

MCSV Creation Forum
Investor Day 2026

1 **Medium to Long-term Strategies for Enhancing Corporate Value**

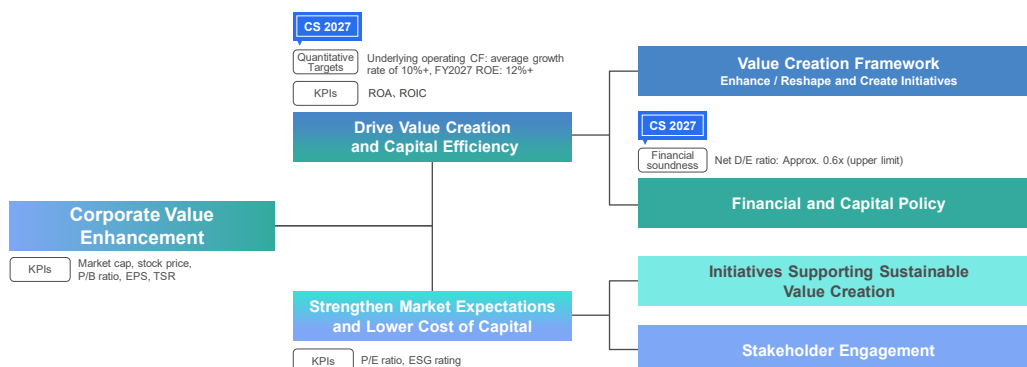
Representative Director
President and CEO
Katsuya Nakanishi

Good afternoon and thank you for joining us today. I am Katsuya Nakanishi, President and CEO. Due to the impact of typhoon, today's Investor Day will be held in a video conference format. Thank you for your understanding.

While our regular earnings briefings typically focus on current performance and near-term results, today we would like to focus on our strategies and initiatives to drive medium and long-term corporate value.

1. Enhancing Corporate Value Over the Medium to Long-term

- We continue to execute on strategic initiatives to enhance corporate value.
- To drive value creation and capital efficiency, we established underlying operating CF and ROE as KPIs in Corporate Strategy 2027, while accelerating our Enhance / Reshape and Create initiatives.
- To increase ROE, we are advancing these initiatives to reinforce our earnings base, improve ROA, and optimize our use of leverage.
- To strengthen market expectations and lower our cost of capital, we are utilizing enhanced disclosures and proactive engagement to deepen investors' understanding of our growth potential, strategy and value creation capabilities, all of which are underpinned by our integrated strengths.



Enhancing Corporate Value Over the Medium and Long-Term

We remain deeply focused on continuous value creation.

This slide outlines our value creation framework, which is also described in detail in our Integrated Report.

Starting with the top section, under Corporate Strategy 2027, we have established growth in underlying operating cash flow and capital efficiency in ROE as our primary KPIs.

With respect to underlying operating cash flow, which serves as our earnings base, I am pleased to note that we are seeing increasing awareness across the organization, and we continue to accelerate the execution of our “Enhance / Reshape” and “Create” initiatives.

To increase our ROE, we are strengthening baseline profitability and improving ROA, while maintaining a focus on effective use of leverage.

Finally, turning to our goals of elevating growth expectations and reducing our cost of capital: we're actively working to deepen the market's understanding of our strategy and growth potential through proactive investor engagement and enhanced disclosures.

2. Our Role Amid an Evolving Macro Environment

- We are operating amid rising geopolitical risks, more diversified pathways toward carbon neutrality and AI-driven changes within the industrial complex and in everyday lifestyles.
- In light of these shifts, it has become increasingly critical to ensure a stable energy supply, secure mineral resources, stabilize food supply chains, and provide services that respond to diverse customer needs.

An Increasingly Complex and Uncertain Macro Environment

Politics / Geopolitics	<ul style="list-style-type: none"> • Rising geopolitical instability and trade policy instability • Decline of global governance
Environment / Society	<ul style="list-style-type: none"> • Slow progress in reducing decarbonization costs is driving the need for find pragmatic solutions
Economy / Industry	<ul style="list-style-type: none"> • Renewed focus on restructuring supply chains and localization of production and consumption • Persistently high inflation and interest rates
Technology / Innovation	<ul style="list-style-type: none"> • Rapid advances in AI and emerging service models • Surging power demand driven by data centers and semiconductor growth

Addressing Global Challenges Through our Integrated Strengths



Building on high-quality upstream assets cultivated over many years and extensive downstream and consumer touchpoints, we will leverage our integrated strengths to create value and drive growth while addressing critical global challenges.

