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## Corporate Governance Report

CORPORATE GOVERNANCE

Mitsubishi Corporation

**Last Update: September 27, 2024**

### **Mitsubishi Corporation**

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The corporate governance of Mitsubishi Corporation (MC) is described below.

## **I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information**

### **1. Basic Views**

#### (1) Basic Policy on Corporate Governance

① With the Three Corporate Principles for a corporate philosophy, MC strives to continuously increase corporate value through corporate activities rooted in the principles of fairness and integrity. MC believes that by helping to enrich society, both materially and spiritually, it will also meet the expectations of all its stakeholders. In order to achieve these goals, MC recognizes the continuous strengthening of corporate governance as a fundamental management policy since it is the foundation for ensuring sound, transparent, and efficient management.

② Under MC's basic policy on corporate governance set forth in the preceding paragraph, MC transitioned to a Company with an Audit & Supervisory Committee upon approval at the 2024 Ordinary General Meeting of Shareholders held on June 21, 2024 to achieve a) separation of oversight and execution in management, b) oversight of management based on sufficient deliberation by the Board of Directors, and c) timely and decisive decision-making which has ability to respond to changes by delegating partial decision-making authority for the execution of important operations to the President and CEO and other Executive Directors (collectively the "Executive Directors").

③ Under this corporate governance system set forth in the preceding paragraph, the Executive Directors, who have been designated by the Board of Directors, shall formulate management strategies and business plans, etc., and subsequently the Board of Directors shall deliberate and determine them. The Executive Directors shall periodically report on the progresses of these strategies and plans to the Board of Directors, and the Board of Directors shall monitor those progresses to continuously increase corporate value.

④ MC shall establish internal rules and regulations for such matters as codes of conduct for officers and employees; a company-wide lateral management systems; and measures for prevention, correction, and improvement; and internal whistleblower systems. After informing all parties, MC shall rigorously reflect the

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rules and regulations in operations and realize its compliance system. MC shall also establish appropriate internal control systems, check the operating status of these systems on an annual basis, and endeavor to continuously improve and strengthen them.

(2) Basic Policy on Stakeholders Engagement

① In consideration of MC's Environmental Charter, Social Charters, Human Rights Policy and other relevant internal rules, MC shall strive to achieve its sustainable growth and to continuously increase corporate value by appropriately reflecting the demands, expectations and opinions of the diverse stakeholders such as shareholders, investors, financial institutions, employees, customers/business partners, NGOs, governments/local authorities, as well as society/media in our operations through dialogue and engagement.

② MC shall appropriately, timely and fairly disclose information and be committed to fulfilling accountability as a corporate enterprise through enhancement of disclosure materials and stakeholder engagement via dialogue in addition to disclosing corporate information in accordance with laws and regulations. In addition, MC will actively disclose and provide information in English to enhance the disclosure of information to foreign investors.

MC has formulated Mitsubishi Corporation Principles of Corporate Governance ("MC Principles of Corporate Governance") to define the basic views and policy of corporate governance and the concrete policy and initiatives based on them. Details are available on MC's website at the following URL.

MC Principles of Corporate Governance: <https://www.mitsubishicorp.com/jp/en/about/philosophy/corporate-governance.html>

### Reasons for Non-compliance with the Principles of the Corporate Governance Code

Based on the above Basic Views, MC is working to strengthen corporate governance on an ongoing basis, thus it is implementing all the principles of the Corporate Governance Code.

### Disclosure Based on each Principle of the Corporate Governance Code

MC's approaches to corporate governance are described in this report, MC Principles of Corporate Governance, the Notice of Ordinary General Meeting of Shareholders, Annual Securities Report, Integrated Reports, MC's website, and others. *See* these documents for more information.

The following are the details of the disclosure items based on the principles of the Corporate Governance Code.

(1) Principle 1.4 Cross-shareholdings

① Stance on Acquisition, Holding and Reduction in Listed Stocks

MC may hold shares, acquired for purposes other than pure investment, as a means of creating business opportunities and building, maintaining and strengthening businesses and partner relationships. When acquiring these shares, MC confirms the necessity of its acquisition based on the reason and economic rationale of the purchase in accordance with internal rules. Also, MC annually reviews the rationality of continuing to

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hold these shares at the Board of Directors and aims to reduce holdings of shares with decreased reason. In the Fiscal Year ended March 31, 2024, MC sold approximately 66 billion yen of its shareholdings (including 19.6 billion yen in deemed holding shares), a decrease of approximately 10% from the previous fiscal year.

< Verification policy for holding individual shares >

The Board of Directors verifies all of the listed shares held by MC from the perspectives of both economic rationale and qualitative reason of continuing to hold them every year.

The economic rationale is confirmed by whether or not the related earnings from each share such as dividends and related business profits on transactions, exceed MC's target capital cost (Weighted Average Cost of Capital) for the market price of each individual share.

The qualitative reason is confirmed by the achievement or status of progress of the expected purpose for holding the share, etc.

< Matters verified by the Board of Directors >

Verification was conducted by the Board of Directors for all listed shares held by MC as of March 31, 2024 (market price was approximately 0.7 trillion yen). As a result of verification from the perspectives of both economic rationale and qualitative reason of holding them, numerous shares were identified as candidates for reduction due to a decreased importance of the expected purpose and reason for holding them, etc.

## ② Stance on Exercising Voting Rights Relating to Listed Stocks

MC attaches great importance to dialogue and communication with its investment destinations through various channels, aiming to create business opportunities and build, maintain and strengthen businesses and partner relationships, and from the perspective of continuous increase of corporate value of MC and these companies. MC considers exercising voting rights to be one of the important approaches for the dialogue and communications with its investment destinations. For this reason, when exercising voting rights relating to an investment destination including the listed shares acquired for purposes other than for pure investment purposes, the department responsible for the oversight of the company reviews its business conditions (earnings, capital efficiency, etc.) from both quantitative and qualitative standpoints in accordance with internal rules. These rules stipulate matters to be considered, etc., when determining whether to vote for or against proposals such as appropriation of surplus, election of Directors and Audit & Supervisory Board Members, and revision of executive remuneration. Then MC exercises its voting rights appropriately for individual matters for resolution. Furthermore, with regard to the proposals for the election and dismissal of Independent Directors and Independent Audit & Supervisory Board Members of listed subsidiaries, MC's internal rules also stipulate that their independence from MC is to be examined before exercising voting rights.

For more information of Basic Policy for Cross-Shareholdings and Exercising Voting Rights as to Cross-Shareholdings, see Article 8 of MC Principles of Corporate Governance.

## (2) Principle 1.7 Transactions between Related Parties

By formulating the Board of Directors Regulations and the criteria for matters to be deliberated and determined, MC requires a resolution of the Board of Directors concerning transactions between Director and MC (self-

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dealing, indirect transactions) and transactions between major shareholders and MC.

(3) Supplementary Principle 2.4.1 Ensuring Diversity in the Promotion of Core Human Resources, etc.

① Policy for Ensuring Diversity

The significance of diversity management at the MC Group lies in building a strong organization with the flexibility to adapt to changing business environments.

In sharing the spirit of its guiding philosophy, the Three Corporate Principles, the Group aims to:

- Recruit and apply its broad professional expertise without discrimination (ex; including gender/national origin discrimination).
- Benefit from workforce diversity by embracing and applying different perspectives and ideas to its management practices, business creation and regional development.
- Improve performance of the entire organization by ensuring an inclusive professional work environment that maximizes the abilities of a diverse workforce.

MC considers human resources as a source of value creation, and as such, its policy is to support the professional growth and development of each and every employee through flexible, performance-based treatment and compensation. To ensure that the right people are appointed to the right positions, MC focuses on the skills, performance and experience of each candidate, and does not discriminate based on age, gender, nationality or any other such factors. Based on this policy, MC has in place corporate systems that promote the engagement of diverse human resources and implements initiatives aimed at fostering a corporate culture that embraces diversity.

a. Promotion of Women to Middle Managerial Positions

By expanding its systems to support a healthy balance between childcare and work and implementing special, career-support measures for its female professionals, MC has managed to boost the percentage of women in management-level positions in recent years. Going forward, MC will further focus on recruiting, training, and increasing the number of suitable candidates for promotion at all levels in order to sustainably produce more women in management-level positions. Establishing a target of 30% or more of women at all levels, MC sets goals for FY2027 and FY2030 as milestones regarding recruitment and the pipeline to important roles. To achieve these goals, Global Human Resources Department will accelerate efforts in terms of recruitment, training, and promotion in collaboration with related organizations.

- Percentage of women in management-level positions: Approx. 12% (as of April 2024)

b. Promotion of Foreign Nationals and Mid-Career Hires to Middle Managerial Positions

MC practices needs-based hiring, regardless of nationality. As of April 2024, the percentages of foreign nationals and mid-career hires in management level positions were as shown below. Going forward, MC will strive to ensure that the right people are assigned to the right positions, regardless of age, gender, nationality or any other such factors and advance by promotion based on ability and results while aiming to maintain and increase diversity through the initiatives below.

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- Percentage of foreign nationals in middle managerial positions: Approx. 18% (as of April 2024; includes MC's overseas locations)
- Percentage of mid-career hires in middle managerial positions: Approx. 11% (as of April 2024)

#### ② Human Resource Development Policy and Internal Environment Development Policy to Ensure Diversity and their Implementation Status

In addition to providing systems that enable the engagement of diverse human resources, MC proactively implements a variety of initiatives aimed at fostering a corporate culture that embraces diversity. Going forward, MC will also focus on initiatives to promote new ways of working, including improvements in productivity and efficiency.

In FY2023, a cross-organizational working group (DE&I working group) directly under the President was established comprising members from diverse backgrounds to identify issues and research initiatives to promote DE&I, and to formulate a roadmap and recommend various measures. Through this working group, MC is progressively implementing measures to promote the understanding, sharing and implementation of DE&I. In addition, a new promotion system to further advance DE&I will be established from FY2024.

#### < Specific Initiatives >

- Establishing a DE&I ambassador organization to implement DE&I measures in a proactive and intensive manner
- Reviewing work styles with an emphasis on work-life balance (Officially implementing a telecommuting system and promoting a flexible work culture that optimally combines working from home and working from the office)
- Promoting employees' understanding of each other's diverse values
- Supporting employees with childcare, family care, and other family responsibilities
- Supporting women's careers
- Engaging expertise of senior employees
- Engaging expertise of employees with impairments
- Employing a full telecommuting system as a safe and secure work environment for persons with impairments
- Enacting initiatives toward a permanent support system aimed at recruiting employees with impairments
- Engaging expertise of employees regardless of nationality
- Creating more supportive workplaces for LGBTQ+ employees
- Reinforcing the gathering and evaluation of quantitative data on fostering a culture that is accepting of diversity

#### (4) Principle 2.6 Roles of Corporate Pension Funds as Asset Owners

In an effort to utilize personnel with experience in markets and investment, those responsible for pension management are appointed from the Finance Department of MC and serve concurrently as employees of the Mitsubishi Corporation Pension Fund. The basic policy and management guidelines for safe and efficient

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management of the reserve are drafted and issued to institutions contracted to undertake management, which are then monitored constantly. Marked with the responsibility for autonomous allocations it holds, the fund has announced its acceptance of Japan's Stewardship Code and requires the institutions entrusted with management of the assets to perform stewardship activities.

(5) Principle 3.1 (i) Corporate Objectives (e.g., business principles), Business Strategies and Business Plans

①Corporate Philosophy

The Three Corporate Principles as below were formulated in 1934 as the action guidelines of Mitsubishi Trading Company (*Mitsubishi Shoji Kaisha*) based on the teachings of Koyata Iwasaki, the fourth president of Mitsubishi. These principles were adopted as MC's corporate philosophy and have served MC's core principles since its founding.

- Corporate Responsibility to Society "*Shoki Hoko*": Strive to enrich society, both materially and spiritually, while contributing towards the preservation of the global environment.
- Integrity and Fairness "*Shoji Komei*": Maintain principles of transparency and openness, conducting business with integrity and fairness.
- Global Understanding Through Business "*Ritsugyo Boeki*": Expand business, based on an all-encompassing global perspective.

Note: The modern day interpretation of the Three Corporate Principles, as agreed on at the Mitsubishi Kinyokai meeting of the companies that constitute the so-called Mitsubishi group in January 2001.

②Business Strategies and Business Plans

a. Midterm Corporate Strategy 2024—Creating MC Shared Value

In May 2022, MC announced its new three-year management plan, entitled "Midterm Corporate Strategy 2024—Creating MC Shared Value."

In recent years, increasing geopolitical risk has created greater uncertainty throughout MC's operating environment. Responses based on keen foresight is required correspond to social and industrial needs under growing diversity and complexity, such as the reconstruction of global supply chains, digitalization, and decarbonization.

Under this environment, we have compiled our management policy in Midterm Corporate Strategy 2024, strengthening our unique comprehensive capabilities by organically connecting intelligence obtained through the industry expertise and our global network.

Details are available on MC's website at the following URL.

<https://www.mitsubishicorp.com/jp/en/about/plan/>

b. Progress of Growth Strategies of Midterm Corporate Strategy 2024

In the Fiscal Year ended March 31, 2024, MC continued to steadily promote the growth strategies of Midterm Corporate Strategy 2024 as it did in the previous fiscal year, focusing on initiatives for renewable energy and the copper business as part of the EX strategy and the cross-industry DX service business as part of the DX strategy. In the Fiscal Year ended March 31, 2024, MC will accelerate the realization of these growth strategies by carefully selecting projects that maintain investment discipline.

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(6) Principle 3.1 (ii) Basic Views and Guidelines on Corporate Governance based on each of the principles of the Code

*See* I.1. (1) “Basic Policy on Corporate Governance” in this report and MC Principles of Corporate Governance.

(7) Principle 3.1 (iii) Board Policies and Procedures in Determining the Remuneration of the Management Executives and Directors

*See* II.1. **【Director Remuneration】** in this report.

(8) Principle 3.1 (iv) Board Policies and Procedures in the Appointment/Dismissal of the Management Executive and the Nomination of Directors and Audit & Supervisory Committee Members Candidates

For the appointment of the President and CEO, the Corporate Governance and Nomination Committee where Independent Directors have a majority (7 Independent Directors out of 10 Committee Members), deliberates and reviews the requirements for the roles associated with this position and the basic policy on appointment, as well as the candidates, then the Corporate Governance and Nomination Committee proposes appointments to the Board of Directors, which shall finally be resolved by the Board of Directors. The Board of Directors also deliberates and determines appointments of Executive Officers and their respective duties.

Based on the appointment policy as set forth in II.2., the President and CEO shall prepare a proposal for the election of candidates for Directors (excluding Directors who are Audit & Supervisory Committee Members), which shall be deliberated by the Corporate Governance and Nomination Committee, and shall be submitted to the general meeting of shareholders after being resolved by the Board of Directors as a proposal for the election of Directors (excluding Directors who are Audit & Supervisory Committee Members). *See* II.2. in this report.

The President and CEO, in consultation with Full-time Audit & Supervisory Committee Members, based on the appointment policy as set forth in II.2., shall prepare a proposal for the appointment of candidates for Directors who are Audit & Supervisory Committee Members. After deliberation by the Corporate Governance and Nomination Committee, and with the consent of the Audit & Supervisory Committee, a proposal for the election of candidates for Directors who are Audit & Supervisory Committee Members shall be resolved by the Board of Directors and submitted to the general meeting of shareholders.

For the dismissal of the President and CEO, MC shall take a prompt approach to determining and dealing with the dismissal. The Corporate Governance and Nomination Committee shall deliberate and review the matter, then the Corporate Governance and Nomination Committee shall propose to the Board of Directors, which shall finally be resolved by the Board of Directors.

(9) Principle 3.1 (v) Explanations with Respect to the Individual Appointment/Dismissals and Nominations Based on (8) above

In reference documents for the Ordinary General Meeting of Shareholders, MC discloses the reasons for appointing nominated Directors. To fulfill in case of the vacancy in the number of Outside Directors who are

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Audit & Supervisory Committee Members stipulated in laws and regulations, MC elects a substitute Director who is an Audit & Supervisory Committee Members and discloses the reasons for appointing nominated substitute Directors. They are available on pages 34 to 44 and 47 to 52 of Notice of 2024 Ordinary General Meeting of Shareholders (English version), which is posted on MC's website below.

[https://www.mitsubishicorp.com/jp/en/ir/adr/sh\\_meeting/](https://www.mitsubishicorp.com/jp/en/ir/adr/sh_meeting/)

The reasons for appointing nominated Independent Directors are explained under II 1. 【Directors】 of this report in more detail.

(10) Supplementary Principle 3.1.3 Initiatives on Sustainability, etc.

① Initiatives on Sustainability

a. Initiatives on Sustainability

MC's Three Corporate Principles call upon it to "strive to enrich society, both materially and spiritually, while contributing towards the preservation of the global environment."

In recent years, expectations and demands for companies to address various societal challenges have been increasing. Guided by Mitsubishi Corporation's Materiality\*, a set of crucial societal issues that MC will prioritize through its business activities, MC aims to continue to grow together with society by continuously creating MC Shared Value, as set forth in Midterm Corporate Strategy 2024.

Furthermore, in order to increase corporate value in line with the ever-changing demands of society, MC has established an effective promotion framework that recognizes the importance of dialogue with its stakeholders and a cycle of business strategy execution based on this dialogue.

\* Mitsubishi Corporation's Materiality:

- Contributing to Decarbonized Societies
- Conserving and Effectively Utilizing Natural Capital
- Promoting Stable, Sustainable Societies and Lifestyles
- Utilizing Innovation to Address Societal Needs
- Addressing Regional Issues and Growing Together with Local Communities
- Respecting Human Rights in Our Business Operations
- Fostering Vibrant Workplaces That Maximize the Potential of a Diverse Workforce
- Realizing a Highly Transparent and Flexible Organization

b. Sustainability Information Disclosure

MC believes that the cycle of disclosing its sustainability initiatives in a timely and appropriate manner based on the requests of its stakeholders, gaining their understanding, and reflecting their feedback on its initiatives is crucial. MC will continue to proactively disclose sustainability-related information based on the recognition that this cycle contributes to increasing its corporate value over the medium to long term.

