

# SUSTAINABILITY REPORT 2025

As of March 31, 2026

Environment

Social

Governance

# Contents

## Top commitment

Message from President and CEO	002
Message from Corporate Functional Officer	003

## Sustainability Management

Philosophy and Approach Related to Sustainability	004
MC's Sustainability Promotion Framework	006
Participation in Initiatives	010

## Materiality ---

Integrating Materiality into Management	011
Relevance of MC's Materiality to the SDGs	012
Materiality Identification Process	013
Contributing to Decarbonized Societies	014
Conserving and Effectively Utilizing Natural Capital	016
Promoting Stable, Sustainable Societies and Lifestyles	017
Using Innovation to Address Societal Needs	019
Addressing Regional Issues and Growing Together with Local Communities	022
Respecting Human Rights in Our Business Operations	024
Fostering Vibrant Workplaces That Maximize the Potential of a Diverse Workforce	024
Maintaining a Highly Transparent and Flexible Organization	025

## Environment ---

Environmental Management	028
Climate Change	031
Water Resources	056
Biodiversity	060
Prevention of Pollution	072
Efficient Use of Resources	075

## Social ---

Human Rights	078
Labor Practices (Labor Standards, Labor Environment and Related Matters)	086
Labor Practices (Employee Relations)	088
Diversity Management	090
Well-being (Health & Productivity Management, Occupational Safety and Health)	095
Human Resource Development	105
Customer Responsibility	111
Community	117
Supply Chain Management	123

## Governance ---

Governance	133
Internal Control System/Audit	154
Compliance	156
Risk Management	162
Stakeholder Engagement	170

- **Message from President and CEO**

Since its founding, Mitsubishi Corporation (MC) has upheld its Three Corporate Principles as its core philosophy, guiding our commitment to doing business with integrity and fairness, and creating value that benefits all of our stakeholders and society at large.

In recent years, the business environment has evolved at an unprecedented pace. The global community is facing rising geopolitical tensions, instability in energy supply, and rapid advancements in critical technologies such as AI and next-generation semiconductors.

Rather than perceiving these changes as risks, we view them as opportunities. At MC, we remain attuned to society's expectations and through collaboration with our stakeholders, address a wide range of societal challenges, including transitioning to a decarbonized society, conserving and restoring natural capital, and respecting human rights and diversity. Through these efforts, we aim to simultaneously generate economic, societal, and environmental value.



President & CEO

**Katsuya Nakanishi**



- **Message from Corporate Functional Officer**

To maximize the value generated through our business activities and contribute to the sustainable development of society, MC identifies, assesses and addresses key issues of materiality. By prioritizing these issues, we aim to create shared value.

To contribute to the realization of a decarbonized society, we are executing multiple initiatives including renewable energy projects, the deployment of next-generation energy sources such as hydrogen and SAF, and the supply of essential mineral resources for electrification. Through these efforts, we aim to reduce emissions, while ensuring a stable supply of energy and resources for the future.

Our environmental efforts also encompass water reuse in our operations, environmental restoration, biodiversity impact assessments in business management, and promoting the circular use of limited resources. Additionally, we leverage our extensive industrial networks and integrated capabilities to address regional issues and strengthen our commitment to respecting human rights across our supply chains.

In consideration of the growing expectations of external stakeholders, I will continue in my role as Chief Stakeholder Engagement Officer (CSEO) to ensure transparent disclosure and strong engagement, so that we can continue to create shared value and pursue sustainable growth.



**Kenji Kobayashi**

Executive Vice President  
Corporate Functional Officer, CSEO



# • Philosophy and Approach Related to Sustainability

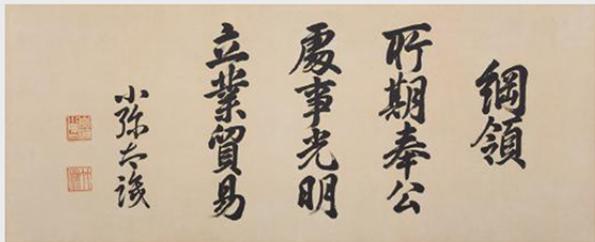
## III The Three Corporate Principles

### Helping to Enrich Society

MC promotes corporate activities rooted in the principles of fairness and integrity, based on the Three Corporate Principles, which have served as MC's core principles since its founding. We have constantly endeavored to enhance our compliance initiatives, by establishing the Corporate Standards of Conduct as a guideline for corporate actions, developing various compliance-related internal rules and regulations, introducing a compliance officer system, expanding and upgrading risk management frameworks, and establishing appropriate internal control systems. In order to ensure compliance, each and every employee has pledged and signed the Mitsubishi Corporation Code of Conduct, which requires employees to conduct business in compliance with laws and regulations, global standards, as well as act in a responsible manner in accordance with social norms. MC has adopted the Principles of Corporate Governance, the Environmental Charter, the Social Charter, and the Human Rights Policy in accordance with the Three Corporate Principles, and we are committed to contributing to our sound and sustainable growth and continuous increase of corporate value, as well as to helping enrich society, both materially and spiritually, as a globally integrated business enterprise.

MC will fulfill our mission of simultaneous generation of economic value, societal value, and environmental value through our business activities.

The Three Corporate Principles



**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.

(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.)

## III Corporate Standards of Conduct

### 1. Aim of Corporate Business Activities

Through its business activities, Mitsubishi Corporation will endeavor to increase its value. At the same time, MC will strive to enrich society in all ways, developing and offering its customers the best services and products, with the highest regard for safety.

### 2. Fairness and Integrity in Corporate Business Activities

Mitsubishi Corporation will continue to develop its business activities in compliance with all relevant laws, international regulations and internal rules. MC will act responsibly and will respect the highest social standards.

### 3. Respect for Human Rights and Employees

Mitsubishi Corporation will respect human rights and will not engage in any discrimination. MC will preserve and improve its corporate strengths through the development of its employees, all the while respecting the character and individuality of each employee.

### 4. Information Security and Disclosure

While Mitsubishi Corporation will continue to develop, implement and improve the effectiveness of its information security management system, at the same time MC will disclose information accurately and in a timely fashion, so as to maintain transparency and be correctly understood by both its stakeholders and the general public.

### 5. Consideration for Environmental Issues

Mitsubishi Corporation understands that an enterprise cannot continue to prosper without consideration for its environmental performance, and will strive to protect and improve the global environment and pursue sustainable development through all aspects of its business activities.

### 6. Contribution to Society

As a responsible member of society, Mitsubishi Corporation will actively carry out philanthropic programs in an effort to promote the enrichment of society. Moreover, MC will support efforts of its employees to contribute to society.

## III Mitsubishi Corporation Code of Conduct

### Basic Policy

All officers and employees of Mitsubishi Corporation (the "Company") must comply with all applicable laws, rules and regulations where they operate, international standards and rules, and all internal corporate rules and policies. In addition, all officers and employees of the Company must act in a socially responsible manner by complying with the highest ethical standards in the conduct of their business.

## Basic Principles

1. Respect human rights, and do not discriminate on any basis or engage in any form of harassment.
2. Maintain a high regard for environmental considerations in conducting our business operations, and ensure that our business is conducted in an environmentally sustainable manner, and comply with treaties, laws and regulations concerning the environment.
3. Promote fair business practices and comply with trade rules, regulations, and internal corporate rules and policies.
4. Comply with the rules and regulations of international trade.
5. Protect and properly use confidential and proprietary information, protect the rights of the Company and respect the rights of others.
6. Do not engage in insider trading.
7. Avoid conflicts of interest with the Company; maintain a distinction between corporate and private business.
8. Record and report accounting and financial information timely and accurately.
9. Maintain proper legal and ethical standards with respect to gifts and entertainment.
10. Resolutely oppose any organization, group or individual engaged in unlawful activities and do not provide money or other types of economic benefits to them.
11. Promptly report to or consult the superiors, the Group Compliance Officers, the relevant departments, the Secretariat for the Compliance Committee, or the outside counsel in charge of Compliance upon discovering or committing any violations of this "Code of Conduct".

## Principles of Corporate Governance

MC has formulated **Mitsubishi Corporation Principles of Corporate Governance** to define the basic framework, views and policy on corporate governance of MC and thereby to contribute to MC's sound and sustainable growth and continuous increase of corporate 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 value through environmental conservation and environmental impact reduction measures including pollution prevention.
- 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.

## Mitsubishi Corporation Social Charter

Mitsubishi Corporation strives to achieve sustainable societal value through our business operations by contributing towards lasting solutions to the wide spectrum of sustainability challenges facing today's global society.

- We will work to address local societal challenges in the regions and communities in which we operate, contributing towards lasting and sustainable development through our business activities.
- We will continue our wide-ranging philanthropic commitments while regularly adapting our approach in line with ever-evolving societal needs and challenges.
- We will fully respect human rights and indigenous peoples' rights.
- We will fully respect fundamental labor rights and endeavor to ensure the provision of proper working environments with consideration for safety, health, and other aspects.
- We will not engage in corruption of any kind and will take appropriate preventative measures to safeguard against such practices.
- We will continue to actively engage and work with our various stakeholders openly and transparently and disclose information on the social impacts of our business operations in an appropriate and timely manner.

## Human Rights Policy

MC has formulated a **Human Rights Policy** to organize and clarify its approach to human rights and to promote efforts to respect them.

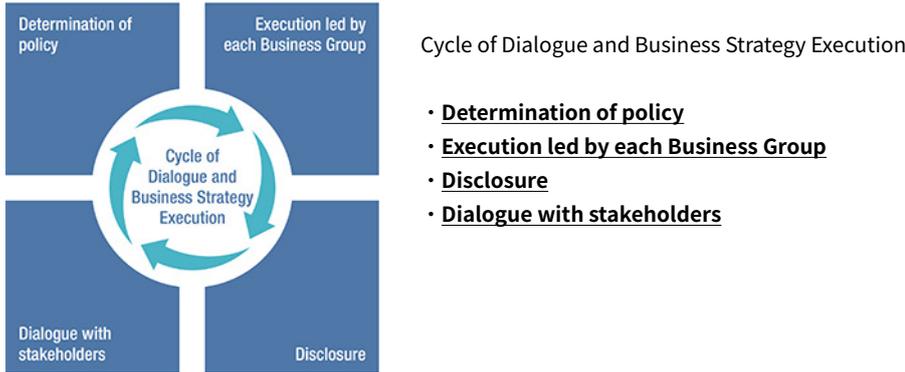
# • MC’s Sustainability Promotion Framework

## III Sustainability Initiatives

MC’s Three Corporate Principles call on us to enrich society while contributing to the preservation of the global environment.

In recent years, expectations for companies to address a wide range of societal challenges have grown. MC has identified its material issues as a set of critical societal issues that we will prioritize through our business activities. We aim to continue growing alongside society by continuously creating shared value.

To further increase our corporate value in line with society’s evolving needs, we have established a promotion framework that recognizes the importance of dialogue with our stakeholders and incorporates a cycle of business strategies informed by that dialogue.



# • Companywide Sustainability Framework

Within MC’s management framework, sustainability initiatives are overseen by the Chief Stakeholder Engagement Officer (CSEO). The Sustainability Department is responsible for planning and drafting related policies and measures. After review by the Sustainability Committee, which convenes approximately twice a year, items are put forward or reported to the Executive Committee and the Board of Directors.



Reference **Sustainability Roundtable**

### Main Discussion Themes for the Sustainability Committee

Climate change, Materiality, Biodiversity, Human rights / Supply chain management, Environmental conservation projects

# • Promoting Sustainability Through Business

To continuously create societal and environmental value through its business activities, MC has established a framework that enables both corporate departments and Business Groups to proactively promote sustainability.

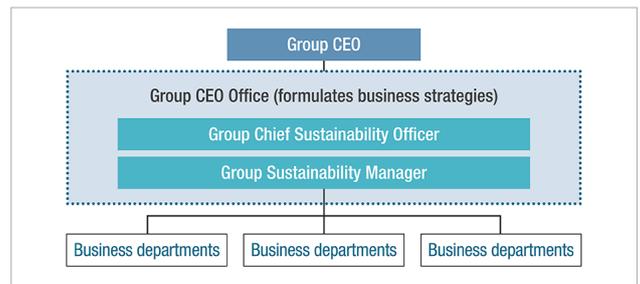
## III Cycle for Integrating Sustainability into Business Strategy

- Following deliberations by the Sustainability Committee, the President and CEO, along with each Group CEO, hold Business Strategy Committee Meetings to discuss future strategies.
- During these meetings, policies for businesses most impacted by climate change are reviewed against the results of MC’s 1.5°C scenario analysis.



## III Sustainability Promotion Framework in Each Business Group

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



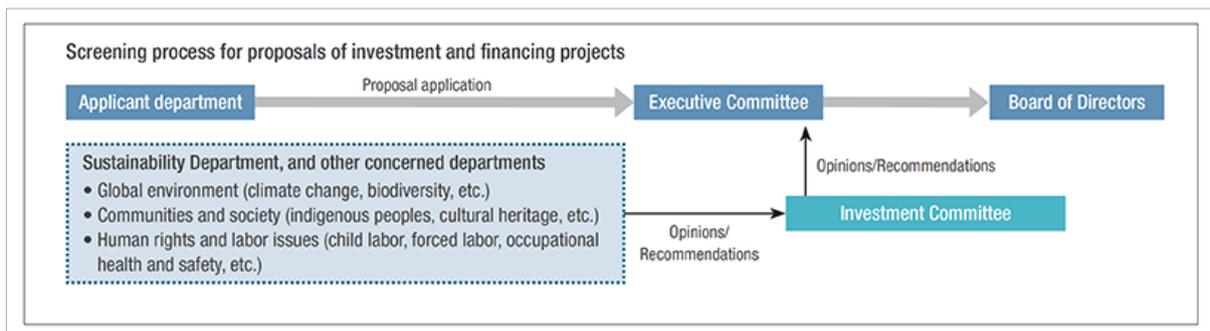
## III Incorporating Sustainability into Individual Projects

- Framework for Project Proposals

When screening investment and financing proposals, MC evaluates each project’s strategic significance in light of MC’s Materiality (its set of material issues). Identification of environmental and social risks and opportunities—including scenario analysis and carbon pricing impact analysis—is mandatory.

- System for Screening Proposals

Within the Sustainability Department, dedicated staff are assigned to each Business Group to provide support and conduct checks on environmental and social risks and opportunities for individual proposals, based on the latest external trends, stakeholder expectations, and international standards. Additionally, the General Manager of the Sustainability Department serves as a member of the Investment Committee, ensuring that decision-making incorporates specialized insight into environmental and social impacts.



## • Disclosure (About the Sustainability Website)

We believe that maintaining a cycle of timely and appropriate disclosure of our sustainability initiatives, based on stakeholder requests, gaining their understanding, and incorporating their feedback, is crucial. This cycle plays a key role in enhancing our corporate value over the medium to long term.

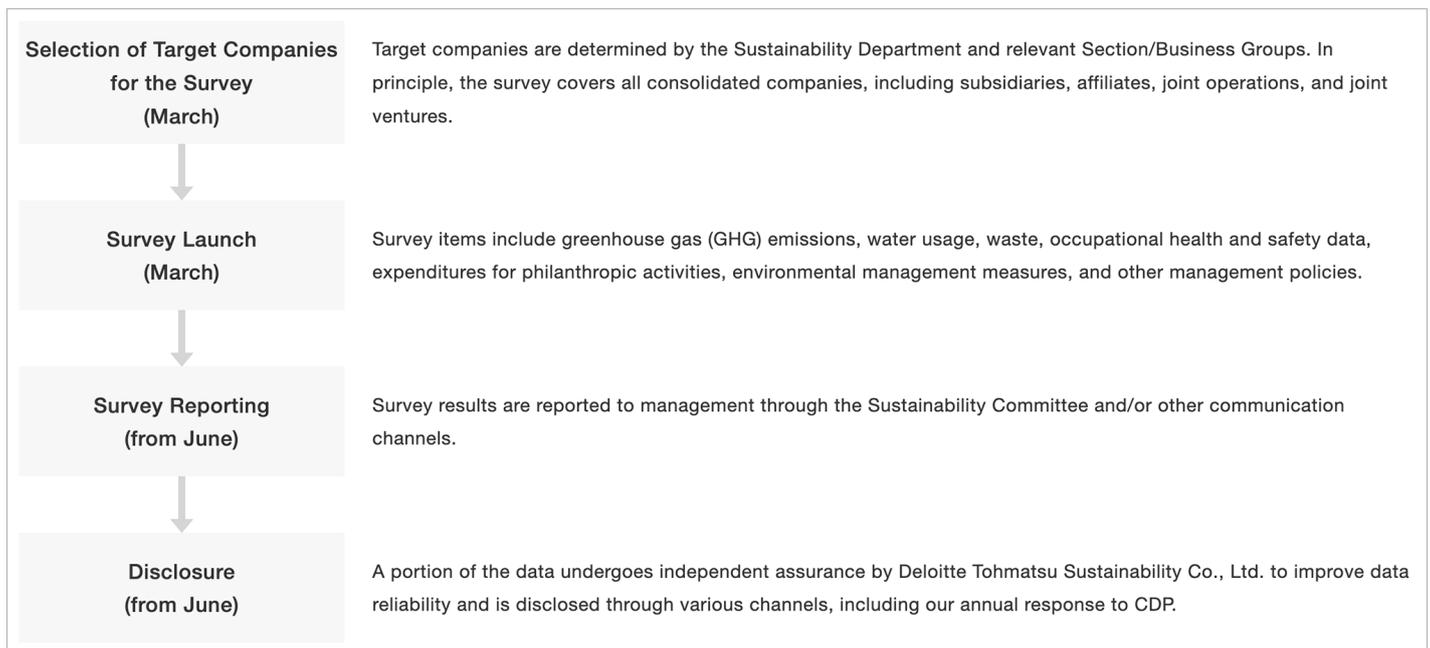
Disclosures are published on the Sustainability website after approval by the Chief Stakeholder Engagement Officer (CSEO) and reporting to the Disclosure Committee, which is a subcommittee of the Executive Committee.

The website was created to centralize ESG-related information that was previously disclosed through separate channels such as the Integrated Report and ESG Data Book. It enables us to respond promptly to increasingly complex requirements from ESG evaluation bodies and disclosure standards. The website is designed primarily for stakeholders with a strong interest in ESG investment. It is organized by ESG topic for easier reference and aligns with multiple ESG reporting guidelines. Disclosures can also be downloaded in a conventional report format as a PDF.

Looking ahead, we strive to ensure that our ESG disclosures serve as an effective communication tool that supports constructive stakeholder dialogue by improving clarity and incorporating valued feedback.

### III Collecting Sustainability Information on a Consolidated Basis

To fully capture qualitative and quantitative sustainability data, MC conducts annual surveys across all consolidated companies. Aggregated results are reported to management and used as a foundation for planning sustainability initiatives and related measures.



## • Dialogue with Stakeholders (Incorporating External Perspectives)

MC places great importance on identifying and appropriately addressing the evolving demands of society. We engage in direct dialogue with investors, including shareholders and NGOs, and hold discussions with local communities on individual projects. In addition, MC conducts supply chain surveys as part of its supply chain management. We regard constructive dialogue with all stakeholders as essential and incorporate input from these discussions into our policies and actions. This approach is vital to achieving of sustainable, medium- to long-term enhancement of our corporate value.

MC engages in sustainability dialogues with investors, NGOs, and NPOs through events ranging from international conferences to one-on-one meetings, as well as ESG-focused discussions with institutional investors. These meetings provide valuable insights into stakeholder perspectives, including expectations regarding our strategies for transitioning to a low-carbon and decarbonized society and our policies related to individual fossil fuel projects. MC carefully considers this feedback and strives to disclose response measures and policy updates in a timely and appropriate manner.

To better understand global environmental and societal trends, MC has established sustainability departments in Europe, the Americas, Southeast Asia, and other regions to coordinate and share information. MC is also a signatory of the UN Global Compact and a member of environmental organizations such as the World Business Council for Sustainable Development (WBCSD).

### ||| Sustainability Roundtable

MC hosts the Sustainability Roundtable as a forum for sharing expertise and engaging in constructive dialogue on sustainability. Insights gained through this committee are applied in formulating sustainability policies, supporting strategic planning and business development across our business segments, and informing internal deliberations, including those of the Sustainability Committee. For each event, we invite external experts with diverse perspectives and specialized knowledge based on the theme. The main discussion themes are as follows:

#### Materiality

- Initiatives toward decarbonized societies
- Natural capital and biodiversity
- Human rights and supply chain management
- Stakeholder engagement

# • Participation in Initiatives: Support for the UN Global Compact

MC became a signatory to the UN Global Compact (UNGC) in 2010 and has engaged at the Participant level since the fiscal year ended March 2019. The UNGC sets out a series of universal principles for signatories, organized into four fields: human rights, labor standards, environment, and anti-corruption. MC has declared its support for these principles and promotes initiatives in each field in the spirit of the Three Corporate Principles. Furthermore, MC is an executive member of the Global Compact Network Japan, which was launched as a local network in 2003. We actively participate as part of our stakeholder engagement activities, aimed at understanding the external environment and fostering collaboration with other companies.

## ||| The Ten Principles of the United Nations Global Compact

<b>Human rights</b>	<p><b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p><b>Principle 2:</b> make sure that they are not complicit in human rights abuses.</p>	
<b>Labor</b>	<p><b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p><b>Principle 4:</b> the elimination of all forms of forced and compulsory labor;</p> <p><b>Principle 5:</b> the effective abolition of child labor; and</p> <p><b>Principle 6:</b> the elimination of discrimination in respect of employment and occupation.</p>	
<b>Environment</b>	<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges;</p> <p><b>Principle 8:</b> undertake initiatives to promote greater environmental responsibility; and</p> <p><b>Principle 9:</b> encourage the development and diffusion of environmentally friendly technologies.</p>	
<b>Anti-corruption</b>	<p><b>Principle 10:</b> Businesses should work against corruption in all its forms, including extortion and bribery.</p>	

# • WBCSD

MC has been a member of the World Business Council for Sustainable Development (WBCSD)\* since the organization’s founding in 1995. Through its participation in a wide variety of WBCSD initiatives, MC shares information and best practice with other leading companies and works to apply those learnings to its business practices.

\*The World Business Council for Sustainable Development (WBCSD) is an international organization working to promote sustainable development. It has approximately 250 member companies representing a broad range of industries from more than 30 countries.



# • Task Force on Climate-related Financial Disclosures (TCFD)

The TCFD was launched by the Financial Stability Board with the aim of enabling financial markets to properly assess climate-related risks and opportunities, creating a framework for the voluntary disclosure of information that companies should disclose to the market. MC recognizes the importance of climate-related disclosures and supports the recommendations made by the TCFD. MC continues to strive to expand its disclosures in line with these recommendations.

Please click [here](#) for details on MC’s disclosures in line with the TCFD.



# • Materiality

Guided by the Three Corporate Principles, which have served as MC’s core philosophy since its inception, the company identified a set of Key Sustainability Issues in 2016 as milestones for proactively realizing “triple-value growth,” the simultaneous creation of economic, societal, and environmental value. In alignment with stakeholder expectations, MC has addressed various societal challenges through its business activities, contributing to sustainable development and value creation.

Over time, stakeholder expectations—particularly regarding climate change—have intensified, and the issues companies must address have evolved. To further enhance corporate value over the medium to long term, MC reviewed its Key Sustainability Issues from the perspective of their importance to its business activities. This review resulted in a revised set of material issues (i.e. Materiality), representing the critical societal issues MC will prioritize through its business activities to create shared value.

## Overview of Materiality

Issues	Overview
<b>Decarbonization and the Enrichment of Society</b>	
Contributing to Decarbonized Societies 	MC aims to reduce greenhouse gas (GHG) emissions and provide products and services that support decarbonization during the transition period.
Conserving and Effectively Utilizing Natural Capital 	Recognizing the Earth as its most important stakeholder, MC strives to maintain biodiversity, conserve natural capital, and promote circular economies while minimizing its environmental footprint.
Promoting Stable, Sustainable Societies and Lifestyles 	Through diverse businesses worldwide, MC works to ensure a stable supply of resources, raw materials, products, services, and other offerings, fostering sustainable societies and lifestyles.
Using Innovation to Address Societal Needs 	MC creates businesses that address societal challenges while driving major industry reforms through innovation.
Addressing Regional Issues and Growing Together with Local Communities 	MC contributes to regional development by addressing local challenges and collaborating with diverse stakeholders and communities.
Respecting Human Rights in Our Business Operations 	MC upholds human rights across all operations and addresses value chain-related issues, considering local conditions in each country.
<b>Striving to Serve as a Platform for Generating Triple-Value Growth</b>	
Fostering Vibrant Workplaces That Maximize the Potential of a Diverse Workforce 	Recognizing that its people are its greatest assets, MC cultivates a diverse and versatile talent pool that drives efforts to achieve triple-value growth across the organization. The company strives to create an environment where employees from diverse backgrounds share common values, grow together, strengthen connections, and inspire one another to excel.
Maintaining a Highly Transparent and Flexible Organization 	While remaining agile in responding to changes in the business environment, MC will implement effective governance on a global, consolidated basis and maintain a transparent, flexible organization.

Reference [Introduction Video of Materiality](#)

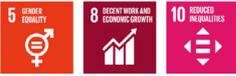
# • Integrating Materiality into Management

MC regards Materiality (its set of material issues) as a guiding principle for the continuous creation of significant MC Shared Value (MCSV), aiming to strengthen collective capabilities to address societal challenges. To achieve this, each Division and Business Segment develops Action Plans—mid-term plans aligned with relevant material issues for each business or initiative—and monitors progress through annual reviews. This approach establishes a mechanism to ensure that Materiality is embedded in business strategies, initiatives, and organizational management, ultimately driving the creation of MCSV.

**Here** is a typical example of an Action Plan.

# • Relevance of MC's Materiality to the SDGs

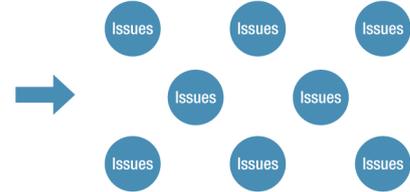
By leveraging its collective capabilities and engaging across a variety of businesses, MC contributes to addressing a wide range of societal challenges while ensuring sustainable growth. The company believes that promoting businesses aligned with its material issues will also advance the achievement of the Sustainable Development Goals (SDGs) related to each key issue.

Issues	Overview
<b>Realizing a Carbon Neutral Society and Striving to Enrich Society Both Materially and Spiritually</b>	
<p>→ Contributing to Decarbonized Societies</p> 	
<p>→ Conserving and Effectively Utilizing Natural Capital</p> 	
<p>→ Promoting Stable, Sustainable Societies and Lifestyles</p> 	
<p>→ Using Innovation to Address Societal Needs</p> 	
<p>→ Addressing Regional Issues and Growing Together with Local Communities</p> 	
<p>→ Respecting Human Rights in Our Business Operations</p> 	
<b>Striving to Serve as a Platform for Generating Triple-Value Growth</b>	
<p>→ Fostering Vibrant Workplaces That Maximize the Potential of a Diverse Workforce</p> 	
<p>→ Maintaining a Highly Transparent and Flexible Organization</p> 	

# Materiality Identification Process

## STEP 1 Creating a list of potential issues

In keeping with commonly used materiality setting procedures\*, MC compiled a list of around 80 potential issues that should be taken into account in order to achieve sustainable growth for the MC Group, which were based on international standards and goals such as ISO26000 and the SDGs.

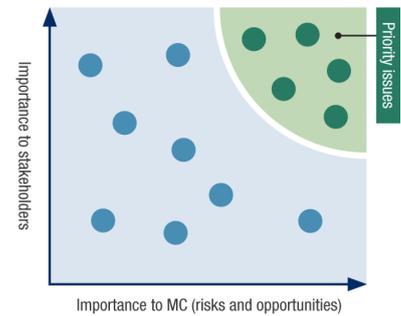


\* Referencing reporting guidelines such as those of the Global Reporting Initiative (GRI), an international NGO.

## STEP 2 Gauging the importance of each issue based on internal and external perspectives

MC gauged the importance of each theme, in terms of both opportunities and risks, and selected priority issues based on the perspectives of MC's Business Groups as well as those of external stakeholders.

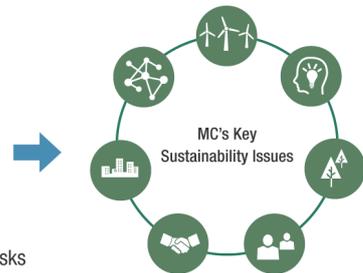
- Through interviews and questionnaires with a variety of stakeholder groups, MC determined each issue's degree of importance to stakeholders.
- The Corporate Staff Section and every Business Group evaluated and prioritized each theme to determine its importance to MC.



## STEP 3 Identifying the Key Sustainability Issues

MC re-examined the selected priority issues while incorporating the views of the Sustainability Advisory Committee. Following deliberations by the Executive Committee and the Board of Directors, the Key Sustainability Issues were determined.

- Harmony with local communities
- Utilization of advanced technology
- Pollution prevention/countermeasures
- Response to climate change
- Sustainable use of resources
- Expanded presence of developed countries
- Respect for human rights
- Work environmental/labor issues
- Effective water use
- Response to increasing food demand
- Response to population fluctuations
- Response to geopolitical risks



## STEP 4 Redefining our Materiality

In conjunction with the establishment of Midterm Corporate Strategy 2024, we redefined our former "Key Sustainability Issues" as "Materiality."

### Decarbonization and the Enrichment of Society



### Striving to Serve as a Platform for Generating Triple-Value Growth



- In order to further strengthen our efforts to address societal issues which have become increasingly important in recent years such as "respect for human rights," "coexistence/co-creation with stakeholders," "natural capital and biodiversity/circular economy," "human capital and DE&I (diversity, equity and inclusion)," and "governance," we updated and revised the former "Key Sustainability Issues" as our new "Materiality."
- With the aim that all employees will work together to address the eight material issues, we have divided them into the categories of "Pursuit through Business" and "Pursuit by the Organization as a Whole," which advocates for the overarching concepts of "Realizing a Carbon-Neutral Society and Striving to Enrich Society Both Materially and Spiritually" and "Striving to Serve as a Platform for Generating Triple-Value Growth," respectively.

