Mitsubishi Corporation

Environment
Social
Governance
About this Publication

In recent years, there has been an increasing trend among environmental and CSR specialists and institutional investors in particular to seek fundamental value in companies by analyzing enterprise value based on new criteria.

Environment, social and governance (ESG) factors are the three main criteria used for such analyses. There is an ongoing shift by investors to evaluate these ESG factors when assessing the value of long-term investments in specific stocks and making investment decisions.

MC has published reports on ESG initiatives in various formats to date. The aim of this publication is to help investors and other stakeholders understand in detail how we approach ESG issues and what we are doing in these areas.

ESG initiatives are set to assume greater importance at MC as we work to contribute to a sustainable society amid internal and external change. We welcome any opinions or comments in relation to MC’s actions in the ESG field.

Unless otherwise stated, organizational names, positions and titles contained in this publication are as of March 1, 2011.

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Published in March 2011 by Corporate Administration Dept., Mitsubishi Corporation
About Mitsubishi Corporation

Mitsubishi Corporation (MC) is Japan’s largest general trading company (sogo shosha) with over 200 bases of operations in approximately 80 countries around the world, including Japan. Together with more than 500 subsidiaries and affiliates, we conduct business with customers worldwide in all manner of industries, including the environment, water, IT and finance, in addition to energy, metals, machinery, chemicals, food and general merchandise. Moving forward, MC aims to contribute to the enrichment of society through business activities firmly rooted in the principles of fairness and integrity.

Corporate Philosophy — Three Corporate Principles

The Three Corporate Principles 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. Although Mitsubishi Trading Company ceased to exist as of 1947, the principles were adopted as MC’s corporate philosophy, and this spirit lives on in the actions of today’s management and employees. The Three Corporate Principles also serve as the cornerstone of the management ethos of the so-called Mitsubishi group of companies. Active in many business fields and united by a common history and philosophy, the Mitsubishi group companies continue to grow through a strong spirit of friendly competition with one another.

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.

(Mitsubishi Corporation (As of September 30, 2010)
Mitsubishi Corporation (Stock code: 8058)
Date Established: July 1, 1954
Date Registered: April 1, 1950
Capital: ¥203,338,111,306
Shares of Common Stock Issued: 1,696,876,771
Head Office: Mitsubishi Shoji Building
3-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan
(Registered address of our company)
Marunouchi Park Building
6-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo
Number of Employees:
Consolidated: 58,723 Parent company: 5,723
No. of Consolidated Subsidiaries and Equity-method Affiliates: 550
*Companies affiliated with MC subsidiaries are not included in the number of consolidated subsidiaries and equity-method affiliates.)
ESG and MC’s Stance

In 2006, the United Nations Environment Programme Finance Initiative (UNEP-FI) unveiled a set of “Principles for Responsible Investment” (PRI). Kofi Annan, the UN Secretary-General at the time, urged the financial industry to adopt PRI in investment decision-making processes and to create a PRI-based framework to take account of the ESG viewpoint. More than 800 institutional investors from around the world have signed the PRI (as of February 2011*), signaling the demand from investors for the disclosure of ESG and other non-financial information.

In July 2010, MC announced “Midterm Corporate Strategy 2012” and expressed its overarching goal of realizing sustainable corporate value. MC believes that working to raise its ESG performance in business activities will ultimately create sustainable corporate value, as well as earn the trust of stakeholders.

MC continues to expand its earnings through business investments, in addition to its traditional trading activities. MC itself emphasizes ESG when making decisions on various business investments as an investor.

As both an investee and an investor, MC will work to raise its performance with a strong awareness of ESG in order to create sustainable corporate value over the medium and long terms.
Midterm Corporate Strategy 2012

In July 2010, MC launched Midterm Corporate Strategy 2012, a medium-term plan covering the three-year period through March 2013.

MC’s external business environment is being shaped by fast-growing emerging economies and stagnating OECD countries, the birth of new growth markets triggered by changing values, technological innovation and the rise of emerging economies. MC is also witnessing an expanding stakeholder base. Changes are taking place internally as well. Among them are changes in MC’s business portfolio, diversification of business models, and the shifting of businesses to subsidiaries and affiliates. In light of these external and internal dynamics, MC is promoting efforts to strengthen and expand its earnings drivers and develop new businesses for future growth. Its overriding aim is to create sustainable corporate value.

