

Progress with Management of Sustainability (MOS) Indices

Since FY2011, the MCHC Group has been using the Management of Sustainability (MOS) Indices to quantify and visualize its contribution to sustainability for promoting and enhancing sustainability.

The MOS Indices are divided into three categories: items related to the global environment, items related to healthcare, and items related to corporate responsibility initiative. We are monitoring the progress of each index on a quantitative basis converted from original point systems.

In FY2018, the third year of the medium-term management plan, our activities resulted in an annual target achievement rate of 86%, earning 157 points. We are intensifying our efforts as we aim to achieve our established goal of 300 points for the final year (FY2020).

Outline of S Indices

We made progress with per-unit impact on the environment amid stable operation, and achieved positive results in reducing the environmental impact on the atmosphere, water and soil environment (S-1-1 to S-1-3). Also, we exceeded our goals in promoting activities to conserve energy (S-2-1) and providing products and services that help solve food problems (S-3-3).

Outline of H Indices

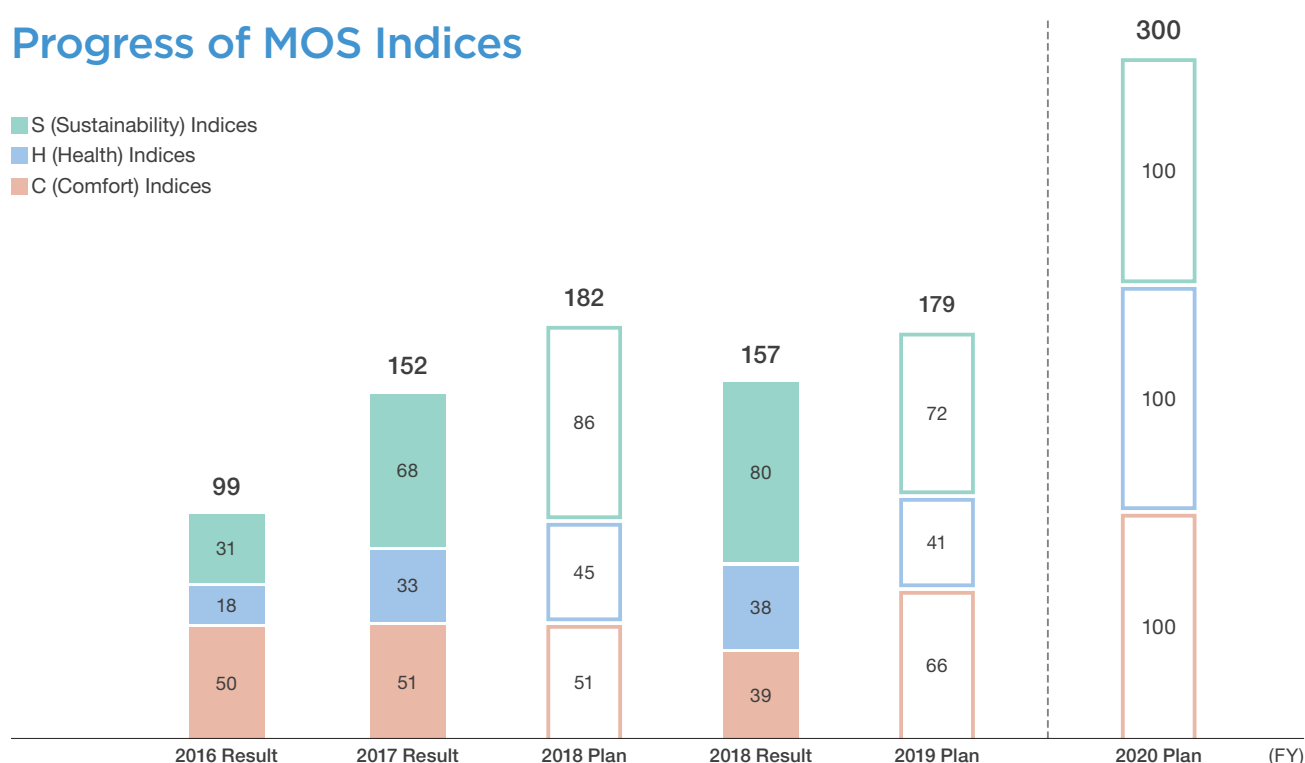
We performed favorably and achieved targets in terms of both providing pharmaceuticals (H-1-1) and providing vaccines (H-2-1). However, progress was marginal in providing products for the health field and products for the sanitation field, and we did not reach our goals.

