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We value each individual employee.

We recognize that our employees are an invaluable asset, and we therefore respect the rights and individuality of everyone who works in the Mitsubishi Rayon Group. We will do our utmost to ensure that our working environments are safe, and will offer opportunities for our employees to exercise and develop their skills.

■ Relationships with employees

Relationships with Employees

To simultaneously achieve sustainable corporate growth and employee satisfaction, the Mitsubishi Rayon Group respects diverse individual capabilities, and aims to develop a workplace environment which motivates every employee to give their best.

Human Resource Development

Based on its view that the capabilities of people and organizations are the key source of corporate growth and competitive ability, the Mitsubishi Rayon Group views human resource recruitment, training and application as important management challenges, and focuses its efforts on these areas.

Training programs

The Mitsubishi Rayon Group supports employees' efforts to develop their capabilities and skills by combining daily on-the-job (OJT) training through training programs and activities to assist in personal development. The Mitsubishi Rayon Group has adopted human rights education, legal compliance, thorough enforcement of corporate ethics, and the promotion of safety and environmental management as common themes of the training programs it has designed for new employees and managers. In addition, in view of the Group's increasing global operations, it is increasing its efforts to train individuals who can serve as managers, based on their understanding of cultures and systems.

● Personal development training

The Mitsubishi Rayon Group provides career development training mainly to young employees who are on the managerial track. This training is aimed at giving the employees concerned a vision for their own growth with the Mitsubishi Rayon Group, as well as developing their capabilities from a medium- to long-term perspective.

● Training for newly appointed managers

To facilitate effective organizational management, the Mitsubishi Rayon Group provides training in areas such as communication skills and leadership to help develop the management capabilities of employees who have been recently appointed to management positions. In addition, the Group offers dedicated safety and production management training to newly appointed technical managers who are expected to operate as effective leaders on manufacturing sites.

● Life planning training

In the current environment of increased options for continuing work after the age of retirement, the Mitsubishi Rayon Group supports activities aimed at raising awareness of career development and economic planning for life beyond the age of 60, including reemployment schemes. Intended for all managers who have reached the age of 50, the Group's "life planning training" focuses on career development. The training is aimed at deepening self-understanding and clarifying action targets for the future. The "second career support seminar" is a seminar on economic planning in general. It is designed for all Group managers who have reached the age of 57.

COM-PAS target-based personnel evaluation system

The Mitsubishi Rayon Group takes the view that strong unity of direction across all Group members is critical for its sustained development as a group of US*1 companies. Based on this view, the Group has introduced a personnel performance evaluation system that stimulates communication within its organization, provides employees with common organizational targets, and accurately rates individuals who work hard and succeed in achieving the targets. This system is nicknamed COM-PAS (Communication, Plan, Action & Success). To make the system more effective, the Group offers manager-focused training to evaluators on an annual basis in order to increase the fairness, persuasiveness and transparency of the evaluations. The Mitsubishi Rayon Group believes that this target-based personnel management process, from target establishment to performance



Training for personnel performance evaluators
A total of 465 Group employees had undergone this training by the end of fiscal 2007.

evaluation, maximizes the capabilities of individual employees and, by extension, allows the entire Group to display its organizational strength.

Measures for human resource development within the Mitsubishi Rayon Group

Positions	Role changes	Training				
		Reinforcement of management and organizational capabilities	Training by level	Training by objective or function	Technical training	Response to globalization and personal development
Directors Division general managers Directors of R&D Center Plant managers Department managers Group leaders	High-level experts Specialist Line managers	Training for Group companies' representatives Executive Training Training for COM-PAS evaluators	Training for newly appointed managers Training for newly appointed managers at production centers	Seminar to support second careers Training on life planning Training for newly appointed technical managers		
Section heads Assistant section heads Senior employees New employees	Operational promotion	Focused on personnel rotation within respective departments to expand and upgrade specialized skills and capabilities and strengthen application capabilities (for Group members in Japan and abroad)	Personal development training Training for employees who have switched to the managerial track New Employee Training	Marketing study workshop Training to increase business planning capabilities Training on IT literacy	Technical lectures (e-learning on the web)	Overseas training (studying abroad and job training) Multilingual lessons (English and Chinese) TOEIC implementation every year Group-wide correspondence education and systems for licenses and certificates

Unity of energetic individuals is the source of sustained corporate competitive ability

1 We will comply with all laws and regulations, and act in line with our Corporate Ethics Policy.

2 We will take positive steps to ensure safe business operations, and to contribute to the preservation of the environment.

