

Q&A Summary for September 2026 ESG Presentation

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Venue	Online stream
Explainers/ respondents	ICHIMURA Satoshi Representative Director, Member of the Board, President & CEO OMOTE Toshihiko Member of the Board, Managing Executive Officer, CTO, Center Executive, Research Center SAMBE Masao Managing Executive Officer, CDO, Sector President, Digital Transformation Sector
Explanatory materials	Materials for the ESG Presentation on September 2026

Q&A

100-Day Plan: Overview

Q. Mr. Ichimura, now that you've been CEO for about half a year, could you give us some insight into the progress on making Mitsui Chemicals a global specialty company, as well as how the 100-Day Plan has been received among employees?

A. ICHIMURA, CEO

I've been visiting various company sites – including overseas – since about July to speak with employees about the 100-Day Plan, which I believe is an incredibly useful tool. And there have been a lot of conversations at our sites regarding AI and DX. I've been asked quite a few questions by people with a positive attitude toward introducing these kinds of tools, or using them to pass down knowledge, but I've also heard from people concerned that AI might eliminate jobs.

I've conveyed to employees that it's ultimately real people who make the decisions on the options presented by AI. And what that means is that it's important for people to improve their skills and abilities to be able to take those decisions. I've also been telling people that I want to get as many suggestions from people at our sites as we can. Going forward, we'll be wanting the kinds of personnel who can think independently and work independently.

One thing I was happy to see was that employees – and especially our younger employees – were actively participating in the discussion and making sure their thoughts were heard. We'll have the leaders and members of task force teams hold more discussions, and we'll incorporate the opinions of our employees into ongoing efforts for the plan's evolution.

Q. I've seen both "100-Day Plan" and "100-Day Implementation Plan" used. Could you explain what the difference is between the two?

A. ICHIMURA, CEO

We intentionally use the two terms in different ways. When we say "100-Day Plan," we're talking about a plan we put together based on discussions during the first 100-day period. It includes a concrete schedule for the progress we aim to make within the current fiscal year.

On the other hand, when we talk about the "100-Day Implementation Plan," we're referring to the phase where we take the 100-Day Plan we've put together and make it a reality. In order to make these plans achievable, we've got a setup where we appoint CxOs as the leaders of various teams,

with responsibility for reviewing implementation. Every 100 days, we'll carry out a cycle of implementation, review, and improvement, managing our progress as we head toward 2030. If things aren't going along with the plan, we'll revise the details at each interval, and we'll also, for example, add new items based on feedback from our front-line staff, helping us to make any necessary improvements as we put our plans into action.

Q. Achieving the 100-Day Plan is going to require more than just a shift in employee mindsets: It's going to require changes to employee behavior. This could include things like standardizing and sharing data instead of fencing it off, and using time freed up by AI to deal with customers. How do you plan on leveraging HR systems and human capital management to foster these kinds of changes to employee behavior?

A. ICHIMURA, CEO

This has been the biggest focus of this initiative; we certainly don't expect that sending a few messages from management will be enough to transform people's behavior. What we *do* expect, though, is that if we're persistent and consistent with milestone management – if we continue to verify and share progress every 100 days – then that will change people's behavior, to start with, then in turn bring about a change in people's mindsets.

I'll also note that as part of our push to uphold our core values of Challenge, Diversity, and One Team, we've had discussions with employees who've raised concerns about whether the "One Team" ethos is being achieved across organizational lines. We've heard opinions that we need a system wherein those who challenge themselves to go beyond organizational boundaries are recognized not just for the contributions that they make to the achievement of their own department's targets, but for their contributions to other departments as well. We'll put together an HR strategy that includes an HR system based on these kinds of conversations with employees on the ground.

A. OMOTE, CTO

Our research department has implemented a policy of entering a standardized business trip report into the database within 24 hours of visiting a customer site. And these reports are also shared with the CTO. This allows us to review the details of the report and swiftly provide advice, but it also lets us leverage the networks of other members as necessary to connect to key figures both inside and outside the company. We intend to keep working on these sorts of systems to cement customer-centric activities within Mitsui Chemicals, leading to a change in employee behavior.

Q. Were the quantitative targets you've presented today already incorporated into the targets and plans we saw in last year's CEO Presentation? And would I be correct in interpreting these figures as each initiative's estimated contribution to profits as of fiscal 2030?

A. ICHIMURA, CEO

The effects of the initiatives we've laid out today should be seen as part of the overall targets we've laid out within VISION 2030. Our VISION 2030 targets are primarily focused on business strategy, while the initiatives we've presented today are intended as a way of complementing that by bolstering our functional divisions.