In addition to the Integrated Report, MC also publishes a Sustainability Website, which contains more detailed information. Referring to multiple ESG reporting guidelines, the Sustainability Website is organized according to ESG topics for ease of reference.



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Furthermore, important disclosures are made on this website following approval by the Corporate Functional Officer (CSEO\*) and after reporting to the Disclosure Committee, a subcommittee of the Executive Committee.

\*Chief Stakeholder Engagement Officer

Details, including information about specific sustainability-related initiatives and climate change-related disclosure based on the TCFD framework, are available on the Sustainability Website at the following URL.

<https://mitsubishicorp.disclosure.site/en/>

### c. Sustainability Initiative Promotion Structure

#### (i) Companywide Sustainability Framework

In MC's management framework, sustainability initiatives are overseen by the Corporate Functional Officer (CSEO). The Sustainability Department plans and drafts related policies and measures which, then, are put forward to Sustainability Committee\*, which is convened approximately twice a year, for discussion. Subsequently, items discussed in Sustainability Committee are put forward and/or reported to the Executive Committee and the Board of Directors for their/its decision.

#### (ii) Promoting Sustainability through Business Activities

To continuously create societal value and environmental value through business activities, MC has established a framework not only in Corporate Staff Section, but also in Business Groups for proactive promotion of sustainability.

#### A) Cycle for Integrating Sustainability into Business Strategy

- Subsequent to the Sustainability Committee, the President and CEO and each Group CEO will hold further Business Strategy Meeting to discuss future strategy.
- For those business that are deemed to be most affected by climate change, further discussion on Business Strategy, which is checked against the results of a 1.5°C scenario analysis, is held.

#### B) Sustainability Promotion Framework in each Business Group

- To further promote Business Group initiatives, management personnel responsible for promoting business strategy in each Business Group have been appointed as Chief Sustainability Officers.
- To promote collaboration, MC holds meetings for Group Sustainability Managers as needed to share information and explain measures related to sustainability.

#### C) Incorporating Sustainability into Individual Projects

- Framework for putting forward business proposals for internal approval  
MC confirms the significance of each business against Mitsubishi Corporation's Materiality when screening investment and loan proposals. Environmental and social risks and opportunities (including scenario analysis and carbon pricing impact analysis) are mandatory checks.

- System for Screening Proposals

Within the Sustainability Department, dedicated staff are appointed for each Business Group and are tasked with providing support and checks on both environmental and social risks and opportunities for individual proposals based on the latest external trends, stakeholder demands, and international standards. In addition, by having the General

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Manager of the Sustainability Department serve as a member of the Investment Committee, MC has put in place a screening system to facilitate decision-making that takes into account specialized insight on environmental and social impacts.

\*The Executive Committee has numerous subcommittees. Information regarding ESG-related activities of subcommittees is available on the Sustainability Website at the following URL.

<https://mitsubishicorp.disclosure.site/en>

②Investments in Human Capital and Intellectual Properties, etc.

a. Maximizing the Value of Human Capital

MC regards its employees as its main source of value creation and actively engage in dialogue with them. MC promotes the development of a corporate system that encourages diverse workforces and that promotes initiatives to create a corporate culture welcoming of diversity.

Based on this fundamental policy and the belief that in order to create MC Shared Value, as set forth in Midterm Corporate Strategy 2024, MC must continue to be a “dynamic, spirited, and vibrant organization” in which motivated professionals take pride in actively solving problems; MC has designated three pillars of its personnel measures, oriented around optimizing the value of its human capital: (i) HR strategy, (ii) strengthening engagement and (iii) data utilization.

The first of these, (i) HR strategy, is aimed at executing HR strategy in close alignment with the Valued-Added Cyclical Growth Model and management strategies such as EX, DX and Creating a New Future. MC will work to respond quickly to changes in the business environment to promote the placement of the right people in the right positions so that all employees can demonstrate their capabilities while reinforcing responsiveness to environmental change. Under the second, (ii) strengthening engagement, MC will cultivate ties that span subsidiaries and affiliates and organizations to foster a culture that embraces diversity while advancing talent management that leverages diverse individuality. Under the third, (iii) data utilization, MC will improve the effectiveness of HR measures and reinforce disclosure through the collection and analysis of quantitative human capital-related data.

In addition to promoting various measures based on these three pillars, MC has established “DEAR”, its vision for human resources looking 10 years into the future. Even in a rapidly changing business environment, MC is determined to remain a company that continues to create MC Shared Value, which springs from versatile and diverse human resources who take on the challenge of solving social and industrial issues with satisfaction and pride and are considered to be MC’s greatest asset. The acronym DEAR was chosen to convey MC’s desire to place its highest value on people. Standing for **D**iversity, **E**nergize, **A**ccelerate, and **R**eward, DEAR encompasses the concept of utilizing, nurturing, and rewarding diverse and versatile human resources. MC sets out to maximize the value of human capital and enhance MC Shared Value through various human resource policies that realize DEAR and a dynamic, spirited and vibrant organization.

b. Health and Productivity Management

Since MC believes that a healthy mind and body determine the success of the individual, it strives to improve

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the mental and physical health of its employees and to create a working environment. MC is promoting health and productivity management so that its diverse and versatile talent pool can promote their well-being and ensuring that they can make the most of their skills and personalities. MC has compiled a Health and Productivity Management Declaration and applies health and productivity management measures to employees who are assigned overseas, measures against infectious disease, supports for mental health, and supports for balancing work and treatment. Currently accelerating further corroboration among our medical clinic, Wellness Partner Desk, Global HR Department, Healthcare Division, and Staff Union, MC is initiating projects of diseases preventions and promotion of good health using our employee's data in order to provide a more sophisticated array of preventative support options for our employees. In addition to these measures, MC is promoting initiatives that allow each organization and individual to pursue and realize autonomous, flexible work styles, and is working to maintain the physical and mental health of its employees. MC's measures to promote health have been recognized as the White 500 Company under the "2024 Certified Health & Productivity Management Outstanding Organizations Recognition Program."

MC will continue to implement various measures in collaboration with internal and external parties, not only within MC, but also with a view to horizontal deployment of measures throughout the entire Group and society as a whole.

More information on MC's Human Resource Management, including the advancement of women, support for diverse human resources, and health management is available on MC's website at the following URL.

<https://www.mitsubishicorp.com/jp/en/about/resource/>

#### c. Investments in Human Capital

MC considers the diverse and versatile human resources that have supported its growth as a source of value creation and continues to actively invest in its human capital.

MC considers that updating our individual capabilities to respond to changes in the business environment is important. Therefore, MC strengthens re-skill to enhance its organization's and its human resources' ability to respond to changes in the business environment in order to challenge and promote growth strategies as set forth in Midterm Corporate Strategy 2024.

In detail, through a wide variety of HR development programs, MC is working to update leadership skills in response to changes in the business environment, embrace HR diversity to make the most of our diverse and versatile talent pool and strengthen the developments of skills support for growth.

In particular, MC believes that employees in Team Leader positions, who serve as a nodal point between management and the workplace, play a particularly important role in realizing a "dynamic, spirited and vibrant organization." For such newly appointed Team Leaders, the Company conducts organizational development to support the growth of the organization and their subordinates, provides feedback based on leadership style assessment results, and includes workshops to formulate action plans for the workplace.

Also, to accelerate DX, it has defined the areas in which training needs to be reinforced and has started offering the MC DX Advancement Program, an on-demand training program that allows each participant to acquire the required IT/digital skills according to their individual level. Almost all executives and employees took this

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program in the Fiscal Year ended March 31, 2023. In addition, it is also developing human resources who will lead its DX promotion and AI driving through other training programs, including programming training for those in charge of DX promotion and new business launch, workshops on web service launch, courses for management, and innovators' program.

More information on MC's human resource development and engagement strengthening is available on MC's website at the following URL.

<https://www.mitsubishicorp.com/jp/en/about/resource/training.html>

Qualitative data on the development that MC implements to increase the value of its human capital is provided below.

Overview of Training Programs Conducted by the MC (non-consolidated basis, Fiscal Year ended March 31, 2024)

|  |               |
|--|---------------|
| • Total training recipients in the year (*1)                 | 5,432 people  |
| • Total hours of training programs provided in the year (*2) | 73,891 hours  |
| • Average hours of training programs per person (*3)         | 13.6 hours    |
| • Total cost of education and training programs (*4)         | ¥2.59 billion |
| • Training cost per person (*5)                              | ¥479,500      |

(\*Notes)

1. Including training programs conducted by the Head Office Global Human Resources Department only (In the Fiscal Year ended March 31, 2024, total is calculated based on the total number of participants, excluding some training programs)
2. Including training programs conducted by the Head Office Global Human Resources Department only (excluding overseas training programs)
3. Calculated by dividing the total hours of training provided in the year by the total number of employees; does not include time spent by employees on self-directed education using the online educational platform provided by MC
4. Education and training costs + training commission expenses paid to external training organizations
5. Calculated by dividing total cost of education and training by the total number of employees

d. Investments in Intellectual Properties, etc.

MC has been continuously responding to changes in the external environment as it operates in various business fields, simultaneously generating economic, societal and environmental value. Leveraging global intelligence developed through expertise accumulated across wide range of industries and global networks, MC is making the necessary investments in technologies that could be vital to Creating a New Future through utilizing integrated EX/DX Strategies as key future priorities.

In the EX field, to provide stable supplies of energy and resources while supporting decarbonization, MC is accelerating investment in decarbonization-related technologies, such as renewable energy, carbon capture, utilization and storage (CCUS), hydrogen, clean ammonia and other next-generation fuels, and carbon neutral materials. At the same time, MC is leveraging its industry expertise and network of partners to understand

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diverse business and customer needs in order to enhance industry competitiveness and technological development capabilities, supporting the transition to a carbon neutral society through deployment of new technologies.

In the DX field, MC is working to build cross-industry platforms by reinforcing DX functions through investments in AI, IoT, blockchain and other technologies. By rolling out services based on to meet cross-industry needs, MC will optimize business models and raise productivity throughout the society by interconnecting industries, businesses and communities. Through these initiatives, MC will promote Regional Revitalization through EX and DX integrated strategies, by advancing the creation of new carbon neutral industries based on renewable energy sources and the development of appealing next-generation communities while working with partners to advance the branding of such regions.

Through the deliberation of important management issues, including major items in Midterm Corporate Strategy 2024, the Board of Directors effectively supervises the allocation of management resources aimed at enhancing MC's corporate value, including the abovementioned investments in human capital and intellectual properties, and the implementation of business portfolio strategies. For details about matters deliberated by the Board of Directors, etc., *see* II.2. (1) ⑦ in this report.

(11) Supplementary Principle 4.1.1 Matters Deliberated by the Board of Directors

*See* II.2. (1) ⑦ in this report.

(12) Principle 4.9 Independence Standards and Qualification for Independent Directors

For details on MC's Standards for Independent Directors, *see* II.1. **【Matters Concerning Independent Directors】** in this report and Article 11, 34 and the APPENDIX of MC Principles of Corporate Governance.

The roles and responsibilities of the Directors were deliberated at the Governance, Nomination & Compensation Committee (which transitioned to the Corporate Governance and Nomination Committee after June 21, 2024), where the Independent Directors have a majority, and resolved at the Board of Directors. MC appoints Independent Directors based on the determined roles and responsibilities, considering overall character. The roles and responsibilities of Directors are explained under II 1. of this report and Article 12, 13, 35 and 36 of MC Principles of Corporate Governance in more detail.

(13) Supplementary Principle 4.10.1 Utilization of Voluntary Established Committees

*See* II.1. **【Voluntary Established Committee(s)】** in this report and Chapter 4 of MC Principles of Corporate Governance.

(14) Supplementary Principle 4.11.1 Policy on Balance among Knowledge, Experience and Capability for the Board of Directors, Diversity, Size and Composition of the Board of Directors

MC stipulates its policy on balance among knowledge, experience and capability for the Board of Directors, diversity, size and composition of the Board of Directors in Roles, Responsibilities and Appointment Policy of the Directors. For details, *see* II.2. and Article 10-13 and 33-36 of MC Principles of Corporate Governance.

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For more information about the knowledge, experience, capabilities and other skill areas judged to be important for the Board of Directors as a whole in light of MC's business strategy and the reasons for adoption as well as the combination of such skills possessed by the individual Directors, *see* the skills matrix at the end of this report.

(15) Supplementary Principle 4.11.2 Directors' Concurrent Independent Director and Independent Audit & Supervisory Board Member Positions at Other Listed Companies

Directors' Concurrent Independent Director and Independent Audit & Supervisory Board Member Positions at Other Listed Companies are described on page 32 to 44 and 47 to 52 of Notice of 2024 Ordinary General Meeting of Shareholders (English version), which is posted on MC's website below.

[https://www.mitsubishicorp.com/jp/en/ir/adr/sh\\_meeting/](https://www.mitsubishicorp.com/jp/en/ir/adr/sh_meeting/)

(16) Supplementary Principle 4.11.3 Analysis and Evaluation of the Effectiveness of the Board of Directors  
Analysis and evaluation of the effectiveness of the Board of Directors is described on page 24 to 25 of Notice of 2024 Ordinary General Meeting of Shareholders (English version), which is posted on MC's website below.

[https://www.mitsubishicorp.com/jp/en/ir/adr/sh\\_meeting/](https://www.mitsubishicorp.com/jp/en/ir/adr/sh_meeting/)

(17) Supplementary Principle 4.14.2 Policy to Provide Necessary Training for Directors

To ensure that Directors (excluding Directors who are Audit & Supervisory Committee Members) and Directors who are Audit & Supervisory Committee Members are able to perform their monitoring function and audit functions adequately, the Board of Directors' Office and the Audit & Supervisory Committee's Office (herein referred to collectively as the "Support Offices") have been established, and have been providing necessary information and support appropriately and in a timely manner for Directors (excluding Directors who are Audit & Supervisory Committee Members) and Directors who are Audit & Supervisory Committee Members to perform their own duties.

Prior to each meeting of the Board of Directors, opportunities are created for the management executives of the Corporate Staff Section and Business Groups to provide explanatory summaries of the agenda items for which they are responsible to Independent Directors in order to facilitate substantive deliberations at the meetings (totaling 33 hours in the Fiscal Year ended March 31, 2023). The sessions are also utilized to appropriately share timely information that helps enhance deliberations. The Support Offices also provide an orientation to newly appointed Independent Directors, as well as ongoing opportunities to increase their understanding of the businesses and strategies of MC, including annual site visits to business subsidiaries and affiliates and opportunities for dialogue with the management, the General Managers of Corporate Staff Section, Business Group CEOs and Business Division COOs, and small group discussions with Executive Vice Presidents and dialogues with mid-level and young employees. Additionally, MC provides Directors (excluding Directors who are Audit & Supervisory Committee Members) and Directors who are Audit & Supervisory Committee Members with opportunities for third-party training programs, of which expenses are borne by MC.

(Translation)

(18) Principle 5.1 Policy for Constructive Dialogue with Shareholders

① Basic Policy

In addition to the ordinary general meeting of shareholders, MC establishes various types of informational meetings and interactive forums, to actively engage in dialogue with shareholders and investors for the purpose of deepening their understanding of MC's corporate philosophy and principles, fundamental management policies, targets and strategies, and others.

MC's Basic Policy on Stakeholders Engagement is described in section I (1) of this report and Articles 4 and 5 of MC Principles of Corporate Governance.

② Persons in Charge and Promoting System

To strengthen communication with shareholders and investors, MC has appointed a Chief Stakeholder Engagement Officer (CSEO) as of April 2023. The CSEO manages the Corporate Communications, Sustainability, and Investor & Shareholder Relations Departments to meet the growing needs of stakeholders in an integrated manner. The Investor & Shareholder Relations Department is responsible for dialogue with shareholders and investors, and serves as a link between the Business Groups and the Corporate Staff section. With respect to information disclosure MC prepares documents in line with the Financial Instruments and Exchange Act and Companies Act, among others, and discloses information in a timely and appropriate manner in line with the rules defined by the Financial Instruments Exchange. In addition, MC has established a sub-committee of the Executive Committee called the Disclosure Committee that deliberates and confirms the appropriateness of the content included in the Annual Securities Report and related disclosure documents. With regards to its approach to information disclosure, MC has developed and disclosed Information Disclosure rules and policies to keep all company officers and employees fully informed. *See V.2.* in this report for an outline of this framework.

③ Policy of Dialogue with Shareholders and Investors and Results of Activities

To continually increase corporate value over the medium to long-term, MC promotes constructive communication with shareholders and investors as follows.

a. Ordinary General Meeting of Shareholders

MC shall position the general meeting of shareholders as MC's highest decision-making body and the place to communicate with shareholders constructively. In addition to proactively disclosing information via the notice of general meeting of shareholders (issued in both Japanese and English), MC shall fulfill its accountability to MC's shareholders by respectfully responding to the questions they raise at the general meeting of shareholders.

b. Communication with Individual Investors

MC holds regular meetings for individual investors.

<Activities Conducted in the Fiscal Year Ended March 31, 2024>

Individual investor briefing sessions: 2 times (of these, 1 included the participation of the President, CFO, etc.)

(Translation)

In addition to the above, short explanatory videos are created for individual investors and made available on MC's website as well as on the websites of securities firms.

c. Dialogue with Institutional Investors

In addition to quarterly financial results briefings, MC hosts briefing sessions and meetings for domestic and foreign institutional investors. In addition, MC holds one-off briefings and investor days called "MCSV Creation Forum".

<Activities Conducted in the Fiscal Year Ended March 31, 2024>

Financial results briefings\*: 4 meetings

MCSV Creation Forum\*: 5 meetings (4 business briefing sessions, 1 ESG Briefing)

\* Depending on the purpose and content, Independent Directors, the President and CEO, CSEO, CFO, CAO, and Business Group CEOs participated.