# • Contributing to Decarbonized Societies

MC contributes to the realization of decarbonized societies by reducing greenhouse gas (GHG) emissions and delivering products and services that support decarbonization throughout the transition period.

## III Related SDGs Themes



## III Action Plan for This Material Issue

MC regards achieving a decarbonized society as a critical corporate priority and is actively promoting carbon reduction and decarbonization through its business activities under the Materiality theme “Contributing to Decarbonized Societies.” By leading this transformation and linking it to business growth, MC aims to create MC Shared Value. In addition to advancing its own decarbonization goals—halving emissions by FY2030 (compared to FY2020) and achieving net zero by 2050—MC will contribute to societal decarbonization by generating avoided emissions through EX-related investments totaling approximately 1.2 trillion yen over the three-year period of Midterm Corporate Strategy 2024.

### Doubling Renewable Energy Power Generation Capacity

MC is expanding its renewable energy business both in Japan and overseas to help achieve a decarbonized society. As part of this initiative, MC is pursuing the goal of doubling its renewable energy equity generation capacity.

As of the end of September 2025, the current generation capacity on a net equity basis), including assets under construction, stands at 4.1 GW.



### Initiatives in Europe for the Promotion of Renewable Energy

Eneco, a Dutch integrated energy company, operates power generation, power and gas trading, power and gas retail, and district heating businesses across the Netherlands, Belgium, and Germany, with renewable energy at its core. With the third-largest customer base in the Netherlands, Eneco manages approximately 2.8 GW of renewable energy assets (as of March 2025). Since 2007, Eneco has led the development of renewable energy ahead of its competitors and established itself as a green brand by providing consumers with 100% green energy (including green certificates) since 2011. Known for its customer-focused approach, Eneco launched its One Planet Plan in 2021, aiming for carbon neutrality by 2035. This commitment covers Scope 1 and 2 emissions from its own operations and Scope 3 emissions across its value chain, including power and gas retailing and heat supply. Eneco is widely recognized domestically and internationally for its proactive climate action.

MC seeks to contribute to a sustainable society by achieving triple-value growth—economic, societal, and environmental—through leveraging Eneco's technology and expertise to accelerate renewable energy development within and beyond Europe. By combining Eneco's strong customer base with MC's various products and services, MC aims to enhance energy management solutions for Eneco's customers.

The power business is undergoing a major transition driven by decentralized power sources, advancements in battery storage, and digital technologies accompanying the rise of renewable energy. In this context, MC, together with its partner Chubu Electric Power, is committed to addressing societal challenges such as the shift to a decarbonized society and global environmental preservation. Both companies will support essential infrastructure and promote innovation through Eneco's integrated energy services, which combine renewable energy development with cutting-edge digital technology.

### Implementation of Next-Generation Energy Supply Chains

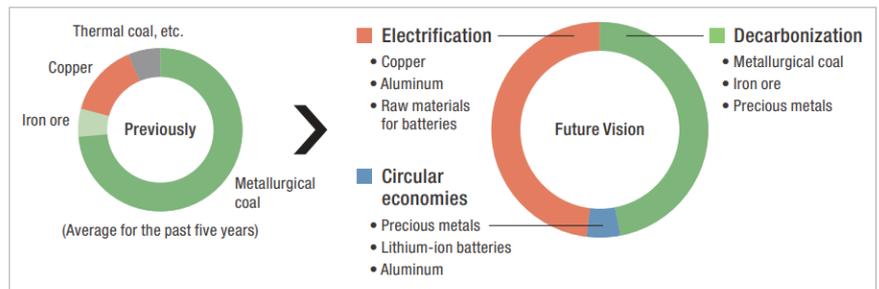
MC advances the practical implementation of hydrogen and its derivatives, such as ammonia. The company conducts joint studies with partners at every stage of the value chain, including production, transportation, and usage. In addition, MC is promoting the introduction of Sustainable Aviation Fuel (SAF) in the aviation sector, where electrification and hydrogen-based solutions remain difficult.

## Major Progress

- **Joint Study by Idemitsu Kosan and Mitsubishi Corporation on Low-Carbon Ammonia**
- **Mitsubishi Corporation and ExxonMobil Sign Project Framework Agreement to Advance World’s Largest Low-Carbon Hydrogen Project**
- **Joint Study on the Social Implementation of Hydrogen and Decarbonized Fuels**
- **Mitsubishi Corporation and 7 Large International Companies Join Forces to Sponsor the Creation of a Global e-NG Coalition**
- **Par Pacific, Mitsubishi, and ENEOS to Establish Joint Venture for Renewable Fuels in Hawaii**
- **Mitsubishi and ENEOS to Conduct Front End Engineering Design for Sustainable Aviation Fuel (SAF) Production at the Wakayama Refinery**

## Supply of Mineral Resources to Promote an Electrified Society

Mineral resources such as copper are essential for renewable energy and electrification, making them critical to achieving a decarbonized society. MC aims to expand its copper business through organic growth opportunities in existing assets—some of which hold the world’s largest copper reserves—by increasing its stake in current operations, acquiring new assets, and leveraging new technologies to improve resource recovery.

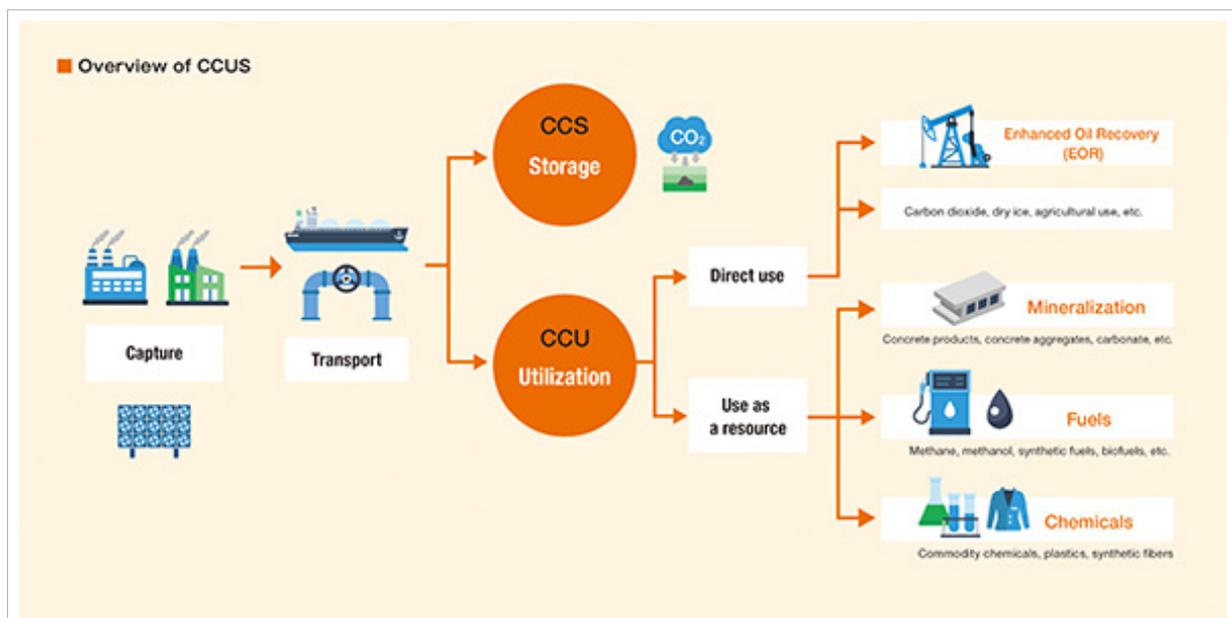


## Major Progress

- **Sumitomo Metal Mining and Mitsubishi Corporation to Participate in Kalgoorlie Nickel Project - Goongarrie Hub**
- **Participation in PAK Lithium Project in Canada**
- **Mitsubishi Corporation to Acquire Shares in Copper World Copper Mine Project in the US**

## CCUS Initiatives

As part of its commitment to the goals of the Paris Agreement, MC recognizes that Carbon Capture, Utilization, and Storage (CCUS) will play a critical role in achieving these targets. According to the International Energy Agency (IEA), CCUS must account for reducing approximately 1.5 billion tons of CO<sub>2</sub> emissions by 2050 to meet the 1.5°C target, complementing reductions achieved through renewable energy and energy efficiency. Similarly, the Intergovernmental Panel on Climate Change (IPCC) has emphasized the importance of technological solutions in this effort. CCUS spans multiple industries, from sectors generating CO<sub>2</sub> emissions to those producing end-products such as fuels and chemical materials. MC views CCUS as a significant business opportunity to leverage its collective capabilities across diverse industries. To capitalize on this opportunity, MC is promoting the commercialization of CCUS by establishing a cross-segment task force and a liaison committee to drive collaboration and innovation.



## Main Progresses

- MC is conducting a feasibility study to establish an overseas CCS value chain for projects designated as Advanced CCS Projects by JOGMEC for fiscal years 2023, 2024, and 2025.

Reference [Climate Change: Policy](#), [Climate Change: Initiatives](#)

# • Conserving and Effectively Utilizing Natural Capital

Recognizing the Earth as MC’s most important stakeholder, the company strives to maintain biodiversity, conserve natural capital, and promote circular economies while reducing its environmental footprint.

## III Related SDGs Themes



## III Action Plan for This Material Issue

Every MC business is built on the foundation of the natural capital benefits that the ecosystem provides. Therefore, the conservation and effective utilization of natural capital are essential to achieving sustainable growth alongside society. MC is committed to advancing a circular economy by leveraging business opportunities while minimizing its negative impact on the global environment.

### Promotion of a Circular Economy

MC considers it essential to make effective use of limited resources and ensure they circulate as efficiently as possible to achieve a circular economy. The company is working to conserve and effectively utilize natural capital and contribute to a low-carbon or decarbonized society through initiatives such as material recycling using new technologies, bio-carbon recycling, new businesses related to product recycling, and the utilization of secondary resources.

## Major Progress

- [Mitsubishi Corporation to Invest and Enter into a Business Partnership with DEScycle Ltd., a UK Company Developing Innovative Metal Recycling Technology](#)

### PET Chemical Recycling Business with Thai Shinkong

MC entered the PET chemical recycling business through an investment in Thai Shinkong Industry Corporation Ltd., which produces PET resins for beverage bottles. A new production line began operation in June 2023. PET is highly recyclable mono-material with broad applications, including food and beverage containers and textiles, thanks to its excellent transparency, barrier properties, and well-established collection and recycling systems. As the global transition to a circular economy accelerates, MC plans to expand its PET resin production capacity to meet growing demand for mono-materials. Additionally, MC aims to introduce chemical recycling technologies through its participation in the PET chemical recycling business, supporting the goal of “Conserving and Effectively Utilizing Natural Capital”.



### Activities with Honda

ALTNA Co., Ltd. was established in July 2024 as a joint venture between Honda Motor Co., Ltd. (Honda) and MC, with the goal of creating new businesses in response to the anticipated growth of the electric vehicle (EV) market and the transition toward a decarbonized society. By combining Honda’s advanced control and connectivity technologies for EVs and batteries with MC’s expertise in energy solutions—including battery energy

storage and smart-charging operations—ALTNA is developing business model that reduce the Total Cost of Ownership (TCO) for EV users and promote the long-term utilization of EV batteries.

Please refer to the link below for details on these initiatives.

Reference [EV/Batteries](#)

### Identifying and Responding to Nature-Related Issues

Nearly all MC businesses interact with the environment and depend on the benefits provided by ecosystems. To ensure the continuity of future business activities, MC must understand the extent of its environmental dependencies and impacts, analyze related risks and opportunities, minimize excessive reliance and negative impacts on nature, and pursue initiatives that contribute to environmental restoration.

### Trial Analysis Using the TNFD Framework

From this perspective, MC conducted a trial analysis based on the (Taskforce on Nature-related Financial Disclosures) TNFD framework recommendations from FY2022 to FY2023. Moving forward, MC will apply the insights gained from this trial to the management of individual businesses and continue identifying and addressing nature-related issues using the TNFD framework, thereby enhancing sustainability and corporate value.

Please refer to the link below for MC’s biodiversity initiatives.

Reference [Biodiversity: Policy](#)

## Promoting Stable, Sustainable Societies and Lifestyles

MC promotes sustainable societies and future lifestyles through businesses across various countries and industries, while fulfilling its responsibility to provide a stable supply of resources, raw materials, products, services, and other offerings in line with customer needs.

### Related SDG Themes



### Action Plan for This Material Issue

Ensuring the stability of people’s lives is one of MC’s core mandates, and the company believes it is essential to achieve this in a sustainable manner through its business activities. While continuing to provide the goods and services necessary to maintain current societal systems, MC will advance businesses that drive society toward a more sustainable future.

### Fulfilling MC’s Responsibility for Ensuring a Stable Energy Supply to During the Transition Period

Global energy demand is expected to rise due to population growth and economic development. While the shift to renewable energy in the power sector will continue, significant technological innovation is required to address challenges such as intermittency and location constraints. To meet growing energy needs and achieve a carbon-neutral society, decarbonizing fossil fuels remains essential.

MC is committed to ensuring a stable supply of natural gas and LNG, which have relatively low environmental impact among fossil fuels. At the same time, MC will work to reduce GHG emissions across the value chain through operational efficiency improvements, CCUS, and other methods.



### Tangguh LNG Project Initiatives

The Tangguh LNG Project, located in Papua Barat Province, Indonesia, is the country’s largest gas-producing project, accounting for approximately 30% of domestic gas output. MC participates in the project as a joint venture partner with BP, the project operator. Since beginning operations in 2009, Tangguh has safely delivered more than 1,900 LNG cargoes to global markets, including Indonesia and Japan. In 2023, the addition of a third LNG train increased production capacity by 3.8 million tons per year, bringing total capacity to 11.4 million tons annually.



Furthermore, in 2024, a final investment decision was made for an upstream development plan that includes Indonesia’s largest CCUS (Carbon Capture, Utilization, and Storage) project, which is expected to advance CCUS technology in the country. In response to declining production in existing blocks, MC is also actively pursuing new upstream developments around the Tangguh area.

## Major Progress

- **Mitsubishi Corporation Strengthens the Partnership with PETRONAS, Reinforcing Confidence in LNG Operations in the Region**

### Ensuring a Stable Supply of High-quality Steelmaking Coal

Steel is a basic material that is difficult to replace, and its demand is expected to remain strong over the long term in line with global economic growth. In the steel industry, the ironmaking process (blast furnace method), which primarily uses iron ore, generates significant GHG emissions. While the use of electric furnaces that rely on steel scrap and the adoption of hydrogen in ironmaking are expected to expand in the future, these technologies will require considerable time to mature and for production facilities to transition. Therefore, decarbonizing the blast furnace process, which remains the mainstream process, is a critical near-term challenge. MC will continue to contribute to the decarbonization of the steel industry by ensuring a stable supply of high-quality steelmaking coal—one of MC’s major commodities and a key raw material for the blast furnace process—while supporting efforts to reduce emissions in existing production methods.



### MDP Initiatives

Mitsubishi Development Pty Ltd. (MDP), which engages in the exploration, development, production, and sales of mineral resources, jointly operates its steelmaking coal business, BMA, in partnership with BHP. BMA is one of the world’s largest steelmaking coal operations and fulfills its responsibility to provide a stable supply of high-quality steelmaking coal that supports the decarbonization of the blast furnace steelmaking process. In April 2024, MDP completed the divestment of certain coal mines, consolidating its holdings in high-grade coal assets.

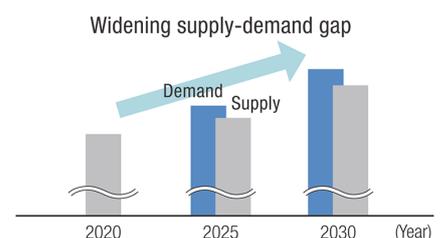


Looking ahead, MDP will continue efforts to reduce GHG emissions from BMA’s production processes while remaining responsive to changes in the business environment. In collaboration with BHP, MDP is also supporting research aimed at reducing emissions across the entire steelmaking coal value chain. For example, MDP entered into a partnership with ArcelorMittal, Mitsubishi Heavy Industries, Ltd., and BHP to apply CO<sub>2</sub> capture technology in steelmaking and jointly conduct demonstration tests at ArcelorMittal’s steel works.

### Sustainable Food Supply

As global population growth drives rising food demand and interest in sustainability continues to increase, establishing a sustainable production and supply system has become increasingly important. MC is committed to developing a business model that integrates sustainable production, processing, and sales. The company is expanding its range of products certified by international fishing and farming standards such as the Marine Stewardship Council (MSC) and the Aquaculture Stewardship Council (ASC), while also promoting transactions with suppliers that adhere to its Policy for Sustainable Supply Chain Management.

#### Global Salmon & Trout Supply-Demand Outlook



Source: Calculations based on Kontali Analyse AS data

**Cermaq Initiatives**

Cermaq, one of the world’s leading companies in salmon (including coho) farming, processing, and sales, became a subsidiary of MC in 2014. Operating in Norway, Chile, and Canada, Cermaq produces approximately 200,000 metric tons of salmon annually, delivering sustainable, high-quality farmed salmon to consumers worldwide.



Biodiversity protection is a core element of Cermaq’s license to operate across all regions. The company actively collaborates with local stakeholders to safeguard biodiversity, including salmonid species in its farming areas. Cermaq monitors benthic impacts, tracks bird and marine mammal mortalities at its sites, and ensures compliance with the laws and regulations of Chile, Canada, and Norway, as well as additional requirements under certification standards such as ASC and BAP. Furthermore, Cermaq participates in beach-cleaning initiatives in its operating regions, regardless of the source of the litter.

Cermaq’s Feed Supplier Code of Conduct mandates that no fish meal or fish oil used in its feed originates from IUU (Illegal, Unreported, and Unregulated) fisheries and that all soy used is deforestation-free.

• **Using Innovation to Address Societal Needs**

MC strives to create businesses that address pressing societal challenges while driving significant industry reforms through innovation.

||| **Related SDGs Themes**



||| **Action Plan for This Material Issue**

MC recognizes that innovation has immense potential to solve societal and industrial challenges and enrich daily lives. The company is committed to achieving sustainable growth by transforming existing businesses and pursuing new opportunities generated by innovation.

**Building a Cross-Industry Digital Ecosystem**

Many of MC’s businesses are physically based and require digital transformation (DX) solutions. By integrating DX functions into these businesses, the company will optimize logistics, improve productivity, increase business value, and contribute to industry development and vibrant local communities.

By developing cross-industry DX functions that leverage its extensive business expertise and offering them as services, MC will enhance the value of industries as a whole. To achieve this, the company aims to boost productivity across both industries and society, creating sustainable value through the establishment of a “cross-industry digital ecosystem,” a network where industries, companies, local communities and other stakeholders can organically connect and coexist.

**Activity at MCD3**

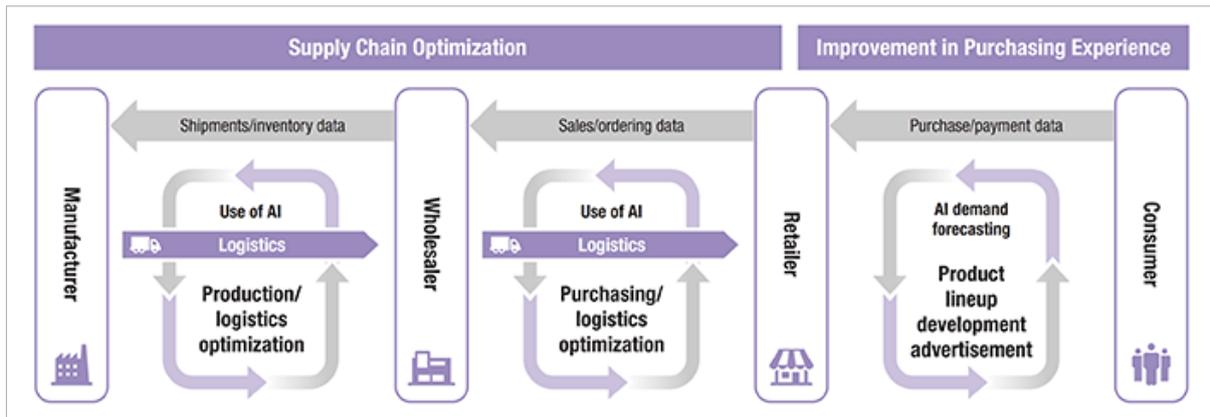
MCD3, Inc. serves as the strategic digital arm of Mitsubishi Corporation. Established on July 1, 2025 through the integration of Industry One, MC Digital, and MC Data Plus, MCD 3 combines Design, Digital, and Data to create an end-to-end operating model that seamlessly connects business ideation to service delivery—maximizing customer value and accelerating digital transformation across industries.

MCD 3 is committed to addressing urgent social challenges, such as the rapid decline of the working population and the pressing need to boost productivity. By leveraging and scaling its expertise and services, MCD 3 strives to deliver greater social impact.

**Reduction of Food Waste**

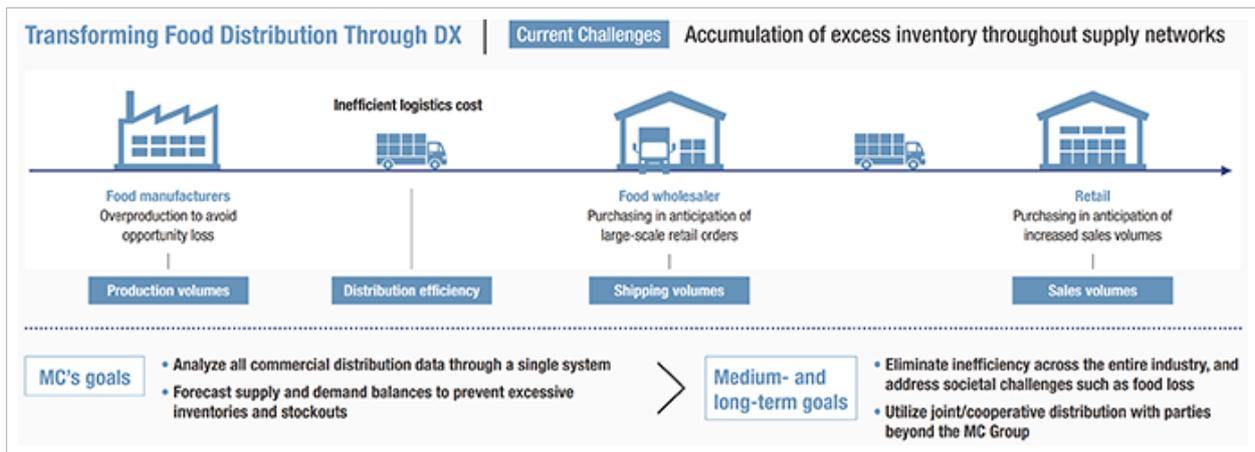
In 2019, food waste in Japan was estimated at 5,700,000 tons, an amount equivalent to 1.4 times the World Food Programme’s global food aid in 2020. Approximately 54% of Japan’s total food waste occurs during the distribution and production process, making it a critical issue for the food distribution industry.

MC is advancing initiatives to reduce food waste through the use of digital technologies, including AI. Several MC operating companies have set ambitious targets, aiming to reduce food loss by 50% by 2030 through measures such as improving distribution efficiency.



**DX Business in Food Distribution**

MC has initiated the development of solutions that enable demand forecasting and automated ordering for food wholesalers. By leveraging AI to calculate optimal order quantities—preventing shortages while reducing excess stock—and linking these calculations directly to actual orders, the concept of “purchasing of necessary amounts of necessary items” becomes achievable. This approach allows MC to contribute significantly to reducing food waste at the wholesale level. In demonstration experiments, the solution successfully reduced stock volumes compared to traditional manual ordering processes, while also lowering the probability of stock shortages. These results indicate strong potential for effectiveness.



DX Business in Food Distribution

**Optimizing the Entire Supply Chain through Digital Technology**

Supply chains connecting producers and consumers rely on effective combinations of storage and transportation logistics. Japan’s domestic warehousing market, valued at approximately nine trillion yen, plays a central role in these supply chains. However, challenges such as labor shortages, reliance on specific individuals for specialized tasks, and rigid lease agreements have led to inflexible inventory capacities. These constraints have contributed to wasteful, inconsistent, and burdensome fulfillment practices across multiple industries. Similar issues are emerging in other countries, including the United States and China, prompting innovators to develop new business models. Examples include self-driving warehouse robots and platforms that enable users to share vacant warehouse space.



**Gaussy’s Warehouse DX Services**

The “Roboware” subscription service enables anyone, regardless of background or technical expertise, to easily manage warehouse operations using robots, offering a practical solution to labor shortages and overreliance on the issues mentioned above. Similarly, “WareX” provides a simple platform for sharing available warehouse space, addressing issues of limited or excess capacity.



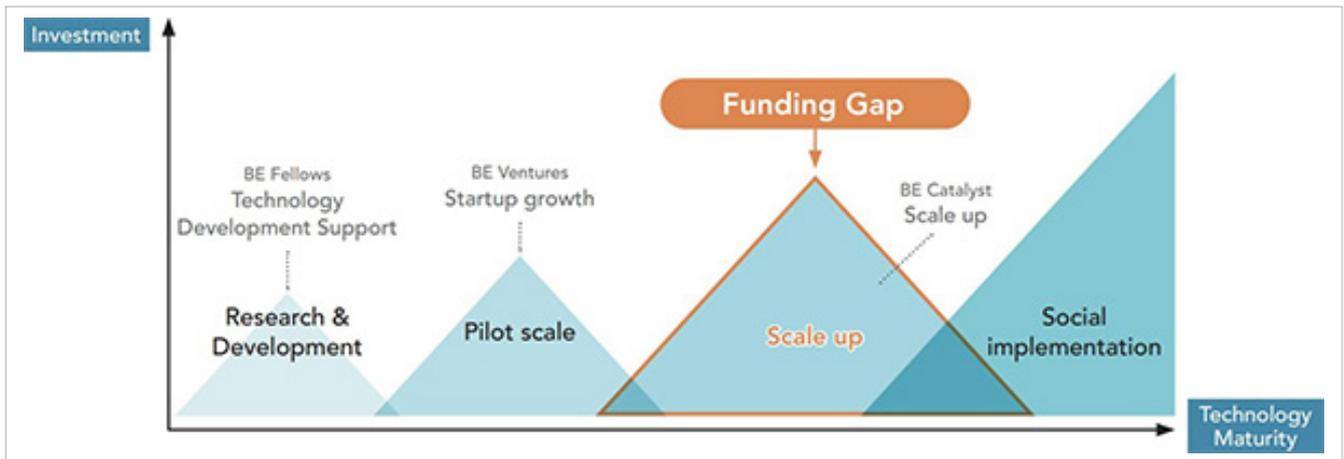
Gaussy offers both services to customers. Roboware, which utilizes eight types of warehouse robots, has already been deployed in more than 60 facilities across Japan. WareX, with over 1,500 registered facilities nationwide, allows businesses of all sizes—large, medium, and small—to lease vacant warehouse space on a convenient pay-as-you-go basis.

Guided by its vision to create new opportunities in logistics, Gaussey is committed to developing flexible mechanisms that adapt to evolving warehousing needs and cargo volumes. Together with its partners, Gaussey aims to provide fulfillment customers with innovative and unprecedented options to optimize their operations.

**Contributing to a Carbon-Neutral Society through Technological Innovation**

Decarbonization is an urgent global challenge that demands rapid and coordinated action. MC recognizes the importance of not only developing entirely new decarbonization technologies but also accelerating the scale-up of existing solutions, moving technologies that have completed R&D into full implementation as quickly as possible.

To help realize a carbon-neutral society, MC is actively promoting the development of energy transformation (EX)-related businesses, including next-generation energy solutions. To complement and further accelerate these efforts, MC will focus on scaling innovative decarbonization technologies through public-private partnerships.



**Participation in Breakthrough Energy Catalyst Program to Accelerate Decarbonization Technologies**

MC is the first company in Asia to join Breakthrough Energy Catalyst (BEC), a program dedicated to accelerating the deployment of innovative decarbonization technologies across society.

BEC is a pioneering model launched under Breakthrough Energy, a network of initiatives founded in 2015 by global philanthropist Bill Gates. The program provides investment and support for projects based on advanced decarbonization technologies that have completed research and development.

MC is actively engaged in renewable energy and is exploring next-generation energy sources such as hydrogen, ammonia, and methanation. The company recognizes the critical need to leverage new technologies and innovations to meet the global challenge of transitioning to a carbon-neutral society.

BEC acts as a true “catalyst”, linking private sector and philanthropic funding, green product off-take support, and government assistance. Through these efforts, BEC is creating a framework to scale projects based on breakthrough decarbonization technologies, driving progress toward a carbon-neutral future.

Currently, BEC focuses on five key areas, including ( 1 ) clean hydrogen production and related infrastructure, ( 2 ) long-duration energy storage (LDES), ( 3 ) sustainable aviation fuels (SAF), ( 4 ) direct air capture (DAC), and ( 5 ) green manufacturing industries (steel, cement, plastics, etc.). Future expansions may include other critical decarbonization technologies. MC considers these areas essential to its EX Strategy and Roadmap to a Carbon-Neutral Society.

By participating in BEC, MC will help accelerate the adoption of innovative technologies that will reduce environmental impact without compromising quality of life.

Leveraging its expertise and networks in Japan and across Asia, MC will collaborate with BEC partners from a broad range of industries, including steel, aviation, and finance, to drive meaningful progress toward a carbon-neutral world.

**Major Progresses**

- **Participation in a DAC Project in Louisiana, USA**
- **MC expands its Data Center Presence with Entry into US**
- **PoC Launched to Test Smart-charging Service Using EV Connected Technologies**
- **Mitsubishi Corporation to Participate in Demonstration Project for New Hydrogen-Based Ironmaking**

# Addressing Regional Issues and Growing Together with Local Communities

MC strives to contribute to the development of economies and societies by addressing challenges faced by countries and regions, while fostering growth through collaboration with diverse stakeholders, regions, and communities.

