

MCSV Creation Forum

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Executive Vice President, Group CEO, Masaru Saito
- 3 S.L.C. Group Growth Strategy
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Fireside Chat

I am Masaru Saito, the Environmental Energy Group CEO.

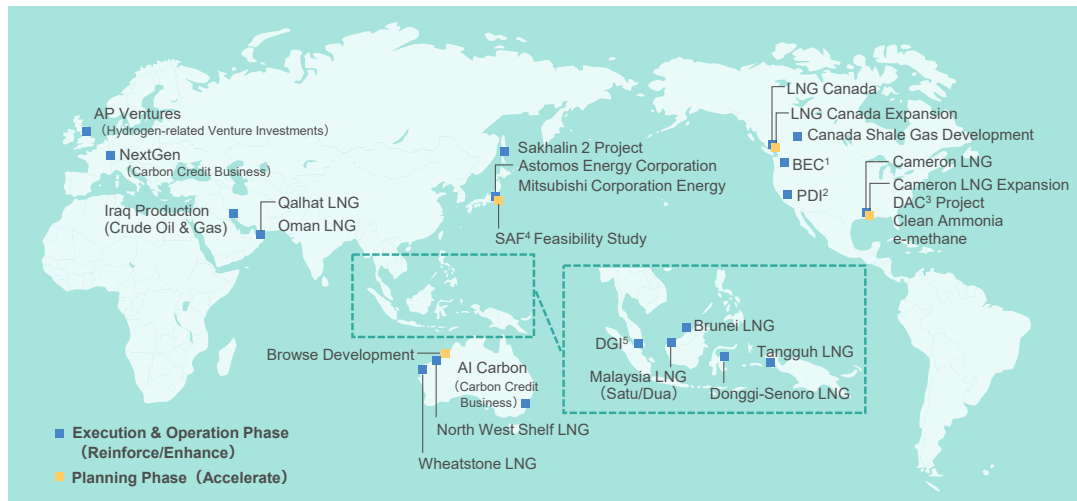
Thank you for coming to this meeting today. Our Group was launched in April 2024 via the integration of the Next-Generation Energy Business Group and the Natural Gas Group, both of which have led MC's energy transformation (EX) growth strategy as defined under our Midterm Corporate Strategy 2024. Today, I plan to introduce strategies and initiatives to be implemented by the Environmental Energy Group, which will continue to play a major role in Mitsubishi Corporation's EX strategy.

Now, please take a look at the next page.

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Vision and Business Portfolio

- Our vision is to ensure stable energy supply and promote energy transformation (EX) simultaneously, with the aim of contributing to a carbon neutral society.
- Currently we engage in a variety of energy businesses, such as next-generation energy, Petroleum Products, LPG and LNG.



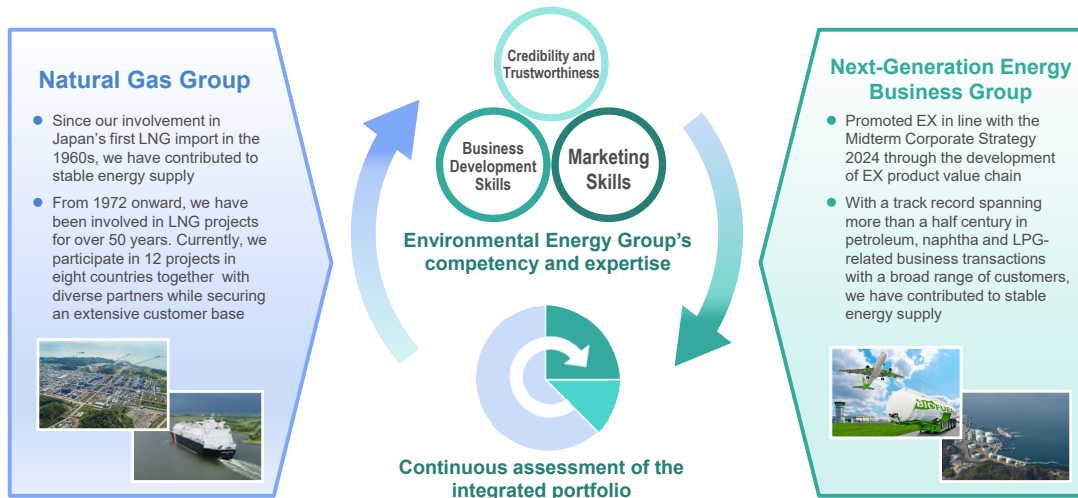
Our group vision is to ensure stable energy supply and promote EX simultaneously, with the aim of contributing to a carbon neutral society. Looking at our Group's business portfolio, the majority of our investments, as indicated in blue, are related to natural gas, LNG, LPG and petroleum businesses. Potential projects that fall under the "Accelerate" category of investments are also plotted in orange. These projects are aimed at expanding natural gas and LNG related businesses and developing next-generation energy businesses.