Interviews with domestic and foreign institutional investors and analysts: approximately 600 meetings (of these, approximately 30 included the participation of the President and CEO, CSEO, etc.)

Interviews with domestic and foreign institutional investors: approximately 40 meetings (of these, 3 included the participation of the CSEO, Independent Directors, etc.)

④ Feedback to the Management and Control of Insider Information

MC has implemented a feedback system by which the opinions and comments from shareholders and investors obtained through IR and SR activities are reported to the management including the President and CEO, Board of Directors, and the Executive Committee. In addition, the responsible departments share feedback financial results briefings and other means back into MC. To prevent insider information from being leaked during communication with shareholders, either deliberately or accidentally, MC has set forth a Standard for the Prevention of Unfair Stock Trading in accordance with the Code of Conduct for MC's Officers and Employees. MC keeps all officers and employees fully informed of this requirement.

<Reference>

MC posts various types of relevant information on its IR website including the documents listed below. Details are available on MC's website at the following URL.

<https://www.mitsubishicorp.com/jp/en/ir/>

- Earnings Presentations
- Flash Reports
- Integrated Reports
- Financial Statements
- Quarterly Reports
- Investors' Notes
- Corporate Brochures
- Sustainability Website



(Translation)

⑤Action to Implement Management that is Conscious of Cost of Capital and Stock Price (*disclosed in both Japanese and English*)

If MC maintains double-digit ROE, one of the quantitative targets of Midterm Corporate Strategy 2024, then ROE will exceed the cost of equity. MC believes that recent stock prices reflect the expectation that medium to long-term ROE will exceed 10%. In order to achieve the quantitative targets in Midterm Corporate Strategy 2024, MC steadily operate the initiatives based on the business management systems and enhance disclosure and dialogue with shareholders and investors for generating positive market expectations for sustainable earning growth and creation of shared values. Furthermore, MC aims to increase corporate value over the medium to long-term by reflecting the feedback obtained through these IR/SR activities in our management approach.

<Reference>

The progress of the quantitative targets set forth in the Midterm Corporate Strategy 2024 are disclosed on MC's investor relations website (Results of FY2023 and Forecast for FY2024 Presentation Materials) under the heading "(Reference) Progress of Quantitative Targets".

[\(https://www.mitsubishicorp.com/jp/en/ir/\)](https://www.mitsubishicorp.com/jp/en/ir/)

## 2. Capital Structure

|                            |               |
|----------------------------|---------------|
| Foreign Shareholding Ratio | More than 30% |
|----------------------------|---------------|

### Status of Major Shareholder

| Name or Company Name  | Number of Shares Owned | Percentage (%) |
|---|------------------------|----------------|
| The Master Trust Bank of Japan, Ltd. (Trust Account)  | 641,646,686            | 15.57          |
| BNYM AS AGT/CLTS 10 PERCENT   | 402,862,183            | 9.78           |
| Custody Bank of Japan, Ltd. (Trust Account)   | 234,916,800            | 5.70           |
| Meiji Yasuda Life Insurance Company   | 175,084,605            | 4.25           |
| Tokio Marine & Nichido Fire Insurance Co., Ltd.   | 107,814,015            | 2.61           |
| The Master Trust Bank of Japan, Ltd. (Retirement Benefit Trust Account, Voting Trust)                                     | 96,830,184             | 2.35           |
| STATE STREET BANK WEST CLIENT – TREATY 505234   | 69,906,579             | 1.69           |
| The Master Trust Bank of Japan, Ltd. (Retirement Benefit Trust Account, Mitsubishi Electric Corporation, Limited Account) | 53,304,000             | 1.29           |
| JP MORGAN CHASE BANK 385781   | 51,927,434             | 1.26           |
| SSBRT CLIENT OMNIBUS ACCOUNT  | 46,496,930             | 1.12           |

|  |   |
|--|---|
| Name of Controlling Shareholder (excluding Parent Companies) | — |
|--|---|

|                         |    |
|-------------------------|----|
| Name of Parent Company, | No |
|-------------------------|----|

(Translation)

Supplementary Explanation

The above information is as of the end of March 2024. NATIONAL INDEMNITY COMPANY has stated that it owns the following shares as of June 12, 2023 in the large-volume holding report (change report) that is open to the public on June 19, 2023. However, the number of shares actually owned as of the end of the current accounting period cannot be confirmed, so it is not included in the status of the above major shareholders. The contents of the large-volume holding report (change report) are as follows.

- NATIONAL INDEMNITY COMPANY 119,497,600 shares, ratio 8.31%

BlackRock Japan Co., Ltd and 8 joint holders have stated that the companies own the following shares as of October 31, 2023 in the large-volume holding report (change report) that is open to the public on November 6, 2023. However, the number of shares actually owned as of the end of the current accounting period cannot be confirmed, as it is not included in the status of the above major shareholders. The contents of the large-volume holding report (change report) are as follows. On January 1, 2024, MC conducted a three-for-one stock split of its common stock. The number of shares below is the number of shares before the stock split.

- BlackRock Japan Co., Ltd 28,789,300 shares, ratio 2.00%
- BlackRock Financial Management, Inc. 1,611,500 shares, ratio 0.11%
- BlackRock Investment Management LLC 1,459,085 shares, ratio 0.10%
- BlackRock (Nether lands)BV 3,350,432 shares, ratio 0.23%
- BlackRock Fund Managers Limited 2,680,988 shares, ratio 0.19%
- BlackRock Asset Management Ireland Limited 7,513,223 shares, ratio 0.52%
- BlackRock Fund Advisors 21,998,400 shares, ratio 1.53%
- BlackRock Institutional Trust Company, N.A. 18,080,203 shares, ratio 1.26%
- BlackRock Investment Management (UK) Limited 1,766,093 shares, ratio 0.12%

### 3. Corporate Attributes

|   |                        |
|---|------------------------|
| Listed Stock Exchange and Market Segment                                      | Tokyo (Prime)          |
| Fiscal Year-End   | March 31               |
| Business Sector   | Wholesale              |
| Number of Employees (Consolidated) as of the End of the Previous Fiscal Year  | 1,000 or more          |
| Net Sales (Consolidated) for the Previous Fiscal Year                         | ¥1,000 billion or more |
| Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year | 300 or more            |

### 4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

(Translation)

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## 5. Other Special Circumstances which may have a Material Impact on Corporate Governance

### (1) Approach and Policies on Group Management

The MC Group has a great number of consolidated companies. MC expects to increase their corporate value and business value by respecting their autonomy, while striving to increase the corporate value of the overall MC Group by optimizing consolidated management such as sharing of its management philosophy, strategies, and so forth.

Through the implementation of the Value-Added Cyclical Growth Model, MC maximizes its business portfolio and reallocates management resources to invest in future growth by strategically rebalancing its business portfolios and replacing assets to increase capital efficiency based on ROIC and growth rates. As is the case with other consolidated operating companies, each year at management meetings, MC discusses the way its management resources are allocated to listed subsidiaries and affiliates, and the increase of corporate value through collaboration between MC and its Group companies. Based on these discussions, MC determines its policy on holding the listed subsidiaries and affiliates.

Furthermore, MC has the following listed subsidiaries and affiliates:

#### -Listed subsidiaries:

Mitsubishi Shokuhin Co., Ltd. (Tokyo Stock Exchange Standard Market, food wholesaling business); Nitto Fuji Flour Milling Co., Ltd. (Tokyo Stock Exchange Standard Market, flour milling business); and Nihon Shokuhin Kako Co., Ltd. (Tokyo Stock Exchange Standard Market, manufacture of corn starch and processed corn starch products).

#### -Listed affiliates:

Itoham Yonekyu Holdings Inc. (Tokyo Stock Exchange Prime Market, manufacture and sale of meat products and processed/precooked food products); Kanro Inc. (Tokyo Stock Exchange Standard Market, Manufacture and sale of confections); Kadoya Sesame Mills Incorporated (Tokyo Stock Exchange Standard Market, Manufacture and sale of Sesame seed Oil and Sesame seed meal); Canox Corp. (Tokyo Stock Exchange Standard Market /Nagoya Stock Exchange Main Market, Sales of steel products); Meiwa Corporation (Tokyo Stock Exchange Prime Market, Trading company), Life Corporation (Tokyo Stock Exchange Prime Market, Supermarket chain focusing on food products), Maruichi Co., Ltd (Nagoya Stock Exchange Main Market, Wholesale of food products), Mitsubishi HC Capital Inc.(Tokyo Stock Exchange Prime Market, Lease and Installment sales of various movable assets, various types of financing), Mitsubishi Motors Corp.(Tokyo Stock Exchange Prime Market, Manufacture and sale of automobiles), Toyo Tire Corporation (Tokyo Stock Exchange Prime Market, Tire business, Automotive parts business), Nippon Care Supply Co., Ltd. (Tokyo Stock Exchange Standard Market, Rental and wholesale of welfare equipment), Chiyoda Corporation (Tokyo Stock Exchange Standard Market, Plant engineering business), Mitsui DM Sugar Holdings Co., Ltd.(Tokyo Stock Exchange Prime Market, Sugar business, life energy business), Transaction Media Networks Inc.

(Translation)

(Tokyo Stock Exchange Growth Market, Businesses related to the planning, development and operation of electronic payment systems)

## (2) Reasons for Having the Listed Subsidiaries and Affiliates

The advantages of staying listed common to each listed subsidiary and affiliates include securing autonomous and agile decision-making and expanding business partners based on independence from MC, maintaining and improving employee motivation, and securing excellent human resources.

On the other hand, in order to maintain each listed subsidiary and affiliate's status, consideration for the interests of shareholders other than MC are necessary. However, by respecting the independence of each company as described above, and by establishing and operating appropriate governance systems at each listed subsidiary and affiliate, MC believes that MC can fully enjoy the benefits of having listed subsidiaries and affiliates while also protecting the interests of shareholders other than MC.

The reason for having each listed subsidiary in terms of business strategy is as follows and it is same as the reason for having each listed affiliate. The reason is to further increase the corporate value of both the listed affiliates and the MC Group through various collaborative relationships with MC such as new business creation, the supply of raw materials and sales support, which differ for each listed subsidiary.

As stated above, MC determines its policy on the holding of listed subsidiaries and affiliates, including the form in which they are held, after discussing the rationales for holding such shares based on the status of each listed subsidiary and affiliate. Looking forward, MC continue to discuss the optimal form of collaboration align with changes in the industries and management environments of each listed subsidiary and affiliate.

### -Mitsubishi Shokuhin Co., Ltd. (Tokyo Stock Exchange Standard Market)

The main business of Mitsubishi Shokuhin Co., Ltd. is the wholesale of processed foods, frozen foods, alcoholic beverages, and confectionary. MC aims to contribute to the sustainable development of local communities, reduce food loss and create new demand, as well as to further increase the corporate value of both Mitsubishi Shokuhin Co., Ltd. and MC Group by promoting digital transformation (DX) in food distribution in collaboration with MC Group companies and efficiently connecting manufacturers and retail stores throughout Japan.

### -Nitto Fuji Flour Milling Co., Ltd. (Tokyo Stock Exchange Standard Market)

The main business of Nitto Fuji Flour Milling Co., Ltd. is the manufacture and sale of flour-related products. MC aims to further increase the corporate value of both Nitto Fuji Flour Milling Co., Ltd. and MC Group through collaboration with MC on the supply of raw materials to the company as well as in the area of flour and mixed flour, and by providing products to MC Group companies and food service and retail companies.

### -Nihon Shokuhin Kako Co., Ltd. (Tokyo Stock Exchange Standard Market)

(Translation)

The main business of Nihon Shokuhin Kako Co., Ltd. is the manufacture and sale of processed corn and other products. MC aims to further increase the corporate value of both Nihon Shokuhin Kako Co., Ltd. and MC Group through the supply of raw materials to the company, as well as by supporting product sales and collaborating with MC Group companies in the areas of manufacturing technologies and product development.

(3) Measures to Ensure the Effectiveness of Governance Systems of Listed Subsidiaries and Affiliates

The establishment and operation of corporate governance systems for the listed subsidiaries and affiliates is conducted autonomously by each listed subsidiary and affiliate electing Independent Directors and Independent Audit & Supervisory Board Members and so forth. MC's policy is to respect the independence of the listed subsidiaries and affiliates. Specifically, with regard to proposals for the election and dismissal of Independent Directors and Independent Audit & Supervisory Board Members of each listed company, MC's internal regulations stipulate that it will consider the independence of each candidate from MC before exercising its voting rights. In addition, when one of MC's Officers is to be appointed as President of a listed subsidiary and affiliate, they are transferred to that company, rather than being seconded. Moreover, this policy is applied to all of the listed subsidiaries and affiliates including Mitsubishi Shokuhin Co., Ltd., Nitto Fuji Flour Milling Co., Ltd. and Nihon Shokuhin Kako Co., Ltd..

(Note) The "MC Group" that appears in this section and IV 1. "Basic Views on Internal Control System and Status of Development," represents the "corporate group" in Article 120 paragraph 2 of the Ordinance for Enforcement of the Companies Act.

## II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

### 1. Organizational Composition and Operation

|                             |  |
|-----------------------------|--|
| Corporate Governance System | Company with Audit & Supervisory Committee |
|-----------------------------|--|

#### Directors

|   |   |
|---|---|
| Number of Directors Stipulated in Articles of Incorporation       | 17  |
| Directors' Term of Office Stipulated in Articles of Incorporation | 1 year  |
| Chairperson of the Board  | Chairperson (excluding those concurrently serving as President) |
| Number of Directors   | 15  |
| Election of Outside Directors                                     | Yes   |
| Number of Outside Directors                                       | 7   |
| Number of Independent Directors                                   | 7   |

(Translation)

Outside Directors' Relationship with the Company (1)

| Name                | Attributes           | Relationship with the Company* |   |   |   |   |   |   |   |   |   |   |
|---------------------|----------------------|--------------------------------|---|---|---|---|---|---|---|---|---|---|
|                     |                      | a                              | b | c | d | e | f | g | h | i | j | k |
| Shunichi Miyanaga   | From another company |                                |   |   |   |   |   |   | △ | △ |   |   |
| Sakie Akiyama       | From another company |                                |   |   |   |   |   |   |   |   |   |   |
| Mari Sagiya         | From another company |                                |   |   |   |   |   |   | △ |   |   |   |
| Mari Kogiso         | From another company |                                |   |   |   |   |   |   |   |   |   |   |
| Tsuneyoshi Tatsuoka | Other                |                                |   |   |   |   |   |   | △ |   |   |   |
| Rieko Sato          | Lawyer               |                                |   |   |   |   |   |   |   |   |   |   |
| Takeshi Nakao       | CPA                  |                                |   |   |   |   |   |   |   |   |   |   |

\*Categories for "Relationship with the Company".

(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

- Person who executes business for the Company or its subsidiary
- Person who executes business for a non-executive director of the Company's parent company
- Person who executes business for a fellow subsidiary
- Person/entity for which the Company is a major client or a person who executes business for said person/entity
- Major client of the Company or a person who executes business for said client
- Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/company auditor
- Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
- Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
- Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
- Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
- Other

Outside Directors' Relationship with the Company (2)

| Name              | Membership of Audit & Supervisory Committee | Designation as Independent Director | Supplementary Explanation of the Relationship   | Reasons for Appointment  |
|-------------------|---|-------------------------------------|---|--|
| Shunichi Miyanaga |   | ○                                   | Mr. Miyanaga was Director, President and CEO of Mitsubishi Heavy Industries, Ltd (MHI), from April 2013 to March 2019 and has been Chairman of the Board of MHI since April 2019. MHI, where Mr. Miyanaga was an executive in the past, and MC has a relationship of cross-directorship whereby each has an independent director assigned | MC has renominated Mr. Miyanaga as an Independent Director. Mr. Miyanaga has spent many years at the helm of a listed manufacturing conglomerate that is engaged in businesses all over the world. In addition to his global management experience, he possesses extensive know-how in the tech sector, including a keen understanding of the latest |

(Translation)

|               |  |   |  |   |
|---------------|--|---|--|---|
|               |  |   | <p>from the other. In addition, the two companies have business transactions, though these transactions do not exceed 2% of MC's consolidated revenues.</p> <p>As above, Mr. Miyanaga meets the requirements concerning independence set forth in Independence Criteria specified by MC. Therefore, MC judges his independence is assured.</p> | <p>trends in net-zero, clean technologies. MC expects that he will advise management from a practical perspective and appropriately oversee business execution.</p> <p>Mr. Miyanaga meets the requirements of independent director set forth in Guidelines concerning Listed Company Compliance, etc. specified by the Tokyo Stock Exchange, Inc. , and MC' s Standards for Independent Directors.</p>  |
| Sakie Akiyama |  | ○ | Not Applicable   | <p>MC has renominated Ms. Akiyama as an Independent Director. Having spent her career as an international business consultant, Ms. Akiyama has founded Saki Corporation, a firm that specializes in robotic inspection systems for the electronics assembly markets. She possesses a wealth of knowhow in digital technologies and IT, as well as deep insight in innovation cultivated through her experience of leading the growth of global enterprises. MC expects that she will advise management from a practical perspective and appropriately oversee business execution.</p> <p>Ms. Akiyama meets the requirements of independent director set forth in Guidelines concerning Listed Company Compliance, etc. specified by the</p> |

