

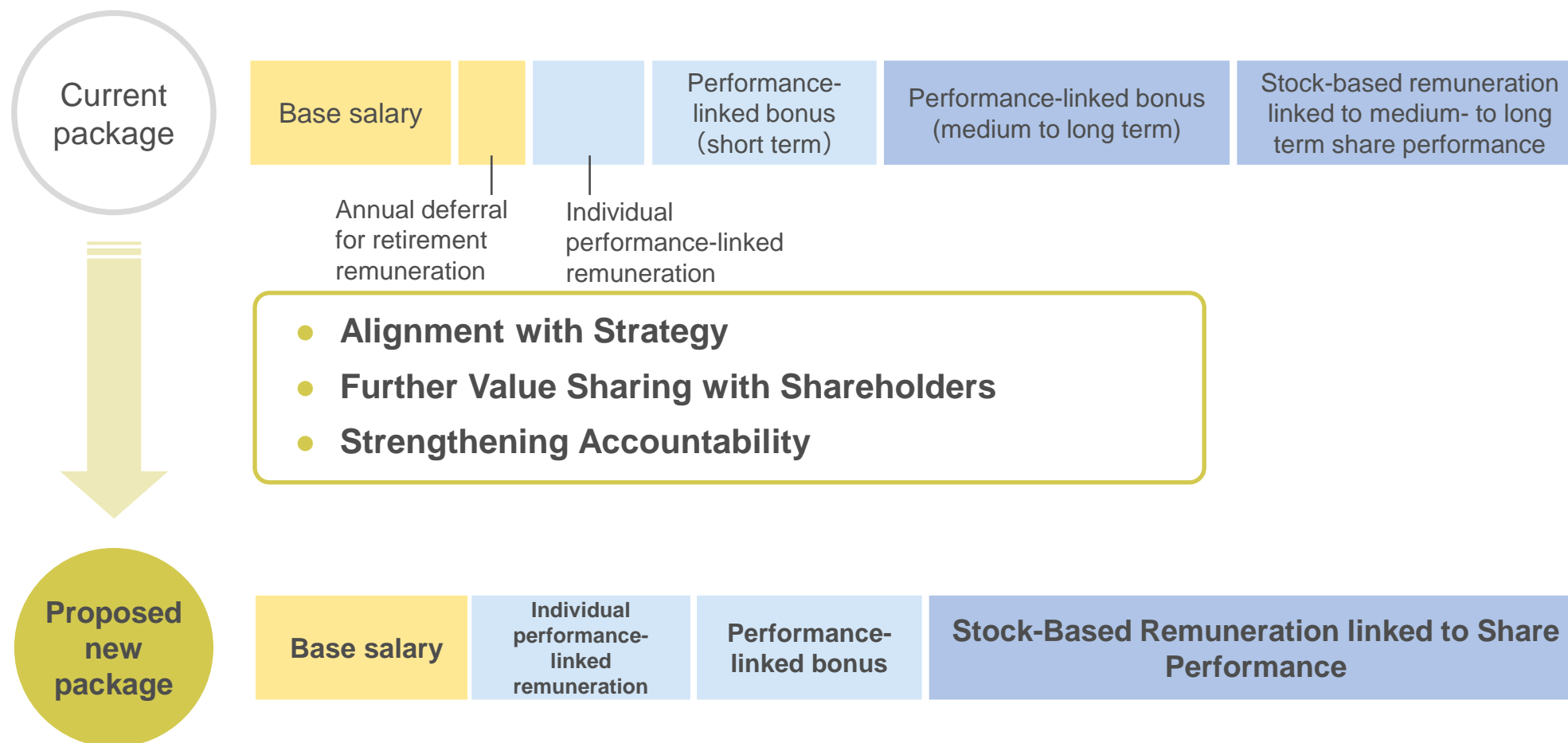
Environment Social Governance

Revision of the Remuneration Package for Executive Officers

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Basic Policy of New Remuneration Package

