APTSIS 20 Overview

🔆 MOS Management of Sustainability

The MCHC Group has introduced Management of Sustainability (MOS) Indices, which quantify the degree of contribution to sustainability, as its own management indicators. We set targets for these Indices and pursue our corporate activities accordingly. This report describes the degree of achievement of the MOS Indices and targets that have a significant impact on the environmental, social and economic value, in addition to the important indicators related to the basis of our continued existence.

WEB **For details on the material issues in *APTSIS 20* and a summary evaluation of the achievement of all the MOS Indices, please visit our website.**
https://www.mitsubishichem-hd.co.jp/english/sustainability/performance.html

Sustainability targets (KPIs for the MOS Indices) and results

MOS Indices and achievement rates   ★ ★★★: 100% or above   ★★★: 80–100%   ★★: 50–80%   ★: 30–50%   Significantly low: 30% or below

	MOS Indices (Data elements)		Achievement rates under *APTSIS 20* (FY2016–FY2020)	Related SDGs
The global environment 🌐	Reduce the burden on the atmospheric environment (GHG, SOx and NOx emissions)		★ ★★★	6, 7, 12, 13, 14, 17
	Reduce the burden on the water environment (total phosphorous, total nitrogen in wastewater and chemical oxygen demand [COD] emissions)		★ ★★★	
	Reduce the burden on the soil environment (total landfill)		Significantly low	
	Provide products and services related to renewable energy		★ ★★★	
	Provide products and services that contribute to reducing GHG emissions		Significantly low	
	Provide products and services that help solve water resource problems		★★	
Social systems 🏢	Provide products and services that help solve food problems		★	3, 9, 11, 12, 17
	Contribute to medical treatment: Pharmaceuticals provision (contribution to treatment, increased effectiveness)		★ ★★★	
	Contribute to the prevention of diseases: Provide vaccines		★★★	
	Provide products and services that contribute to a comfortable society and better lifestyles (comfort value)		Significantly low	
	Initiatives to provide products and services trusted by society	Increase customer satisfaction	Significantly low	
		Reduce the number of complaints	★★	
	Promote communication with business partners (regarding CSR procurement, status of initiatives such as distribution of guidelines, checklists, monitoring of the situation, interviews/visits/audits)		★ ★★★	
People (the company and its organization) 👥	Improve awareness of compliance (results of awareness survey)		★★★	3, 8, 12, 17
	Prevent accidents and injuries (reduce safety incidents)		Significantly low	
	Build a dynamic and cooperative organization (employee satisfaction, rate of taking paid leave, percentage of employees working long hours, rate of taking sick leave, percentage of female managers)		★	

Review 📝

The global environment

We achieved the *APTSIS 20* targets for the reduction of global environmental impact, particularly in atmospheric and water environments. We reached our targets through business withdrawals and site mergers that allowed us to reduce emissions that produce various environmental impacts, as well as improvements in facilities and energy conservation. The targeted contribution to the reduction of environmental impact through products and services was not achieved due to a decrease in sales and demand for products that contribute to reducing GHG emissions or solving water resource issues. We aim to achieve environmental impact neutrality by strengthening our sustainability management under KAITEKI Vision 30 and the implementation of measures under *APTSIS 25*.

Social systems

A positive contribution was made to the prevention and treatment of diseases throughout *APTSIS 20*, as sales of related products grew steadily. Meanwhile, the target for comfort value provision was not achieved as related products did not expand on the scale envisioned. For initiatives relating to stakeholder engagement, we stepped up communication with business partners, for example, through briefing sessions and the distribution of guidelines on CSR procurement, and worked to build sustainable supply chains. In terms of customer satisfaction, we did not achieve the level of performance that we had achieved in the previous medium-term management plan, despite targeting further improvement during *APTSIS 20*. We will further utilize the evaluation results in our business activities in a bid to make further improvements in customer satisfaction.

People (the company and its organization)

The number of safety-related incidents has been improving year by year, because we are implementing regular awareness campaigns and accident prevention measures that utilize the latest technologies, sharing information on accidents and developing human resources who are responsible for safety at work sites. However, we fell significantly short of our targets on accident and disaster prevention. We will continue to implement programs to improve accident and disaster prevention and ensure a rigorous approach to safety. Having built an organization that is dynamic and collaborative and where employees are motivated to work, we have seen an improvement in the percentage of employees taking paid leave, but long working hours are on the rise. In light of the changes in work styles brought about by COVID-19, we are working to implement further operational reforms and improve work-life balance. The awareness of compliance among employees has improved through a variety of training programs.