

[Translation: Please note that the following purports to be an excerpt translation from the Japanese original Notice of the 96th Ordinary General Meeting of Shareholders of Mitsubishi Materials Corporation prepared for the convenience of shareholders outside Japan with voting rights. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.]

Stock Code :5711

June 1, 2021

To Our Shareholders:

Naoki Ono, Director; Chief Executive Officer  
**Mitsubishi Materials Corporation**  
2-3 Marunouchi 3-chome, Chiyoda-ku, Tokyo

## **NOTICE OF THE 96TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We are pleased to inform you that the 96th Ordinary General Meeting of Shareholders of Mitsubishi Materials Corporation (the “Company”) will be held as described below.

Instead of attending the meeting in person, please review the following documents entitled “Reference Materials for the General Meeting of Shareholders” on pages 4-33 and exercise your voting rights by either procedure described below by 6:00 p.m. on Wednesday, June 23, 2021 (Japan standard time).

[Exercise of voting rights in writing (by mail)]

Please indicate your vote of approval or disapproval on the enclosed Voting Card and return the card so that it arrives at the Company by the above-listed deadline. (Please use the enclosed “Voting Card/Registration Security Sticker.”)

[Exercise of voting rights by electromagnetic method (through the Internet)]

Please access the voting website (<https://evote.tr.mufg.jp>) and follow the information listed on the screen to cast your vote by the above-listed deadline.

<To Our Institutional Investors>

You may use the “Electronic Proxy Voting Platform (for Institutional Investors)” operated by ICJ, Inc., as a method for exercising your voting rights for the Company’s General Meetings of Shareholders.

Yours truly

If you are able to attend, please submit the enclosed Voting Card to the reception desk on the day of the meeting. Thank you for your cooperation.

## Details

**1. Date and Time:** Thursday, June 24, 2021 at 10:00 a.m. (The reception starts at 9:00 a.m.)  
(Japan standard time)

**2. Place:** Shibusawa Hall, 5F  
The Tokyo Chamber of Commerce and Industry  
2-2 Marunouchi 3-chome, Chiyoda-ku, Tokyo, Japan  
A map is available at the back of this document.  
Please note the venue of the Ordinary General Meeting of Shareholders this year is different from last year's.

### **3. Meeting Agenda:**

#### ***Matters to be Reported:***

- (1) Reports on the business reports, consolidated financial statements and audit results of the consolidated financial statements by the Accounting Auditors and the Audit Committee for the 96th fiscal year (April 1, 2020 to March 31, 2021).
- (2) Reports on the financial statements for the 96th fiscal year (April 1, 2020 to March 31, 2021).

#### ***Matters to be Resolved:***

**Agenda No. 1:** Approval of the absorption-type company split agreement

**Agenda No. 2:** Election of Ten (10) Directors

### **4. Matters Concerning Exercise of Voting Rights**

- (1) If there is no indication of approval or disapproval of any of the Items on the Voting Card, the Company will deem such item as approved.
- (2) If you exercise your voting rights redundantly both by Voting Card and through the Internet, the Company will deem exercise through the Internet as valid.
- (3) If you exercise your voting rights more than once through the Internet, the Company will deem the last exercise valid.
- (4) If you wish to exercise your voting rights by proxy on the day of the meeting, you may appoint another single shareholder who has voting rights as your proxy. In such case, please submit a letter of proxy to the Company that certifies the authority of the shareholder acting as your proxy along with the Voting Cards.

### **5. Items Posted on the Company's Website**

- (1) Notes on the consolidated financial statements and notes on the financial statements are posted on the Company's website shown below in accordance with the law and the Articles of Incorporation of the Company. They are not included in the attached materials.  
The Accounting Auditors and the Audit Committee have audited, as the consolidated financial statements and the financial statements, not only the respective documents stated in the attached materials, but also notes on the consolidated financial statements and notes on the financial statements, which are posted on the Company's website.

- (2) If any amendment to the business reports, consolidated financial statements, financial statements, or to the Reference Materials for the General Meeting of Shareholders is required, the Company will give such notice by posting it on the Company's website below:

<https://www.mmc.co.jp/corporate/ja/ir/index.html>  
(Japanese language only)

## Reference Materials for the General Meeting of Shareholders

### Agenda No. 1: Approve the absorption-type company split agreement

#### 1. Reason why the Company will implement the absorption-type company split

After establishing Ube-Mitsubishi Cement Corporation by contributing equal shares of capital in 1998, the Company and Ube Industries, Ltd. ("Ube") have integrated their separate cement sales and logistics functions and achieved certain outcomes, including reductions in logistics costs and expenses for head and branch offices. The environment surrounding the domestic cement business is currently undergoing drastic changes, such as declining demand and significant fluctuations in energy prices. Ube and the Company need to construct a new framework by developing their existing relationship in order to achieve future growth of their cement business. Thus, they have come to the conclusion that the optimum solution for them is to integrate their cement and other related businesses (the "Integration") by bringing together all the strong points of those businesses, including the following assets held by the Company—(i) Kyushu Plant that has the largest production capacity in Japan; (ii) Higashitani Mine that has rich limestone resources; and (iii) highly competitive cement and ready-mixed concrete businesses in the U.S.—and the following assets held by Ube— (i) large-scale port facilities in the Ube district as well as coal centers and other infrastructure equipment; (ii) nationwide ready-mixed concrete manufacturing and sales network; and (iii) the inorganic material business of Ube Material Industries, Ltd.

The scope of the Integration includes their domestic and overseas cement businesses and ready-mixed concrete businesses, limestone resource businesses, businesses related to energy and the environment, construction materials businesses and other related businesses (hereinafter referred to as the "Contributed Businesses;" and the Company's businesses to be contributed are hereinafter referred to as the "Company Contributed Businesses" and Ube's businesses to be contributed are hereinafter referred to as the "Ube Contributed Businesses").

The Integration will be implemented by the following methods: (i) absorption-type company split in which each of the companies will make a 50% investment to establish an integration arrangement company for the Integration (the "Succeeding Company") and then cause the Succeeding Company to succeed to the Company Contributed Businesses and the Ube Contributed Businesses (including shares of subsidiaries and other affiliates engaged in the businesses to be contributed) (the company split to be implemented by the Company is hereinafter referred to as the "Absorption-Type Company Split;" the company split to be implemented by Ube is hereinafter referred to as the "Ube Absorption-Type Company Split;" and the Absorption-Type Company Split and the Ube Absorption-Type Company Split are hereinafter collectively referred as the "Joint Absorption-Type Company Split"); and (ii) absorption-type merger in which the Succeeding Company will be the surviving company and Ube-Mitsubishi Cement Corporation will be the disappearing company (the "Absorption-Type Merger").

In light of the above, the Company agreed to implement the Absorption-Type Company Split as part of the Integration and entered into an absorption-type company split agreement with the Succeeding Company on May 14, 2021.

This item of business asks you to approve the absorption-type company split agreement between the Company and the Succeeding Company in connection with the Absorption-Type Company Split.

#### 2. Overview of the absorption-type company split agreement

The content of the absorption-type company split agreement entered into with the Succeeding Company is as described in the appendix.

3. Overview of the content as stipulated in Article 183 of the Regulation for Enforcement of the Companies Act

(1) Particulars regarding the appropriateness of the consideration

i. Particulars regarding the total number of units in the consideration

Upon the Absorption-Type Company Split, the Succeeding Company will issue 450 new shares of its Common Shares, all of which will be allotted to the Company. In addition, also upon the Ube Absorption-Type Company Split, the Succeeding Company will issue 450 new shares of its Common Shares, which are in the same number as those to be allotted to the Company and all of which will be allotted to Ube. As a result, the Succeeding Company will issue 900 new shares of its Common Shares upon the Joint Absorption-Type Company Split. Upon the Joint Absorption-Type Company Split, the ratio of the numbers of the Common Shares of the Succeeding Company to be allotted and delivered to the Company to the number of the Common Shares of the Succeeding Company to be allotted and delivered to Ube is one to one (the "Agreed Share Allotment Ratio"). Therefore, the ratio of shares in the Succeeding Company held by each of the Company and Ube will remain unchanged at 50%.

