

Mitsubishi Chemical Group
Corporate strategy meeting

Vision & Strategy

November 13, 2024

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Representative Corporate Executive Officer,
President & Chief Executive Officer
Mitsubishi Chemical Group Corporation



Contents

1 KAITEKI Vision 35

2 New Medium-Term Management Plan 2029

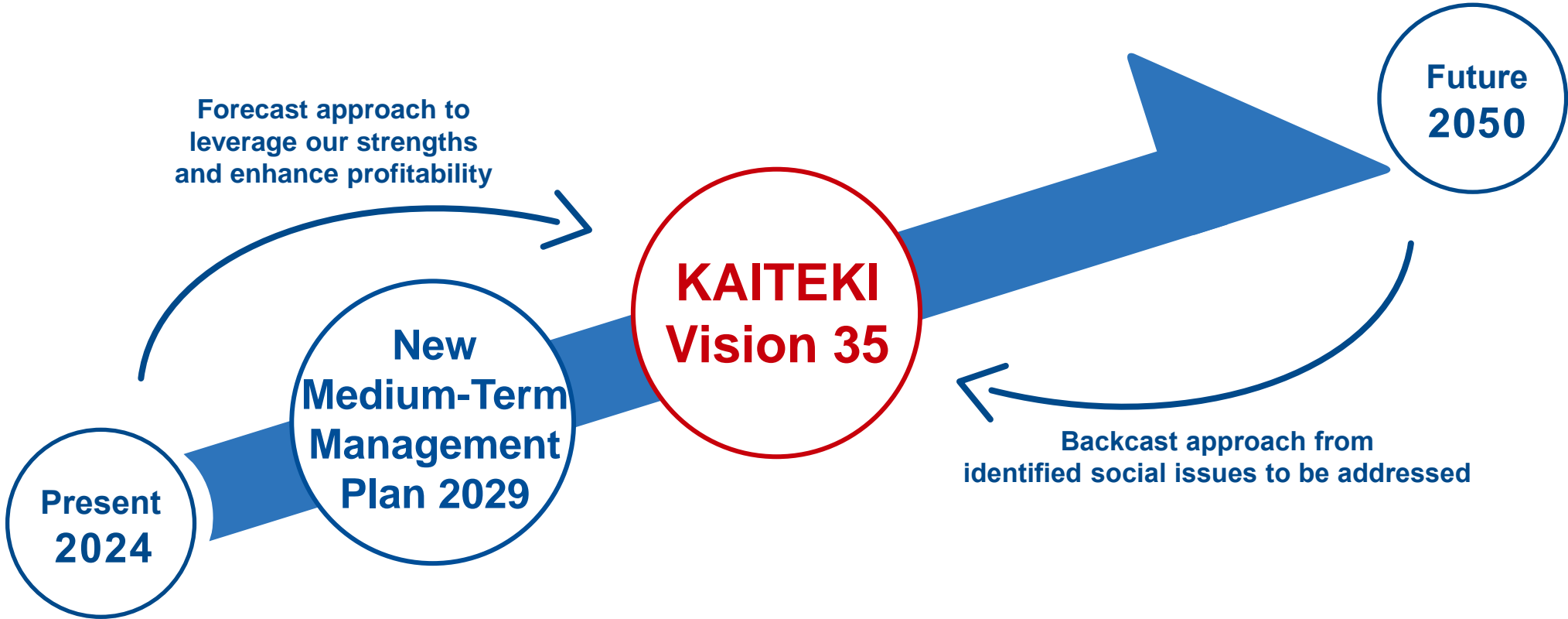
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1 KAITEKI Vision 35

2 New Medium-Term Management Plan 2029

KAITEKI Vision 35 and New Medium-Term Management Plan 2029

KAITEKI Vision 35 was developed using both backcasting and forecasting approaches



KAITEKI Vision 35

Our Purpose / Why KAITEKI Vision 35

Where we compete: five business focus areas

**What we deliver:
business structure and profit level toward 2035**

How we compete / operate

Human resources / Sustainability

KAITEKI Vision 35

Our Purpose / Why KAITEKI Vision 35

Where we compete: five business focus areas

What we deliver:
business structure and profit level toward 2035

How we compete / operate

Human resources / Sustainability

**We lead with innovative solutions
to achieve KAITEKI,
the well-being of people and the planet.**

**The world is becoming more complex,
the pace of change is relentless,
our customers are expecting and demanding more.**

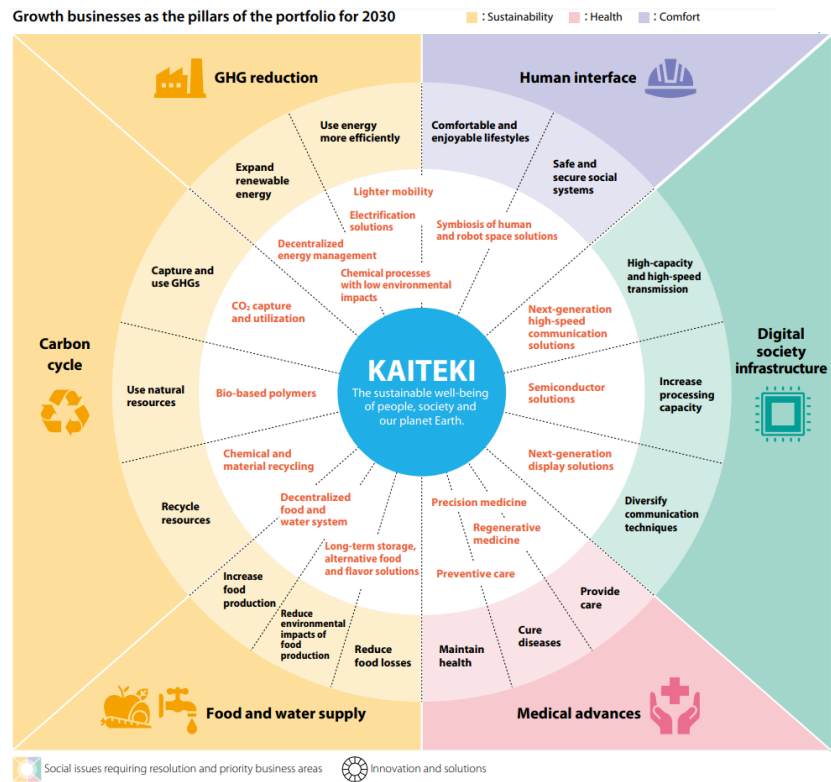
Our way forward is clear.

**As a “Green Specialty Company” we are committed,
to solving social problems and to delivering impressive results to customers
with the power of materials.**

Context for developing KAITEKI Vision 35

KAITEKI Vision 30

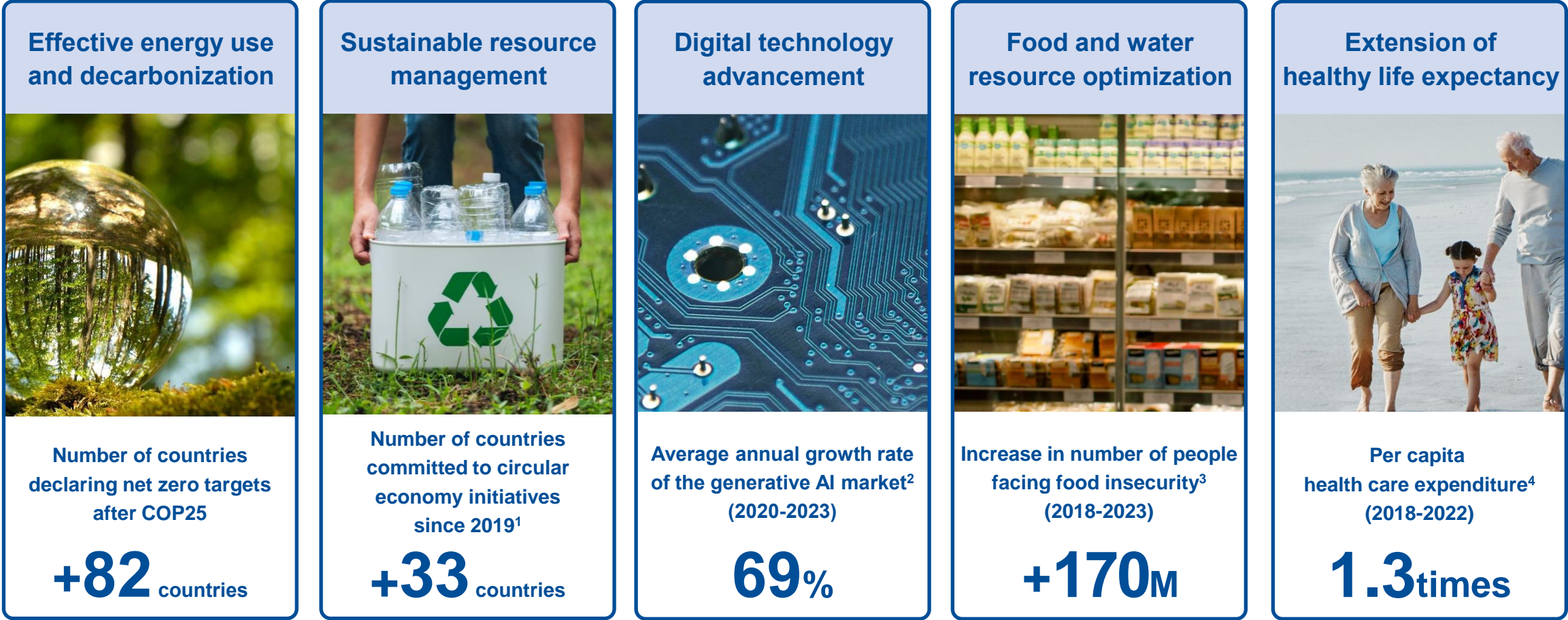
Medium- to long-term management strategy backcasted from our Vision for 2050 (formulated in February 2020)



KAITEKI Vision 35

- ▶ Reflects changes in external forces that have accelerated beyond expectations since KAITEKI Vision 30 was developed
- ▶ Selected core business focus areas based on our core competencies
- ▶ Going back to Our Purpose: management and employees share common aspirations to drive change

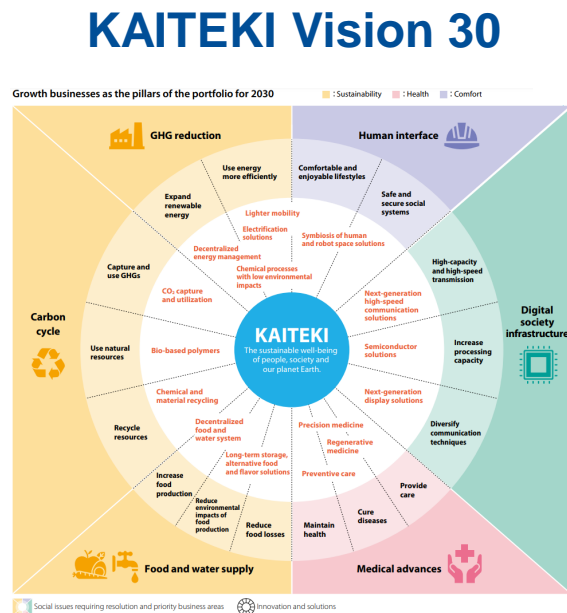
Societal challenges gaining greater sense of urgency in the five years since KAITEKI Vision 30



1. UNIDO “NATIONAL CIRCULAR ECONOMY ROADMAPS, A GLOBAL STOCKTAKE FOR 2024” ; 2019-, 2. Mizuho Bank, 3. WFP “Global Report on Food Crises” 2024 edition, 4. OECD health statistics

Targeted business areas for KAITEKI Vision 35

KAITEKI Vision 35 is rooted in our Purpose and addresses pressing issues facing society



Five key societal challenges

Effective energy use
and decarbonization

Sustainable resource
management

Digital technology
advancement

Food and water
resource optimization

Extension of
healthy life expectancy

KAITEKI Vision 35 (focus areas)



Stable supply platform
for green chemicals¹



Eco-conscious mobility



Enable advanced
data processing and
telecommunications



Food quality preservation



Technology and equipment
for new therapeutics

1. Basic chemicals and their derivatives with reduced environmental impact

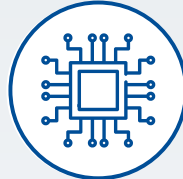
Our Vision across five business focus areas

Become a Green Specialty Company that provides optimal solutions and solve societal challenges



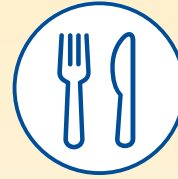
**Eco-conscious
mobility**

**Leveraging materials
to accelerate the shift to
sustainable mobility**



**Enable advanced data
processing and
telecommunications**

**Supporting the
advancement of
semiconductor
ecosystem**



**Food quality
preservation**

**Extending shelf-life of
food products
to support distributing
and processing**



**Technology and equipment
for new therapeutics**

**Enabling new
therapeutics through
high-performance
medical-grade materials**



Stable supply platform for green chemicals

Lead the green transformation of chemical industry globally

KAITEKI Vision 35

Our Purpose / Why KAITEKI Vision 35

Where we compete: five business focus areas

What we deliver:
business structure and profit level toward 2035

How we compete / operate

Human resources / Sustainability

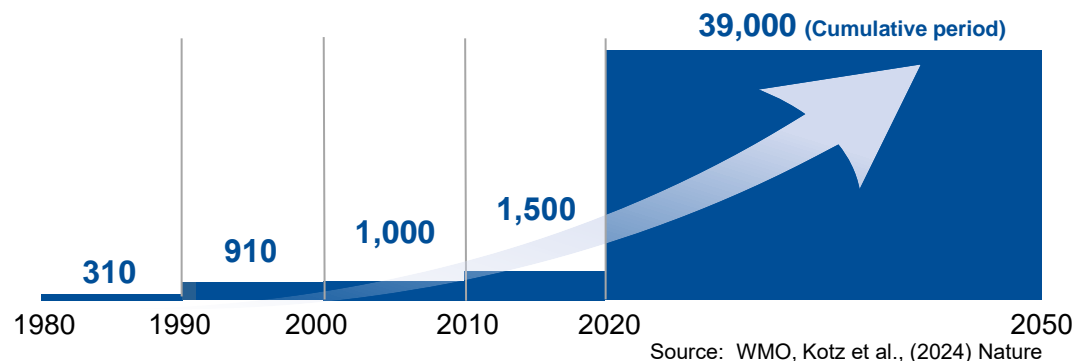


Stable supply platform for green chemicals

Driven by the regulatory responses to global climate change, the chemical industry is facing a turning point.

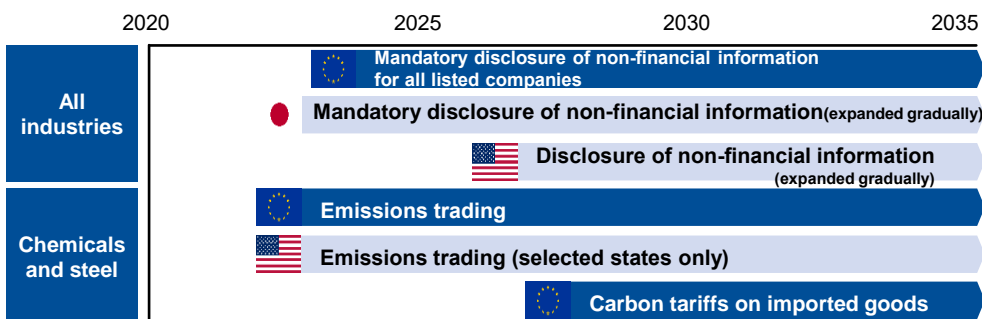
Economic impact of climate change

Economic losses due to climate change could reach \$39 trillion by 2050 (Unit: Billion USD)



Trends in environmental regulations in Japan, US, and Europe

Environmental regulations are being tightened worldwide, with Europe leading the way



Vision

Lead the green transformation of chemical industry globally



Value proposition

► Promotion and commercialization of carbon and materials cycles

- Expand derivatives using e-methanol¹ (eg. polypropylene) by collaborating with global players
- Establishment of a chemical recycling closed loop for plastics through liquefaction processes
- Commercialization of plant-based chemicals (bio-naphtha, SAF² etc.)

► Establishment of reliability and traceability for environmental-related disclosure data

- Lead the development of evaluation methods for environmental metrics and impacts (global LCA³, mass balance, etc.)

1. Synthetic methanol made from CO₂ and green hydrogen (hydrogen generated using electricity from renewable energy sources), 2. Sustainable Aviation Fuel, 3. Life Cycle Assessment



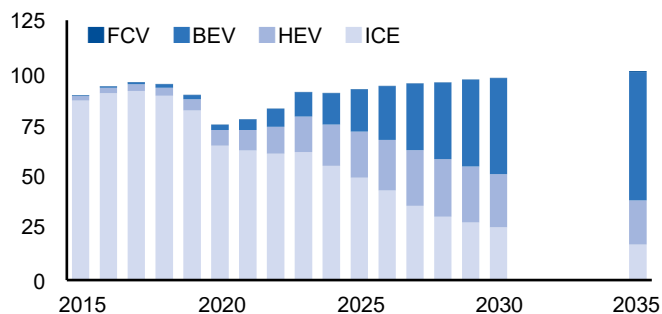
Eco-conscious mobility

Increase in mobility with lower environmental impact
will change the functional requirements for materials

Vehicle production by powertrain¹

EV market will be in full swing after 2020

(Unit: Million units)



FCV=Fuel Cell Vehicle, BEV=Battery Electric Vehicle, HEV=Hybrid Electric Vehicle, ICE=Internal Combustion Engine

Increased weight
due to EV batteries

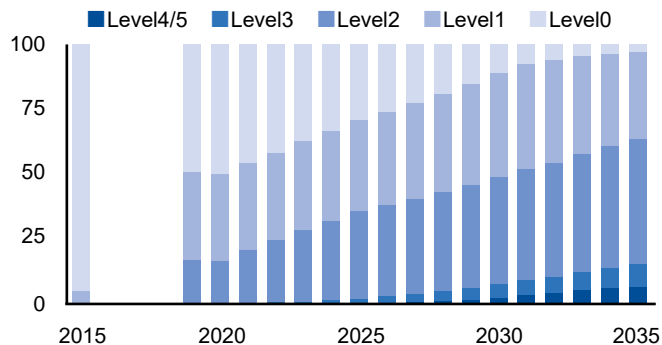


Growing need
for lighter materials

Share of autonomous driving vehicles² as new vehicle sales

Steady replacement by more advanced autonomous vehicles

(Unit: %)



Change in
impact resistance
requirements due to
reduced accidents



Expansion of
material flexibility



Vision

Leveraging materials to accelerate the shift to sustainable mobility



Value proposition

▶ Meet the material product requirements for changes in mobility

- Electrification: Lightweight materials (CF, GF, foaming resins)³, high-performance battery materials, thermal management resins
- Automation: Carbon fiber reinforced plastics, etc.

▶ Meet environmental regulations for mobility⁴ by sustainable materials

- Various compounds made from chemical recycling
→ Increase ratio of recycled materials used in vehicle bodies
- Plastic compounds using sustainable olefin products
→ Reduce carbon footprint of vehicle bodies

Source: Based on MCG's research

1. Vehicles weighing less than 6 tons, 2. Defined by the Society of Automotive Engineers (SAE). The higher the level, the higher the degree of automation.