## Related SDGs Themes



## Action Plan for This Material Issue

MC believes it can create significant value by leveraging its unique collective capabilities and extensive connections across industries, while building strong relationships with diverse stakeholders and local communities. The company is committed to pursuing sustainable growth alongside local communities by resolving issues that communities are facing and by exploring related business opportunities.

### Creating self-Sustained, Decentralized Communities

MC promotes initiatives aimed at regional revitalization throughout the company. These include developing new carbon-neutral industries, supporting smooth transitions to decarbonized societies, and fostering vibrant communities.

### Establishment of New Branches in Akita and Choshi

In November 2022, MC opened domestic branches in Akita and Choshi, Japan. Guided by the themes of utilizing local energy resources such as renewable energy, creating new carbon-neutral industries, and revitalizing communities by addressing regional issues, MC aims to foster new industries and drive regional development. This approach includes collaborating with various stakeholders such as partners and local governments while leveraging MC's extensive industrial network to address societal and industry challenges.



Akita Branch



Choshi Branch

### Regional Development Agreement with Local Governments

By 2023, MC signed partnership agreements with five cities: Yatsushiro in Kumamoto Prefecture, Kurashiki in Okayama Prefecture, Nasushiobara in Tochigi Prefecture, Choshi in Chiba Prefecture, and Chitose in Hokkaido Prefecture. These agreements aim to resolve regional issues and promote initiatives for regional development and revitalization. Specific areas of cooperation include revitalizing local and regional communities through digital technology and improvement civic services such as energy, mobility, and healthcare. In Nasushiobara and Chitose, MC introduced its Hometown Tax Program (Furusato Grant), enabling both cities to implement initiatives that encourage taxpayer donations to local municipalities.

## Major Progress

- [Mitsubishi Corporation, KDDI CORPORATION, Lawson, Inc. Launching an Initiative to Transform into "Next-generation Convenience Store"](#)
- [Joint Discussions on Green Hydrogen Supply in Hokkaido's Chitose Area](#)
- [Mitsubishi Corporation Invests in Fullerton Health](#)

## Development and Management of Smart Cities

The rapid expansion of the middle class and accelerated urbanization, particularly in emerging economies, has increased the need for social infrastructure projects that incorporate societal and environmental values.

In response to these changes, MC aims to contribute to the economic growth of the countries where it operates while reducing environmental impact. The company promotes the development and management of large-scale, high-value-added urban projects designed to sustainably create high-quality environments for living, working, healthcare, educational, logistics, and transportation.

**Urban Management and Development Projects to Enhance Urban Value in Indonesia**

MC is pursuing an urban management project and promoting a large-scale urban development initiative in collaboration with Sinarmas Land (SML), one of Indonesia’s largest real estate developers.

In March 2020, MC signed an MOU with SML to jointly implement urban management and introduce smart and digital solutions in BSD City, a 6,000 hectare development. This partnership aims to deploy urban services across BSD City, including an AI/IoT data platform, city portal, mobility solutions, and energy-related content, in collaboration with various operating companies and partners from different sectors.

Following the MOU, MC launched Indonesia’s first trial operation of autonomous electric vehicles (AEVs), along with a sharing service experiment designed to encourage a shift from “owning” to ” renting.” Additional initiatives include a mobile convenience store operations using electric vehicles, and exploration of a district cooling system for BSD City. These efforts reflect MC’s commitment to experimenting with and implementing city services that address social issues and promote urban sustainability.

At the same time, MC and SML are working on a large-scale development project in BSD City. This initiative represents Indonesia’s first transit-oriented development\*, creating a smart city that integrates residential units, commercial properties, schools, hospitals, parks, and public transportation nodes on a new site of more than 100 hectares.

By promoting a modal shift toward public transportation, MC aims to contribute to economic growth while addressing societal and environmental challenges such as traffic congestion and air pollution. Another goal is to create safe, convenient, and secure urban environments through the implementation of advanced urban services, including AI/IoT platforms, city portals, mobility solutions, and energy systems.

\*Transit-oriented development refers to urban planning that prioritizes public transportation, reducing dependence on automobiles.



Project image



Electric vehicle (EV)

**Solutions for Regional Transportation Challenges through Digital Mobility Services**

Regional communities facing challenges such as population decline are experiencing growing demand for services that use digital technologies to maintain transportation networks and close mobility gaps.

MC is addressing these needs through its operating companies—Next Mobility Co., Ltd, and Spare Technology Solutions Inc., which provide AI-powered on-demand transportation services under the KnowRoute brand across various regions of Japan; A-Drive. Inc. and Moplus Inc., which are advancing the social implementation of autonomous driving; and DennoKotsu Inc., which is accelerating taxi digital transformation (DX). Together, these initiatives contribute to the realization of sustainable regional public transportation through next-generation mobility solutions.



In fiscal year 2025, MC worked to measure and visualize the social impact generated by the KnowRoute service, which exemplifies these efforts. For details of the analysis results, please refer to the impact report.

Reference [impact report](#)

**Major Progress**

- **Mitsubishi Corporation makes DennoKotsu an equity-method affiliate company, strengthening efforts to address regional transportation challenges**

# Respecting Human Rights in Our Business Operations

MC respects the human rights of all stakeholders involved in its diverse global operations and actively works to identify and address issues within the value chain, taking into account the unique local conditions in each country where it operates.

## Related SDGs Themes



## Action Plan for This Material Issue

Sustainable business and long-term corporate value cannot be achieved without respecting the human rights of all individuals involved in business activities. MC is committed not only to upholding human rights in the promotion of its businesses but also to pursuing opportunities that create added value by addressing human rights issues.

### Implementing Human Rights Due Diligence in Business Activities

MC’s operations have expanded far beyond traditional trading to include project development, production, and manufacturing in collaboration with trusted partners worldwide. The company recognizes the importance of identifying and analyzing potential negative impacts on human rights and the environment to ensure these risks are avoided or mitigated. To this end, MC conducts comprehensive human rights and environmental due diligence across its business activities.

Reference [Human Rights: Policy](#)

### Procurement based on MC’s Policy for Sustainable Supply Chain Management

As part of its commitment to sustainable supply chain management, MC identifies products with high human rights and environmental risks and conducts annual due diligence to monitor suppliers’ compliance with its [Policy for Sustainable Supply Chain Management](#). In addition, MC develops [individual procurement guidelines for specific products](#) as needed to ensure responsible sourcing practices.

### Ensuring the Safety of Employees

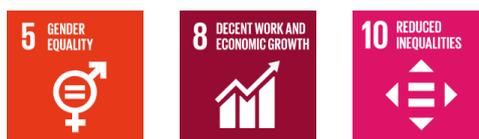
MC employs approximately 62,000 professionals worldwide, who are recognized as some of its most important stakeholders. To sustainably generate corporate value, it is essential that diverse human resources—regardless of gender, nationality, or other attributes—can fully demonstrate their capabilities in response to increasing business diversification and globalization. The foundation of this effort is creating a working environment rooted in respect for human rights, beginning with ensuring workplace safety.

Reference [Well-being \(Health & Productivity Management, Occupational Safety and Health\): Policy](#)

# Fostering Vibrant Workplaces That Maximize the Potential of a Diverse Workforce

MC recognizes that its people are its greatest asset and is committed to cultivating a diverse and versatile talent pool that drives triple-value growth across the organization. The company strives to create an environment where employees from different backgrounds share common values, grow together, and strengthen connections while inspiring one another to excel.

## Related SDGs Themes



### III Action Plan for This Material Issue

Human capital is MC’s most powerful and vital asset and the source of all value creation. To remain a company that connects versatile and diverse talent who take on the challenge of addressing societal and industrial issues with satisfaction and pride, MC has established its “DEAR” people strategy—Diversify, Energize, Accelerate, Reward—looking ahead to the next 10 years.

Building on the principles of DEAR, MC has formulated and is advancing key initiatives centered on the theme of “challenge” to drive its Value Creation Framework through the Enhance, Reshape, and Create (ERC) initiatives outlines in Corporate Strategy 2027.

For more details on MC’s 10-year HR Vision, DEAR strategy, and related action plans, please refer to the Integrated Report and the relevant pages.

- Reference [Integrated Report - Human Capital](#) 
- [Labor Practices](#)
- [Human Resource Development](#)
- [Diversity Management](#)
- [Well-being \(Health & Productivity Management, Occupational Safety and Health\)](#)

In addition, to further strengthen employee engagement, MC conducts an Employee Awareness Survey annually to assess employee motivation and organizational vitality and link these insights to operational improvements. MC has set quantitative KPIs to maintain a positive response rate of 65% or higher for both Employee Engagement Rate and Employee Enablement Rate. In FY2024, the results exceeded these targets, with an Employee Engagement Rate of 77% and an Employee Enablement Rate of 71%. Employees receive feedback and survey results so they can use this information to make improvements within their own organizations. At the management level, MC analyzes and discusses the results, identifies issues that need to be addressed on a companywide basis, and incorporates these findings into policies.

For disclosure of HR data, please refer to the ESG Data at the link below.

- Reference [Sustainability Report / ESG Data](#)

## • Maintaining a Highly Transparent and Flexible Organization

While swiftly responding to changes in the business environment, MC will implement effective governance on a global, consolidated basis and maintain and strengthen an organization that is both transparent and flexible.

### III Related SDGs Themes



### III Action Plan for This Material Issue

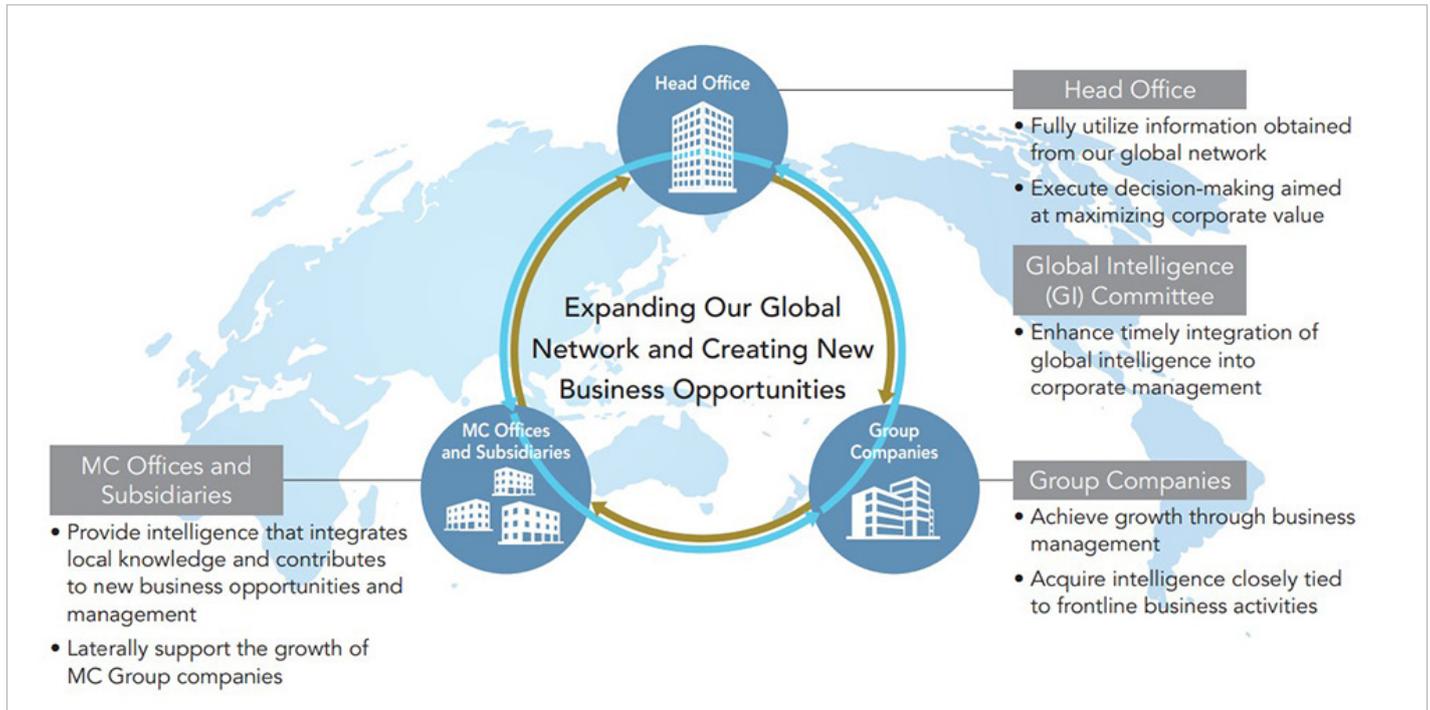
In today’s era of rapid transformation, it is critical to maintain the agility to adapt swiftly to global changes while fostering a broad perspective to achieve sustainable growth. Furthermore, MC views the continuous strengthening of corporate governance as a fundamental management policy, as it forms the foundation for sound, transparent, and efficient management—key pillars of sustainable growth. From this standpoint, MC’s primary initiatives are as follows:

#### Incorporating Global Intelligence into Management

As MC operates a global network of businesses spanning diverse regions and industries, it has accumulated significant intangible assets in the form of industry expertise and market intelligence. This deep knowledge, cultivated through a wide range of business activities, enables it to anticipate shifts in today’s uncertain environment. As industry boundaries blur and change becomes increasingly unpredictable, these insights are essential for guiding strategic growth investments across MC’s business areas. They also serve as a foundation for creating MCSV through collaboration among its various business segments.

**Establishment of the Global Intelligence (GI) Committee**

With operations in approximately 80 countries, MC strives to anticipate change and identify new sources of significant growth. The company remains prepared by envisioning diverse possibilities and leveraging market intelligence derived from high-quality information, global networks, and business expertise developed through its offices and trading businesses. MC’s goal is to stay one step ahead by swiftly and effectively anticipating and responding to change. Additionally, MC benefits from the insights of the International Advisory Committee, an advisory body to the Board of Directors that provides a global perspective and strengthens MC’s international intelligence.



**Flexible Organizational Restructuring**

MC has consistently demonstrated flexibility in adapting its businesses and systems to align with changing times. In today’s turbulent environment, the need for agility is greater than ever. MC will continue to reshape its organizational structure and optimize human resources to respond swiftly to shifts in the business environment and management strategies, while driving the creation of shared value.

**Transparent and Effective Operation of the Board of Directors**

Guided by its fiduciary responsibility and accountability to shareholders, the Board of Directors fulfills the following roles and responsibilities to promote MC’s sound and sustainable growth, enhance corporate value, and contribute to enriching society. In doing so, the Board ensures transparent, fair, timely, and decisive decision-making, along with highly effective oversight of management.

- Provide broad management direction that aligns with MC’s business realities, taking into account external factors such as market trends and global perspectives.
- Oversee the development and operation of the business and risk management systems established by executives to support appropriate risk-taking.
- Ensure effective oversight of executives by evaluating them independently and objectively in light of the basic management policies approved by the Board of Directors, and by encouraging necessary corrective actions.

**Initiatives to Enhance the Effectiveness of the Board of Directors**

Guided by the Three Corporate Principles, MC strives to continuously enhance corporate value through activities rooted in fairness and integrity. MC believes that by helping to enrich society, it will meet the expectations of all stakeholders. To achieve these goals, MC recognizes the ongoing strengthening of corporate governance as a fundamental management policy, as it provides the foundation for sound, transparent, and efficient management.

Please refer to the links below for further details.

- Reference [Basic Policy of and Evolution of Corporate Governance of MC Board of Directors](#)
- [Advisory Bodies to the Board of Directors](#)
- [Initiatives to Enhance the Effectiveness of the Board of Directors](#)

# Environment

Environmental Management	028
Climate Change	031
Water Resources	056
Biodiversity	060
Prevention of Pollution	072
Efficient Use of Resources	075

## • Environmental Management: Policy

MC considers addressing sustainability challenges as one of its most important management issues. We have therefore been actively engaged in promoting a range of initiatives aimed at preserving the global environment across all aspects of our business. The cornerstone of these activities is our Environmental Charter, established in 1996. The charter clearly outlines our fundamental stance on environmental issues to all of our stakeholders. Based on this charter, MC conducts a variety of activities and strives to create and increase environmental value. The charter has been revised as necessary to reflect the evolving nature of environmental issues and awareness.

MC has established environmental management systems (EMS) that comply with ISO 14001, with the President and CEO serving as the chief officer in charge of EMS. In keeping with the spirit of the Environmental Charter, MC advances EMS activities based on its Environmental Policy.

Specifically, by having the President and CEO manage the targets set in the previous fiscal year for both business and office activities, determine policies for the coming year, and establish systems for internal deployment, we strive to continuously enhance and improve our EMS in harmony with our business activities. We will continue to pursue effective initiatives that contribute to the company's sustainable growth.

### MC's Environmental Policy

MC has established environmental management systems (EMS) based on its Environmental Charter. By disseminating the Environmental Policy set annually by the President and CEO and promoting awareness throughout MC, we aim to preserve the global environment and work toward the realization of a sustainable society through our business activities.

#### 【2025 Environmental Policy】

##### 1 Compliance with Environmental Laws and Standards

We will uphold environmental laws and standards in addition to our own environmental commitments.

##### 2 Efforts to Improve the Environment

1. We will make efforts to reduce our greenhouse gas emissions in order to address climate change.
2. We will make efforts to reduce resource and energy consumption.
3. We recognize the importance of biodiversity and will pay close attention to our impact on the natural environment.

##### 3 Continuous Improvement of Our EMS

We will strive for continuous utilization and improvement to our EMS in line with our business activities.

##### 4 Disclosure of Our Environmental Policy

We will ensure that our Environmental Policy is conveyed to all of our employees and promote understanding through training and dissemination efforts. We will also publicly disclose our Environmental Policy.

### Green Procurement Policy

As MC conducts office activities in line with its Environmental Policy, we take the following actions to proactively consider the environment in all types of procurement activities, with the aim of reducing environment impact. These actions are based on the Green Purchase Guidelines, which lay out in writing green purchase methods.

##### 1 Avoid unnecessary procurement

##### 2 Place emphasis on “environmental consideration” together with function and cost at the time of procurement, and select green products whenever possible which satisfy the following criteria:

1. Those using primarily recycled or reused raw materials
2. Those which reduce resource and energy consumption and have a lower environmental impact throughout the production, use, and disposal lifecycle
3. Those which do not use hazardous chemicals, or are making efforts to reduce such substances
4. Those with an established recycling system

##### 3 Make efforts to reduce environmental impact from packing and transport during procurement wherever possible

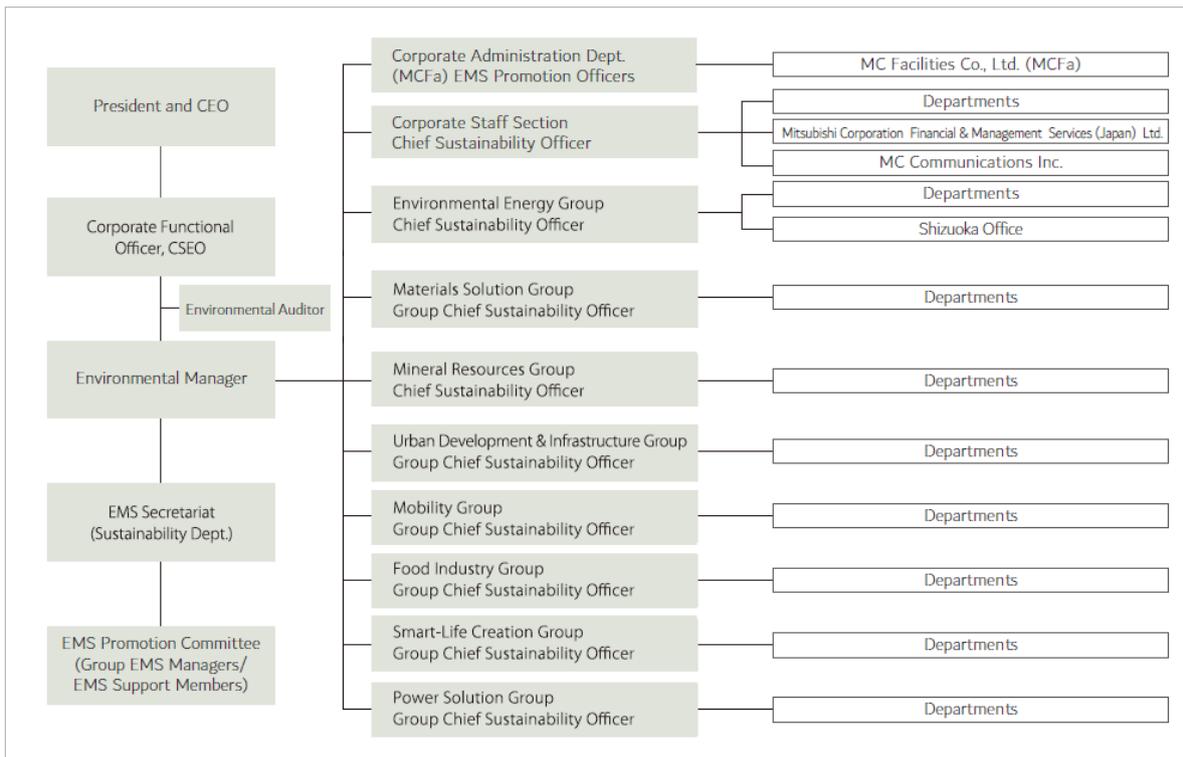
##### 4 Strive to reuse materials and curb new procurement

Furthermore, the guidelines also stipulate that when selecting products with special procedures required by law (home electronics, etc.), MC will confirm whether the product incorporates environmental considerations by referencing catalogues and other sources. For products such as stationery, printing paper, and furniture, MC will also confirm—by referencing catalogues and other sources—whether the product is certified (with an official mark) as environmental regulations and standards.

# • Environmental Management: Structure

At MC, environmental management systems (EMS) are managed by the General Manager of the Sustainability Department, who serves as the Environmental Manager, with the President and CEO of MC acting as the chief officer in charge of EMS. MC encourages the participation of all employees in implementing EMS, working in cooperation with the Group Chief Sustainability Officer of each Business Group, as well as Group EMS Managers and other relevant personnel.

## III Environmental Management Systems (EMS) Promotion Framework



\* As of April 1, 2025

## III Status of ISO 14001 Acquisition

In 1998, MC acquired ISO 14001 certification for its Head Offices. Individual operating companies also comply with ISO 14001 depending on their individual status.

\*Certified sites (ISO 14001-certified sites):

Head Offices and three affiliated companies (Mitsubishi Corporation Financial & Management Services (Japan) Ltd., MC Facilities Co., Ltd., MC Communications Inc.)

\*Ratio of ISO 14001-certified sites: 100%

\*Scope of registration: Commodity trading and business investment activities

Please refer to the ESG Data at the link below for data related to the main operating companies with ISO 14001 certification.

Reference [Sustainability Report / ESG Data](#)

## III Environmental Audits

MC conducts internal environmental audits annually in accordance with ISO 14001. Audit teams, comprised of members of the Corporate Sustainability Department, verify whether EMS is being effectively implemented in each Business Group. The audit teams report their findings to the President and CEO, who serves as the chief officer in charge of EMS.

## III Environmental Communications

When requested by customers or other external stakeholders, MC provides environmental information in accordance with ISO 14001 standards. This includes certified copies of documentation related to the ISO certification process. In FY2024, MC provided 3 certified copies of its ISO documentation.

## • Environmental Management: Initiatives

### III Procurement of CO<sub>2</sub>-Free Electricity for the Head Office Building

As part of efforts on "Contributing to Decarbonized Societies," one of MC's Materialities, MC has switched to green power for the electricity used at its Head Office building (the Mitsubishi Shoji Building). CO<sub>2</sub>-free electricity with environmental value—tracked through non-Fossil Fuel Energy Certificates\*<sup>1</sup>—is generated at a solar power plant invested in and operated by Mitsubishi Corporation Clean Energy Ltd., which is engaged in the power generation business, and procured through MC Retail Energy Co., Ltd., which is engaged in the power retailing business. As such, electricity demand at the Mitsubishi Shoji Building is met by renewable energy sources that also satisfy the requirements of RE100\*<sup>2</sup>. From power generation to retail, MC operating companies work together to supply, procure, and use renewable energy, creating environmental value by leveraging MC's comprehensive capabilities across the power value chain.

\* 1 Non-Fossil Fuel Energy Certificates certify the environmental value of electricity generated from non-fossil fuel energy sources, such as renewable energy, under the Act on the Promotion of Use of Non-fossil Energy Sources and Effective Use of Fossil Energy Materials by Energy Suppliers.

\* 2 An international initiative that aims for 100% of the energy used in business operations to be sourced from renewable sources.

## • Environmental Management: Relevant Data

### III Number of Environmental Reports and Corrective Measures

As part of EMS implementation, MC has established a system for reporting and correcting matters related to infringements of laws and ordinances, as well as guidance from authorities. Reported incidents are shared throughout MC, and measures are taken to prevent recurrence.

Please check the ESG Data at the link below for data on the number of environmental reports and corrective measures.

Reference [Sustainability Report / ESG Data](#)

A company-wide reporting system using a compliance hotline has also been instituted to ensure appropriate responses to accidents and disasters and to promptly implement measures to prevent recurrence. Going forward, MC will continue to promote EMS and measures to address environmental contamination, such as oil pollution. In the event of an environmental incident, MC will promptly report the matter to relevant parties, investigate the causes, and consider appropriate remedial and preventive measures. In doing so, MC will rigorously implement measures to prevent recurrence.

Reference [Compliance Framework](#)

## • Climate Change: Policy

At MC, we believe that while climate change poses significant business risks, it also presents us with new business opportunities for innovation, disruption and growth. Accordingly, MC has set “Contributing to Decarbonized Societies” as one of its material issues as we strive to achieve sustainable growth.

In shifting to a decarbonized society, it is necessary to formulate specific policies that take into account the actual conditions (energy and power mix, geographical conditions and constraints, stage of economic development, population, etc.) that differ from country to country and region to region, and to steadily implement them one by one. Through our global network of offices and operating companies, we work with a wide range of stakeholders around the world each day in developing our business.

### Progress to a Carbon Neutral Society

In October 2021, MC formulated its **Roadmap to a Carbon Neutral Society**  in which we declared our goal of achieving net zero GHG emissions by 2050. As an active player in a variety of industries including resources and energy, we will fulfill our responsibility to provide a stable supply of energy while striving to achieve a carbon neutral society.

#### III Roadmap: Three Core Points

- GHG Reduction Targets: Halve by FY2030, Net Zero by 2050
- Approx. 2 trillion yen of Energy Transformation (EX)-related investment by FY2030
- Integrated EX/DX initiatives to “Create a New Future”

#### Policy on Coal-fired Power Generation Businesses (IPP and EPC)

MC has established the following approach for its coal-fired power generation business, based on the GHG emission reduction targets announced in our roadmap.

##### Independent Power Producer (IPP) Business for Coal-fired Power Generation

- As of March 31, 2025, MC’s coal-fired power generation capacity (for businesses in which MC serves the role of Independent Power Producer, or “IPP”), including projects under development and construction, is approximately 78GW on an equity share basis (roughly 9% of MC’s total capacity as of the same date).
- MC has adopted a policy to reduce its equity share to approximately one-third by 2030 (compared to 2020 levels) by not entering into any new coal-fired power generation businesses, with the Vung Ang II project in Vietnam being the last, and to exit all existing coal-fired power generation projects by 2050. Furthermore, we will work to reduce CO<sub>2</sub> emissions in our thermal power generation business by taking steps such as converting to alternative fuel sources. We will subsequently aim to achieve a 100% non-fossil power generation portfolio by 2050 by 1) decarbonizing our thermal power generation business by switching to zero-emission thermal power and 2) further expanding our renewable energy business.

##### Engineering, Procurement and Construction (EPC) Business for Coal-fired Power Plants

- MC will not enter into any new EPC (Engineering, Procurement and Construction) businesses for coal-fired power plants, with the Quang Trach 1 project in Vietnam being the last. However, MC will continue to provide after-sales services for installed plants in cases such as when MC has a contractual obligation with the relevant power generation company, or when it is requested to do so by the power generation company or equipment manufacturer.
- Furthermore, MC will continue additional construction work and equipment replacement to reduce the environmental impact of existing coal-fired power plants, while assessing the effectiveness of such measures, as an initiative linked to the transition to a low-carbon/ decarbonized society.

# • Climate Change: Targets

## Key GHG Metrics and Disclosure Highlights

MC has set GHG emissions reduction targets consistent with the Paris Agreement, which aims to limit global warming to well below 2°C and preferably 1.5°C above pre-industrial levels by the end of the century. We are advancing a variety of measures to achieve these targets. We have set GHG emissions reduction targets on a consolidated basis and work closely with our operating companies to collect emissions data and implement reduction initiatives on a consolidated basis. Furthermore, we utilize our environmental management system (EMS) to gather essential information for policy planning. In FY2020, we expanded the scope of our survey through a major update to the environmental performance survey system, and we continue to improve the accuracy and timeliness of both qualitative and quantitative data on our GHG reduction initiatives.

## Targets

MC is committed to creating MC Shared Value by simultaneously decarbonizing and reinforcing its portfolio in accordance with the net zero by 2050 and 1.5°C targets in line with the Paris Agreement. To achieve this, we have set the following three goals toward the realization of a decarbonized society.