Our Role Amid an Evolving Macro Environment

It has been one year since we announced Corporate Strategy 2027.

At that time, following the announcement of U.S. tariffs, uncertainty in the macroeconomic environment was particularly high. In that context, we set out a strategy to strengthen and accelerate initiatives centered on our core businesses—where our confidence is strong—as well as new domains with clear growth potential.

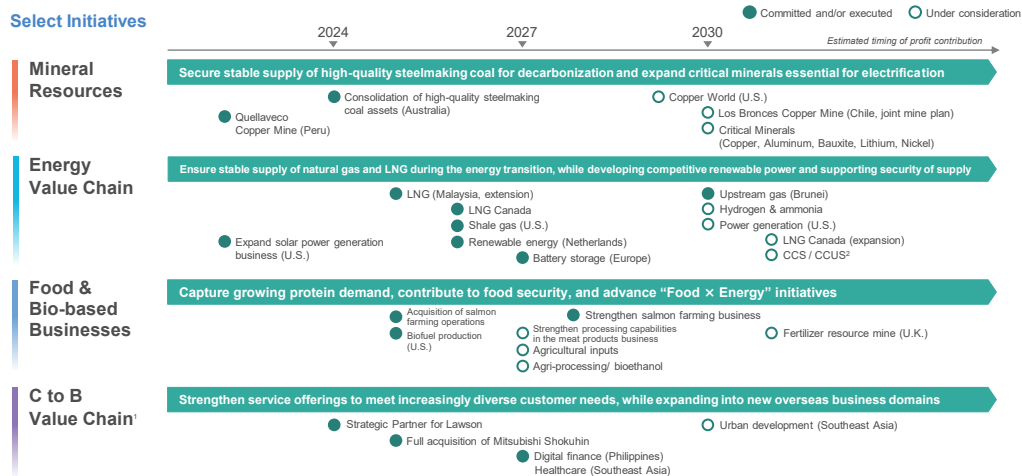
Since then, the global landscape has continued to evolve. We are navigating through rising geopolitical risks, increasing complexity in the path toward decarbonization, and structural shifts in industries and lifestyles driven by the expansion of AI.

As a result, we are even more keenly aware of the growing importance of ensuring a stable energy supply, securing critical mineral resources, strengthening food supply chains, and addressing increasingly diverse customer needs.

Against this backdrop, we will leverage our high-quality asset base we have built over many years, together with our extensive downstream touchpoints, and utilize our integrated strengths to address global challenges, while achieving sustainable growth.

3. Driving Long-term Growth and Value Creation

■ We will leverage our integrated strengths, including our solid business foundation, broad industry expertise, and market intelligence, to address critical global challenges.



¹ Consumer to Business: Customer and consumer-oriented businesses.
² CCS: Carbon Capture and Storage; CCUS: Carbon Capture, Utilization, and Storage.

Driving Long-term Growth and Value Creation (1/2)

In this evolving macro environment, I would like to highlight several areas where we believe we can leverage our strengths to drive value creation.

In mineral resources, we will ensure a stable operation and supply of high-quality steelmaking coal while further strengthening our initiatives in critical minerals for electrification.

In copper, we are steadily growing equity production toward FY2030. We plan to commence production at Copper World in Arizona, U.S. in FY2029. Also, we have agreed on a joint mine plan for the Los Bronces copper mine in Chile, part of the Anglo American Sur copper business in which we have an interest, and the adjacent Andina copper mine owned by Codelco, and plan to increase production as a result. We are also conducting feasibility studies across other critical mineral projects.