3. CF=Carbon Fiber, GF=Glass Fiber, 4. Cases: Compliance with the European ELV Directive | Promotion of the use of recycled plastics, including those derived from end-of-life vehicles

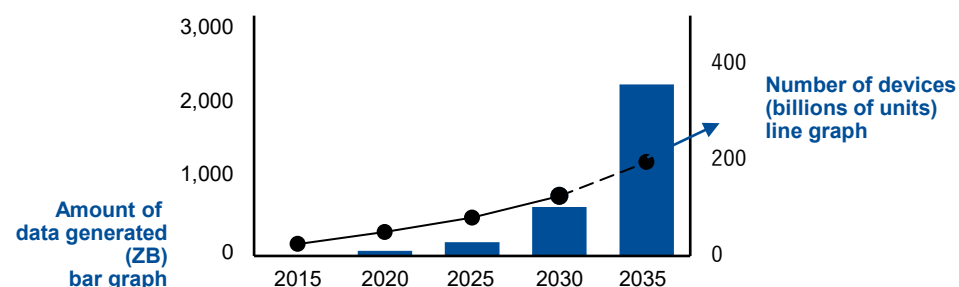


Enable advanced data processing and telecommunications

Semiconductors are at the heart of driving digital transformation with the proliferation of data generation and communications

Global data generation

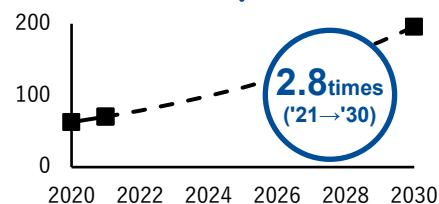
Data generation volume growth projected to exceed device usage



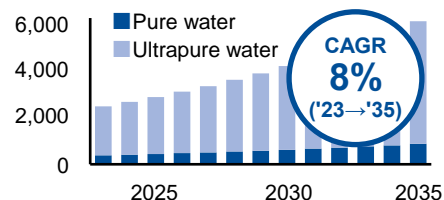
The growing importance of energy conservation and water recycling

Energy and water consumption in the semiconductor industry

Semiconductor manufacturing power consumption in Japan, South Korea and Taiwan (TWh)



Market size of equipment and systems for producing pure water and ultrapure water for semiconductors (Oku yen)



Source: Fuji Kezai, GREENPEACE



Vision

Supporting advancement of semiconductor ecosystem

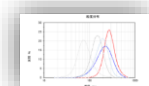


Value proposition

Support semiconductor manufacturing with materials and services

Materials

High purity/high resolution
[Contribution to energy saving]



- Higher-order structural analysis
- Properties analysis

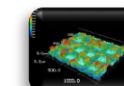
Development of optimal structure by computational Chemistry

- Organic technology
- Inorganic technology
- Ultra trace analysis

Semiconductor Manufacturing

Services

Removal of impurities
[contribution to recycling]



- Surface condition analysis
- Water quality analysis

Development of optimal treatment by simulation

- Physical cleaning
- Chemical cleaning
- Resin adsorption
- Membrane separation treatment



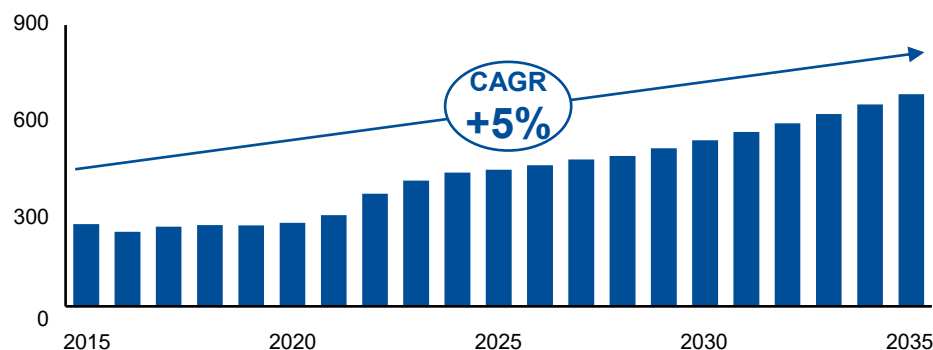
Food quality preservation

Rising population, economic shifts, and climate change are widening the food supply and demand gap

Processed food market size

Demand for processed foods will continue to grow

(Unit: Trillion yen)



Global food supply

Climate change impacts, uneven distribution of food, and food loss will increase the importance of maintaining quality preservation

Impact of climate change

-6~-14%

Due to global warming food production¹ declines (2020-2050)

Uneven distribution of food

2~7 times

Volume of imports and exports among major crop² regions will increase by 2050

Food loss

180 trillion yen/year

Economic losses due to food loss and waste (by 2035)



Vision

Extending shelf-life of food products to support distributing and processing



Value proposition

► Advanced functions through materials to support food quality preservation

- Functions: anti-oxidation, texture control, and bacteria control solutions
- Materials: functional food additives, barrier packaging materials, ion exchange resin

Support quality of food processing and distribution

Functional food materials

Industrial gases

Packaging

Engineering

Separation materials

Facilities for providing water for food processing



Food distribution value chain

Materials design and technologies that support recycling

Packaging materials

Chemical recycling technology

Wastewater treatment system

Source: Euromonitor, Nature, MAFF, Food and Agriculture Organization of the United Nations

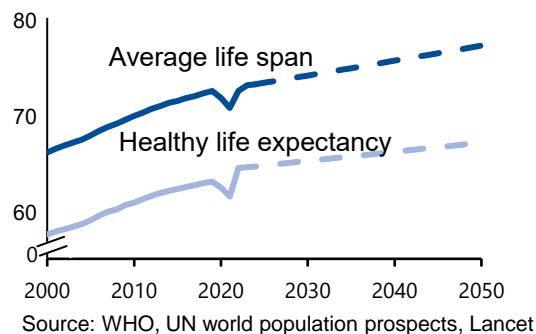
1. Calculated as energy equivalent of total food production of all food sectors, 2. Total of wheats, rice, corns, and soybeans



Technology and equipment for new therapeutics

The rapid growth of bio-medical innovations and an aging population will drive an increased demand for high-performance materials

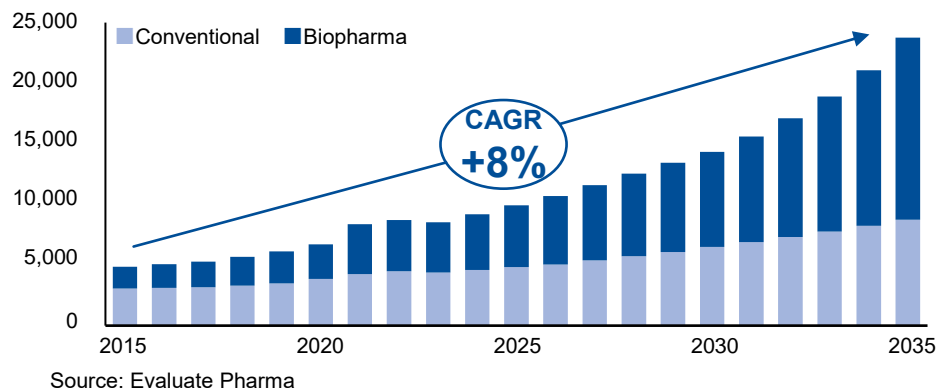
Aging of global population (Unit: years old)



With rising life expectancy,
the demand for new
therapeutics and related
critical devices will grow

Increasing the need
for medical-grade materials

Growth of biopharma in the pharmaceutical market (Unit: 100 Million USD)



Vision

Enabling new therapeutics through high-performance medical-grade materials



Value proposition

► Products supporting production and distribution of biopharma

- Single-use products for bioprocessing, purification process products

► Products that support next generation medical care

- Orthopedic products
- Dental products
- Ophthalmic products



► Sustainability-related products

- Customer process scrap, end-of-life product collection, recycling programs and development of chemical recycling technology

KAITEKI Vision 35

Our Purpose / Why KAITEKI Vision 35

Where we compete: five business focus areas

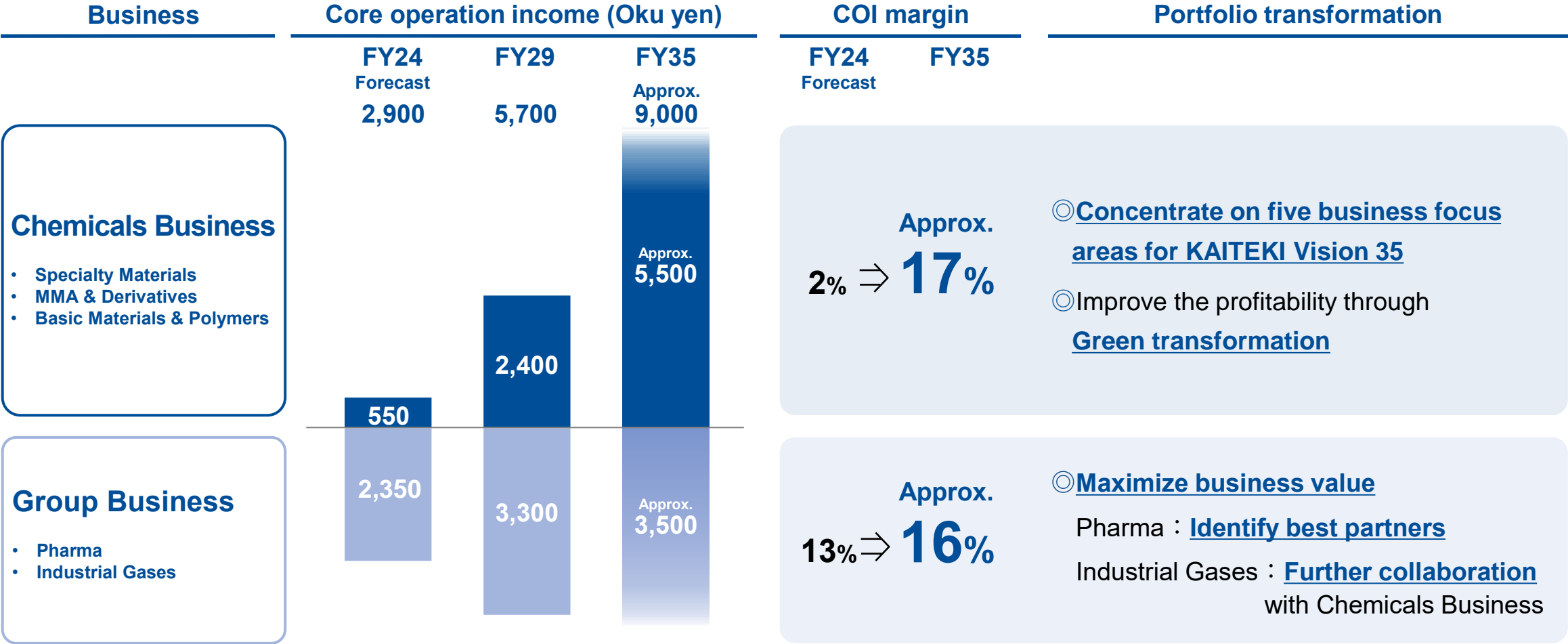
**What we deliver:
business structure and profit level toward 2035**

How we compete / operate

Human resources / Sustainability

Business structure and profit level toward 2035

COI of the Chemicals Business will exceed the total COI of the Group Businesses in 2035



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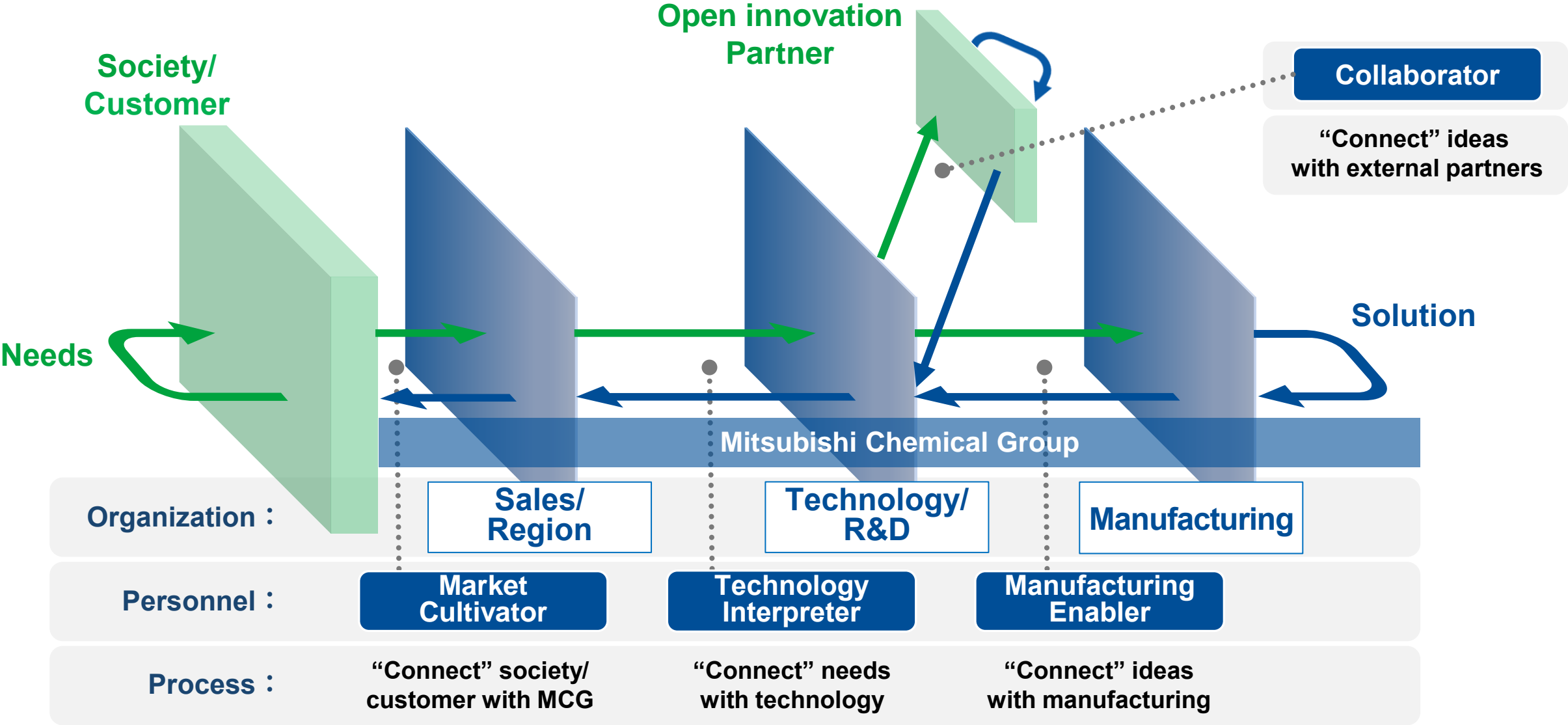
Human resources / Sustainability

Our keyword is...

“Connect”

Organization, processes and resources to become the Green Specialty Company

“Connect” customer needs with innovative solutions to deliver the best societal outcomes with agility



Manufacturing at the heart as the Green Specialty Company

Safety and compliance comes first

Enhance the strength of “manufacturing” through “Connect” mindset

Enhance operation excellence by leveraging the accumulated expertise

Technology

Wide range of expertise
in manufacturing
and equipment

Skill

Consistent operational
capabilities across
the board

Process

End-to-end integration
throughout the
manufacturing process

Initiatives to
encourage
“Connect”
mindset

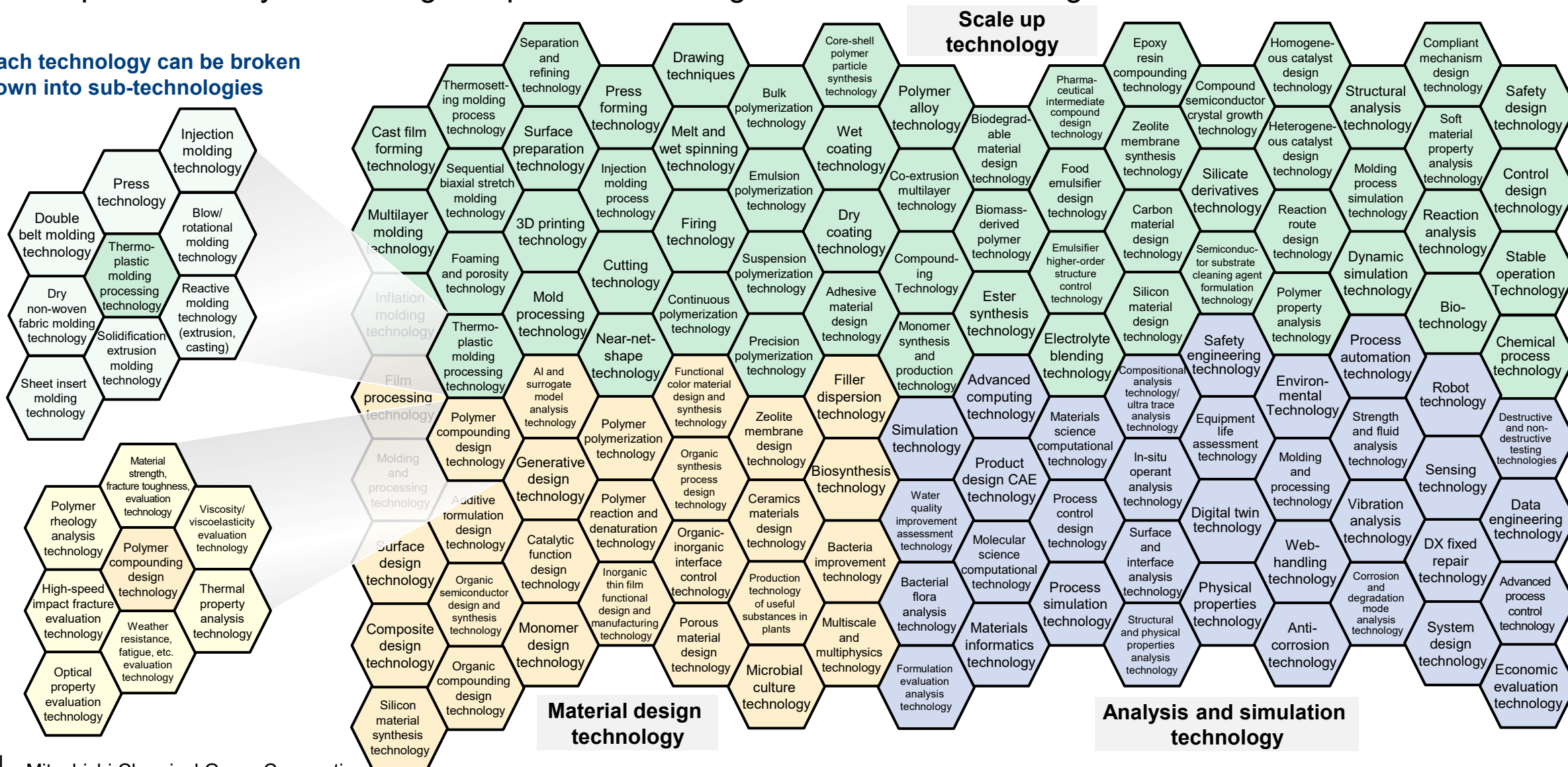


► **Innovative manufacturing technologies
to realize commercialization of critical
materials to contribute to society**

► **Accelerate evolution of “manufacturing”
using AI technologies to maximize
our core competencies**

Develop solutions by connecting competitive advantage and diverse technologies

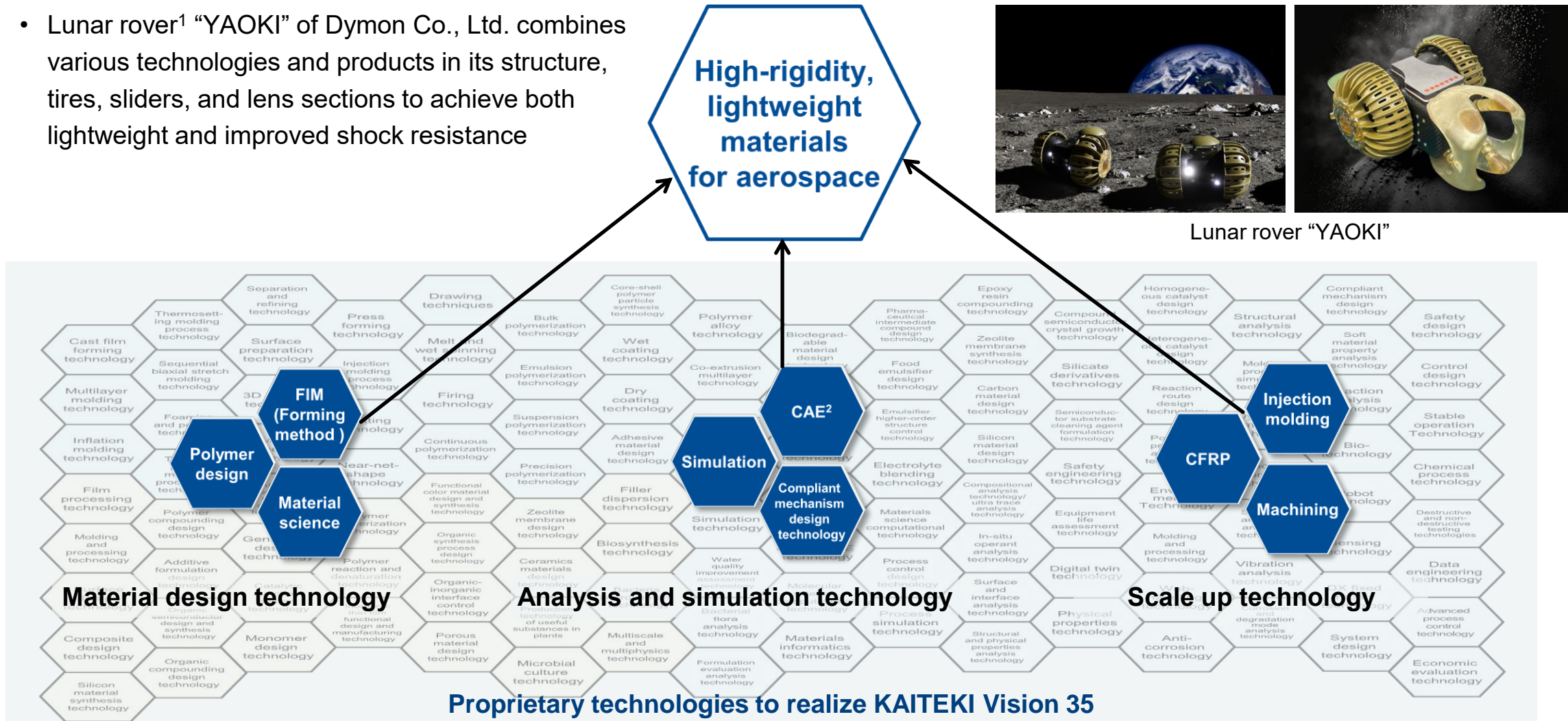
Each technology can be broken down into sub-technologies



Successful examples of solutions: connecting our technologies

High-rigidity, lightweight materials for aerospace

- Lunar rover¹ “YAOKI” of Dymon Co., Ltd. combines various technologies and products in its structure, tires, sliders, and lens sections to achieve both lightweight and improved shock resistance



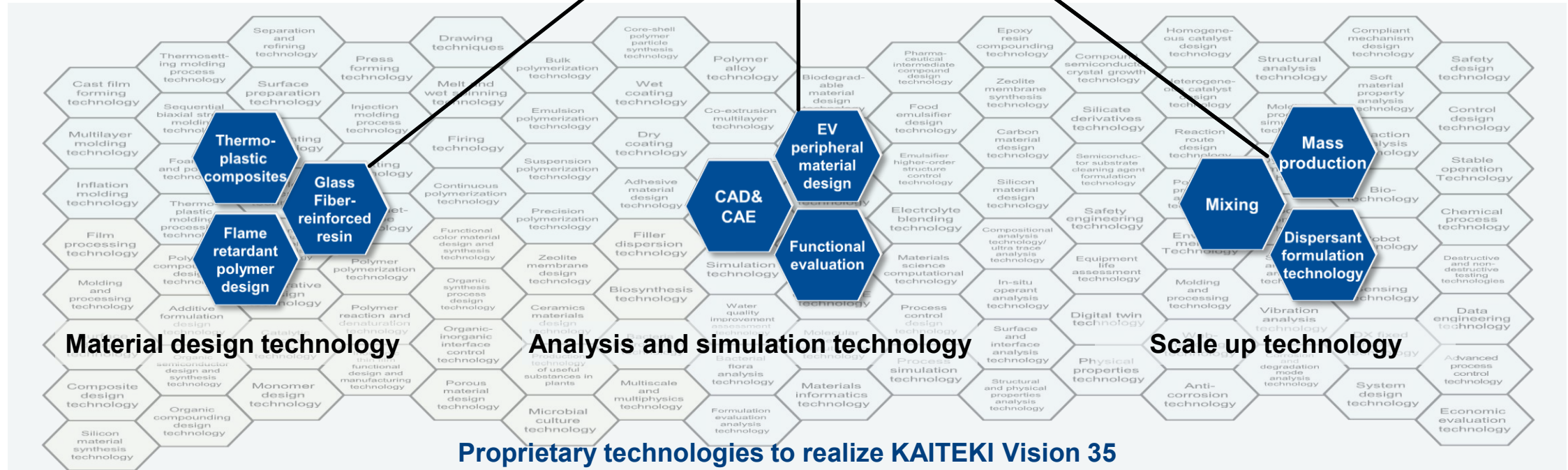
Successful examples of solutions: connecting our businesses