Each of the Company and Ube reviewed and closely examined their respective business plans for their respective businesses to be contributed. Based on such review and examination, in order to determine the ratio of the Common Shares of the Succeeding Company to be allotted and delivered to the Company and Ube upon the Joint Absorption-Type Company Split, the Company appointed Merrill Lynch Japan Securities Co., Ltd. (currently BofA Securities Japan Co., Ltd.; hereinafter referred to as "BofA") as a financial advisor that is independent from both companies and asked it to conduct financial analysis regarding the share allotment ratio in the Joint Absorption-Type Company Split and Ube appointed Goldman Sachs Japan Co., Ltd. ("Goldman Sachs") as a financial advisor that is independent from both companies and asked it to conduct financial analysis regarding the share values of the Ube Contributed Businesses and the Succeeding Company in the Joint Absorption-Type Company Split. The Company and Ube comprehensively took into consideration the review and close examination of their respective business plans described above, the content of the financial analysis by their respective financial advisors, the strategic significance of the Integration and its expected effects, their financial conditions and conditions of their businesses or assets, future prospects and other relevant factors, and carefully negotiated and discussed with each other on the share allotment ratio. As a result, they have reached an agreement on the allotment of the new shares of the Succeeding Company as described above and consider that the terms and conditions thereof are appropriate. Prior to making this decision, each of the Company and Ube received the financial analysis dated September 29, 2020 from their respective financial advisors.

(Note 1) The financial analysis dated September 29, 2020 that the Company received from BofA (the "BofA Analysis") has been prepared at the direction of the Company for the use of the Company's board of directors in its evaluation of the Joint Absorption-Type Company Split. At the Company's direction, the BofA Analysis has been prepared based on publicly available information and information provided to BofA by the Company or Ube.

In preparing the BofA Analysis, BofA has assumed and relied upon, without independent verification, the accuracy and completeness of such financial and other information and data, and has relied upon the assurances of the management of the Company and Ube that they are not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect.

In preparing the BofA Analysis, BofA has assumed that the financial forecasts relating to the Company Contributed Businesses prepared and provided by the management of the Company and the Company Contributed Businesses, the financial forecasts relating to the Ube Contributed Businesses prepared and provided by the management of Ube and the Ube Contributed Businesses (the “Ube Forecasts”), and the adjusted version of the Ube Forecasts incorporating certain adjustments made by the management of the Company and the Company Contributed Businesses, have been reasonably prepared on bases reflecting the best available estimates and good faith judgment of the management of the Company and the Company Contributed Businesses at the time of preparing the BofA Analysis as to the future financial performance of, and are a reasonable basis on which to evaluate, the Company Contributed Businesses and the other matters covered thereby. In preparing the BofA Analysis, BofA has relied, at the direction of the Company, on the assessments of the management of the Company as to the potential impact on the Contributed Businesses of geopolitical, macroeconomic and other conditions in the markets in which the Contributed Businesses operate, certain market, competitive and other trends and developments in and prospects for, and governmental, regulatory and legislative matters, relating to or affecting, the industries in which the Contributed Businesses operate, and existing and future agreements and arrangements involving, and the ability to attract, retain and/or replace, key employees, suppliers and other commercial relationships of, the Contributed Businesses. In preparing the BofA Analysis, BofA has assumed, at the direction of the Company, that there will be no developments with respect to any such matters that would be meaningful in any respect to the BofA Analysis.

In preparing the BofA Analysis, BofA has assumed, at the direction of the Company, that the Joint Absorption-Type Company Split will be consummated in accordance with its terms and in compliance with all applicable laws, documents and other requirements, without waiver, modification or amendment of any material term, condition or agreement, and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the Joint Absorption-Type Company Split, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, will be imposed or occur that would have an adverse effect on the Company, Ube, the Contributed Businesses or the contemplated benefits of the Joint Absorption-Type Company Split or that otherwise would be meaningful in any respect to the BofA Analysis. The BofA Analysis does not address the sufficiency or impact of any transfers or other steps involved in effecting the Joint Absorption-Type Company Split and BofA has assumed, at the direction of the Company, that the Succeeding Company will acquire or retain all assets, properties and rights necessary for the operations of, and will not directly or indirectly assume or incur any liabilities or obligations that are contemplated to be excluded from, the Contributed Businesses. In preparing the BofA Analysis, BofA has also assumed, at the direction of the Company, that the final executed version of the integration agreement for the Contributed Businesses and the Joint Absorption-Type Company Split (the “Integration Agreement”) will not differ in any material respect from the execution version of the Integration Agreement provided on September 28, 2020 and reviewed by BofA.

The Company pays BofA, which was appointed to act as financial advisor to the Company in connection with the Joint Absorption-Type Company Split, fees for its services, the principal portion of which is contingent upon consummation of the Joint Absorption-Type Company Split. In addition, the Company has agreed to reimburse BofA's expenses and indemnify BofA against certain liabilities arising out of the engagement.

It is understood that the BofA Analysis is for the benefit and use of the Company's board of directors (in its capacity as such) in connection with and for purposes of its evaluation of the Joint Absorption-Type Company Split and is not being provided to or for the benefit of, and shall not confer rights or remedies upon, any person other than the Company's board of directors.

The BofA Analysis is necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on the date thereof. The Company understands that subsequent developments following the date of the BofA Analysis may affect the BofA Analysis, and that BofA does not have any obligation to update, revise or reaffirm the BofA Analysis.

It should be noted that the BofA Analysis is only one of many factors that the Company's board of directors considers in its evaluation of the Absorption-Type Company Split and is not intended to be determinative of the views of Company's board of directors or management with respect to the Agreed Share Allotment Ratio or otherwise.

(Note 2) Goldman Sachs provided its advisory services and delivered the financial analysis report (*santei-sho*) to Ube dated September 29, 2020 (the "Goldman Sachs Report") solely for the information and assistance of the Board of Directors of Ube in connection with its consideration of the Integration. The Goldman Sachs Report does not constitute a recommendation as to how any holder of Ube's common stock should vote with respect to the Integration, or any other matter. Goldman Sachs does not express any view on any other term or aspect of the definitive agreement between Ube and the Company dated September 29, 2020 (the "Definitive Agreement") or the Integration or any term or aspect of any other agreement or instrument contemplated by the Definitive Agreement or entered into or amended in connection with the Integration, including any allocation of the shares of common stock of the Succeeding Company representing 50% of the Succeeding Company's total economic interests that are to be paid to Ube pursuant to the Definitive Agreement in connection with, among other things, the contribution by Ube of the Ube Contributed Businesses (the "Ube Transaction Consideration"), any ongoing obligations of Ube or the Succeeding Company, the fairness of the Integration to, or any consideration received in connection therewith by, the holders of any other class of securities, creditors, or other constituencies of Ube; nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of Ube, the Succeeding Company or the Ube Contributed Businesses, or class of such persons, in connection with the Integration, whether relative to the Ube Transaction Consideration to be paid to Ube for the Ube Contributed Businesses pursuant to the Definitive Agreement or otherwise. The Goldman Sachs Report is necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to Goldman Sachs as of, September 28, 2020 and Goldman Sachs assumed no responsibility for updating, revising or reaffirming the Goldman Sachs Report based on circumstances, developments or events occurring

after September 28, 2020. No such updating, revising or reaffirming has been conducted and therefore the Goldman Sachs Report should be evaluated in the context only of the circumstances and market conditions existing as of September 28, 2020. Except as otherwise noted, the quantitative information used in the Goldman Sachs Report, to the extent it is based on market data, is based on market data as it existed on or before September 25, 2020 and is not necessarily indicative of current market conditions.

The following is additional information on the assumptions made, procedures followed, matters considered and limitations on the work undertaken in connection with preparing the Goldman Sachs Report.

Goldman Sachs and its affiliates (collectively, “Goldman Sachs Group”) are engaged in advisory, underwriting and financing, principal investing, sales and trading, research, investment management and other financial and non-financial activities and services for various persons and entities. Goldman Sachs Group and its employees, and funds or other entities they manage or in which they invest or have other economic interests or with which they co-invest, may at any time purchase, sell, hold or vote long or short positions and investments in securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments of Ube, the Company, any of their respective affiliates and third parties, including the Succeeding Company or any currency or commodity that may be involved in the Integration. Goldman Sachs has acted as financial advisor to Ube in connection with, and has participated in certain of the negotiations leading to, the Integration. Goldman Sachs expects to receive fees for its services in connection with the Integration, the principal portion of which is contingent upon consummation of the Integration, and Ube has agreed to reimburse certain of Goldman Sachs’ expenses arising, and indemnify it against certain liabilities that may arise, out of its engagement. Goldman Sachs Group may also in the future provide financial advisory and/or underwriting services to Ube, the Company, the Succeeding Company and their respective affiliates for which Goldman Sachs’ Investment Banking Division of Goldman Sachs Group may receive compensation.