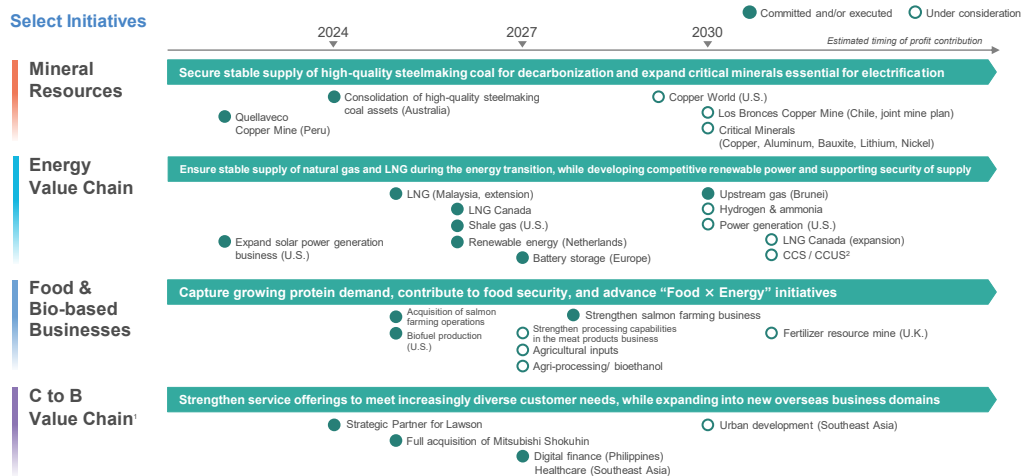
Turning to the energy value chain, in January, we announced the acquisition of shale gas assets in Haynesville which spans across Texas and Louisiana.

Building on a competitive upstream gas, our aim is to capture the growing demand for gas within the U.S. industrial and power sectors. In addition, we are evaluating the supply of LNG to international markets, using LNG facilities owned either by ourselves or by third parties.

We also hold LNG interests on the West Coast of Canada, providing supply optionality across Asia, Europe, and other regions. We believe this flexibility is one of our key strategic strengths.

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Driving Long-term Growth and Value Creation (2/2)

In Food & Bio-based businesses, we are capturing expanding demand for protein while contributing to global food security, and advancing initiatives at the intersection of food and energy.

For example, in Hawaii, we are engaged in biofuel production.

Our presence across both food and energy has enabled us to move early into new bio-resource value chains. Going forward, we will continue to leverage our expertise in grain procurement and trading, together with our global network.

While much of what I have covered so far has focused on upstream, we are also actively strengthening our downstream businesses through our C to B value chain approach.

We are taking a market-driven approach, enhancing services that directly address consumer needs through channels such as convenience stores and supermarkets, while strengthening linkages with other consumer-facing businesses, including food products, logistics, and urban development.

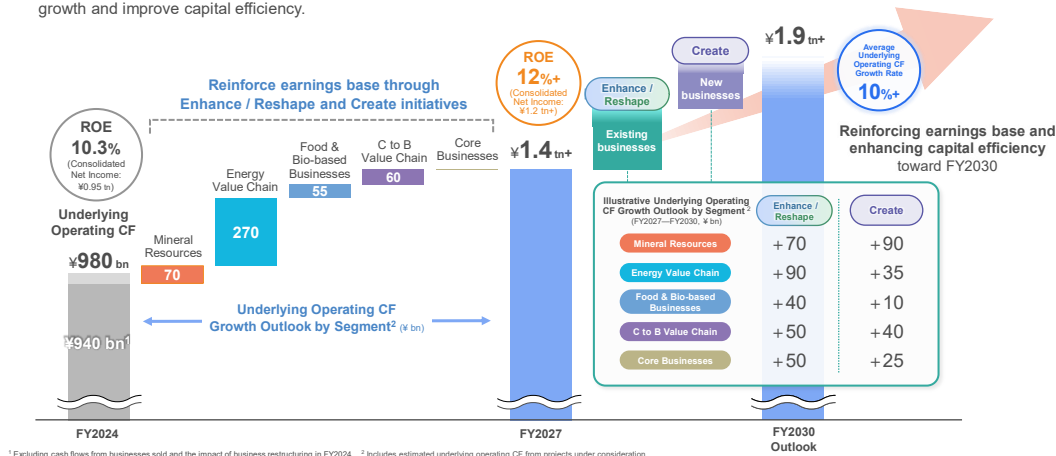
At Lawson, we are advancing service diversification and improving operational efficiency by leveraging KDDI's capabilities, and we are beginning to see tangible results.