Although our LNG business is currently the primary source of earnings in this group, you can see that the Environmental Energy Group covers a wide range of energy products. I will now explain how we will take advantage of these diverse businesses in order to achieve our group vision.

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Our Strategy

- Identify our clients' energy and decarbonization needs through our current business covering a variety of energy products.
- Ensure energy product supply in accordance with our clients' requirements including decarbonization, and continuously assess and optimize our portfolio.



First, I will explain the external business environment. Going forward, we expect clients to require increased diversification as we progress towards a carbon neutral society. Moreover, the timeframe and pathways to achieve a carbon neutral society remain uncertain due to the complex nature of energy. We believe that the trend of decarbonization is irreversible. At the same time, decarbonization requires a considerable cost burden. Furthermore, population growth in emerging economies and the use of generative AI and data centers may lead to a further increase in overall energy demand. Taking these uncertainties into account, research institutions and consulting firms publish a variety of scenarios with a wide range of energy demand and decarbonization outlooks.

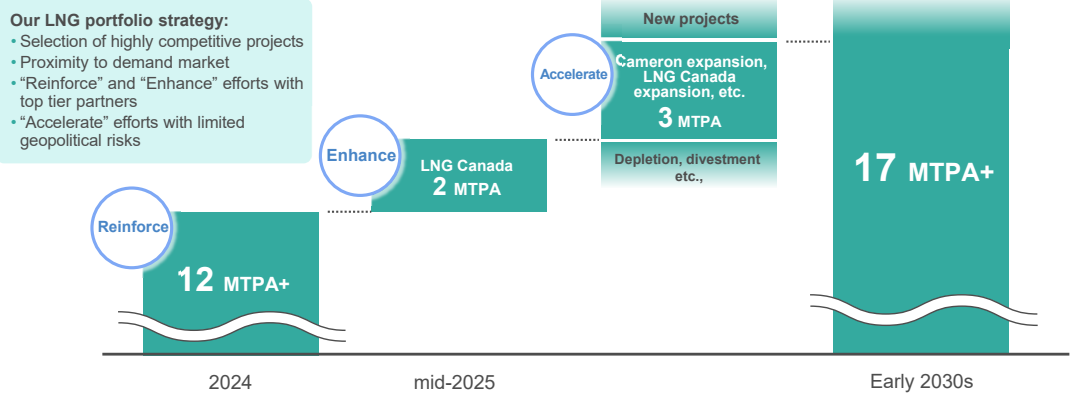
For more than a half century, Mitsubishi Corporation has been contributing to the stable supply of energy through our natural gas, LNG, petroleum, and LPG-related businesses, together with numerous customers and partners. Our clients and partners are from diverse industries including power, gas, and mobility. As a result, we are now well-positioned to directly identify our clients' energy and decarbonization needs through our existing business, covering a variety of energy products. MC's strengths are backed by our financial stability, trustworthiness, business development and marketing capabilities, in addition to the robust networks and relationships we have developed in the course of our business operations. Taking full advantage of this expertise, we will deliver energy solutions optimized to meet the requirements of each customer through the timely development and supply of energy products. Moreover, we will continuously assess and rebalance our portfolio while considering the pace of decarbonization.

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Business Plan (Natural Gas/LNG)

- Focus on expanding our natural gas and LNG related businesses as the global demand is expected to increase.
- Priority on the development of upstream gas fields for our existing LNG projects and/or expansion of liquefaction trains.
- Continuous assessment our portfolio in accordance with our Value-Added Cyclical Growth Model.

Growth Outlook of LNG Equity Production Capacity*



* Capacity based on equity in each project.
MTPA: Million Tons per Annum

Next, I will elaborate on strategies related to natural gas and LNG, both of which are key products handled by our Group. Natural gas and LNG have relatively low environmental footprints. They are expected to be utilized in a broad range of applications, for example to compensate for the intermittency of renewable energy and provide alternatives to coal, to provide an energy source to sectors where electrification is difficult, and to produce raw material for next-generation energy. We expect the demand for natural gas and LNG to grow, especially in Asia. Therefore, we believe that natural gas and LNG will continue to play important roles in the global energy transition for the foreseeable future.