Create Sustainable Corporate Value by helping to solve global problems through business activities in light of the needs and expectations of all stakeholders.

Sustainable Economic Value
Aim for sound earnings growth and increased corporate value through the proactive reshaping of our business models and portfolio

Sustainable Societal Value
Contribute to economic development as a responsible corporate citizen

Sustainable Environmental Value
Aim to conserve and contribute to the global environment, recognizing that our planet is our greatest stakeholder
ESG at Mitsubishi Corporation

ESG Management of Loans and Investments

As part of MC’s strategic decision-making process, all loan and investment proposals are examined by the Company’s Executive Committee. The screening and review process is an extensive one taking into account not only financial and legal risks but ESG factors as well.

Loan and investment decisions by the Executive Committee are based on advisory input from the Portfolio Management Committee, which in turn bases its advice on comments submitted by specialized internal departments. The process in the Portfolio Management Committee is specifically guided by the following mechanisms:

- Inclusion in loan and investment proposals by applicant business groups and business units of environmental and social impacts as well as governance systems of loan and investment subjects
- Screening from ESG perspective by Corporate Administration Dept. and CSR & Environmental Affairs Dept., and submission of opinion as necessary

Screening from environmental and social perspectives takes into account International Finance Corporation (IFC) guidelines, Guidelines for Confirmation of Environmental and Social Considerations published by the Japan Bank for International Cooperation (JBIC), and other guidelines.

We also check corporate governance and internal control systems to ensure they are compatible with MC’s group management policy.

Mechanisms for Reflecting Views of Outside Experts in Management

MC views ongoing reinforcement of corporate governance as an important management issue. MC has a Governance & Compensation Committee and an International Advisory Committee as advisory bodies to the Board of Directors. As a mechanism for reflecting outside views in management, these committees are made up mostly of outside directors and outside corporate auditors as well as other experts from outside the Company.

Governance & Compensation Committee

The Governance & Compensation Committee is the successor to the Governance Committee, which was established in 2001. It was re-established in 2010 with stronger functions. The committee conducts continuous reviews of corporate governance-related issues such as the role of the Board of Directors. At the same time, it also discusses the remuneration system for directors and corporate auditors, including the policy for setting remuneration and appropriateness of remuneration levels for these corporate officers, and monitors operation of this system.

IFC’s Performance Standards

The IFC formulated its Policy on Social and Environmental Sustainability in 2006, based on existing guidelines (‘Safeguard Policies’). Policy standards cover areas such as stopping pollution, protecting the natural environment, assessing project impacts on communities, and protecting the human rights of workers. The policy is made up of the following eight items.

1. Social and Environmental Assessment and Management Systems
2. Labor and Working Conditions
3. Pollution Prevention and Abatement
4. Community Health, Safety and Security
5. Land Acquisition and Involuntary Resettlement
7. Indigenous Peoples
8. Cultural Heritage

For details of MC’s corporate governance system, please refer to page 17.
International Advisory Committee
MC’s International Advisory Committee was established in 2001, with the aim of strengthening the Board of Directors’ functions. Committee members offer advice and recommendations on management of MC’s global businesses from the perspective of enhancing governance, and on corporate strategy from an international standpoint. The committee meets once a year. The committee members also report and exchange opinions on the geopolitical and economic conditions in their respective regions.

CSR & Environmental Affairs Advisory Committee
In March 2008, MC established the CSR & Environmental Affairs Advisory Committee, which is composed of outside experts. MC reflects the advice of this committee in its CSR and environmental affairs programs and stakeholder communications.

On October 5, 2010, the committee convened for the seventh time. The main theme for discussion was “Creating Sustainable Corporate Value” under Midterm Corporate Strategy 2012, which was announced in July 2010.

Going forward, MC will continue to regularly hold CSR & Environmental Affairs Advisory Committee meetings, taking into account the valued opinions of committee members as it works to create sustainable corporate value.
MC is a hugely diverse organization, developing business across the globe in a wide range of industries. MC considers the Earth itself to be our most important stakeholder and promotes business activities with this awareness. As we engage in business development, we are aware that addressing environmental concerns is an important issue for contributing to the continuous development of society.

