



April 27, 2022

To whom it may concern:

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Listed on The Prime Market of TSE (stock  
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### **Notice Regarding Disposition of Treasury Shares as Equity Compensation in the Form of Restricted Shares**

Mitsubishi Chemical Holdings Corporation (MCHC) hereby announces, as detailed below, that it has decided to dispose of treasury shares as equity compensation in the form of restricted shares (“Treasury Share Disposition”) at the meeting of the Corporate Executive Officers Committee held today based on delegation from the Board of Directors.

#### 1. Outline of Disposition

(1) Allotment date	May 27, 2022
(2) Type and number of shares for disposition	333,265 common shares of MCHC
(3) Disposition price and total value of disposition	The Treasury Share Disposition constitutes a disposition of common shares of MCHC as compensation etc. for corporate executive officers of MCHC, and does not require the payment of monies or the provision of assets in exchange for the common shares.
(4) Intended allottees	333,265 shares to 11 (eleven) corporate executive officers
(5) Other	The Treasury Share Disposition shall be conditional on the effectiveness of a securities notice pursuant to the Financial Instruments and Exchange Act.

#### 2. Purpose and Reason for Disposition

MCHC decided at a meeting of its Compensation Committee held on February 28, 2020, to introduce a new program involving equity compensation in the form of restricted shares (“the Program”) for corporate executive officers for the purpose of providing an incentive for the continuous improvement of MCHC’s corporate value and shareholder value over the medium to long term to enhance retention as well as share further value with shareholders.

MCHC also decided at a meeting of its Compensation Committee held today to grant 333,265 common shares of MCHC (“Allotted Shares”) to 11 (eleven) corporate executive officers (“Target Corporate Executive

Officer(s)”) after taking into account the purpose of awarding restricted shares, MCHC’s performance, the scope of duties of each Target Corporate Executive Officer, and various other circumstances. In addition, this grant will be made without requiring the payment of money or the provision of assets in exchange. As such, it was decided at a meeting of the Corporate Executive Officers Committee today to dispose of treasury shares.

### **Outline of the Restricted Share Allotment Agreement**

In conducting the Treasury Share Disposition, MCHC and the Target Corporate Executive Officers will individually enter into a restricted share allotment agreement, the outline of which is as follows:

#### **(1) Transfer Restriction Period**

The Target Corporate Executive Officers may not transfer, attach a security interest, or dispose of in any other way the Allotted Shares from May 27, 2022 (allotment date) until they resign from their position of director, corporate executive officer, or executive officer of MCHC or its subsidiary.

#### **(2) Conditions for Lifting Transfer Restrictions**

The transfer restrictions will be lifted for all Allotted Shares at the expiry of the transfer restriction period on the condition that Target Corporate Executive Officers remain in a position of director, corporate executive officer, or executive officer of MCHC or its subsidiary between April 1 immediately prior to the allotment date and March 31 of the following year (“Service Period”). However, if a Target Corporate Executive Officer resigns from the position of director, corporate executive officer, or executive officer of MCHC or its subsidiary during the Service Period, the transfer restrictions will be lifted at the expiry of the transfer restriction period for the following number of Allotted Shares in each of the following situations:

##### **(i) Mandatory retirement, death, or incapacity due to disability**

All Allotted Shares

##### **(ii) Personnel changes or other reasons deemed justifiable by MCHC’s Compensation Committee**

Number of Allotted Shares reasonably adjusted based on the period until the resignation date

#### **(3) Acquisition Without Consideration by MCHC**

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

#### **(4) Management of Shares**

The Allotted Shares will be managed in a dedicated account for restricted shares opened with Daiwa Securities Co., Ltd., by the Target Corporate Executive Officers 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 Allotted Shares during the period.

#### **(5) Treatment upon Reorganization, etc.**

If a merger agreement in which MCHC is the merged company, a share exchange agreement or an equity transfer plan under which MCHC becomes a wholly-owned subsidiary, or any other matter concerning reorganization is approved at MCHC’s general meeting of shareholders (or a meeting of MCHC’s Board of Directors if an approval of MCHC’s general meeting of shareholders is not required for said reorganization), the transfer restrictions will be lifted for all Allotted Shares as of immediately before the business day prior

to the effective date of the reorganization, by a resolution of the Compensation Committee.