In connection with preparing the Goldman Sachs Report, Goldman Sachs has reviewed, among other things, the Definitive Agreement; annual reports to stockholders and Annual Securities Reports (*Yuka Shoken Houkoku-Sho*) of Ube for the five fiscal years ended March 31, 2020; certain interim reports to stockholders and Quarterly Reports (*Shihanki Houkoku-Sho*) of Ube; certain other communications from Ube to its stockholders; certain publicly available research analyst reports for Ube; the unaudited financial statements of the Ube Contributed Businesses for the three fiscal years ended March 31, 2020; certain internal financial analyses and forecasts for the Ube Contributed Businesses and the Succeeding Company prepared by the management of Ube, as approved for Goldman Sachs’ use by Ube (the “Ube Forecasts”), including certain operating synergies projected by the management of Ube to result from the Integration, as approved for Goldman Sachs’ use by Ube (the “Synergies”); annual reports to stockholders and Annual Securities Reports (*Yuka Shoken Houkoku-Sho*) of the Company for the five fiscal years ended March 31, 2020; certain interim reports to stockholders and Quarterly Reports (*Shihanki Houkoku-Sho*) of the Company; certain other communications from the Company to its stockholders; certain publicly available research analyst reports for the Company; the unaudited financial statements of the Company Contributed Businesses for the three fiscal years ended March 31, 2020; and certain estimates as to the amount of certain direct or indirect assets and/or liabilities of Ube to be assumed by the Succeeding Company, relating to Ube’s cement and related businesses, as adjusted (the “Ube Adjustments”) and certain estimates as to the

amount of certain direct or indirect assets and/or liabilities of the Company to be assumed by the Succeeding Company, relating to the Company's cement and related businesses, as adjusted (the "Company Adjustments"), in each case, as prepared by the management of Ube and approved for Goldman Sachs' use by Ube (the "Ube Estimates"). Goldman Sachs also held discussions with members of the senior management of Ube regarding their assessment of the strategic rationale for, and the potential benefits of, the Integration and the past and current business operations, financial condition and future prospects of the Ube Contributed Businesses and of the Succeeding Company; compared certain financial information for the Succeeding Company and the Ube Contributed Businesses with similar financial and stock market information for certain other companies the securities of which are publicly traded; and performed such other studies and analyses, and considered such other factors, as Goldman Sachs deemed appropriate.

For purposes of performing its financial analyses and preparing the Goldman Sachs Report, Goldman Sachs, with Ube's consent, relied upon and assumed the accuracy and completeness of all of the financial, legal, regulatory, tax, accounting and other information provided to, discussed with or reviewed by, Goldman Sachs, without assuming any responsibility for independent verification thereof. In that regard, Goldman Sachs assumed with Ube's consent that the Ube Forecasts, including the Synergies, and the Ube Estimates were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Ube. Goldman Sachs did not make an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or other off-balance-sheet assets and liabilities) of Ube or any of its subsidiaries, the Ube Contributed Businesses, the Company Contributed Businesses or the Succeeding Company, and Goldman Sachs was not furnished with any such evaluation or appraisal. Goldman Sachs assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the Integration will be obtained without any adverse effect on Ube, the Company, the Ube Contributed Businesses, the Company Contributed Businesses or the Succeeding Company or on the expected benefits of the Integration in any way meaningful to Goldman Sachs' analysis. Goldman Sachs has also assumed that the Integration will be consummated on the terms set forth in the Definitive Agreement, without the waiver or modification of any term or condition the effect of which would be in any way meaningful to Goldman Sachs' analysis.

The Goldman Sachs Report does not address the underlying business decision of Ube to engage in the Integration, or the relative merits of the Integration as compared to any strategic alternatives that may be available to Ube; nor does it address any legal, regulatory, tax or accounting matters. Goldman Sachs does not express any opinion as to the prices at which shares of Ube or the Company will trade at any time, as to the potential effects of volatility in the credit, financial and stock markets on Ube, the Succeeding Company, the Ube Contributed Businesses, the Company, the Company Contributed Businesses or the Integration, or as to the impact of the Integration on the solvency or viability of Ube, the Succeeding Company, the Ube Contributed Businesses, the Company or the Company Contributed Businesses or the ability of Ube, the Succeeding Company, the Ube Contributed Businesses, the Company or the Company Contributed Businesses to pay their respective obligations when they come due. The Goldman Sachs Report was necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to Goldman Sachs as of, the date thereof and Goldman Sachs assumes no responsibility for updating, revising or reaffirming the Goldman Sachs Report based on circumstances, developments or events occurring after the date thereof. The Goldman Sachs Report is not necessarily susceptible to partial analysis or summary description. Selecting portions of the Goldman Sachs Report or the summary set forth above,

without considering the analyses as a whole, could create an incomplete view of the processes underlying the Goldman Sachs Report. Goldman Sachs did not attribute any particular weight to any factor or any analysis it performed.

ii .Particulars regarding the Succeeding Company's capital, reserves

The amount of the Succeeding Company's capital and reserves to be increased by the Absorption-Type Company Split is as described below. We believe that the amount is appropriate in light of the businesses to be conducted by the Succeeding Company after the Absorption-Type Company Split, rights and obligations to which the Succeeding Company will succeed from the Company and other relevant factors.

Share capital	24,975 million yen
Legal capital surplus	0 yen
Legal retained earnings	0 yen

(2) Content of the balance sheet on the day of formation of the Succeeding Company

Since the Succeeding Company was formed on April 14, 2021, its most recent completed business year does not exist. The content of the balance sheet on the day of its formation is as described below.

(Unit: yen)			
Item	Amount	Item	Amount
Assets		Liabilities	
Cash and deposits	100,000,000	Total liabilities	-
		Net assets	
		Share capital	50,000,000
		Legal capital surplus	50,000,000
Total assets	100,000,000	Total liabilities and net assets	100,000,000

(3) Particulars regarding disposal of important property, burden of major obligations or any other event with a material impact on the status of the company property that occurred after the day of formation of the Succeeding Company

On May 14, 2021, the Succeeding Company entered into an absorption-type company split agreement relating to the Ube Absorption-Type Company Split with Ube, and it will come into effect on April 1, 2022. The amounts of assets and liabilities to which the Succeeding Company will succeed from Ube as a result of the Ube Absorption-Type Company Split are 307,234 million yen (expected amount as of March 31, 2022) and 122,694 million yen (expected amount as of March 31, 2022) respectively.

On May 17, 2021, the Succeeding Company entered into an absorption-type merger agreement relating to the Absorption-Type Merger with Ube-Mitsubishi Cement Corporation, and it will come into effect on April 1, 2022. As a result of the Absorption-Type Merger, the Succeeding Company will succeed from Ube-Mitsubishi Cement Corporation any and all of its rights and obligations. The amounts of assets and liabilities to which the Succeeding Company will succeed as a result of the Absorption-Type Merger are 79,367 million yen (expected amount as of March 31, 2022) and 61,466 million yen (expected amount as of March 31, 2022) respectively.

(4) Particulars regarding disposal of important property, burden of major obligations or any other event with a material impact on the status of company property that occurred after the end of the most recent business year of the Company

Not applicable.

### **Absorption-Type Company Split Agreement (Copy)**

Mitsubishi Materials Corporation (hereinafter referred to as "MMC") and C Integration Arrangement, Ltd. (hereinafter referred to as "CIA") shall enter into an absorption-type company split agreement (hereinafter referred to as the "Agreement") as follows with respect to CIA succession of the rights and obligations to the cement business, ready-mixed concrete business, coal business, construction materials and mineral products business, and civil engineering and construction business and assets related to former coal mines located in Hokkaido, Fukuoka, Saga and Nagasaki Prefectures belonging to the Cement Company of MMC as set forth in Attachment 1 "Contributed Businesses", (hereinafter referred to as the "Contributed Businesses").

#### **Article 1 (Method of Absorption-Type Company Split)**

1. MMC shall cause CIA to succeed to the rights and obligations relating to the Contributed Businesses provided for in Article 3 of this Agreement by means of absorption-type company split, and CIA shall succeed to such rights and obligations.
2. The Splitting Company in the Absorption-Type Company Split and the Succeeding Company in the Absorption-Type Company Split shall be as follows respectively:
  - (1) Splitting Company in the Absorption-Type Company Split: MMC  
Company Name: Mitsubishi Materials Corporation  
Address: 2-3, Marunouchi 3-chome, Chiyoda-ku, Tokyo
  - (2) Succeeding Company in the Absorption-Type Company Split: CIA  
Company Name: C Integration Arrangement, Ltd.  
Address: 1-1, Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo

#### **Article 2 (Effective Date)**

The effective date of the Absorption-Type Company Split (hereinafter referred to as the "Effective Date") shall be April 1, 2022. Provided, however, that this Agreement may be amended upon consultation and agreement by MMC and CIA where it is required due to the necessity for the proceedings pertaining to the Absorption-Type Company Split or for any other reason.