Lightweight battery pack cover material for EV

- Lightweight design, fire retardancy and recyclability enables widespread adoption of EV
- Cross business department collaboration



**Flame retardant
glass mat
reinforced
thermoplastic**

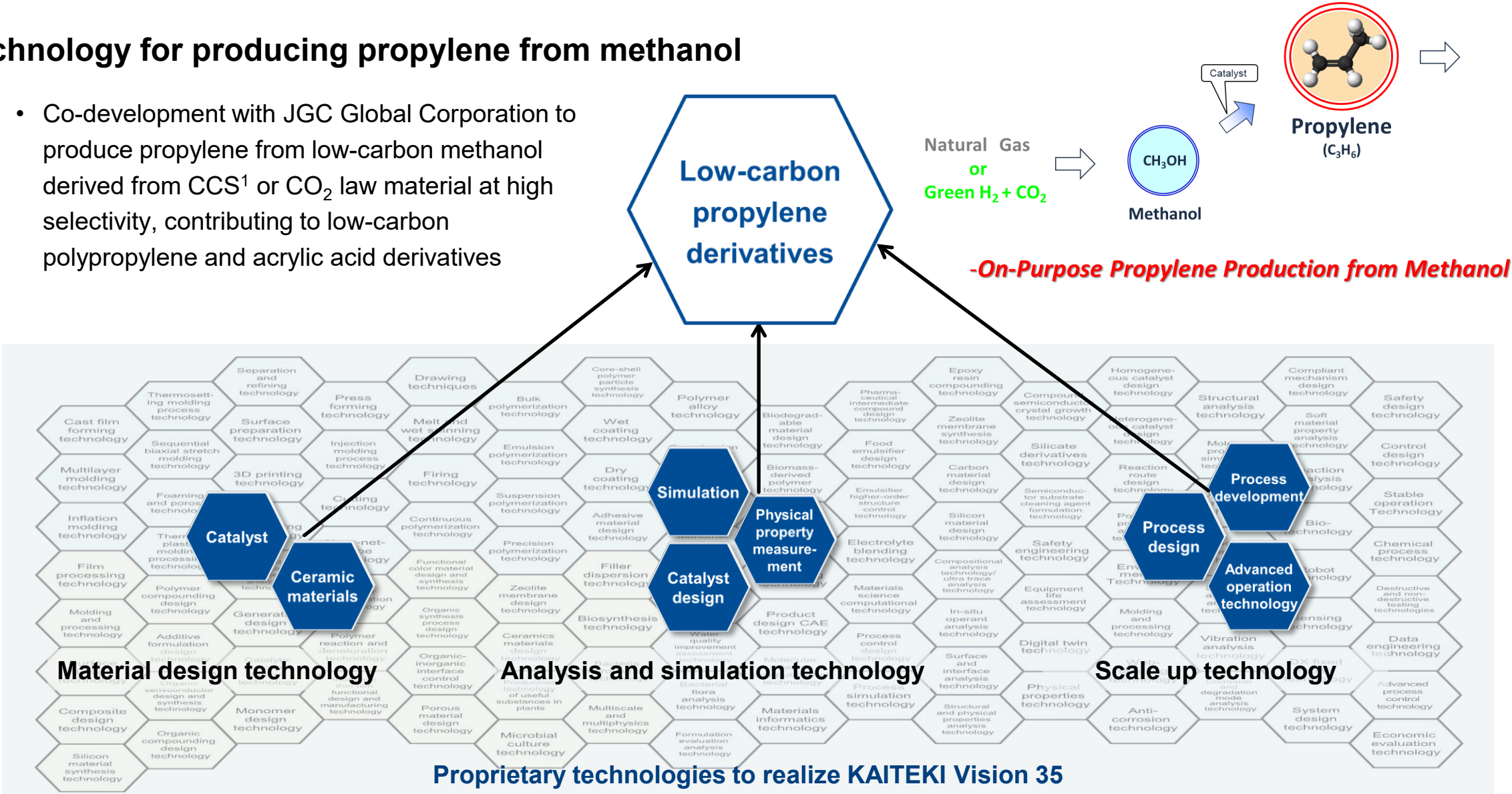


Successful examples of solutions: connecting with our external partners



Technology for producing propylene from methanol

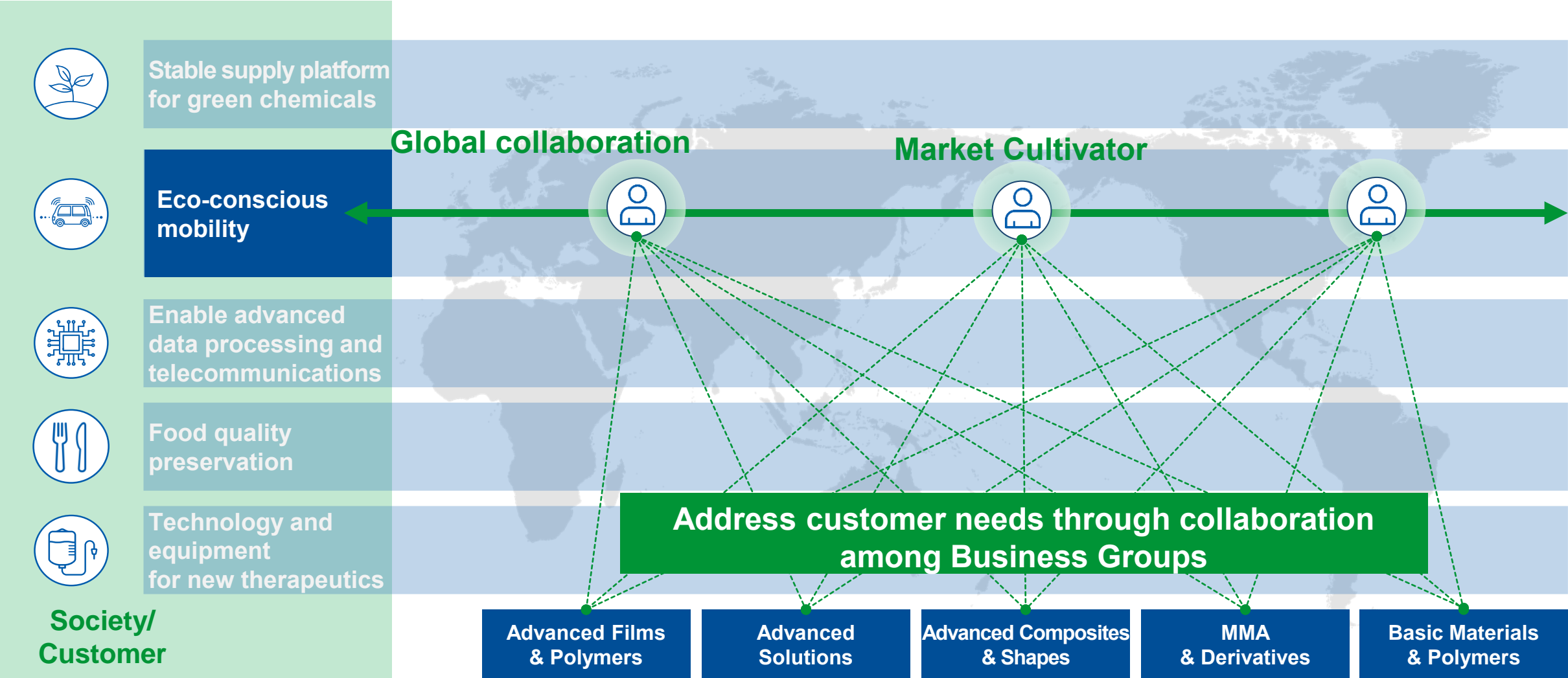
- Co-development with JGC Global Corporation to produce propylene from low-carbon methanol derived from CCS¹ or CO₂ law material at high selectivity, contributing to low-carbon polypropylene and acrylic acid derivatives



Market Cultivator: essential role to evolve into the Green Specialty Company



Enhance skills that can “Connect” five business focus areas and customer requirements across geographies



Regional growth strategies toward 2035

Maximize our businesses in line with the market trends and characteristics of each region

Americas

Driving growth

- Rapid delivery of value-added products to key customers driving the market

Europe

Environmental regulatory responsiveness

- Adaptation and development to regulatory trends and changes in customer awareness

China

Growing with “China for China”

- Strengthen local customer collaboration

Japan

Center of Excellence of technologies

- Advance of manufacturing processes, utilizing on-site capabilities and expansion to other regions

Middle East

Center for green raw material supply

- Shift from gray to green raw materials

APAC

Growing with customers

- Support growing customer needs

KAITEKI Vision 35

Our Purpose / Why KAITEKI Vision 35

Where we compete: five business focus areas

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Human resources / Sustainability

People are the driving force for the Green Specialty Company

A shared Purpose and Vision, growing together to realize KAITEKI

► Who we need

- Mindset to take challenges as opportunities
- Distinctive skills and strengths
- Soft skills that cannot be replaced by AI
- Strong sense of ownership
- “Connect” mindset



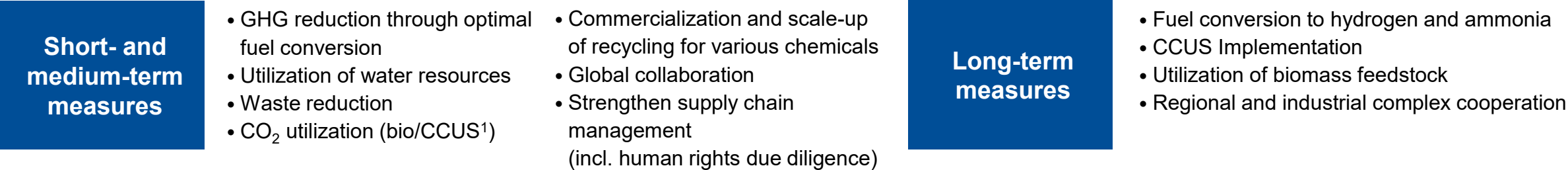
► What we offer

- Opportunities for personal development through large-scale, impactful project
- Fair reward system for individual achievements and contribution to the team
- Transparent working environment encouraging autonomy

Achieve carbon neutrality; contributing to a long-term sustainable society



Drive initiatives in five business focus areas



1. Carbon Capture, Utilization and Storage

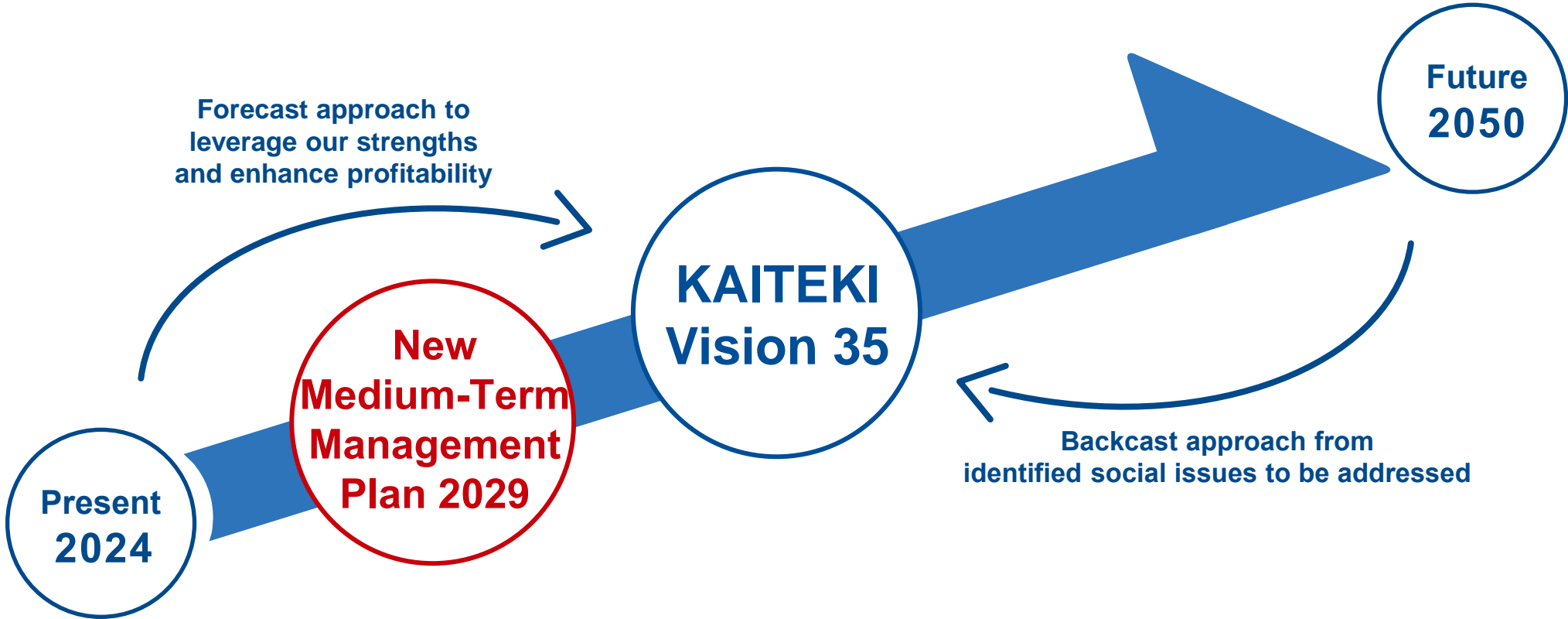
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**2 New Medium-Term
Management Plan 2029**

KAITEKI Vision 35 and New Medium-Term Management Plan 2029

New Medium-Term Management Plan 2029 is a strategy to realize KAITEKI Vision 35



**New
Medium-Term
Management
Plan 2029**

Outline of New Medium-Term Management Plan

Business portfolio management

Business strategies / Rationalization

Social value / Human capital / Shareholder value

Management commitment

**New
Medium-Term
Management
Plan 2029**

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Performance over the past three years

Chemicals Business

Flat sales revenue and
stagnant profit growth
→ urgent need for change

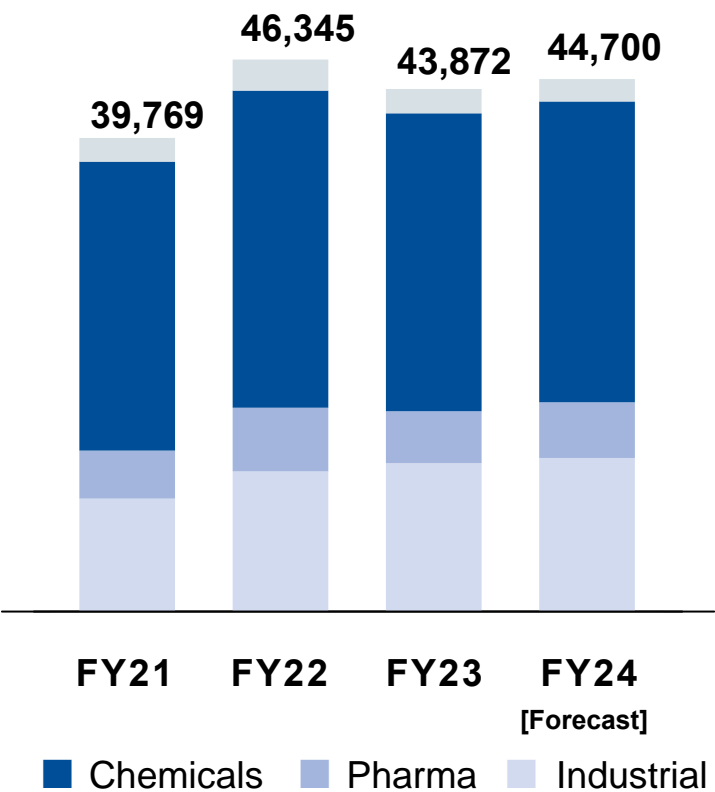
Pharma Business

Improvement
in profit margin

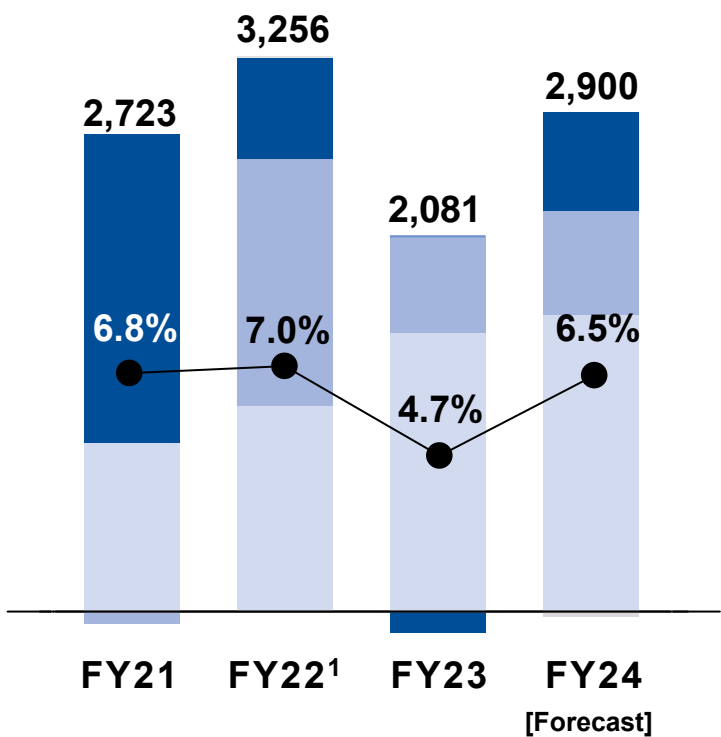
Industrial Gases Business

Stable profit growth

Sales revenue (Oku yen)



Core operating income (Oku yen, %)



1. Includes 1,259 Oku yen related to Gilenya in Pharma Business

Guiding principles for our business operations

Portfolio transformation and profit improvement

using “Three criteria for business selection” and “Three disciplined approaches in business operations”

Three criteria for business selection

- **Consistent with Vision**
- **Competitive advantage**
- **Potential for growth**



Put under close monitoring



Divestiture

Three disciplined approaches in business operations

Pricing policy

- Pricing that reflects the value delivered
- Mix shift to higher value-added products
- Formula-based pricing to minimize the risk of volatility

Investment decision making

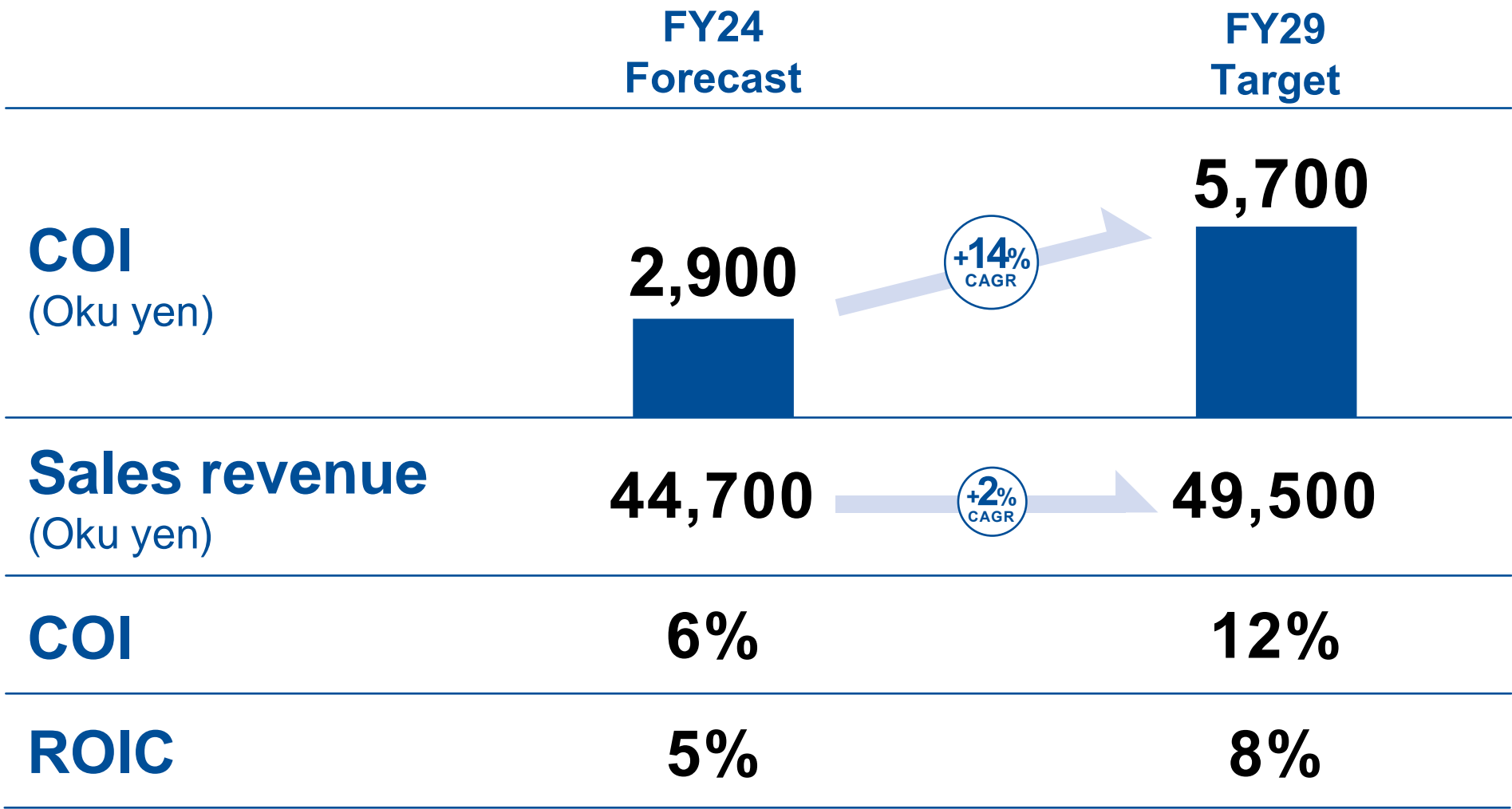
- Rigorous screening and due diligence
- Thorough process management and enhanced reviews
- Decisive and timely decision-making