### 1) GHG Emissions Reduction Targets

- Net zero GHG emissions by 2050, and a detailed reduction plan with interim targets set for FY2030.
- Emissions halved by FY2030 (compared to FY2020 levels), primarily through portfolio replacement driven by divestment of thermal power assets.\*

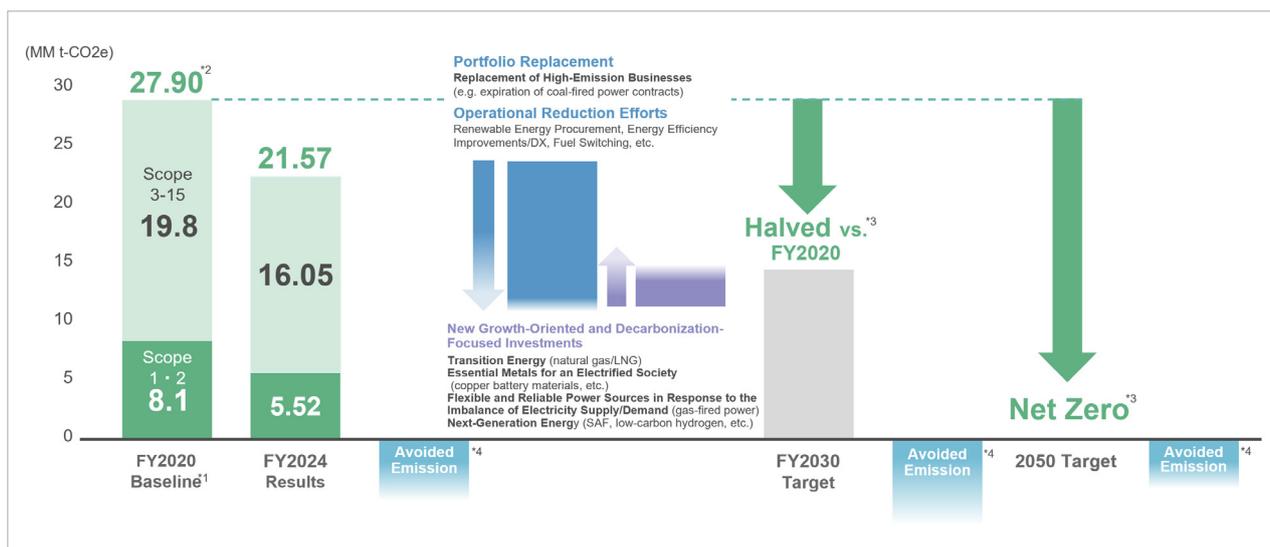
\*Applies to Scope 1 and 2 emissions as well as Scope 3 Category 15 (Investments, hereinafter "Scope 3-15")

We have been using the equity share approach to calculate GHG emissions. However, to clarify the scope of responsibility for our emissions, we will adopt the financial control approach starting in FY2025. Under this approach, GHG emissions from our subsidiaries and joint operations will be disclosed as Scope 1 and 2 emissions, while those from affiliate companies will be disclosed as Scope 3 Category 15 emissions. All of these will be included in our reduction targets. (For information on the restatement of base year emissions in accordance with the change to the financial control approach, please refer to the section "Our Past Initiatives"\*<sup>1</sup> below.)

### Our Progress to Date

MC continuously tracks progress against its reduction targets. Actual performance figures for Scope 1 and 2 GHG emissions toward our reduction target are as follows:

GHG Emission Reduction Plan and Achievements to Date



\* 1 Restated to reflect changes, including the shift in GHG calculation standards from the equity share approach to the financial control approach.  
 \* 2 Base year figures include emissions from thermal power generation and natural gas projects, comprising (i) assumed peak emissions from pre-operational committed projects and (ii) projected full-capacity emissions for partially operational projects.  
 \* 3 If emissions reduction targets cannot be achieved despite active reduction efforts, we will consider offsetting residual emissions through internationally recognized methods such as carbon removal (e.g. carbon credits). Plans and measures related to GHG emissions reduction targets may be revised as needed in accordance with developments in technology, economic feasibility, policy or regulatory support, etc.  
 \* 4 Offsets will not be made using avoided emissions. Graphs showing avoided emissions in the diagram are for illustrative purposes only. For actual figures, please refer to the ESG data disclosed separately.

## III 2) Non-Fossil % in Power Generation Business

We aim to reduce existing thermal power capacity and transition to zero-emission thermal power, targeting 100% non-fossil by 2050.

## III 3) Renewable Energy Power Generation Capacity

We plan to double MC's renewable energy power generation capacity by FY2030 compared to FY2020 levels.

## Scope 1 & 2

In order to clarify the scope of responsibility for our emissions, we will adopt the GHG Protocol's financial control approach for emissions calculation as of FY2025. (As indicated in the diagram above, figures for fiscal years 2020 and 2023 have been recalculated based on the financial control approach.) Under this approach, GHG emissions from subsidiaries and joint operations will be disclosed as our Scope 1 and 2 emissions, while emissions from affiliate companies will be disclosed as Scope 3 Category 15 emissions.

## Scope 3

Since Scope 3 emissions are generated by other entities within our value chain, reducing Scope 3 emissions requires collaboration with a wide range of partners across our supply chains.

As a company operating across numerous sectors with extensive industry connections, we believe that pursuing initiatives that contribute to societal decarbonization (i.e. generating avoided emissions) will help reduce our Scope 3 emissions across multiple categories.

We will continue working toward reducing our Scope 3 emissions through partnerships with stakeholders and by advancing businesses that contribute to societal decarbonization.

Please refer to the ESG Data at the link below for details on GHG emissions (Scope 1, 2, & 3).

Reference [Sustainability Report / ESG Data](#)

### [Our initiatives in collaboration with partners across our supply chain]

Category/Initiatives		Details
Category 1	Conforming with MC's Policy for Sustainable Supply Chain Management	Requesting suppliers to protect the environment, including through GHG reduction, and confirming compliance with <a href="#">MC's Policy for Sustainability Supply Chain Management</a> through an annual survey of suppliers subject to MC's Sustainable Supply Chain Survey
	Procurement of low-emission materials for urban development	Adopting materials such as CO2-absorbing concrete and low-carbon asphalt paving for the urban development business
	Collaboration with supplier farms	Planting trees at farms within the supply chain of our food ingredient import operations
Category 4	Streamlining logistics	Improving logistics efficiency through DX initiatives in the food logistics business
Category 10	CO2 capture demonstration project	Conducting CO2 capture demonstration projects at steel-making plants in collaboration with multiple partners
Category 11	Initiatives regarding next-generation fuels	<a href="#">Climate Change : Initiatives   Environment   Sustainability   Mitsubishi Corporation</a>
	Initiatives regarding CCS/CCUS	<a href="#">Climate Change : Initiatives   Environment   Sustainability   Mitsubishi Corporation</a>
Category 13	Leasing low-emission construction equipment	Introducing construction equipment with lower environmental impact into the leasing business

## Avoided Emission

### III Our Efforts to Reduce Emissions

We regard avoided emissions as a quantitative indicator for measuring our contribution to reducing GHG emissions across society and the extent to which we are capturing business opportunities associated with decarbonization.

### III What are Avoided Emissions?

Avoided emissions refer to the quantified reduction or mitigation of GHG emissions achieved by providing low-emission products and services that help reduce society’s overall GHG emissions, compared to a baseline scenario in which conventional products or services are used.

The basic formula we use for calculating avoided emissions is as follows.

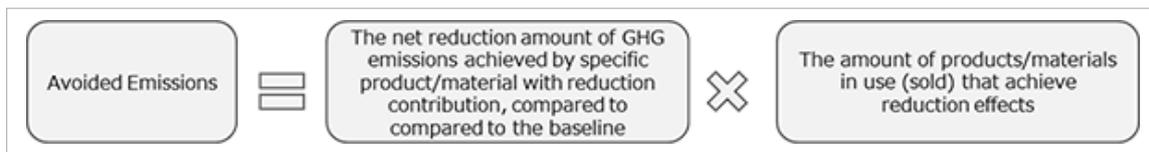
#### Flow Basis (Lifetime)

This approach evaluates annual avoided emissions by calculating the difference between CO<sub>2</sub> emissions from our products manufactured over their entire lifecycle, compared to emissions under a baseline scenario. This category includes materials and other products essential for EVs and similar end-use products.

#### Stock Basis (Single Year)

This approach evaluates avoided emissions generated within the evaluation year from our products and services. This category covers avoidance from renewable energy projects and similar initiatives.

The term “avoided emissions” includes not only the amount of carbon avoided by our products and services, but also the amount of carbon captured and removed.



\*Contribution ratios are not taken into account at this point due to calculation limitations.

### III Our Avoided Emissions

We have selected and assessed the following products that contribute to decarbonization and generate quantifiable avoided emissions. In principle, calculations are based on production and operating volumes, but forecasts are used for sales volumes and other data that have not yet been compiled for certain products.

Reference [Sustainability Report / ESG Data](#)

#### Examples of projects that contribute to avoided emissions that are in the planning stages or will begin operations in the near future

We have estimated avoided emissions for FY2025 and beyond for projects that have not yet begun operations / provision of services, or will begin operations soon. In the future, actual avoided emissions will be calculated based on each project’s operational performance.

##### Renewable Energy Power Generation Business

Through the operation of solar, onshore wind, hydro, and offshore wind power generation facilities currently under construction, we expect avoided emissions to increase by approximately 470,000 tons per year on a stock basis.

\*The estimated avoided emissions shown above are subject to change depending on actual operations and sales performance of commercial products.

### III Supplementary Information

#### [Points to note when calculating the Company's avoided emissions]

- In calculating the avoided emissions, we use actual (forecast) values and publicly available information whenever possible. However, when data is not readily available, assumptions and scenarios are applied for calculation purposes.
- We will continue refining calculations and disclosure of avoided emissions based on ongoing international discussions and trends.

#### [Examples of guidelines used as reference]

- GX League "Basic Guidelines for Disclosure and Evaluation of Climate-related Opportunities" (2023)
- WBCSD/WRI "GHG Protocol Corporate Accounting and Reporting Standard" (2019)
- WBCSD/Net Zero Initiative "Guidance on Avoided Emissions: Helping Business Drive Innovations and Scale Solutions Towards Net Zero" (2023)
- Ministry of Economy, Trade and Industry "Guidelines for Quantifying GHG Emission Reductions of Goods or Services Through Global Value Chain" (2018)
- The Institute of Life Cycle Assessment "Guidelines for Assessing the Contribution of Products to Avoided Greenhouse Gas Emissions" (2022)
- Japan Chemical Industry Association "Guidelines for assessing the Avoided Emissions" (2012)

# • Climate Change: Structure

## Governance

MC recognizes climate change as a key management issue. Since initiating discussions in 2016 on the resilience of its businesses to climate change, MC has established and continues to strengthen internal mechanisms to integrate climate change and other ESG factors into decision-making across the MC Group. These efforts include initiatives aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), such as conducting climate scenario analyses, to support the development and execution of business strategies and operational planning.

### III Our Climate Governance Structure

MC’s approach to climate change, including related policies, is formulated and regularly reviewed by the Sustainability Committee, a subcommittee of the Executive Committee. In its deliberations, the Sustainability Committee takes into account advice and recommendations from external experts obtained through the Sustainability Roundtable. Matters deliberated by the Sustainability Committee are reviewed and approved by the Executive Committee, MC’s principal decision-making body. In accordance with the regulations governing the Board of Directors, these matters are reported to the Board of Directors on a regular basis (approximately three times per year), thereby ensuring an appropriate level of oversight. In addition, Group Chief Sustainability Officers and Group Sustainability Managers are appointed within each business segment. These individuals are responsible for developing relevant management strategies, overseeing sustainability-related initiatives, including climate action, and strengthening climate-related initiatives and insight within their respective businesses. As a result, the above Basic Policy and Important Matters related to climate change are comprehensively considered in key business strategy decisions, as well as in the screening of new investment proposals.

#### Board of Directors, Executive Committee, and Sustainability Committee Deliberations and Reports

Basic Policy on Climate Change	Covers climate-related initiatives across MC’s businesses, including climate-related disclosures.
Important Matters	Assessments of climate-related risks and business opportunities (including scenario analyses), the setting of GHG reduction targets, and progress toward achieving those targets.

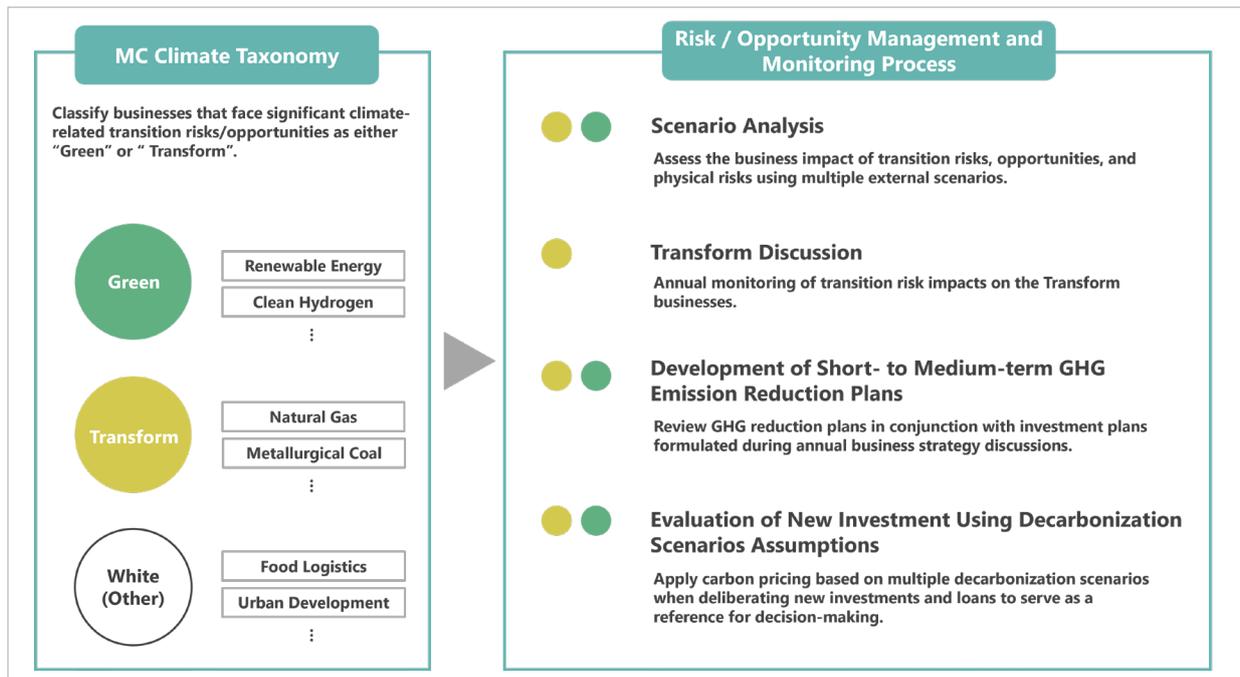
#### Climate-Change Governance Structure

Board of Directors	Oversees MC’s climate-related actions and initiatives	Convenes approx. three times per year
Executive Committee	Decides MC’s basic policy on climate change Decides important matters related to climate change	Convenes approx. twice per year
Sustainability Committee (reports directly to the Executive Committee)	Deliberates on MC’s basic policy on climate change and related important matters, and reports findings to the Executive Committee	Convenes approx. once per year
Sustainability Roundtable	Provides advice and recommendations on MC’s basic policy on climate change and related important matters	Convenes approx. twice per year
Officer in Charge	Provides advice and recommendations on MC’s basic policy on climate change and related important matters	
Department in Charge	Sustainability Department	

Reference [Diagram of the Sustainability Promotion Framework](#)

### III Framework for identifying and managing climate-related risks and opportunities

MC implements the following initiatives to identify and manage climate-related risks and opportunities, including initiatives to achieve its GHG reduction targets.

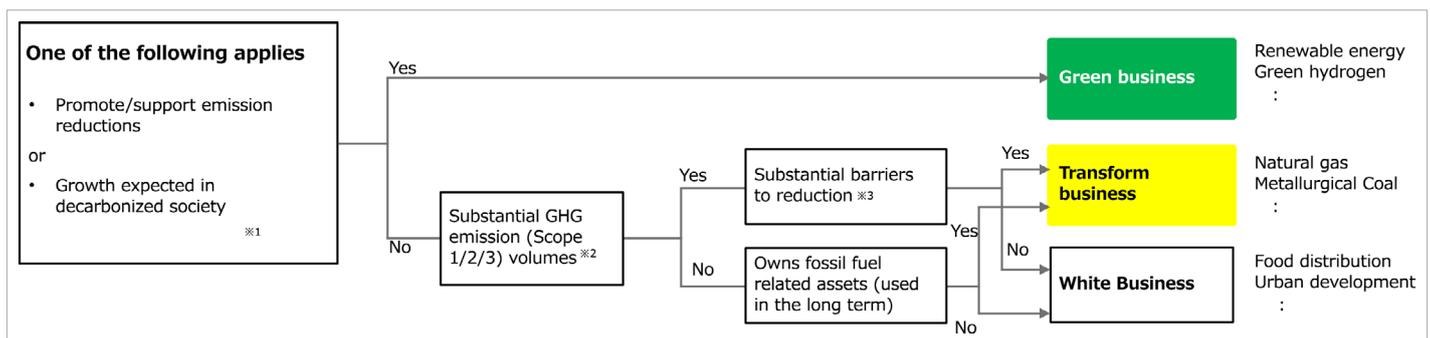


**Figure 1: Identification and Management of Climate-Related Risks and Opportunities.**

MC has introduced the MC Climate Taxonomy to classify and assess climate-related risks and opportunities across its businesses. The MC Climate Taxonomy applies to all business units and classifies businesses into three categories: Green, which includes businesses with significant climate-related transition opportunities; Transform, which includes businesses with significant climate-related transition risks; and White, which includes other businesses. In addition to developing investment plans aligned with its GHG reduction targets, MC identifies and manages climate-related risks and opportunities in ways tailored to the characteristics of each business. This is achieved through mechanisms such as scenario analyses, transformation discussions, and decarbonization profitability assessments for new investments, applied in accordance with the relevant business classification.

**Classification process of the MC Climate Taxonomy**

The classification process is illustrated in Figure 2. In identifying Transform businesses, MC considers both the volume of GHG emissions, including Scopes 1, 2 and 3, and the barriers to achieving GHG reductions. To assess specific reduction barriers, indicators such as Scope 1 6.5 emissions from unavoidable process-related gases and Scope 3 Category 11 emissions associated with the use of sold products are evaluated, with particular attention to the risk of stranded assets.



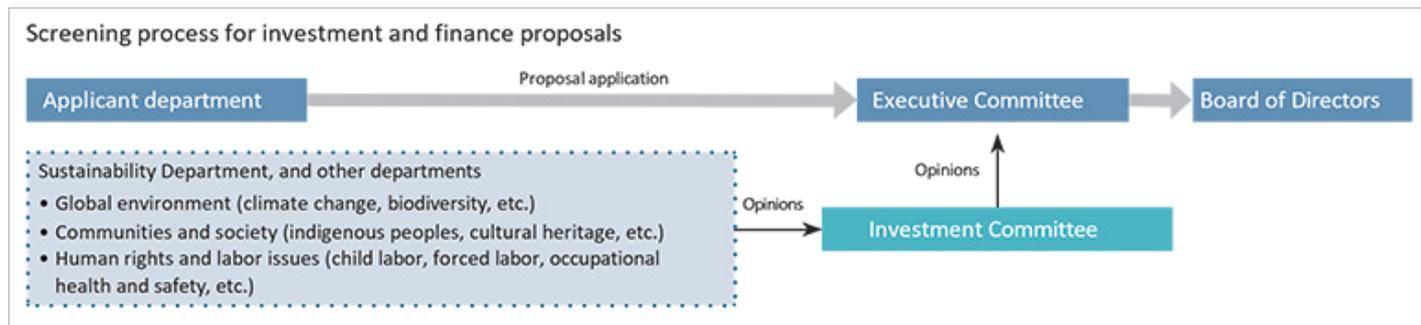
**Figure 2: MC Climate Taxonomy Approach**

\* 1 Businesses for which demand under the 2.0°C scenario in 2050 is projected to increase by 20% or more compared with current levels  
 \* 2 Industries initially identified as having high GHG emissions based on the EU Taxonomy. Other businesses are also classified in this category if they exhibit exceptionally high emissions relative to other industries, based on internal Scope 1 data and external Scope 3 Category 11 data.  
 \* 3 Classification determined based on GHG emissions, including Scope 1 and Scope 3 Category 11.

**III Screening Process for Investment and Financing Proposals**

MC ensures that all investment and financing proposals submitted for review by the Board of Directors and the Executive Committee are first deliberated by the Investment Committee, a subcommittee of the Executive Committee. By including the General Manager of the Sustainability Department as a member of the Investment Committee, MC ensures that environmental and social considerations are comprehensively integrated into the screening and decision-making process. In addition to reviewing new proposals, the Investment Committee seeks to enhance the value of existing investees by monitoring their management practices and encouraging continuous improvement. From the perspective of climate-related transition risks and opportunities, as well as physical risks, the review and decision-making processes take into account quantitative data such as

GHG emissions, together with relevant national policies and industry trends. Since August 2022, MC has conducted profitability assessments when screening new investment proposals involving Transform and Green businesses under the MC Climate Taxonomy, using indicators such as internal carbon pricing based on key assumptions derived from decarbonization scenarios.



Screening Process for Investment and Financing Proposals

## Scenario Analysis for Climate-related Risks and Opportunities

As part of our efforts to mitigate climate change-related risks and capture related opportunities, MC continuously conducts scenario analyses using external climate scenarios. Through these analyses, we identify medium- to long-term transition risks and opportunities, as well as physical risks associated with climate change, and have established a framework that enables these factors to be incorporated into business strategy formulation and investment decision-making.

In FY2025, we conducted a scenario analysis, the results of which are outlined below. We will continue to update this analysis as appropriate in response to material changes in our businesses or in the scenarios referenced, as well as in line with each management cycle.

### III Transition Risks and Opportunities

#### 1. Scenario analysis process

##### (1) Selection of scenarios

In this analysis, we primarily referenced the International Energy Agency (IEA)'s World Energy Outlook (WEO), one of the most widely used international scenarios and a benchmark employed by a diverse range of stakeholders, including national governments, companies, and financial institutions. WEO provides comprehensive quantitative data on energy supply and demand, energy and carbon prices, and energy-related CO<sub>2</sub> emissions by country/region and sector. We consider it to offer a highly consistent and objective analytical foundation for assessing our diversified business portfolio across multiple sectors.

Specifically, we adopted two scenarios from IEA WEO 2025: STEPS (Stated Policies Scenario) and NZE (Net Zero Emissions by 2050 Scenario). STEPS is a forecast-type scenario that reflects current policies as well as officially announced policy intentions and targets and is therefore suitable for evaluating more realistic future risks and opportunities based on current policy trends. In contrast, NZE is a back-cast scenario that assumes extremely ambitious and rapid global decarbonization toward achieving the 1.5°C goal. While this scenario entails significant hurdles to realization, it is useful for evaluating risks and opportunities under the most advanced transition pathway to a decarbonized society.

By using these two scenarios with different underlying assumptions, we consider a range of possible futures depending on the extent of policy progress and the speed of societal decarbonization and analyze them both quantitatively and qualitatively.

For climate-related policies, macroeconomic trends, and other assumptions in each scenario, please refer to WEO 2025.

##### (2) Selection of Businesses Covered by the Analysis

Business operations across a global footprint, we prioritize for inclusion in our scenario analysis those businesses considered to be particularly significantly affected by climate change-related risks and opportunities.

Specifically, based on MC Climate Taxonomy, our proprietary business classification developed with reference to concepts such as the EU Taxonomy, we selected natural gas/LNG and steelmaking coal from among the businesses classified as "Transform Business"\*<sup>1</sup> as those covered by the transition risk analysis. This selection reflects their relatively large impacts on MC's financial performance, as measured by factors such as outstanding investments and loans, net profit, and asset size.

\* 1 Businesses with high GHG emissions and relatively high difficulty in reducing emissions.

With respect to transition opportunities, from among the businesses classified as "Green Businesses"\*<sup>2</sup> under the MC Climate Taxonomy, we selected Copper and Renewable Energy for analysis, taking into account their relatively large impacts on MC's financial performance based on factors such as investments, net profit, and asset size.

\* 2 Businesses expected to grow in a decarbonized society.

### (3) Analytical steps

- First, we analyzed the external environment surrounding each business under STEPS and NZE using frameworks such as PEST analysis and Porter's Five Forces. This enabled us to organize baseline assumptions for each scenario, including market structure, competitive environment, and policy trends. In addition, for transition risks, we identified climate-related risks and opportunities that could affect each business, also considering key factors identified through our ongoing Transform Discussion process.
- Next, based on each business's business model and value chain, we assessed which parts of the value chain would be affected by the identified risks and opportunities, and in what manner.
- Finally, based on the above analyses, we quantified financial impacts for items where scenario assumptions and our financial information could be applied, and conducted qualitative assessments for other items.

## 2. Analysis results and financial impacts on MC

Our scenario analysis is intended to examine potential changes in future business environments from multiple perspectives and to enhance understanding of climate change-related risks and opportunities that could affect our businesses. It is not intended to provide a specific forecast of the future or a projection of our performance. Each scenario contains numerous uncertainties and assumptions, and actual events—including pathways for reducing GHG emissions—may differ materially from those indicated by the scenarios. Accordingly, the results of this analysis do not precisely predict future financial impacts and are positioned as reference information to understand the directionality of risks and opportunities. Based on these assumptions, we describe below the scenario analysis results and financial impacts for each business.

### (1) Natural Gas / LNG Business

MC promotes natural gas/LNG business primarily in the Asia-Pacific region, contributing to the stable supply of LNG by strengthening existing business foundations and developing new projects in traditional LNG-producing countries such as Brunei, Malaysia, Indonesia, and Australia, as well as through LNG offtake operations. In the Americas, MC is engaged in natural gas/LNG businesses— including LNG projects in the U.S. and Canada, gas marketing in North America, and shale gas development in Canada —as well as new LNG project development, marketing, optimization, and trading leveraging its asset base, and LNG vessel businesses (ownership, chartering, and operation management). Given that Natural Gas/LNG plays a wide range of roles during the transition to a carbon-neutral society—such as complementing the intermittency of renewable energy, serving as an energy source for sectors that are difficult to electrify, and functioning as feedstock for next-generation energy—MC positions the natural gas/LNG business as an important domain for achieving both a carbon-neutral society and sustainable economic development.

Based on this understanding, we examined the business environment outlook, transition risks for our Natural Gas/LNG business, and our policies/initiatives in response under each scenario, as outlined below.

#### ① Business environment analysis

Under the IEA's STEPS scenario, medium-term global natural gas demand is assumed to decline in advanced economies such as the EU, while increasing in emerging economies. By 2035, global natural gas demand is projected to increase by approximately 12% compared with 2024, and supply by approximately 11%. Global LNG trade volumes are projected to increase by approximately 46%, driven particularly by strong demand in Asia. Over the longer term, a shift toward low-emissions gases (biogas/biomethane) is assumed to progress further, mainly in advanced economies, and with increasing renewable energy, global natural gas demand and supply in 2050 are assumed to decline by approximately 3% compared with 2035.

Under the IEA's NZE, in the medium term, demand is assumed to shift from conventional natural gas toward low-emissions gases, while renewable energy and battery costs are expected to decline. Global natural gas supply is assumed to decrease by approximately 38% compared with 2024, and by approximately 67% compared with 2035 in the longer term.

#### ② Impacts on MC's business, including financial impacts

In evaluating decarbonization impacts on the natural gas/LNG business, we identified a decline in natural gas/LNG demand due to factors such as the expansion of renewable energy as the key issue. To quantify this impact, we focused on natural gas/LNG demand trajectories under each IEA scenario and conducted supply-demand simulations across multiple cases using forecast values for 2030 and 2050 under STEPS and NZE.

\*This analysis is a scenario analysis conducted under specific assumptions and does not represent a future forecast or MC's business plan.

Based on the analysis in 1, if FY2024 revenue results were adjusted using the same increase/decrease ratios as the natural gas/LNG demand assumptions in each IEA scenario, the estimated impact on revenue under STEPS would be approximately +15% in 2030 (vs. 2024) and +29% in 2050 (vs. 2024). Under NZE, the estimated impact would be approximately -6% in 2030 (vs. 2024) and -76% in 2050 (vs. 2024).

We also consider future developments related to the expansion of emissions trading schemes and the introduction of carbon taxes to be important factors. Based on IEA scenarios, potential increases in carbon prices and stricter regulations—including incremental costs associated with expanded emissions trading and carbon taxation, as well as carbon intensity regulations on shipping\*—are expected to accelerate decarbonization in fuel transportation. Incorporating these factors, this analysis estimates impacts on FY2024 revenue results of approximately +10% in 2030 and +20% in 2050 under STEPS, and approximately -10% in 2030 and -90% in 2050 under NZE.

In this analysis, FY2024 revenue results were adjusted using natural gas/LNG demand increase and decrease ratios from each IEA scenario and did not take into account factors such as future price fluctuations or changes in supply volumes. These factors could materially affect actual earnings. Accordingly, these estimates are scenario-based calculations under specific conditions and do not represent a future forecast or MC's business plan.

\* The International Maritime Organization (IMO) revised its initial strategy on GHG emission reductions adopted in 2018 and adopted the 2023 IMO Strategy on Reduction of GHG Emissions from Ships in July 2023, which sets a target of net-zero total GHG emissions from international shipping by around 2050.

### ③ Future policies and initiatives

Natural gas/LNG is an important energy source during the transition period. While the NZE scenario used in this analysis anticipates a long-term decline in natural gas/LNG demand, medium- to long-term demand growth is expected, particularly in Asia, which is a strategic region for our LNG business. Based on this view, MC will aim to achieve both a stable supply of energy and resources and the decarbonization/low-carbon transition of social and economic activities by focusing on strengthening the resilience of the LNG business while simultaneously advancing the decarbonization/low-carbonization of the LNG value chain, as described below. Over a longer horizon, we will assess the business environment, including technological innovation and government policy trends, further advance decarbonization/low-carbonization initiatives for the LNG business, optimize our LNG portfolio, and invest in next-generation energy fields.

[Strengthening the resilience of the LNG business]

We will enhance competitiveness through improved production efficiency and cost reductions, while continuously considering portfolio optimization.

