

Mitsubishi Chemical Group’s approach to respect human rights

The Mitsubishi Chemical Group has declared its commitment to respect human rights in the Global Policy on Respecting Human Rights, Employment, and Labor. With this policy, we continuously implement the following processes and prevent adverse impacts to meet responsibility. We also provide for their remediation if we identify that it has caused or contribute adverse impacts.

[Process to share the principle of respecting human rights]

1. Based on the concept of human rights due diligence, a process to identify, prevent, and mitigate adverse human rights impacts, we communicate with stakeholders using surveys to identify potential and actual adverse human rights impacts.
2. We assess the identified potential and actual adverse human rights impacts and our corporate activities.
3. We prevent and mitigate adverse human rights impacts and continuously track their effects through our corporate activities to realize KAITEKI.
4. We report these activities to stakeholders using the proper channels.

[Identified issues regarding human rights]

To identify the potential impact against human rights regarding our operations, we participated Stakeholder Engagement Program promoted by [Caux Round Table Japan](#). With reference to the results of the engagement, we have been identified potential human rights issues in the Group.

The risk mapping of human rights issues identified

Key human rights issues	Value Chain								
	Research	Development	Procure	Produce	Transport	Sell	Use	Reuse & Recycling	Dispose

Core operation / Supply chain										
Workplace condition	Working hours									
	Health and safety									
	Disciplinary measures									
	Wage									
Discrimination	During work									
	Redundancy and dismissal									
Child Labor	Dangerous work and employment									
	Minimum age									
	Working hours and conditions									
	Employment of young workers									
Forced Labor	Deposits and papers									
	Forced overtime									
	Human trafficking									
Freedom of association	Freedom of association and collective bargaining									
	Conflict with local law									
Suppliers in countries with high human rights risks										
Community										
Resources	Use of natural resources									
Society and government										
Relations with governments	Bribery and corruption									
	Countries with high human rights risks									

Mindful of the potential human rights issues in the Group, we have covered the groups at risk of human rights issues indicated below in the questionnaire of our human rights assessment.

- Our employees
- Our customers
- Our business partners (including third-party contracted labor)
- Children
- Local communities
- Other stakeholders

[Mechanism to address unexpected human rights infringement]

We operate hotline systems, with either the internal control promotion departments of MCHC and main operating companies or external lawyers acting as contact points.

When problems were confirmed, we took corrective measures promptly in line with the MCHC Compliance Hotline Operation Rules (under the CCO's direction).

[Our Progress] as of the end of March 2022.

Assessment of the human rights impacts

1. Group company:

We have assessed 91% of our subsidiaries (based on sales revenue).

As the result, 0.3% of our suppliers were interviewed for follow-up.

2. Suppliers:

As we have reviewed guidebook "Developing Cooperative Business Practices with Suppliers and Business Partners" in FY2021, we have made a new plan for our suppliers.

Corporate activities to respect human rights for:

1. Employees:

We provide to our employee with training program to aware the human rights issues

2. Business partners:

We provide to our business partners with Guidebook "Developing Cooperative Business Practices with Suppliers and Business Partners", and hold briefing sessions to aware the human rights issues.

3. Local communities:

We provide all stakeholders with sustainability by providing our products and services under our vision "Realizing KAITEKI." We also promote CSR activities and the kinds of actives are selected based on local demands.

Remediation actions taken

Five cases that originated in “power harassment” or other infringements of human rights were recognized in fiscal 2021. We have taken appropriate remediation actions including disciplinary actions and made efforts to prevent recurrence through the training and other measures.

[Reporting]

This report will be updated annually.

Updated in July 1, 2022
July 1, 2021
July 2, 2020
June 28, 2019
June 29, 2018
June 23, 2017