(Translation)

|             |  |   |   |  |
|-------------|--|---|---|--|
|             |  |   |   | Tokyo Stock Exchange, Inc. , and MC 's Standards for Independent Directors.  |
| Mari Sagiya |  | ○ | <p>Ms. Sagiya worked as Executive Vice President at SAP Japan Co., Ltd. From July 2014 to December 2015 and as Executive Vice President at Salesforce.com Co., Ltd. From January 2016 to August 2019. Although MC engages in business with the three companies mentioned above, the amount is below 0.01% of MC's consolidated net income and does not affect her independence.</p> <p>As above, Ms. Sagiya meets the requirements concerning independence set forth in MC's Standards for Independent Directors. Therefore, MC judges his independence is assured.</p> | <p>MC has renominated Ms. Sagiya as an Independent Director. Ms. Sagiya has served on the boards of several globally active tech companies and is highly experienced in corporate reforms. She possesses deep insight of DX, as well as HR strategies including diversity. MC expects that she will advise management from a practical perspective and appropriately oversee business execution.</p> <p>Ms. Sagiya meets the requirements of independent director set forth in Guidelines concerning Listed Company Compliance, etc. specified by the Tokyo Stock Exchange, Inc. , and MC' s Standards for Independent Directors.</p>                    |
| Mari Kogiso |  | ○ | Not Applicable  | <p>MC has nominated Ms. Kogiso as an Independent Director. Ms. Kogiso has many years of practical experience in international finance, work that has included promotion of diversity and sustainability initiatives at both global enterprises and public interest incorporated foundations. Through her work in both founding and managing an ESG impact fund, Ms. Kogiso has also accumulated valuable expertise in environmental, social and governance factors and their related financial implications. MC expects that she will advise management from an objective and professional perspective and appropriately oversee business execution.</p> |



(Translation)

|                        |   |   |  |  |
|------------------------|---|---|--|--|
|                        |   |   |  | Ms. Kogiso meets the requirements of independent director set forth in Guidelines concerning Listed Company Compliance, etc. specified by the Tokyo Stock Exchange, Inc. , and MC’ s Standards for Independent Directors.  |
| Tsuneyoshi<br>Tatsuoka | ○ | ○ | Mr. Tatsuoka offered advice to MC and received compensation as Corporate Advisor of Mitsubishi Corporation from January 2018 to June 2018, having been appointed as a member of an advisory body to the Board of Directors (Governance, Nomination and Compensation Committee); however, this compensation was paid as consideration for the advice he offered regarding the management of MC based on his experience and insight, and does not affect his independence.<br><br>As above, Mr. Tatsuoka meets the requirements concerning independence set forth in MC’s Standards for Independent Directors. Therefore, MC judges his independence is assured. | MC has nominated Mr. Tatsuoka as an Independent Director who is an Audit & Supervisory Committee Member. Mr. Tatsuoka possesses the deep knowledge of the industry as a whole, which he has cultivated through his long involvement in economic and industrial policies at Japan’s Ministry of Economy, Trade and Industry, as well as the deep insight into sustainability, including environmental and energy policies. In view of these points, MC expects that he will advise management from an objective and professional perspective, appropriately oversee business execution and audit MC from a neutral and objective standpoint.<br><br>Mr. Tatsuoka meets the requirements of independent director set forth in Guidelines concerning Listed Company Compliance, etc. specified by the Tokyo Stock Exchange, Inc. , and MC’ s Standards for Independent Directors. |
| Rieko Sato             | ○ | ○ | Not Applicable   | MC has nominated Ms. Sato as an Independent Director who is an Audit & Supervisory Committee Member. Ms. Sato possesses deep knowledge of corporate law (Japan’s Companies Act, Financial Instruments and Exchange Act, compliance regulations, etc.) cultivated through her many years of   |

(Translation)

|                          |   |   |                |  |
|--------------------------|---|---|----------------|--|
|                          |   |   |                | <p>experience as an attorney, and the management perspective cultivated through her extensive experience as an independent director and audit &amp; supervisory board member on numerous other corporate boards. MC expects that she will advise management from an objective and professional perspective, appropriately oversee business execution and audit MC from a neutral and objective standpoint. Ms. Sato meets the requirements of independent director set forth in Guidelines concerning Listed Company Compliance, etc. specified by the Tokyo Stock Exchange, Inc. , and MC ' s Standards for Independent Directors.</p>  |
| <p>Takeshi<br/>Nakao</p> | ○ | ○ | Not Applicable | <p>MC has nominated Mr. Nakao as an Independent Director who is an Audit &amp; Supervisory Committee Member. Mr. Nakao is a certified public accountant with extensive experience in finance, accounting and auditing, as well as a high level of insight developed through his many years serving as an advisory on M&amp;A activity, corporate revitalizations, and internal control. MC expects that he will advise management from an objective and professional perspective, appropriately oversee business execution and audit MC from a neutral and objective standpoint. Mr. Nakao meets the requirements of independent director set forth in Guidelines concerning Listed Company Compliance, etc. specified by the Tokyo Stock Exchange, Inc. , and Independence Criteria specified</p> |

(Translation)

|  |  |  |  |        |
|--|--|--|--|--------|
|  |  |  |  | by MC. |
|--|--|--|--|--------|

### Audit & Supervisory Committee

#### Composition of Audit & Supervisory Committee and Attributes of the Chairperson

|                               | All Committee Members | Full-time Members | In-house Directors | Outside Directors | Committee Chair   |
|-------------------------------|-----------------------|-------------------|--------------------|-------------------|-------------------|
| Audit & Supervisory Committee | 5                     | 2                 | 2                  | 3                 | In-house Director |

|  |           |
|--|-----------|
| Appointment of Directors and/or Staff to Support the Audit & Supervisory Committee | Appointed |
|--|-----------|

#### Matters Concerning Independence of Said Directors and/or Staff from Executive Officers/Reasons for Adopting Current System

For the purpose of ensuring that the roles and responsibilities of the Audit & Supervisory Committee as set forth in Section II. 2 of this report are effectively fulfilled, the Audit & Supervisory Committee has established a system to ensure that it effectively conducts audits and oversights (including a system for reporting to the Audit & Supervisory Committee, etc.).

In order to assist the activities of the Audit & Supervisory Committee and support the smooth execution of audits and oversights, MC established the Audit & Supervisory Committee’s Office, an organization directly under the Audit & Supervisory Committee, with dedicated staff members, who do not concurrently serve in other departments, assigned exclusively to assist the Audit & Supervisory Committee. The opinions of the Audit & Supervisory Committee Members are solicited prior to the evaluation, transfer, or other personnel actions of the dedicated staff members, and the Members’ opinions are respected. These policies are also confirmed in the Basic Policy of Establishing the Internal Control Systems.

Please visit the following website for more information on the Basic Policy of Establishing the Internal Control Systems (Article 362, Paragraph 4, Item 6 of the Companies Act).  
<https://www.mitsubishicorp.com/jp/ja/about/governance/internal.html>

See IV.1. “Basic Views on Internal Control System and Status of Development” in this report and Article 40 of Mitsubishi Corporation Corporate Governance Principles for matters concerning the independence of employees, who assist the Audit & Supervisory Committee’s Office in its duties, from the Executive Directors.

#### Cooperation among the Audit & Supervisory Committee, Accounting Auditors and Internal Audit Department

MC transitioned from a Company with an Audit & Supervisory Board to a Company with an Audit & Supervisory Committee upon approval at the 2024 Ordinary General Meeting of Shareholders held on June 21, 2024. The following items (2), (3) and (4) refer to the contents and activities of the Company with an Audit & Supervisory Board prior to the transition.

(Translation)

(1) Audit & Supervisory Committee

MC has five Directors who are Audit & Supervisory Committee Members, consisting of two In-house Directors and three Independent Directors. The In-house Directors are Mitsumasa Icho, who has extensive experience in company-wide management and the finance and accounting departments, and Akira Murakoshi, who has experience in company-wide management. They are both appointed as Full-time Audit & Supervisory Committee Members. The Independent Audit & Supervisory Committee Members are Tsuneyoshi Tatsuoka, who has a deep knowledge of the industry as a whole and a high level of insight into environmental and energy policies, and Rieko Sato and Takeshi Nakao, who each have many years' experience as, respectively, an attorney (corporate law) and certified public accountant. Of the five Directors who are Audit & Supervisory Committee Members, Mitsumasa Icho, a Full-time Audit & Supervisory Committee Member, and Takeshi Nakao, an Independent Audit & Supervisory Committee Member, both have a considerable degree of knowledge and experience concerning finance and accounting.

The Audit & Supervisory Committee's Office has been established as an independent organization to assist the Audit & Supervisory Committee, and has twelve dedicated full-time staff members (as of June 21, 2024).

(2) Accounting Auditors

The 3 certified public accountants who carried out the accounting audit of MC were Yuki Higashikawa, Hirofumi Otani, and Sogo Ito of Deloitte Touche Tohmatsu LLC. They were assisted by 31 certified public accountants, 21 junior accountants, and 90 other staff.

MC comprehensively evaluates the audit system, independence, expertise, and status of performance of the independent auditors based on the evaluation standards set out by the Audit & Supervisory Board to determine whether they are suitable for the role as independent auditors of MC's global business activities. MC has a policy to dismiss independent accounting auditors based on the unanimous agreement of all Audit & Supervisory Board Members if any of the items set forth in Article 340, Paragraph 1 of the Companies Act is applicable to the independent accounting auditors. In this instance, at the Ordinary General Meeting of Shareholders first convened after the dismissal, an Audit & Supervisory Board Member selected by the Audit & Supervisory Board will report on the dismissal of the independent accounting auditors and the reason for this action. Furthermore, if the Audit & Supervisory Board decides it is appropriate to dismiss or not to reappoint the independent auditors after comprehensively taking into consideration and evaluating the independent accounting auditors' execution of duties and other circumstances, the Audit & Supervisory Board will submit a proposal to the Ordinary General Meeting of Shareholders to dismiss or not to reappoint the independent accounting auditors concerned and to appoint new independent accounting auditors concerned and to appoint new independent accounting auditors.

MC's Audit & Supervisory Board Members and Audit & Supervisory Board followed the above process again in the Fiscal Year ended March 31, 2024 to evaluate the independent accounting auditors. The result confirmed that the current independent accounting auditors have established a system for executing their duties correctly and that they were conducting appropriate audits as professional experts while maintaining

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an independent position, and Audit & Supervisory Board determined the reappointment of the independent accounting auditors. The continuous audit period by Deloitte Touche Tohmatsu LLC is 71 years.

Fees paid to MC's independent accounting auditors Deloitte Touche Tohmatsu LLC for the Fiscal Year ended March 31, 2024 were as follows.

- Amount of fees for services in accordance with the first clause of Article 2 of the Certified Public Accountant Law of Japan (Law No. 103, 1948) (\*1) : ¥914 million
- Amount of fees for services other than those prescribed in the first clause of Article 2 of the Certified Public Accountant Law of Japan (\*2) : ¥34 million
- Total amount of fees to be paid by MC and consolidated subsidiaries (\*3): ¥2,860 million

(\*Notes)

1. Fees for services prescribed in the first clause of Article 2 of the Certified Public Accountant Law of Japan (Law No. 103, 1948) are fees, etc. for audit certification services relating to English language financial statements prepared based on International Financial Reporting Standards (IFRS) and audit certification based on the Companies Act and the Financial Instruments and Exchange Act.
2. Fees for services other than those prescribed in the first clause of Article 2 of the Certified Public Accountant Law of Japan are for the preparation of comfort letters for issuance of corporate bonds, training, etc.
3. Some subsidiaries are audited by certified public accountants or independent accounting auditors (including persons with qualifications equivalent to these qualifications in overseas countries) other than MC's independent accounting auditors.

### (3) Internal Audits

Regarding internal audits, the Internal Audit Department (which had 83 members as of April 1, 2024) conducts audits of MC, overseas subsidiaries, and affiliated companies from a Company-wide perspective. In addition, each Business Group has established its own internal audit organization, which audits the operations that fall under its group organization on a consolidated basis. These internal audits are based on annual audit plans and are conducted after selecting audit targets. Under a dual reporting system, the audit results are reported each time to the President and CEO, Audit & Supervisory Board Members (which transitioned to the Audit & Supervisory Committee after June 21, 2024) and other concerned parties. They are also reported regularly to the Board of Directors and the Executive Committee.

MC conducts regular audits throughout the year of MC and its Group companies in accordance with the International Standards for Internal Auditing every three to five years, taking into account factors such as business risks and scale. In addition to legal compliance, MC also considers social norms and business ethics in verifying and evaluating each process of governance, risk management and internal controls. In addition, thematic audits are conducted annually, and in the Fiscal Year ended March 31, 2024, thematic audits were conducted on major subsidiaries, etc. to confirm the development status of audit functions.

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(4) Mutual cooperation among Audit & Supervisory Board Member/Audit & Supervisory Committee Audits, Internal Audits and Accounting Audits, and their Relationship with Internal Control Departments

In the Fiscal Years ended March 31, 2023 and 2024, the Audit & Supervisory Board Members, Corporate Accounting Department and the independent accounting auditors held regular meetings at the time of quarterly financial results and monthly for exchanging opinions as necessary. With regard to key audit matters (KAMs), the Audit & Supervisory Board received a presentation of proposed KAMs during the independent accounting auditors' explanation of the audit plan, and then exchanged opinions on audit response status and considerations. Furthermore, in accordance with the policy on the scope of non-guaranteed services to be outsourced to Deloitte Touche Tohmatsu LLC and its member firms, which was reviewed in the previous fiscal year, the Audit & Supervisory Board received individual prior explanations from the independent accounting auditors regarding relevant projects and examined whether there were any problems from the perspective of ensuring the independence of the independent accounting auditors, and received quarterly reports from the independent accounting auditors regarding the status of non-guaranteed services.

In addition, the Internal Audit Department made quarterly audit reports to the Audit & Supervisory Board, the Audit & Supervisory Board Members held monthly meetings with the Internal Audit Department, the Audit & Supervisory Board Members and the Internal Audit Department held liaison meetings with company auditors and internal audit departments of subsidiaries and affiliates, and so forth. The Internal Audit Department also participated in the exchange of information and opinions held with Audit & Supervisory Board Members and the independent accounting auditors.

Following the transition to a Company with an Audit & Supervisory Committee, MC will continue and deepen this cooperation to strengthen the linkages supporting Tripartite Audits.

### Voluntary Established Committee(s)

|  |             |
|--|-------------|
| Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee | Established |
|--|-------------|

Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson

|  | Committee's Name                              | All Members | Full-time Members | In-house Directors | Outside Directors | Outside Experts | Other | Chairperson       |
|--|---|-------------|-------------------|--------------------|-------------------|-----------------|-------|-------------------|
| Voluntarily Established Committee Equivalent to Nomination Committee | Corporate Governance and Nomination Committee | 10          | 0                 | 3                  | 7                 | 0               | 0     | In-house Director |
| Voluntarily Established Committee Equivalent to Remuneration         | Compensation Committee                        | 4           | 0                 | 1                  | 3                 | 0               | 0     | Outside Director  |

(Translation)

|           |  |  |  |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|--|--|--|
| Committee |  |  |  |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|--|--|--|

Supplementary Explanation

(1) Voluntary Committee before 2024 Ordinary General Meeting of Shareholders held in June 2024

① Governance, Nomination and Compensation Committee

Since its establishment in 2001, the Governance Committee has evolved in form and the matters it deliberates in response to changes in the internal and external environment. Since 2015, it has collectively deliberated on the three themes of governance, nomination, and compensation.

< Main Discussion Themes(FY2023) >

- Consideration of Transition to a Company with an Audit & Supervisory Committee
- Evaluation of the effectiveness of the Board of Directors
- Successor requirements and basic policies concerning the appointment and dismissal of President and Chief Executive Officer
- Review of the remuneration package including the remuneration package after the transition to a Company with an Audit & Supervisory Committee, the policy for setting remuneration, the appropriateness of remuneration levels and composition, and linkage to sustainability factors

< Composition of the Committee and Meeting Attendance in FY2023 > (\* The Committee Chair) \*1

Independent Members (4 people) :

- Tsuneyoshi Tatsuoka, Independent Director (attended 7/7 meetings)
- Shunichi Miyanaga, Independent Director (attended 7/7 meetings)
- Sakie Akiyama, Independent Director (attended 7/7 meetings)
- Mari Sagiya, Independent Director (attended 7/7 meetings)

In-house Members (3 people) :

- Takehiko Kakiuchi \*, Chairman of the Board (attended 7/7 meetings)
- Katsuya Nakanishi, Director, President & Chief Executive Officer (attended 7/7 meetings)
- Mitsumasa Icho, Full-time Audit & Supervisory Board Member (attended 6/6 meetings \*2)

(\*Notes)

1. Positions listed above are for FY2023.
2. Mitsumasa Icho was appointed to the Governance, Nominating and Compensation Committee on June 23, 2023.

(2) Voluntary Committee after 2024 Ordinary General Meeting of Shareholders held in June 2024

Since the scope and content of matters to be deliberated at the Governance, Nomination & Compensation

(Translation)

Committee have expanded and deepened over the years, the Governance, Nomination & Compensation Committee has been split into two committees, the Corporate Governance and Nomination Committee and the Compensation Committee, in order to enhance deliberations.

①Corporate Governance and Nomination Committee

For the purpose of strengthening corporate governance on an ongoing basis, enhancing the objectivity and transparency of the nomination process undertaken by the Board of Directors, and ensuring the fairness of this process, the Corporate Governance and Nomination Committee shall deliberate and monitor the matters below with the participation of all Independent Directors.

<Matters Deliberated by the Committee (Plan)>

- Basic framework and fundamental policy of corporate governance
- Matters about the appointment and dismissal of the Board of Directors
- Matters about the nomination etc.
- Other matters deemed by the chair of the Committee to require deliberation.

<Composition of the Committee> (\* The Committee Chair) \*3

Independent Members (7 people) :

- Shunichi Miyanaga, Independent Director
- Sakie Akiyama, Independent Director
- Mari Sagiya, Independent Director
- Mari Kogiso, Independent Director
- Tsuneyoshi Tatsuoka, Independent Audit & Supervisory Committee Members
- Rieko Sato, Independent Audit & Supervisory Committee Members
- Takeshi Nakao, Independent Audit & Supervisory Committee Members

In-house members (3 people):

- Takehiko Kakiuchi \*, Chairman of the Board
- Katsuya Nakanishi, Director, President & Chief Executive Officer
- Mitsumasa Icho, Full-time Audit & Supervisory Committee Member

②Compensation Committee

For the purpose of enhancing the objectivity and transparency of the policy for setting Directors' and Executive Officers' remuneration and the remuneration amount, both determined by the Board of Directors, and ensuring fairness throughout the determination process, the Compensation Committee shall deliberate, monitor and/or determine the matters below.