For new LNG projects, we will make investment decisions with potential stranded asset risks in mind should decarbonization accelerate rapidly.

[Decarbonization/low-carbonization of the LNG value chain]

In parallel with strengthening LNG business resilience, we will leverage our position and strengths as one of Japan's largest LNG players to promote CCUS that contributes to decarbonizing/low-carbonizing the LNG value chain itself. We will also capture business opportunities such as the production and supply of next-generation energy, including blue hydrogen, thereby playing a role in the transition to a decarbonized society.

## (2) Steelmaking Coal Business

MC, through Mitsubishi Development Pty Ltd (MDP), which develops, produces, and sells various resources in Australia as a platform for MC's mineral resources business, engages in BMA, one of the world's largest steelmaking coal suppliers, with its partner, BHP Group plc. BMA operates an integrated system of five mines and port facilities producing high-quality, cost-competitive steelmaking coal used as a key raw material for steelmaking coke. Nearly all steelmaking coal produced by the BMA operations is exported via seaborne trade.

Steel, as a fundamental material underpinning industrial activity, is expected to continue to see solid demand as it supports economic growth across countries while also serving as an essential material for infrastructure development required for decarbonization.

As pig iron production in China—which currently accounts for approximately 60% of global output—is expected to decline, production in emerging economies such as India and Southeast Asia is projected to expand. Unlike China, India and Southeast Asian countries rely on imports for their supply of steelmaking coal, and seaborne trade volumes are therefore expected to be supported by demand from these regions.

At present, large-scale low-carbon or decarbonized steelmaking methods have not been established, and widespread global adoption is expected to require substantial time. While electric arc furnace (EAF) steelmaking, which has relatively lower GHG emissions, may expand, constraints remain, including limited scrap supply and technical challenges in producing high-grade steel. Hydrogen-based direct reduced iron (DRI), which is attracting attention as an alternative to conventional blast furnace methods, faces challenges such as commercial-scale operation, the production and procurement of green hydrogen, and the development of hydrogen supply networks. Technical and economic hurdles remain, and large-scale commercial deployment is not expected in the short term. Accordingly, blast furnace steelmaking using steelmaking coal is expected to remain the mainstream during the transition period.

Based on these assumptions, we examined the business environment outlook, transition risks for our steelmaking coal business, and our policies and initiatives in response under each scenario, as outlined below.

### ① Business environment analysis

Under STEPS, while China's steel production is expected to peak, growth in India and Southeast Asia is expected to drive an increase in global steel production from 1,883 Mt in 2024 to 2,407 Mt in 2050. Meanwhile, through measures such as the adoption of direct reduced iron and expanded scrap use in steel production supported by existing policies, global CO<sub>2</sub> emissions from the steel industry in 2050 are expected to be about 10% lower than in 2024.

In the medium term, carbon prices are expected to remain low, and conventional blast furnace steelmaking is expected to remain overwhelmingly cheaper than low-carbon or decarbonized steelmaking, implying that the transition will take time. Even in the long term, while the shift toward low-carbon steelmaking is expected to progress, blast furnace steelmaking is expected to remain to some extent, and demand for steelmaking coal

is expected to decline gradually.

Under NZE, thorough material efficiency improvements, such as longer building lifetimes, product lightweighting, and reduced manufacturing losses, together with progress in the circular economy through higher recycling rates, are assumed to create “decoupling,” whereby new steel production does not increase even with economic growth. As a result, global steel production is assumed to increase only slightly from 2024 to 2050. Supported by high carbon prices and policy measures, 2030 targets set by net-zero initiatives in the steel sector—targets not achieved under STEPS—are assumed to be achieved globally. As a scenario backcast from the 1.5°C goal, NZE assumes strong international cooperation, including accelerated investment in technology development and cross-border market creation such as mandatory procurement of green steel. By 2050, hydrogen-based direct reduced iron is assumed to account for 30% of steel production and iron ore electrolysis for 10%, with maximized scrap use further expanding the role of EAFs, while blast furnace steelmaking is assumed to shrink substantially. However, blast furnace methods are assumed to remain to some extent, including through the expansion of processes with CCUS.

## ② Impacts on MC’s business, including financial impacts

In evaluating the impacts of decarbonization on our steelmaking coal business, we recognize the progress and diffusion of new steelmaking technologies that do not use coal as a key factor shaping the future of the steel industry. To quantify these impacts, we focused on changes in global crude steel production and the share of EAFs, and conducted simulations across multiple cases for 2030 and 2050 under STEPS and NZE to assess how different transition pathways affect steelmaking coal demand.

\* This analysis is a scenario analysis that estimates business impacts under certain conditions and is not a future forecast; it differs from our business plan.

Based on IEA assumptions, under STEPS in 2030 global crude steel production is expected to increase by about 6% compared with 2024, while the blast furnace share is expected to decrease by about 6%, resulting in a gradual decline in steelmaking coal demand. By 2050, crude steel production is expected to increase by about 28% versus 2024, but blast furnace-based production is expected to decrease by about 25%, leading to further contraction in steelmaking coal demand. Under NZE, while crude steel production remains broadly flat, the EAF share increases significantly and the blast furnace share declines sharply. By 2030, the blast furnace share decreases by more than 10% versus 2024 and steelmaking coal demand declines markedly. By 2050, the blast furnace share decreases by more than 30% versus 2024 and steelmaking coal demand contracts substantially.

We also consider future developments in Australia’s emissions regulations, including the current Safeguard Mechanism, where we operate, as an important factor. Based on IEA scenarios, we simulated the impact of potential increases in additional costs related to emissions trading and credit procurement under the Safeguard Mechanism, taking into account possible changes in carbon prices and tighter regulations, and assuming procurement costs for Australian Carbon Credit Units (ACCUs). Under STEPS, we assumed ACCU prices rise annually by the CPI change rate plus 2%, starting from the 2025 actual value of AUD 36/t, based on current rules. Under NZE, we assumed carbon prices surge through strengthened regulation of industrial emissions, with ACCU prices rising to the advanced-economy CO<sub>2</sub> price in IEA WEO 2025 (USD 250/t in 2050).

Based on these assumptions, while a decline in revenue is expected, the estimated impact on our FY2024 revenue results is approximately no impact in 2030 and around -10% in 2050 under STEPS, and a few percent decrease in 2030 and around -40% in 2050 under NZE, even when considering additional costs from emissions trading.

In addition to the above risk factors, trends such as increasing complexity in environmental permitting processes for coal development projects, strengthening GHG reduction targets in the steel industry, and enhanced climate measures by governments, such as advisory opinions on state obligations regarding climate change issued by the International Court of Justice, suggest accelerated decarbonization across the steel industry. MC will monitor these policy and regulatory developments closely and reflect them in our business strategy.

However, at present, we do not have sufficient supporting information to reasonably quantify their financial impacts, and therefore we monitor them as general trends rather than calculating quantitative impacts.

This analysis does not consider factors such as future price fluctuations or changes in steelmaking coal supply volumes, which could materially affect actual earnings. In addition, steel and blast furnace-based steel products are expected to remain indispensable for social infrastructure and decarbonization-related infrastructure for some time. Even if decarbonization were to accelerate rapidly, if carbon prices and similar costs are passed through to final product prices and accepted by consumers and markets, increased steelmaking coal costs could be reflected in prices. This could influence long-term supply-demand structure and price formation, potentially slowing demand declines or even contributing to demand increases. The estimates presented here do not incorporate such factors and evaluate a scenario in which steelmaking coal demand is reduced based on climate change parameters alone; mitigating effects from future price formation or market adjustments are not considered. Accordingly, these estimates are scenario-based calculations under specific conditions and do not represent a future forecast or our business plan.

## ③ Future policies and initiatives

While the steel industry is expected to undergo a prolonged transition period, high-quality steelmaking coal—the main product of the BMA business—is expected to see relatively stronger demand than lower-quality coal, as it can contribute to lower-carbon blast furnace steelmaking processes. At the same time, due to resource scarcity and increasing development challenges such as more complex permitting requirements,

new mine investment is expected to slow further, and supply of high-quality steelmaking coal is expected to decline. Through the BMA business, which holds globally scarce high-quality coal assets, MC will continue to contribute to stable supply in response to steel demand growth in various countries and to the steel industry's decarbonization and low-carbonization.

MC is also actively promoting GHG emission reductions, and within the BMA business we are considering and advancing initiatives such as renewable energy procurement, methane management, and diesel substitution. For example, BMA plans to switch 100% of the electricity used at mines to renewable energy by 2027.

In addition, together with our partner BHP, major steelmakers, and major engineering companies, we have concluded collaboration agreements to jointly conduct demonstration tests of CO<sub>2</sub> capture technologies at steelworks, among other initiatives, to reduce GHG emissions across the entire steel value chain.

MC will also advance its EX strategy in the minerals business through three lenses: decarbonization, electrification, and the circular economy. In addition to decarbonizing the steel value chain, we will strengthen initiatives related to copper and battery materials essential for electrification, as well as recycling businesses.

### (3) Copper Business

MC owns and operates world-class copper mines primarily in South America, including Chile and Peru. For operating assets, we hold interests of 8.25% in the Escondida mine (Chile), 5% in the Los Pelambres mine (Chile), 20.44% in Anglo American Sur S.A. (including Los Bronces mine, among others), 40% in the Quellaveco mine (Peru), and 10% in the Antamina mine (Peru). To maintain and expand production, we acquired a 30% interest in Copper World (U.S.), an undeveloped copper mine, and also invested approximately 4% in the Marimaca copper project (Chile).

Copper has excellent electrical conductivity and is used as an essential material across a wide range of industrial applications and daily life, including electrical systems and appliances. Demand is expected to remain resilient as the global population grows and economies expand. In addition, as electrification progresses, renewable energy and EV adoption—which are essential for decarbonization—are expected to accelerate further, while the rapid diffusion of generative AI is expected to drive additional demand through expanded data center construction.

On the supply side, declining ore grades and other factors are expected to reduce production from existing mines. While increases in supply from new mine development and scrap-derived copper will be required to offset these declines, hurdles to new mine development are rising due to more complex permitting and other challenges. As a result, the copper market is expected to become increasingly tight over the medium to long term.

Based on these assumptions, we examined the business environment outlook, transition opportunities for our copper business, and our policies and initiatives in response under each scenario, as outlined below.

#### ① Business environment analysis

According to copper demand forecasts under the STEPS scenario in the IEA's Global Critical Minerals Outlook 2025, total copper demand is projected to increase from 26.7 Mt in 2024 to 31.3 Mt in 2030 and 37.5 Mt in 2050. Copper demand is expected to remain robust, supported by fundamental demand. Under the assumption that countries steadily implement already announced policies, renewable energy deployment and EV adoption are expected to progress at a moderate pace over the medium to long term, leading to steady expansion in copper demand. Meanwhile, supply-side constraints are expected to intensify due to increasing difficulty in developing new mines.

Under NZE, which assumes achievement of net-zero emissions by 2050, more rapid progress in renewable energy deployment and EV adoption than under STEPS is required, and copper demand is expected to accelerate further over the medium to long term. As a result, the copper market is expected to tighten further. Under the NZE scenario in the same report, copper demand is projected to reach 34.4 Mt in 2030 and 41.3 Mt in 2050.

#### ② Impacts on MC's business, including financial impacts

In evaluating climate change impacts on our copper business, we recognize increased copper demand driven by progress in renewable energy deployment and EV adoption as the key factor shaping the business's future. This analysis evaluates the impact of demand-side drivers on our earnings under the assumption that there are no constraints on primary supply. To quantify this impact, we conducted simulations using copper demand growth rates in 2030 and 2050 under STEPS and NZE, based on IEA scenarios, to assess how different transition pathways affect earnings from the copper business.

\* This analysis is a scenario analysis that estimates business impacts under certain conditions and is not a future forecast; it differs from our business plan.

For evaluation purposes, we assume that MC continues to maintain and expand production at existing assets as we work to secure and stably supply copper resources essential for a low-carbon or decarbonized society, and that we can obtain opportunities to participate in new mine and expansion projects accompanying demand growth while broadly maintaining our market share. Under these assumptions, we estimate a revenue growth opportunity in proportion to increasing copper demand.

Copper demand has historically expanded on the back of strong fundamental demand. Over the past decade (2014–2024), copper demand has already experienced growth comparable to the increase projected under the STEPS scenario by 2030, at approximately +20% compared with 2024 levels. During the same period, LME copper prices rose by more than 30%, and amid expected supply constraints, copper prices are assumed to remain resilient going forward. Copper is a listed commodity traded on the London Metal Exchange (LME) and the Commodity Exchange (COMEX) in New York, and its prices are therefore subject to financial market influences. Nevertheless, as in the past, the potential for increased revenues driven by higher prices is also anticipated.

Based on these assumptions, relative to FY2024 revenue results, under STEPS—where renewable energy deployment and EV adoption progress moderately under the assumption that already announced policies are steadily implemented—our copper business is estimated to have revenue growth opportunities of approximately +20% in 2030 and +40% in 2050, in proportion to copper demand growth. Under NZE—where renewable energy deployment and EV adoption accelerate rapidly toward net-zero by 2050—copper demand growth significantly exceeds that under STEPS, and revenue increases of approximately +30% in 2030 and +50% in 2050 are expected.

This analysis is based on third-party projections and represents an estimate under specific conditions; it does not represent our future forecast or business plan.

### ③ Future policies and initiatives

As we face the major societal challenge of climate change, our minerals business is shifting toward a portfolio strategy based on societal needs. In particular, copper demand is expected to increase steadily worldwide, driven by decarbonization and electrification, while tightening supply-demand conditions are anticipated. To ensure stable supply in response to this demand growth, MC aims for further growth through internal expansion of existing assets, acquisition of high-quality assets, and utilization of new technologies.

### (4) Renewable Energy Businesses

- To maximize the utilization of renewable energy, MC builds a power value chain by integrating functions to produce power, balance supply and demand, and supply electricity to customers, and undertakes various initiatives to meet diverse customer needs.
- In Europe, we use integrated energy company Eneco as our platform and develop a wide range of businesses centered on the Netherlands, Belgium, and Germany, including the development and operation of renewable energy power sources, power trading, and retail electricity sales. In the Americas, we promote distributed solar power generation and energy storage businesses to accelerate renewable energy adoption and strive to enhance corporate value by providing solutions to challenges across the power value chain. In Asia and Oceania, we provide decarbonization solutions to diverse customers through renewable energy power development and hydrogen-related business development, working toward realization of a carbon-neutral society. In Japan, we develop and operate renewable power generation assets such as solar, onshore wind, and hydropower, and provide customer solutions utilizing such power, contributing to realization of a carbon-neutral society by 2050 as advocated by the government.
- While decarbonization trends differ by region, global electricity demand is expected to increase, driven by the development of generative AI, progress in electrification, and changes in industrial and social structures. MC views renewable energy as an important business domain that can meet these supply expectations while supporting both a carbon-neutral society and social and economic activities. To meet customers' decarbonization needs, we provide solution-oriented services that add value across our power generation, supply-demand balancing, and electricity supply functions.

Based on these assumptions and our track record, we examined the business environment outlook, transition opportunities for our renewable energy businesses, and our policies and initiatives in response under each scenario, as outlined below.

#### ① Business environment analysis

Under STEPS, many renewable energy-related policies are assumed to be adopted globally. In the EU, coal-fired power phase-out plans announced by member states are assumed to be achieved by each country's earliest target year. In the U.S., state-level renewable energy deployment targets are assumed to be sustained and strengthened beyond their initial deadlines. In Japan, the Seventh Strategic Energy Plan indicates expanding renewable energy to 40–50% by 2040. Toward 2050, global renewable energy shares are assumed to rise further due to continued declines in power generation costs and infrastructure development, including a 75% expansion of transmission grids compared with 2024. As a result, global renewable energy generation is expected to grow at an average annual rate of 5.5% from 2024 to 2050.

Under NZE, annual investment in the global power sector and renewable energy capacity is assumed to double compared with 2024, and renewable energy is assumed to account for 70% of global energy supply. With further strengthened infrastructure compared with STEPS, including expanded battery installations and transmission grid expansion, renewable energy generation is assumed to grow at an average annual rate of 7.9% from 2024 to 2050.

#### ② Impacts on MC's business, including financial impacts

In evaluating decarbonization impacts on our renewable energy businesses, we recognize global electricity demand trends and the expansion of renewable energy shares as key factors. As these directly affect profitability and investment decision-making, we conducted simulations using renewable energy market growth rates in 2030 and 2050 under STEPS and NZE, focusing on changes in renewable energy markets to assess how different transition pathways affect renewable energy demand.

\* This analysis is a scenario analysis that estimates business impacts under certain conditions and is not a future forecast; it differs from our business plan.

Based on growth rates in renewable energy markets across regions where we operate—Europe, the U.S., Asia and Oceania, and Japan—the analysis estimates that under STEPS, revenue from our renewable business will increase to approximately 1.5 times 2024 levels by 2030 and to more than twice 2024 levels by 2050 as the market expands. Under NZE, with strengthened decarbonization policies and accelerated renewable deployment, our renewable business is expected to have revenue growth to more than twice 2024 levels by 2030 and more than five times 2024 levels by 2050. In addition, particularly in Europe and Japan, subsidy and tax incentive schemes to promote renewable deployment are in place, and further expansion or strengthening of such support may occur as decarbonization policies progress.

While IEA's STEPS assumes implementation of existing policies and officially stated policy intentions and targets, achieving those assumptions involves constraints such as grid limitations, regulatory frameworks and their implementation, and infrastructure development. Accordingly, renewable deployment and market expansion may not necessarily progress as assumed. Moreover, this analysis does not separately incorporate variables such as power price trends, competitive dynamics, foreign exchange fluctuations, changes in policies and regulatory regimes, material price changes, or supply chain constraints. The purpose of this analysis is to understand the direction and relative magnitude of potential impacts from differences in climate scenarios; it does not represent our business plan.

### ③ Future policies and initiatives

The deployment of renewable energy and batteries can vary significantly by country and region depending on policy and regulatory conditions and technological innovation, and their timing and pace may differ materially. Through renewable energy businesses that contribute to societal decarbonization, supply-demand management to address renewable intermittency, and power trading businesses including spot and forward transactions in electricity markets, MC aims to simultaneously realize a decarbonized society and respond to increasing global electricity demand.

Specifically, in Europe, we will contribute to the decarbonization transition and reduced environmental burdens through further growth of Eneco, an integrated energy company that has advanced renewable development ahead of peers. In the Americas, we will continue advancing renewable power generation businesses to address supply-side challenges amid growing electricity demand, while closely monitoring policy and regulatory developments. In Asia and Oceania and Japan, we will build power value chains encompassing development and operation of renewable energy power sources, supply-demand balancing, and retail electricity, taking into account each country or region's regulatory environment and market characteristics, with the aim of contributing to a sustainable low-carbon or decarbonized society and enhancing corporate value.

## Physical Risks

### 1. Scenario Analysis Process

#### (1) Selection of Scenarios

To understand the impacts that climate change-related physical risks, both acute and chronic, may have on our businesses, we conduct physical risk analysis by referring to the internationally used Shared Socioeconomic Pathways (SSPs). The SSPs are future scenarios developed by the international research community, centered on the Intergovernmental Panel on Climate Change (IPCC), and provide a framework for assessing future climate change through socioeconomic assumptions such as demographic trends, economic growth, technological progress, and greenhouse gas emissions.

Among these scenarios, we primarily refer to the high-emissions pathway SSP5-8.5 and the lower-emissions pathway SSP2-4.5. SSP5-8.5 assumes a future in which global emissions reductions do not progress sufficiently and is useful for understanding the potential for physical risks to materialize under more severe climate change impacts. In contrast, SSP2-4.5 assumes a future in which warming is constrained and is suitable for understanding risk-mitigation effects where mitigation measures are effective.

Using these scenarios in combination with climate models and hazard datasets, we assess the likelihood of events such as floods, storm surges, heatwaves, and droughts under different levels of future climate change and identify vulnerabilities at major business sites.

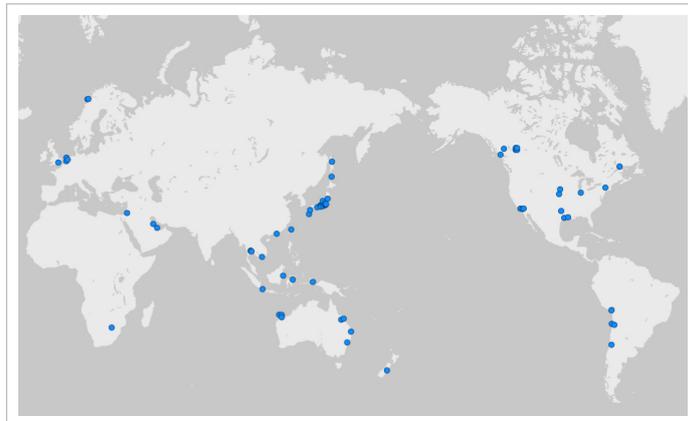
#### (2) Selection of Businesses Covered by the Analysis

We recognize that climate change-related physical risks are not limited to specific businesses but may affect a broad range of our activities. Changes in the frequency and severity of natural hazards, including floods, storm surges, heatwaves, droughts, and typhoons, have the potential to impact operations and supply chains across diverse business domains, including energy and resources, manufacturing, logistics, infrastructure, and food-related businesses.

Accordingly, our physical risk analysis is not limited to businesses covered by the transition risk analysis. Instead, we selected a broader set of businesses accounting for approximately 70% of our portfolio, measured primarily using financial and non-financial information, and conducted the analysis across this wider scope.

**(3) Analytical Steps**

- For consolidated subsidiaries, local entities, and investee companies included in the analysis, we selected business-critical sites based on factors such as asset value and potential impacts on production and operations. For entities primarily engaged in trading, we selected sites where key suppliers are located, taking into account transaction volumes.
- In total, 82 critical sites were selected for analysis.



- For each site, based on SSP5-8.5 and SSP2-4.5, we assessed acute risks, including windstorms, floods, storm surges, and wildfires, and chronic risks, including heatwaves and water stress (drought). Acute risks were evaluated assuming a return period of once in 100 years, while chronic risks were evaluated assuming a return period of once in 10 years. Acute risks, though less frequent, can have significant impacts when they occur and therefore require evaluation over longer return periods. Chronic risks occur more frequently and on a more persistent basis, and extending the return period is not expected to result in materially different risk assessments. Accordingly, they were evaluated using a relatively shorter return period. Details of the analytical methods and assumptions are described below.

		Hazard Category					
		Typhoon	Flood	Storm Surge	Wildfire	Heatwave	Drought
Risk type		Acute				Chronic	
Methodology	Data source	d4PDF	EC-JRC, d4PDF	Aqueduct Floods	d4PDF	d4PDF	Water Security Compass
	Coverage	Global					
	Physical risk indicator	Maximum wind speed	Inundation depth (m)	Inundation depth (m)	FFDI <sup>*1</sup>	WBGT <sup>*2</sup>	DTD <sup>*3</sup>
	Impact metric	Asset damage ratio (%), business interruption days				Reduction in labor productivity (%)	Business interruption days
Assessment assumptions	Reference scenarios	Scenario ① : SSP5-8.5 / Scenario ② : SSP2-4.5					Current climate <sup>*4</sup>
	Time horizon	Current, 2030, 2050					
	Return period	1-in-100 years				1-in-10 years	

\*1 FFDI (Forest Fire Danger Index): A fire danger index calculated based on temperature, humidity, wind speed, and drought indices.  
 \*2 WBGT (Wet Bulb Globe Temperature): A heat stress index calculated from temperature, humidity, and solar radiation.  
 \*3 DTD (Deficit to Demand): Water stress indicator representing the ratio of water shortage relative to monthly human water demand.  
 \*4 As future projections are not available, drought risk was assessed only under current climate conditions.

**Analytical methods and assumptions**

- Based on information such as asset values and revenues for sites assessed as having high acute or chronic risks, we estimated quantitative financial impacts at each site using physical risk assessment models that incorporate future climate simulation data and historical statistical data.

**2. Analysis Results and Financial Impacts on MC**

Our physical risk analysis is intended to understand the potential impacts of future climate change and does not present specific forecasts of future conditions or estimates of actual damage. It should be noted that there are inherent scientific uncertainties in precisely predicting the future frequency, intensity, and geographic distribution of climate-related hazards.

At this stage, there are limitations in the resolution and consistency of climate models and hazard data, as well as in methodologies for quantifying impacts at the individual business-site level. Accordingly, this analysis is based on the latest available data and reasonable assumptions and does not accurately predict future financial impacts. Rather, it is positioned as reference information to assess the directionality of risks.

In evaluating the financial impacts of physical risks in this analysis, we classified impacts primarily into: (i) impacts on asset values arising from damage to facilities and equipment and the associated recovery costs due to natural disasters, and (ii) impacts on revenues arising from operational disruptions and supply constraints. In addition, for heatwaves, impacts are organized mainly in terms of personnel costs, reflecting factors such as deteriorating working conditions and declines in labor productivity.

Hazard	Number of affected sites		Financial impact per site (JPY)				Business Group	Area	Examples of response measures (including measures at non-affected sites)	Measures addressing multiple risks
	2030	2050	SSP2-4.5		SSP5-8.5					
			2030	2050	2030	2050				
<b>Typhoon</b>	1 site	1 site	10.2 bn	10.2 bn	10.2 bn	10.2 bn	Environmental Energy	Oceania	<ul style="list-style-type: none"> <li>Facility design assuming strong winds</li> <li>Maintenance and safety inspections of equipment prior to typhoons</li> </ul>	<ul style="list-style-type: none"> <li>Continuous implementation of BCM and BCP training</li> <li>Geographic diversification of sites for critical operations</li> <li>Insurance coverage</li> </ul>
<b>Flood</b>	5 sites	5 sites	17.0bn	20.3 bn	16.6 bn	20.8 bn	Environmental Energy, Mineral Resources, Food Industry, Power Solution	North America, Oceania, Europe, Southeast Asia	<ul style="list-style-type: none"> <li>Installation of flood barriers and sandbags</li> <li>Enhancement of drainage pump capacity</li> <li>Improvement and reinforcement of levees</li> <li>Introduction of early warning systems and implementation of evacuation drills for employees</li> </ul>	
<b>Storm surge</b>	3 sites	3 sites	3.6 bn	4.3 bn	3.7 bn	4.5 bn	Environmental Energy, Food Industry	Japan, Europe	<ul style="list-style-type: none"> <li>Facility design assuming storm surge impacts</li> <li>Installation of flood barriers and sandbags</li> <li>Enhancement of drainage pump capacity</li> <li>Introduction of early warning systems and implementation of evacuation drills for employees</li> </ul>	
<b>Wildfire</b>	3 sites	3 sites	6.1 bn	6.3 bn	6.1 bn	6.6 bn	Food Industry, Power Solution	North America	<ul style="list-style-type: none"> <li>Installation of firebreaks (control lines) around forest-adjacent areas</li> <li>Planting of fire-resistant tree species and implementation of planned thinning</li> <li>Development of protocols for evacuation and facility shutdown in the event of nearby wildfires</li> </ul>	
<b>Heatwave</b>	0 site	1 site	0	0.2bn	0	0.2bn	Mobility	Southeast Asia	<ul style="list-style-type: none"> <li>Employee training on recognition of heat illness symptoms and first-response actions</li> <li>Review of allowable operating temperature ranges for cooling equipment, including air conditioners and panels</li> <li>Introduction of energy-efficient cooling systems</li> </ul>	
<b>Drought</b>	19 sites*		4.1 bn*				Mobility, Mineral Resources, Food Industry, Power Solution, Material Solution	Japan, Southeast Asia, Oceania, South America, Europe, North America	<ul style="list-style-type: none"> <li>Recycling and efficient use of water resources and management of water intake volumes</li> <li>Installation of rainwater storage tanks</li> <li>Construction of water storage reservoirs</li> </ul>	

\* Drought is assessed only for current financial impacts, as the data source used for the analysis covers only current climate conditions and does not assume future scenarios.

**Financial impacts of Physical Risks and Response Measures**

As a result of our physical risk analysis, we confirmed that a certain level of physical risk arising from natural hazards, such as floods and windstorms, can be anticipated at our business sites and assets. However, taking into account the overall scale of our assets, revenues, and other factors, we recognize that, at this point, these impacts are not expected to have a material effect on our financial position or business continuity.

At many of our business sites, facility-level measures and operational preparedness for natural disasters have already been implemented, and a certain level of resilience to physical risks has been secured. In addition, beyond the sites included in this analysis, we maintain insurance coverage for natural disasters as appropriate, and for businesses and sites with high financial materiality, we have established and implement Business Continuity Plans (BCP) in accordance with Business Continuity Management (BCM) principles.

**Involvement in LNG Projects, Equity Share of Oil and Gas Upstream Production**

MC’s equity share of oil and gas upstream production is as shown in the data below. GHG emissions from burning natural gas relatively lower compared to when burning other fossil fuels, and the demand for natural gas is forecasted to grow in line with the transition to a low-carbon and decarbonized society. Accordingly, MC has positioned natural gas as a core business. Currently, natural gas accounts for approximately 85% of MC’s equity share of oil and gas production.

Please refer to the ESG Data at link below for data on Involvement in LNG Projects, Equity Share of Oil and Gas Upstream Production.

Reference [Sustainability Report / ESG Data](#)

**Renewable Energy Businesses**

Please refer to the ESG Data at link below for data on Renewable Energy Businesses.

Reference [Sustainability Report / ESG Data](#)

# • Climate Change: Initiatives

## Renewable Energy

For renewable energy businesses, MC has set a goal to double its renewable power generation capacity by FY2030 compared to FY2019. In line with the global shift toward renewable energy as a primary power source, MC is expanding its investments and initiatives across the value chain. This includes areas from power generation to energy retail, with a focus on renewable energy. A key example of this strategy is MC's 2020 acquisition of Eneco, a Dutch integrated energy company that operates throughout Europe. By combining digital technologies with environmentally-friendly energy sources, including renewable energy, MC aims to ensure a stable supply of power and deliver new forms of value to customers. These benefits include enhanced supply and demand adjustment functions. In addition, MC is pursuing initiatives in hydrogen, which is expected to play an important role as a next-generation fuel. Through these efforts, MC seeks to contribute to global decarbonization while also strengthening its corporate value.



