

Dear valued shareholders,

June 5, 2026

Mitsubishi Gas Chemical Company, Inc.
Securities code: 4182 (The Prime Market of the Tokyo Stock Exchange)

MGC's View Regarding the Proxy Voting Advice Issued by ISS

Mitsubishi Gas Chemical Company, Inc. ("MGC") confirmed that with regard to "Proposal No. 1: Election of Ten (10) Directors" (the "Proposal") at the 99th Ordinary General Meeting of Shareholders, scheduled to be held on June 25, 2026, the proxy advisory firm, Institutional Shareholder Services Inc. ("ISS"), has issued a report with a recommendation to vote against the election of "Candidate No. 1 Masashi Fujii" and "Candidate No. 2 Yoshinori Isahaya."

MGC's view in response to ISS's recommendation to vote against the proposal is provided below, and shareholders are invited to consider this information and understand the rationale for the Proposal.

1. Reason for ISS's recommendation to vote against the Proposal

ISS's proxy voting guidelines for director election proposals state that in principle, ISS will recommend voting against the election of the top executives of companies that are underperforming in terms of capital efficiency (companies with an average return on equity (ROE) of less than 5% over the past five fiscal years), unless improvement is observed (ROE of 5% or higher in the most recent fiscal year).

In its consolidated financial results for the fiscal year ended March 31, 2026 ("FY2025"), MGC posted a loss attributable to owners of parent of JPY 40.3 billion due to the impairment of noncurrent assets in connection with several businesses, such as a subsidiary engaged in meta-xylenediamine manufacturing in the Netherlands and a subsidiary engaged in the manufacturing of chemicals for use in semiconductor manufacturing in Taiwan. This resulted in a ROE of -6.1% for FY2025, bringing the average ROE over the past five years below the standard set by ISS, as shown in the table below. MGC recognizes that this has led to the recommendation to vote against the elections of Representative Director and Chairman Masashi Fujii and Representative Director and President Yoshinori Isahaya.

MGC Group ROE Trends

FY2021	FY2022	FY2023	FY2024	FY2025	Average for past five years
8.8%	8.3%	6.1%	6.9%	-6.1%	4.8%

2. MGC's view

MGC has adopted ROE as one of its numerical targets since the previous medium-term management plan, which started in FY2021, and has been promoting measures to increase it. Furthermore, under its current medium-term management plan, one of MGC's objectives is to "strengthen the resiliency of our business portfolio," and it has been promoting strategies to achieve this objective, such as "focus on Uniqueness & Presence," "build new value through innovation," and "restructure businesses requiring intensive management," engaging in a thorough reform of its business portfolio with a strong awareness of capital efficiency.

In FY2025, MGC recorded a significant negative ROE due to multiple impairment losses. However, this is also a result of progress on business portfolio reforms. For reference, looking at the four fiscal years up to FY2024, ROE averaged 7.5%.

MGC has made numerous growth investments over the past few years, mainly overseas, aimed at sustainable growth and the medium- to long-term enhancement of corporate value. In the process, MGC encountered greater-than-anticipated changes in the external environment that have obliged it to change its plans. Representative Director and Chairman Masashi Fujii and Representative Director and President Yoshinori Isahaya have played leading roles in the execution of growth investments, and have led rapid and resolute decision-making, including decisions on swift discontinuation and contraction of, and withdrawal from, investment projects and businesses whose profitability had declined.

FY2026 is the final year of the current medium-term management plan. In working to "strengthen the resiliency of our business portfolio," MGC is promoting and accelerating fundamental business restructuring centered on a "Business Portfolio Resilience Strengthening Task Force", led by the President. Currently, improvement in earnings is being driven by semiconductor-related products, including AI, such as BT materials and

OPE™. On the other hand, MGC is making steady progress on restructuring businesses requiring intensive management, such as polycarbonate, which is facing challenges with profitability, through measures such as further optimization of production capacity and a shift toward high value-added products etc.. Moreover, in addition to these measures to “strengthen the resiliency of our business portfolio,” MGC is also aiming to improve capital efficiency by promoting use of financial leverage to optimize its capital structure and the promotion of an asset-light strategy, including the sale of strategic shareholdings.

The ROE of -6.1% in FY2025 reflects a significant impact from recording impairment losses on multiple businesses in conjunction with business portfolio reforms. By promoting these measures, MGC believes it is making steady progress on improving its performance, and is forecasting net sales of JPY 840 billion, operating profit of JPY 59 billion, ordinary profit of JPY 66 billion, profit attributable to owners of parent of JPY 46 billion, and ROE of 7.1% in FY2026.

The Proposal was resolved by the Board of Directors after receiving advice from MGC's Compensation and Nominating Committee, which comprises a majority of outside directors. Representative Director and Chairman Masashi Fujii and Representative Director and President Yoshinori Isahaya possess strong ability to guide and lead the organization as top executives, and MGC considers their reelection to be essential for the seamless and resolute execution of business portfolio reforms under the current medium-term management plan.

MGC asks that shareholders take the view stated above into consideration and understand the rationale for the Proposal.

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