- Designed new remuneration package with the primary goal of further promoting value sharing with shareholders and further strengthening MC's future sustainable growth and initiatives toward enhancing medium- to long-term corporate value



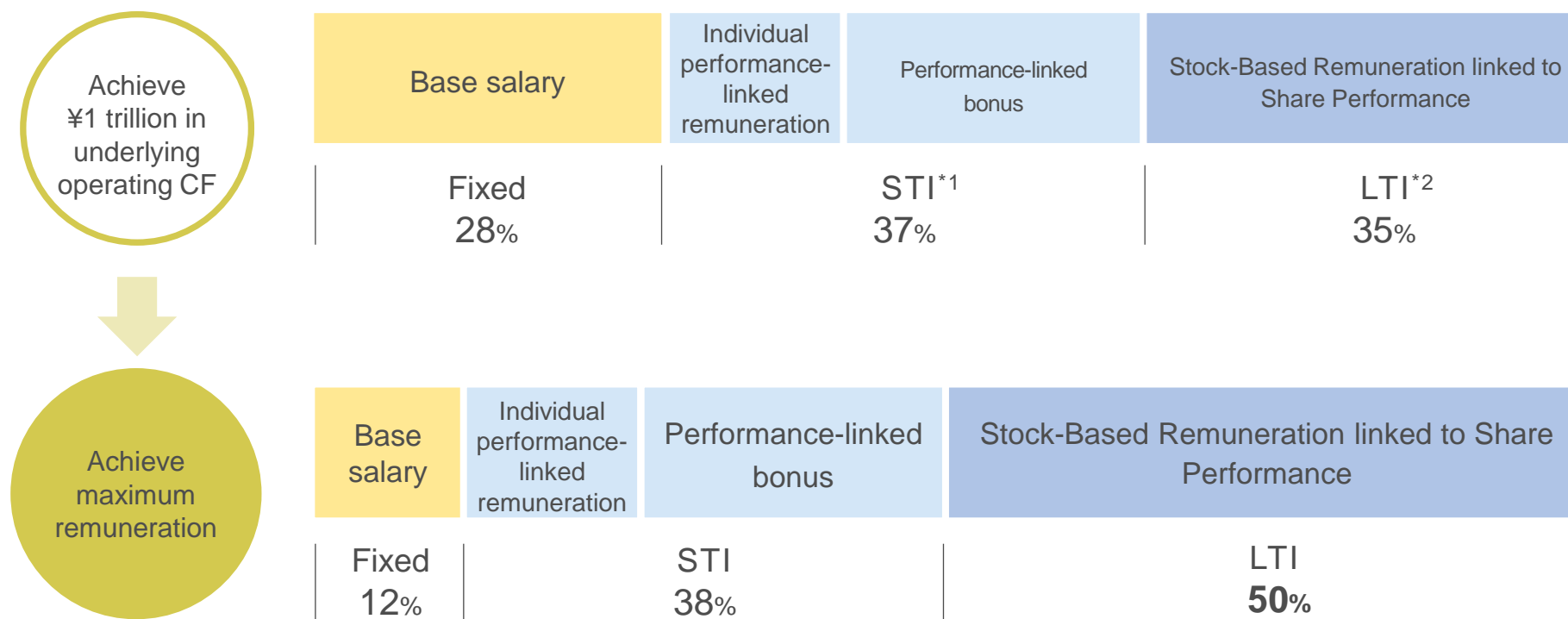
Remuneration Components and KPIs

- Reduced remuneration components from six to four and set underlying operating CF and ROE as new KPIs