#### **Article 3 (Rights and Obligations to Succeed)**

1. The rights and obligations to be succeeded to by CIA from MMC through the Absorption-Type Company Split (hereinafter referred to as the "Contributed Rights and Obligations") shall be set forth in Attachment 2 "Detailed Schedule of Contributed Rights and Obligations" that belongs to the Contributed Businesses as of the Effective Date. To the extent permitted by applicable laws and regulations, legal proceedings, lawsuit, arbitration, conciliation or alternative dispute resolution procedures (excluding those related to asbestos) pending before public authorities, such as government agencies, judicial authorities and investigative authorities shall also be transferred from MMC to CIA by the day prior to the Effective Date.
2. The succession of obligations from MMC to CIA shall be made by the method of exemption-Type assumption of obligations.

#### **Article 4 (Delivery of Compensation for Split)**

Upon the Absorption-Type Company Split, CIA shall issue 450 shares of its Common Shares, all of which shall be allotted to MMC in consideration of the Contributed Rights and Obligations.

#### **Article 5 (Capital and Reserves of CIA)**

The amount of stated capital and reserves of CIA to be increased by the Absorption-Type Company Split shall be as follows:

- (1) Share capital 24,975 million yen

(2) Legal capital surplus	0 yen
(3) Legal retained earnings	0 yen

Article 6 (Resolution for Approval of Company Split)

1. MMC shall obtain the approval of this Agreement by a resolution of the General Meeting of Shareholders no later than the day immediately preceding the Effective Date.
2. CIA shall obtain the approval of this Agreement by a resolution of the general meeting of shareholders (including the cases where a resolution of the general meeting of shareholders is deemed to have been made pursuant to Article 319, Paragraph 1 of the Companies Act) no later than the day immediately preceding the Effective Date.

Article 7 (Administration of Company Assets)

After the conclusion of this Agreement, until the Effective Date, MMC shall operate the service and manage the property pertaining to the Contributed Businesses with the due care of a prudent manager, and conduct that may have a material impact on the property or rights and obligations pertaining to the Contributed Businesses shall be done after obtaining the prior approval of CIA after due consultation with CIA. In addition, CIA shall operate its business and manage its property with the care of a good manager.

Article 8 (Obligation of Non-Competition)

MMC and CIA acknowledge that Article 21 of the Companies Act shall not apply to the Absorption-Type Company Split.

Article 9 (Amendment and Termination of This Agreement)

MMC and CIA may, after MMC and CIA's consultation and agreement, change the conditions of the Absorption-Type Company Split or terminate this Agreement in the event that any material change in the Contributed Businesses or the assets, liabilities, employment agreements or other rights and obligations relating to the Contributed Businesses occurs, any situation that may seriously hinder the implementation of the Absorption-Type Company Split occurs or becomes clear, or any other event that may seriously hinder the achievement of the objectives of the Absorption-Type Company Split occurs during the period from the date of this Agreement to the Effective Date.

Article 10 (Effectiveness of This Agreement)

This Agreement shall cease to be effective if the approval set forth in Article 6 or the approval of the competent authorities required under the relevant laws and regulations concerning the Absorption-Type Company Split cannot be obtained by the day prior to the Effective Date.

Article 11 (Cost Sharing)

1. MMC and CIA shall each bear the expenses required for the Absorption-Type Company Split.
2. CIA shall bear the expenses required for the transfer of the Contributed Rights and Obligations in connection with the Absorption-Type Company Split or for registration, notice, or other procedures to satisfy the requirements for perfection.

Article 12 (Matters Not Stipulated in This Agreement)

In addition to the matters stipulated in this Agreement, any matters not stipulated in this Agreement or any doubtful point arising from the provisions of this Agreement shall be determined after MMC and CIA's consultation in accordance with the spirit of this Agreement.

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IN WITNESS WHEREOF, this Agreement shall be executed in duplicate, and each copy shall be retained upon the affixation of MMC and CIA names and seals.

On May 14, 2021

MMC	2-3, Marunouchi 3-chome, Chiyoda-ku, Tokyo Mitsubishi Materials Corporation Naoki Ono, Chief Executive Officer
CIA	1-1, Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo C Integration Arrangement, Ltd. Makoto Koyama, Representative director

## Contributed Businesses

The Contributed Businesses shall be as follows.

- 1) The business listed below in (a) (including assets and liabilities attributable to the business which are taken into account for the purpose of calculating MMC enterprise value, MMC net working capital and MMC net interest-bearing debt) owned by MMC non-consolidated, and the assets listed below in (b)
  - a. Cement business, ready-mixed concrete business, coal business, construction materials and mineral products business, and civil engineering and construction business belonging to the Cement Company
  - b. Former coal mines located in Hokkaido, Fukuoka, Saga and Nagasaki prefectures
- 2) MMC's following subsidiaries/affiliates
  - a. Chugoku Ryoko Co., Ltd.
  - b. Hokoku Shoji Co., Ltd.
  - c. Ryoko Lime Industry Co., Ltd.
  - d. Shinkansai Ryoko Ready Mixed Concrete Co., Ltd.
  - e. Tokai Ryoko Co., Ltd.
  - f. Seibu Construction Co., Ltd.
  - g. Materials Kyushu Co., Ltd.
  - h. Chikushi Ryoko Ready Mixed Concrete Co., Ltd.
  - i. Tokyo Ryoko Concrete Co., Ltd.
  - j. Materials Tohoku Corporation
  - k. Mitsubishi Cement Corporation
  - l. MCC Terminal Incorporated
  - m. MCC Development Corporation
  - n. Robertson's Ready Mix, Limited
  - o. RRM Properties, Limited
  - p. Robertson's Transport, Limited
  - q. RRM Development Corporation
  - r. Nevada Ready Mix Corporation
  - s. Hawaiian Rock Products Corporation
  - t. FPA Pacific Corporation
  - u. Hokuryo Corp.
  - v. Hokuryo Logistics Co., Ltd.
  - w. Hokuryo Aggregate Co., Ltd.
  - x. Mitsubishi Materials(Australia)Pty., Ltd.
  - y. NM Cement Co., Ltd.
  - z. Nghi Son Cement Corporation
  - aa. Sakura Concrete Products Corporation (excluded from the list when it is no longer a subsidiary/affiliate of MMC before the Effective Date)
  - bb. Seibu Namakon. Inc
  - cc. Yasukawa Ready-Mixed Concrete Corporation Industry Co., Ltd.
  - dd. Sengenyama Kaihatsu Co., Ltd.
  - ee. IKI Ready Mixed Concrete Co., Ltd.
  - ff. Shinozaki Shokai Inc.
  - gg. Josyu Ready Mixed Concrete Co., Ltd.
  - hh. Oita Mining Co., Ltd.
  - ii. Uchiyama Concrete Industry Co., Ltd.
  - jj. Ryobi Sangyo Co., Ltd.
  - kk. Mizushima Riverment Corporation
  - ll. Hofu Kyoudo Ready Mixed Concrete Co., Ltd.
  - mm. Rics Co., Ltd.
  - nn. Ube-Mitsubishi Cement Corporation

oo. P.S. Mitsubishi Construction Corp.

pp. KANDA ECOPLANT Co., Ltd

qq. A subsidiary/affiliate of MMC which, after the date of this Agreement, newly becomes a subsidiary/affiliate pertaining to the cement business, ready-mixed concrete business, coal business, construction materials and mineral products business, or civil engineering and construction business of the Cement Company of MMC and which is a subsidiary/affiliate of MMC as of the Effective Date

## Detailed Schedule of Contributed Rights and Obligations

The rights and obligations to be succeeded to by CIA from MMC as a result of the Absorption-Type Company Split shall be the rights and obligations listed below that belong to the Contributed Businesses as of the Effective Date. Assets and liabilities succeeded to by CIA from MMC shall be determined on the basis of the balance sheet and other calculations as of December 31, 2020 of MMC, plus or minus any increase or decrease up to the day preceding the Effective Date.

