

Materiality and Main Initiatives — Pursuing Creation of Value to Share with Society

Materiality		Why it is material	MGC's main initiatives	Related SDGs (targets)
Category	Elements			
CSV Creating Shared Value	<p>Contribution through business operations</p> <ul style="list-style-type: none"> Contribute to development of ICT/mobility society Solve energy and climate change problems Solve medical and food problems 	Pursuing creation of value to share with society leads to improvement in corporate value from economic, social and environmental standpoints.	Helping to move society forward and solve problems through business operations, including by contributing to development of an ICT/mobility society with polycarbonates, polyacetal, super-pure hydrogen peroxide, electronic chemicals, optical polymers and semiconductor packaging materials (BT resin); solving energy and climate change problems with geothermal and LNG-fired power penetration projects and functional monomers; and solving medical and food problems with life science products (e.g., antibody drugs, fermented foods), oxygen absorbers and MX-Nylon	<p>3.6, 3.8, 4.4, 7.2, 7.3, 8.1, 9.4, 11.4, 12.2, 12.3, 17.3, 17.16</p>
Social Foundation for shared-value creation	<p>Cultivating a corporate culture of job satisfaction</p>	An organizational culture that enables all employees to confidently give full play to their abilities over the long term while finding individualized meaning in their jobs is the foundation of corporate value creation.	Promoting work-life balance; offering generous child/family care systems, creating dynamic workplace environments	<p>3.8, 3.9, 4.2, 4.4, 5.1, 5.5, 6.3, 7.3, 8.2, 8.7, 9.4, 9.5, 10.2, 12.2, 12.4, 12.6, 16.2, 16.10</p>
	<p>Promotion of diversity and inclusion</p>	A culture of collaboration among individuals with diverse values is conducive to new ideas and technological innovation.	Providing more opportunities to women; supporting career advancement and work/life balance; promoting employment of individuals with disabilities	
	<p>Stakeholder engagement</p>	Corporate value creation is a result of stakeholders' contributions, including the resources they provide.	Disclosing information in compliance with laws and securities exchanges' regulations; fairly and transparently disclosing information online and via news media	
	<p>Promotion of socially responsible sourcing</p>	Companies have a societal responsibility to upgrade CSR compliance throughout their supply chains with respect to the environment, working conditions, human rights, etc.	Building safe, legally compliant and environmentally friendly supply chains	
	<p>Occupational safety and health / Process safety and disaster prevention</p>	Safety is the foundation of business activities. Companies have a societal duty to ensure safety.	Continuing to conduct occupational safety and health risk assessments, daily safety activities and safety education/training in the aim of zero occupational injuries	
	<p>Highly energy- and resource-efficient production</p>	Companies have a duty to harmonize their operations with global environmental protection in accord with the principle of sustainable development.	Minimizing environmental impacts in sourcing resources; efficiently using resources (energy, raw materials, water, etc.)	
	<p>Chemical/product quality and safety assurance</p>	Quality assurance is the basis of stakeholders' trust. Companies have a duty to provide highly safe and reliable products and services.	Promoting Company-wide quality assurance activities (Q-MGC) throughout supply chains	
Environment Harmonization of shared-value creation with environmental protection	<p>Proactive response to environmental problems</p> <ul style="list-style-type: none"> Air quality control Water and biodiversity conservation Reduction of industrial waste 	Addressing environmental problems is imperative for all of humanity. Companies must proactively do so as a prerequisite for their existence and activities.	<ul style="list-style-type: none"> Formulating medium-term and annual RC* plans and endeavoring to achieve their targets *RC: Responsible Care Reducing GHG emissions while supporting the Task Force on Climate-related Financial Disclosures 	<p>3.9, 6.3, 12.2, 12.4, 12.5, 13.2, 14.1, 14.3, 15.1</p>
	<p>Strengthen systems</p> <ul style="list-style-type: none"> Corporate governance Compliance Internal controls Risk management 	Developing disciplined ways steadily execute strategies to bring business models to fruition and to sustainably grow corporate value.	Building effective internal control systems based on appropriate corporate governance, ensuring the soundness of business activities through compliance, risk management, etc.	<p>5.1, 5.5, 8.7, 10.2, 16.2, 16.5, 16.10</p>