### III Initiatives in Europe for the Promotion of Renewable Energy

Eneco is an integrated energy company operating mainly in the Netherlands, Belgium, and Germany. Its businesses include power generation, power and gas trading, power and gas retail services, and district heating, with an emphasis on renewable energy. Eneco holds the third largest customer base in the Netherlands and owns approximately 2.8GW of renewable energy assets as of the end of March 2025. Since 2007, Eneco has led the development of renewable energy ahead of many competitors. It has established itself as a green brand by supplying consumers with 100 percent green energy since 2011, including through the use of green certificates. Eneco has also been recognized as an innovator that prioritizes customer-focused services. In addition, in 2021, Eneco announced its One Planet Plan, which aims to achieve carbon neutrality by 2035. This plan covers CO<sub>2</sub> emissions from the company's own operations, referred to as Scope 1 and Scope 2 emissions, as well as emissions across its entire value chain, known as Scope 3 emissions. These include emissions from electricity and gas retailing and from supplying heat to businesses and households. Eneco is widely recognized in both domestic and international contexts as a company that is proactively addressing climate change.

MC aims to help establish a sustainable society by achieving economic, societal, and environmental growth simultaneously. By leveraging Eneco's technology and expertise, MC is accelerating the development of renewable energy both within Europe and beyond. MC also intends to enhance energy management services for Eneco customers by combining Eneco's strong customer base with MC's broad range of products and services.

The power industry is undergoing a significant transition driven by the expansion of decentralized power sources, advances in battery storage, and the rapid development of digital technologies. These changes have emerged alongside the increased adoption of renewable energy. In this evolving environment, MC and its partner Chubu Electric Power aim to address societal issues such as the transition to a decarbonized society and the preservation of the global environment. Both companies seek to support essential infrastructure and foster the growth of Eneco, which provides customer-centered energy services based on renewable energy and digital technologies.



## EV/Batteries

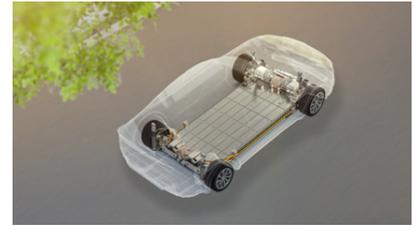
The transportation sector currently accounts for approximately 20% of global CO<sub>2</sub> emissions. Reducing both CO<sub>2</sub> emissions and the reliance of fossil fuels in the automobile industry has therefore become a critical challenge. As electric vehicles (EVs) become increasingly popular due to their low environmental impact while in operation, MC aims to contribute to the realization of a decarbonized society through business activities centered on EVs and batteries.

### III Activities with Honda

ALTNA Co., Ltd. was established in July 2024 as a joint venture with Honda Motor Co., Ltd. (Honda) to develop new businesses that address the anticipated expansion of the electric vehicle (EV) market and support a decarbonized future. By combining Honda's advanced EV and battery control and connectivity technologies with MC's expertise in energy businesses—including battery energy storage and smart-charging operations—ALTNA is creating business models that reduce the Total Cost of Ownership (TCO) for EV users and promote the long-term utilization of EV batteries. Details on these businesses are outlined below.

### 1. Battery Leasing Business

ALTNA collaborates with vehicle owners and leasing companies by retaining ownership of EV batteries and leasing them for the duration of the vehicle lease. Through continuous monitoring of battery usage, ALTNA supports long-term use, including for second-hand leased vehicles. After their automotive life, recovered batteries are repurposed for stationary storage applications. By setting lease prices based on long-term battery value and reuse, ALTNA works to reduce overall EV usage costs.



### 2. Battery Repurposing Business

ALTNA supplies power using repurposed in-vehicle batteries as system storage batteries. In response to growing demand for battery capacity to support renewable energy deployment, ALTNA operates a resource-recycling grid storage plant that maximizes storage utilization by assuming battery replacement over time. Additionally, ALTNA ensures appropriate recycling of end-of-life grid storage batteries, supporting resource-circulation-oriented manufacturing.



### 3. Smart Charging Business

Utilizing advanced energy control technologies, ALTNA provides smart charging services that optimize electricity costs for EV users. By simply plugging in their vehicle, users can automatically charge during off-peak hours, reducing energy costs. ALTNA’s charging plans also support increased use of renewable energy by scheduling charging during periods of surplus renewable generation on the grid.



## Low-carbon Hydrogen & Ammonia/SAF

### Low-carbon Hydrogen & Ammonia

MC is focusing on low-carbon hydrogen and ammonia, which are viewed as promising next-generation energies. We are advancing studies with our partners across each stage of the low-carbon hydrogen and ammonia supply chain: production, transportation, and storage.

At the production stage, MC is exploring participation in ExxonMobil’s planned low-carbon hydrogen and ammonia project in Baytown, Texas, USA, as well as the potential offtake of low-carbon ammonia in partnership with Idemitsu Kosan.

This project aims to begin producing approximately 900,000 tons of low-carbon hydrogen per year and over 1 million tons of low-carbon ammonia per year by 2029, and is expected to become the world’s largest project of its kind. This project intends to produce hydrogen that is virtually carbon-free by removing roughly 98% of carbon dioxide (CO<sub>2</sub>) emissions, enabling the production of low-carbon ammonia as well.

At the transportation and storage stages, MC is evaluating the partial conversion of its Namikata LPG Terminal into an ammonia terminal, enabling the supply of low-carbon ammonia for various industrial uses, especially in the Shikoku and Chugoku regions. To support efficient ammonia carrier operations, MC is also studying coordination with the ammonia terminal that Idemitsu Kosan plans to establish in the Shunan region of Yamaguchi Prefecture.

### Hydrogen Energy

Hydrogen is gaining attention as a low-carbon energy source. MC participated in the New Energy and Industrial Technology Development Organization (NEDO)-subsidized Demonstration of Unused Energy-Based Hydrogen Supply Chain Using Organic Chemical Hydride Method\* project, which was successfully concluded in December 2020 and has now progressed to commercial project development. MC is actively working to build an international hydrogen value chain connecting clean-hydrogen-producing countries with consuming regions.

\*This demonstration project aimed to establish the mass transport and supply technologies needed for full-scale hydrogen power generation by 2030, in line with Phase Two of METI’s Strategic Road Map for Hydrogen and Fuel Cells (initially published in June 2014 and revised in March 2016). In 2020, MC conducted a demonstration transporting hydrogen from Brunei to Japan. In line with the Paris Agreement adopted at COP21 in December 2015 and the growing need to reduce greenhouse gas emissions, MC aims to contribute to the large-scale use of hydrogen—which emits no CO<sub>2</sub> during combustion—for power generation.

### Sustainable Aviation Fuel (SAF)

Among the various initiatives aimed at achieving a low-carbon and decarbonized society, we are promoting the commercialization of Sustainable Aviation Fuel (SAF) as a practical solution for decarbonizing the aviation sector, where hydrogenation and electrification remain technically challenging.

## Par Pacific, Mitsubishi, and ENEOS to Establish Joint Venture for Renewable Fuels in Hawaii

In July 2025, Par Pacific Holdings, Inc., MC, and ENEOS announced the signing of definitive agreements to establish Hawaii Renewables, LLC, a joint venture to produce renewable fuels at Par Pacific's refinery in Kapolei, Hawaii. MC and ENEOS will acquire a 36.5% equity stake in Hawaii Renewables in exchange for \$100 million in cash consideration. This strategic partnership brings together Par Pacific's advantaged U.S. West Coast and Pacific asset base and operational capabilities with MC's global integrated business and feedstock procurement expertise, as well as ENEOS's fuel refining and trading capabilities across the Asia-Pacific and North America.

## Front-End Engineering Design for Sustainable Aviation Fuel (SAF) Production at Wakayama Refinery

In collaboration with ENEOS Corporation, we are currently conducting Front-End Engineering Design (FEED) to advance the study of a SAF production facility at the ENEOS Wakayama Plant in Japan. Subject to the result of the FEED, the facility is expected to produce approximately 300,000 tons (400,000 KL) of SAF per year from FY2028 onward, along with bio-naphtha and bio-diesel fuel fractions as byproducts. Feedstock is expected to include used cooking oil, animal fat, and other waste-derived materials. ENEOS provides an established sales network, manufacturing and refining technologies, and expertise in feedstock procurement, while MC brings procurement capabilities both in Japan and globally. By combining their respective strengths, ENEOS and MC will accelerate the study with the goal of developing large-scale SAF production in Japan.

## CCUS

MC recognizes that Carbon Capture and Storage (CCS), as well as Carbon Capture, Utilization, and Storage (CCUS), will play a major role in achieving the goals of the Paris Agreement. The International Energy Agency (IEA) states that CCUS must be deployed to reduce roughly 1.5 billion tons of CO<sub>2</sub> emitted in 2050 to meet the 1.5°C target. Because CCUS spans multiple industries—from CO<sub>2</sub> emitting sectors to those producing end products such as fuels, chemicals, and construction materials—MC views CCUS as a business opportunity well suited to its broad industrial capabilities. To capture this opportunity, MC is actively promoting the commercialization of CCUS.

For Carbon Capture and Utilization (CCU), MC is pursuing short-term initiatives in the construction materials sector, where commercialized products and technologies already exist (e.g., concrete). MC is also advancing medium- to long-term initiatives in the petroleum and chemicals sector, where further research and development and demonstration are still required (e.g., jet fuel and synthetic fibers). Through these efforts, MC is developing new businesses and technologies through investments and collaborations with Japanese and international partners. MC is also accelerating efforts to build overseas CCS value chains.

Additionally, the IPCC\* states that achieving the 1.5°C target requires not only reducing CO<sub>2</sub> emissions at the source, but also implementing Carbon Dioxide Removal (CDR) technologies to remove remaining CO<sub>2</sub> from the atmosphere. MC sees this as another business opportunity and is pursuing technologies such as Direct Air Capture (DAC), a leading CDR method that captures CO<sub>2</sub> directly from the atmosphere.

\*Intergovernmental Panel on Climate Change. The IPCC is an intergovernmental body established by the United Nations Environment Programme (UNEP) and the World Meteorological Organization (WMO) to collect and assess scientific research related to climate change.

## III Initiatives in the Field of Construction Materials

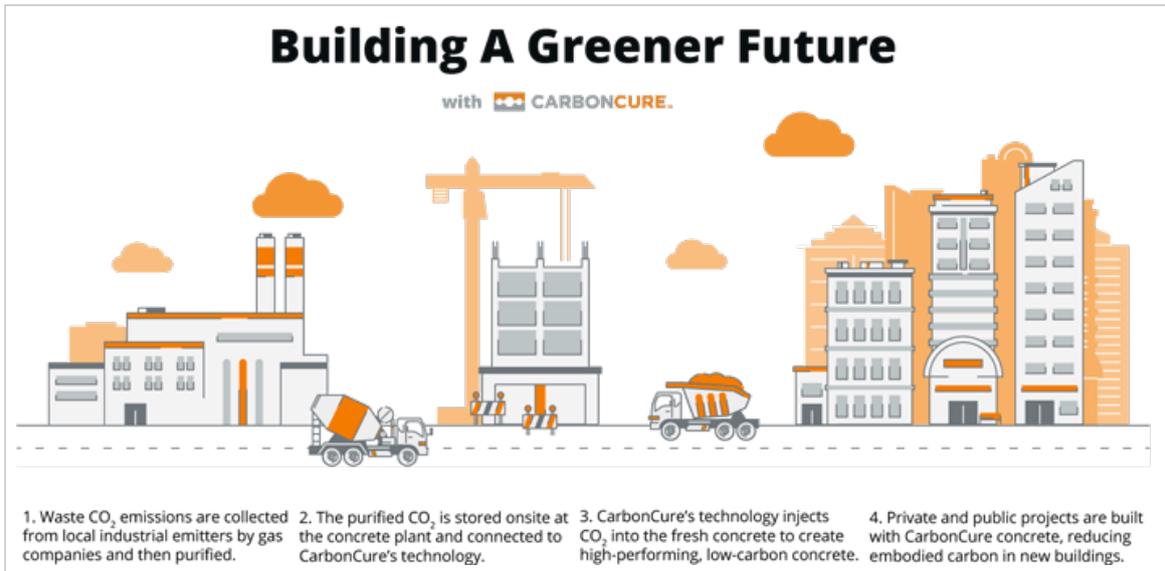
MC is active in the construction materials field, where technologies are already mature and commercial projects are in operation. Construction materials range from ready-mixed concrete and precast concrete (block products) to aggregates (raw material of concrete). Because each product requires different CO<sub>2</sub>-reduction approaches, MC aims to maximize emissions reductions by applying a combination of technologies and corporate partnerships—its Green Concrete Concept.

### CarbonCure

CarbonCure Technologies Inc. is a Canadian company with technology that mineralizes CO<sub>2</sub> into concrete materials. MC has taken an equity stake in CarbonCure and formed a business partnership to expand deployment of CarbonCure's technology. CarbonCure's carbon-recycling system injects purified CO<sub>2</sub> into fresh concrete during production, reducing CO<sub>2</sub> emissions by enabling lower cement usage.

The resulting concrete maintains the same strength and reliability as conventional concrete and is already in wide commercial use, particularly in North America.

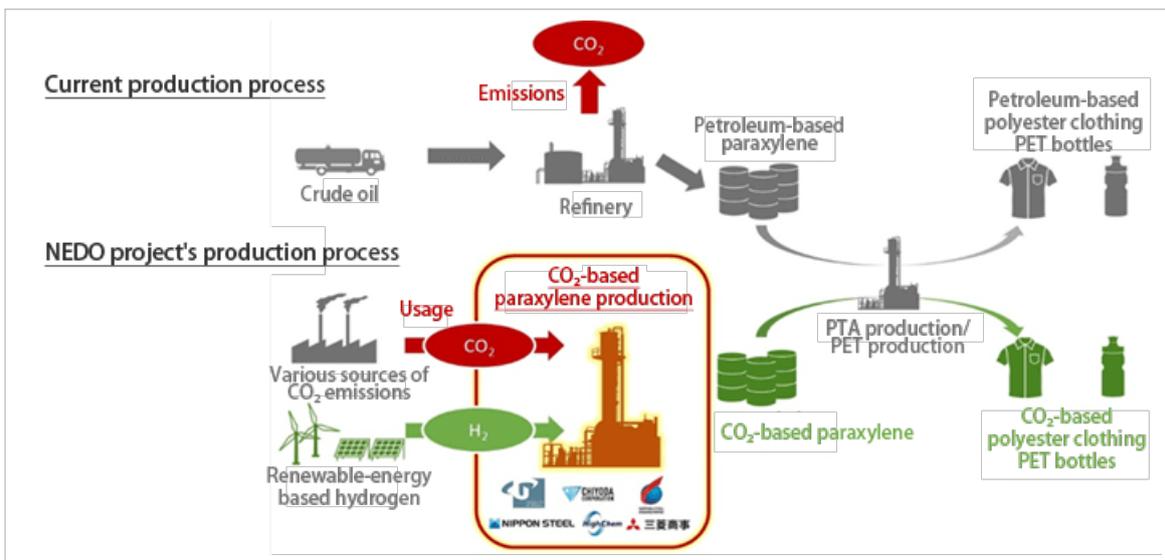
1. Emitted CO<sub>2</sub> is collected and refined.
2. The refined CO<sub>2</sub> is delivered and stored at concrete plants equipped with CarbonCure's systems.
3. CO<sub>2</sub> is injected into fresh concrete, producing low-carbon concrete.
4. By using concrete incorporating CarbonCure technology, overall CO<sub>2</sub> emissions from building materials are reduced.



Overview of the process from CO<sub>2</sub> collection to its use in building materials

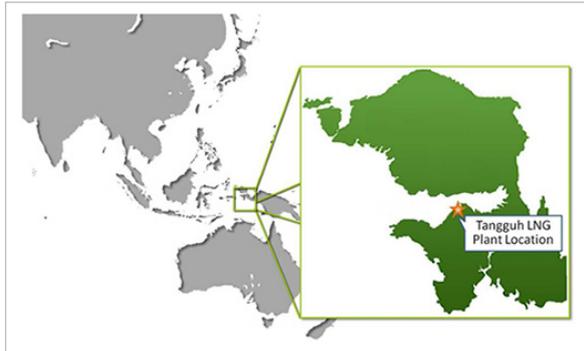
### III Initiatives in the Petroleum and Chemicals Field

As part of its medium- to long-term CCUS strategy, MC is working in the petroleum and chemicals sector, where additional research and development is required. Together with the University of Toyama, Chiyoda Corporation, Nippon Steel Engineering Co., Ltd., Nippon Steel Corporation, and HighChem Company Limited, MC was selected for a NEDO-commissioned project titled: “Carbon Recycling and Development of Next-Generation Thermal Power Generation/Development of Technology for the Reduction of CO<sub>2</sub> Emissions and the Effective and Practical Use of CO<sub>2</sub>/Development of Technology for the Use of CO<sub>2</sub> in Chemical Materials.” The partners are developing a method to produce paraxylene, a key material used in clothing fibers and PET bottles, from CO<sub>2</sub>. Leveraging its position as one of the world’s largest paraxylene traders, MC is responsible for testing and evaluating the commercial feasibility of CO<sub>2</sub>-derived paraxylene using its global network. Due to its chemical structure, paraxylene can incorporate CO<sub>2</sub> while requiring relatively little hydrogen as a feedstock. MC sees significant potential for CCU-based paraxylene from both economic and environmental perspectives. As global populations grow, demand for clothing is expected to rise, creating additional demand for polyester beyond what can be met through recycling alone. MC aims to replace petroleum-derived paraxylene with sustainable paraxylene produced from CO<sub>2</sub>.



### III CCUS at Tangguh LNG Project

MC, together with operator bp, reached Final Investment Decision (FID) at the end of 2024 on the development plan for the Tangguh LNG Project in West Papua, Indonesia, including a large-scale CCUS (Carbon Capture, Utilization, and Storage) initiative. The plan aims to capture approximately 15 million tons of CO<sub>2</sub> and reinject it into the Vorwata gas field for permanent storage. This will not only reduce CO<sub>2</sub> emissions but also enhance production efficiency and increase natural gas output. Project development began in 2025, with CCUS operations expected to start in 2028.



Project location map



LNG facility

### III Initiatives Toward Establishing Overseas CCS Value Chains

MC is conducting a feasibility study on building an overseas CCS value chain through the Oceania CCS Project and the Northern Offshore of Peninsular Malaysia CCS Project, both selected as Advanced CCS Projects for FY2025 by the Japan Energy and Metals National Corporation (JOGMEC).

In the Oceania CCS Project, Mitsubishi Corporation, Nippon Steel Corporation, ExxonMobil Asia Pacific Pte. Ltd., Mitsubishi Chemical Corporation, and Mitsubishi Corporation Clean Energy Ltd. are studying CO<sub>2</sub> capture from Ise Bay/Chubu area and the transport and storage of this CO<sub>2</sub> in the Asia-Pacific region, including Australia, Malaysia, and Indonesia. In the Northern Offshore of Peninsular Malaysia CCS Project, Mitsubishi Corporation, ENEOS Corporation, ENEOS Xplora Inc., JFE Steel Corporation, Cosmo Oil Co., Ltd., Nippon Shokubai Co., Ltd., and PETRONAS CCS Solutions Sdn Bhd are studying CO<sub>2</sub> capture from the Tokyo Bay area and its transport and storage at sites offshore northern Peninsular Malaysia. Both projects include studies on CO<sub>2</sub> separation, capture, transport, and storage, with the goal of commencing storage operations by FY2030.

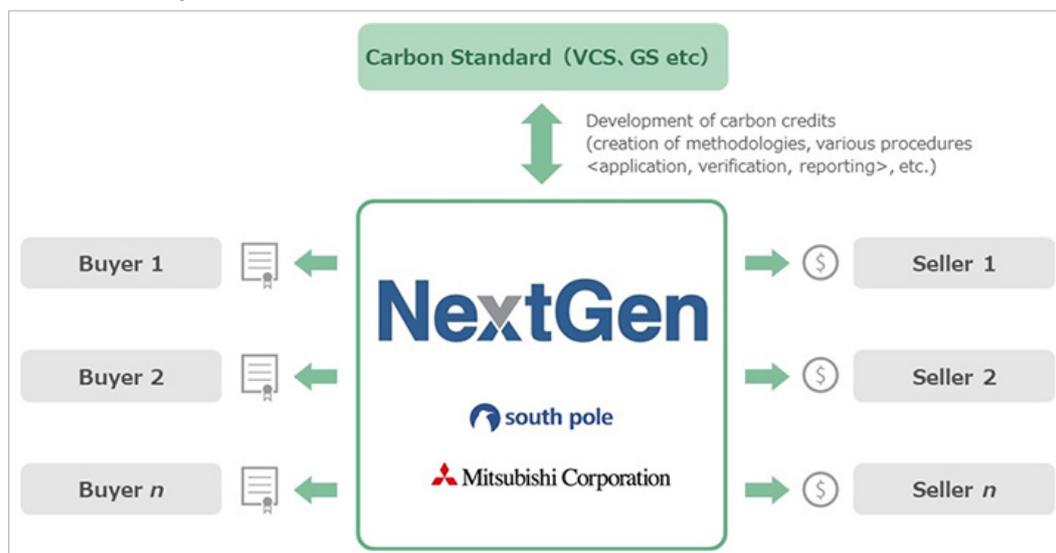
## Carbon Credit

### III Collaboration with South Pole on the Carbon Credit Trading Business Based on CCUS and Other Innovative Carbon Removal Technologies

MC and the Swiss company South Pole, one of the world’s largest carbon credit developers, have jointly established NextGen CDR AG (NextGen) as a venture to manage the procurement and sales of carbon credits derived from Carbon Capture, Utilization, and Storage (CCUS) and other innovative carbon removal technologies.

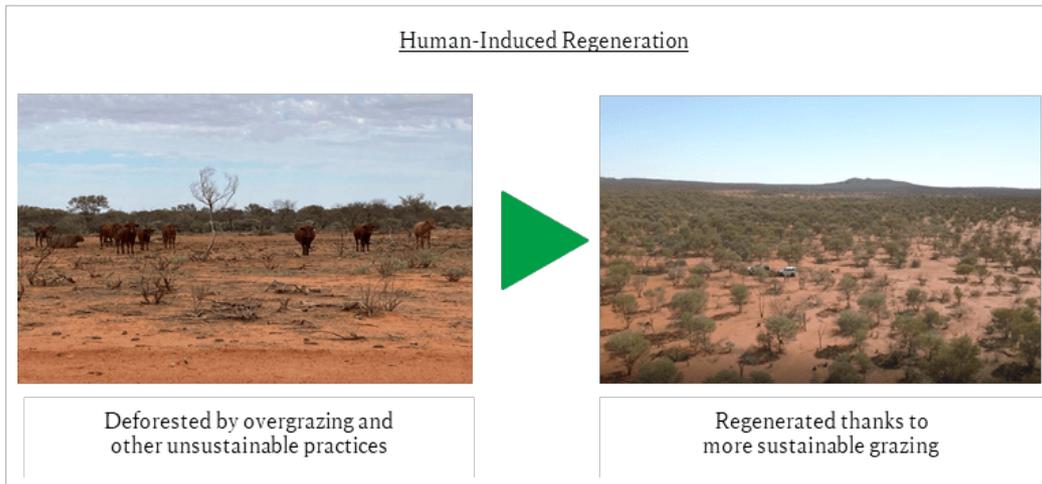
To achieve the goals outlined in the Paris Agreement and keep global warming below 1.5°C, the adoption of carbon removal technologies such as CCUS is essential. However, several challenges must be overcome before these technologies can be deployed at scale, including the need for further technological innovation and cost reduction. MC is working to address these issues by creating new revenue streams for credit suppliers through credit sales. To this end, we are bringing together carbon credit buyers and establishing long-term offtake agreements, with the aim of accelerating the widespread implementation of these early-stage technologies.

#### Overview of Project (NextGen CDR AG)



### III Regeneration Project/Investment in Australian Integrated Carbon

MC and Nippon Yusen Kabushiki Kaisha (NYK) have jointly acquired a 40% interest in Australian Integrated Carbon Pty Ltd (AIC), a company engaged in the sale of carbon credits. These credits are generated through CO<sub>2</sub> sequestration achieved via the regrowth of Australia’s native forests using a process known as human-induced regeneration, an established methodology in Australia. This approach introduces new land-management practices to support the regeneration of native woodlands that have been lost over the past few centuries due to clearing and overgrazing. The amount of CO<sub>2</sub> stored in the regenerated forests is officially certified as Australian Carbon Credit Units by the Australian government. Through its expanding portfolio, AIC aims to contribute to capturing up to 5 million tons of CO<sub>2</sub> emissions per year, with a cumulative total of 85 million tons by 2050.



### Other Low-Carbon/Decarbonized Businesses (Green Logistics, Green Buildings, etc.)

We will leverage our extensive networks across various industries to promote carbon reductions and decarbonization in multiple fields, beginning with green logistics and green buildings.

### III Participation in the Breakthrough Energy Catalyst Program to Accelerate the Application of Decarbonization Technologies in Society

MC is the first company in Asia to participate in Breakthrough Energy Catalyst (BEC), a program dedicated to accelerating the deployment of innovative decarbonization technologies.

BEC is a new initiative under Breakthrough Energy, the network of programs founded in 2015 by global philanthropist Bill Gates. The BEC program provides investment and other forms of support for individual projects based on next-generation decarbonization technologies that have completed their research and development phase.

MC has been active in the renewable energy sector and has begun exploring the introduction of next-generation energy sources such as hydrogen, ammonia, and methanation. We recognize the importance of harnessing new technologies and innovations to meet the global challenge of transitioning to a carbon-neutral society.

In addition, BEC acts as a “catalyst”, connecting funding from private-sector partners and philanthropic organizations, product offtake support for consumers of green products, and assistance from government agencies. Through these efforts, BEC is creating a framework to scale projects based on innovative decarbonization technologies that are nearing commercialization, contributing to the realization of a carbon-neutral society.

BEC currently focuses on five priority areas: (1) clean hydrogen production (and related infrastructure), (2) long-duration energy storage (LDES), (3) sustainable aviation fuels (SAF), (4) direct air capture (DAC), and (5) green manufacturing industries (steel, cement, plastics, etc.). In the future, BEC may broaden its scope to include additional technologies important for decarbonization. MC considers these technologies essential to its EX Strategy and its Roadmap to a Carbon-Neutral Society.

Our participation in BEC will enable us to support the adoption of innovative technologies that accelerate the transition to a carbon-neutral world and help reduce environmental impact without compromising people’s quality of life.

MC will continue contributing to a carbon-neutral future by leveraging the expertise and networks it has developed in Japan and throughout Asia, collaborating with fellow BEC partner companies across a wide range of industries, including steel, aviation, and finance.

### III Demonstration Project of Compact LNG Filling Facilities for LNG Trucks in Hokkaido

MC and Air Water Inc. are jointly conducting a demonstration trials in Hokkaido using LNG-powered trucks (“LNG trucks”) and compact portable LNG filling facilities (“LNG filling boxes”).

The project addresses the challenges of electric vehicles (“EVs”) and hydrogen fuel cell vehicles (“FCVs”) for heavy-duty trucks, such as limitations in driving range and payload capacity, as well as their lengthy charging/refueling times. LNG trucks are the practical and immediate solution towards achieving a carbon-neutral society.

LNG trucks are capable of continuous long-distance travel exceeding 1,000 km, a range currently challenging for EVs and FCVs. Furthermore, LNG trucks are expected to reduce CO<sub>2</sub> emissions by approximately 10% or more compared to conventional diesel trucks.

These LNG trucks have driven a cumulative total of over 2 million kilometers since the commencement of the demonstration trials in April 2022. In November 2022, CO<sub>2</sub> emissions were reduced even further by blending liquefied bio-methane (LBM) with LNG. LBM is produced from biogas derived from livestock manure in Hokkaido.

MC will continue to participate in these demonstration trials with the goal of introducing LNG trucks into society as a way of reducing CO<sub>2</sub> emissions resulting from heavy-duty truck logistics.

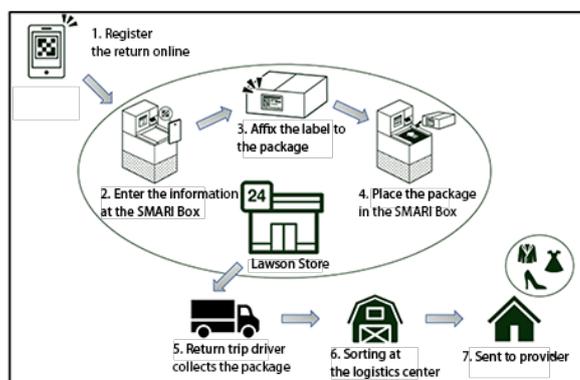
### III Smari Business: Promoting Delivery Boxes by Effectively Utilizing Return Journeys from Existing Logistics Networks

Japan’s e-commerce market continues to grow due to social changes such as a declining birthrate, an aging population, the rise in double-income households, and the impact of COVID-19. At the same time, while parcel volume increases, labor shortages in the logistics sector are becoming a serious issue.

In partnership with Lawson, Inc., an affiliated company, MC launched the Smari service in April 2019. Smari uses Lawson’s existing logistics network to enable non-face-to-face shipment of products sold on online flea-market platforms, as well as returns and rental items, that have increased with the expansion of e-commerce. As of 2025, the service has expanded to approximately 3,000 Lawson stores across the Tokyo, Kansai, Chubu, Hokkaido, and Kyushu regions, and has also been rolled out to additional locations such as train stations.