At Mitsubishi Shokuhin, which we took private last year, we are accelerating business development both in Japan and overseas by leveraging our extensive networks, with the aim of strengthening synergies across the entire value chain.

Finally, in addition to the initiatives in mineral resources, energy value chain, food & bio-based business, and the C to B value chain, we are steadily advancing Enhance / Reshape initiatives in our core business domains, where we have long held strengths.

4. Medium to Long-Term Growth Outlook

- We are building a business portfolio designed to sustainably achieve 10%+ average growth rate in underlying operating CF, driven by our Enhance / Reshape and Create initiatives.
- From FY2028 onward, we will steadily execute ongoing projects and advance projects under consideration to strengthen existing businesses and reinforce our earnings base.
- We will continue to implement our capital recycling strategy and accelerate cross-industry value creation to secure medium to long-term growth and improve capital efficiency.



Medium to Long-Term Growth Outlook

Finally, let me share our view on medium and long-term growth.

We are building a business portfolio capable of delivering a sustained average annual growth rate of approximately 10% or more in underlying operating cash flow.

Based on a bottom-up assessment of all ongoing and pipeline projects, we have developed underlying operating cash flow projections through FY2028 and beyond. This gives us increasing confidence in our ability to sustain this growth trajectory toward FY2030, and we will continue to work to further strengthen our earnings base.

With respect to ROE, we have consistently stated that 12% is a milestone, not an endpoint.

From FY2028 onward, we will continue to strengthen our existing businesses while proactively managing our portfolio, through capital recycling and new investments.

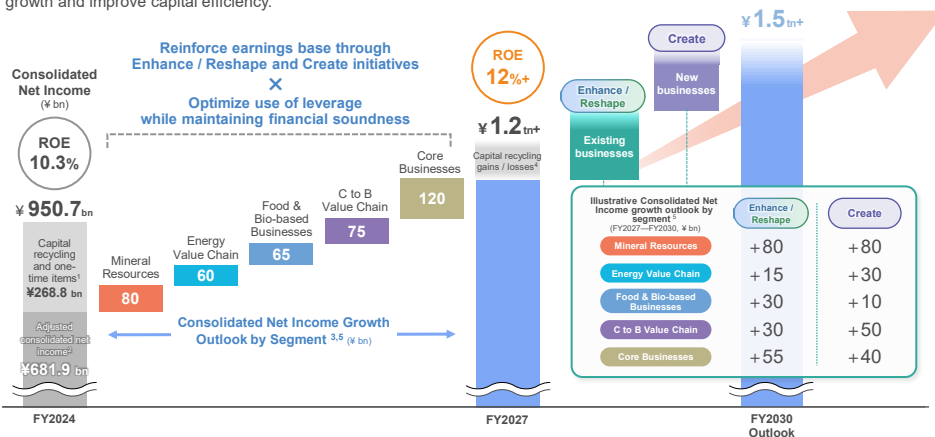
Furthermore, we will utilize leverage appropriately, while maintaining financial discipline, accelerating value creation that transcends traditional industry boundaries.

Through these efforts, our goal is to achieve sustainable growth and continuously improve our capital efficiency.

Thank you.

(Appendix) Medium to Long-Term Growth Outlook: Consolidated Net Income

- We are actively advancing our Enhance / Reshape and Create initiatives are to deliver our Corporate Strategy 2027 targets.
- From FY2028 onward, we will steadily execute ongoing projects and advance projects under consideration to strengthen existing businesses and reinforce our earnings base.
- We will continue to implement our capital recycling strategy and accelerate cross-industry value creation to secure medium to long-term growth and improve capital efficiency.



¹ Capital recycling and one-time items, excluding asset turnover-type businesses such as certain real estate and power businesses. ² Adjusted consolidated net income = consolidated net income - capital recycling and one-time items
³ Indicates the estimated increase in adjusted consolidated net income. ⁴ Excludes asset turnover-type businesses such as certain real estate and power businesses. ⁵ Includes estimated profit contributions from projects under consideration.