Outline of C Indices

In terms of preventing accidents and injuries (C-1-2), we failed to meet our targets by a wide margin. However, the situation was generally favorable in indices related to promoting communication with stakeholders (C-2). In particular, in the employee wellness index, we saw improvement in the proportion of long-time workers, the paid leave utilization rate, the percentage of female managers, and the percentage of non-Japanese presidents of key local subsidiaries.

Progress of MOS Indices

- S (Sustainability) Indices
- H (Health) Indices
- C (Comfort) Indices



The environmental KPIs (S-indeces)			Progress			Target
			FY 2016	FY 2017	FY 2018	FY 2020
S-1-1	Reduce burden on the atmospheric environment	Per-unit impact on the environment (LIME / ¥100 million)	563.2	554.0	499.0	548.7
S-1-2	Reduce burden on the water environment	Per-unit impact on the environment (LIME / ¥100 million)	7.3	6.1	5.5	6.1
S-1-3	Reduce burden on the soil environment	Per-unit impact on the environment (LIME / ¥100 million)	5.9	5.2	5.5	5.1
S-2-1	Promote activities to conserve energy	Energy-saving effects (equivalent tons of heavy oil)	14,849	51,699	61,173	66,000
S-2-2	Convert to resource-saving and reusable materials	Reduction of resource volume (equivalent tons of heavy oil)	1,965	2,194	2,610	12,000
		Growth rate in provision of resource recycling services (%)	14.2	30.1	102.1	28
S-2-3	Promote use of renewable energy	Volume of renewable energy generated and supplied (Mw)	42.0	52.6	55.6	50.0
S-3-1	Provide products and services that contribute to reducing GHG emissions	Contribution to the reduction of GHG emissions (hundreds of millions of tons-CO2 equivalent)	0.46	0.78	0.75	1.5
S-3-2	Provide products and services that help solve water resource problems	Volume of reused water supplied (hundreds of millions of tons)	1.56	3.34	5.62	17
S-3-3	3 Provide products and services that help solve food problems	Growth in sales of related products and services (%)	-0.7	7.1	12.3	30

The social KPIs (H-indeces and C-indeces)			Progress			Target
			FY 2016	FY 2017	FY 2018	FY 2020
H-1-1	Pharmaceuticals provision	Contribution index for pharmaceuticals provision (points)	5.66	10.87	11.82	15
H-1-2	Provide clinical testing services	Contribution index for providing clinical testing services (points)	2.06	2.20	3.03	15
H-2-1	Provide vaccines	Vaccine provision index (points)	0.85	4.17	7.98	14
H-2-2	Provide health management and health checkup information	Increase frequency of health information provisions (compared to base year, %)	145	154	160	325
H-3-1	Provide products for the health field	Improve sales of applicable products (points)	3.02	7.84	5.30	14
H-3-2	Provide products for the sanitation field	Growth rate in sales of applicable products (%)	-0.6	-2.4	-6.4	60
H-3-3	Provide products for the medical field	Growth rate in sales of applicable products (%)	20.5	20.3	32.6	60
C-1-1	Improve awareness of compliance	Compliance awareness improvement index (points)	15.8	21.0	15.8	21
C-1-2	Prevent accidents and injuries	Reduction rate of safety incidents (%)	57.9	57.9	-63.2	60
		Reduction rate of environmental incidents (%)	60	-40	20	100
		Improvement rate of lost-time injuries frequency index (%)	-30.8	-11.1	-17.0	50
C-1-3	Initiatives to provide products and services trusted by society	Customer satisfaction index (points)	25	-4	22	47
		Improvement rate in the number of complaints (%)	24.2	34.5	20.0	50
C-2-1	Promote communication with business partners	Communication improvement index (points)	36.9	43.2	69.7	83
C-2-2	Improve evaluation by stakeholders	External evaluation index (points)	9.3	8.6	5.5	11
C-2-3	Build a dynamic and cooperative organization	Employee wellness index (points)	6.57	8.43	11.29	16
C-3-1	Provide products and services that contribute to a comfortable society and better lifestyles	Growth rate in the comfort value provision index (%)	4.4	14.0	8.8	40