<Matters Deliberated by the Committee (Plan)>



(Translation)

- Fundamental policy for the remuneration for Directors and Executive Officers: the policy for setting Directors' and Executive Officers' remuneration, the appropriateness of remuneration levels and composition, and the operation status of remuneration system
- The evaluation of sustainability factors tied into Executive Officers' remuneration
- Evaluation of President and CEO's performance
- Other matters deemed by the chair of the Compensation Committee to require deliberation.

<Composition of the Committee> (\*The Committee Chair) \*3

Independent members (3 people):

- Sakie Akiyama, \* Independent Director
- Mari Kogiso, Independent Director
- Tsuneyoshi Tatsuoka, Independent Audit & Supervisory Committee Members

In-house members (1 person):

- Takehiko Kakiuchi, Chairman of the Board

(\*Notes)

3: The composition of the Committee is as of June 21, 2024.

## Matters Concerning Independent Directors

Number of Independent Directors

7

Other Matters Concerning Independent Directors

(1) Independent Directors

MC has 4 Independent Directors (excluding Directors who are Audit & Supervisory Committee Members) and 3 Independent Directors who are Audit & Supervisory Committee Members.

To enable Outside Directors (excluding Directors who are Audit & Supervisory Committee Members) to fulfill their appointed task, attention is given to maintain their independency; individuals not ensuring the independency will not be appointed as Outside Directors (excluding Directors who are Audit & Supervisory Committee Members). MC has set forth MC's Standards for Independent Directors as follows, after deliberation by the Governance, Nomination & Compensation Committee (after June 2024, Corporate Governance and Nomination Committee), where Independent Directors have a majority, and resolve by the Board of Directors.

<MC's Standards for Independent Directors>

To make a judgment of independence, MC checks if the person concerned meets the conditions for Independence Criteria prescribed by the Tokyo Stock Exchange, Inc., and whether the person concerned is currently any of the following items a. to g. and whether they have been at any time in the past 3 fiscal years. If a person is still judged by MC to be effectively independent despite one or more of the below items a. to g. applying, MC will explain and disclose the reason for their appointment as an Independent Director.

- a. A major shareholder of MC (a person or entity directly or indirectly holding 10% or more of the voting rights), or a Member of Business Personnel [\*1] of such shareholder.

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- b. A Member of Business Personnel of a creditor of MC exceeding the threshold set by MC [\*2].
- c. A Member of Business Personnel of a supplier or a customer of MC exceeding the threshold set by MC [\*3].
- d. A provider of professional services, such as a consultant, lawyer, or certified public accountant, receiving cash or other financial benefits from MC, other than Directors' remuneration, where the amount exceeds ¥10 million per fiscal year.
- e. A representative or partner of MC's Independent auditor.
- f. A person belonging to an organization that has received donations exceeding a certain amount [\*4] from MC.
- g. A person who has been served as an Outside Director and/or an Outside Audit & Supervisory Board Member of MC for more than 8 years.

(\*Notes)

1: A "Member of Business Personnel" in this MC's Standards for Independent Directors refers to a managing director, corporate officer, Executive Officer, or other employee of a company.

2: "Creditors exceeding the threshold set by MC" refer to creditors to whom MC owes an amount exceeding 2% of MC's consolidated total assets.

3: "Suppliers or customers exceeding the threshold" set by MC refer to suppliers or customers whose transaction amount with MC exceed 2% of MC's consolidated revenues.

4: "Donations exceeding a certain amount" refer to donations of more than ¥20 million per fiscal year.

## Incentives

Implementation Status of Measures related to Incentives Granted to Directors

Introduction of Performance-linked Remuneration Scheme, Introduction of Stock Options Scheme, Other

Supplementary Explanation for Applicable Items

At their meeting held on May 17, 2019, the Board of Directors approved revisions to the package of remuneration for Executive Directors (Directors for business execution, excluding the Chairman of the Board and Independent Directors) of MC effective from the fiscal year ended March 31, 2020, after the continuous deliberations of the Governance, Nomination and Compensation Committee and other meetings. In addition, at the 2019 Ordinary General Meeting of Shareholders held on June 21, 2019, a resolution was passed to revise the Director remuneration limits based on revisions to the remuneration package, etc., and the policy for setting remuneration was approved at the meeting of the Board of Directors held on the same day. At the 2024 Ordinary General Meeting of Shareholders held on June 21, 2024, a new remuneration amount for Directors (excluding Directors also serving as Audit & Supervisory Committee Members) was resolved in accordance with MC's transition to a new corporate structure, and the remuneration package (including the policy for setting remuneration, the fundamental policy, and the governance of remuneration) effective from the fiscal year ended March 31, 2025, was approved at the meeting of the Board of Directors held on the same day. Under the current remuneration package, remuneration for Executive Directors (Directors (excluding Directors also serving as

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Audit & Supervisory Committee Members), excluding the Chairman of the Board and Independent Directors. The same shall apply hereinafter) comprises base salary, annual deferral for retirement remuneration, individual performance-linked remuneration, performance-linked bonus (short term), performance-linked bonus (medium to long term), and stock-based remuneration linked to medium- and long- term share performances (stock options with market conditions). Of these, individual performance-linked remuneration, performance-linked bonus (short term), performance-linked bonus (medium to long term), and stock-based remuneration linked to medium- and long- term share performances are variable remuneration linked to factors such as individual performance, consolidated financial results (relevant fiscal year plus medium to long term), sustainability factors (medium to long term) and share price. Under the current remuneration system, to strengthen the performance-linked component, remuneration shall not only be based on the relevant single-year's business results, but also be in line with medium-to-long-term corporate value. Remuneration composition shall be commensurate with the enhancement of medium-to-long-term corporate value based on a new stock-based component (with market conditions) that strengthens the link with shareholder value in addition to the cash component. Furthermore, the percentage of performance-linked remuneration will increase in response to the growth of the consolidated financial results (relevant fiscal year plus medium to long term) and growth in Total Shareholder Return (TSR) . See "Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods" under II 1. **【Director Remuneration】** for details.

Persons Eligible for Stock Options

Inside Directors, Other

Supplementary Explanation for Applicable Items

Stock options as remuneration are granted to Executive Directors and Executive Officers from the perspective of aligning Directors' and Officers' interests with those of shareholders and providing incentives to enhance corporate value and to increase the Company's share price over the medium to long term. In principle, all stock options allocated cannot be exercised for a three-year performance period. The number of stock options that can be exercised at the end of the performance period varies depending on the share growth rate (calculated as TSR divided by the TOPIX benchmark growth rate over the same period). The basic policy is that Executive Directors and Executive Officers are obliged to hold any shares including those acquired through the exercise of stock options while in office. Sales of such shares are restricted until their aggregate market value exceeds 300% (500% for President and CEO) of the base salary.

The total number of shares to be issued for the purpose of stock acquisition rights on March 31, 2024 (including shares held by retirees) is as follows.

Stock-option-based remuneration (through the Fiscal Year ended March 31, 2007: granted to Directors and Executive Officers, 1 right=300 shares, from the Fiscal Year ended March 31, 2008 through the Fiscal Year ended March 31, 2019: granted to Directors, Executive Officers and Senior Vice Presidents ("Riji"), 1 right=300 shares, from the Fiscal Year ended March 31, 2020: granted to Directors and Executive Officers; 1 right=300 shares): 10,887,600 shares

(Translation)

## Director Remuneration

Status of Disclosure of Individual Director's Remuneration

Partial disclosure only of individual amounts

### Supplementary Explanation for Applicable Items

Total Directors' and Audit & Supervisory Board Members' remuneration for the Fiscal Year ended March 31, 2024 was ¥1,978 million to 11 Directors, including ¥120 million to 5 Independent Directors, and ¥244 million to 5 Audit & Supervisory Board Members, including ¥69 million to 3 Independent Audit & Supervisory Board Members.

(Notes)

- The above figures include 2 Directors and 1 Audit & Supervisory Board Member who retired during the Fiscal Year ended March 31, 2024. There were 9 Directors (including 4 Independent Directors) and 5 Audit & Supervisory Board Members (including 3 Independent Audit & Supervisory Board Members) as of March 31, 2024.
- The above amounts of remuneration are made up as follows for the Fiscal Year ended March 31, 2024:
  - Base Salary paid during the Fiscal Year ended March 31, 2024  
MC paid ¥651 million to 11 Directors, including ¥120 million to the 5 Independent Directors.
  - Annual Deferral for Retirement Remuneration  
MC paid ¥69 million to the 4 Directors (the Chairman of the Board and the Independent Directors are ineligible for payments).
  - Individual Performance-linked Remuneration [Amount recognized as allowance in the Fiscal Year ended March 31, 2024]  
MC paid ¥230 million to the 4 Directors (the Chairman of the Board and the Independent Directors are ineligible for payments).
  - Performance-linked Bonus (short term)  
MC paid ¥292 to the 4 Directors (the Chairman of the Board and the Independent Directors are ineligible for payments).
  - Performance-linked Bonus (medium to long term) [Amount recognized as allowance in the Fiscal Year ended March 31, 2024]  
MC paid ¥292 to the 4 Directors (the Chairman of the Board and the Independent Directors are ineligible for payments).
  - Stock-Based Remuneration linked to Medium- and Long-term Share Performances (recognized as an expense in the Fiscal Year ended March 31, 2024)  
MC appropriated ¥443 million for stock options allocated to the 4 Directors (the Chairman of the Board and the Independent Directors are ineligible for payments).
- In addition to the above, Mitsubishi Corporation paid executive pensions to retired Directors. The amount paid in the Fiscal Year ended March 31, 2024 was as follows. The retirement bonus system,

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including executive pensions for Directors, was abolished at the close of the Ordinary General Meeting of Shareholders held on June 26, 2007.

MC paid ¥69 million to 43 Directors (the Independent Directors were ineligible for payments), and ¥3 million to 4 Audit & Supervisory Board Members (the Independent Audit & Supervisory Board Members were ineligible for payments).

Policy on Determining Remuneration Amounts and Calculation Methods

Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

(1) Policy for Setting Remuneration of Directors(excluding Directors also serving as Audit & Supervisory Committee Members) and Audit & Supervisory Committee Members

In line with the Basic Policy on Corporate Governance set forth in Section I.1 of this report, MC has established a remuneration package for Directors to ensure a sustainable increase of corporate value, and to ensure that their respective roles are fulfilled appropriately according to business execution and management monitoring functions.

① Remuneration levels

Levels of remuneration are set based on the functions and roles of the Directors and the Audit & Supervisory Committee Members, the company's performance level and others. Furthermore, based on performance targets, MC makes the level of remuneration globally competitive as management remuneration to foster a desire for growth among human resources bearing the next generation of management and to improve organizational vitality.

② Remuneration composition

With regard to remuneration for Executive Directors and Executive Officers, to strengthen the performance-linked component, remuneration shall not only be based on the relevant single-year's business results, but also be in line with medium-to-long-term corporate value. Remuneration composition shall be commensurate with the enhancement of medium-to-long-term corporate value based on a new stock-based component (with market conditions) that strengthens the link with shareholder value in addition to the cash component. From this perspective, remuneration items are composed of Performance-linked Bonus (Short term), Performance-linked Bonus (Medium to long term), and Stock-based Remuneration Linked to Medium- and Long-term Share Performances, in which consolidated net income (single year and medium to long term), sustainability factors (medium to long term), the share price and share growth rates (medium to long term) are adopted as key performance indicators in addition to remuneration items of Base Salary, Annual Deferral for Retirement Remuneration, and Individual Performance-Linked Remuneration.

For the Chairman of the Board and Independent Directors (excluding Directors also serving as Audit & Supervisory Committee Members), who are performing an audit and oversee function for management, and

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for Audit & Supervisory Committee Members, who undertake audits, there is a need to ensure their independence from business execution so that they can properly assume their respective roles. For this reason, they are paid only fixed base salary and are not paid variable remuneration.

③Governance of remuneration

The Compensation Committee (\*1), which comprises a majority of Independent Directors, one of whom serves as Committee Chairperson, continuously deliberates upon and monitors the policy for setting remuneration for Directors and Audit & Supervisory Committee Members, the appropriateness of remuneration levels and composition including remuneration items which are subject to the clawback policy, the operating status of the remuneration package, and other matters shall be continuously discussed and monitored by the Compensation Committee(\*2).

(\*Notes)

1. To enhance the management from the longer-term perspective, MC has adopted a clawback policy, applicable to the individual performance-linked remuneration, performance-linked bonuses (short term) and performance-linked bonuses (medium to long term) of Executive Directors. In addition, non-payment or reduction of the amount is possible by resolution of the Board of Directors in the event of serious violation of a delegation agreement etc., regarding annual deferral for retirement remuneration.

2.The Compensation Committee was transitioned from the Governance, Nomination and Compensation Committee on June 21, 2024. Before June 21, 2024, the President's Performance Evaluation Committee and Sustainability Factors Evaluation Committee under the Governance, Nomination and Compensation Committee were in charge.)

3. See II 1. 【Voluntary Established Committee(s)】 in this report for details.

(2) Remuneration package for Directors (excluding Directors who are Audit & Supervisory Committee Members) and Directors who are Audit & Supervisory Committee Members (Fiscal Year ended March 31, 2025 onward)

①Executive Directors (who also serve as Executive Officers)

The remuneration for Executive Directors (who also serve as Executive Officers) is as follows.

- Base Salary

An amount determined by board of directors according to position, paid monthly.

- Annual Deferral for Retirement Remuneration

Annual deferral for retirement remuneration is set aside from the base salary in a certain amount every year as consideration for the performance of duties, and the accumulated amount is calculated and paid in full upon retirement of a Director by resolution of the Board of Directors. If a Director makes a serious violation of the appointment contract between the Company and the Director with regard to the Directors' duties during the term of office, the Board of Directors may resolve to reduce or not to pay the accumulated amount.

- Individual Performance-Linked Remuneration

For Executive Directors (who also serve as Executive Officers), individual performance-linked remuneration is determined and paid on an individual basis after the President's yearly performance assessment of each Director for the relevant fiscal year in both financial and non-financial terms (The Board of Directors delegated authority to the Presidents for decision of individual payment amounts) since it is appropriate for the President who is the CEO of business execution to do so. The annual assessment on the President's performance is decided by the Compensation Committee which is composed with a majority of Independent Directors and is chaired by an Independent Director. The main evaluation points for the President's performance evaluation include the status of progress on management strategy, the status of achievement of forecast earnings, and the status of other business management. Results of performance assessments are reported to the Board of Directors and the Compensation Committee.

- Performance-linked Bonus (Short term)

Performance-linked bonuses (short term) are paid in amount determined in line with profit in the relevant fiscal year based on a formula resolved by the Board of Directors after deliberation by the Compensation Committee. If profit (attributable to owners of MC) for the relevant fiscal year exceeds the profit threshold resolved ahead of time by the Board of Directors based on the consolidated capital cost, the amount to be paid will be adjusted in line with business performance. Meanwhile, if profit is below the relevant threshold, no bonuses will be paid. Moreover, the total amount to be paid is capped.

- Performance-linked Bonus (Medium to long term)

Performance-linked bonuses (medium to long term) are paid in amounts calculated in line with profit over the medium to long term based on a formula resolved by the Board of Directors after deliberation by the Compensation Committee. If the average of profit (attributable to owners of MC) over the relevant three fiscal years exceeds the average of profit threshold resolved ahead of time by the Board of Directors based on the consolidated capital cost over that same period, the amount to be paid will be adjusted in line with business performance over the medium to long term. Meanwhile, if the average profit is below the average profit threshold resolved ahead of time by the Board of Directors based on the consolidated capital cost, no bonuses will be paid. Moreover, the total amount to be paid is capped. Furthermore, since the Fiscal Year ended March 31, 2024, in order to promote a stronger awareness of enhancing corporate value through initiatives related to medium- to long-term sustainability including ESG factors, new sustainability factors have been added to the key performance indicators used to calculate performance-linked bonuses (medium to long term). The remuneration will vary in accordance with the results of evaluations of initiatives related to optimizing the value of human capital and contributing to decarbonized societies. In the evaluation process, the Compensation Committee comprehensively evaluates initiatives related to abovementioned sustainability factors over the three fiscal years of the performance period in both quantitative and qualitative terms, taking into account longer term impacts. The evaluation results are reported to the Board of Directors and are disclosed to the public.

- Stock-based Remuneration Linked to Medium- and Long-term Share Performances

Stock-based remuneration is paid to Executive Directors and Executive Officers from the perspective of

(Translation)

aligning Directors' and Officers' interests with those of shareholders and providing incentives to enhance corporate value and to increase the Company's share price over the medium to long term. The board of directors determines the number of shares allocated to each person.

All stock options allocated cannot be exercised for a three-year performance period. The number of stock options that can be exercised at the end of the performance period varies depending on the share growth rate (calculated as TSR divided by the TOPIX benchmark growth rate over the same period).

The basic policy is that Executive Directors and Executive Officers are obliged to hold any shares including those acquired through the exercise of stock options while in office. Sales of such shares are restricted until their aggregate market value exceeds 300% (500% for President and CEO) of the base salary.

(\*Note)

The evaluation of the President's performance and sustainability factors tied into Executive Officer's remuneration will be discussed and decided by the four members of the Compensation Committee as well as all Independent Directors (including Independent Audit & Supervisory Committee Members).

②Chairman of the Board, Independent Directors (excluding Directors who are Audit & Supervisory Committee members), and Audit & Supervisory Committee Members

The Chairman of the Board and the Independent Directors (who do not also serve as Executive Officers excluding Directors who are Audit & Supervisory Committee members) must fulfill oversight function for management in an appropriate manner, while the Audit & Supervisory Committee Members must perform audits appropriately.

For Directors serving as Audit & Supervisory Committee Members, who are performing a supervisory function for management or are undertaking audits, there is a need to ensure their independence from business execution so that they can properly assume their respective roles. For this reason, they are paid only fixed base salary and are not paid variable remuneration which does not link with business results.