3 We will offer products and services of the best quality.

4 We will work constantly to maintain a harmonious relationship with society.

5 We value each individual employee.

Work-life Balance

Measures for supporting efforts to balance work and family lives

The Mitsubishi Rayon Group established its Action Plan for General Business Operators in accordance with the Law for Measures to Support the Development of the Next Generation for a three-year period from fiscal 2005 to fiscal 2007. Through this, the Group aimed to boost corporate vitality and contribute to society through the development of better working conditions for Group employees, including those in support of their efforts to balance work and family life. Initiatives promoted under the Plan are as follows:

Figures in square brackets are initial targets.

- **Increase the amount of parental leave taken.**
 - Average percentage of female workers with a newborn child taking parental leave: 96% [70% or more]
 - Number of male workers taking parental leave: four individuals [one or more individuals]
- **Expand and upgrade systems that support efforts to balance work and family life, and promote the use of these systems.**
 - Extend the period of leave under the parental leave scheme (to the later of (1) April 30 after the child's first birthday or (2) the day one year and six months after the child's birth).
 - Expand the period of entitlement to shortened working hours for raising children (to the point when the child reaches elementary school age).
 - Expand the scope of compassionate leave*2 entitlement (to cover raising all preschool children).
 - Organize sessions for employees in order to explain measures for supporting efforts to balance work and family life. The Mitsubishi Rayon Group organized sessions of this type at head offices, branch offices and production centers between January and March 2008. A total of 37 sessions were held, with more than 2,100 participants.
- **Make an effort to shorten prescribed working hours, and promote the use of the annual paid leave scheme.**

The Mitsubishi Rayon Group applied for certification from the Tokyo Labour Bureau as a General Business Operator Conforming to Standards, stipulated in the Law for Measures to Support the Development of the Next Generation. The Group obtained the Kurumin Certification Mark from the Bureau in May 2008 in recognition of its achievements against the Action Plan described above.



Next Generation Kurumin Certification Mark

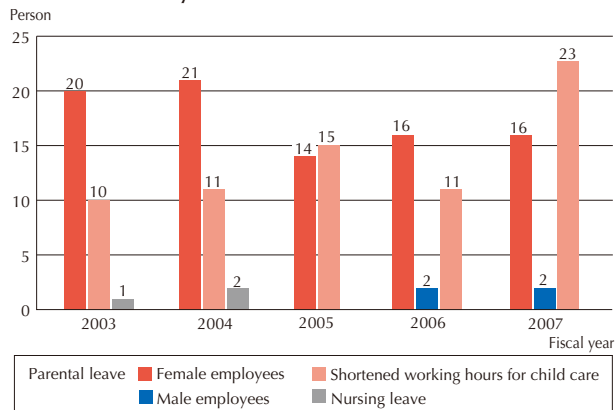
Furthermore, the Mitsubishi Rayon Group signed an agreement with the operator of a website that supports employees on parental leave, and set up systems including the child-care home helper fee financing system (Fukushikai) and the Welcome Back Scheme. The Group allows employees to take nursing leave and use the system of shortened working hours for nursing for up to one year per family member in need of care.

In addition to sustaining activities for expanding and enhancing the systems introduced above, the Mitsubishi Rayon Group will continue its efforts to achieve better work-life balance by developing a Group culture that encourages its employees to respect and understand different values and ways of life.



Booklets distributed to promote efforts for improving work-life balance

Number of system users



The figures presented above are totals for Mitsubishi Rayon and Mitsubishi Rayon Engineering.

Welcome Back Scheme

Mitsubishi Rayon launched the back-to-work registration scheme for former employees in January 2008 to give former Mitsubishi Rayon employees who had left voluntarily the opportunity to return to work with the Company. Registration is open to all former employees regardless of their reason for leaving, including childbirth and nursing. It is a new back-to-work scheme which meets various changes in life stages. As of April 2008, there were four individuals registered for the scheme.

Voice

First male to take parental leave at Mitsubishi Rayon



Tadahiro Okamura
Human Resources and Labor Systems Group
Human Resources Department

I honestly feel that I made the right choice by taking advantage of this system. During my leave I was able to spend a lot of time with not only the baby but also my other two children. The Company and labor union actively promote systems that support efforts to balance work and family life, but I still don't think that many of our employees' wives are aware that male workers can take parental leave too. I would recommend that employees whose wives are expecting a child discuss the possibility of taking leave at least once. I would like to see more of our employees enjoy raising their children.

* 1 US stands for Uniqueness Specialties, which are projects combining originality and advantages at the same time

*2 Compassionate leave
Compassionate leave is a Mitsubishi Rayon system for accumulating expired annual paid holidays for later use. It applies to leave from the fiscal year before last, with leave able to be accumulated up to a maximum of five days per year and 40 days in total. Mitsubishi Rayon employees can use the accumulated holidays to care for family members and engage in community and social contribution activities, in addition to taking care of their own ailments and injuries.