Three themes among many are particularly important when we consider the future of the global environment: tackling climate change; sustainable use of resources; and preservation of biodiversity. These are also areas where society demands a high-level response from companies. To address these important issues, MC is leveraging new technologies and frameworks, reducing the environmental impacts of its operations, and undertaking environmental protection initiatives.

Through its business activities, as well as social and international contribution activities, MC is aiming to create sustainable environmental value.

**Mitsubishi Corporation Environmental Charter**

At Mitsubishi Corporation we consider the Earth itself to be our most important stakeholder and are continually working towards the realization of a sustainable society through our business activities.

- We will strive to reduce greenhouse gas emissions by continually implementing new efficiency measures and embracing new technologies.
- We will promote the sustainable use of natural resources including energy, minerals, food stocks and water throughout our global business operations.
- We recognize the critical importance of what ecosystems can provide and are committed to protecting ecosystems and mitigating any potential impacts on biodiversity.
- We will strive to create and enhance environmental benefits by undertaking conservation activities and reducing our environmental footprint.
- We will continue to actively engage and work with our various stakeholders openly and transparently and disclose information on the environmental impacts of our business operations in an appropriate and timely manner.
- We will conduct all of our activities in compliance with environmental laws while adhering to international rules and social standards.
Addressing Climate Change

MC recognizes that climate change is one of the most pressing issues facing the global community. We believe that, while tackling this issue will depend a great deal on the development and implementation of global climate regulatory frameworks, business leadership and innovation will also be vital in the move toward a lower carbon society.

As a global business enterprise, we recognize that we have a responsibility to reduce our carbon footprint, and we are committed to harnessing our potential to develop systems and technologies to help communities and other industries to do the same.

Global Consolidated CO₂ Emissions

<table>
<thead>
<tr>
<th></th>
<th>Year Ended March 2007</th>
<th>Year Ended March 2008</th>
<th>Year Ended March 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mitsubishi Corporation</td>
<td>12,971</td>
<td>12,819</td>
<td>12,480</td>
</tr>
<tr>
<td>Subsidiaries and sub-subsidiaries</td>
<td>1,978,236</td>
<td>1,337,828</td>
<td>1,391,638</td>
</tr>
<tr>
<td>Total</td>
<td>1,991,207</td>
<td>1,350,647</td>
<td>1,404,118</td>
</tr>
</tbody>
</table>

MC compiled the above global consolidated CO₂ emissions of its own accord. However, in order to raise the trustworthiness of the data, MC obtained advice from PricewaterhouseCoopers Aarata Sustainability Certification Co., Ltd. regarding data compilation for the years ended March 2009 and 2010.

Participation in the Carbon Disclosure Project

MC has been participating in the Carbon Disclosure Project (CDP) since the year ended March 2004, pursuant to which we disclose our CO₂ emissions data as well as details on how we are addressing the issue of climate change.

Carbon Disclosure Project (CDP)

The CDP is an NPO that compiles databases based on questionnaires by leading global firms about climate change strategies and actual greenhouse gas emissions. It was established in 2000 and is based in London, UK.

In 2010, the CDP sent questionnaires to the world’s top firms (Global 500, S&P500, etc.) with the support of 534 institutional investors representing more than US$64 trillion in assets under management.
Environment

Preservation of Biodiversity

Humanity benefits greatly from the services that ecosystems replete with diverse forms of life offer. These services are varied and multifaceted. For example, ecosystems supply us with food and water, regulate climate and purify the water we drink. What enables all of these benefits is biodiversity—the sum of the many varieties of life on Earth and the rich and balanced ecosystems that they form.

Similarly, MC benefits from the services that ecosystems provide in the many regions worldwide where it promotes a broad spectrum of businesses. Accordingly, MC views efforts to maintain and preserve biodiversity as a vitally important issue.

For MC, the greatest stakeholder of all is the Earth itself, the true basis of every service that comes from ecosystems. Recognizing this, MC strives to mitigate the impact that its business activities have on biodiversity, and seeks ways to contribute to ecosystem conservation through its business and social contribution activities.