Asset optimization

- Rationalization of excess capacity or equipment
- Optimization of business tasks and personnel
- Synergy realization of facilities/resources with other companies
- Re-evaluation of intangible assets, including IP

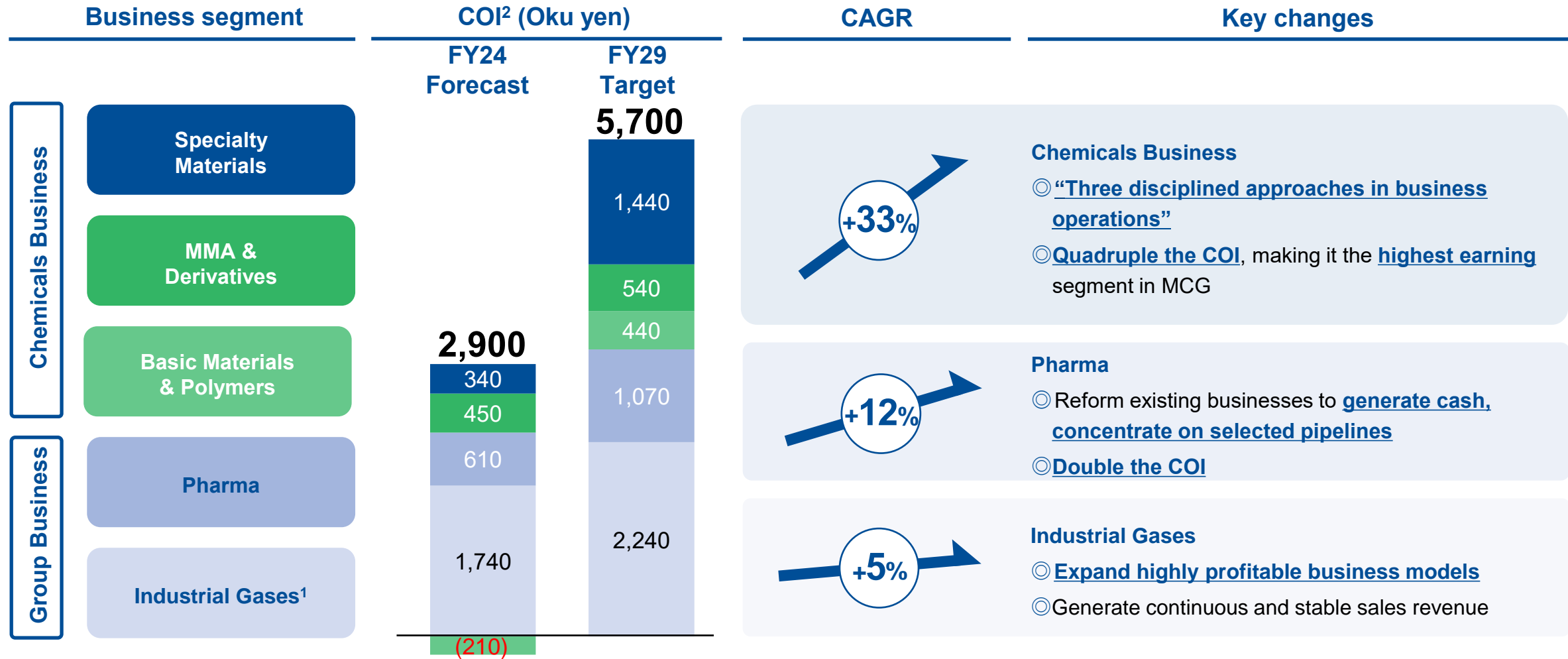
Business performance targets

Reflect disciplined approaches and portfolio transformation



Business portfolio reform

Re-establish Chemicals Business as a growth driver



1. With regard to Industrial Gases Business, Mitsubishi Chemical Group Corporation has made its own estimates based on “NS Vision 2026”, which was formulated by Nippon Sanso Holdings Corporation in 2022, and incorporates the effects of continuous demand growth, price management, productivity improvements, etc.
2. The total figures include other adjustments. However, the graph does not show such adjustments, and the segment totals do not match the actual totals.

**New
Medium-Term
Management
Plan 2029**

Outline of New Medium-Term Management Plan

Business portfolio management

Business strategies / Rationalization

Social value / Human capital / Shareholder value

Management commitment

Guiding principles for our business operations

Select projects based on the “Three criteria for business selection”

Three criteria for business selection

- **Consistent with Vision**
- **Competitive advantage**
- **Potential for growth**



Put under close monitoring



Divestiture

Three disciplined approaches in business operations

Pricing policy

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Investment decision making

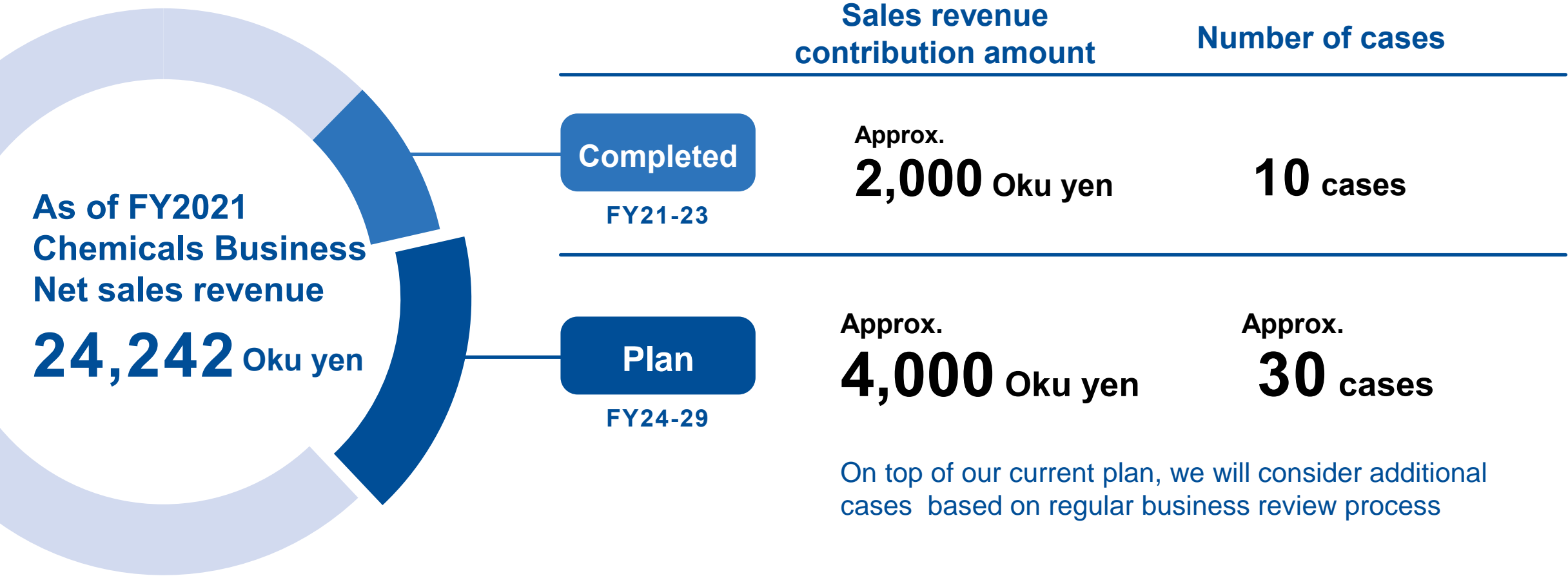
- Rigorous screening and due diligence
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Asset optimization

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Focus on core: divestiture/closure of non-core businesses in Chemicals

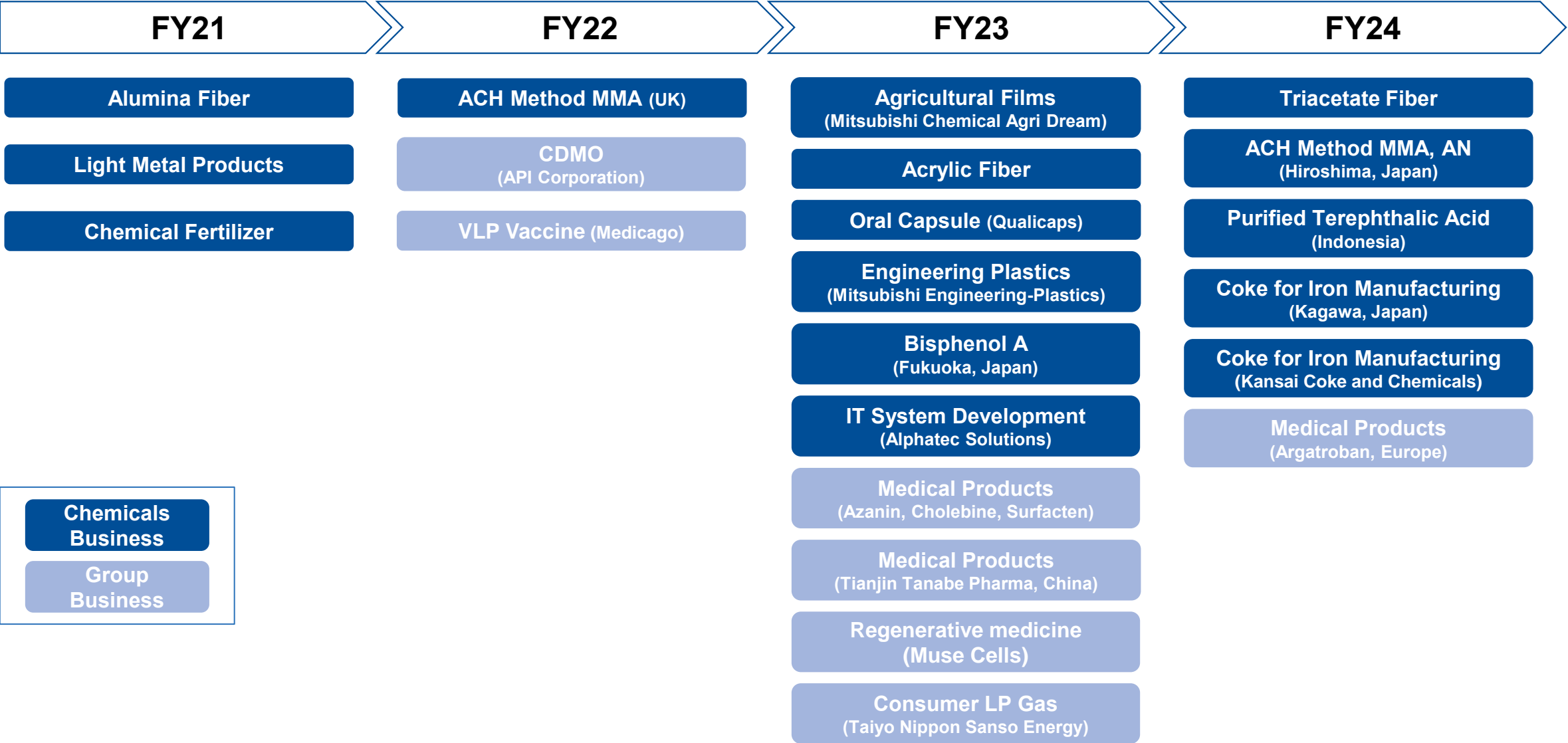
Accelerate streamlining of business based on the “Three criteria for business selection”



As of FY2021
Chemicals Business
Net sales revenue
24,242 Oku yen

Detailed track-record of our business selection journey

Completed divestitures or withdrawals (FY21-23 and 1st half of FY24)



**New
Medium-Term
Management
Plan 2029**

Outline of New Medium-Term Management Plan

Business portfolio management

Business strategies / Rationalization

Social value / Human capital / Shareholder value

Management commitment

Guiding principles for our business operations

Operate businesses with “Three disciplined approaches in business operations”

Three criteria for business selection

- Consistent with Vision
- Competitive advantage
- Potential for growth



Put under close monitoring



Divestiture

Three disciplined approaches in business operations

Pricing policy

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Investment decision making

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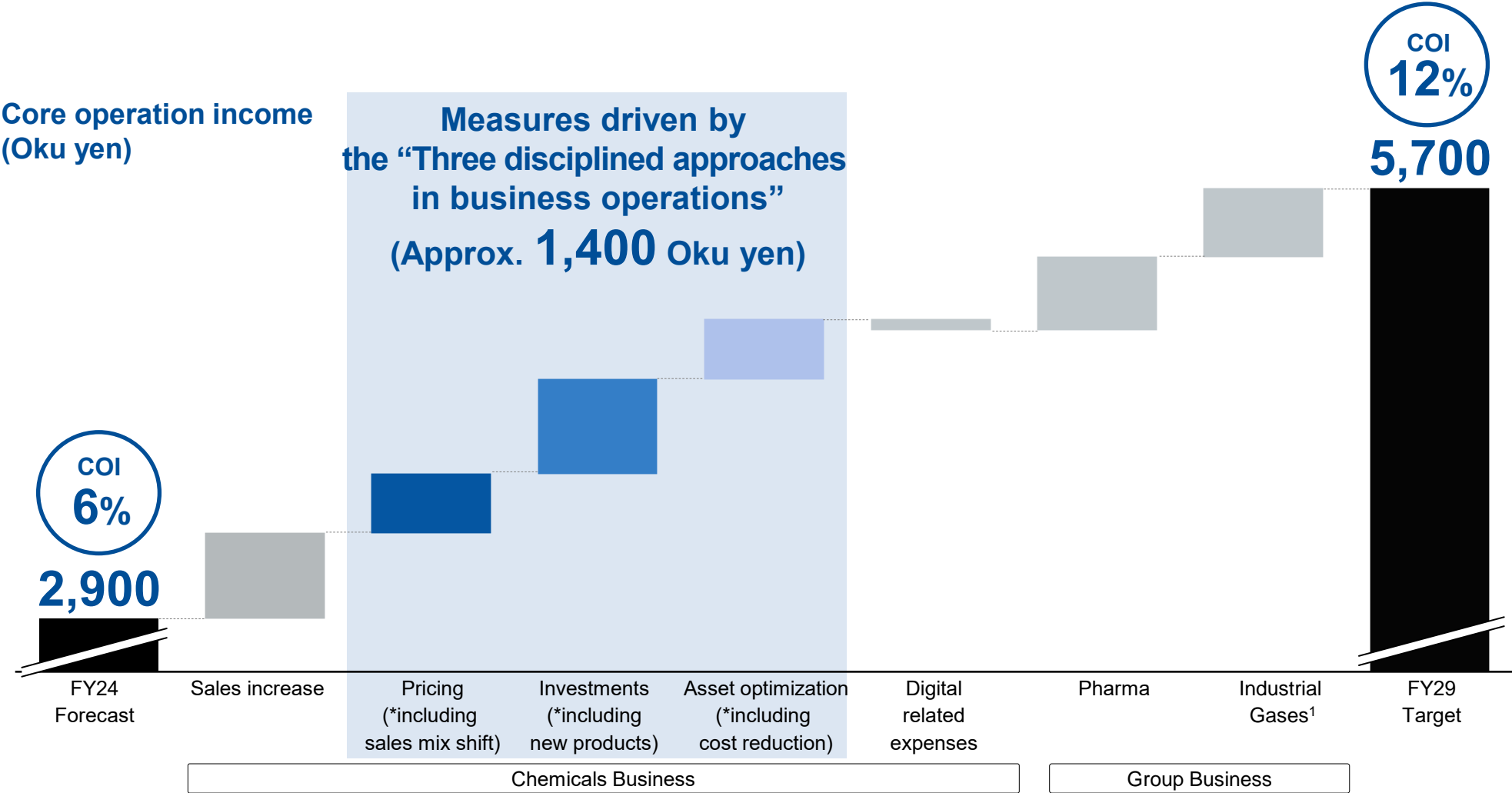
Asset optimization

- Rationalization of excess capacity or equipment
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Business strategies |

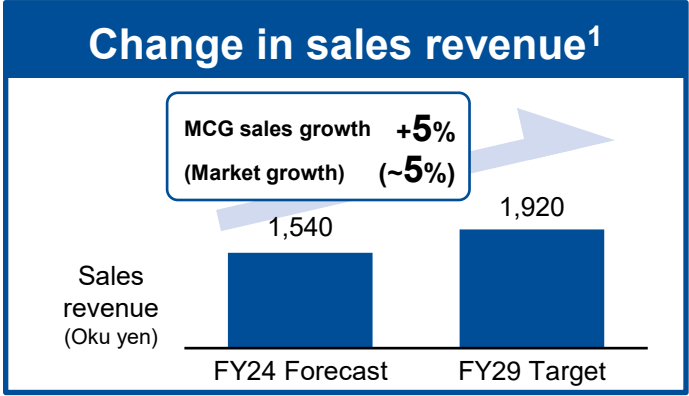
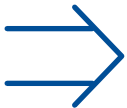
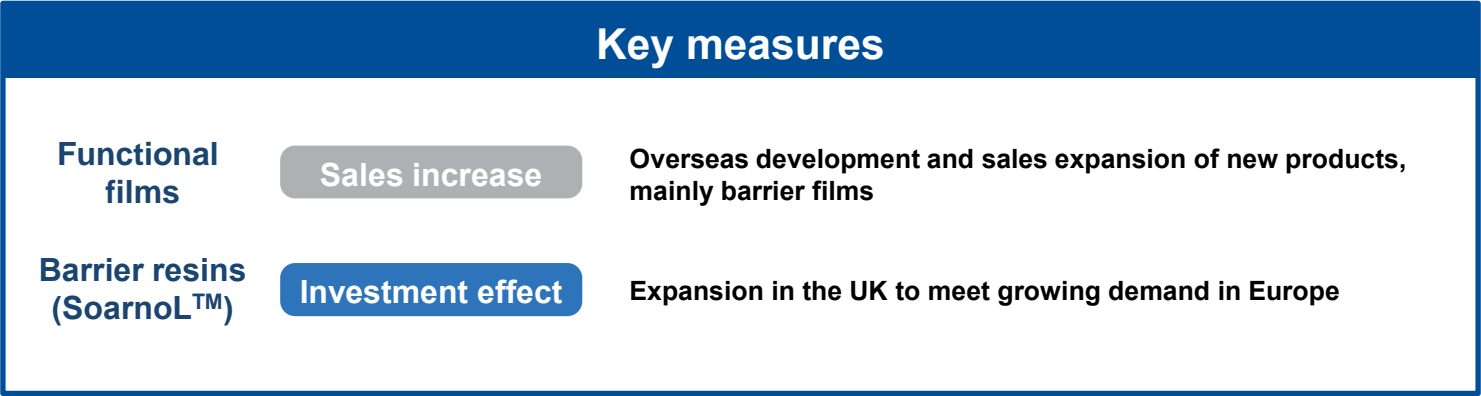
Five-year profit growth outlook: breakdown by key measures

COI growth through the “Three disciplined approaches in business operations”



1. With regard to Industrial Gases Business, Mitsubishi Chemical Group Corporation has made its own estimates based on “NS Vision 2026”, which was formulated by Nippon Sanso Holdings Corporation in 2022, and incorporates the effects of continuous demand growth, price management, productivity improvements, etc.