At roughly 14,500 Lawson stores across Japan—the primary locations for Smari—products are delivered seven to eight times each day from dedicated distribution centers. Smari is designed so that drivers, after completing their deliveries, pick up packages from the delivery boxes and transport them using the spare capacity in their trucks. This eco-friendly business model minimizes additional GHG emissions by utilizing return trips within the existing logistics network. Since it relies on existing routes, no additional personnel are required. Because shipments can be completed without face-to-face interaction, stores benefit from reduced checkout workload. Users also enjoy greater convenience: they do not need to fill out shipping labels or wait at the register, and can complete the shipment process in under a minute. At the same time, e-commerce companies and other shippers can expect improved customer satisfaction thanks to expanded return and shipping options.

Since 2023, MC has been collaborating with delivery box manufacturers to develop a new service that enables customers to send packages directly from their home delivery boxes. By making shipping and returns even more convenient and promoting the wider adoption of delivery boxes, this initiative aims to help address various social and environmental challenges, including those anticipated in Japan’s logistics sector.



SMARI Process



Smari Box



Smari posting process

## III Attaining Real Estate Environmental Certification for Private Fund and Private REIT Management Businesses

### Diamond Realty Management (DREAM)

DREAM, an MC subsidiary that forms and manages private real estate funds for Japanese and international investors, has established the following vision: “As a pioneer in real estate management, we will continue to be a company that is ahead of the curve in responding to the evolving needs of our stakeholders, and contribute to sustainable economic and social development and the preservation of the global environment.” Each employee upholds this vision and contributes environmental preservation and the resolution of social issues through business activities, aiming to help realize a sustainable society.

DREAM Private REIT Inc. (DPR), which focuses primarily on logistics centers, has achieved one of the top asset sizes in Japan. In the 2025 GRESB\*<sup>1</sup> Real Estate Assessment, DPR received a 5-Star rating for the fourth consecutive year, along with its eighth consecutive Green Star for outstanding performance. DPR was also selected as one of the Asia, Non-Listed Sector Leaders in the Diversified category for the second consecutive year.

DREAM has obtained multiple real estate environmental certifications for properties owned by the private funds and private REITs it manages. These include CASBEE Real Estate Assessment Certification\*<sup>2</sup>, BELS Certification\*<sup>3</sup>, Tokyo Metropolitan Small to Medium Scale Low Carbon Model Building\*<sup>4</sup> and ResReal/Flood Certification\*<sup>5</sup>, and LEED\*<sup>6</sup> certifications.

By managing real estate with a strong commitment to sustainability, DREAM will continue contributing to maximization of societal well-being.

#### \* 1 GRESB

“GRESB” refers to both the annual benchmarking assessment and the management organization that evaluates the environmental, social, and governance (ESG) data of real estate companies and funds. GRESB was established in 2009 by a group of major European pension funds who played leading roles in launching the Principles for Responsible Investment (PRI). While GRESB originally stood for “Global Real Estate Sustainability Benchmark,” the term is now used more broadly as the scope of its assessments has expanded to include areas such as infrastructure.

#### \* 2 CASBEE Real Estate Assessment Certification

The Comprehensive Assessment System for Built Environment Efficiency (CASBEE) is a method for evaluating and rating a buildings' environmental performance. The system comprehensively assesses various factors, including energy-efficiency, resource conservation, recycling performance, and considerations for the surrounding landscape.

#### \* 3 BELS Assessment

The Building-Housing Energy-Efficiency Labeling System (BELS) is used to evaluate and label the energy performance of buildings. It applies to building for which this information must be provided to real estate business operators and other parties under the Act on the Improvement of Energy Consumption Performance of Buildings (Building Energy Efficiency Act), which came into force in April 2016.

#### \* 4 Tokyo Metropolitan Small- to Medium-Sized Low-Carbon Model Building

Tokyo Metropolitan Small- and Medium-Sized Low-Carbon Model Buildings are those classified as A 1 or higher under the Low-Carbon Building Benchmark, a standard for buildings with low CO<sub>2</sub> emissions. This benchmark was published by the Tokyo Metropolitan Government in May 2012 to enable the evaluation of CO<sub>2</sub> emissions in the real estate market. The Tokyo Metropolitan Government publicly lists the names of small- and medium-sized tenant buildings that are both a) classified as A 1 or above and b) actively engaged in energy-conservation efforts as "Small- to Medium-Sized Low-Carbon Model Buildings."

#### \* 5 ResReal Flood

ResReal is a certification offered by the Japan Real Estate Institute. It is Japan's first certification program based on the quantification and visualization of a property's resilience (strength, flexibility, recovery potential, and resistance) against natural disasters. Properties are certified based on factors such as robustness (location and building), redundancy, readiness, and substitutability. ResReal evaluates both “hard” resilience elements, such as a property's location and building performance, and “soft” elements, including stockpiles of emergency supplies and disaster-preparedness training. The flood-damage version of ResReal provides a comprehensive quantitative assessment of a property's resilience to flooding.

#### \* 6 LEED

LEED (Leadership in Energy & Environmental Design) is a system for evaluating the environmental performance of built environments. It was developed and is operated by the U.S. Green Building Council (USGBC), a U.S. nonprofit organization, and certification reviews are conducted by Green Business Certification Inc. (GBCI). LEED certification is issued at four levels—Platinum, Gold, Silver, and Certified—across six different certification systems.

### III Diamond Realty Management Green Building

Please refer to the ESG Data at the link below for information on Diamond Realty Management Inc.'s Green Building data.

Reference [Sustainability Report / ESG Data](#)  
[Diamond Realty Management Website](#) 



### III Beyond Materials Corporation, a Specialized Strategy and Engineering Service Provider to Support Materials Suppliers

As societal and industrial needs evolve, particularly with the global shift toward decarbonization, requirements for new product designs in the electric vehicle (EV) and lithium-ion battery (LiB) sectors are becoming increasingly sophisticated and diverse. This trend is raising expectations for the functional materials used in these applications. MC and FEV Consulting GmbH, sharing a commitment to supporting the realization of a sustainable society, established the joint venture Beyond Materials to provide marketing and product-development services to the materials industry. Beyond Materials functions as a bridge between material users in the automotive and other sectors and supports sustainable growth in the global materials industry. This initiative also advances Beyond Materials' goal of contributing to sustainable development in global materials markets and supports MC's mission to build net-zero, circular economies.



# • Climate Change: External Collaboration

## Partnerships with Stakeholders

MC recognizes the importance of close collaboration and co-creation with diverse stakeholders to effectively address climate change and achieve decarbonization. To this end, we will actively engage a wide range of stakeholders—including partner companies, governments, local municipalities, investors, NGOs, and industry associations—to create MC Shared Value. Our goal is to accelerate the transition to a carbon-neutral society and develop new industries that address societal and industrial challenges. These efforts focus on three key themes: (1) utilizing renewable energy and other local energy resources, (2) creating new “Carbon Neutral (CN)” industries, and (3) developing vibrant communities by helping resolve regional issues. Below are examples of how we engage and build partnerships with external stakeholders.

### III Collaboration with Partner Companies

To address key challenges in achieving a carbon neutral society and decarbonizing our portfolio, MC collaborates with a wide range of partner companies that share our ambitions. Areas of collaboration include:

- Renewable Energy
- EV and batteries
- Ammonia fuel, hydrogen energy, and SAF (Sustainable Aviation Fuel)
- CCUS
- Carbon credits
- Other low-carbon and decarbonized businesses (e.g., green logistics, green buildings, etc.)

For more details, please view the relevant content [here](#).

### III Government and Local Municipalities

MC supports and advocates for global and local initiatives that contribute to decarbonization, such as expanding renewable energy, developing next-generation technologies like CCUS and hydrogen, and increasing climate-related and other ESG disclosures. We participate in seminars and training sessions hosted by Japan’s Ministry of Economy, Trade and Industry and the Ministry of the Environment, and hold individual discussions on topics such as TCFD guideline adoption and renewable energy expansion.

As a planning committee member of the TCFD consortium, MC actively supports Japanese companies’ responses to climate change. We also participate in discussions on the establishment of regulatory frameworks through the Public-Private Fuel Ammonia Promotion Council\*<sup>1</sup> and the Public-Private Council for Promoting the Introduction of SAF\*<sup>2</sup>, both led by the Ministry of Economy, Trade and Industry.

\* 1 Established in October 2020 to share technical and economic issues related to introducing and increasing the use of ammonia as fuel and to promote joint efforts to address these issues.  
 \* 2 Established in April 2022 to promote the development and manufacture of competitive domestic SAF, address technical and economic issues, and advance supply chain development through public-private collaboration.

### III Investors and NGOs

MC engages in sustainability dialogues with investors, NGOs, and NPOs through international conferences, one-on-one meetings, and ESG-focused discussions with institutional investors. These interactions provide valuable insights into stakeholder expectations regarding our decarbonization strategies and policies on fossil fuel projects. We carefully consider this feedback and incorporate it into internal measures to ensure effective implementation.

### III Industry Groups

MC promotes decarbonization initiatives through active participation in climate change working groups. When joining or remaining a member of an industry group, we confirm that its climate change initiatives align with MC’s basic policies. Through active participation in working groups and exchanging opinions related to climate change, mainly with the Japan Business Federation (Keidanren), the Japan Foreign Trade Council, and the World Business Council for Sustainable Development (WBCSD), each of which MC is a member, we are promoting activities aimed at the transition to a decarbonized society.

**COLUMN Participation in the Carbon Recycling Fund Institute**  
 The Carbon Recycling Fund Institute was established in August 2019 to address climate change and improve energy access through carbon recycling innovations. MC has been a member since November 2019. By accessing the latest information on carbon capture, utilization, and storage (CCUS) and strengthening collaboration with member companies, we aim to pursue business opportunities and contribute to solving climate change challenges.

## • Water Resources: Policy

### Basic Approach

Water is essential for human activity and continuously circulates around the planet as it changes between solid, liquid, and gaseous states. Although 70% of the Earth’s surface is covered with water, 97.5% of it is salt water. The remaining 2.5% is fresh water that supports human and business activities. However, about three quarters of that fresh water is frozen in glaciers and other ice formations. As a result, the amount of freshwater actually available for human use represents less than 1 % of the Earth’s total water supply. Under the United Nations Sustainable Development Goals (SDGs), the global community is working to secure safe drinking water for all people. Through business activity and economic development initiatives, countries are also striving to ensure more prosperous livelihoods, including reliable access to water. Because economic scale and water consumption are closely linked, companies must use water, one of the Earth’s most precious natural resources, in an efficient and responsible manner. They must also aim to address water-related challenges through their business activities.

### Policy

MC has stated its intention to promote the sustainable use of natural resources including water in its **Environmental Charter**, which was first established in 1996 and revised in 2017. As a company engaged in a wide range of businesses worldwide, MC has identified "Conserving and Effectively Utilizing Natural Capital" as part of its Materiality. The company recognizes water as an essential resource for its business activities and places strong importance on sustainable use across all of its operations. MC identifies water-related risks and opportunities in a timely manner, and sets appropriate practices for water consumption, recycling, reuse, and treatment throughout its operations. The company also works to improve efficiency and reduce overall water consumption.

## • Water Resources: Targets

To help reduce the consumption of limited water resources, MC has set a target for FY2025 to reduce water use at its Head Office compared with the previous year’s consumption. MC also conducts a sustainability survey designed to track water withdrawals, discharges, and recycling across the total operations of its operating companies. In addition to aiming for a 100% response rate to this survey, MC is analyzing individual increases and decreases across the various surveyed items.

## • Water Resources: Structure

Officer in Charge	Kenji Kobayashi (Executive Vice President, Corporate Functional Officer, CSEO (concurrently Capital Alliances))
Deliberative Body (A subcommittee under the Executive Committee, a management decision-making body)	Sustainability Committee Important matters related to water resources deliberated by the Sustainability Committee are formally approved by the Executive Committee and put forward or reported to the Board of Directors based on prescribed standards.
Department in Charge	Sustainability Dept.

## III Risk Management

When reviewing and making decisions on investment and financing proposals, MC conducts a comprehensive screening process that considers both economic aspects and ESG factors. From a water resources perspective, MC has established a screening process that first confirms compliance with environmental regulations related to water discharge and water withdrawals, which serve as confirmation of regulatory risks. The process also evaluates the impact of water withdrawals on surrounding communities, local society, biodiversity, and the effects of climate change on the freshwater environment, which serves as confirmation of physical risks. For this screening, particularly for businesses located in areas with high levels of water stress, MC uses the World Resources Institute (WRI) Aqueduct tool in order to incorporate external perspectives. Furthermore, MC strives to monitor existing operating companies and contribute to their improvement, in addition to reviewing new investment and divestment proposals.

MC also conducts annual surveys of suppliers to confirm their compliance with the Mitsubishi Corporation Policy for Sustainable Supply Chain Management. This policy outlines MC’s approach to addressing human rights, labor rights, and environmental issues in supply chains for products that carry high environmental or social risks. The survey items include consideration of impacts on local communities and ecosystems, whether suppliers have policies, strategies, and guidelines to prevent river pollution, whether they set and monitor water consumption reduction targets, and the content of any water-related surveys they conduct.

[Reference](#) [Supply Chain Management](#) [Human Rights and Environmental Due Diligence at MC](#)

### Water Stress Analysis

In addition to company-wide efforts to reduce water consumption, MC conducted a water stress analysis of operating companies with high water withdrawal levels in order to identify priority reduction targets.

The process and several results are described below.

#### Process of the Analysis

The top 20 operating companies in terms of water withdrawal amounts were identified. These companies account for approximately 99.2% of the total water withdrawal by companies under MC's financial control.

The WRI Aqueduct water stress analysis tool was used to determine whether any of the 20 companies were located in areas of high water stress.

For any business located in an area with high water stress (rated "High" or above), measures to reduce water consumption were implemented along with specific reduction targets.



#### Results of the Analysis

According to Aqueduct assessment, a Thai tapioca starch manufacturing and processing company is located in an area with high water stress. The company operates in the Mekong River Basin, which is generally at high risk of water shortages, drought, and inadequate wastewater treatment. However, based on an assessment of operational impacts using the WWF Water Risk Filter, and after considering business characteristics identified through site visits and interviews with management, the company's operational risk score was evaluated as "Low."

#### Establishment of Targets and Initiatives to Reduce Water Consumption

The company has set a water recycling ratio target of 10% in order to reduce water consumption per unit of production volume. It is also promoting water reuse through initiatives such as recirculating water used to backwash microfiltration membranes.

## • Water Resources: Initiatives

### III Initiatives to Maximize Water Efficiency

#### Los Bronces Copper Mine

Since copper mining requires large amounts of water, each mine is working to introduce technologies that maximize water efficiency in operational processes in order to reduce the intake of new water. At the Los Bronces Copper Mine, located in Chile's Metropolitan Region and jointly invested in by MC and Anglo American plc (AA), approximately 90% of the water used in production processes is recycled. Efforts are also underway to increase water recycling from tailings and to utilize treated wastewater procured from third parties. In addition, a contract has recently been signed to procure desalinated water beginning in 2026. This will help ensure a stable and long-term water supply for operations while also providing clean water to neighboring communities and contributing to water security for approximately 40,000 people.

## III Initiatives to Reduce Water Consumption

### Toyo Reizo

Toyo Reizo Co., Ltd., one of MC’s consolidated subsidiaries, has stated in its environmental policy that it will reduce the amount of water used in its production processes and will take preventative measures against the discharge of pollutants. The company has set targets to reduce water consumption on both an annual and mid-term basis and carries out activities to achieve these reductions. In particular, The company aims to lower its environmental impact by conserving water. To support this effort, the company calculates water consumption and discharge amounts at plants and related facilities with high water usage and conducts monthly assessments and reviews. In addition to efforts to reduce water consumption, The company has also set targets for reducing CO<sub>2</sub> emissions and waste discharge, as well as for improving the implementation rate of food waste recycling, while pursuing continual improvement through a PDCA cycle.



Reference [Environmental report \(Toyo Reizo\)](#)

### Olam

MC affiliate Olam Group Limited (Olam) has endorsed the UN CEO Water Mandate, a United Nations Global Compact initiative that supports corporate efforts related to water, sanitation, and the SDGs. Olam is working to develop policies that help mitigate, understand, and manage water risks.

Examples of Olam’s efforts to reduce water consumption include the establishment in 2022 of water usage reduction targets for 2030 at its almond orchards in Australia and the U.S. Olam is also committed to improving water use efficiency across its orchards by monitoring soil and plant moisture and by remediating 75% of wet and saline areas. At its soluble coffee facility in Vietnam, Olam has installed a reverse osmosis system to recover and reuse rejected water during processing and continues to invest in measures and equipment to improve water efficiency. Regarding water quality management, Olam has maintained strict water quality controls at its palm plantations in Gabon since 2023, including regular inspections by third parties to prevent cross-contamination in nearby rivers.

With support from project partners, Olam introduced eco-pulpers on coffee farms in Mexico that eliminate the need for wastewater ponds traditionally required during coffee processing. These eco-pulpers enable up to an 80% reduction in water use compared to conventional methods while maintaining coffee quality.

In 2022, Olam partnered with the USDA Forest Service, the National Forest Foundation, and Unilever to enhance the resilience of forested watersheds, improve water conservation within the Pine Flats watershed in California, and reduce the risk of severe wildfires. The project is expected to replenish approximately 2.5 billion liters of water and reduce CO<sub>2</sub> emissions by 80,000 tons per year.



To find out more about Olam’s activities to reduce water consumption, please visit their website:

Reference [Olam Priority Areas, Water](#)

## III Initiatives in Water-Stressed Regions

### Escondida Copper Mine

The Escondida copper mine, one of MC’s major investments, is located in the desert region of northern Chile and is the largest copper-producing mine in the world. Water consumption at the mine site is reduced in the ore processing phase through water-saving measures and reuse initiatives. In addition, approximately US\$ 4 billion has been invested to date in the construction of a desalination plant that has one of the largest processing and pumping capacities in the world. Since the end of 2019, the desalination plant has met all of the project’s water requirements, eliminating reliance on subterranean aquifers. As water shortages and drought have become more prominent issues in Chile in recent years, MC will continue advancing the business while respecting regional water resources and promoting environmental protection and coexistence with local communities.

### Los Pelambres Copper Mine

The Los Pelambres copper mine, one of MC’s investments, is a large-scale operation located in the mountainous region of central Chile. The mine promotes water preservation through various measures, including reducing overall water usage, recycling water within operational processes, and utilizing a desalination plant. Construction is currently underway to double the plant's treatment capacity from the current 400 liters per second to 800 liters per second by 2027, which will further reduce reliance on freshwater extraction. As water scarcity and drought continue to pose critical challenges in Chile, MC remains committed to environmental protection and strong relationships with local communities while working to ensure a stable supply of resources by securing sufficient water for operations.



## • Water Resources: External Collaboration

### III Responding to CDP

MC actively shares information about its ESG-related initiatives with stakeholders around the world. CDP, a UK-based international environmental NGO, promotes corporate environmental information disclosure at the request of institutional investors globally. CDP maintains the world's largest database of corporate disclosures on climate change initiatives. Since FY2011, MC has responded to the CDP Water Security questionnaire, which evaluates corporate water management.

### III Participation in the Water Project of the Ministry of the Environment of Japan

MC participates in the Water Project\*, a public-private initiative that promotes efforts to preserve and restore healthy water cycles. Through this initiative, MC exchanges information with other companies on water risks and water-related efforts, and considers how to advance similar initiatives within the company.



MC promotes activities, both through its business operations and through corporate philanthropy, to maintain and restore sound water cycles. The company also communicates the importance of water and its related initiatives through internal and external channels.

\*The Water Project was launched in 2014 based on the Basic Act on Water Cycles. It was established to create a public-private collaboration platform and support self-directed initiatives by private-sector organizations to help achieve sound water cycles and preserve the water environment.

### III Collaboration with NGOs

MC supports a wide range of environmental and social initiatives across the Americas and the EMEA region through the Mitsubishi Corporation Foundation for the Americas (MCFA) and the Mitsubishi Corporation Foundation for EMEA Charitable Incorporated Organisation (MCF for EMEA). Notable examples include mangrove ecosystem conservation efforts in Senegal in partnership with ENDA Energie, and training for local leaders in conservation and sustainable development in the Amazon through collaboration with the Foundation for Amazon Sustainability (FAS).

## • Biodiversity: Policy

As stated in our Environmental Charter, MC recognizes the critical importance of natural capital, including biodiversity, and is committed to maintaining, protecting, and restoring it. We have positioned “Conserving and Effectively Utilizing Natural Capital,” including consideration of biodiversity, as part of our Materiality, which are issues for management to address in order for MC to achieve sustainable growth. Based on these policies and materiality analysis, MC analyzes its nature-related issues using the TNFD framework and strives to minimize negative impacts on its natural capital from its business activities. Natural capital issues are taken into account when reviewing and making decisions on loan and investment proposals.

Forests are regarded as one of the most important types of natural capital because of their vital role in preserving biodiversity as well as capturing and storing greenhouse gases. Therefore, MC is working to reduce the deforestation impact of its activities to zero, including through the establishment of individual guidelines for each of the forest risk commodities we handle (soybean, timber and paper products, and palm oil ) with the aim of ensuring that procurement of these commodities is not connected to deforestation. To confirm compliance with the Mitsubishi Corporation Policy for Sustainable Supply Chain Management, which outlines MC’s actions to address human rights, labor rights, and environmental issues in the supply chain, we also require all MC suppliers to understand, support and implement this policy. Furthermore, we conduct annual supplier surveys to ensure that our policies regarding the handling of products with high environmental or social risks are being observed. (See the [Supply Chain Management](#) page for further information.)

In addition, we are engaged in corporate philanthropy activities aimed at conserving biodiversity, including the Tropical Forest Regeneration Project and the Global Coral Reef Conservation Project.

Reference [MC’s Environmental Charter](#)  
[Policy on Mine/Site Decommissioning](#)

## • Biodiversity: Targets

MC strives to mitigate the impact that its businesses have on biodiversity, and seeks ways to contribute to ecosystem preservation through its businesses as well as through corporate philanthropy activities aimed at environmental preservation. Regarding contributions to the preservation of ecosystems through our business activities, MC takes into account aspects related to biodiversity when screening new project and exit proposals, and also aims to make improvements by monitoring the management practices of existing business investments.

# • Biodiversity: Structure

## Disclosure Based on TNFD Recommendations

Based on the "Three Corporate Principles" that we have upheld since our founding, MC aims to create economic, societal, and environmental value through its business activities, contributing to a future in which everyone can live with prosperity and well-being. The Earth is an important stakeholder for MC, and given our global operations across diverse industries, we recognize our dependence on ecosystem services provided by natural capital, as well as our responsibility to ensure that these benefits are passed on to future generations.

Alongside decarbonization, conserving and enhancing ecosystems not only contributes to the sustainable development of society but also strengthens the resilience of our businesses and forms the foundation for the continuous creation of MC Shared Value (MCSV). We will identify our points of interaction with nature across our value chain, work to minimize negative impacts, and advance our journey toward becoming "Nature Positive," contributing to the restoration of nature toward a more resilient state.

Since joining the TNFD Forum in March 2022, MC has conducted repeated analyses and internal deliberations. We hereby endorse the TNFD recommendations and disclose the nature-related risks and opportunities we have identified, together with our corresponding policies. Going forward, we will advance our Nature Positive initiatives through constructive dialogue with our stakeholders.

### III Governance

#### 1. Governance Structure

The Chief Stakeholder Engagement Officer (CSEO) oversees sustainability initiatives, including nature-related dependencies, impacts, risks, and opportunities, as well as MC's responses to them. Basic policies and initiatives are deliberated by the Sustainability Committee and subsequently submitted to, or reported to, the Executive Committee, which serves as the Company's primary management decision-making body. In accordance with the regulations of the Board of Directors, these matters are regularly submitted to, or reported to, the Board of Directors (approximately once a year), ensuring appropriate Board-level oversight of natural capital.

To further promote sustainability initiatives within each Business Group, the officers responsible for business strategy formulation in each group have been appointed as Group Chief Sustainability Officers. These officers are responsible for sustainability matters, including nature-related initiatives, thereby strengthening the integration of nature-related considerations in our business strategies and operations.

In addition, MC has established the Sustainability Roundtable as a forum for dialogue between external experts and the Group Chief Sustainability Officers on sustainability topics, including natural capital. Insights gained through these discussions are incorporated into policy formulation, business promotion, and internal decision-making processes.

With respect to decision-making for investment and financing proposals, the General Manager of the Sustainability Department serves as a member of the Investment Committee and provides input to ensure that deliberations reflect basic policies and key considerations related to natural capital. This framework enables the Company to make informed decisions grounded in specialized expertise.

Please refer to the following for details on the oversight and management process for natural capital in FY2026.



In addition, please refer to the [Voting Results of 2024 Ordinary General Meeting of Shareholders](#) for information on the Board Skills Matrix. For details on the consideration of sustainability factors in executive remuneration, please refer to [Governance \(Remuneration for Directors, etc.\)](#).

## 2. Respect for Human Rights & Stakeholder Engagement

MC believes that respect for human rights is fundamental to our business activities worldwide, and we promote initiatives to uphold human rights in accordance with our **Human Rights Policy**.

To identify and analyze potential negative impacts of our business activities on human rights and the environment, we conduct sustainability surveys of our subsidiaries and affiliates, as well as individual dialogues with stakeholders. These processes enable us to identify and assess issues related to the human rights and environmental conditions of stakeholders involved in our business and to ensure that identified impacts are addressed appropriately. Through these efforts, we are strengthening initiatives to respect human rights and protect the environment across the MC.

When reviewing new investment proposals, we conduct a comprehensive screening process that considers not only economic factors but also human rights and environmental perspectives. In addition, recognizing the potential impacts of business operations on the rights of Indigenous peoples, we engage in dialogue with relevant stakeholders from the business evaluation stage through to post-investment.

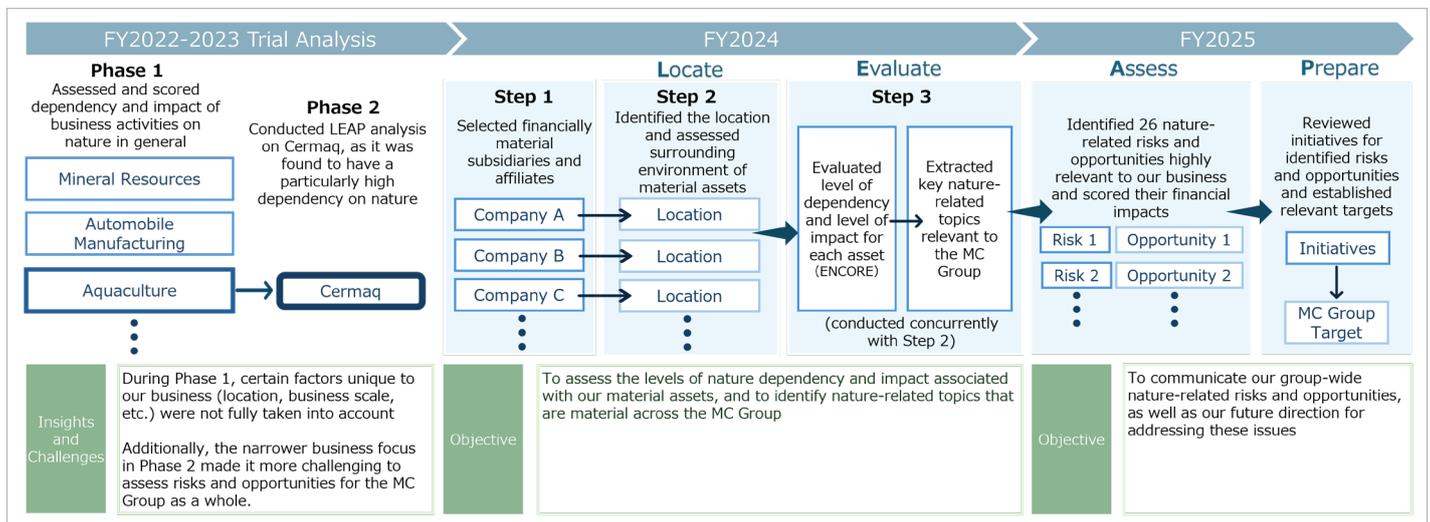
MC supports the United Nations Declaration on the Rights of Indigenous Peoples and the Indigenous and Tribal Peoples Convention (ILO Convention No. 169). In business operations conducted in regions where Indigenous peoples reside, we acknowledge their distinct cultures and histories and respect their rights in accordance with the laws and international frameworks of the countries and regions in which we operate. Furthermore, through the Mitsubishi Corporation Policy for Sustainable Supply Chain Management, we request that our suppliers respect human rights and give due consideration to local communities and ecosystems.

## III Strategy & Risk Management

### 1. Overview of MC's Analysis Based on the TNFD Framework (Summary)

To identify and assess nature-related issues associated with our businesses, MC conducted a trial analysis from FY2022 to FY2023 based on the beta version of the TNFD framework, focusing on businesses with high dependencies and impacts on nature. The results of this analysis were disclosed accordingly. Following this trial analysis, we engaged in dialogue with stakeholders and received valuable feedback. Stakeholders requested that we incorporate financial impacts and conduct analysis and disclosure that enable a companywide evaluation.

Based on this feedback, beginning in FY2024 we identified the key assets and geographic locations of financially material subsidiaries and affiliates and evaluated the surrounding natural environment and disaster risks (Locate). We also conducted a heatmap analysis to assess materiality from a natural capital perspective, including dependencies and impacts on nature across the value chain (Evaluate). For businesses identified as having both financial materiality and materiality from a natural capital perspective, we identified and assessed risks and opportunities (Assess) and conducted hearings on countermeasures and target setting (Prepare).