Sustainable Use of Resources

MC has been providing stable supplies of metals, minerals, energy, foodstuffs and many other raw materials over decades not just to Japan, but also to countries across the world. Global environmental concerns, such as climate change and biodiversity, are inseparable from those pertaining to energy, food, water and other resources, and the international community is banding together to address these critical issues. With the human population expected to rise even further, MC is committed to striving through its business activities to stably supply the resources that the world needs. At the same time, MC is dedicated to promoting the sustainable use of resources, particularly through the development of renewable forms of energy and water-related businesses.

High-grade coking coal is produced at BMA mines
Tropical Forest Regeneration Experimental Project

Tropical forests are home to some of the world’s greatest biodiversity, and their destruction is a serious environmental issue. This project aims to use the Miyawaki method of intensive, mixed planting of native tree species to try to regenerate tropical forest ecosystems within 40-50 years (the natural process is believed to take 300-500 years).

The first project was undertaken in Malaysia in 1990, and projects have subsequently been conducted in Brazil and Kenya. MC is also conducting tree-planting in Shanghai, China, using the Miyawaki method.

Looking ahead, in addition to continuing existing projects, MC will look to expand the project, including extending activities to new regions.

Global Coral Reef Conservation Project

This collaborative project between industry, academia and concerned individuals is engaged in surveying and researching coral reefs from a number of different angles. This is all being done in an effort to uncover the causes of recent coral reef decline and to eventually find and spread scientifically proven ways to preserve them. Research programs are underway in Okinawa, the Midway Atoll National Wildlife Refuge in the U.S., and the Republic of the Seychelles. In the year ended March 2009, MC was given an honorary award by the Japanese government in recognition of its longstanding financial support for coral reef research in Okinawa. Moreover, in October 2010, project initiatives were introduced to the many attendees at the tenth meeting of the Conference of the Parties (COP 10) held in Nagoya, Japan.

MC aims to bolster the project by conducting research activities in new regions and in other ways, as well as by further enhancing existing research.

Mitsubishi Corporation’s Conservation Projects
MC believes that respect for human rights is a key component of CSR in the development of global business. Our Code of Conduct stipulates clearly that the Company will “respect human rights; will not engage in discrimination on the basis of race, ethnicity, creed, religion, or any other grounds; will not tolerate sexual harassment; will foster a proper understanding and awareness of the issue of human rights; will respect the cultures, customs, and language of other countries and regions; and will promote and maintain harmony with the international and local communities in which it operates.” MC also supports all the main international norms and codes regarding human rights, including the Universal Declaration of Human Rights, the core labor standards of the ILO (International Labour Organization), and the Voluntary Principles on Security and Human Rights.

MC also regards supply chain management as being a vital part of corporate responsibility. We established a series of “CSR Action Guidelines for Supply Chains” in February 2008 which we communicate directly to and expect all suppliers to embrace, understand and abide by. These guidelines can be found on our website.

**Participation in the UN Global Compact**

MC has participated in the UN Global Compact since 2010 and is committed to its 10 universal principles pertaining to human rights, labor, the environment and anticorruption. MC is promoting initiatives in each field.

**World Business Council for Sustainable Development**

The World Business Council for Sustainable Development (WBCSD) is a CEO-led international association comprised of around 200 corporations that promotes business and sustainable development, reconciling economic growth, environmental protection and social advancement, offering a wide range of advice. MC has been a member of WBCSD since 1991, when it was known as the Business Council for Sustainable Development.

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**UN Global Compact’s 10 Principles**

**Human Rights**

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

**Labour**

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

**Environment**

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

**Anti-Corruption**

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.
In the context of our overall commitment to respecting human rights, MC pays special attention to upholding the rights of indigenous peoples, acknowledging their unique social and legal status under national and international laws, conventions and declarations, such as the International Labor Organization Convention 169 and the United Nations Declaration on the Rights of Indigenous Peoples, as well as their unique histories and cultural contributions throughout the world.

When examining new business investment proposals, MC takes into consideration if and how the business operations may impact indigenous peoples and will consult with all relevant stakeholders to ensure that such investment is made having regard to relevant international standards, such as the International Finance Corporation (IFC) Performance Standard on Indigenous Peoples, and with full respect for the dignity, human rights, aspirations, cultures and natural resource-based livelihoods of the indigenous peoples concerned.