Currently, Mitsubishi Corporation's LNG equity production capacity totals more than 12 million tons. Although an LNG project will see a gradual decrease in production due to depletion of natural gas resources, production can be maintained should new gas fields be developed and tied to existing liquification plants. We have initiatives aimed at developing new gas fields in areas such as Indonesia and Brunei. In doing so we aim to "Reinforce" our current production capabilities.

Also, construction has been steadily progressing in LNG Canada, aiming to start operation in early 2025. This is an example of our efforts to "Enhance" investments underway.

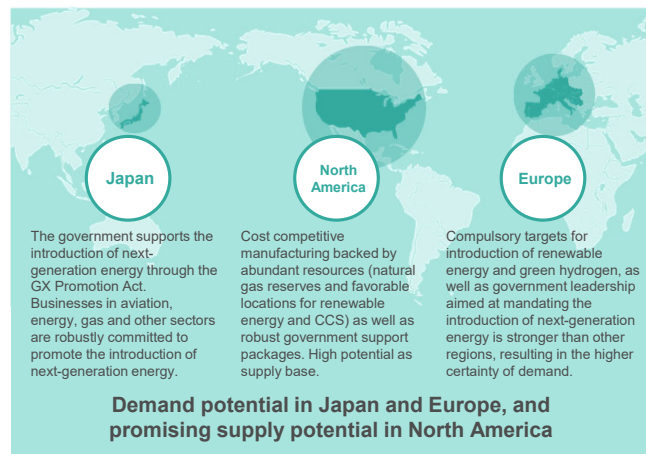
Furthermore, we plan to increase production capacity in order to meet the global demand for natural gas and LNG, as we remain conscious of our "Roadmap to a Carbon Neutral Society". More specifically, we are in the process of considering investments aimed at expanding liquification plants for LNG projects in the United States and Canada. We are also assessing our Browse development project in Australia. By doing so, we intend to "Accelerate" our growth via new investment opportunities and expand of our production capacity.

We will also continuously assess and rebalance our asset portfolio in line with our Value-Added Cyclical Growth Model. Through these initiatives, we aim to increase our LNG equity production capacity to over 17 million tons by the first half of the 2030s in order to strengthen our earnings.

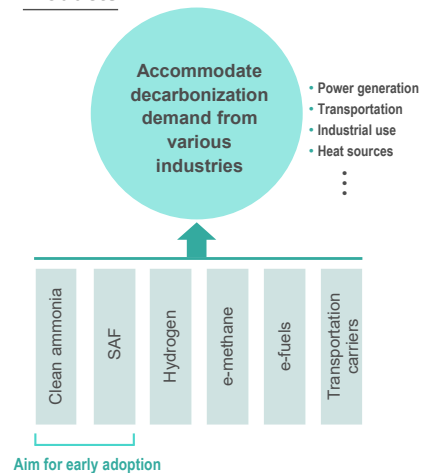
Business Plan (Next-Generation Energy)

- Carefully selecting next generation energy business based on market demand, which varies by product and region.
- We'll identify and grasp our clients' decarbonization requirement through our current business/network in various industries and develop products that adequately meet our customers' needs.

Features by Region



Products



In this slide, I will discuss our strategies related to next-generation energy. As I touched on earlier, we expect our clients to require us to diversify as we progress towards a carbon neutral society. Customer requirements for next-generation energy will vary by region and product, therefore we will selectively develop products based on market demand.

First, we aim for the early social implementation of clean ammonia and sustainable aviation fuel (SAF), which will support decarbonization for power generation and transportation sectors respectively. While demand for clean ammonia is likely to grow in both of these sectors, the Japanese government is promoting clean ammonia as it will significantly contribute to the reduction of CO₂ emissions from the power generation sector. Currently, we are assessing potential clean ammonia production projects in the United States, as well as the introduction of clean ammonia to Japan's industrial sector, utilizing Namikata Terminal Co., Ltd. as a key hub. These projects will be assessed via close coordination with the Japanese government. As for SAF, we anticipate robust demand for this energy product due to requirements under CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) and Japan's national target for SAF introduction.

While paying attention to technological innovation on several fronts, we are also focusing on developing hydrogen infrastructure and supply chain business which will be essential to the realization of a hydrogen-powered society, as well as synthetic methane (e-methane), a carbon credit/management business and CCUS. We will work to accommodate our clients' requirements for decarbonization solutions across a wide range of sectors and industries.