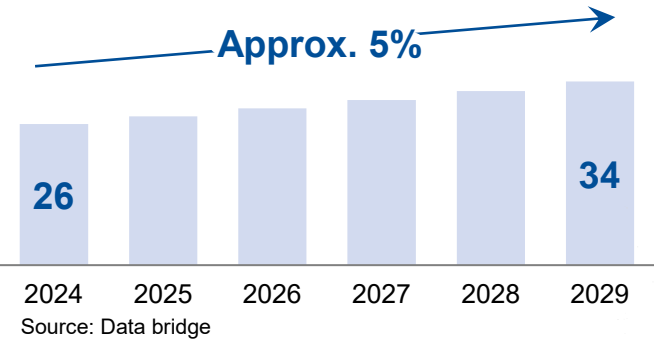
Accelerate growth through investment to expand high value-added product lines



1. Improvement measures by divestment or withdrawal are separately implemented

Barrier Film

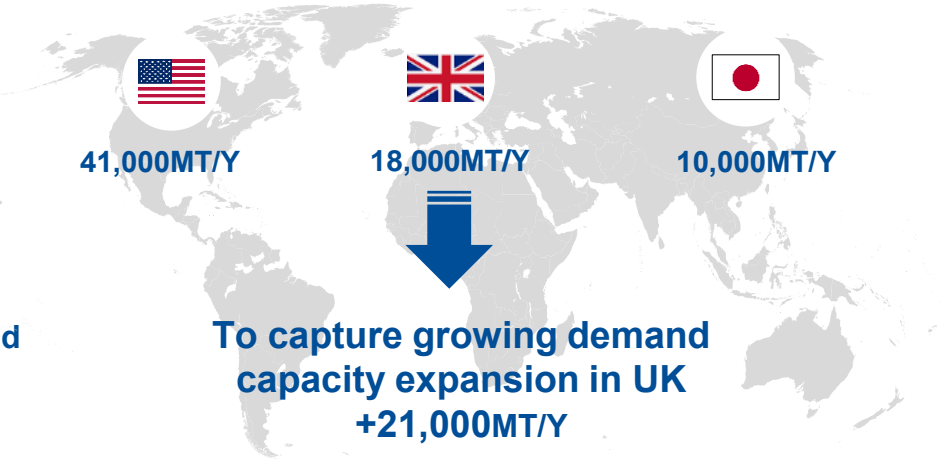
Barrier film market growth (Billion USD)



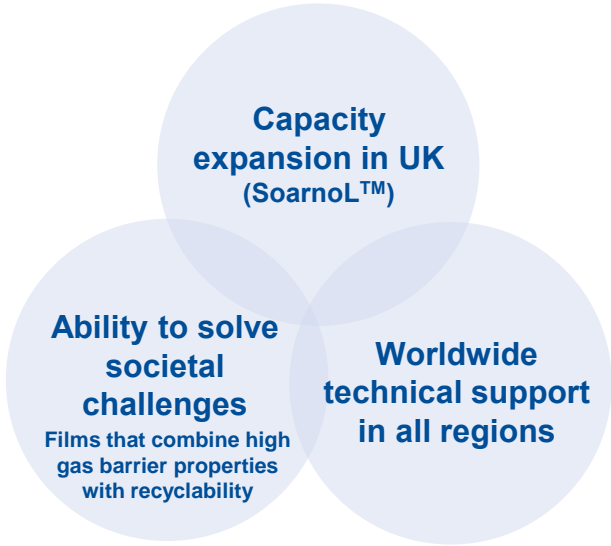
In addition to food packaging, where demand is expanding, we are also exploring high value-added applications

Barrier Resin (SoarnoL™)

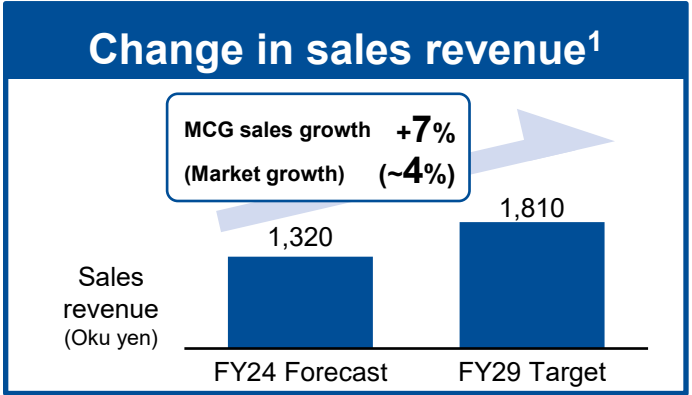
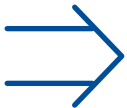
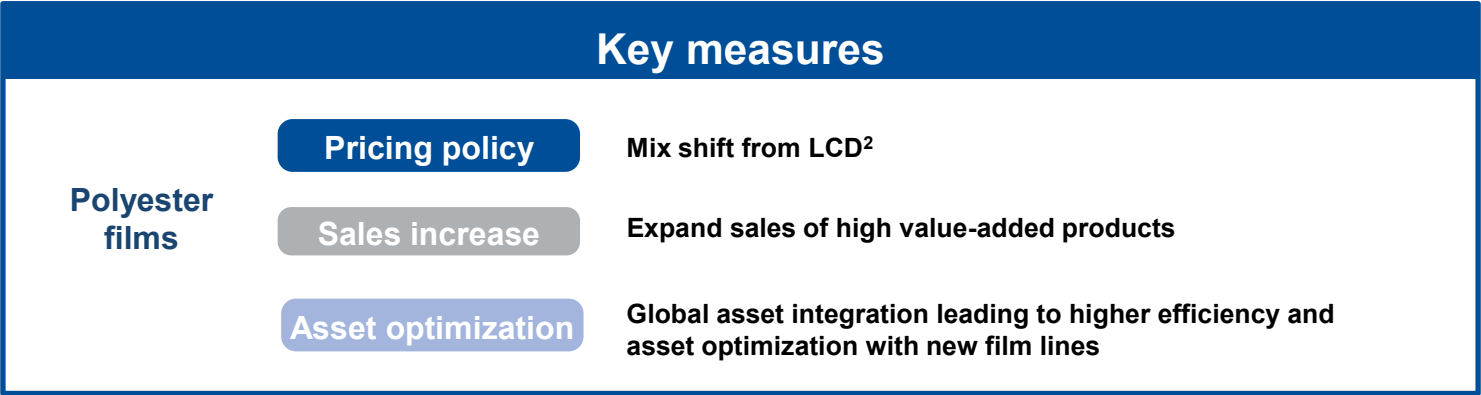
Global supply capacity and future capacity expansion plans



Sources of competitive advantage

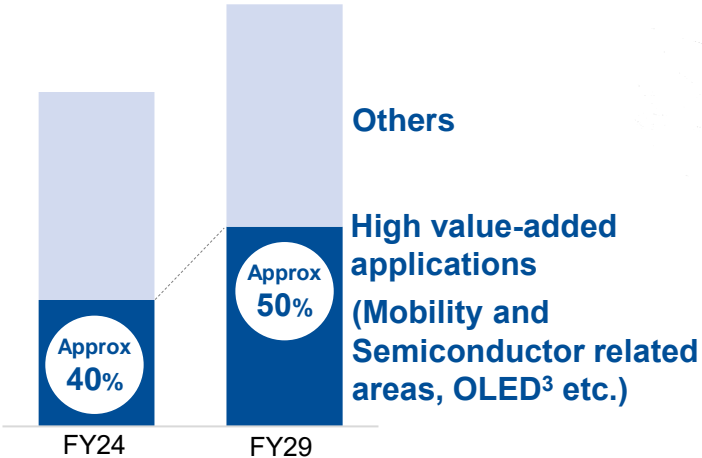


Continue product mix shift to high value-added applications and optimize global asset utilization



1. Improvement measures by divestment or withdrawal are separately implemented

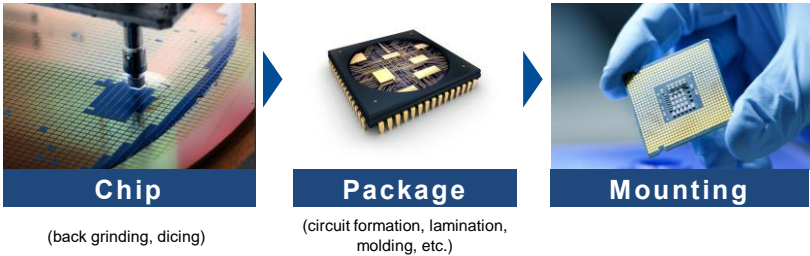
Increase sales of high value-added products and improve product portfolio



Strengthen global footprint

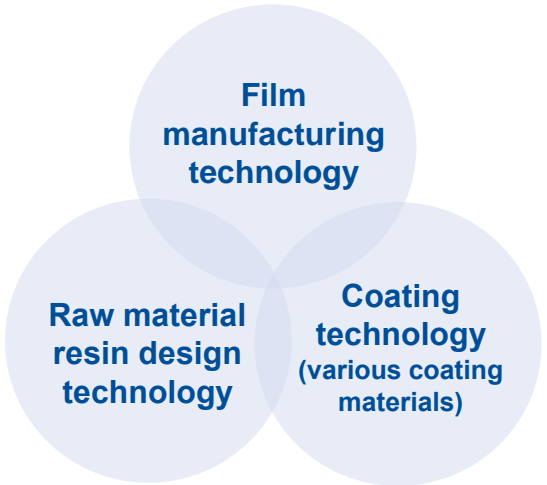


Semiconductor manufacturing process where polyester film is used



Sources of competitive advantage

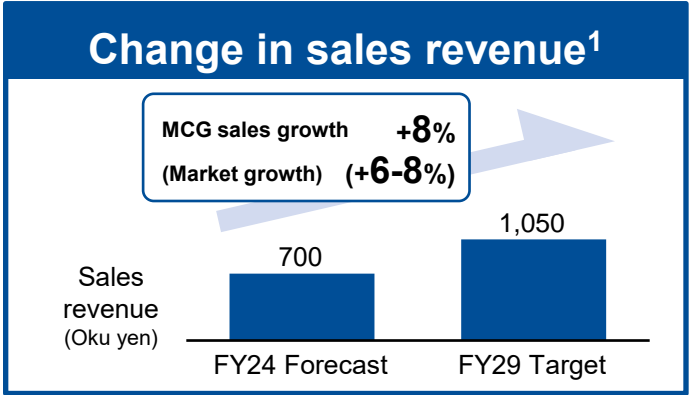
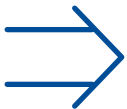
- Creation of customer value using three major technologies
- Hybrid system with global collaboration as a region-based development and global development system



Business strategies | AS | Semiconductor Materials & Solutions

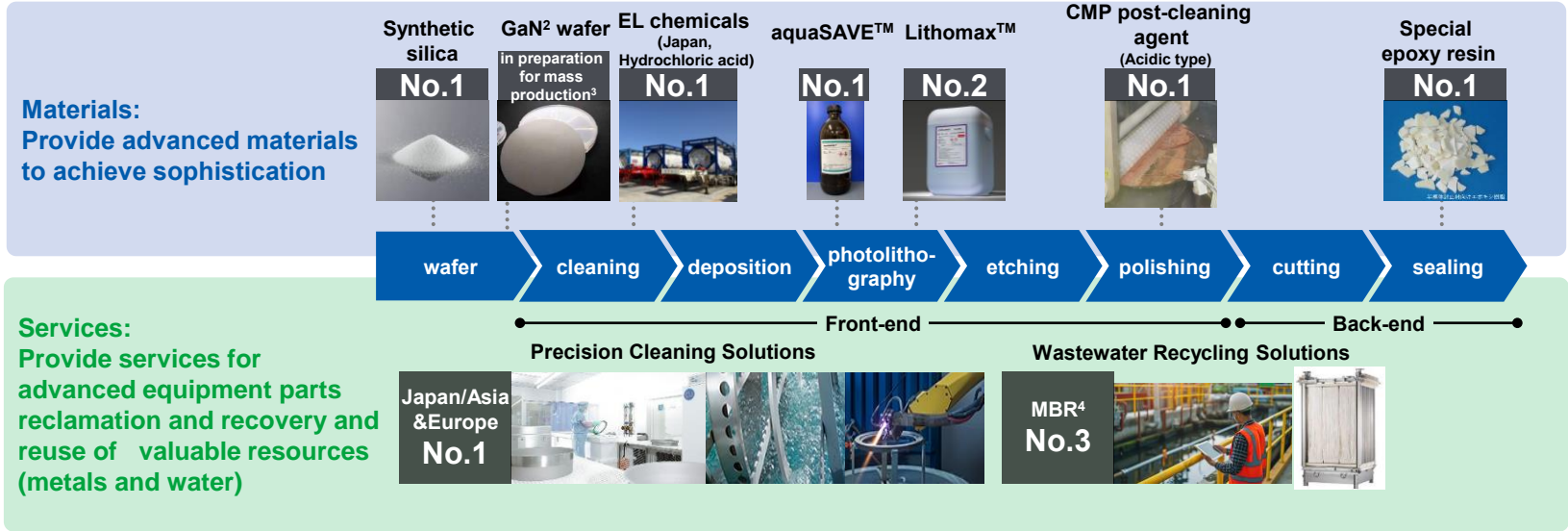
Invest to serve cutting edge semiconductor market while rationalizing non-core / unprofitable businesses

Key measures		
Semiconductor materials	Investment effect	Increase and expand production of top share products in line with semiconductor market growth
Semiconductor solutions	Investment effect	Strengthen precision cleaning business for cutting-edge applications essential for AI semiconductor manufacturing
	Asset optimization	Withdrawal from non-core / unprofitable businesses



1. Improvement measures by divestment or withdrawal are separately implemented

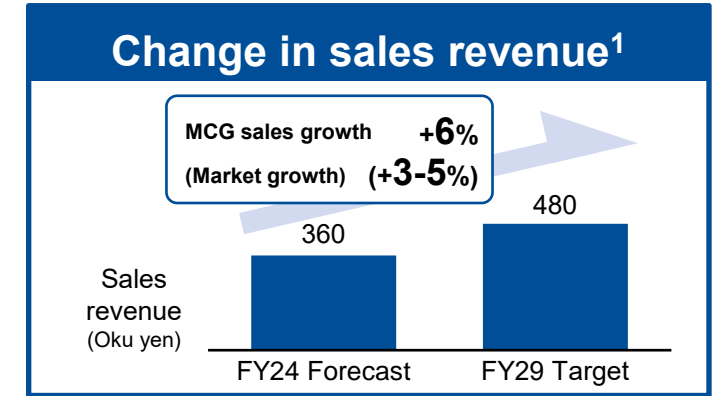
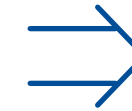
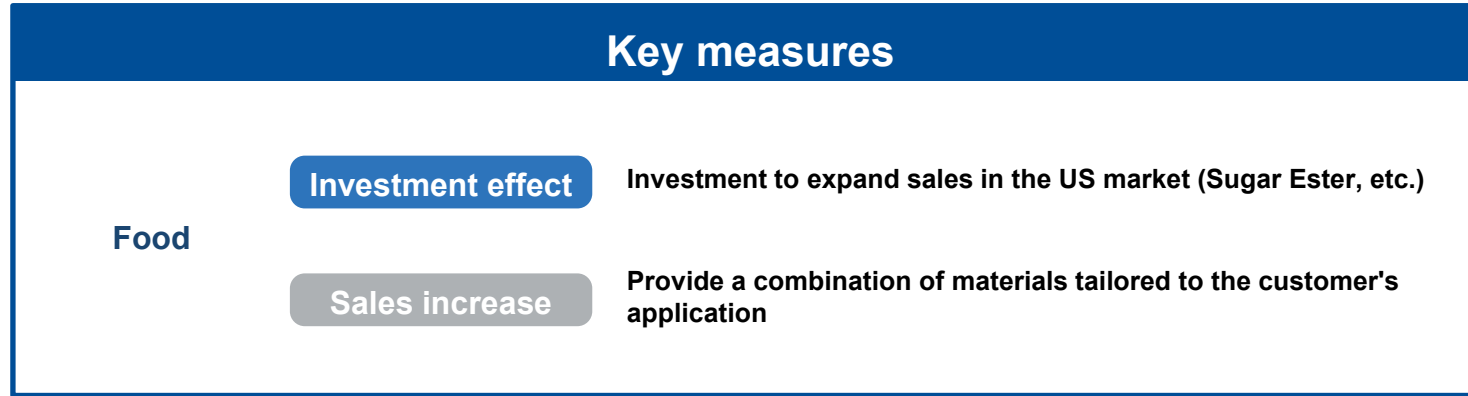
Support semiconductor manufacturing with materials and services



2. Gallium Nitride
3. High quality by low-pressure acidic ammonothermal method. Social implementation for power semiconductors is underway.
4. Membrane Bio-Reactor

Business strategies | AS | Food

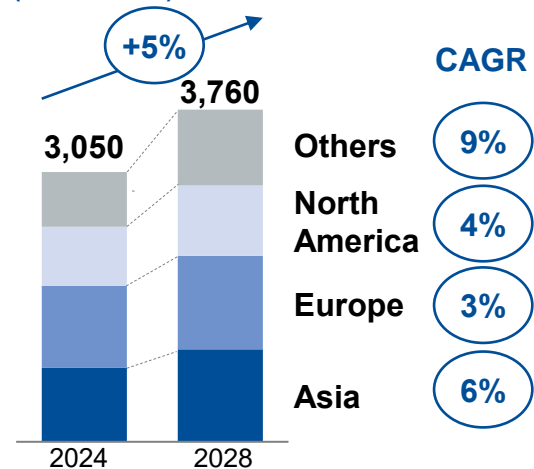
Accelerate growth driven by high value-added emulsifier Sugar Ester businesses in each region
Contribute to food quality preservation through total solutions



1. Improvement measures by divestment or withdrawal are separately implemented

Strengthen product line-up in shelf life extension through anti-oxidation, antibacterial, and texture control,
Strengthen localization by promoting religious and legal compliance

Processed food market growth (Billion USD)



Source: Euromonitor

Market entry readiness

- Strengthening the sales base through religious support (acquisition of kosher certification in addition to halal certification)

Examples of product use



Food emulsifier



Fermentation materials

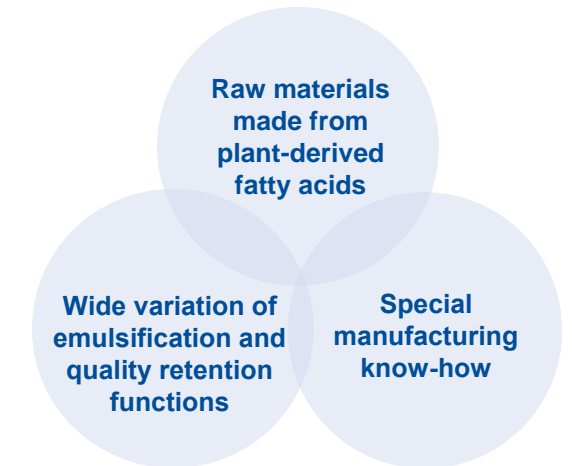


Antimicrobial and freshness-retaining agents

Investment for sales expansion

- Increase in domestic production capacity (Fukuoka, Japan)
- Technical service system development in each region

Sources of competitive advantage

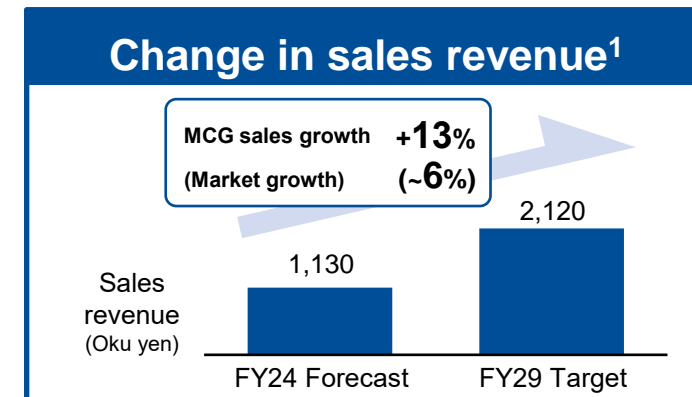
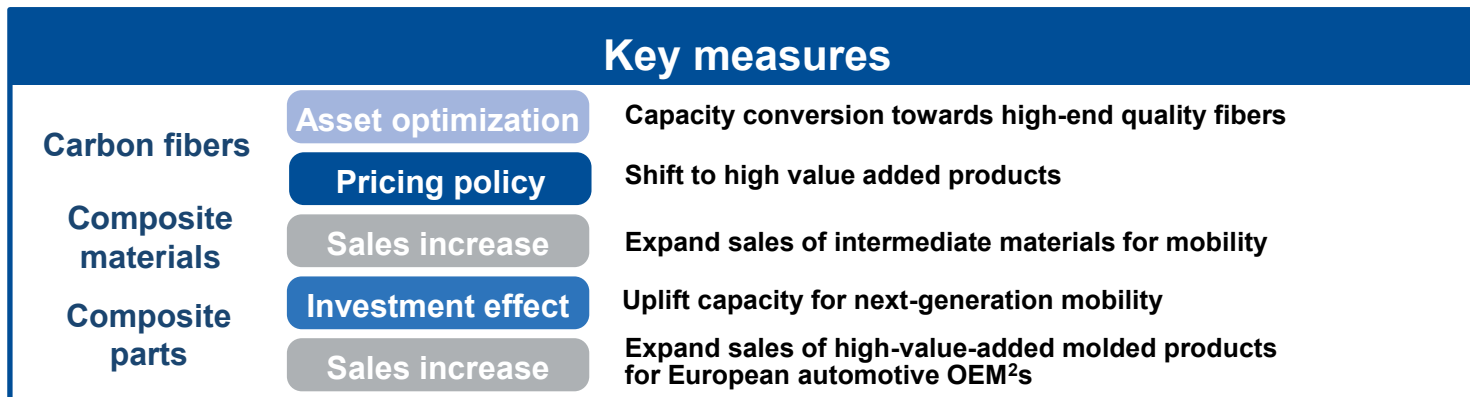


Establish brand equity

“Food preservation, always supported by MCG”

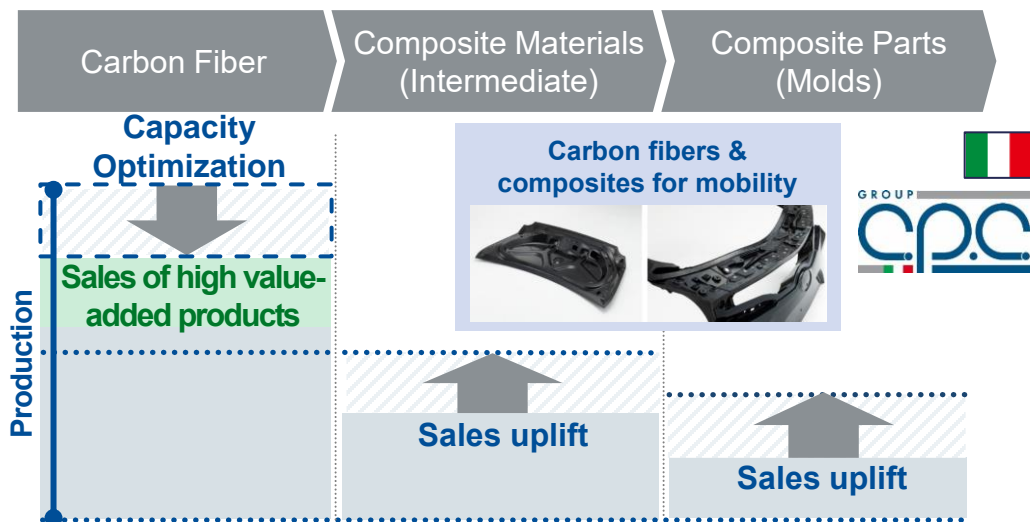
Business strategies | AC&S | Carbon Fibers & Composites

Mix shift to high value-added mobility applications, expand sales of intermediate materials and molded products, and optimize unprofitable facilities



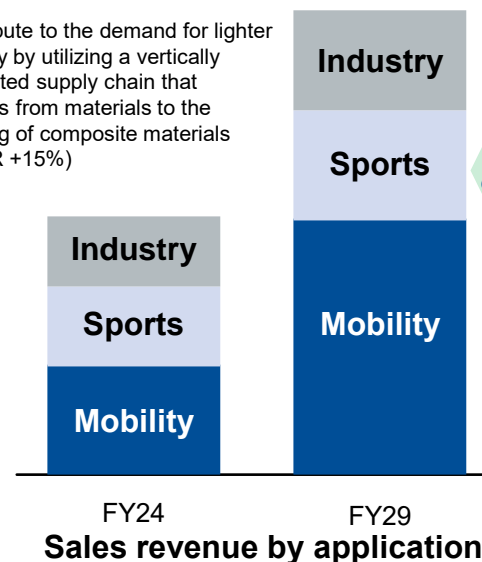
1. Improvement measures by divestment or withdrawal are separately implemented

Downstream reinforcement and sales expansion and “capacity optimization” of the entire chain