**Respect for Human and Indigenous Rights**

**CSR for Supply Chains**

Supplier surveys and site visits also play an important role in our supply chain management and provide a valuable opportunity for us to communicate MC’s stance on CSR and environmental affairs. Moving forward, the Company plans to continue efforts to ensure that its supply chain guidelines are embraced by overseas offices and MC Group companies, while eliciting the understanding and cooperation of suppliers on a global basis.

MC plans to make public the results of supplier surveys and site visits in a timely manner going forward.
Social

Relationship With Employees
MC is home to many types of employees, from those differing in gender and nationality, to employees responsible for caring for children and other family members. MC believes that employee growth through friendly competition and diligence is essential to sustainable corporate growth. To this end, MC promotes varied measures designed to encourage further growth in its greatest asset, its human capital, and to create structures and environments that allow employees to maximize their potential through meaningful work.

Employee Perception Surveys
MC conducts Employee Perception Surveys that seek to assess where employee motivation, organizational vitality, and other matters stand. These surveys are then used in various ways, including for management improvement in each organization.

Questions on the survey cover topics such as desired employee-oriented initiatives, the link between personal expectations and the direction in which MC is headed, as well as efforts to build a stronger sense of unity, and the extent to which an environment exists that takes full advantage of what employees have to offer. Responses are anonymously compiled by organization or by relevant attributes. The results for each organization are then presented as feedback to employees, and become part of action plans designed to further vitalize the workplace.

Childcare Support
For many years, MC has provided systems and an environment to support childrearing from the perspectives of safeguarding motherhood and the raising of children. In May 2008, the Japanese Ministry of Health, Labour and Welfare (MHLW) awarded an accreditation mark to the Company for its childcare support-related HR policies, signifying that MC’s initiatives and plans in this area are in line with Japanese laws which are aimed at increasing the country’s overall birth rate. In April 2009, MC eliminated partner requirements in its childcare system (that previously limited use of the system to only those employees whose partners could not provide full-time childcare), in order to encourage male participation in childcare. Furthermore, in April 2010, MC introduced a paternity leave system, enabling employees to take five days of leave when a spouse is admitted to hospital for childbirth.

Nursing Care Support
MC has various systems to enable employees to provide better nursing care for family members, allowing them to balance their work and nursing care commitments when the need arises. MC has extended the staggered working hours and flexi-time systems for employees providing long-term care to family members from a period of one year to as long as employees need in order to help employees work while providing nursing care.

The Childrearing and Nursing Care Support Handbook was distributed to all employees in October 2009.
Social and International Contribution Activities

MC’s corporate culture is based on a fundamental desire to grow together with local and international communities in order to contribute to building truly prosperous, sustainable societies around the world. With this in mind, we are engaged in a variety of ongoing social contribution projects. Our employees play an active role in these activities as MC continues to promote and support a wide variety of volunteer activities at our operations around the world.

MC’s social contribution activities prioritize continual programs and voluntary efforts by employees worldwide, mainly in the fields of the global environment, public welfare, education, culture and the arts and international exchange. MC believes it is important for each and every employee to have a heightened awareness of contributing to society. For this reason, MC runs various programs that encourage employees to participate in volunteer activities, including a volunteer leave system and a program where employees use their lunchtimes to conduct volunteer activities.

MCFA and MCFEA

As a global business enterprise, MC must think of how it can support the countries and regions where it conducts business over the medium and long terms. MC is thus conducting various social contribution activities at its offices, including international contribution initiatives that dovetail with local needs. MC has also established Mitsubishi Corporation Foundation for the Americas (MCFA) in the Americas, and Mitsubishi Corporation Fund for Europe and Africa (MCFEA).

MCFA is a foundation headquartered in New York that was established as the Mitsubishi International Corporation Foundation in 1991 with funding from Mitsubishi International Corporation and MC. The mission of MCFA is to promote environmental preservation in the broadest possible sense across the Americas, taking into account both the physical and social aspects of the environments in which we live.

MCFEA is a registered foundation in the United Kingdom established by MC and Mitsubishi Corporation (UK) PLC in 1992. Through a host of partner organizations, MCFEA offers financial assistance to support education and research on environmental protection and the environment, and to promote efforts to mitigate poverty. MCFEA also advances initiatives to protect ecosystems in Africa.
MC’s corporate philosophy is enshrined in the Three Corporate Principles—Corporate Responsibility to Society, Integrity and Fairness, and International Understanding through Trade. Through corporate activities rooted in the principles of fairness and integrity, MC strives to continuously raise corporate value. The Company believes that by helping to enrich society, both materially and spiritually, it will also meet the expectations of shareholders, customers and all other stakeholders.

