

Sustainability

MC regards its corporate philosophy, the Three Corporate Principles, as the cornerstone of all of its activities. With this in mind, MC has laid out the purpose and ideals of its activities in the Corporate Standards of Conduct, along with upholding the importance of consideration for the global environment and respect for human rights in the Environmental Charter and Social Charter. These concepts guide MC forward as it promotes its business activities.

Midterm Corporate Strategy 2021 further emphasizes the need to simultaneously generate economic, societal and environmental value in order to achieve growth for the MC Group through its business management model.

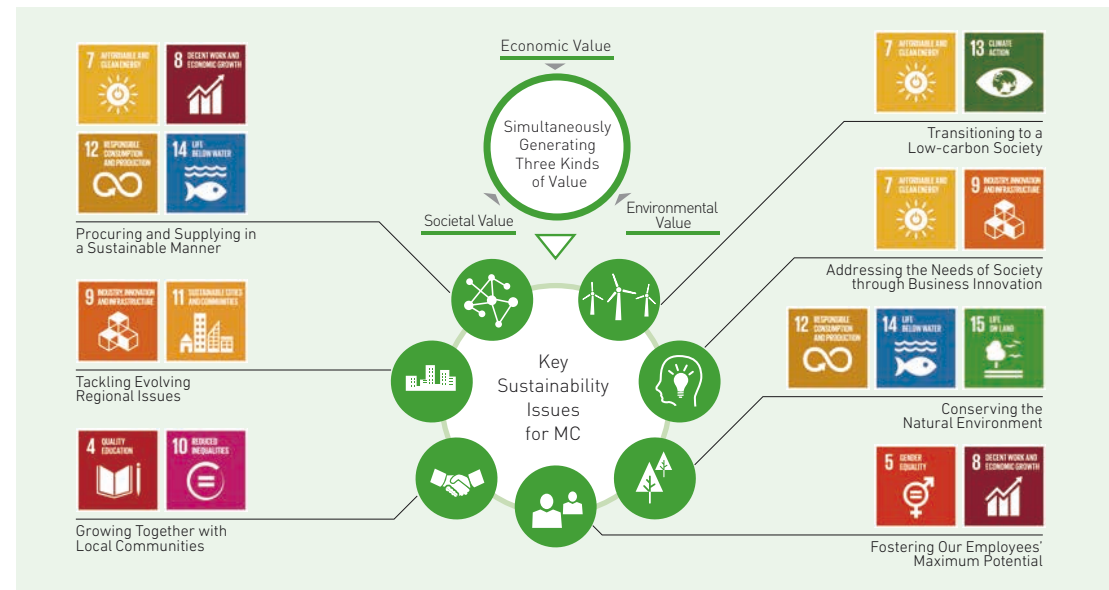
Specifically, MC will strive to generate value for society by addressing key sustainability issues through its business activities, thereby ensuring sustainable growth for the company.

Key Sustainability Issues (Materiality)

Simultaneous generation of economic, societal and environmental value is essential for the MC Group's growth. From this perspective, in 2016 MC identified a set of Key Sustainability Issues (Materiality) as mileposts for proactively realizing the simultaneous generation of triple-value growth (including in financial terms) for the MC Group.

We believe that our measures to address the Key Sustainability Issues will also help to achieve the Sustainable Development Goals (SDGs)* related to each key issue. MC recognizes the role that companies are expected to play in order to achieve the SDGs. With this in mind, MC will make every effort to help make progress on the Goals.

*The SDGs are a set of 17 global goals adopted at the UN summit held in September 2015 as the core of "The 2030 Agenda for Sustainable Development."



Promotion Framework

In MC's management framework, sustainability initiatives are overseen by the Member of the Board/Corporate Functional Officer in charge of Corporate Sustainability & CSR. The Corporate Sustainability & CSR Department plans and drafts related policies and measures. Following deliberations by the Sustainability & CSR Committee, which convenes approximately twice a year, items are put forward or reported to the Executive Committee and the Board of Directors. Moreover, the Investment Committee reviews and makes decisions on individual loan and investment proposals from a comprehensive perspective, considering not only economic aspects but also environmental and social aspects.

Initiatives Incorporating Outside Perspectives

MC has established the Sustainability Advisory Committee, which is comprised of six external experts who represent MC's diverse stakeholder groups including NGOs, international agencies and ESG investors. Through this committee, we have established a system in which we actively incorporate the perspectives of external stakeholders and use them to inform our sustainability initiatives.