

Notice Regarding Delivery of Restricted Shares to Outside Directors

Mitsubishi Chemical Group Corporation (MCG) hereby announces, as detailed below, that it has decided at the meeting of MCG's Compensation Committee held today to deliver restricted shares (hereinafter referred to as "delivery") to Outside Directors of MCG.

1. Overview of delivery

(1) Date of delivery	July 24, 2023
(2) Type and number of shares for delivery	7,464 common shares of MCG
(3) Persons eligible for delivery	Four (4) Outside Directors

2. Purpose and reason for delivery

MCG decided at a meeting of its Compensation Committee held on February 28, 2020 to introduce a restricted share compensation program as a compensation program for Corporate Executive Officers, under which the transfer restrictions on shares will be lifted when Corporate Executive Officers or other officers, etc., of MCG or its subsidiaries retire.

MCG's Compensation Committee has been re-examining the details of compensation for Outside Directors and other Corporate Executive Officers and, at its meeting held on February 7, 2023, the Compensation Committee decided to make Outside Directors eligible for the restricted share compensation program for the purpose of achieving sustainable enhancement of corporate value and shareholder value over the medium to long term through further value sharing with shareholders.

At its meeting held today, the Compensation Committee resolved to deliver 7,464 MCG common shares (hereinafter referred to as "Delivered Shares") to four (4) MCG Outside Directors (hereinafter referred to as "Target Directors"), taking into consideration the purposes of delivering the restricted shares, MCG's performance, the scope of each Target Director's responsibilities, and various other circumstances.

The delivery will be made through the Directors' Compensation BIP Trust which was established in 2018 with Mitsubishi UFJ Trust and Banking Corporation as trustee.

<Overview of restricted shares>

The Delivered Shares shall be subject to transfer restrictions in accordance with the Share Delivery Rules, as summarized below.

(1) Transfer restriction period

The Target Directors may not transfer, attach a security interest to, or otherwise dispose of the Delivered Shares until they retire as a director, Corporate Executive Officer or executive officer of MCG or an MCG subsidiary.

(2) Conditions for lifting transfer restrictions

The transfer restrictions will be lifted for all Delivered Shares at the expiry of the transfer restriction period on the condition that the Target Director remains in a position of director, Corporate Executive Officer or executive officer of MCG or an MCG subsidiary from the day of MCG's Ordinary General Meeting of Shareholders immediately prior to the delivery date through the day of MCG's Ordinary General Meeting of Shareholders held in the following year ("Service Period"). However, if a Target Director resigns from the position of director, Corporate Executive Officer, or executive officer of MCG or an MCG subsidiary during the Service Period, the transfer restrictions will be lifted at the expiry of the transfer restriction period for the number of Delivered Shares specified for each of the situations below:

(i) Mandatory retirement, death, or incapacity due to disability
All Delivered Shares

(ii) Personnel changes or other reasons deemed justifiable by MCG's Compensation Committee
Number of Delivered Shares reasonably adjusted based on the period until the resignation date

(3) Acquisition without consideration by MCG

MCG will reasonably acquire without consideration the Delivered Shares for which transfer restrictions have not been lifted at the expiry of the transfer restriction period.

(4) Management of shares

The Delivered Shares will be managed in a dedicated account for restricted shares opened with Daiwa Securities Co., Ltd., by the Target Director during the transfer restriction period so as to prevent transfers of attachment of a security interest to, or disposition in any other way of the Delivered Shares during the period.

(5) Treatment upon reorganization, etc.

If a merger agreement in which MCG is the merged company, a share exchange agreement or an equity transfer plan under which MCG becomes a wholly-owned subsidiary, or any other matter concerning reorganization is approved at an MCG shareholders' meeting (or a meeting of MCG's Board of Directors if approval by an MCG shareholders' meeting is not required for said reorganization), the transfer restrictions will be lifted for all Delivered Shares immediately before the business day prior to the effective date of the reorganization by a resolution of the Compensation Committee.

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