## 1. Assets

## (1) Equity securities

Any and all shares held by MMC in connection with the Contributed Businesses

## (2) Real estate and personal property

All real estate and movable property owned, rented, used or leased by MMC in connection with the Contributed Businesses

## (3) Claim

Accounts receivable-trade, accounts receivable-other, loans receivable and all other claims belonging to the Contributed Businesses

## (4) Cash and deposits

Amount calculated by the following calculation formula:

("MMC's interest-bearing debts as of the Effective Date that are subject to succession" – "MMC's cash equivalents as of the Effective Date that are subject to succession" + "the sum of the amounts of interest-bearing debts of each of MMC's subsidiaries as of the Effective Date that are subject to succession multiplied by the corresponding ownership ratio for each subsidiary" – "the sum of the amounts of cash and cash equivalents of each of MMC's subsidiaries as of the Effective Date that are subject to succession multiplied by the corresponding ownership ratio for each subsidiary" – "71,600 million yen") + ("26,714 million yen" – "MMC's net working capital as of the Effective Date that is subject to succession" – "the sum of the amounts of net working capital of each of MMC's subsidiaries as of the Effective Date that is subject to succession multiplied by the corresponding ownership ratio for each subsidiary")

## (5) Intellectual property

All intellectual property rights (including joint ownership, pending application, and ongoing development), including trademark rights, patent rights, utility model rights, design rights, copyrights, service marks, know-hows, etc., held by MMC in connection with the Contributed Businesses

## (6) Pension assets and cash equivalent to retirement benefit obligation

## 2. Liabilities

Accounts payable-trade, accounts payable-other, borrowings, accrued expenses, notes payable, advances received, retirement benefit obligation of MMC's employees transferred to CIA and all other liabilities (including contingent liabilities and non-book obligations but only those that can be succeeded to under laws and regulations) belonging to the Contributed Businesses (excluding those listed below)

- Liabilities related to disease caused by asbestos which were used as material for products manufactured by MMC's subsidiary, including contingent liabilities

3. Insurance

Insurance Contracts, etc. insured by MMC with respect to the Contributed Businesses and rights and duties incidental thereto (only those that are needed to execute the Contributed Businesses after the Effective Date (limited to Insurance Contracts, etc. for which consent must be obtained from the insurance company with respect to succession by the Absorption-Type Company Split (including cases where not obtaining consent is a cause for termination or failure to perform agreement of the said Insurance Contracts, etc.), and for which such consent could be obtained from the insurance company by the day prior to the Effective Date) ))

4. Other Contractual Status

Other contracts, etc. concluded by MMC with a third party with respect to the Contributed Businesses (excluding employment contracts) and rights and obligations incidental thereto (excluding contracts, etc. for which consent must be obtained from the third party with respect to succession by the Absorption-Type Company Split (including cases where not obtaining consent is a cause for termination or failure to perform agreement of the said contract, etc.), and for which such consent could not be obtained by the day prior to the Effective Date, and rights and obligations incidental thereto)

5. Permission and License

Permissions, licenses, registrations, and notifications, etc. belonging to the Contributed Businesses which are capable of being succeeded to under laws and regulations

6. Documents and Materials

Documents and materials owned by MMC that belong to the Contributed Businesses

**Agenda No. 2: Election of Ten (10) Directors**

The term of office of all ten (10) Directors will expire at the close of this Ordinary General Meeting of Shareholders. It is hereby proposed that ten (10) Directors will be appointed, based on the decision of the Nomination Committee.

The Company has Policy for Nomination of Candidates for Director in place (page 32), which all the candidates for Directors meet. The Company has Standards for Independence of Independent Outside Directors in place (page 32-33), which all the candidates for Outside Directors meet.

The candidates for Directors are as follows:

1	Akira Takeuchi (born December 4, 1954)	[Reappointed]
	<u>Personal History, Title and Position at the Company</u> Apr. 1977    Joined the Company Jun. 2009    Managing Director Apr. 2014    Executive Vice President. Apr. 2015    President Jun. 2018    Chairman (to present)	
	<u>Number of Company shares held</u> 16,411  <u>Years served as Director</u> 12 years	<u>&lt;Reasons for nominating Mr. Takeuchi as a candidate for Director&gt;</u>  Mr. Akira Takeuchi, following appointment as Managing Director of the Company in 2009, had served as Director in charge of corporate communications, general affairs, the environment, human resources, safety and health and the affiliated corporations' business. After serving as President, he has been Chairman since June 2018.
	<u>*At the close of this Ordinary General Meeting of Shareholders</u>  <u>Number/Rate of Attendance for Meetings of the Board of Directors, etc. (FY2021)</u> Board of Directors Meetings 20/20 (100%) Nomination Committee Meetings 1/1 (100%) Audit Committee Meetings 13/13 (100%) Remuneration Committee Meetings 6/6 (100%)	At present, as Chairman of the Board of Directors, he plays the leading role in enhancing the effectiveness of the Board of Directors noticeably by proceeding with meetings in such a way as to facilitate open and quality discussions in the Board of Directors meetings.  As explained above, he has extensive knowledge and rich experience related to the business and operations of the Group. The Company believes that he will strengthen the appropriate supervisory and decision-making functions of the Board of Directors. For these reasons, the Company endorses his appointment to the position of Director.

2	<b>Naoki Ono</b> (born January 14, 1957)	[Reappointed]
	<u>Personal History, Title and Position at the Company</u> Apr. 1979    Joined Mitsubishi Mining & Cement Co., Ltd. Jun. 2014    Managing Director President, Cement Company Apr. 2016    Executive Vice President President, Cement Company Jun. 2016    Director; Executive Vice President President, Cement Company Apr. 2017    Director; Executive Vice President General Manager, Corporate Strategy Div. Jun. 2018    President Jun. 2019    Director; Chief Executive Officer Apr. 2021    Director; Chief Executive Officer; CEO (to present)	
	<u>Number of Company shares held</u> <b>23,483</b> (Of which, the number of shares to be distributed based on the stock-based compensation plan is 10,144 shares.)	<u>&lt;Reasons for nominating Mr. Ono as a candidate for Director&gt;</u> Mr. Naoki Ono, following appointment as Managing Director of the Company in 2014, served as President, Cement Company, and General Manager of the Corporate Strategy Division. After serving as President, he has been as Director, Chief Executive Officer, since June 2019.
	<u>Years served as Director</u> <b>7 years</b> *At the close of this Ordinary General Meeting of Shareholders  <u>Responsible for:</u> General operation of the Company Audit	At present, as Director, Chief Executive Officer and CEO, he supervises the management of the Group and is leading a variety of measures for management reform. Additionally, he reports on the overall situation of management of the Group regularly at the Board of Directors meetings, thereby fulfilling his accountability to the Board of Directors as Executive Officer.  As explained above, he has extensive knowledge and rich experience related to the business and operations of the Group. The Company believes that he will strengthen the appropriate supervisory and decision-making functions of the Board of Directors. For these reasons, the Company endorses his appointment to the position of Director.
	<u>Number/Rate of Attendance for Meetings of the Board of Directors, etc. (FY2021)</u> Board of Directors Meetings <b>20/20 (100%)</b> Nomination Committee Meetings <b>10/10 (100%)</b> Remuneration Committee Meetings <b>6/6 (100%)</b>	

3	Nobuhiro Takayanagi (born September 6, 1963)		[Newly appointed]
	<u>Personal History, Title and Position at the Company</u> Apr. 1986    Joined the Company Apr. 2016    Operating Officer Vice President, Metals Company Dec. 2017    Operating Officer President of Mitsubishi Cable Industries, Ltd. Apr. 2019    Operating Officer President of Mitsubishi Cable Industries, Ltd. Vice President, Advanced Products Company of the Company Apr. 2020    Managing Executive Officer Vice President, Advanced Products Company Apr. 2021    Managing Executive Officer; CFO General Manager, Corporate Strategy Dept. (to present)		
	<u>Number of Company shares held</u> 5,816 (Of which, the number of shares to be distributed based on the stock-based compensation plan is 3,753 shares.)  <u>Responsible for:</u> Corporate Strategy, Corporate Communications, Finance & Accounting, Affiliated Corporations & Aluminum		

4	Yoshikazu Yasui (born July 11, 1960)		[Reappointed]
	<u>Personal History, Title and Position at the Company</u> Apr. 1984    Joined the Company Apr. 2015    Operating Officer General Manager, Human Resources Dept. Apr. 2017    Operating Officer General Manager, Human Resources Dept., General Administration Div. Apr. 2018    Managing Executive Officer General Manager, Human Resources & General Affairs Div. Jun. 2019    Managing Executive Officer General Manager, Human Resources & General Affairs Div. Apr. 2020    Senior Executive Councillor Jun. 2020    Director (to present)		
	<u>Number of Company shares held</u> 5,890 <u>Years served as Director</u> 1 year *At the close of this Ordinary General Meeting of Shareholders <u>Number/Rate of Attendance for Meetings of the Board of Directors, etc. (FY2021)</u> Board of Directors Meetings 17/17 (100%) Nomination Committee Meetings 9/9 (100%) Audit Committee Meetings 13/13 (100%)		
		<u>&lt;Reasons for nominating Mr. Yasui as a candidate for Director&gt;</u> Mr. Yoshikazu Yasui took office as Managing Executive Officer and General Manager, Human Resources & General Affairs Div. of the Company in April 2018. After serving as Managing Executive Officer and Senior Executive Councillor, he has undertaken the duties of Director and a member of the Nomination Committee and the Audit Committee since June 2020. At present, as a member of the Nomination Committee and the Audit Committee, he is involved in selecting candidates for Directors and Executive Officer of the Company and auditing the execution of duties by Executive Officers, etc. He has done this by leveraging his insight into general aspects of management gained through his experience in working in the Human Resources Dept. for many years and performing business administration of Group companies in Japan and overseas. As explained above, he has extensive knowledge and rich experience related to the business and operations of the Group. The Company believes that he will strengthen the appropriate supervisory and decision-making functions of the Board of Directors. For these reasons, the Company endorses his appointment to the position of Director.	