Team A is aiming to create 10 billion yen of profit through the creation of new businesses, while Team D is aiming for a 10 billion yen cost reduction through the implementation of digital transformation (DX). These efforts are different in nature, but we've put these targets in terms of profit contribution today to help show quantitatively how the work of the functional divisions leads to financial benefits, and how non-financial targets contribute to financial outcomes.

We intend to give more specifics on how these efforts will contribute to profits at a later date, with consideration also given to how these efforts align with our business strategy.

100-Day Plan: Solutions Strategy

Q. What sort of changes have you seen following the restructuring of the company's R&D setup last October?

A. OMOTE, CTO

Last October, we clearly delineated the roles of research and development. By linking our development divisions directly to our business sectors – and moving to a setup where our business sectors proactively utilize development assets efficiently and in line with our business strategy – we've improved our selection of what themes to engage with, as well as the speed of our communication with customers. Themes due to reach the market within three years have been transferred to development divisions, and our Research Center is reselecting themes with an eye toward creating medium- to long-term value, including for five and ten years down the line. This reselection of themes is being guided by consideration of our technological and nontechnological assets alike, and is already about 80 percent complete.

Q. Should the target of creating ten new businesses from R&D themes be seen as an upward revision from the existing KPI of creating three or more new businesses by 2030?

A. OMOTE, CTO

We haven't intentionally raised our target here. Rather, upon taking a close look at various themes, we determined we'll need to create about that many to achieve sufficient capital efficiency, so we set this as a stretch target.

Further, while the target year for contribution to profits is 2030, the target relating to number of new businesses is to create ten or more themes by 2030 that can contribute to profits by 2035 or thereabouts.

Q. Were the targets for your solutions strategy set out of a sense of urgency regarding changes in the external environment, or are these something you've decided on based on their feasibility? Also, I imagine maintaining capital efficiency could pose an issue when you're starting up these many new businesses. How do you intend to balance the creation of these new businesses with efforts to improve capital efficiency?

A. ICHIMURA, CEO

These stretch targets were set as something to complement our original targets, to be clear, not as a revision to those original targets.

I do feel a strong sense of concern amid this period of intense global competition, and I believe that unless we adopt a perspective that considers markets and commercial viability right from the initial stages of research, we won't be able to reach commercialization swiftly enough. What we're looking at here is the result of a close examination – led by our CTO, Mr. Omote – into various themes from the perspectives of marketability, profitability and certainty, to ensure those ideas can actually leave the drawing board.

As for the feasibility of bringing all ten new business themes to fruition, I'll say that since we've set that lofty goal of ten, I certainly want to see our researchers rise to the occasion and do their best to make it happen. At the same time, however, we're aware that we'll need to keep carefully considering factors like commercial viability and return on investment instead of chasing that target of ten businesses above all else. I'd like for our researchers to hone their business sense and go about this task with an eye on the market, rather than pursuing technologies just because

they seem interesting or because they'd be something unprecedented.

If it seems we can really expect results, we'll consider investing more resources ahead of schedule, but we aren't going to do so recklessly just for the sake of hitting our ten-business target.

Q. More so than looking at the value created by R&D and DX as separate benefits, I'd like to hear about your approach to using customer issues as a starting point to evaluate resource redistribution, commercialization timelines, customer value, and profit contribution all as one, across research, business, sales, production and DX. As an addendum to that, how is this approach reflected in your allocation of management resources?

A. OMOTE, CTO

Conventionally, R&D was a task for small-scale organizational units within a division, working by themselves. That's made it difficult to visualize the process from research to commercialization, and it's often meant that the benefits of research have been limited, even when a lot of time and effort has gone into that research. But from here on out, each different function – development within a business sector, the development of new businesses, corporate research, manufacturing and processing, IP management and so on – will be handled on a cross-departmental, per-project basis, with teams put together in a flexible manner based on the needs of the task at hand.

To support this dynamic management of the full process from zero through to commercialization, we're building a mechanism that provides an integrated view of the positioning of each theme, its commercialization timeline, target customers and markets, cumulative investment, and contribution to sales and profits. This information is set to be shared between relevant in-house individuals, including executives and those from our business sectors, and to start being used in the latter half of fiscal 2026. We'll continue with this provision of data going forward, and we'll improve upon it based on user feedback.