(3) The Method for setting remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) and Directors who are Audit & Supervisory Committee Members

①Directors (excluding Directors who are Audit & Supervisory Committee Members) and Directors who are Audit & Supervisory Committee Members

The Compensation Committee deliberates and the Board of Directors decides the policy for setting Directors' remuneration and the remuneration amount (actual payment amount).

The total remuneration amount (actual payment amount) and individual payment amounts for Directors (excluding Directors who are Audit & Supervisory Committee Members), excluding individual performance-linked remuneration, are determined by a resolution of the Board of Directors within the upper limits for each type of remuneration decided by resolution of the 2024 Ordinary General Meeting of Shareholders held on June 21, 2024. Base salary and annual deferral for retirement remuneration, forms of fixed remuneration, are paid in amounts determined by the Board of Directors. As for variable remuneration, payments of performance-



(Translation)

linked bonuses (short term), performance-linked bonuses (medium to long term) and stock-based remuneration linked to medium- to long-term share performance are determined, while reflecting key performance indicators, based on a formula set by the Board of Directors following deliberation by the Compensation Committee. MC has added sustainability factors to the key performance indicators used to calculate performance-linked remuneration (medium to long term) based on the approval at the 2024 Ordinary General Meeting of Shareholders held on June 21, 2024.

MC has adopted a clawback policy,\* applicable to the individual performance-linked remuneration, performance-linked bonuses (short term) and performance-linked bonuses (medium to long term) of Executive Directors, revising the regulations for executive officers by resolution at the Board of Directors' Meeting held on February 18, 2022.

\* In the event that an Executive Officer causes any loss or damage to the Company from willful misconduct or negligence, a serious violation of a delegation agreement, or a serious accounting error or act of misconduct resulting in an ex-post revision of a financial report by resolution of the Board of Directors, non-payment or reduction of the amount/reclaiming of the paid amount is possible by resolution of the Board of Directors. The Compensation Committee continuously deliberates and monitors the appropriateness of remuneration composition, including remuneration items which are subject to the clawback policy.

The payment amounts of individual performance-linked remuneration paid to Directors (who also serve as Executive Officers excluding Directors who are Audit & Supervisory Committee Members) based on their individual performance assessment, including qualitative assessment, are determined and paid on an individual basis, reflecting the President's yearly performance assessment in both financial and non-financial terms of each Director for the relevant fiscal year (the Board of Directors delegates authority to the President for deciding the individual payment amounts) since it is appropriate for the President who is the CEO of business execution to do so.

Performance evaluations of Executive Directors (who also serve as Executive Officers excluding Directors who are Audit & Supervisory Committee Members) comprehensively take into account their contributions to the organizations and businesses they oversee; their contributions to management of the entire Company, Corporate Staff Section and each Business Groups and offices; and the state of sustainability initiatives that leads to sustainability.

The annual assessment on the President's performance is decided by the Compensation Committee, which is delegated this authority by the Board of Directors. For the President's Performance Evaluation, together with the four members of the Compensation Committee, all of the Company's Independent Directors (including Independent Audit and Supervisory Committee Members) participate in deliberations and decision-making. Results of the performance assessment are reported to the Board of Directors and the Compensation Committee to ensure objectivity, fairness and transparency.

Based on the policy for determining remuneration packages (including methods for calculating performance-linked bonuses) that was approved at the extraordinary meeting of the Board of Directors held on June 21,

(Translation)

2024, each year, the Compensation Committee deliberates and the Board of Directors makes a resolution determining that the total amount of director remuneration packages and methods for deciding payments to individual directors are consistent with said policy for determining remuneration packages.

Each year, the Compensation Committee deliberates and monitors the appropriateness of remuneration levels and compositions (including remuneration items subject to the clawback policy) as well as the operational status of remuneration systems. This is done with reference to data on remuneration levels and composition ratios provided by the external consulting firm Willis Towers Watson (WTW).

The Chairman of the Board of Directors and Independent Directors (excluding Directors who are Audit & Supervisory Committee Members) responsible for management oversight functions, are paid only fixed monthly remuneration, and are not eligible for performance-based variable remuneration such as annual deferral for retirement remuneration, individual performance-linked remuneration, performance-linked bonuses (short-term), performance-linked bonuses (medium- to long-term), or stock-based remuneration linked to medium- to long-term share performance, as there is a need to ensure the independence.

#### ②Directors who are Audit & Supervisory Committee Members

The total amount of remuneration and individual payment amounts for Directors who are Audit & Supervisory Committee Members are determined by discussions by the Audit & Supervisory Committees within the upper limits for Audit & Supervisory Committee Member remuneration decided by resolution of the 2024 Ordinary General Meeting of Shareholders, held on June 21, 2024.

The assurance of independence is necessary for Directors who are Audit & Supervisory Committee Members, who undertake audits and oversight, in order for them to appropriately perform their respective roles. For this reason, MC will pay them only fixed monthly remuneration, and not remuneration that is linked with business results.

### Support System for Outside Directors

For the purpose of ensuring that the roles and responsibilities of the Board of Directors/ Directors set forth in II .2 in this report fulfilled, and for promoting free, open and constructive deliberations at the Board of Directors, MC established the Board of Directors' Office and provides information and support necessary for the execution of duties by the Board of Directors/Directors in a timely and appropriate manner.

Furthermore, for the purpose of ensuring that the roles and responsibilities of the Directors set forth in II .2 in this report are effectively fulfilled, MC ensures that Independent Directors to acquire sufficient information on the status of management execution and the agenda of the meetings of the Board of Directors from the management executives, and provide Independent Directors with opportunities to deepen their understanding of the agenda for the meetings of the Board of Directors, as well as MC's business and management strategies in consideration of MC's broad business areas.

(Translation)

Prior to each meeting of the Board of Directors, opportunities are created for the management executives of the Corporate Staff Section and Business Groups to provide explanatory summaries of the agenda items for which they are responsible to Independent Directors in order to facilitate substantive deliberations at the meetings (totaling 33 hours in the Fiscal Year ended March 31, 2024). The sessions are also utilized to appropriately share timely information that helps enhance deliberations.

The Board of Directors' Office also provides an orientation to newly appointed Independent Directors, as well as ongoing opportunities to increase their understanding of the businesses and strategies of MC, including annual site visits to business subsidiaries and affiliates and opportunities for dialogue with the management, the General Managers of Corporate Staff Section, Business Group CEOs and Business Division COOs, and small group discussions with Executive Vice Presidents and dialogues with mid-level and young employees. Additionally, opportunities for third-party training programs are provided Directors (excluding Directors who are Audit & Supervisory Committee Members) and Directors who are Audit & Supervisory Committee Members with, of which expenses are borne by MC.

Furthermore, to enhance the effectiveness of the Board of Directors, MC holds meetings of the Corporate Governance and Nomination Committee and the Compensation Committee (including the President's performance evaluation and the evaluation of sustainability factors tied into Executive Officers' remuneration) where Independent Directors have a majority in their memberships. Also, MC holds regular meetings of Independent Directors to provide a forum for free discussion amongst themselves on a wide range of topics.

<Main Discussion Themes (FY 2023)>

- Items Discussed at the Business Strategy Committee
- Human Capital and Work Styles
- Audit and Activities of the Audit & Supervisory Board Members
- Initiatives for Next-Generation Energy

### Status of Persons who have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (*Sodanyaku, Komon, etc.*) after Retiring as Representative Director and President, etc.

| Name          | Job title/ position | Responsibilities | Terms and Conditions of Employment (Full/part time, with/without remuneration, etc.) | Date when former role as president/ CEO ended | Term       |
|---------------|---------------------|------------------|--|---|------------|
| Ken Kobayashi | Corporate Advisor   | External affairs | Part-time, no remuneration   | March 31, 2022                                | March 2028 |

|  |   |
|--|---|
| Number of Persons Holding Advisory Positions ( <i>Sodanyaku, Komon, etc.</i> ) After Retiring as Representative Director and President, etc. | 1 |
|--|---|

(Translation)

Other Related Matters

MC appoints, as necessary, retired executives (President and CEO) to the position of Corporate Advisory. Currently, one Corporate Advisory is appointed. The Corporate Advisory does not serve as a Director. He does not participate in internal management meetings and is not involved in the Company's decision-making process. He mainly engages in external activities that carry high social significance based on requests to the Company.

With effect from July 2020, the Corporate Advisory executes his duties on a part-time basis, with no remuneration.

(Note) "Date of retirement as President, etc." on the table above refers to the date of retirement from Chairman of the Board.

**2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)**

MC maintains the following corporate governance system in order to ensure sound, transparent and efficient management:

(Please refer to V2.below for the framework of MC's Corporate Governance System.)

(1) Board of Directors

The Roles and Responsibilities/Size and Composition of the Board of Directors, the Roles and Responsibilities of Directors, and Appointment Policy/Appointment Process of Directors are as shown below. These have been discussed by the Governance, Nomination& Compensation Committee (which transitioned to the Corporate Governance and Nomination Committee after June 21, 2024) composed with Independent Directors in majority, and ultimately decided by MC's Board of Directors.

① Roles and Responsibilities of the Board of Directors

Based on its fiduciary responsibility and accountability to shareholders, the Board of Directors shall fulfill the roles and responsibilities listed below to promote MC's sound and sustainable growth and continuous increase of corporate value, and to help enrich society, both materially and spiritually while also realizing transparent, fair, timely and decisive decision-making and highly effective oversight of the management:

- a. to provide a broad management direction in line with MC's business reality, taking into consideration the external environment surrounding MC's businesses, trends, and global perspectives, etc.;
- b. to oversee the development and operation of the business management and risk management systems the executives have established to support appropriate risk-taking; and,
- c. to provide highly effective oversight of the executives by evaluating them from an independent and objective standpoint in light of the basic management policies formulated by the executives and approved by the Board of Directors, and by encouraging them to take necessary corrective actions.

(Translation)

In the Fiscal Year ended March 31, 2024, 14 Board of Directors meetings (11 ordinary meetings, 3 extraordinary meetings) were held, and all Directors and Audit & Supervisory Board Members were present at all meetings of the Board of Directors during their terms of office. The attendance status of all Independent Directors and Independent Audit & Supervisory Board Members at the Board of Directors meetings is described on page 91–92 of the Notice of 2024 Ordinary General Meeting of Shareholders (English version), which is posted on the website below.

[https://www.mitsubishicorp.com/jp/en/ir/adr/sh\\_meeting/pdf/shoshu\\_2024.pdf](https://www.mitsubishicorp.com/jp/en/ir/adr/sh_meeting/pdf/shoshu_2024.pdf)

#### ②Size and Composition of the Board of Directors

For the purpose of fulfilling the roles and responsibilities of the Board of Directors as set forth in the above paragraph in this report, the Board of Directors shall be of an appropriate size and composition to ensure diversity, and at least one-third of its members shall be Independent Directors who meet MC's Standards for Independent Directors as set forth in II [MC's Standards for Independent Directors] in this report.

#### ③Roles and Responsibilities of the Directors (excluding Directors who are Audit & Supervisory Committee Members)

Roles and responsibilities of the Directors (excluding Directors who are Audit & Supervisory Committee Members) are as set forth below.

##### a. In-house Directors

- (i) Chairman of the Board shall aim to ensure MC's sound and sustainable growth and continuous increase of corporate value by enhancing deliberations and ensuring that the Board of Directors fulfills its roles and responsibilities. To this end, strive to maintain and develop corporate governance, and as Chairman of the Board of Directors, lead discussions at Board of Directors meetings in a neutral manner by appropriately eliciting the opinions of Outside Directors, while taking into account the actual situation the executives are confronting.
- (ii) Executive Directors shall carry out business operations in accordance with the basic management policies approved by the Board of Directors, report on the status of business execution to the Board of Directors, and aim to ensure MC's sound and sustainable growth and continuous increase of corporate value by executing day-to-day business operations based on the deliberations of the Board of Directors.

##### b. Outside Directors

With a practical, objective and professional perspective on corporate management, Outside Directors shall oversee the execution of management strategies proposed by the executives. Based on their own experience and insight gleaned from their networks, Outside Directors shall provide advice on broad direction in a medium- and long-term perspective as they participate in appropriate decision-making within the Board of Directors, with the aim of ensuring MC's sound and sustainable growth and continuous increase of corporate value.

#### ④Appointment Policy of the Directors (excluding Directors who are Audit & Supervisory Committee

(Translation)

Members)

Based on the roles and responsibilities of the Directors (excluding Directors who are Audit & Supervisory Committee Members) set forth above, and in accordance with the following policy, overall character will be considered during the appointment process of the Directors (excluding Directors who are Audit & Supervisory Committee Members).

a. In-house Directors

In addition to the Chairman of the Board of Directors and the President, who serves as the Chief Executive Officer in charge of business execution, In-house Directors (excluding Directors who are Audit & Supervisory Committee Members) are appointed from among the Executive Officers (Senior Executive Vice Presidents and Executive Vice Presidents) in charge of company-wide management.

b. Outside Directors

- (i) Outside Directors (excluding Directors who are Audit & Supervisory Committee Members) are appointed from those who possess a practical perspective based on experience as a corporate executive and those who possess an objective and professional perspective with a deep insight on global dynamics and socio-economic trends.
- (ii) To enable Outside Directors (excluding Directors who are Audit & Supervisory Committee Members) to fulfill their appointed task, attention is given to maintain their independency as set forth in the APPENDIX of MC Principles of Corporate Governance; individuals not ensuring this independency will not be appointed as Outside Directors (excluding Directors who are Audit & Supervisory Committee Members).
- (iii) MC's operations span a broad range of business domains; hence there may be cases of conflict of interest stemming from business relationships with firms home to a corporate executive appointed as an Outside Director (excluding Directors who are Audit & Supervisory Committee Members). MC shall appropriately cope with this potential issue by preserving a variety of viewpoints through the appointment of numerous Outside Directors (excluding Directors who are Audit & Supervisory Committee Members).

⑤ Appointment Process for the Directors (excluding Directors who are Audit & Supervisory Committee Members)

Based on the appointment policy as set forth above, the President and CEO shall prepare a proposal for the election of candidates for Directors (excluding Directors who are Audit & Supervisory Committee Members), which shall be deliberated by the Corporate Governance and Nomination Committee, and shall be submitted to the general meeting of shareholders after being resolved by the Board of Directors as a proposal for the election of Directors (excluding Directors who are Audit & Supervisory Committee Members).

⑥ Roles and Responsibilities, Appointment Policy and Appointment Process of the Directors who are Audit & Supervisory Committee Members

See II.2. (3) on this report.

⑦ Matters Deliberated by the Board of Directors

(Translation)

The Board of Directors deliberates on important management issues, and supervises business execution through reports on major items in Midterm Corporate Strategy 2024, the business strategy of Business Groups, and so on. In addition, matters requiring resolution in accordance with laws and regulations, and loan and investment proposals exceeding a monetary threshold standard set by the Company are deliberated and resolved with an emphasis not only on the economic aspects, but also on sustainability perspectives. MC has also constructed appropriate internal control systems, and checks their operational status every year in order to work toward their continuous improvement and strengthening.

Business execution other than these matters for resolution by the Board of Directors is entrusted to Executive Officers by appointing the President as the Chief Executive Officer responsible for business execution, and the Executive Committee (meets twice monthly) as a management decision-making body.

In the Fiscal Year ended March 31, 2024, the Board of Directors appropriately monitored the major items of Midterm Corporate Strategy 2024. The results of the Board's deliberations are as follows.

<Agenda of the Board of Directors in the Fiscal Year Ended March 31, 2023>

- Management Strategy and Sustainability-related items

Business Strategy Committee report/ Management Strategy Meeting report/ EX progress report/ Business Execution reports (risk management, human resources strategy, regional strategy, stakeholder engagement and sustainability-related measures including discussion for Shareholder Proposals)

- Governance-related and corporate-related items

Governance, Nomination and Compensation Committee report/ International Advisory Committee report/ Evaluation of the effectiveness of the Board of Directors/ Appointments of the Board and Audit & Supervisory Board Members, Appointments of the Chairman and President, Appointments of Executive Officers/ Remuneration for Directors and Audit & Supervisory Board Members/ Organizational structure/ Rules and regulations/ Financial Statements/ Share Repurchase and Cancellation Policy/ Fundraising policy/ Verification of holding policy for listed share/ Ordinary General Meeting of Shareholders related items/ Compliance report/ Internal control systems/ Company indemnification agreements/ Items related to directors and officers (D&O) liability insurance

- Investment and finance proposals

Chiyoda Corporation/ Iron Ore Company of Canada/ Mitsubishi Development Pty Ltd/ Anglo American Sur/ Mitsubishi HC Capital Inc/ Cermaq Norway Salmon/ Mitsubishi Motors Corporation/ GAC Mitsubishi Motors Co., Ltd./ Lithium Energy Japan/ Integrated Coal Gasification Combined Business/ Nexamp/ HERE Technologies/ Princes Limited/ Lawson, Inc/ Diamond Realty Investments/ Onahama Petroleum Co., Ltd. Distribution Terminal etc.

#### ⑧ Outline of Limitation of Liability Agreements

MC has executed agreements with the Directors (excluding Executive Directors) Takehiko Kakiuchi, Shunichi Miyanaga, Sakie Akiyama, Mari Sagiya, Mari Kogiso, Mitsumasa Icho, Akira Murakoshi, Tsuneyoshi Tatsuoka, Rieko Sato and Takeshi Nakao, limiting their liability according to Article 423, Paragraph 1 of the

(Translation)

Companies Act. According to the agreements, the maximum liability of each is the minimum amount stipulated under Article 425, Paragraph 1 of the Companies Act. Such limitation of liability only covers cases in which Directors (excluding Managing Directors or certain other posts) have performed their duties in good faith and without gross negligence.

See II.1. **【Matters Concerning Independent Directors】** for the details of Independent Directors.

## (2) Board of Directors' Advisory Bodies

### ①Corporate Governance and Nomination Committee, Compensation Committee

See II.1. **【Directors】** Details of Establishment, Members, and Attribute of Chairperson and Notes in this report for details.