[Candidate for Outside Director] [Independent Director] [Reappointed]	
<b>Mariko Tokuno</b> (born October 6, 1954)	
<u>Personal History, Title and Position at the Company</u> Jan. 1994    Joined Louis Vuitton Japan K.K. Apr. 2002    Senior Director, Sales Administration Mar. 2004    Vice President, Tiffany & Co., Japan Inc. Aug. 2010    President and Representative Director, Christian Dior K.K. Sep. 2013    President, Representative Director and CEO, Ferragamo Japan K.K. (resigned September 2016) Jun. 2016    Director of the Company (to present)	
<u>Number of Company shares held</u> <b>3,134</b>  <u>Years served as Director</u> <b>5 years</b>  *At the close of this Ordinary General Meeting of Shareholders  <u>Important position of other organization(s) concurrently assumed:</u> Outside Director, Happinet Corporation Outside Director, Yamato Holdings Co., Ltd.	<u>&lt;Reasons for nominating Ms. Tokuno as a candidate for Outside Director and outline of expected roles to fulfill&gt;</u>  Ms. Mariko Tokuno has insight into corporate strategy and general aspects of management from a global perspective gained through her extensive experience as a manager of the Japanese operations of leading international firms. Based on her insight, she has given useful advice from various viewpoints in the Board of Directors meetings so as to enhance mid- to long-term corporate value of the Group and has supervised the execution of duties by Executive Officers, etc. from an independent position. Additionally, as Chairperson of the Nomination Committee and a member of the Remuneration Committee, she has been involved in selecting candidates for Directors and Executive Officer and deciding on the remuneration of Directors and Executive Officer, etc. of the Company from an objective and neutral position.  As explained above, she has extensive knowledge and rich experience that contributes to the sustainable growth of the Group. The Company expects that she will continue helping to strengthen the appropriate supervisory and decision-making functions of the Board of Directors. For these reasons, the Company endorses her appointment to the position of Outside Director.
<u>Number/Rate of Attendance for Meetings of the Board of Directors, etc. (FY2021)</u> Board of Directors Meetings <b>20/20 (100%)</b> Nomination Committee Meetings <b>10/10 (100%)</b> Remuneration Committee Meetings <b>6/6 (100%)</b>	<u>&lt;Business relationships with other organization(s) in which positions are concurrently assumed, etc.&gt;</u> (1) The Company does not have business relationship with Happinet Corporation. (2) The Company does not have business relationship with Yamato Holdings Co., Ltd. The Company has a business relationship including consignment of transportation with Yamato Transport Co., Ltd. which is a specified subsidiary of Yamato Holdings. However, the value of the transaction's amounts to less than 1% of the respective consolidated net sales of the Company and Yamato Holdings.

[Candidate for Outside Director] [Independent Director]	
<b>Hiroshi Watanabe</b> (born June 26, 1949) <span style="float: right;"><b>[Reappointed]</b></span>	
<u>Personal History, Title and Position at the Company</u> Apr. 1972    Joined the Ministry of Finance Japan (MOF) Jul. 1998    Deputy Director-General, MOF Personal Secretary to the Minister, MOF Jul. 2001    Deputy Director-General, MOF Jul. 2002    Senior Deputy Director-General, International Bureau, MOF Jan. 2003    Director-General, International Bureau, MOF Jul. 2004    Vice Minister of Finance for International Affairs, MOF Jul. 2007    Special Advisor to the Minister of Finance Oct. 2007    Special Advisor, Japan Center for International Finance Apr. 2008    Professor, Hitotsubashi University-Graduate School of Commerce and Management / Faculty of Commerce and Management Oct. 2008    Deputy Governor, Japan Finance Corporation. Apr. 2012    CEO, Executive Managing Director, Japan Bank for International Cooperation Dec. 2013    Governor, Japan Bank for International Cooperation (resigned June 2016) Oct. 2016    President, Institute for International Monetary Affairs (to present) Jun. 2017    Director of the Company (to present)	
<u>Number of Company shares held</u> 3,107	<u>&lt;Reasons for nominating Mr. Watanabe as a candidate for Outside Director and outline of expected roles to fulfill&gt;</u> Mr. Hiroshi Watanabe has knowledge of domestic and overseas finance and economics and general aspects of management gained through his experience in key positions at the MOF and in management positions in government-affiliated financial institutions. Based on his insight, he has given useful advice from various viewpoints in the Board of Directors meetings so as to enhance mid- to long-term corporate value of the Group and has supervised the execution of duties by Executive Officers, etc. from an independent position. Additionally, as a member of the Audit Committee, he has been engaged mainly in auditing the execution of duties by Executive Officers, etc. from an objective and neutral position.
6 <u>Years served as Director</u> 4 years *At the close of this Ordinary General Meeting of Shareholders	As explained above, he has extensive knowledge and rich experience that contributes to the sustainable growth of the Group. The Company expects that he will continue helping to strengthen the appropriate supervisory and decision-making functions of the Board of Directors. For these reasons, the Company endorses his appointment to the position of Outside Director.
<u>Important position of other organization(s) concurrently assumed:</u> President, Institute for International Monetary Affairs Outside Director, ORIX Corporation	<u>&lt;Business relationships with other organization(s) in which positions are concurrently assumed, etc.&gt;</u> (1) The Company does not have business relationship with the Institute for International Monetary Affairs. (2) The Company has a business relationship with Orix Corporation, which includes activities related to leasing. However, the transaction amount is less than 1% of the consolidated net sales of the Company and Orix Corporation.
<u>Number/Rate of Attendance for Meetings of the Board of Directors, etc. (FY2021)</u> Board of Directors Meetings 20/20 (100%) Audit Committee Meetings 16/16 (100%)	

[Candidate for Outside Director] [Independent Director]	
Hikaru Sugi (born May 1, 1950)	[Reappointed]
<u>Personal History, Title and Position at the Company</u>	
Apr. 1974    Joined Nippondenso Co., Ltd. (currently DENSO CORPORATION)	
Jun. 2002    Executive Director, Member of the Board; General Manager, Air-Conditioning Product Div.	
Jun. 2004    Executive Director; General Manager, Air-Conditioning Product Div.	
Jun. 2005    Executive Director; General Manager, Thermal Systems Business Div.	
Jun. 2008    Senior Executive Director, Member of the Board; General Manager, Engineering Research & Development Center	
Jun. 2011    Senior Executive Director, DENSO CORPORATION; President and CEO, DENSO INTERNATIONAL AMERICA, INC.	
Jun. 2013    Executive Vice President, DENSO CORPORATION; President and CEO, DENSO INTERNATIONAL AMERICA, INC.	
Jun. 2014    Advisor, Senior Technical Executive, DENSO CORPORATION	
Jun. 2016    Advisor (resigned June 2017)	
Jun. 2018    Director of the Company (to present)	
<u>Number of Company shares held</u> 3,847	<u>&lt;Reasons for nominating Mr. Sugi as a candidate for Outside Director and outline of expected roles to fulfill&gt;</u>
<u>Years served as Director</u> 3 years	Mr. Hikaru Sugi has extensive technical knowledge in development, design and manufacturing processes. He also has insight into corporate strategy from a global perspective and general aspects of management through his experience as a manager of a manufacturer that develops its business all over the world. Based on his insight, he has given useful advice from various viewpoints in the Board of Directors meetings so as to enhance mid- to long-term corporate value of the Group and has supervised the execution of duties by Executive Officers, etc. from an independent position. Additionally, as a member of the Nomination Committee and the Remuneration Committee, he has been involved in selecting candidates for Directors and Executive Officer and deciding on the remuneration of Directors and Executive Officer, etc. of the Company from an objective and neutral position.
<u>Number/Rate of Attendance for Meetings of the Board of Directors, etc. (FY2021)</u>	As explained above, he has extensive knowledge and rich experience that contributes to the sustainable growth of the Group. The Company expects that he will continue helping to strengthen the appropriate supervisory and decision-making functions of the Board of Directors. For these reasons, the Company endorses his appointment to the position of Outside Director.
Board of Directors Meetings	
20/20 (100%)	
Nomination Committee Meetings	
10/10 (100%)	
Remuneration Committee Meetings	
6/6 (100%)	