We also intend to use AI in areas where it excels, such as the analysis and evaluation of large datasets. Rather than introducing AI separately for individual applications, however, we will develop a company-wide platform that provides an integrated view of the overall innovation process, technology categories, and internal and external collaboration partners. While this isn't yet at a stage that can produce quantitative results, we will manage progress and outcomes by leveraging dynamic visualization.

Q. When you refer to ten new business themes, what kinds of themes do you have in mind, specifically?

A. OMOTE, CTO

We can't disclose the specific details, but in terms of the general directions we're looking in, for one, we want to pursue themes in the ICT and semiconductor sector – which is continuing to grow – that can set us up for five or ten years further down the line. We'll also be focusing on the field of medical biotechnology. Beyond that, we want to create materials that can contribute to physical AI, which has recently attracted considerable attention, as well as research themes that reflect the specific characteristics and requirements of this field. We're considering options in the aerospace sector as well.

Importantly, the role of the research organization extends beyond conducting research; it also contributes to the management of the company. When we create research themes, we'll be factoring in investment efficiency and capital efficiency right from the start of the research process. Even for themes that seem to have real business potential, we'll take a close look at long-term viability and growth potential and weigh up various options – including M&A and carve-outs – as we move forward with R&D.

100-Day Plan: Achieving DX-Driven Corporate Transformation

Q. How will a 30 percent or more reduction to work duties through the use of AI impact the number of personnel the company needs? Even if personnel that get freed up are reassigned to specialty chemical domains, those domains could themselves see a reduction in their number of required personnel due to optimization. Could you give some insight into your personnel and HR strategy going forward?

A. SAMBE, CDO

Our AI efforts are seeing us review the need for all of our tasks and business processes from scratch rather than simply targeting piecemeal improvements, so yes, we do expect to create significant additional capacity, both in terms of human resources and time. It's with this in mind, however, that we're establishing a foundation for optimizing personnel allocation on a company-wide basis, which will help us assign these resources to our specialty chemical domains and other strategic domains so that they contribute to top-line growth.

We have over 165 data scientists constantly finding more viable use cases for AI. We already have an in-house list of more than 300 measures relating to AI and DX, and we're gradually implementing these measures and rolling them out.

A. ICHIMURA, CEO

While we'll ensure we have the personnel and manpower required to grow as a company, we plan to reliably pass on the expertise of veteran employees as they reach retirement, while optimizing our workforce across the Group, including at domestic and overseas affiliates.

We'll capitalize on the surplus capacity created by our optimization to assign our human capital toward top-line growth, in coordination with our business sectors. We plan through this to increase both sales revenue and operating income before special items on a per-employee basis.

Q. Can you please provide a timeline and breakdown of effects for the 10 billion yen in profit contribution given as a stretch target for DX?

A. SAMBE, CDO

We aim to reach a profit contribution of 10 billion yen here by 2030. The impact will be limited in the early stages of the initiative, but as we get more users involved, broaden the scope, spread the changes from department to department, and see employees get more proficient with the new solutions, we should see more and more benefits arise over time. We expect that the bigger effect a project will have, the longer it will take to show results, but the more it will accelerate as time goes on.

These measures are still being introduced and rolled out in stages, but some – such as AI analysis of production and sales, as well as the visualization of logistics, which were covered in the presentation – are already showing results.

Going forward, we'll be expanding the scope of these measures and the list of sites they apply to. And by then reassigning the human resources and time freed up by our AI and DX use to specialty chemical domains and other strategic domains, we aim to achieve 10 billion yen in profit contribution by 2030. In addition to profit and loss, we also expect to see balance sheet benefits too, such as inventory reductions enabled by improved simulation accuracy.

Finally, when I mention expanding the scope of these measures, we intend to roll these measures out globally, rather than limit them to particular sectors, businesses or regions.

Q. You've already been utilizing AI for demand forecasting for a while now. What improvements will your newly introduced demand forecasting and sales forecasting system bring compared to your previous method? And in what areas do you expect this implementation of AI to provide the largest cost reduction benefit?

A. SAMBE, CDO

As you note, we've been using a range of methods to forecast demand for quite some time now. The key feature of the initiative we've covered today is that we're leveraging an AI algorithm created in-house to develop and operate forecast models optimized for specific applications, which has enabled us to put together more precise, flexible demand forecasts.

In addition, advances in AI technology in recent years have made it possible to take models and mechanisms that have already been made for one business or application and efficiently apply them to another. So by making use of shared AI assets instead of developing the same thing from scratch for each use case, we're able to pursue company-wide implementation while keeping development costs and operating costs to a minimum.