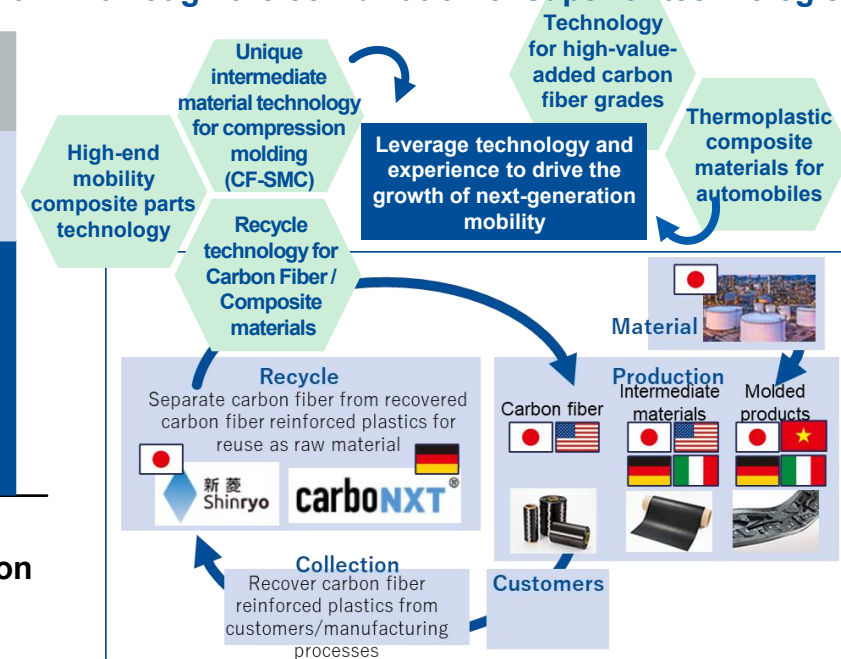


Increase sales of high-value-added products and improve product portfolio

Contribute to the demand for lighter mobility by utilizing a vertically integrated supply chain that extends from materials to the molding of composite materials (CAGR +15%)

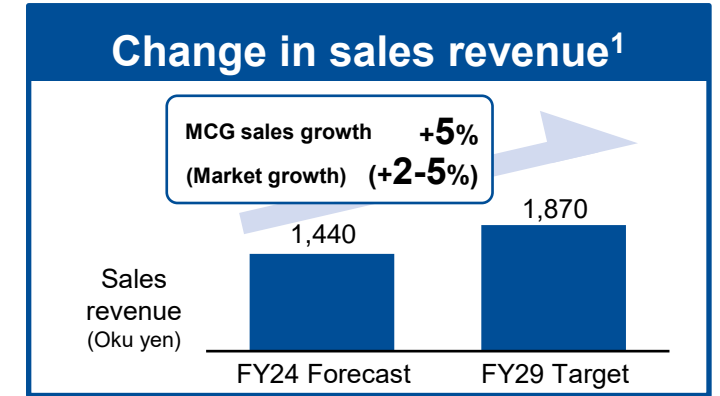
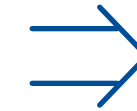
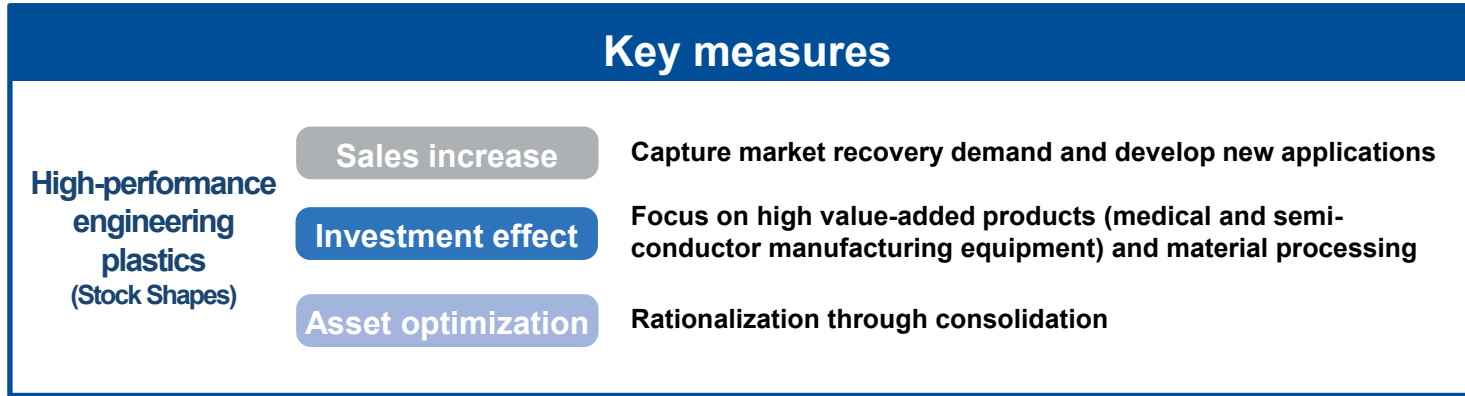


High functionality and application development through the combination of superior technologies



Business strategies | AC&S | High-performance Engineering Plastics (Stock Shapes)

Promote rationalization and capacity expansion of high value-added products simultaneously

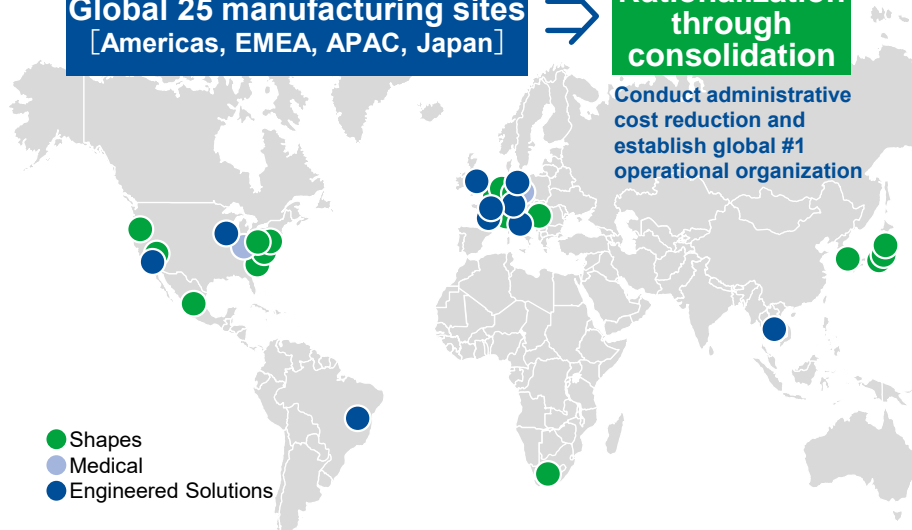


1. Improvement measures by divestment or withdrawal are separately implemented

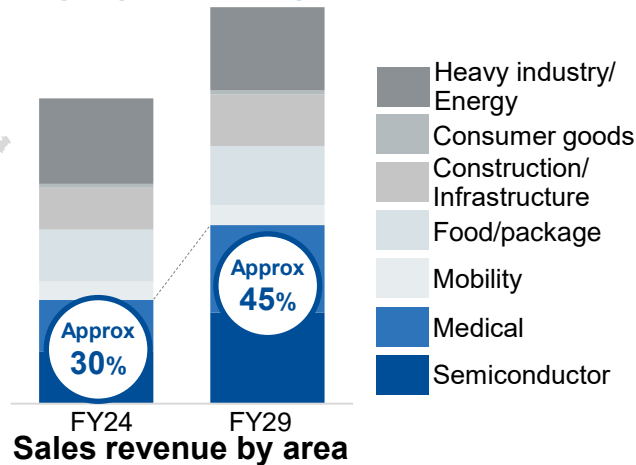
Strengthen competitiveness by reforming business structure

Global 25 manufacturing sites [Americas, EMEA, APAC, Japan] → Rationalization through consolidation

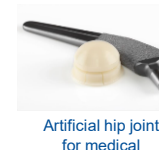
Conduct administrative cost reduction and establish global #1 operational organization



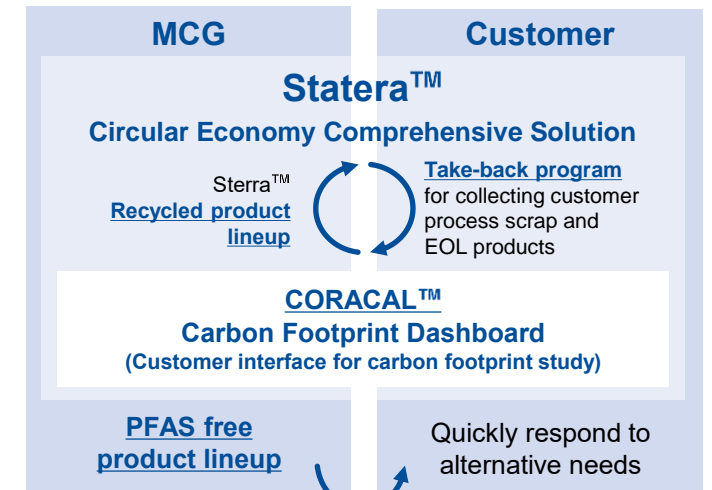
Focus on high-growth, high-profit areas



Applications in the focus areas

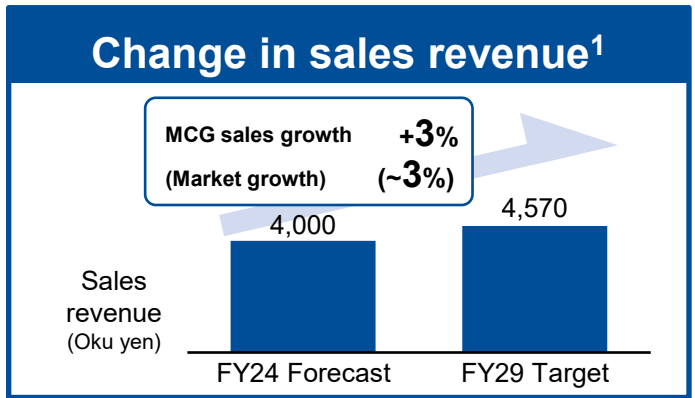
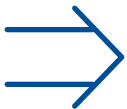
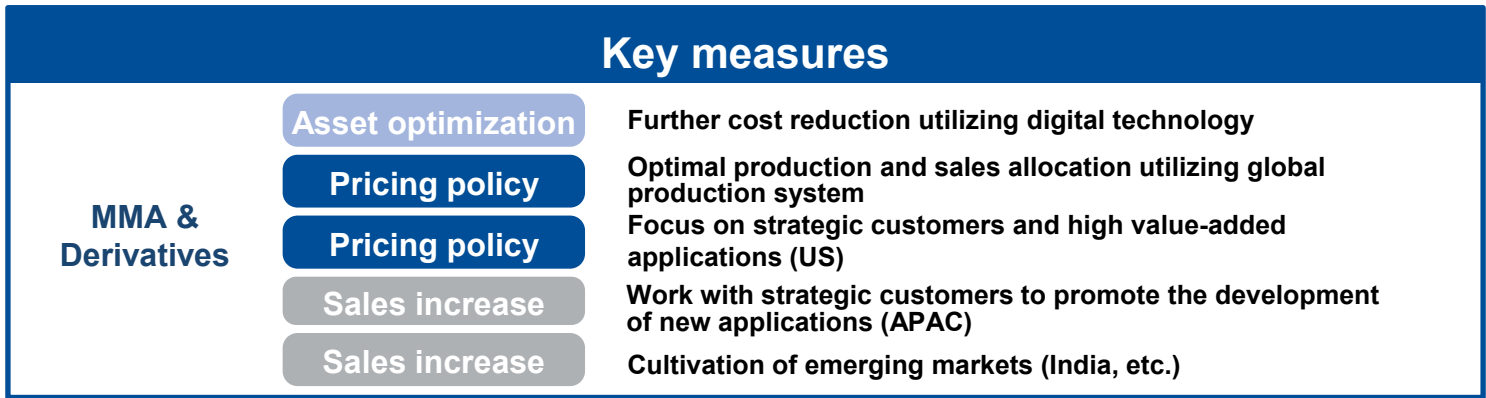


Develop circular economy product program and expand PFAS-free product portfolio



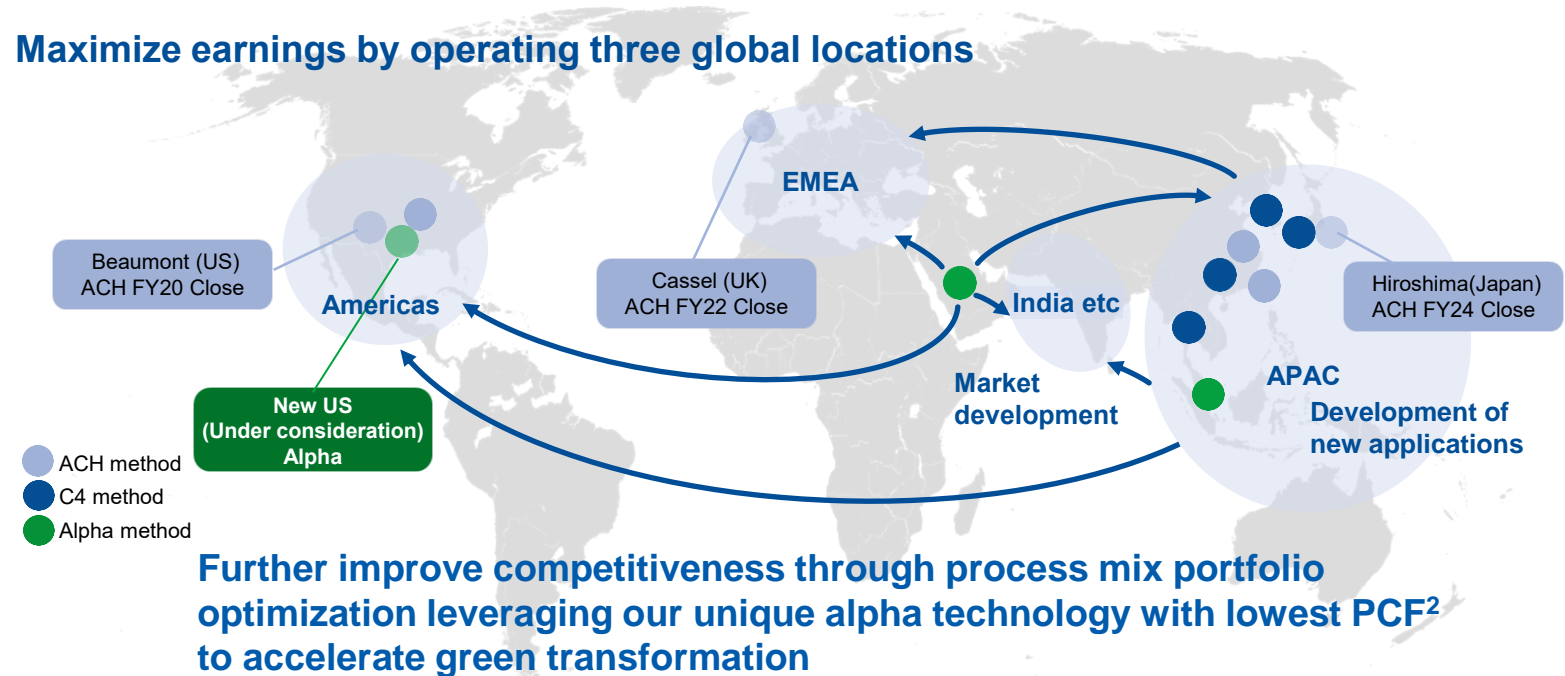
Business strategies | MMA & Derivatives

Strengthen No.1 market share position through global operational excellence

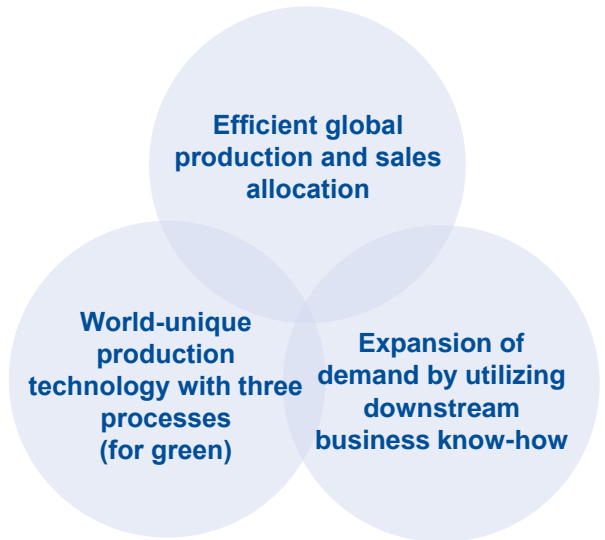


1. Improvement measures by divestment or withdrawal are separately implemented

Maximize earnings by operating three global locations



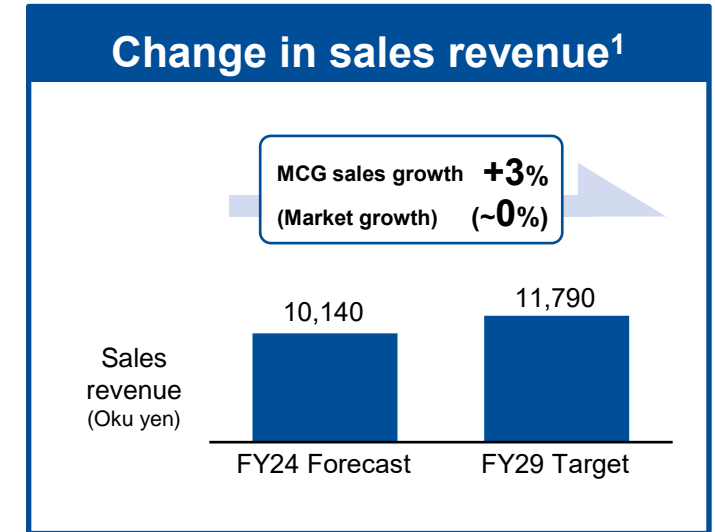
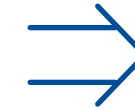
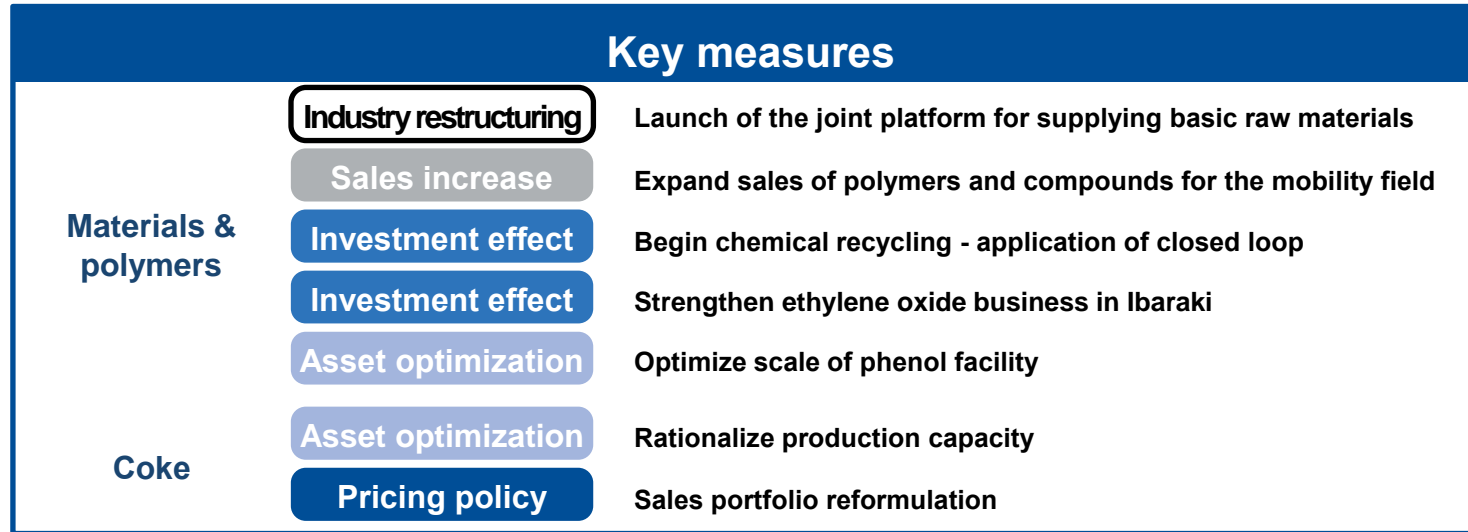
Sources of competitive advantage



Business strategies | Basic Materials & Polymers

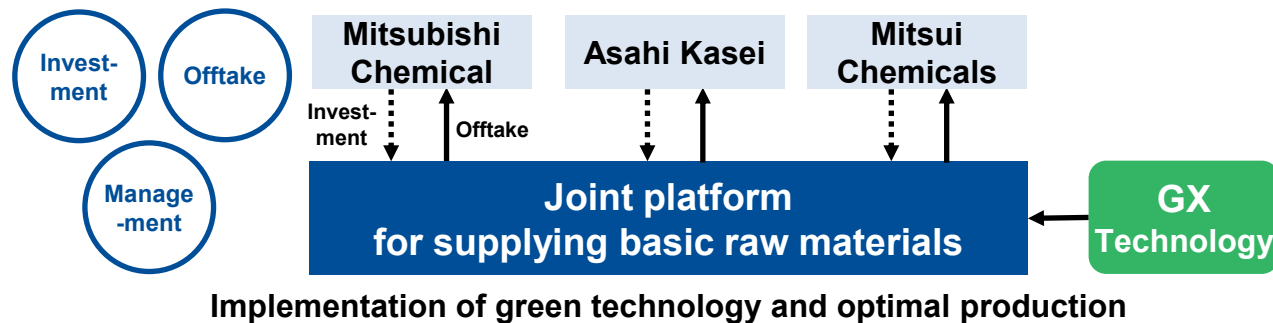
Launch the joint platform for supplying basic raw materials

