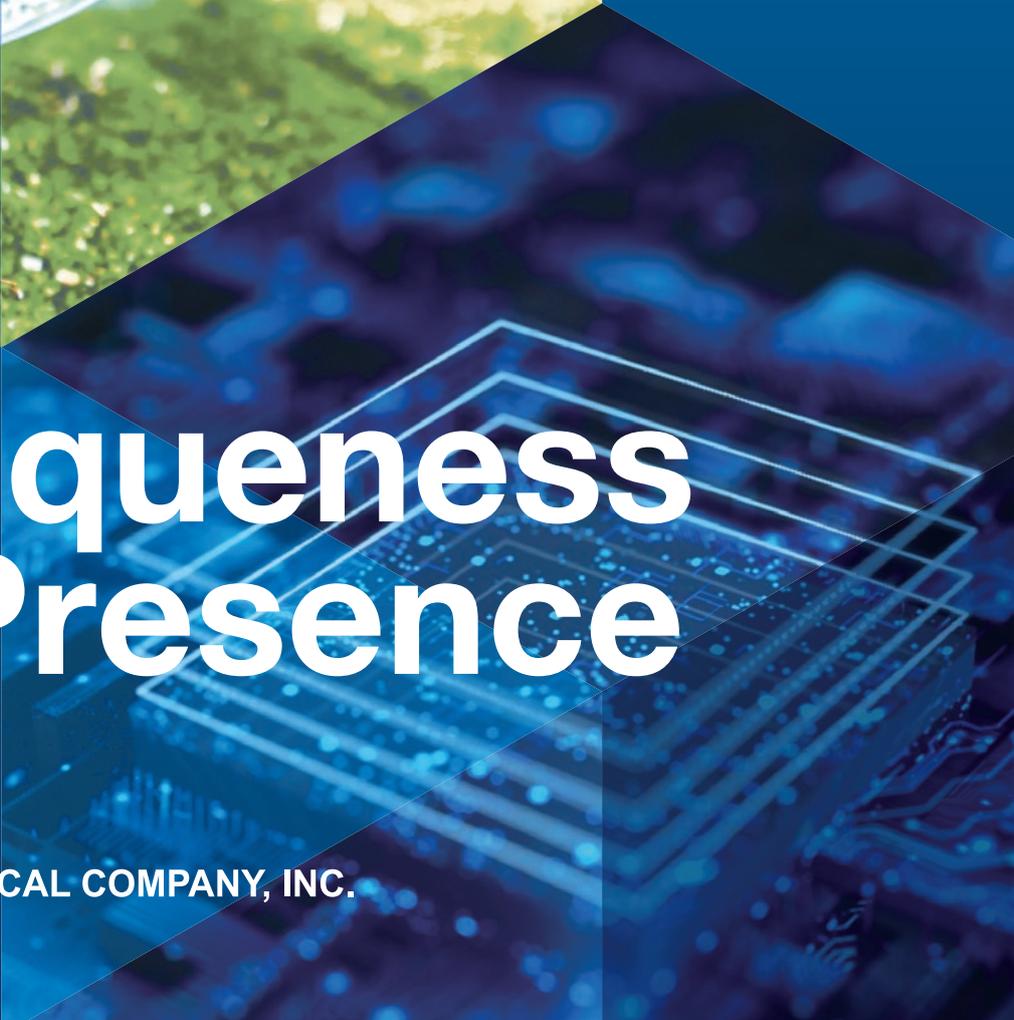




MGC REPORT 2024
Integrated Report



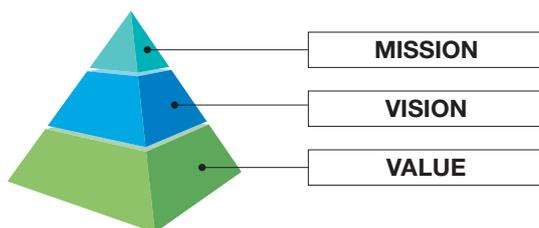
Uniqueness & Presence



Toward the Realization of Our Vision

The Mitsubishi Gas Chemical (MGC) Group is an R&D-oriented chemical manufacturer that contributes to positive social change with highly original materials and advanced technologies. Under our Mission of “creating value to share with society,” we strive to create value that will contribute to solving issues on a global scale, leveraging our unique format as a chemical company.