Component		KPI	Details
Base salary	Fixed 15 ~ 50 %	—	<ul style="list-style-type: none"> ● Amount determined by the Board of Directors according to position, paid monthly.
Individual performance-linked remuneration*	Variable (single year) 20 ~ 35 %	Individual performance (single fiscal year/each individual)	<ul style="list-style-type: none"> ● Payment amount determined for each individual based on evaluation of performance in both financial and non-financial terms by the President/CEO. ● Evaluation on the President/CEO's performance determined after deliberation by the Compensation Committee.
Performance-linked bonus*		Underlying operating CF, ROE, sustainability (single fiscal year/uniform for all Executive Officers)	<ul style="list-style-type: none"> ● Amount paid determined in line with underlying operating CF for the relevant fiscal year. ● If ROE falls below 12%, amount paid is reduced. ● Amount varies in accordance with the results of evaluating initiatives for sustainability factors (±10%).
Stock-Based Remuneration linked to Share Performance*	Variable (medium to long term) 30 ~ 50 %	Growth rate in shares (3-fiscal-year period/uniform for all Executive Officers)	<ul style="list-style-type: none"> ● Points allocated will be adjusted based on the growth rate of MC's stock over three years. (MC's three-year TSR divided by growth rate of TOPIX) ● Introduction of trust-type stock remuneration for delivery of shares.

Proportion of Remuneration Paid to the President/CEO based on Performance

- If performance level is the same as the current remuneration package, the remuneration level will also be the same
- The remuneration structure is designed to allow for further returns in case of a strong performance, increasing the proportion of stock-based remuneration to 50% when the maximum remuneration is achieved



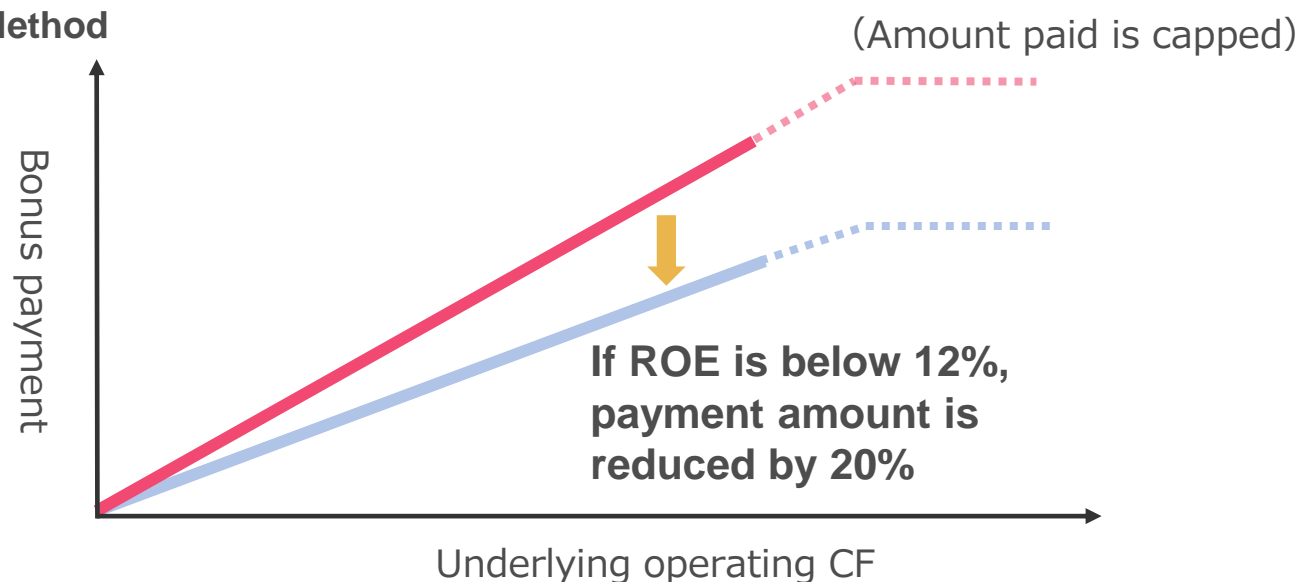
The above image shows the proportion of remuneration calculated based on certain MC performance and the stock price for illustrative purposes only

*¹ Short-term incentive *² Medium- to long-term incentive

Performance-linked Bonus

- Payment amount is calculated based on the results of the underlying operating CF, which is positioned as the indicator for measuring growth potential in Corporate Strategy 2027 (CS 2027). To emphasize the target of achieving ROE of 12% or more in FY2027, we will reduce the payment amount by 20% if ROE is less than 12%.

