directors 59
Corporate Governance 61
Message from an Outside Director of the Board 69
Risk Management 70
Compliance 72

5 Financial and Non-Financial Information

Overview of Business Domains

Summary 73
 Performance Products Domain 75
 Industrial Materials Domain 79
 Health Care Domain 83

Financial Summary 87
Financial Highlights 89
Non-Financial Highlights 91
Shareholder Information 93
Consolidated Financial Statements 95
Non-Financial Information 103
 Environmental Data/Social Data 103
 Independent Assurance Report 104

Corporate Data 105
Main Subsidiaries and Affiliates 106
Main Businesses 107
Global Network 108

Editorial policy

Mitsubishi Chemical Holdings Corporation (MCHC) publishes the KAITEKI Report as a value creation story that covers the progress and outlook of corporate activities aimed at realizing the MCHC Group's KAITEKI vision. This report summarizes financial and non-financial information from the past, present and future projections based on what we have determined to be highly pertinent to our decision-making criteria and material issues identified for corporate activities. In preparation of this report, we referred to the International Integrated Reporting Framework created by the International Integrated Reporting Council. Further information on the topics of this report is available on the MCHC website. For detailed financial information, please refer to our securities reports filed with the Financial Services Agency. For detailed governance information, please refer to our corporate governance report submitted to the Tokyo Stock Exchange.

Reporting period

Fiscal 2020 (April 2020–March 2021), including some information from fiscal 2021

Reporting boundary

This report covers information relating to MCHC and the MCHC Group. For matters with a different reporting scope, we clearly specify the reporting boundary covered.

Accounting standards

Mitsubishi Chemical Holdings has adopted International Financial Reporting Standards (IFRS), effective from the first quarter of fiscal 2016, the financial year ended March 31, 2017.

In this report, data in and after fiscal 2016 are based on IFRS, while other figures are based on J-GAAP unless otherwise noted.

[Mitsubishi Chemical Holdings Corporation Website](https://www.mitsubishichem-hd.co.jp/english)
<https://www.mitsubishichem-hd.co.jp/english>

[Securities Reports](https://www.mitsubishichem-hd.co.jp/english/ir/library/stock_securities_report.html)
https://www.mitsubishichem-hd.co.jp/english/ir/library/stock_securities_report.html

[Corporate Governance Report](https://www.mitsubishichem-hd.co.jp/english/pdf/governance.pdf)
<https://www.mitsubishichem-hd.co.jp/english/pdf/governance.pdf>