A key management theme in achieving these goals is to strengthen corporate management on an ongoing basis, as the foundation for ensuring sound, transparent and efficient management. MC is thus working to build a corporate governance system, based on the Corporate Auditor System, that is even more effective. To this end, MC has strengthened supervision by appointing independent outside directors and outside corporate auditors, and separated management and execution further by introducing the executive officer system.

### Basic Stance

MC’s corporate philosophy is enshrined in the Three Corporate Principles—Corporate Responsibility to Society, Integrity and Fairness, and International Understanding through Trade. Through corporate activities rooted in the principles of fairness and integrity, MC strives to continuously raise corporate value. The Company believes that by helping to enrich society, both materially and spiritually, it will also meet the expectations of shareholders, customers and all other stakeholders.

A key management theme in achieving these goals is to strengthen corporate management on an ongoing basis, as the foundation for ensuring sound, transparent and efficient management. MC is thus working to build a corporate governance system, based on the Corporate Auditor System, that is even more effective. To this end, MC has strengthened supervision by appointing independent outside directors and outside corporate auditors, and separated management and execution further by introducing the executive officer system.

### Actions to Strengthen Corporate Governance

<table>
<thead>
<tr>
<th>Year</th>
<th>Actions</th>
</tr>
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</table>
| 2001 | • Introduced the executive officer system, further clarifying the roles and responsibilities of directors and executive officers.  
   • Established Governance Committee.  
   • Established International Advisory Committee. |
| 2004 | • Reduced term of directors from two years to one year to provide greater flexibility in determining the composition of the Board of Directors. |
| 2007 | • Established selection criteria for outside directors and outside corporate auditors to clarify and strengthen the function of outside directors and outside corporate auditors.  
   • Increased the number of outside directors. |
| 2008 | • Reduced the number of directors, strengthening the Board’s oversight function. |
| 2010 | • Designated outside directors and outside corporate auditors as independent directors and independent corporate auditors as specified by stock exchanges in Japan.  
   • Reorganized the Governance Committee as the Governance & Compensation Committee, strengthening monitoring of directors’ and corporate auditors’ remuneration. |

### Shareholder Composition (Shareholding Ratio)

- Financial institutions and securities companies: 43.30%
- Individuals: 13.68%
- Foreign companies, etc.: 31.69%
- Other Japanese companies: 8.21%
- Treasury stock: 3.12%

As of September 30, 2010
MC’s Board of Directors has 15 members, comprising 10 in-house directors and 5 outside directors, who represent one-third of all directors. Board meetings are also attended by the 5 corporate auditors, 3 of whom are outside corporate auditors. As a rule, the Board convenes once a month and is responsible for making decisions concerning important management issues and overseeing business execution. The objective and expert viewpoints of outside directors and outside corporate auditors ensure appropriate decision-making and management oversight.

### Board of Directors (As of March 1, 2011)

<table>
<thead>
<tr>
<th>Chairman of the Board</th>
<th>Chairman of the Board (Except when also President)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Directors</td>
<td>15</td>
</tr>
</tbody>
</table>
| No. of Outside Directors | 5  
Tamotsu Nomakuchi (President, National Institute of Advanced Industrial Science and Technology)  
Kunio Ito (Professor, Graduate School of Commerce and Management, Hitotsubashi University)  
Kazuo Tsukuda (Chairman, Mitsubishi Heavy Industries, Ltd.)  
Ryozo Kato (Commissioner, Nippon Professional Baseball)  
Hidehiro Konno |

### Corporate Auditors (As of March 1, 2011)

| No. of Corporate Auditors | 5 |
| No. of Outside Corporate Auditors | 3  
Shigeru Nakajima (Attorney)  
Eiko Tsujiyama (Professor, Graduate School of Commerce, Waseda University)  
Eisuke Nagatomo (President, Chief Executive Officer, EN Associates Co., Ltd.) |
Governance

Internal Control Framework

MC is building and operating an internal control system so as to ensure that business activities are conducted properly and in conformity with laws and its Articles of Incorporation. This includes efficient business execution, compliance, and risk management. Efforts are ongoing to reform and improve this system.