The benefits of this won't be limited to particular business sectors; we expect to see broad benefits. These should include inventory optimization enabled by more accurate demand forecasts, as well as efficiency improvements to production and logistics planning, and advances in our coordination of supply and demand. Given the applicability and versatility of these forecasting systems, we're hoping to implement them throughout a wide range of business sectors, including our specialty chemical domains, to help further optimize operations and reduce costs.

Q. As you broaden your use of DX and AI, what measures are you taking to ensure the information security of your data infrastructure and prevent in-house and external data from being mixed up? I'd also like to hear what you're doing to make personnel proficient in the appropriate use of AI, including prompting.

A. SAMBE, CDO

Information security is incredibly important. We categorize security into the four phases of defense, detection, response, and remediation, and we've previously built a security operation center (SOC) to bolster our capabilities in the response and remediation phases. Incidents seen at other domestic companies in recent years have shown that endpoint detection and response (EDR) isn't enough, so we're working to introduce and utilize managed detection and response (MDR) – which remotely detects and fixes issues – to improve our monitoring and response setup.

As for preventing the intermingling of in-house and external data, selecting which AI to use is important. We're also pursuing stricter governance on things like clearly separating private sections on the cloud, and only using or allowing the use of cloud services approved of or managed by the company. We plan on putting in place training programs on the proper use of AI to more thoroughly educate employees on these matters.

Our Risk Management Committee has also positioned information security as a key management risk, and we've set up a mechanism to ensure any course of action the committee recommends is quickly taken throughout the company. We'll combine tools, rules and training to build a robust usage environment for AI.

100-Day Plan: Plant Evolution Strategy

Q. I'd like to ask about the company's response to plant incidents, particularly from the perspective of DX and ESG. How are you using knowledge transfer AI and operational support to boost facility competitiveness?

A. SAMBE, CDO

With knowledge transfer AI, we're working to take past operational data and the expertise of veteran

employees and systematically put it together as explicit manufacturing knowledge in the form of a “trigger database” linked to signs of abnormality. For example, if a veteran employee not only checks temperature and pressure as the manual instructs but also listens out for certain sounds based on their own experience, then any know-how and tricks along those lines will be added to the database, minimizing the risk of this expertise being lost.

A. ICHIMURA, CEO

The conventional approach to plant incidents is simply to deal with these issues as they arise, then apply the findings to other facilities. However, this risks could fall into the trap of only treating the symptoms. So in the 100-Day Plan, we defined the ideal state of a highly competitive plant, and we’ve laid out a stretch target of having our plants introduce 100 new production technologies by 2030.

Plants should be envisioned not as mere cost centers but as wellsprings of competitiveness, and should work actively to introduce new technologies. With employees on the ground coming under additional burdens – including veterans passing down their knowledge to younger employees, personnel issues at partner companies, and a diversification in work styles – DX and AI will help reduce the workload on employees, giving them back time that they can use to bolster competitiveness.

Q. You mention pursuing a standardization of plants, but I imagine there will be issues stemming from the fact that each plant has its own different manufacturing processes and facilities. How do you intend to overcome these issues, and what kind of standardization do you have in mind? I’d like to hear your thoughts on both the challenges here and where you hope to end up.

A. ICHIMURA, CEO

As you say, we have a wide range of plants – from petrochemical plants to fine chemical plants, to plants making finished goods – and each of those plants has cultivated its own culture, strengths and specialties. In my dialogue with them, employees on the ground have voiced concerns over whether these diverse plants even can be standardized, and whether it’s possible to run them all the same way in the first place – but to be clear, we’re not trying to have every plant do things the same way. Rather, what we intend to standardize are the ways of thinking that serve as the core for everything else; we hope to have every plant operating off the same mindset.

For example, that might mean acting based on data rather than relying on intuition, experience and grit; or doing things a given way based on fundamental principles, not because that’s how your senior colleague did it. Then, when it comes to relying on data, we’ll look to standardize things like what kind of data should be referenced for discussions or operations; or, when it comes to plant operations, we’ll look to standardize, say, a certain understanding of the scientific principles at play.

Further, while visualizing work procedures is an essential step to optimizing work, it’s not that we’re trying to standardize every task at the workplace into the same format. What we really want to standardize is that very process of visualizing tasks.

If we can standardize our approach to these kinds of initiatives, it’ll become both easier and faster for us to roll out AI systems developed at one plant for use at others. Ultimately, we want to make it so that regardless of who gets assigned to what plant, operations across plants are run based on a shared mindset.