Relationships with Employees

For a More Enjoyable Working Environment

Human rights protection

In Item 4 of its Corporate Ethics Policy, the Mitsubishi Rayon Group states, "In all of our business activities, we will respect human rights, dignity and individuality. We will respect the dignity and individuality of our employees and strive to provide a safe and worker-friendly environment for them." In this spirit, the Mitsubishi Rayon Group is working to develop a fair working environment where human rights are respected. In addition, the Group is seeking to raise awareness of the need to respect human rights through giving a human rights education lecture in various Group employee training programs.

With regard to sexual harassment, the Mitsubishi Rayon Group has spelled out its position of zero tolerance in its employment regulations. The Group is raising awareness of sexual harassment through in-house magazines and employee training programs. In addition, the Group has set up sexual harassment counseling desks in head offices, branch offices and production centers, and has established a committee for countermeasures in a bid to develop a system that offers a rapid response in the case of any sexual harassment.

Employment of people with disabilities

As of March 2008, the employment rate for people with disabilities was 1.7% across the Mitsubishi Rayon Group. As part of its CSR activities, Group-wide efforts will be made to hire more people with disabilities and develop facilities to accommodate them in an attempt to achieve and exceed the statutory requirement of 1.8%.

Reemployment policy

The Mitsubishi Rayon Group launched a reemployment policy in fiscal 2001. The Group is reemploying workers in accordance with the intention of the Law Concerning Stabilization of Employment of Older Persons (revised in 2006). In principle, all employees, including managers, are eligible for reemployment after the age of retirement, on the conditions specified by the company. The Mitsubishi Rayon Group ensures that working styles are complemented, so reemployed individuals continue to feel as motivated as ever.

Support for resuming work after forced absences due to illness and injury

It is important to prevent physical and mental illness and injury through lifestyle improvements and everyday care. If employees do become ill or injured, it is essential to provide them with an environment that allows them to concentrate on their treatment for the required length of time and return to work without any problems. In view of this need, in April 2008 the Mitsubishi Rayon Group established programs and systems that support the trouble-free resumption of work after leave taken due to physical and mental ailments. Mitsubishi Rayon offers follow-up to sick

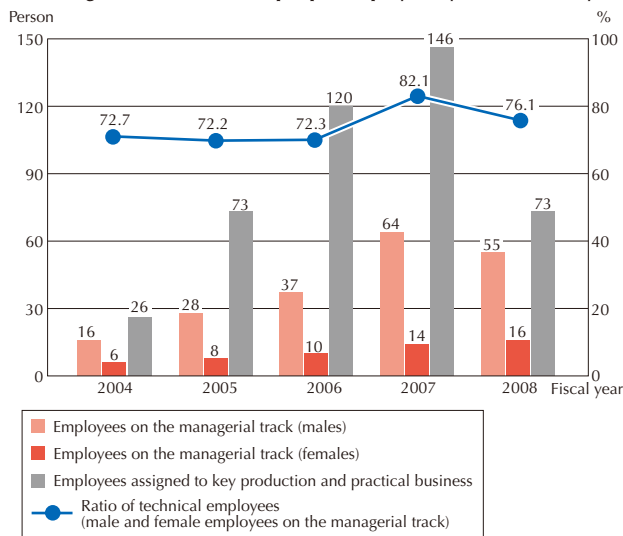
employees in cooperation with contracted occupational physicians while they are undergoing treatment, and produces a work resumption program for each employee following his or her application to resume work. Based on the program, Mitsubishi Rayon workers can return to work in two stages, consisting of the "trial commute to work" and "preliminary work with shortened hours." These new support initiatives allow employees to gradually build up to a return to full time work after a required preparatory period.

Employment

Basic policy for employing recent graduates and mid-career workers

The conditions in which companies operate are changing on a daily basis, along with social frameworks. The Mitsubishi Rayon Group continues to hire diverse individuals with potential in order to survive under these conditions and to achieve the Group's goals. The Group's employment strategy is to concentrate on career workers on an as-needed basis, in addition to the periodic recruitment of recent graduates.

Changes in the number of people employed by Mitsubishi Rayon



- The figures presented above include employees hired on an as-needed basis.
 - The figures are correct as of April 2008.

Internship

Mitsubishi Rayon offers an internship program which is available mainly to students from universities, graduate schools and technical colleges. Each Mitsubishi Rayon production center receives 10 to 20 students every year through the two-week program, which gives the students the opportunity to experience manufacturing and research on-site and firsthand, and to consider their career options. The Company makes the internship program available to foreign students in Japan as well.