1. Efficient Business Execution
The president delineates basic management policies and sets specific management goals. At the same time, the president formulates management plans and oversees progress in achieving targets efficiently. The organization is realigned and resources deployed as necessary so as to achieve management targets in the most efficient manner possible. Furthermore, the organizational chain of command is clearly laid out and authority is delegated to managers and staff of organizational bodies to the extent necessary to accomplish targets. These people are required to submit reports regularly.

2. Compliance
Compliance, which is defined as acting in compliance with laws and regulations and in conformity with social norms, is regarded as a matter of the highest priority in conducting business activities. MC has formulated a Code of Conduct for all officers and employees, which specifies basic matters in relation to compliance. Efforts are made to ensure that all officers and employees are familiar with the Code of Conduct and that the Company’s corporate philosophy is understood and practiced.

To promote compliance, MC has established a cross-organizational framework headed by the Chief Compliance Officer. MC is also taking preventive and corrective measures such as offering training regarding various laws and regulations and has established a dedicated compliance organization.

Regarding the status of compliance, in addition to a framework for receiving reports from all organizations throughout the Company, MC has established an internal whistleblower system. Through these structures and systems, MC identifies problems and shares information. Regular reports are also made to the Board of Directors on the status of compliance.

3. Risk Management
Regarding risks associated with business activities, MC has designated categories of risk—such as credit, market, business investment, country, compliance, legal, information management, environmental, and natural disaster-related risks—and has established departments responsible for each category. MC also has in place policies, systems and procedures for managing risk. Furthermore, MC responds to new risks by immediately designating a responsible department to manage such risks.

With respect to individual projects, the person responsible for the applicable department makes decisions within the scope of their prescribed authority after analyzing and assessing the risk-return profile of each project in accordance with Company-wide policies and procedures. Projects are executed and managed on an individual basis in accordance with this approach. In addition to managing risk on an individual project basis, MC assesses risk for the Company as a whole with respect to risks that are capable of being monitored quantitatively and manages these risks properly, making reassessments as necessary.

Mitsubishi Corporation’s Internal Control Framework

Corporate Governance Framework

[Executive Organization]

President and CEO

Executive Committee

EVP, Audits and Internal Control

Internal Audit Dept.

Corporate Staff Section

Main Internal Control-Related Committees

- Portfolio Management Committee
- Disclosure Committee
- Compliance Committee
- CSR & Environmental Affairs Committee
- National Security Trade Management Committee, etc.

Executive Organization (Business Groups, etc.)
Addressing Anti-Social Forces

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 the Company’s “Code of Prohibition against Improper Payments or Other Types of Benefits” and the “Mitsubishi Corporation Code of Conduct (“Code”)” 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 the Company, among other things, by obtaining a written commitment to the Code from them every year.

MC has established an internal corporate structure in order to take immediate action to respond to unexpected circumstances, by establishing an independent department to coordinate related matters, and gather information from outside authorities and professionals, such as governmental agencies or attorneys.

Business Continuity Planning (BCP)

Mitsubishi Corporation has prescribed a “Code for Dealing With Large-scale Natural Disasters and Accidents” and has set out basic policies for responding to natural disasters and incidents that could affect the safety and wellbeing of the Company’s employees as well as the earnings and assets of the Company and business continuity, and to various other risks such as new strains of influenza and other contagious diseases. There are three basic policies: (1) Our first priority is to ensure and verify the safety of employees and their families; (2) We will work to maintain and continue the Company’s important functions and operations and, if interrupted, restore them quickly; and (3) We will help with rescue and restoration efforts in local communities.

Mitsubishi Corporation’s Emergency Management System

1. Immediately launch an Emergency Headquarters if an emergency occurs that requires an urgent Company-wide response. The decision to form an Emergency Headquarters is the responsibility of the General Manager, Emergency Headquarters. The Deputy General Manager may make a proposal depending on the emergency.

2. There are four broad types of emergency: compliance (Japan or overseas), domestic, overseas, and new infectious disease risk. Responding to these is the responsibility of the General Manager and Deputy General Manager of the Emergency Headquarters and the Administration Office. The Administration Office will summon related corporate officers, as well as related general managers and others to headquarters.