### ②International Advisory Committee

The Committee comprises overseas experts from various backgrounds, including industry, government, and academia, and provides recommendations and advice from an international perspective through exchange of opinions and discussions on the external environment with a focus on world affairs.

#### a. Main Discussion Themes (FY2023)

The Year of Disruptive Choices Global Elections in 2024

The Sudden Rise of AI Risks and Rewards

Soft Power in the Global South Leveraging Influence and Prosperity

#### b. Composition of Committee (\* the Committee Chair) (As of June, 2024)

Overseas members (6 people) (Nationality):

Mr. Jaime Augusto Zobel de Ayala (Chairman, Ayala Corporation (The Philippines))

Professor Joseph S. Nye (Harvard University Distinguished Service Professor (U.S.A.))

Mr. Niall FitzGerald, KBE (Former CEO & Chairman, Unilever (Ireland))

Mr. Natarajan Chandrasekaran (Chairman, Tata Sons (India))

Sir Rod Eddington (Former CEO, British Airways (Australia))

Ambassador Bilahari Kausikan (Former Permanent Secretary, Ministry of Foreign Affairs (Singapore))

Domestic members (4 people):

Takehiko Kakiuchi \* Chairman of the Board

Katsuya Nakanishi, Director, President & Chief Executive Officer

Kotaro Tsukamoto, Director, Senior Executive Vice President

Tsuneyoshi Tatsuoka, Independent Director

## (3) Audit & Supervisory Committee

MC transitioned from a Company with an Audit & Supervisory Board to a Company with an Audit &



(Translation)

Supervisory Committee, following approval at MC's 2024 Ordinary General Meeting of Shareholders held in June 21, 2024.

The Roles and Responsibilities/Size and Composition of Audit & Supervisory Committee, the Roles and Responsibilities of Directors who are Audit & Supervisory Committee Members, and Appointment Policy/Appointment Process of Directors who are Audit & Supervisory Committee Members are as shown below. These have been discussed by the Governance, Nomination & Compensation Committee (which transitioned to the Corporate Governance and Nomination Committee after June 21, 2024) composed with Independent Directors in majority, and ultimately decided by MC's Board of Directors.

① Roles and Responsibilities of the Audit & Supervisory Committee

The Audit & Supervisory Committee, as a statutory independent body tasked with auditing the Directors' performance of their duties with a mandate from shareholders, shall be responsible for establishing a high-quality corporate governance system through the appropriate performance of its duties and for playing a role in the monitoring function of MC in cooperation with the Board of Directors. Through these roles and responsibilities, the Audit & Supervisory Committee shall support the maintenance and development of MC's corporate governance, consider the interests of its various stakeholders, and strive to work with them to achieve MC's sound and sustainable growth and continuous enhancement of corporate value and social credibility.

② Size and Composition of the Audit & Supervisory Committee

For the purpose of fulfill the roles and responsibilities of the Audit & Supervisory Committee as set forth above, MC's Audit & Supervisory Committee shall be of an appropriate size and composition to ensure diversity, and a majority of the members shall be Independent Audit & Supervisory Committee members who meet MC's Standards for Independent Directors as set forth in II 1 [MC's Standards for Independent Directors] in this report.

③ Roles and Responsibilities of the Directors who are Audit & Supervisory Committee Members

Roles and responsibilities of the Directors who are Audit & Supervisory Committee Members ("Audit & Supervisory Committee Members") are as set forth below.

a. Full-time Audit & Supervisory Committee Members

Based on their company-wide management experience within MC and their knowledge and experience in finance, accounting, legal affairs, risk management, etc., Full-time Audit & Supervisory Committee Members shall (a) together with the Chairman of the Board, fulfill the roles and functions of the Board of Directors as non-executive In-house Directors. They are also (b) responsible for the timely and accurate assessment of the status of management execution, as well as for creating an environment for effective auditing and oversight by the Audit & Supervisory Committee and cooperating with other Audit & Supervisory Committee members to conduct audits and provide oversight from an objective and broad perspective. They shall also directly deliver unfettered opinions to the executives with conviction, when necessary, with the aim of ensuring MC's sound and sustainable growth and enhancement of corporate value and social credibility.

(Translation)

b. Outside Audit & Supervisory Committee Members

With a practical, objective and professional perspective on corporate management, Outside Directors shall oversee the execution of management strategies proposed by the executives. Based on their own experience and insight gleaned from their networks, Outside Directors shall provide advice on broad direction in a medium- and long-term perspective as they participate in appropriate decision-making within the Board of Directors, with the aim of ensuring MC's sound and sustainable growth and continuous increase of corporate value.

In addition to the roles and responsibilities of Outside Directors described above, Outside Audit & Supervisory Committee Members shall audit and oversee MC from a neutral and objective standpoint based on their diverse and abundant knowledge and experience in corporate management as well as their own expertise, aiming for MC's sound and sustainable growth and continuous enhancement of corporate value and social credibility.

④ Appointment Policy of the Audit & Supervisory Committee Members

Based on the roles and responsibilities set forth above, and in accordance with the following policy, overall character will be considered during the appointment process of the Audit & Supervisory Committee Members.

a. Full-time Audit & Supervisory Committee Members

Appointed from among persons with knowledge and experience in company-wide management, finance, accounting, legal affairs, risk management, and other areas.

b. Outside Audit & Supervisory Committee Members

- (i) (Appointed from among persons with diverse and abundant knowledge and experience in corporate management and expertise that contribute to auditing and oversight.
- (ii) To enable Outside Audit & Supervisory Committee Members to fulfill their appointed task, attention is given to maintain their independency as set forth in the APPENDIX of MC Principles of Corporate Governance; individuals not ensuring this independency will not be appointed as Outside Audit & Supervisory Committee Members.
- (iii) MC's operations span a broad range of business domains; hence there may be cases of conflict of interest stemming from business relationships with firms home to a corporate executive appointed as an Outside Audit & Supervisory Committee Members. MC shall appropriately cope with this potential issue by preserving a variety of viewpoints through the appointment of numerous Outside Audit & Supervisory Committee Members.

⑤ Appointment Process for the Audit & Supervisory Committee Members

The President and CEO, in consultation with Full-time Audit & Supervisory Committee Members, based on the appointment policy as set forth above, shall prepare a proposal for the appointment of candidates for Directors who are Audit & Supervisory Committee Members. After deliberation by the Corporate Governance and Nomination Committee, and with the consent of the Audit & Supervisory Committee, a proposal for the election of candidates for Directors who are Audit & Supervisory Committee Members shall be resolved by the Board of Directors and submitted to the general meeting of shareholders.

(Translation)

Independent Audit & Supervisory Committee Members are described in III. 【Matters Concerning Independent Directors】 on this report.

(4) Audit & Supervisory Board Member Audits/ Audit & Supervisory Committee Audits, Internal Audits, and Accounting Audits

Please refer to II 1. 【Audit & Supervisory Committee】 above for details of Audit & Supervisory Board Member/Audit & Supervisory Committee Audits, Accounting Auditors and Internal Audits.

### 3. Reasons for Adoption of Current Corporate Governance System

MC recognizes strengthening corporate governance on an ongoing basis as a fundamental management policy since it is the foundation for ensuring sound, transparent, and efficient management. Since the 2000's, MC has been promoting corporate governance reforms under this basic policy. To realize management and business execution that promotes growth while anticipating changes and transforming and strengthening businesses, MC continuously strives to increase corporate value while ensuring sufficient deliberation and effective oversight by the Board of Directors. While MC continues to enhance the function of corporate governance under its current corporate governance system as company with an Audit & Supervisory Board, MC has decided to transition to a Company with an Audit & Supervisory Committee, following approval at MC's 2024 Ordinary General Meeting of Shareholders held in June 2024, in order to further enhance our ability to respond to accelerating changes in the current external environment surrounding MC's businesses. In addition to expediting decision-making through the delegation of authority, this transition will also enhance and improve the monitoring function of the Board of Directors by enhancing deliberations centered on management policies and strategies at meetings of the Board of Directors, thereby increasing corporate value. The concept and system of corporate governance were deliberated in the Corporate Governance and Nomination Committee where Independent Directors had a majority, and MC has confirmed their effectiveness in the existing system.

The result of evaluation of the effectiveness of the Board of Directors under its current corporate governance system as company with an Audit & Supervisory Board were noted in II. Supplementary Principle 4.11.3 "Evaluation of the Effectiveness of the Board of Directors." MC will continue taking measures to enhance its effectiveness further.

## III. Implementation of Measures for Shareholders and Other Stakeholders

### 1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights

|   | Supplementary Explanation   |
|---|---|
| Early Posting of Notice of the General Meeting of Shareholders      | Notice of convocation is usually sent three weeks before the meeting.   |
| Scheduling of the General Meeting of Shareholders on a Non-Peak Day | The meeting is scheduled to avoid the dates when most other companies hold their ordinary shareholder meetings. |
| Electronic Exercise of Voting Rights                                | This has been implemented since 2004.   |

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|---|--|
| Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights | MC has participated in an electronic voting platform since 2007.   |
| Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English  | The notice of convocation is also prepared in English.   |
| Other   | In principle, the Notice of the General Meeting of Shareholders is disclosed and posted on the website of MC and the Tokyo Stock Exchange more than 4 weeks prior to the date of the meeting in advance of dispatching it by mail. In addition, MC holds a virtual Ordinary General Meeting of Shareholders with hybrid participation, which provides its shareholders with an opportunity to observe the meeting by live streaming on the internet. |

## 2. Status of IR-related Activities

|  | Supplementary Explanation   | Explanation by a representative director or a representative executive officer |
|--|---|--|
| Formulation and Publication of Disclosure Policies                       | MC has created Information Disclosure Regulations as internal regulations, and ensures they are communicated and understood internally.   |  |
| Regular Investor Briefings held for Individual Investors                 | Meetings in Fiscal Year ended March 31, 2024 were as follows:<br>Meetings for individual investors: 2 times (of these, 1 included the participation of the President and CEO, CFO, etc.)  | ○  |
| Regular Investor Briefings held for Analysts and Institutional Investors | Meetings in Fiscal Year ended March 31, 2024 were as follows:<br>Earning results briefings*: 4 meetings<br>MCSV Creation Forum*: 5 meetings (4 briefing sessions, 1 ESG briefing session)<br>* Independent Directors, the President and CEO, CSEO, CFO, CAO, and business group CEOs participated depending on the purpose/content of the meetings.<br>Meetings with domestic and foreign institutional investors and analysts: approximately 600 meetings (of these, approximately 30 included the | ○  |

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|   | participation of the President and CEO, CSEO etc. Interviews with domestic and foreign institutional investors (responsible investment departments): approximately 40 meetings (of these, 7 included the participation of Independent Directors, CSEO, etc.) |   |
| Regular Investor Briefings held for Overseas Investors                    | Meetings in the Fiscal Year ended March 31, 2024 are as above.   | ○ |
| Online Disclosure of IR Information                                       | Various reference materials are posted on MC's IR website for investors to review.<br>( <a href="https://www.mitsubishicorp.com/jp/en/ir/">https://www.mitsubishicorp.com/jp/en/ir/</a> )  |   |
| Establishment of Department and/or Placement of a Manager in Charge of IR | In April 2023 MC appointed a Chief Stakeholder Engagement Officer (CSEO). The company's Investor & Shareholder Relations Department reports into the CSEO.   |   |

### 3. Status of Measures to Ensure Due Respect for Stakeholders

|  | Supplementary Explanation   |
|--|---|
| Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders | MC sets forth rules concerning relationships with society as a whole in its internal policies including its Three Corporate Principles, Corporate Standards of Conduct, Code of Conduct, MC Principles of Corporate Governance, Environmental Charter, Social Charter, and Human Rights Policy and others. MC is strengthening its efforts to simultaneously realize not only economic value but also social and environmental value through its business activities. |
| Implementation of Environmental Preservation Activities and CSR Activities, etc.     | MC is promoting activities based on the themes of "Realizing an inclusive society," "Empowering the next generation," and "Conserving the environment," and MC provides support for regions affected by natural disasters, including recovery efforts for the Great East Japan Earthquake. MC is promoting activities that are unique to the Company by carefully assessing social issues while also placing importance on continuity.                                |
| Formulation of Policies, etc. on Provision of Information to Stakeholders            | MC has created the Corporate Standards of Conduct, MC Principles of Corporate Governance, Environmental Charter, Social Charter, Human Rights Policy, Information Disclosure Regulations as internal regulations, and ensures they are understood internally.   |
| Other  | See I.1. 【Disclosure Based on each Principle of Corporate Governance Code】 (3) for details of MC's current status and system for promoting of the Appointment of Women, Foreign Nationals and Mid-Career  |

#### IV. Matters Concerning the Internal Control System

On May 2, 2024, the Board of Directors of MC resolved the basic policy of establishing the following internal control systems for MC after June 21, 2024 and, as a whole, the MC Group including its subsidiaries, to improve the corporate value through proper and efficient business operations in conformity with laws and its Articles of Incorporation. MC checks the operating status of these systems and endeavors to continuously improve and strengthen them.

##### 1. Basic Views on Internal Control System and Status of Development

###### (1) Internal Control System (System for Ensuring Proper Business)

On May 2, 2024, the Board of Directors of MC resolved the basic policy of establishing the following internal control systems for MC after June 21, 2024 and, as a whole, the MC Group including its subsidiaries, to improve the corporate value through proper and efficient business operations in conformity with laws and its Articles of Incorporation. MC checks the operating status of these systems and endeavors to continuously improve and strengthen them.

<The Basic Policy of Establishing the Internal Control Systems>

###### a. System to Ensure that the Execution of Duties by Directors and Employees Is in Conformity with the Laws and Regulations and Articles of Incorporation

(i) MC shall establish internal rules and regulations for such matters as codes of conduct for officers and employees; Companywide lateral management systems; and measures for prevention, correction, and improvement; and internal whistleblower systems. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations. Further, Mitsubishi Corporation shall realize its compliance capabilities as the Mitsubishi Corporation Group by encouraging subsidiaries to establish similar systems.

(ii) MC shall establish internal rules and regulations for such matters as the establishment of persons responsible for each organization and procedures for the internal and external reporting in conformity with laws and standards. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations and ensure proper and timely disclosure of information of the MC Group.

(iii) MC shall establish internal rules and regulations for such matters as the systems and main points of internal auditing. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations and objectively inspect, evaluate, and improve the execution of duties throughout the MC Group.

###### b. System for the Storage and Management of Information Related to Directors' Execution of Duties

After establishing internal rules and regulations in relation to such matters as persons responsible for management of information in the course of execution of duties and methods and informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations and prepare, process, and store information appropriately.

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c. Regulations and Other Systems Concerning Management of Loss Risk

MC shall establish internal rules and regulations for such matters as risk classes, persons responsible for management and methods for each class, and systems. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations. In addition, in accordance with the business lines or size of subsidiaries, Mitsubishi Corporation shall encourage the development of necessary risk management systems, thereby appropriately controlling on a corporate group basis risk accompanying the execution of duties as the MC Group.

d. System for Ensuring that Directors Perform Duties Efficiently

(i) The President and CEO shall establish management policies and goals for the Mitsubishi Corporation Group, prepare management plans aimed achieving them, and then endeavor to execute duties efficiently by implementing these plans.

(ii) MC shall establish internal rules and regulations for such matters as standards and main points relating to reorganization, the division of duties, personnel allocation, and authority. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations. Further, in accordance with the business lines or size of subsidiaries, Mitsubishi Corporation shall ensure efficiency by encouraging the establishment of similar internal rules and regulations and other measures.

e. System to Ensure the Suitability of Business Conducted by the Stock Company and the Corporate Group Comprising the Parent Company and Subsidiaries

To ensure the suitability of the business activities conducted by the Mitsubishi Corporation Group, Mitsubishi Corporation shall establish basic policies for the Mitsubishi Corporation Group with each subsidiary and affiliate establishing internal rules and regulations for such matters as persons responsible, important management-related items, management methods, and the exercise of shareholder rights. After informing all parties, Mitsubishi Corporation shall rigorously reflect the rules and regulations in operations. Further, these persons responsible shall receive reports required by the Parent Company concerning the status of the execution of duties by directors and others at subsidiaries and shall understand the qualitative and quantitative status and issues of subsidiaries.

f. Items Concerning Employees Assisting in the Duties of the Audit & Supervisory Committee and Independence from Directors (excluding Directors who are Audit & Supervisory Committee Members)

An organization is established directly under the Audit & Supervisory Committee for supporting the duties of the Audit & Supervisory Committee, and employees shall be assigned exclusively to this organization. Furthermore, regarding personnel matters concerning these employees, such as evaluations and transfers, Mitsubishi Corporation shall seek the opinions of Audit & Supervisory Committee Members and shall respect these opinions.

g. System for Reporting to Audit & Supervisory Committee

(i) The Audit & Supervisory Committee shall have Directors (excluding Directors who are Audit & Supervisory Committee Members), executive officers, employees, and others to report to the Audit & Supervisory Committee and shall state opinions in regard to their execution of operations. For this purpose, Mitsubishi Corporation shall establish systems for attendance of Audit & Supervisory Committee Members

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at important meetings that the Audit & Supervisory Committee requests.

(ii) Mitsubishi Corporation shall establish internal rules and regulations for such matters as persons responsible, standards, and methods in relation to reporting to the Audit & Supervisory Committee if there is a risk of substantial detriment occurring, and shall ensure that these rules are thoroughly implemented and observed.

(iii) Mitsubishi Corporation shall encourage the construction of systems, including a system for having the persons responsible or officers and employees of respective subsidiaries to report if the Audit & Supervisory Committee requests reports relating to subsidiaries, and a system for the reporting of important matters, including subsidiaries' significant compliance matters, to the Audit & Supervisory Committee.