Reduce excess capacity and expand high value-added businesses



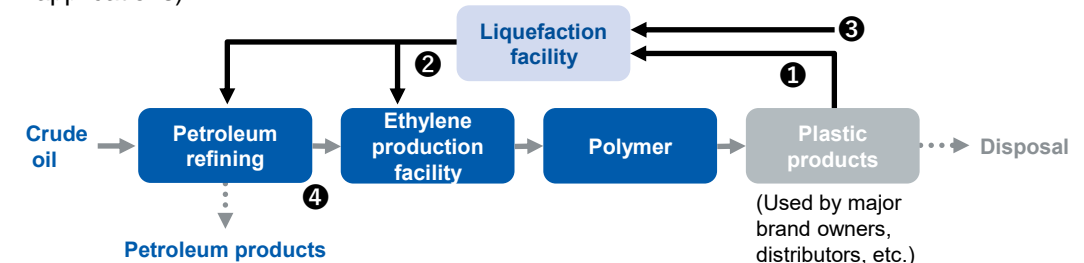
1. Improvement measures by divestment or withdrawal are separately implemented

New olefin supply structure and GX promotion based on demand for derivatives

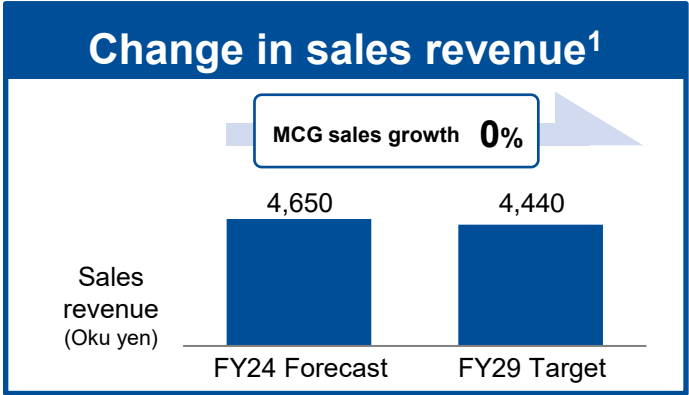
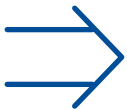
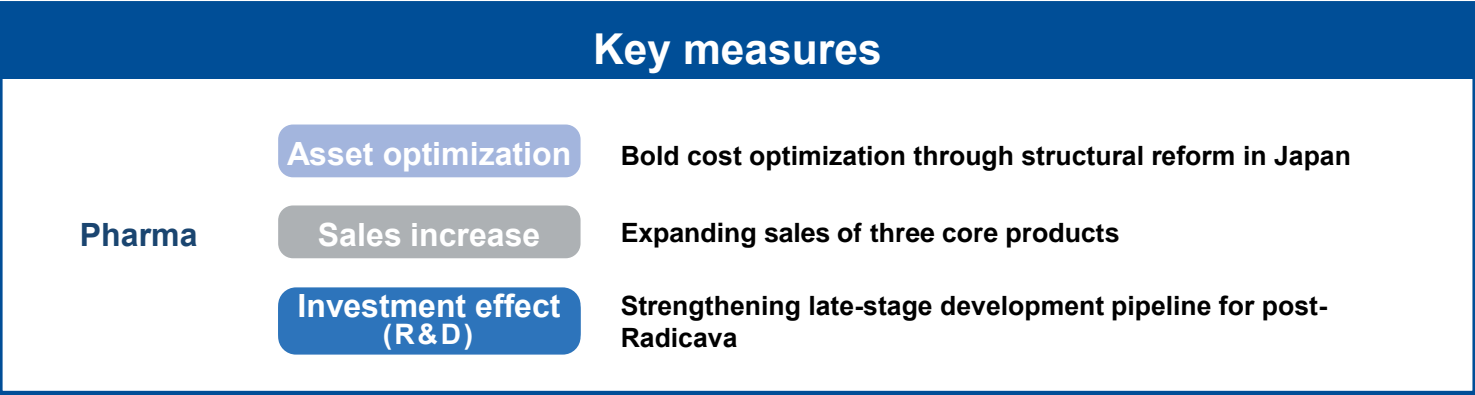


Begin chemical recycling – application and expansion of closed loop

- ① Joint development of packaging design suitable for liquefaction (third party collaboration)
- ② Increase in size of liquefaction facility (cost reduction) and international expansion
- ③ Utilization of biomass as a feedstock (raw material diversification)
- ④ Manufacture of products other than chemicals such as bio-naphtha and SAF (expanding applications)

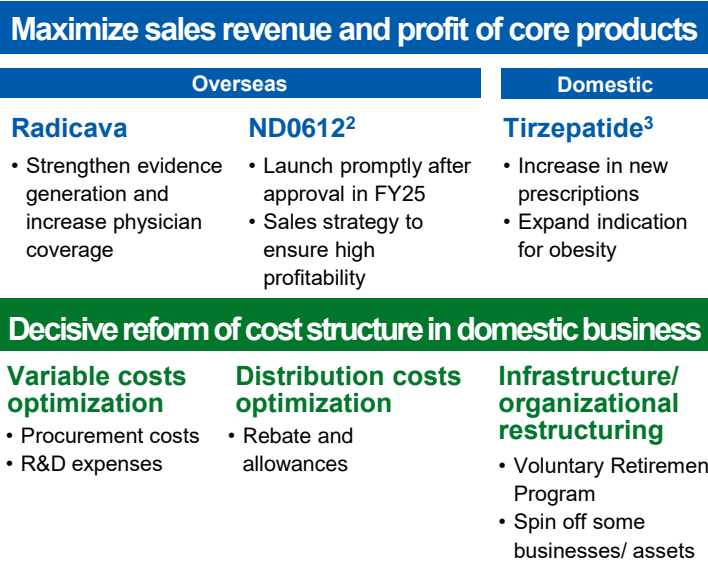


Enhance cash generation agility and strengthen pipeline

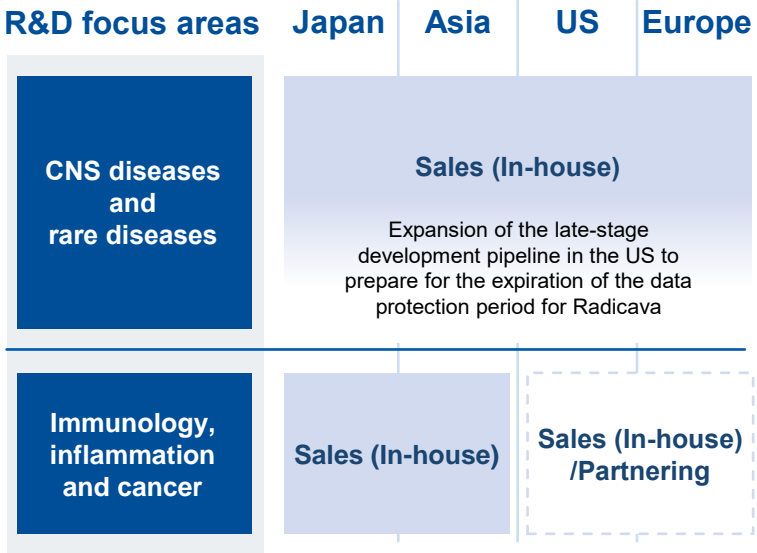


1. Improvement measures by divestment or withdrawal are separately implemented

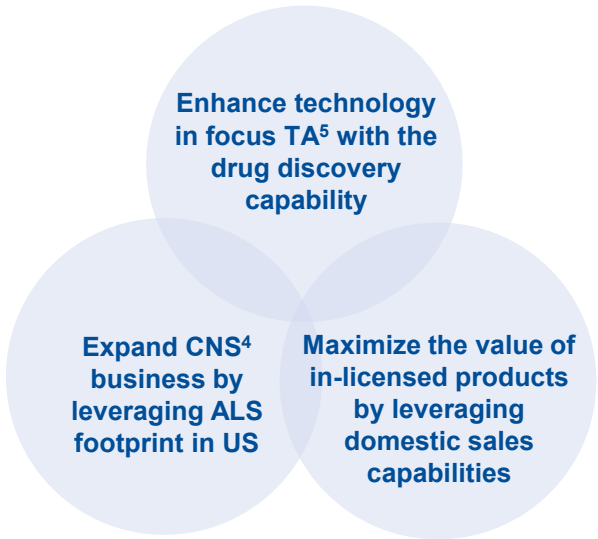
Cash Generation



Strengthen pipeline of next-generation core products



Sources of competitive advantage



Rationalization | Improvement of capital efficiency

Reduce fixed costs and working capital through standardization of operations and optimization of FTE

Our challenges

► Business operations

- Inadequate system integration during PMI process resulting in complex patchwork

► FTE management

- Room for optimization through streamlining indirect functions and leaner operations

5 years actions and FY29 targets

► Actions

- Standardize operations through the unification of ERP systems
(Investment amount:
Approx. 350 Oku yen)
- Optimize administrative expenses to the level of global standards

► FY29 targets¹

(compared to FY24)

Fixed cost reduction

Approx. **500** Oku yen/year

Working capital reduction

Approx. **500** Oku yen

1. Figures are managed and executed separately from the impact of business exits and divestitures during the same period

**New
Medium-Term
Management
Plan 2029**

Outline of New Medium-Term Management Plan

Business portfolio management

Business strategies / Rationalization

Social value / Human capital / Shareholder value

Management commitment

On the right track to achieve the target for 2030

Sustainability targets to reduce environmental impact

Reduction of GHG emissions (compared to FY19)

FY30

-29%

Reduction of waste (compared to FY23)

FY29

-50%

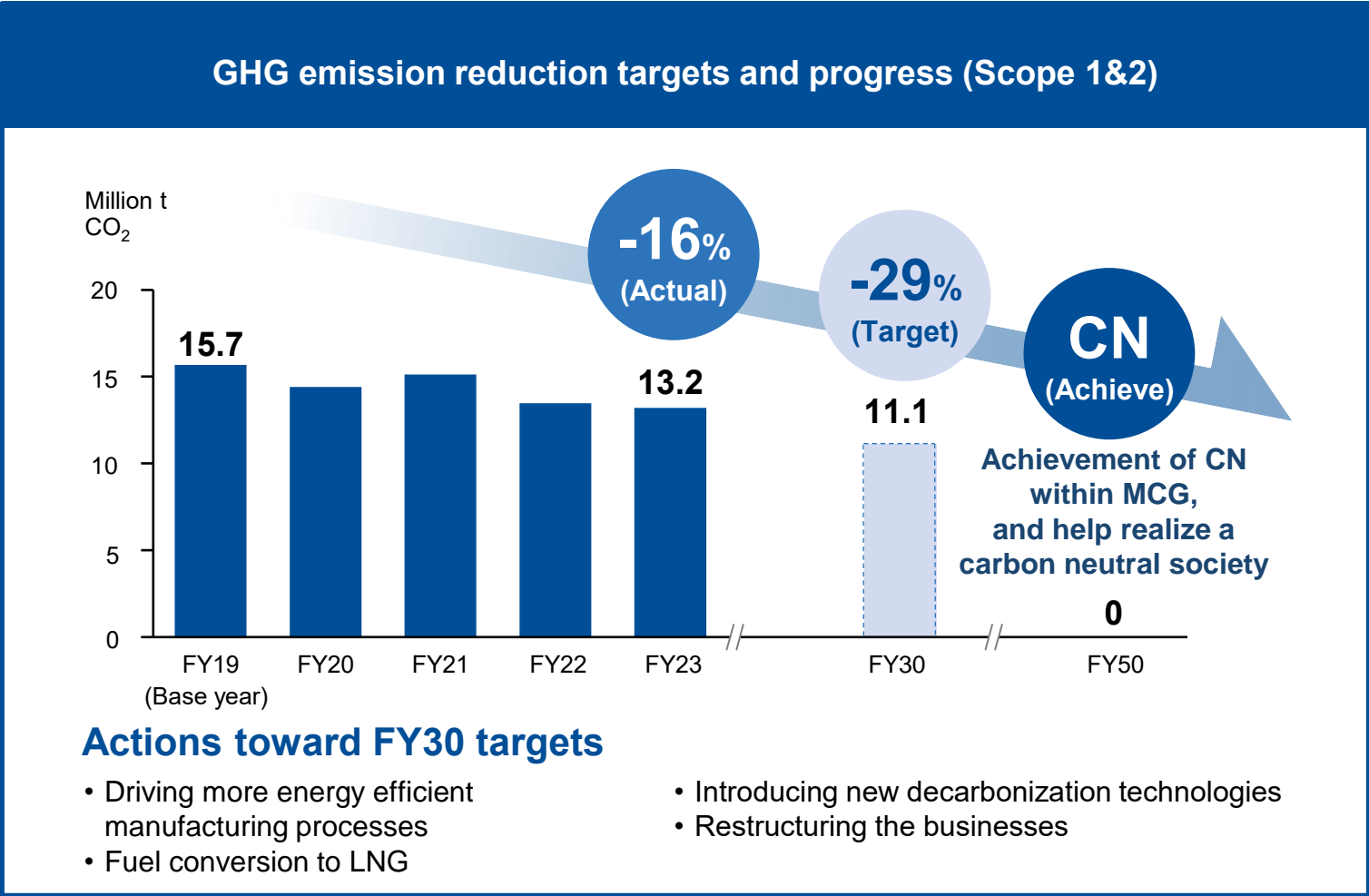
MCC¹ domestic
Amount of waste disposed

Water resources management COD² (compared to FY23)

FY29

-310t

MCC¹ domestic



1. Mitsubishi Chemical Corporation and its subsidiaries and affiliates
2. Chemical Oxygen Demand (COD) | An indicator of the level of water pollution caused by organic matter, etc.(The amount of oxidizing agent consumed when oxidizing agent reacts (oxidizes) with organic matter in water is expressed as a value corresponding to the concentration of oxygen).

Assigning the right person for the right roles unleashing the potential of our human capital

We need people with	Action	Targets
<div><div>►Ownership</div><div>Takes pride and responsibility in one's work</div></div> <div><div>►Distinctive skills and strengths</div><div>Highly specialized and able to contribute to the team</div></div> <div><div>►Challenge spirit</div><div>Challenging spirit, adding value towards realization of KAITEKI</div></div> <div><div>►"Connect" mindset</div><div>Lead diverse collaborations across the organization</div></div>	<div><div>►Promote diversity</div><div>Develop a diverse pool of talent both within and outside the company</div></div> <div><div>►Develop people capable of global management</div><div>Training top talents and next-generation top talents</div></div> <div><div>►Provide opportunities for challenges through the delegation of authority</div></div> <div><div>►Evaluate contribution to "Connect" beyond organizations</div></div> <div><div>►Encourage challenges</div></div> <div><div>►Reward achievements based on deliverables</div></div>	<div><div>Employee engagement¹</div><div>69pp (FY23) ⇒ 80pp² (FY29)</div></div> <div><div>Diversity at the decision-making level³</div><div>29% (FY24) ⇒ 40% (FY30)</div></div>

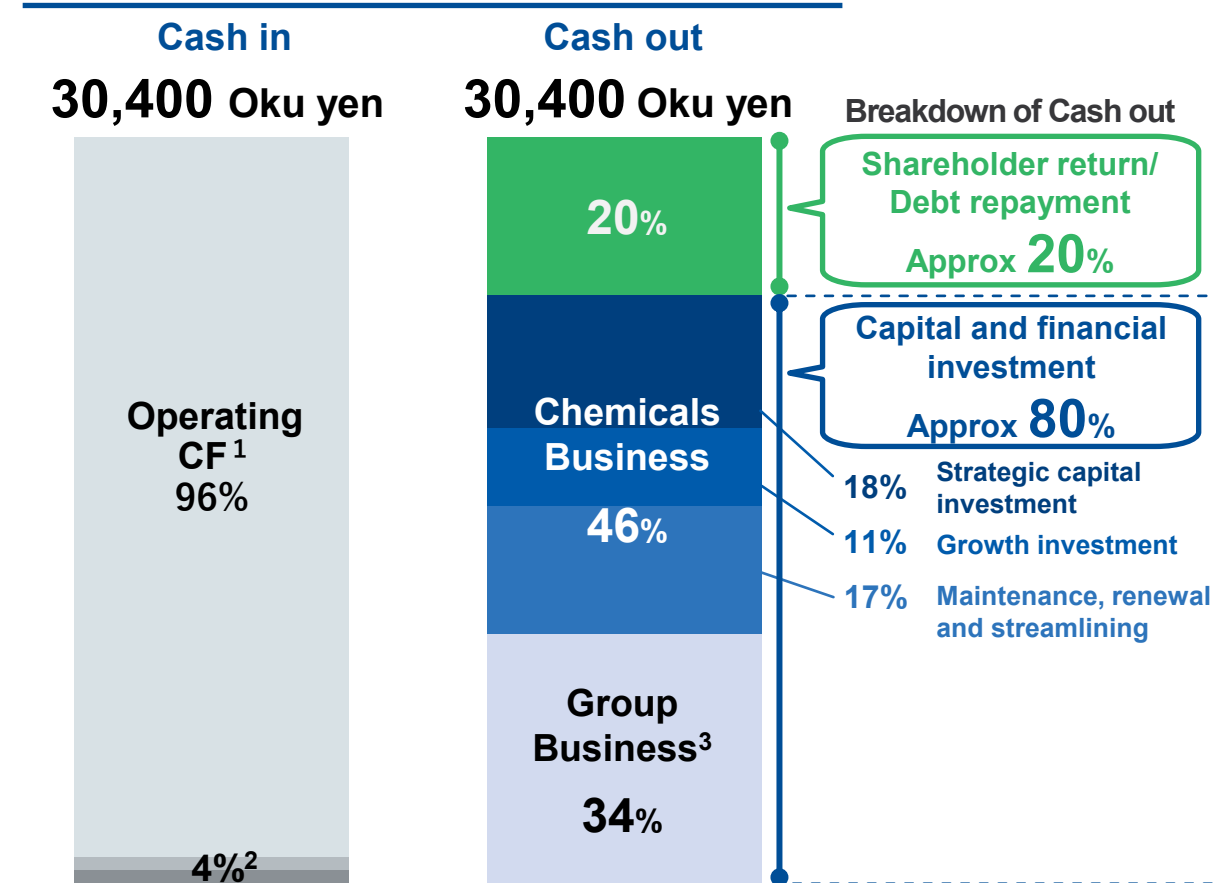
1. Percentage of favorable responses to set items in the employee awareness survey
2. pp = percentage point
3. The percentage of executives plus top-tier employees who meet any of the following criteria: international (foreign nationality), female, and multi-career (mid-career recruitment).

Shareholder value | Capital allocation policy

Delivering stable shareholder returns while strengthening financial resilience

Promoting active investment in Chemicals Business

FY25-29



Dividend payout ratio **35%** • Increase dividends in line with profit growth

D/E ratio **0.8 or less** • Maintain financial resilience

► Growth investment Focus on five business focus areas of KAITEKI Vision 35

Examples

- Stable supply platform for green chemicals → Expansion of collaboration with global players
- Eco-conscious mobility → High value-added carbon fiber chain
- Enable advanced data processing and telecommunications
→ Strengthen global expansion of semiconductor precision cleaning
- Food quality preservation → Investment in SoarnoL™ (UK)
- Technology and equipment for new therapeutics
→ Increase global capacity of engineering plastic products

► Strategic capital investment Invest in additional growth opportunities including M&A / actions to increase TSR

► R&D expenses 6,800 Oku yen

- Pharma: Strengthening the late-stage development pipeline for post-Radicava
- Chemicals: Expand new product lineup of five business focus areas of KAITEKI Vision 35

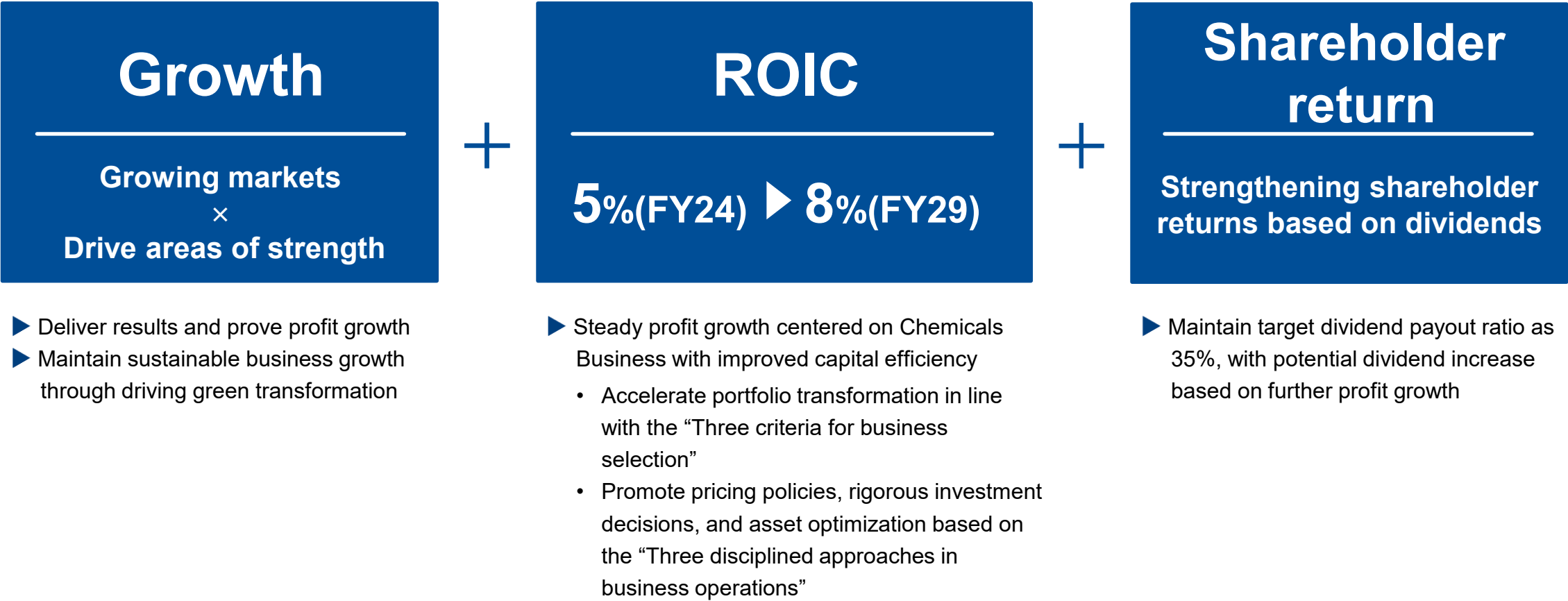
1. Operating CF = Pre-Tax Profit (After R&D Expense deduction) + Depreciation + Other Operating CF(Corporate Tax etc.)