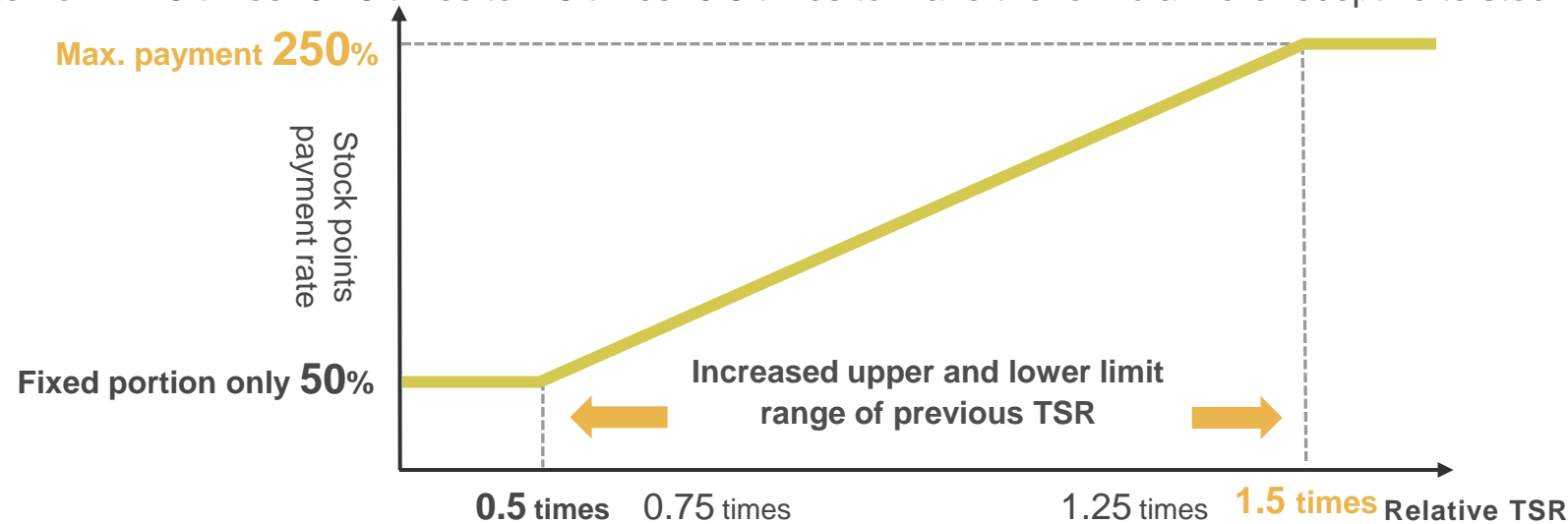
FY2025 Calculation Method



- Amount paid calculated based on underlying operating CF results (no payment if profit is zero or there is a deficit)
- Amount paid will be reduced by 20% if ROE fails to achieve the standard set in CS2027 (12%)
- The range of change in the payment amount will be plus or minus 10% depending on the results after evaluating sustainability factors

Stock-Based Remuneration linked to Share Performance

- Remuneration package changed from the current ¥1 stock options to one vesting stock through a trust scheme (linked to Share Performance)
- Increased the upper and lower limit range of the relative total shareholder return (TSR) in the current stock-based remuneration package from 1.25 times~0.75 times to 1.5 times~0.5 times to make the formula more receptive to stock prices



- Points allocated according to position every fiscal year.
- Performance evaluation period set at three years. Based on a formula decided by the Board of Directors following deliberation by the Compensation Committee, points will be adjusted according to the growth rate of MC's stock (MC's TSR divided by growth rate of TOPIX) during the evaluation period.
- Introduction of trust-type stock remuneration for delivery of shares.
- Basic policy of Senior Vice Presidents obligated to hold any shares during their tenure. Sales of such shares are restricted until their aggregate market value exceeds 300% (500% for the President/CEO) of the base salary of each position (basic policy continued. from current remuneration package).