[Candidate for Outside Director] [Independent Director]	
Hiroshi Sato (born January 2, 1958) [Reappointed]	
<u>Personal History, Title and Position at the Company</u> Apr. 1980    Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.) Jun. 2007    Executive Officer; Manager, Credit Div. Apr. 2008    Executive Officer; Senior Superintendent Jun. 2008    Standing Audit & Supervisory Board Member Jun. 2011    Managing Director, Mitsubishi Steel Mfg. Co., Ltd. (resigned June 2017) Jun. 2017    Standing Audit & Supervisory Board Member of the Company Jun. 2019    Director of the Company (to present)	
<u>Number of Company shares held</u> 1,905  <u>Years served as Director</u> 2 years  *At the close of this Ordinary General Meeting of Shareholders	<u>&lt;Reasons for nominating Mr. Sato as a candidate for Outside Director and outline of expected roles to fulfill&gt;</u>  Mr. Hiroshi Sato has insight into finance, accounting and other aspects of corporate management from his experience as a corporate auditor of a financial institution and as a management at a manufacturer. Based on his insight, he has given useful advice from various viewpoints in the Board of Directors meetings so as to enhance mid- to long-term corporate value of the Group and has supervised the execution of duties by Executive Officers, etc. from an independent position. Additionally, as Chairperson of the Audit Committee, he has been engaged mainly in auditing the execution of duties by Executive Officers, etc. from an objective and neutral position.  As explained above, he has extensive knowledge and rich experience that contributes to the sustainable growth of the Group. The Company expects that he will continue helping to strengthen the appropriate supervisory and decision-making functions of the Board of Directors. For these reasons, the Company endorses his appointment to the position of Outside Director.
<u>Number/Rate of Attendance for Meetings of the Board of Directors, etc. (FY2021)</u>  Board of Directors Meetings 20/20 (100%)  Audit Committee Meetings 16/16 (100%)	

[Candidate for Outside Director] [Independent Director] Tatsuo Wakabayashi (born September 29, 1952) [Reappointed]	
<u>Personal History, Title and Position at the Company</u> Apr. 1977 Joined Mitsubishi Trust Bank (currently Mitsubishi UFJ Trust and Banking Corporation) Jun. 2008 Managing Director, Mitsubishi UFJ Trust and Banking Corporation (MUTB) Jun. 2009 Senior Managing Director, MUTB Jun. 2010 Senior Managing Director and Chief Executive, Trust Assets Division, MUTB; Managing Officer and Group Head, Integrated Trust Assets Business Group, Mitsubishi UFJ Financial Group, Inc. (MUFG) Jun. 2011 Senior Managing Director, MUTB; Director, MUFG Apr. 2012 President, MUTB; Director, MUFG Apr. 2013 President, MUTB; Deputy Chairman, MUFG Dec. 2013 President, CEO and Chairman, MUTB; Deputy Chairman, MUFG Jun. 2015 President, CEO and Chairman, MUTB; Director and Deputy Chairman, MUFG Apr. 2016 Chairman, MUTB; Director, MUFG Jun. 2016 Chairman, MUTB Jun. 2018 Part time engagement, Audit & Supervisory Board Member of the Company Jun. 2019 Director of the Company (to present) Apr. 2020 Senior Advisor, MUTB (to present)	
<u>Number of Company shares held</u> 1,054  <u>Years served as Director</u> 2 years *At the close of this Ordinary General Meeting of Shareholders	<u>&lt;Reasons for nominating Mr. Wakabayashi as a candidate for Outside Director and outline of expected roles to fulfill&gt;</u> Mr. Tatsuo Wakabayashi has insight into finance, accounting and other aspects of corporate management from his extensive experience as a manager after having served as President and Chairman at financial institutions. Based on his insight, he has given useful advice from various viewpoints in the Board of Directors meetings so as to enhance mid- to long-term corporate value of the Group and has supervised the execution of duties by Executive Officers, etc. from an independent position. Additionally, as Chairperson of the Remuneration Committee and a member of the Nomination Committee, he has been involved in deciding on the remuneration of Directors and Executive Officer, etc. and selecting candidates for Directors and Executive Officer of the Company from an objective and neutral position.
<u>Important position of other organization(s) concurrently assumed:</u> Senior Advisor, Mitsubishi UFJ Trust and Banking Corporation Outside Director, Mitsubishi Logistics Corporation	As explained above, he has extensive knowledge and rich experience that contributes to the sustainable growth of the Group. The Company expects that he will continue helping to strengthen the appropriate supervisory and decision-making functions of the Board of Directors. For these reasons, the Company endorses his appointment to the position of Outside Director.
<u>Number/Rate of Attendance for Meetings of the Board of Directors, etc. (FY2021)</u> Board of Directors Meetings 20/20 (100%) Nomination Committee Meetings 10/10 (100%) Remuneration Committee Meetings 6/6 (100%)	<u>&lt;Business relationships with other organization(s) in which positions are concurrently assumed, etc.&gt;</u> (1) The Company has a business relationship with Mitsubishi UFJ Trust and Banking Corporation (MUTB), related to such activities as entrustment of the Company's pension funds. However, the transaction amount is less than 2% of the consolidated net sales of the Company and MUTB. Moreover, the Company has no borrower-lender relationship with MUTB. (2) The Company has a business relationship with Mitsubishi Logistics Corporation including consignment of transportation, etc. However, the value of the transaction's amounts to less than 1% of the respective consolidated net sales of the Company and Mitsubishi Logistics Corporation.

10	<div style="text-align: right;">[Candidate for Outside Director] [Independent Director]</div> <div style="text-align: left;">Koji Igarashi (born November 20, 1954)</div> <div style="text-align: right;">[Reappointed]</div>	
	<u>Personal History, Title and Positions at the Company</u> Apr. 1980    Joined Ajinomoto Co., Inc. Apr. 2002    Senior Vice President, Ajinomoto U.S.A., Inc. Jun. 2007    Executive Officer; Vice President, Amino Acids Company, Ajinomoto Co., Inc. Jun. 2009    Executive Officer; General Manager, Corporate Planning Div. Jun. 2011    Member of the Board, Corporate Vice President Jun. 2013    Member of the Board, Corporate Senior Vice President Jun. 2017    Senior Advisor (resigned June 2020) Jun. 2020    Director of the Company (to present)	
	<u>Number of Company shares held</u> 1,527  <u>Years served as Director</u> 1 year  *At the close of this Ordinary General Meeting of Shareholders  <u>Number/Rate of Attendance for Meetings of the Board of Directors, etc. (FY2021)</u> Board of Directors Meetings 17/17 (100%) Audit Committee Meetings 13/13 (100%)	<u>&lt;Reasons for nominating Mr. Igarashi as a candidate for Outside Director and outline of expected roles to fulfill&gt;</u>  Mr. Koji Igarashi has extensive technical knowledge in technological development and manufacturing as well as insight into overall management, such as global business development, business reform and creation, and promotion of digitalization through his experience as a manager of a food manufacturer that develops its business all over the world. Based on his insight, he has given useful advice from various viewpoints in the Board of Directors meetings so as to enhance mid- to long-term corporate value of the Group and has supervised the execution of duties by Executive Officers, etc. from an independent position. Additionally, as a member of the Audit Committee, he has been engaged mainly in auditing the execution of duties by Executive Officers, etc. from an objective and neutral position.  As explained above, he has extensive knowledge and rich experience that contributes to the sustainable growth of the Group. The Company expects that he will continue helping to strengthen the appropriate supervisory and decision-making functions of the Board of Directors. For these reasons, the Company endorses his appointment to the position of Outside Director.
		<u>&lt;Business relationships with other organization(s) in which positions are concurrently assumed, etc.&gt;</u>  The Company has a business relationship with Ajinomoto Co., Inc., in which Mr. Koji Igarashi had been a member who executed business in the past, such as consigned treatment of industrial waste. However, the value of the transactions amounts to less than 1% of the consolidated net sales of the Company and Ajinomoto Co., Inc.

(Reference) Expertise and Experience of Candidates for Directors (Skill Matrix)

The expertise and experience of the candidates for Directors are as follows.