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Business Group Portfolio and Future Performance

- Environmental Energy Group net profit is expected to grow to ¥250 billion by early 2030s through the development of our new and existing projects.
- Based on this outlook, risk assets of the next-generation energy business will be 10% to 20% of our total portfolio by then.

Next-Generation Energy

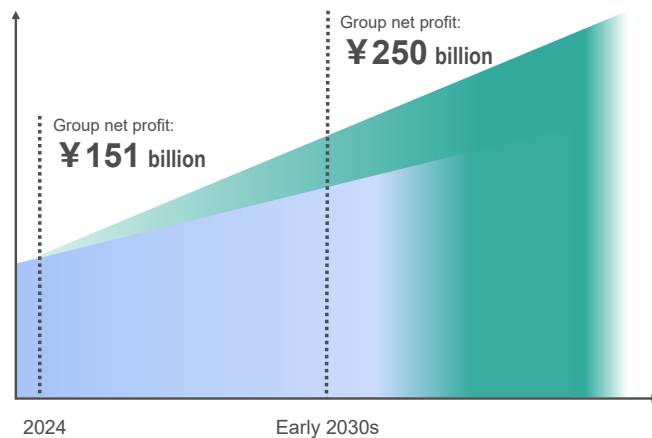
Strategy
Selective approach for business development
 Key points
Assessment of demand certainty by product and region

Conventional Energy Sources*

Strategy
Expansion of LNG business
 Key points
Shift to a low-carbon / decarbonized value chain

*Natural gas, LNG, LPG, crude oil and petroleum products, etc.

Business Group Portfolio



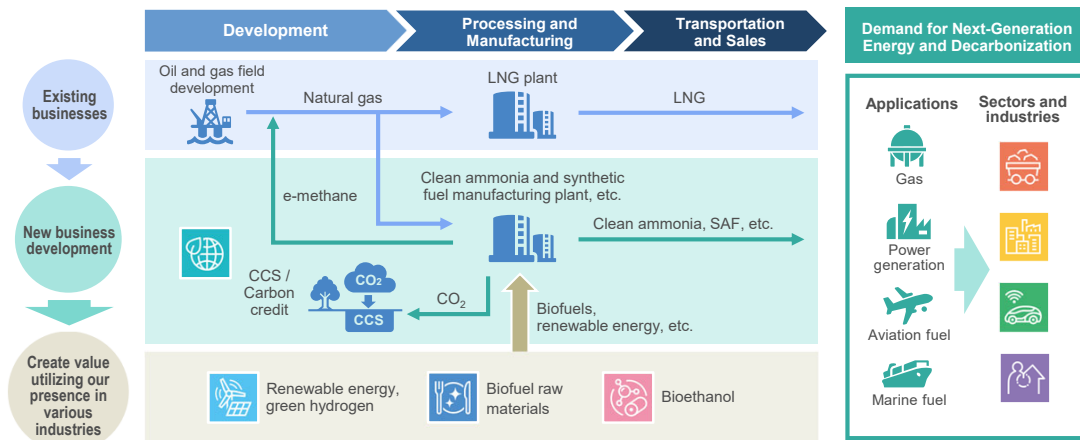
In summary, we will endeavor to reinforce our earnings in the natural gas, LNG, LPG and petroleum businesses, while taking a selective approach to develop next-generation energy, with the aim of establishing an optimal portfolio in line with the pace of decarbonization. For FY2024, the Environmental Energy Group expects a net income of ¥151 billion. We expect this net income to grow to ¥250 billion in the early 2030s. By that time, the next-generation energy business will account for 10% to 20% of our group's entire portfolio.

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Business Synergies and MCSV Creation Through Value Chain Development

- Create synergies by developing our value chains utilizing commercial flows and infrastructures from existing businesses.
- Enhance value and profitability by further expanding our value chain, leveraging our presence in various sectors and industries.

An example of business development leveraging our expertise in existing businesses



I will briefly discuss MCSV on this last slide. As shown in this example, we aim to organically connect natural gas, LNG, next-generation energy, and other low-carbon and decarbonization businesses in order to develop a value chain that enhances our transactions in existing businesses, as well as our existing infrastructures. Through these efforts, we will pursue synergies between the natural gas, LNG, and next-generation energy businesses.

Furthermore, we aim to create MCSV throughout our company by leveraging our diversified business portfolio, such as the procurement of renewable energy and biofuels as raw materials while meeting the energy and decarbonization needs of diverse industries, and expanding profit opportunities.

That is all for my explanation. Thank you.