The MGC Way



Employee satisfaction*¹

75%

Our open corporate culture of respecting the entrepreneurial spirit of each individual, rich in originality and pioneering spirit, is the foundation and source of the Group's value creation.

*¹ From employee awareness survey results. The subjects were all employees of MGC (non-consolidated), excluding those seconded to subsidiaries (effective replies: 71.9%).

MISSION

Creating value to share with society

Advanced electronic devices, communication systems, fossil-alternative energy, advanced medicine, and food management. To these industries, which hold the keys to achieving the Sustainable Development Goals (SDGs), the evolution of materials and technologies to process ingredients is essential. Through chemical ingredients and materials, MGC Group products are deeply involved in both industrial and social innovation. We will pursue new materials, ingredients, and technologies that can help to transform society while always bearing in mind our Mission.



Number of Group companies

115

Alliances and collaborations with various partners reinforce the management foundation of the MGC Group, which enjoys a strong industrial presence globally.





Products based on technologies developed in-house (by product category)

90% or more

Inquiring minds in tireless search of cutting-edge technologies are part of the MGC Group DNA. Diverse original technologies represent the primary source of our competitive advantage.

VISION

An excellent company with uniqueness and presence built on chemistry

Often called the staple of all industries, chemistry has limitless potential for application to human life, environmental preservation and social infrastructure. In our modern world of accelerating social change, the MGC Group offers a large number of global niche-leading product lines while honing its unique strengths. The Group rises to the challenges of society and our customers, applying unrivaled technologies. Our Vision of “an excellent company with uniqueness and presence built on chemistry” describes what we aim to be in the future.



Percentage of MGC products that hold the largest share of their respective global markets

About **40%**

The Group's products have competitive advantages in terms of quality and characteristics and have secured the top share of global markets in a wide range of fields.



Consolidated net sales

¥813.4 billion

Through a differentiation strategy predicated on creating both social and economic value, we will work to shift to a profit structure resilient to changes in the business environment.

We aim to be an excellent corporate group that continues to be a preferred choice around the world by sustainably creating businesses that embody uniqueness and presence in the global market.

Our Uniqueness & Presence refers to a distinctive business model of carrying out our Mission while achieving both social and economic value. By planning for a better future and merging needs and seeds together, we will refine our Uniqueness & Presence businesses, so that they will remain the preferred choice of the markets and society.

The active contributions of human resources who practice our Value (conduct philosophy) are an essential element for maintaining and developing this business model. With a corporate culture that brings our Value to life as the foundation of value creation, we will pursue new value propositions that are rich in originality and pioneering spirit.

*Management Resources: Fiscal 2023 / As of March 31, 2024



VALUE

Conduct Philosophy

As a professional group:

A professional is someone who has a high level of trustworthy knowledge and ability, and a strong sense of responsibility. Our aim is to assemble a group in which each member is a reliable professional.

1. Courage that does not shy away from change

Do not be content with the status quo, try new things, and have the courage to break with convention. When the situation changes, don't merely adapt yourself to it – have the courage to try to change your environment toward creating a better state of affairs.

2. Aim for lofty goals

Always set goals that are above where you are now, and be motivated to tackle these goals.

3. Perseverance in achieving goals

Overcome anything that confronts you with strong perseverance until you have reached your goal and gotten results.

4. Build team spirit with communication

Expand your circle of communication in order to cooperate, build mutual trust and share goals.