2. Working Capital compression and Income from Business Sales (Divestiture)

3. With regard to Industrial Gases Business, Mitsubishi Chemical Group Corporation has made its own estimates based on "NS Vision 2026", which was formulated by Nippon Sanso Holdings Corporation in 2022, and incorporates the effects of continuous demand growth, price management, productivity improvements, etc.

Shareholder value | Enhancement of shareholder value

Improve profitability through the “Three disciplined approaches in business operations” and deliver sustainable shareholder value



**New
Medium-Term
Management
Plan 2029**

Outline of New Medium-Term Management Plan

Business portfolio management

Business strategies / Rationalization

Social value / Human capital / Shareholder value

Management commitment

- ▶ **Instill management policies and maximize the contribution of all employees**
- ▶ **Build the best management team based on experience, a proven track record, and the ability to execute, with mutual trust**
- ▶ **Demonstrate clear trajectory over the three-year period beginning April 2024**
- ▶ **Secure the trust of shareholders with results; link shareholder value with management team compensation**

**We lead with innovative solutions
to achieve KAITEKI,
the well-being of people and the planet.**



- **Profile of Mitsubishi Chemical Group**
- **5 focus areas and business segments / existing products**
- **New Medium-Term Management Plan 2029**
 - **Sales revenue and COI by business segment (FY24, FY29)**
 - **COI improvement plan in Specialty Materials**
 - **Accelerating global business growth**

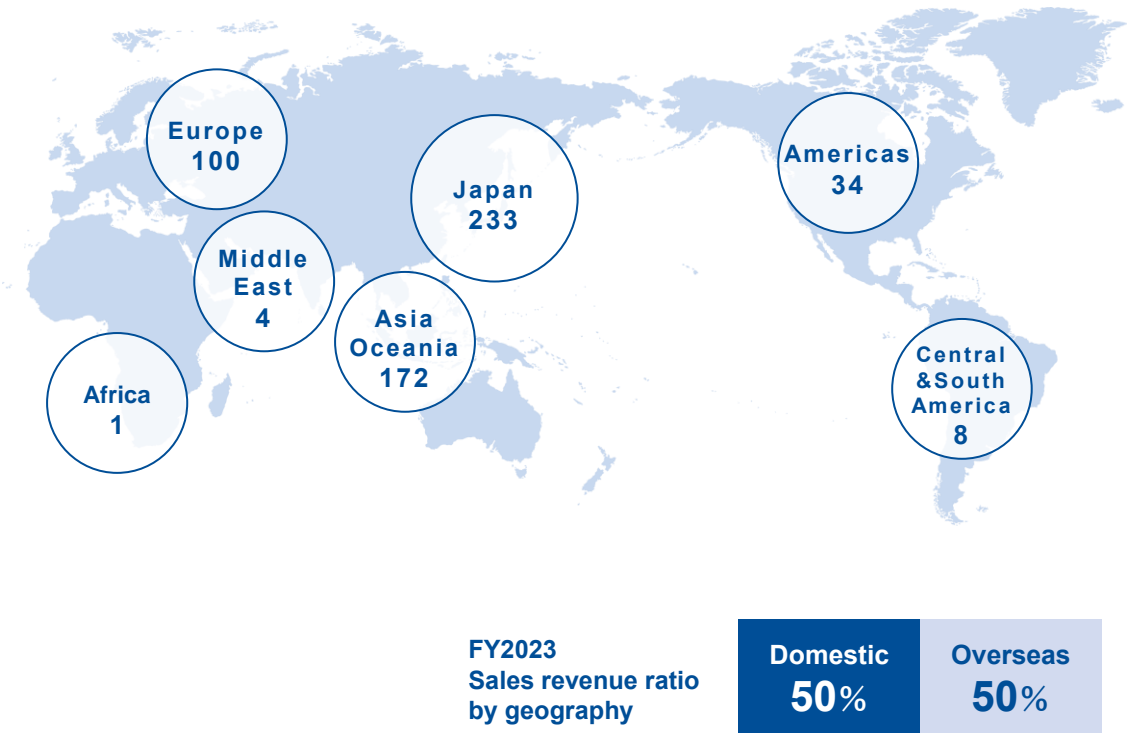
Profile of Mitsubishi Chemical Group



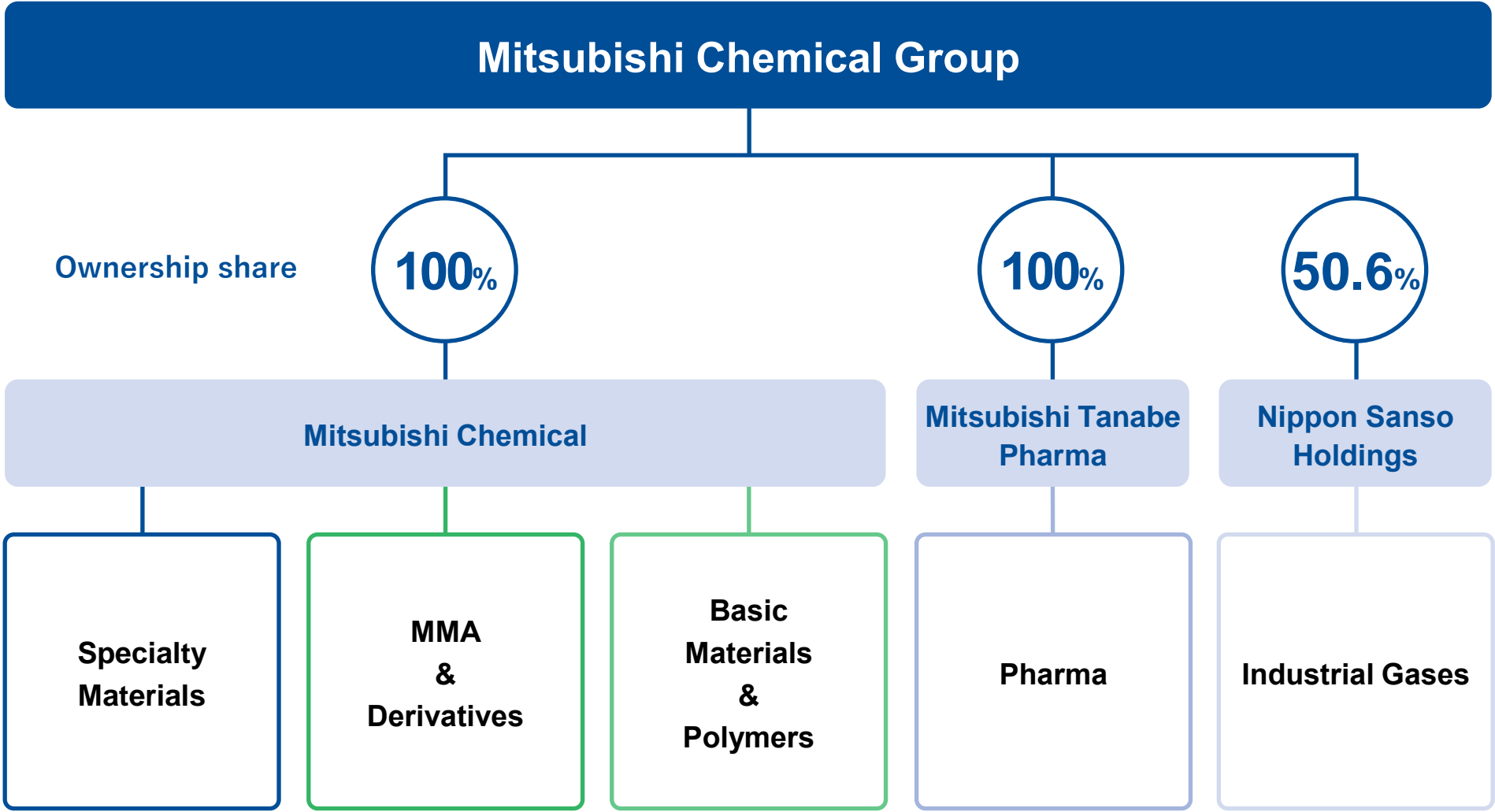
Company name	Mitsubishi Chemical Group Corporation
Representative	Representative Corporate Executive Officer, President & Chief Executive Officer, Manabu Chikumoto
Paid-in capital	50 billion yen
Number of employees	66,358 ¹ (Consolidated)
Subsidiaries and affiliates	552 ¹
Fiscal year end	March 31

1. As of March 31, 2024

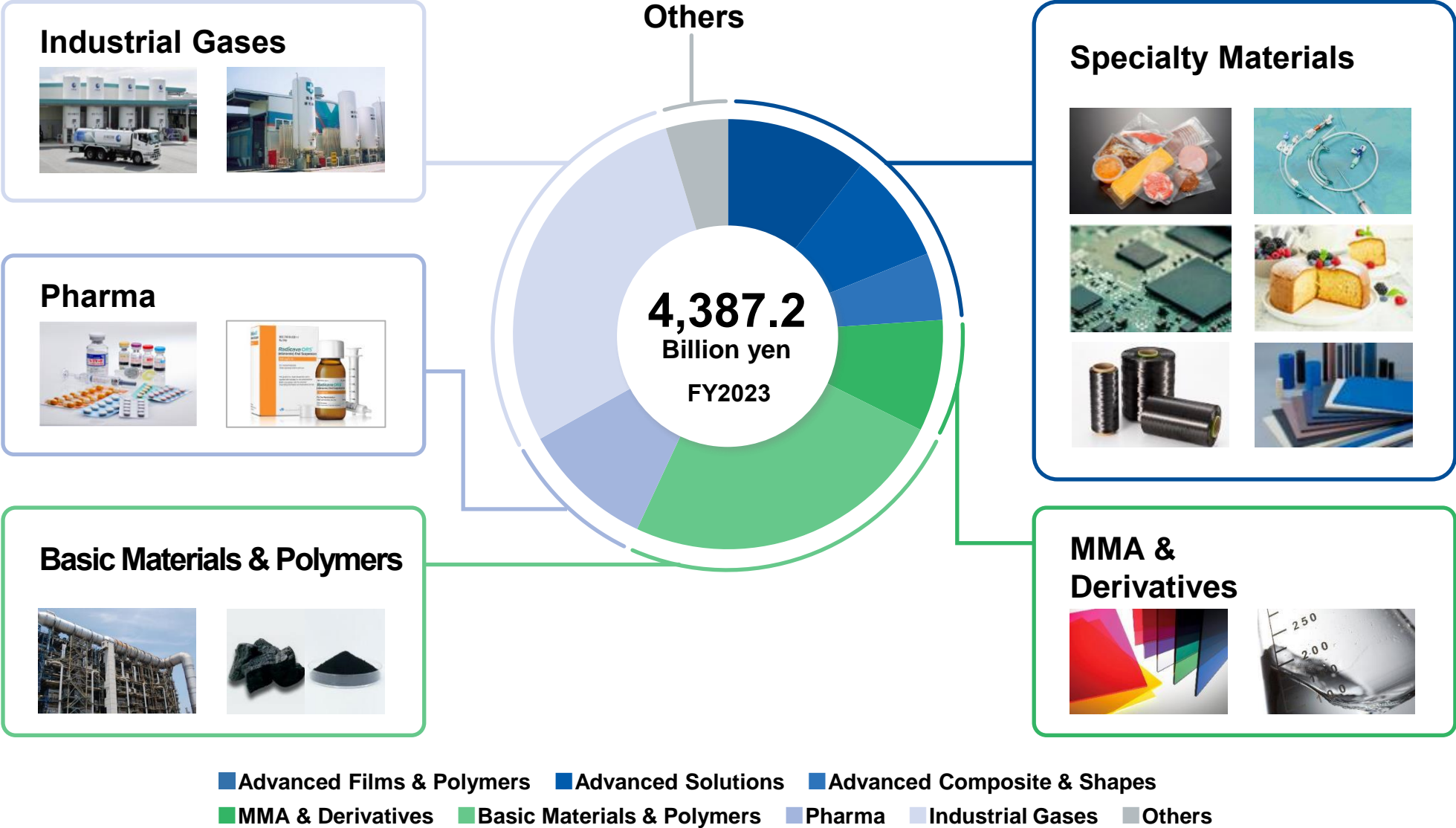
Global network (number of subsidiaries and affiliates)








Business management structure



Sales revenue by business segments



Five business focus areas and business segments / existing products

	 Stable supply platform for green chemicals	 Eco-conscious mobility	 Enable advanced data processing and telecommunications	 Food quality preservation	 Technology and equipment for new therapeutics
Advanced Films & Polymers		<ul style="list-style-type: none"> Performance Polymers Polyester Films 	<ul style="list-style-type: none"> Polyester Films 	<ul style="list-style-type: none"> SoarnoL™ GOHSENOL™ Packaging Polyester Films 	<ul style="list-style-type: none"> Performance Polymers Medical Films Polyester Films
Advanced Solutions		<ul style="list-style-type: none"> Battery Materials Electronics 	<ul style="list-style-type: none"> Semiconductor Aqua Solutions 	<ul style="list-style-type: none"> Life Solutions Aqua Solutions 	
Advanced Composite & Shapes		<ul style="list-style-type: none"> Carbon Fibers / Composites ESS 	<ul style="list-style-type: none"> ESS 		<ul style="list-style-type: none"> ESS
MMA & Derivatives	<ul style="list-style-type: none"> MMA 	<ul style="list-style-type: none"> PMMA Coating Material Additives / fines 			<ul style="list-style-type: none"> PMMA
Basic Materials & Polymers	<ul style="list-style-type: none"> Basic Chemicals Polyolefin Sustainable polymer 	<ul style="list-style-type: none"> Polyolefins Engineering Plastics 		<ul style="list-style-type: none"> Polyolefins 	<ul style="list-style-type: none"> Polyolefins

ESS: Engineering Shapes & Solutions

New Medium-Term Management Plan 2029 |

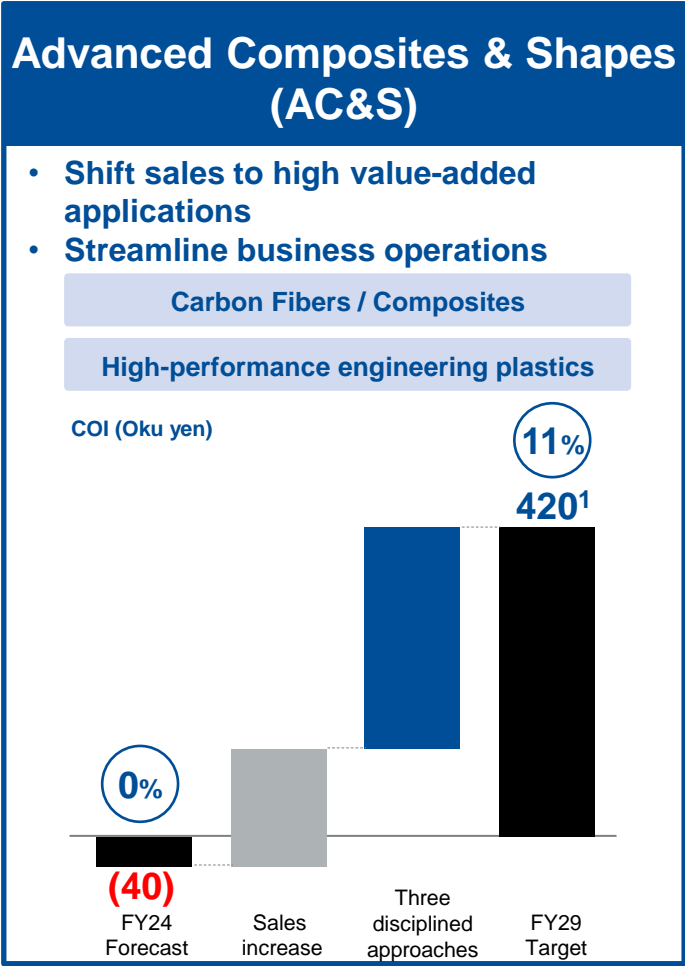
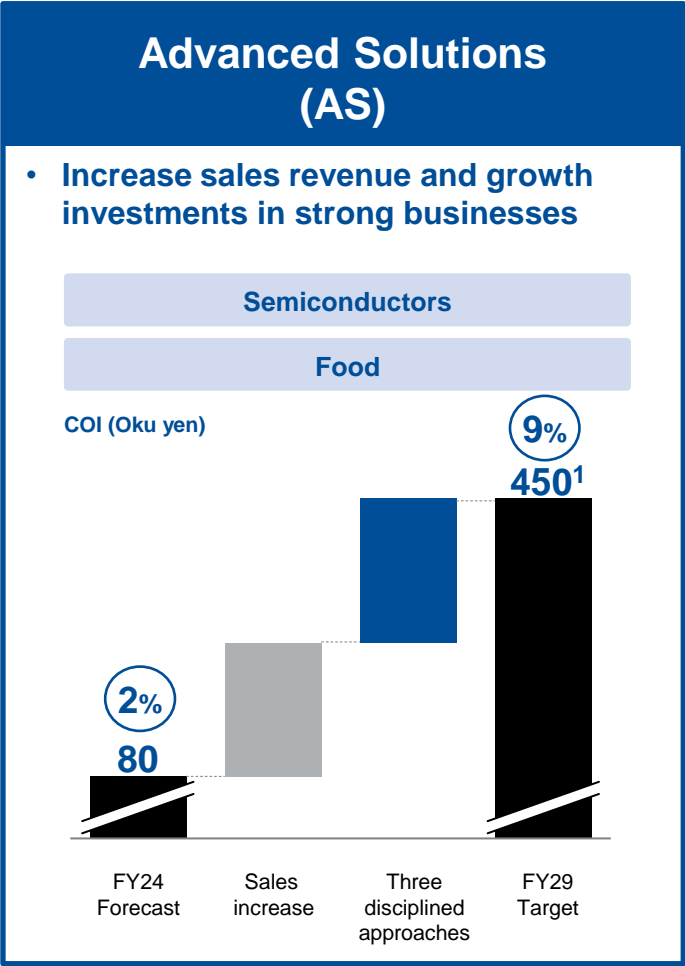
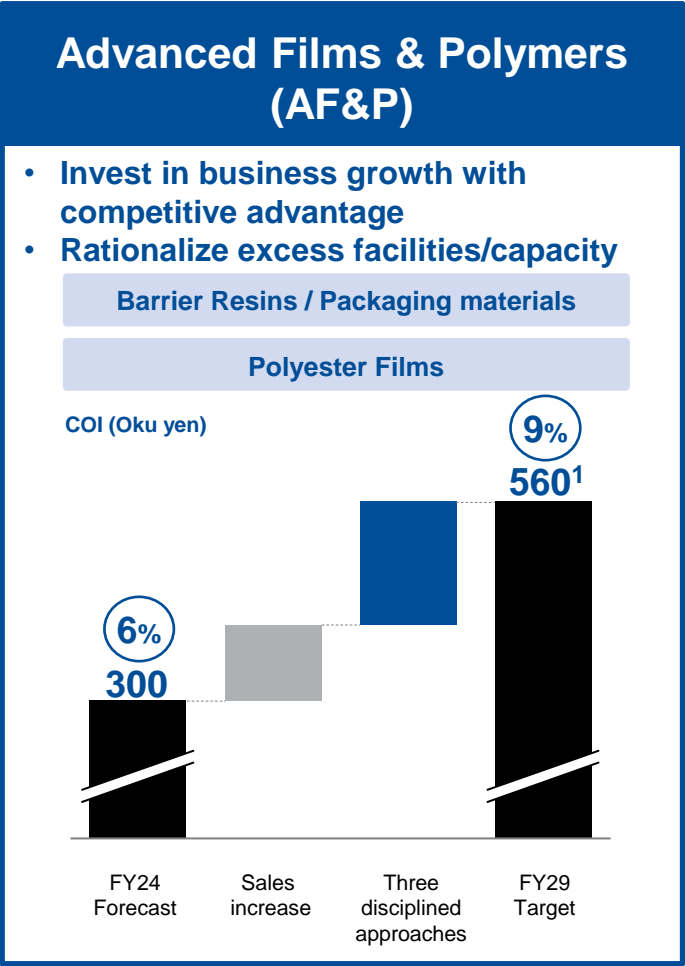
Sales revenue and COI by business segment (FY24, FY29)

		FY2024 Forecast			FY2029 Target		
		Sales revenue (Oku yen)	COI (Oku yen)	COI	Sales revenue (Oku yen)	COI (Oku yen)	COI
Whole company		44,700	2,900	6%	49,500	5,700	12%
Specialty Materials		10,930	340	3%	14,080	1,440	10%
	Advanced Films & Polymers	4,800	300	6%	5,340	560	10%
	Advanced Solutions	3,520	80	2%	5,020	460	9%
	Advanced Composites & Shapes	2,610	(40)	(2%)	3,720	420	11%
MMA & Derivatives		4,170	450	11%	4,380	540	12%
	MMA	3,250	430	13%	3,280	450	14%
	Coatings & Additives	920	20	2%	1,100	90	8%
Basic Materials & Polymers		10,140	(210)	(2%)	9,850	440	4%
	Materials & Polymers	8,070	40	0%	8,440	410	5%
	Coke	2,070	(250)	(12%)	1,410	40	3%
Pharma		4,650	610	13%	4,440	1,070	24%
Industrial Gases ¹		12,920	1,740	13%	14,600	2,240	15%
Other		1,890	(30)	(2%)	2,150	(30)	(2%)

1. With regard to Industrial Gases Business, Mitsubishi Chemical Group Corporation has made its own estimates based on "NS Vision 2026", which was formulated by Nippon Sanso Holdings Corporation in 2022, and incorporates the effects of continuous demand growth, price management, productivity improvements, etc.

New Medium-Term Management Plan 2029 |

COI improvement plan in Specialty Materials



○ Core operating income margin

1. Improvement measures by divestment or withdrawal are separately implemented

New Medium-Term Management Plan 2029 | Accelerating global business growth

Expand business based on regional strategy to meet local customer needs

Sales revenue growth outlook by region (FY24→FY29, excluding Industrial Gases segment)