Name	Business experience outside the Company	Expertise and experience						
		corporate management & organizational management	International experience	Sales & marketing	Production engineering	Research & development	Legal affairs	Finance & accounting
Akira Takeuchi		●	○				●	○
Naoki Ono		●	○	○	○		○	○
Nobuhiro Takayanagi		●	○	○			○	○
Yoshikazu Yasui		●	○				○	○
Mariko Tokuno (Outside)	Consumer goods	●	○	○			○	○
Hiroshi Watanabe (Outside)	Tax system and international finance	●	●				●	○
Hikaru Sugi (Outside)	Automotive products	●	○		○	●		
Hiroshi Sato (Outside)	Finance and steel	●					○	●
Tatsuo Wakabayashi (Outside)	Finance	●	○				○	○
Koji Igarashi (Outside)	Food and food materials	●	○		●	○		○

○ means the expertise and experience that candidates have (● refers to their strengths)

(Note) The above table does not cover all insights that the candidates are equipped with.

(Reference) Planned composition of the Committee after this proposal is approved.

Assuming the proposal is approved, each committee will be comprised of the following members.

	Candidate Number	Name	Nomination Committee	Audit Committee	Remuneration Committee
	1	Akira Takeuchi		○	○
	2	Naoki Ono	○		○
	3	Nobuhiro Takayanagi			
	4	Yoshikazu Yasui	○	○	
Candidates for Outside Director	5	Mariko Tokuno	●		○
	6	Hiroshi Watanabe		○	
	7	Hikaru Sugi	○		○
	8	Hiroshi Sato		●	
	9	Tatsuo Wakabayashi	○		●
	10	Koji Igarashi		○	

○ indicates a committee member who is planned to assume the position (● means a person who is planned to become the committee chairperson.)

- Note 1: There are no special interests between any of the candidates and the Company.
- Note 2: The number of shares of the Company held by each candidate is as of March 31, 2021 and is presented herein with the following number of shares included.
- (1) The holdings of the candidate himself or herself through the Mitsubishi Materials Executive Stock Ownership Plan
- (2) The number of shares scheduled to be distributed at the time of his retirement as Executive Officer based on the stock-based compensation plan that employs the mechanism of trust (the number is also presented in brackets as being included in the total).
- Note 3: Ms. Mariko Tokuno, Mr. Hiroshi Watanabe, Mr. Hikaru Sugi, Mr. Hiroshi Sato, Mr. Tatsuo Wakabayashi and Mr. Koji Igarashi are candidates for appointment as Outside Directors.
- Note 4: In addition to the number of times Board of Directors were held, as stated in each candidate's "Number/Rate of Attendance for Meetings of the Board Directors, etc." there were one notice made to Directors pursuant to Article 372, Paragraph 1 and 3, of the Companies Act.
- Note 5: Regarding Nomination Committee meetings, Audit Committee meetings, and Remuneration Committee meetings, each member's number of times of attendance/rate of attendance refer to respective meetings held during FY2021.
- Mr. Akira Takeuchi was a member of the Nomination Committee until June 30, 2020 (the date of the 95th Ordinary General Meeting of Shareholders) but he became a member of the Audit Committee on the same day. Accordingly, the number of times of holding the Nomination Committee meetings and the Audit Committee meetings that he was expected to attend is different from other directors and officers.
- Mr. Yoshikazu Yasui took office as Director and a member of the Nomination Committee and the Audit Committee on June 30, 2020 (the date of the 95th Ordinary General Meeting of Shareholders). Accordingly, the number of times of holding the Board of Directors meetings, the Nomination Committee meetings and the Audit Committee meetings that he was expected to attend is different from other directors.
- Mr. Koji Igarashi took office as Director and a member of the Audit Committee on June 30, 2020 (the date of the 95th Ordinary General Meeting of Shareholders). Accordingly, the number of times of holding the Board of Directors meetings and the Audit Committee meetings that he was expected to attend is different from other directors.
- Note 6: A provision of the Articles of Incorporation allows the Company to execute with Directors (excluding those who are Executive Director, etc.) agreements limiting liability for damages in accordance with Article 427, Paragraph 1 of the Companies Act. In accordance with the provision, the Company has executed a limited liability agreement with Mr. Akira Takeuchi, Mr. Yoshikazu Yasui, Ms. Mariko Tokuno, Mr. Hiroshi Watanabe, Mr. Hikaru Sugi, Mr. Hiroshi Sato, Mr. Tatsuo Wakabayashi and Mr. Koji Igarashi. The outline of the agreement is as follows. If this item of business is approved and resolved and Mr. Akira Takeuchi, Mr. Yoshikazu Yasui, Ms. Mariko Tokuno, Mr. Hiroshi Watanabe, Mr. Hikaru Sugi, Mr. Hiroshi Sato, Mr. Tatsuo Wakabayashi and Mr. Koji Igarashi assume the position of Director, such limited liability agreements will remain in effect.
- With respect to liability as described in Article 423, Paragraph 1, of the Companies Act, if a Director (excluding those who are Executive Director, etc.) performs their duty in good faith and without gross negligence, the Director shall be liable to the Company for damages only to the extent of minimum liability as set out in Article 425, Paragraph 1, of the Companies Act. The Company shall indemnify the Director for damages in excess of the amount of the liability.
- Note 7: The Company has concluded directors and officers liability insurance with an insurance company provided under Article 430-3, Paragraph 1 of the Companies Act, and with the said insurance, the Company will pay for damages, litigation costs and others that may arise from the insured including directors of the Company assuming the responsibility for execution of their duties or facing claims that seek the said responsibility (however, excluding matters that fall under the category of

uncovered events provided in the insurance). If the candidates assume the position of Director, they will be the insured of the said insurance.

Additionally, the insurance will be renewed upon the expiration of the policy duration.

Note 8: The Company has notified the Tokyo Stock Exchange, Inc. that Ms. Mariko Tokuno, Mr. Hiroshi Watanabe, Mr. Hikaru Sugi, Mr. Hiroshi Sato, Mr. Tatsuo Wakabayashi, and Mr. Koji Igarashi are Independent Directors (Outside Directors who are unlikely to have conflicts of interest with general shareholders) in accordance with the regulations.

[Policy for Nomination of Candidates for Director]

Our basic approach to the structure of the Board of Directors, which fulfills the roles of determining the direction of management and exercising supervision over the progress of business execution, is to ensure that it comprises a diverse range of human resources with different expert knowledge, experience, and other qualities. In particular, the Nomination Committee will consider candidates for Outside Directors to ensure that they comprise individuals who possess experience and knowledge in corporate management (business similar to or different from the Group's business, etc.) and organizational management, and individuals who possess broad and advanced expert knowledge and extensive experience in relation to finance and accounting affairs, legal affairs, production engineering, research and development, sales and marketing, or international relations, etc.

In light of the basic policy on the structure mentioned above, the Nomination Committee will nominate and select individuals who satisfy the following requirements as candidates for Directors, regardless of individual attributes concerning gender, nationality and race, etc.:

- An individual of exceptional insight and character;
- An individual with a strong sense of ethics and law-abiding spirit; and
- An individual who can properly fulfill his or her duties concerning the exercise of supervision over the management of the Company and the determination of the direction of management.

Further, with respect to candidates for Independent Outside Director, the Nomination Committee will nominate and select individuals who satisfy the following requirement in addition to the above requirements:

- An individual who has no material interest in the Group and who can remain independent.

The specific selection of personnel shall be decided after deliberation by the Nomination Committee.

[Standards for Independence of Independent Outside Directors]

The Company considers that an Outside Director is not independent if he or she falls under any of the conditions listed below in addition to meeting the standards for independence established by Tokyo Stock Exchange, Inc.:

1. An individual who falls under or has fallen under any of items (1) or (2) below, either presently or in the past:

- (1) An executive or non-executive Director of the Company; or
- (2) An executive or non-executive Director of the Company's subsidiary.

2. An individual who falls under any of items (1) through (5) below:

- (1) An executive of a client or supplier company of the Company, whose value of transactions amounted to 2% or more of the consolidated net sales of the Company or the client or supplier company as of the end of the previous fiscal year;
  - (2) A person who received, as a professional or consultant, etc., consideration of not less than 10 million yen from the Company in the previous fiscal year, excluding his/her consideration as a Director;
  - (3) An executive of an organization that received a donation of not less than 10 million yen from the Company in the previous fiscal year;
  - (4) A shareholder who directly or indirectly holds at least 10% of the total number of voting rights of the Company or an executive of such shareholder; or
  - (5) The Company's Accounting Auditor or its employee, etc.
3. An individual who has fallen under any of items (1) to (5) of 2 above at any time in the past three (3) years:
4. A close relative of any of the persons listed in item (1) or (2) of 1 above, items (1) to (5) of 2 above, or 3 above (excluding unimportant persons); or
5. A person who has served as the Company's Outside Director for period of more than eight (8) years.