(iv) Mitsubishi Corporation shall prohibit the disadvantageous treatment of officers and employees as a result of having reported to the Audit & Supervisory Committee and shall ensure that these rules are thoroughly implemented and observed at subsidiaries.

h. Other Systems to Ensure That Audit & Supervisory Committee and Audit & Supervisory Committee Members' Audits Are Executed Effectively

(i) The Audit & Supervisory Committee and Audit & Supervisory Committee Members shall endeavor to communicate with internal related departments and independent auditors, collect information, and conduct investigations, and related departments shall cooperate with these efforts.

(ii) Mitsubishi Corporation will bear the necessary expenses for the Audit & Supervisory Committee's and Audit & Supervisory Committee Members' execution of duties.

(2) Crisis Management/Business Continuity Management ("BCM")

MC has established internal regulations that considers various risks such as natural disasters and anomalous weather including earthquakes, heavy rains, and floods that may affect employee safety, profit, assets and business continuity; emerging infectious diseases including new strain of influenza and COVID-19; serious accident; terrorism; riots; geopolitical causes in East Asia, Europe and Middle East; and other international and domestic critical events. This policy implements the following principles: (1) give first priority to the safety and lives of personnel and their families; (2) perform, continue or promptly restore core functions and business operations; (3) assist in saving lives and support recovery of the local community.

Specifically, MC has set up an Emergency Crisis Management Headquarters that has the necessary infrastructure to activate a first response, including: ensuring the safety of its employees and preparation of business continuity plans (BCPs) for important operations; earthquake-proofing measures for buildings, facilities, and systems (including backup of data); regular drills; and emergency stocks of necessary supplies. Furthermore, in order to prepare for various crisis, MC promotes Business Continuity Management (BCM) that has the comprehensive management and implementation of a continuous PDCA cycle, including the formulation of a first response and Business Continuity Plan (BCP) based on risk/impact analysis of each crisis, the establishment of appropriate systems, and education/.

**2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development**



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MC firmly opposes any organization, group or individual engaged in unlawful activities and does not provide money or other types of economic benefit to them. This basic policy is clearly set out in MC's "Code of Prohibition against Improper Payments or Other Types of Benefits" and the "Mitsubishi Corporation Code of Conduct (the "Code of Conduct") adopted in March 1998 and September 2000, respectively.

MC also ensures that this basic policy is widely understood and complied with by all of the Directors, officers and employees of MC, among other things, by obtaining a written commitment to the Code of Conduct from them every year.

MC has established an internal corporate structure in order to take immediate action to respond to unexpected circumstances, by appointing a department to create close cooperating relationships with outside authorities and specialists, and working to include a clause regarding the Organized Crime Exclusion Ordinances on contracts.

## V. Other

### 1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures

Not Adopted

### 2. Other Matters Concerning the Corporate Governance System

(1) Corporate Governance Framework including Outline of the Internal Control System

See the framework at the end of this report.

(2) Outline of the Information Disclosure System

Under MC's corporate philosophy, the Three Corporate Principles, it discloses information based on applicable laws and regulations, as follows:

#### ① Information Covered by This Policy

MC covers "material information" as stipulated by applicable laws and regulations. This includes information related to corporate decisions and occurrence of material fact as stipulated by the Tokyo Stock Exchange ("TSE") in accordance with its policies for timely information disclosure, and information such as financial statements, etc., to be disclosed in accordance with the Financial Instruments and Exchange Act of Japan and the Companies Act. MC discloses information observing the following disclosure principles.

#### ② Basic Principles Regarding the Disclosure of Material Information

MC discloses material information based on the following five principles:

- Transparency: MC discloses information in a factual manner, regardless of the content.
- Timeliness: MC discloses information promptly, without delay, following occurrences that warrant disclosure.
- Fairness: MC disperses information fairly to its various stakeholders.
- Continuity: MC discloses information in a steady, continuous manner.

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- Confidentiality: MC does not provide information to third parties before information has officially been announced by MC.

### ③ Framework for Disclosure of Material Information

The internal framework for disclosing material information (as described above) is as follows:

#### a. Timely Information Disclosure in Accordance with the Rules of the TSE

At MC, the Executive Officer in charge of corporate communications is responsible for timely information disclosure, and he or she designates the general manager of the Corporate Communications Department to be the person in charge of managing information on a day-to-day basis. The Corporate Communications Department, as the department in charge of timely information disclosure, works to promote awareness regarding the importance of timely disclosure inside MC. At the same time, each department reports to and consults with the Corporate Communications Department about any decisions or occurrences that are thought to have bearing on the decisions of investors.

The general manager of the Corporate Communications Department carries out the necessary disclosure after confirming the necessity to disclose information.

#### b. Disclosure Other Than Timely Disclosure Required by the TSE

Apart from the timely disclosure stipulated by the TSE in (a) above, MC also provides information as required by applicable laws and regulations. Various types of material information, such as those outlined below, are determined by Executive Officers and individual departments in charge after discussion and deliberation with relevant departments, and information is then disclosed in accordance with applicable laws and regulations.

(i) Disclosure based on the securities listing rules of the TSE (Corporate Governance Report)

(ii) Disclosure based on the Financial Instruments and Exchange Act (financial statements, quarterly reports, internal control reports, extraordinary reports, securities registration statements, shelf registration statements and documentation related to issuances, etc.) (\*1)

(iii) Disclosure based on the Companies Act of Japan (business reports, account statements and consolidated account statements, and accompanying supplemental schedules)

(iv) Disclosure based on the rules of overseas securities exchanges

(\*Notes)

1. MC's Disclosure Committee discusses and confirms the details of financial statements, quarterly reports, and internal control reports and so forth that are submitted based on the Financial Instruments and Exchange Act, to determine whether the details are correct. The Disclosure Committee is chaired by the CFO with the CSEO serving as vice chair, and is made up of persons in charge of Corporate Staff Section (i.e., the General Managers of Corporate Staff Section). In addition, the details of the financial statements and internal control reports are submitted to the Board of Directors, while the details of quarterly reports are reported to the Board of Directors. The President and CEO and the CFO then submit a report confirming the appropriateness of the

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details of financial statements and quarterly reports to the TSE based on the details of the discussion within the Disclosure Committee and the Board of Directors, and so forth.

④Others

a. Market Rumors (\*2)

In general, MC does not respond to inquiries regarding market rumors. However, in some cases, MC may respond to a rumor when not responding could have serious ramifications for MC.

(\*Note)

2. In Article 158 of the Financial Instruments and Exchange Act, the spreading of market rumors is forbidden when offering a security, conducting a secondary distribution, sale, or any other trade in a security, or when attempting to impact on the market fluctuation of a security.

b. Quiet Period (\*3)

MC does not make statements regarding its financial outlook three weeks prior to the announcement of financial results (quarterly, or annual). However, exceptions may be made when there are occurrences of material fact that should be disclosed in accordance with the Tokyo Stock Exchange's rules for timely information disclosure or extraordinary reports.

(\*Note)

3 During the quiet period, MC will refrain from attending to questions related to earnings, ensure fairness, and prevent the leaking of earnings-related information. However, when there are events during the quiet period that may differ significantly from the announced earnings forecast, MC will disclose such information as appropriate. That said, MC will respond to questions during the quiet period regarding previously announced information.

c. Avoidance of Selective Disclosure

Selective disclosure is the disclosure of material, nonpublic information to any individual or group prior to the broad public dissemination of that information. Selective disclosure is against MC's company policy unless the people or groups to whom nonpublic information is disclosed are covered by confidentiality or nondisclosure agreements.

## Skills Matrix of Directors

Directors are appointed in light of their experience, insight, expertise, and overall character. At the Board of Directors, these individuals deliberate based on a variety of viewpoints to realize transparent, fair, timely and decisive decision-making and highly effective oversight of the management. The areas of experience, insight, and expertise judged to be important for Mitsubishi Corporation (MC)'s Board of Directors and the reasons for their adoption are shown below. The matrix on the next page shows the areas in which each Director has experience, insight or expertise.

Note: The matrix does not represent all the experience, insight or expertise of the Director.  
The applicability of each skill area in the matrix is judged based mainly on the individuals' experience in former positions, their current positions, and their formal qualifications.

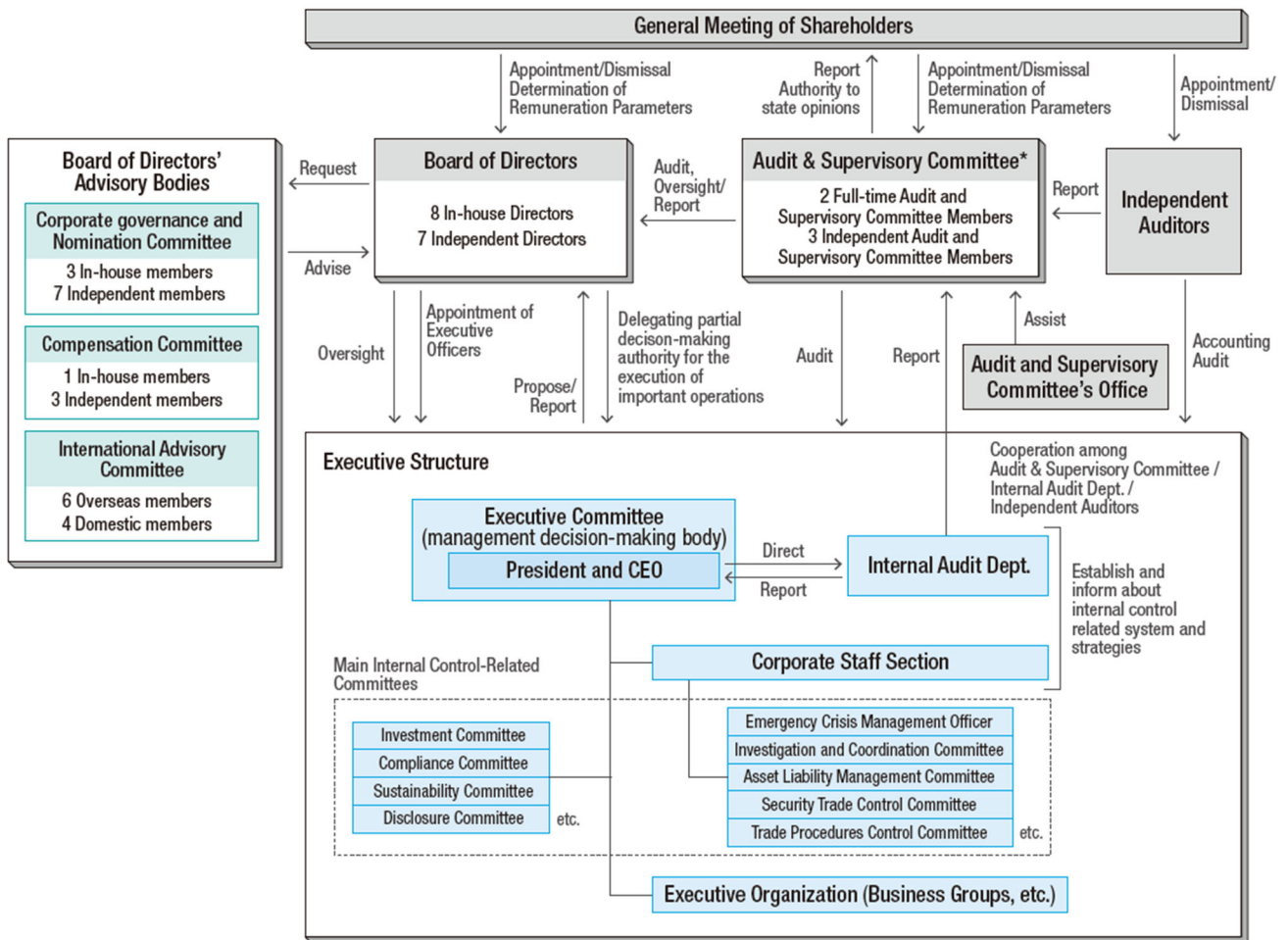
|                     | Skill Area  | Reasons for adoption  |
|---------------------|---|---|
| Basic Items         | Business Management and Organizational Management | MC's Board of Directors must deliberate and make comprehensive decisions from an organizational management perspective. As such, experience in business management or organizational management that is not skewed toward any individual specialty as well as knowledge of corporate governance based on such experience have been designated as necessary skill areas.   |
|                     | Risk Management                                   | <p>In order to make MC grow, it is important to establish and operate internal controls that comply with laws and regulations and the Articles of Incorporation and to increase corporate value through appropriate and efficient business execution, as well as to manage various risks related to MC's business. Therefore, items that require a wide range of experience, insight and expertise covering all aspects of risk management have been selected. In addition, these items encompass the following elements, which are indicated in parentheses for the appropriate person(s).</p> <ul style="list-style-type: none"><li>• (Legal) Management of overall corporate legal affairs</li><li>• (Financial and Accounting) Management of overall financial affairs and accounting</li></ul> |
| Management Strategy | Innovation  | In the Roadmap to a Carbon-Neutral Society, MC has declared the goal of net zero greenhouse gas (GHG) emissions by 2050, and has set forth "Creating the future through the integrated promotion of EX and DX" as a business promotion theme for the entire company. Accordingly, experience, insight, and expertise, related to innovation, necessary for monitoring the progress of such transformation, are selected as important items.   |
|                     | Energy  | MC is taking on the challenge of achieving both a stable supply of energy and resources and the lowering of carbon and decarbonization of social and economic activities, and this refers to experience, insight, and expertise in energy-related innovations that are necessary to monitor the progress of these efforts.  |
|                     | Digital   | MC aims to create a cross-industry digital ecosystem with optimized business models, and this refers to the experience, insight, and expertise in digital-related innovation necessary to monitor the progress of this initiative.  |
|                     | Global Intelligence                               | Since MC operates globally and reflects intelligence on geopolitics, economic conditions, and policy trends, etc. in the management strategies in a timely manner, experience, insight and expertise in such matters have been selected as important items.   |
|                     | Human Resource Strategy                           | MC's most valuable asset is human resources, and it is essential that MC continues to produce human resources with a management mindset and commitment to increasing the value of business. With a view toward creating MC Shared Value, which is one of the objectives of the Midterm Corporate Strategy 2024, experience, insight and expertise of "human resource strategy" strives to optimize the value of our human capital have been selected as important factors. This includes strategies related to organizational structure and organization.   |
|                     | Environment and Society                           | Since MC defines material issues as important social issues to be solved through business activities and aims to realize a carbon-neutral society and lifestyles that are rich both materially and spiritually; experience, insight, and expertise in environmental and social matters have been selected as important items to be considered.  |

(Translation)

| Position  | Name        | Responsibilities/Main Career | Experience, Insight, Expertise  |                 |  |         |                     |                         |                         |   |
|---|-------------|------------------------------|---|-----------------|--|---------|---------------------|-------------------------|-------------------------|---|
|   |             |                              | Business Management/Organizational Management   | Risk Management | Innovation   |         | Global Intelligence | Human Resource Strategy | Environment and Society |   |
|   |             |                              |   |                 | Energy   | Digital |                     |                         |                         |   |
| Directors (excluding Directors who are Audit & Supervisory Committee Members) | In-house    | Takehiko Kakiuchi            | Chairman of the Board   | ●               | ●  | ●       | ●                   | ●                       | ●                       | ● |
|   |             | Katsuya Nakanishi            | Representative Director, President and CEO  | ●               | ●  | ●       | ●                   | ●                       | ●                       | ● |
|   |             | Kotaro Tsukamoto             | Representative Director, Senior Executive Vice President, Senior Assistant to the President and CEO, (Concurrently) Chief Compliance Officer  | ●               | ●  | ●       | ●                   | ●                       |                         |   |
|   |             | Yutaka Kashiwagi             | Representative Director, Executive Vice President, Corporate Functional Officer, Human Resources, Global Planning & Coordination, IT  | ●               | ●  |         |                     | ●                       | ●                       | ● |
|   |             | Yuzo Nouchi                  | Representative Director, Executive Vice President, Corporate Functional Officer, CFO  | ●               | ●<br>(Finance/Accounting)                                |         |                     |                         |                         |   |
|   |             | Yoshiyuki Nojima             | Representative Director, Executive Vice President, Corporate Functional Officer, Corporate Administration, Legal, (Concurrently) Officer for Emergency Crisis Management Headquarters | ●               | ●<br>(Legal)   |         |                     |                         |                         |   |
|   | Independent | Shunichi Miyanaga            | Chairman of the Board, Mitsubishi Heavy Industries, Ltd.  | ●               | ●  | ●       |                     | ●                       |                         |   |
|   |             | Sakie Akiyama                | Founder, Saki Corporation   | ●               | ●  |         | ●                   |                         | ●                       |   |
|   |             | Mari Sagiya                  | Former Senior Vice President, IBM Japan<br>Former Executive Vice President, Salesforce.com  | ●               | ●  |         | ●                   |                         | ●                       |   |
|   |             | Mari Kogiso                  | CEO, SDG Impact Japan Inc.  | ●               | ●  |         |                     |                         | ●                       | ● |
| Directors who are Audit & Supervisory Committee Members                       | In-house    | Mitsumasa Icho               | Former Full-time Audit & Supervisory Board Member, Former Executive Vice President, Group CEO, Urban Development Group  | ●               | ●<br>(Finance/Accounting)                                |         |                     |                         |                         |   |
|   |             | Akira Murakoshi              | Former Full-time Audit & Supervisory Board Member, Former Executive Vice President, Corporate Functional Officer, CDO, CAO, Corporate Communications, Corporate Sustainability & CSR  | ●               | ●  |         |                     |                         | ●                       |   |
|   | Independent | Tsuneyoshi Tatsuoka          | Former Vice Minister, Ministry of Economy, Trade and Industry   | ●               | ●  | ●       |                     |                         |                         | ● |
|   |             | Rieko Sato                   | Partner, ISHII LAW OFFICE   | ●               | ●<br>(Legal)   |         |                     |                         |                         |   |
|   |             | Takeshi Nakao                | CEO, PARTNERS HOLDINGS, Co. Ltd.  | ●               | ●<br>Certified public accountant<br>(Finance/Accounting) |         |                     |                         |                         |   |

(Translation)

## ■ Corporate Governance System



\* It is composed of Directors who are Audit and Supervisory Committee Members.

END