MGC Corporate Behavior Principles Sustainability Promotion Principle



Lost-time injury frequency rate*2

0.00

Under the philosophy that ensuring safety is the top priority of our business activities, we are enhancing our responsible care (RC) activities.

*2 Total number of deaths and injuries caused by labor accidents per one million actual hours worked

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Editorial Policy

MGC Report 2024 was compiled as an integrated report with a focus on our medium- and long-term growth strategies as well as stories of how we have been creating value. We established a company-wide system under the leadership of the CSR & IR Division to compile and share information, and worked to provide a broad variety of quality content that we hope will help our diverse stakeholders deepen their understanding of the MGC Group.

Disclaimer

Plans, goals, and other forward-looking statements included in this report are determined based on information available to MGC as of the end of the consolidated fiscal year under review, as well as on certain assumptions MGC has judged to be reasonable, and may include uncertainties. Actual results may differ significantly from these forward-looking statements due to a variety of factors.

Guidelines Referenced

- International Integrated Reporting Council (IIRC) "Integrated Reporting <IR>"
- Ministry of Economy, Trade and Industry "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation"
- Global Reporting Initiative (GRI) "Sustainability Reporting Standards"
- Task Force on Climate-related Financial Disclosures (TCFD) recommendations
- Sustainability Accounting Standards Board (SASB) standards

Reporting Period

April 1, 2023–March 31, 2024 (fiscal 2023)
Note: Some activities taking place before or immediately after the fiscal year are also noted.

Report Scope

Mitsubishi Gas Chemical Company, Inc. and the MGC Group
Note: Where the scope of reporting differs, it is noted in the data.

In Charge of Publishing

Motoyasu Kitagawa
Director, Managing Executive Officer
In charge of CSR & IR Division

Published

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Please refer to our website for details.

Investor Information



Contains the latest financial information, various releases, and stock and shareholder information.

<https://www.mgc.co.jp/eng/ir/>

Sustainability Information



Introduces the MGC Group's thinking, initiatives, and detailed data relating to its sustainability.

<https://www.mgc.co.jp/eng/sustainability/>

Value Creation Process

Taking social challenges in anticipation of 2050 as a starting point, we have integrated diverse management resources and accelerated their selection and concentration into Uniqueness & Presence (U&P) businesses. Under this strategy, we aim to strengthen our sustainability management and realize our Vision of “an excellent company with uniqueness and presence built on chemistry.” In fiscal 2024, we formulated a new vision for MGC in 2030, and embarked on the current Medium-Term Management Plan, to promote a strategy of differentiation targeting three social issues that the Group should address.





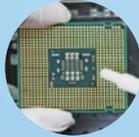
Electronic chemicals (EL chemicals)



Engineering plastics



Optical polymer



BT materials

Contribute to development of ICT/mobility society



Vision

An excellent company with uniqueness and presence built on chemistry

Outcomes addressing social issues through business

Output leading to a new era

Management strategies for accelerating selection and concentration

Solve energy and climate change problems



Solve medical and food problems



& Presence

products and businesses and economic value



Methanol



Energy resources and environmental businesses



MXDA



Oxygen absorbers



MX-Nylon (MXD6)



Antibody drugs



Aromatic aldehydes



Research and development



Human rights

management reality

Vision for MGC in 2030

Financial targets

Net sales	1.2 trillion yen
Operating profit	120 billion yen
Operating profit margin	10% or higher
ROE	12% or higher
ROIC*	10% or higher

Non-financial targets

GHG emissions reduction of **39%** or higher (compared to FY2013)

Sales of "Sharebeing" (Sales of eco-friendly products) **500 billion yen** or more

*ROIC = (operating profit - income taxes + equity in earnings of affiliates)/invested capital (Definition revised from the current Medium-Term Management Plan)

Reference

Message from the President P7-10
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Reference

MGC Group's History P11-12
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Value Creation Story: Uniqueness & Presence P13-21