### Overview of MC's Analysis

#### 2. Selection of Businesses for TNFD Analysis

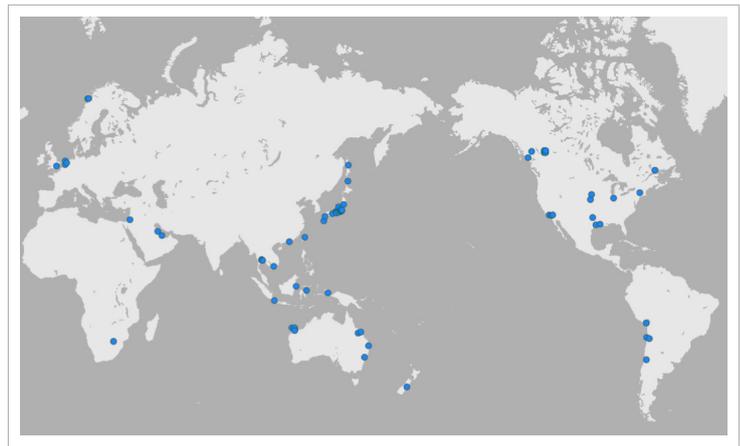
MC recognizes the growing importance of treating sustainability information not merely as non-financial information, but as sustainability-related financial information. In selecting the scope of this TNFD analysis, and with reference to the sustainability disclosure standards of the Sustainability Standards Board of Japan (SSBJ), we identified Head Office businesses, subsidiaries, and affiliates that are financially material to the Company\*<sup>1</sup> (hereinafter referred to as the "Target Businesses") from a financial materiality perspective.

Because financially material businesses tend to operate at a larger scale and generally have relatively greater impacts on nature, we believe that this approach is also consistent with the concept of impact materiality.

\* 1 MC has selected businesses that account for approximately 70 percent of our portfolio, primarily based on financial and non-financial information.

### 3. Locate (Identification of Key Assets and Assessment of the Surrounding Environment)

We identified the key assets and geographic locations (latitude and longitude) of the Target Businesses. Using TNFD-recommended tools to assess the surrounding natural environment, together with additional tools for evaluating climate-related physical risks, including heat stress, typhoons, storm surges, river flooding, and forest fires\*2, we assessed natural environmental conditions and disaster risks. Please refer to the following for the distribution map of key assets.



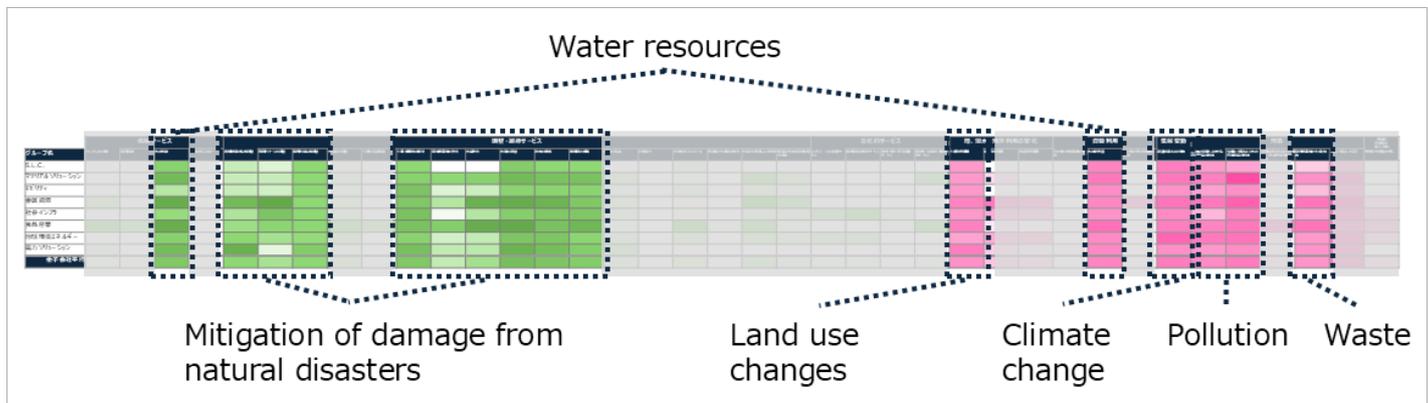
Map of MC's Key Assets

\* 2 Surrounding natural environments were evaluated using WRI Aqueduct Baseline Water Stress and biodiversity datasets, including protected areas, Key Biodiversity Areas (KBAs), and STAR data from IBAT. Climate-related physical risks were evaluated using NEX-GDDP-CMIP6, Aqueduct Flood, IBRaCS, and the Global Fire Atlas.

### 4. Evaluate (Heatmap Analysis)

For the Target Businesses, we used TNFD-recommended tools such as ENCORE to assess dependencies and impacts on nature across the value chain and visualized the results in a heatmap. Specifically, dependencies on nature were evaluated across 25 types of ecosystem services, including water supply, climate regulation, and flood mitigation. Impacts on nature were assessed across 13 types of impact drivers, including water use and pollutant emissions. Each dependency and impact was scored using a six-level scale, enabling the identification of ecosystem services with high dependency and impact drivers with high impact. Based on this assessment, we identified key nature-related topics relevant to our subsidiaries.

The heatmap below presents the analysis results by Business Group. Given the diversity of our business, material nature-related issues vary across businesses and operating companies. However, through a holistic analysis of our financially material businesses and assets, we identified that MC has relatively high dependencies on water resources and natural disaster mitigation. We also identified the need to pay particular attention to our climate-related impacts, including GHG emissions, pollution, land-use change, and waste.



Key Nature-related Topics Relevant to the MC Group.

### 5. Assess (Identification of Financially Material Risks and Opportunities for the MC)

We identified Target Businesses that are susceptible to the nature-related topics identified in the Evaluate phase by combining the assessment results of key assets from the Locate phase with the dependency and impact evaluations from the Evaluate phase. These businesses were positioned as material from a natural capital perspective. Based on this positioning, we developed a longlist of general industry risks and opportunities by referencing TNFD sector guidance, peer disclosures, and actual cases of risk materialization identified through external tools\*3. The longlist comprised approximately 200 items across eight Business Groups, with roughly 20 to 40 items per Group. For each item on the longlist, we evaluated financial materiality and likelihood of occurrence using a five-point scale. Taking both factors into account, we then assessed the potential financial impact using a quantitative scoring methodology.

Subsequently, we screened and consolidated the longlist of general industry risks and opportunities from a financial impact perspective. This process was conducted in consultation with the relevant departments, subsidiaries, and affiliates of the Target Businesses. The resulting items were categorized in accordance with the European Sustainability Reporting Standards, which are highly interoperable with the TNFD framework, and compiled into a shortlist of financially material risks and opportunities.

\* 3 RepRisk, a service that provides media coverage and other data related to ESG (Environmental, Social, and Governance) risks for companies and projects worldwide, was used as an external reference tool.

Climate Change	Pollution	Water & Marine Resources	Biodiversity & Ecosystems	Resource Use & Circular Economy	Affected Communities	Risk Opportunity	Category	Time Horizon		Avg. Financial Impact	Details
								Medium	Long		
						Physical Risk	Acute	○	○	3	Increased procurement costs and supply instability caused by the intensification and increased frequency of weather-related disasters across the supply chain
						Physical Risk	Acute	○	○	4	Disruptions or delays in facility operations, physical damage, and higher insurance premiums due to weather-related disasters affecting infrastructure and business sites, as well as degradation of surrounding ecosystems
						Physical Risk	Acute/Chronic	○	○	2	Site closures and increased restoration costs for surrounding ecosystems due to soil degradation and erosion
						Physical Risk	Acute/Chronic	○	○	3	Loss of production opportunities and increased response costs due to the depletion or degradation of water resources
						Physical Risk	Acute/Chronic	○	○	3	Higher procurement costs and supply instability for raw materials and energy resulting from climate change, ecosystem degradation, and the depletion of natural resources
						Transition Risk	Policy	○		4	Increased compliance and operational costs due to strengthened decarbonization and climate-related policies and regulations
						Transition Risk	Market		○	4	Higher operating and procurement costs driven by fluctuations in energy prices
						Transition Risk	Market		○	4	Risk of business decline due to termination of relationships with suppliers reluctant to reduce GHG emissions
						Transition Risk	Policy	○		3	Increased compliance costs and potential fines associated with air, water, and soil pollution regulations
						Transition Risk	Policy	○		2	Increased compliance costs and potential fines related to water resource regulations
						Transition Risk	Policy	○		3	Operational constraints and higher compliance costs arising from ecosystem protection and land-use regulations
						Transition Risk	Policy	○		3	Increased compliance costs and potential fines resulting from waste management regulations
						Transition Risk	Market/Policy/Tech	○	○	3	Increased procurement and manufacturing costs for transitioning to renewable or recycled materials
						Transition Risk	Policy/Tech	○	○	3	Increased investment and R&D costs for sustainable production and impact mitigation technologies
						Transition Risk	Policy	○		3	Higher compliance costs in responding to international sustainability regulations across the value chain (e.g., EUDR, CS3D)
						Transition Risk	Market		○	3	Decreased demand for non-sustainable products and services due to shifts in customer and consumer preferences
						Transition Risk	Market/Tech		○	3	Declines in competitive advantage and revenue caused by delays in transitioning to new technologies
						Transition Risk	Market		○	3	Impact on financing due to delays in environmental responsiveness
						Transition Risk	Policy		○	2	Increased compliance costs and potential fines related to information disclosure regulations
						Transition Risk	Reputation & Liability	○	○	3	Litigation and compensation claims from local communities due to environmental impacts, leading to reputational decline
						Opportunity	Resource Efficiency	○	○	3	Reduced operational costs through the adoption of energy-efficient technologies and process improvements
						Opportunity	Resource Efficiency	○	○	4	Reduced operational costs through water-efficiency technologies and process improvements
						Opportunity	Resource Efficiency	○	○	2	Environmental impact reduction and lower operational costs through resource efficiency and waste management
						Opportunity	Resource Efficiency	○	○	2	Enhanced resilience through adaptation to environmental changes, including new technology deployment and changes in sourcing locations
						Opportunity	Market		○	3	Strengthening competitive advantage and expanding markets through technologies that enable sustainable production and impact mitigation
						Opportunity	Capital Flows & Financing	○	○	3	Diversification and expansion of financing opportunities driven by advanced environmental initiatives

**Assessment of Financial Impact**

In assessing financial impacts, we adopted a Business-As-Usual (BAU) scenario, defined as a scenario in which current conditions continue, as the assumed future state. While TNFD guidance on scenario analysis recommends considering multiple scenarios using a forecasting approach, MC’s business portfolio is highly diverse, and the relevant scenarios under a forecasting approach differ across Business Groups. In addition, the use of extreme scenarios may result in the overestimation or underestimation of risks and opportunities due to excessive reliance on scenario assumptions. Based on these considerations, we determined that the BAU scenario provides an appropriate foundation for enabling each Business Group to conduct assessments from a practical perspective, while reducing the risk of overlooking material risks and opportunities.

Financial Materiality	Likelihood of Occurrence				
	Unlikely (Less than 10%)	Infrequent	Occasional	Likely	Almost certain
Very High (Non-negligible financial impact)	4	4	5	5	5
High	3	4	4	5	5
Medium	3	3	3	4	5
Low	2	2	3	3	4
Very Low (Negligible financial impact)	1	1	2	2	2

**Time Horizons (Short, Medium, and Long-Term)**

Short term:

Define as the period up to the next fiscal year. This time horizon is already reflected in strategic decision-making processes, including business planning, which is primarily conducted on an annual basis, and investment decisions. It is also incorporated into current financial planning.

Medium and long term:

Based on the Guidance on Nature Transition Plans published by TNFD in November 2025, MC recognizes the need to pursue a transition aligned with the Kunming-Montreal Global Biodiversity Framework (GBF). Taking into account the GBF’s objective to halt and reverse biodiversity loss by 2030 and to restore nature by 2050, we define the medium term as the period up to 2030 and the long term as the period up to 2050.

## 6. Prepare (Initiatives for Financially Material Risks and Opportunities for the MC)

### Initiatives for Risks and Opportunities

For the shortlist of 26 risk and opportunity items identified in the Assess phase, we reviewed the current management structures, responses, and initiatives implemented by each Target Business. As a result, we found that measures have already been implemented by 77 percent of subsidiaries for the identified risks and by 53 percent for the identified opportunities.

The responses to risks and opportunities identified through this process were categorized into the following action types: Transform, Restore and Regenerate, Reduce, Avoid, and Other. These categories are based on a framework\*<sup>4</sup> that indicates the priority of actions for managing negative impacts on nature and maximizing positive contributions.

\* 4 MC applies the AR 3 T action framework, which is based on the mitigation hierarchy principles proposed by the Science Based Targets Network (SBTN).

	Category	Primary Initiatives
Response to Impacts on Nature	<b>Transform</b> Actions that contribute to systemic change in the value chain and society	<ul style="list-style-type: none"> <li>■ Development and adoption of new technologies (e.g., smart agriculture, next-generation fuels, electrification of products)</li> <li>■ Engagement of supply chain partners to drive action</li> <li>■ Creation of carbon credits</li> <li>■ Utilization of sustainable finance</li> </ul>
	<b>Regenerate/Restore</b> Proactive measures to promote the recovery of nature	<ul style="list-style-type: none"> <li>■ Implementing measures to restore biodiversity beyond its original natural condition</li> </ul>
	<b>Reduce</b> Efforts to minimize unavoidable impacts	<ul style="list-style-type: none"> <li>■ Promoting energy efficiency and reducing GHG emissions</li> <li>■ Reducing water consumption</li> <li>■ Reducing plastic use in packaging</li> <li>■ Selecting facility locations with minimal ecosystem impact</li> </ul>
	<b>Avoid</b> Avoiding actions that lead to natural degradation as much as possible	<ul style="list-style-type: none"> <li>■ Ensuring proper waste disposal in accordance with environmental permits and preventing the depletion or degradation of water resources</li> <li>■ Preventing pollutant emissions through continuous monitoring</li> </ul>
	<b>Others</b> Responses to risks and opportunities not classified under AR3T*	<ul style="list-style-type: none"> <li>■ Offsetting increased costs through price adjustments</li> <li>■ Monitoring technological and regulatory developments and establishing compliance guidelines</li> <li>■ Strengthening business continuity planning (BCP) and reviewing insurance coverage</li> <li>■ Enhancing external communication and responses to ESG ratings</li> </ul>

\* Since the AR3T framework primarily focuses on impacts on nature, some identified countermeasures fall outside its defined categories

Based on this assessment, MC will continue to promote initiatives to address nature-related risks and opportunities as outlined below.

### Companywide Initiatives for Opportunity Response

While many opportunities require decision-making that takes into account external conditions, MC is already pursuing a number of opportunity-driven initiatives through its existing businesses. We will continue to work in collaboration with our Business Groups to maximize such opportunities. Examples include seawater **desalination projects** at copper mines, as well as **recycling and closed-loop business initiatives**.

In addition, as part of our measures to expand opportunity creation efforts, MC is promoting the transition to a circular economy. To monitor external trends and take timely action through our networks, we participate in public-private partnership platforms such as Circular Partners and the Japan Partnership for Circular Economy (J4CE). Through initiatives including material recycling using new technologies, recycled PET manufacturing, and the secondary use of EV batteries, we aim to reduce our environmental footprint on natural capital.

### Companywide Initiatives for Risk Response

As part of our risk mitigation measures, MC requires the assessment of environmental and social risks and opportunities when reviewing and making decisions on investment and financing projects. This assessment includes scenario analysis and carbon pricing impact analysis for businesses with significant potential impacts, as well as **human rights and environmental due diligence** for applicable proposals.

In addition to the disaster risk analysis conducted through the TNFD analysis process described above, we also analyze the potential impacts of climate-related **physical risks** on MC's businesses. Where appropriate, we procure insurance coverage for natural disasters. For financially material businesses and sites, we establish and operate Business Continuity Management (BCM) frameworks and Business Continuity Plans (BCP) to enhance operational resilience.

Beyond self-assessments of businesses in which MC is directly involved, we also implement risk management measures across our supply chains, which support our business activities. From the perspective of sustainable supply chain management, MC works with external experts to identify products handled by MC that pose relatively higher environmental and social risks and designates them as products to be monitored. For suppliers of these products, we conduct an annual **Sustainable Supply Chain Survey** to confirm their level of compliance with the Mitsubishi Corporation Policy for Sustainable Supply Chain Management. This supply chain survey has long addressed not only human rights issues but also environmental matters, and it is also used as a tool for assessing environmental risks within the supply chain.

## III Metrics and Targets

### 1. Targets Established Through TNFD Analysis

Through our TNFD analysis, we identified opportunities to strengthen MC's response to nature-related risks. For risks that have not yet been addressed, we will promote action through annual engagement with each relevant Target Business. We aim to achieve the initiation of risk response measures by 100% of subsidiaries by 2030 (FY2025: 77%).

### 2. Other Nature-Related Targets

Many of the risks identified in the Assess phase are related to climate change. Accordingly, MC will work in parallel to achieve the targets set forth in the **Climate Change** section of our Sustainability Website.

In addition, the risks identified in the Assess phase include those related to ecosystems such as forests and oceans. The products handled by MC include soybeans, coffee beans, cacao beans, and tuna. Through engagement with stakeholders, we recognize the importance of implementing risk management not only for MC's non-consolidated trading activities but also across the supply chains that support these business. In collaboration with suppliers, MC has therefore formulated individual procurement guidelines and established procurement targets for these products.

Please refer to **Supply Chain Management : Policy** for details.

### 3. Response to TNFD Core Global Disclosure Metrics

In addition, MC discloses selected TNFD Core Global Disclosure Metrics on this page and on our Sustainability Website. Please refer to the corresponding table below.

Category	Metric No.	Indicator	Metric	Our Related Disclosure
Climate change	(ISSB)	GHG emissions	Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions. (Refer to ISSB IFRS S2 Climate-related Disclosures)	<a href="#">Climate Change</a>
Land/freshwater/ocean-use change	C1.0	Total spatial footprint	Total spatial footprint (km <sup>2</sup> ), broken down by: Total surface area controlled/supervised, Total area disturbed, Total area restored/rehabilitated	-
	C1.1	Extent of land/freshwater/ocean-use change	Extent of land/freshwater/ocean ecosystem use change (km <sup>2</sup> ), disaggregated by ecosystem type and business activity.	-
Pollution/pollution removal	C2.0	Pollutants released to soil split by type	Total volume of pollutants released to soil (tonnes), disaggregated by pollutant type	-
	C2.1	Wastewater discharged	Volume of wastewater discharged (m <sup>3</sup> ), disaggregated by fresh water and other water, and concentrations of key pollutants.	<a href="#">ESG Data</a>
	C2.2	Waste generation and disposal	Total waste generated (tonnes), disaggregated by hazardous and non-hazardous, and waste disposed (tonnes) disaggregated by disposal method (incinerated, landfilled, recycled/reused).	<a href="#">Efficient Use of Resources</a>
	C2.3	Plastic pollution	Total weight of plastics used or sold (tonnes), and proportion of plastics that are reusable, recyclable, or compostable.	-
	C2.4	Non-GHG air pollutants	Non-GHG air pollutants by type (tonnes) (e.g., Particulate matter (PM), Nitrogen oxides (NOx), Sulphur oxides (SOx))	<a href="#">ESG Data</a>
Resource use/replenishment	C3.0	Water withdrawal and consumption from areas of water scarcity	withdrawal and consumption (m <sup>3</sup> ) from areas with water stress, including identification of the source.	<a href="#">ESG Data</a>
	C3.1	Quantity of high-risk natural commodities sourced from land/ocean/freshwater	Volume of high-risk natural commodities sourced (tonnes) from land/ocean/freshwater, and proportion sourced under sustainable management plans or certification programs.	<a href="#">ESG Data</a>
Invasive alien species and other	C4.0	Measures against unintentional introduction of invasive alien species	Proportion of operations/activities with measures in place to prevent the unintentional introduction of Invasive Alien Species (IAS).	-
State of nature	C5.0	Ecosystem condition/Species extinction risk	State of nature (ecosystem condition and extent, and species extinction risk). (Placeholder indicators)	-
Risk	C7.0	vulnerability to nature-related transition risks	Value of assets, liabilities, revenue, and expenses that are assessed as vulnerable to nature-related transition risks (total amount and proportion).	Assess

	C7.1	vulnerability to nature-related physical risks	Value of assets, liabilities, revenue, and expenses that are assessed as vulnerable to nature-related physical risks (total amount and proportion).	Assess
	C7.2	Fines/Penalties	Amount of fines, penalties, and litigation settlement costs associated with nature-related negative impacts.	-
Opportunity	C7.3	Capital expenditure, Financing or Investment deployed towards nature-related opportunities	Amount of capital expenditure, financing, or investment deployed towards nature-related opportunities, referencing green investment taxonomies.	-
	C7.4	Increase and proportion of revenue from products and services	Increase in revenue (amount and proportion) from products and services that demonstrate a positive impact on nature.	-

### III Comparison Table of TNFD Disclosure Pillars and MC’s Disclosures

	TNFD Disclosure Pillars	Relevant Sections in this Report
Governance	A (Board oversight of nature-related dependencies, impacts, risks, and opportunities)	1. Governance (1) Governance Structure
	B (Management’s role in assessing and managing nature-related dependencies, impacts, risks, and opportunities.)	1. Governance (1) Governance Structure
	C (The organization’s human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, local communities affected, and other stakeholders.)	1. Governance (2) Respect for Human Rights & Stakeholder Engagement
Strategy	A (Nature-related dependencies, impacts, risks, and opportunities the organization has identified over the short, medium, and long term.)	2. Strategy & Risk Management (4) Evaluate (5) Assess
	B (Effect of nature-related dependencies, impacts, risks, and opportunities on the organization’s business model, strategy, and financial planning.)	2. Strategy & Risk Management (4) Evaluate (5) Assess
	C (Resilience of the organization’s strategy to nature-related risks and opportunities, taking different scenarios into consideration.)	2. Strategy & Risk Management (5) Assess (6) Prepare
	D (The location of assets and/or activities in the organization’s direct operations and, where possible, upstream and downstream value chain(s) that are in priority locations.)	2. Strategy & Risk Management (2) Locate
Risk & Impact Management	A (The organization’s processes for identifying, assessing, and prioritizing nature-related dependencies, impacts, risks, and opportunities in its direct operations.)	2. Strategy & Risk Management (4) Evaluate (5) Assess
	B (The organization’s processes for identifying, assessing, and prioritizing nature-related dependencies, impacts, risks, and opportunities in its upstream and downstream value chain(s).)	2. Strategy & Risk Management (6) Prepare
	C (The organization’s processes for managing nature-related dependencies, impacts, risks, and opportunities.)	2. Strategy & Risk Management (6) Prepare
Metrics & Targets	A (The indicators and metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.)	3. Metrics and Targets (1) Targets Established Through TNFD Analysis (2) Other Nature-Related Targets
	B (The metrics used by the organization to assess and manage dependencies and impacts on nature.)	3. Metrics and Targets (3) Response to TNFD Core Global Disclosure Metrics
	C (The targets and goals used by the organization to manage nature-related dependencies, impacts, risks, and opportunities, and its performance against these.)	3. Metrics and Targets Response to TNFD Core Global Disclosure Metrics

## III General Requirements

The general requirements for this disclosure are as follows:

### 1. Application of Materiality

Based on the concepts of the International Sustainability Standards Board (ISSB), MC conducts analysis and evaluation from the perspective of sustainability-related financial information, meaning financial materiality, that may have a significant impact on corporate value creation. In parallel, MC also evaluates impacts on natural capital and biodiversity from the perspective of impact materiality. Information is disclosed based on the concept of double materiality, taking both perspectives into account.

### 2. Scope of Disclosures

In this disclosure, we provide information in line with the four pillars of the TNFD recommendations (Governance, Strategy, Risk & Impact Management, and Metrics & Targets). In the "Strategy" section, we disclose the evaluation results of nature-related issues (nature-related dependencies, impacts, risks, and opportunities), as well as current initiatives and targets. The scope of analysis primarily covers the direct operations of financially material subsidiaries and affiliates within MC, with a certain degree of consideration given to the upstream and downstream value chain.

### 3. Location of Nature-Related Issues

For assets within the direct operations of financially material subsidiaries and affiliates, as well as within relevant supply chains, we conducted evaluations using publicly available data, including indicators related to biodiversity and water risk. This process enabled us to identify assets and regions with a high potential for material nature-related issues. Furthermore, we conducted actual surveys in the identified assets and regions to identify nature-related risks and opportunities.

### 4. Integration with Other Sustainability-Related Disclosures

In this disclosure, we only disclose nature-related information aligned with the TNFD recommendations, while climate-related information aligned with the TCFD recommendations is disclosed on a separate page. MC recognizes the interrelationship between natural capital and climate change and is considering integration with climate-related disclosures in the future.

### 5. Time Horizons Considered

The reporting period for quantitative information is from April 1, 2024 to March 31, 2025. Information regarding initiatives and progress is disclosed beyond this period. We examined nature-related issues from the perspectives of the short term (up to 2026), medium term (up to 2030), and long term (up to 2050).

### 6. Engagement with Indigenous Peoples, Local Communities and Affected Stakeholders in the Identification and Assessment of the Organization's Nature-Related Issues

This disclosure describes MC's initiatives to respect the rights of stakeholders affected by nature-related issues and to implement appropriate consent and participation processes.

# • Biodiversity: Initiatives

## III Examples of Protection/Conservation Through Business Operations

### Land Rehabilitation at Post-Mining Sites

In developing natural resources, companies must consider their environmental footprint—including impacts on biodiversity, forests, and water sources—as well as the interests of local communities. MC ensures that its mining activities in Australia are conducted in harmony with both the natural environment and local stakeholders, with the utmost care and attention applied before, during, and after operations.



### Rehabilitation of Large-Scale Open-cut Mines

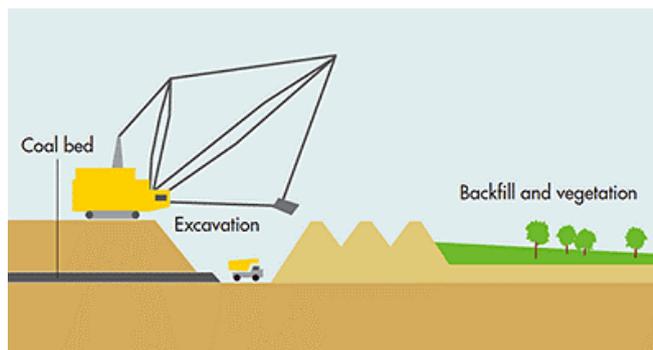
BMA operates as a responsible miner and ensures that its mine-closure plans meet both social expectations and regulatory requirements for environmental rehabilitation. In addition to complying with all relevant laws, BMA strives to minimize environmental and community impacts by developing appropriate closure plans and implementing rehabilitation projects informed by environmental impact assessments and expert review. As part of each site’s annual long-term production plan renewal, BMA integrates all necessary rehabilitation and closure costs into its planning and investment models.

Most of BMA’s coal operations are open-cut mines, a method that requires the removal of overburden to depths exceeding 200 meters to access coal seams.

The mining process begins with the removal and stockpiling of topsoil. As BMA’s mines are located in dry tropical regions, the landscape is not heavily forested. Approximately 30-40cm of topsoil is removed and preserved in stockpiles, which are then covered with grass and scrub to maintain soil quality for future rehabilitation. Once this is complete, overburden removal and coal extraction proceed, leaving a large pit. Once the coal has been mined, the overburden—previously placed in spoil dumps—is reshaped and covered with topsoil mixed with rock mulch. Indigenous grasses, shrubs, and trees are then planted to restore vegetation.



Surface Mining Scenery



Mine Rehabilitation

After rehabilitation activities are completed, the site is monitored to ensure landform stability, acceptable water runoff quality, and successful vegetation establishment. BMA engages ecological specialists throughout planning, rehabilitation, and monitoring stages to oversee and guide the rehabilitation process.



Before Rehabilitation



After Rehabilitation

## • Biodiversity: External Collaboration

### ||| Status of Participation in the Round Table on Responsible Soy Association (RTRS)

Agrex do Brasil, a subsidiary of MC, was the first company to obtain Round Table on Responsible Soy Association (RTRS) certification for responsible soy production at its farmland in Maranhão, Brazil. Through RTRS certification, Agrex do Brasil aims to strengthen internal processes, enhance soil management and protection, improve water stewardship, motivate employees, and build stronger relationships with local communities.



### ||| Participation in CDP

MC actively discloses ESG-related information to stakeholders worldwide. Since FY2014, MC has responded to CDP Forests, a survey assessing forest-related risk management within corporate supply chains. CDP, a UK-based international environmental NGO, maintains the world’s largest database of corporate environmental disclosures and works with global institutional investors to promote transparency on climate and natural resource stewardship.

### ||| Cermaq Initiatives

Cermaq, an MC subsidiary, recognizes biodiversity protection as a core element of its license to operate across all countries where it has operations. Cermaq collaborates with local stakeholders to safeguard biodiversity, including wild salmonids populations, through measures such as monitoring benthic impacts and tracking bird and marine mammal mortalities. These efforts comply with regulations in Norway, Chile, and Canada, as well as additional requirements under certification programs such as ASC and BAP.



Cermaq also engages in beach-cleaning activities across its operating regions, regardless of the source of the debris. In its Feed Supplier Code of Conduct, Cermaq further stipulates that fish meal and fish oil must not originate from IUU (illegal, unreported, or unregulated) fisheries, and that soy used in feed must be sourced from deforestation-free supply chains.

**Reference** Please refer to the **Customer Responsibility Section** for details on Cermaq’s other initiatives. Please refer to the **ESG Data** at link below for data on related data. [Sustainability Report / ESG Data](#)

### ||| Examples of Collaboration with Government Bodies

#### Forest Conservation Project: "Mitsubishi Corporation Thousand Year Forest"

MC is engaged in a forest conservation project in Aki City, Kochi Prefecture, the birthplace of Yataro Iwasaki, founder of the original Mitsubishi company. In partnership with Kochi Prefecture, Aki City, and the Eastern Kochi Forestry Association, MC has been promoting conservation efforts since 2009. This initiative, known as the Mitsubishi Corporation Thousand Year Forest (also called Yataro’s Forest), is MC’s first forest conservation project in Japan. The forest covers 263 hectares, 143 of which are owned by MC. The project focuses on preserving public-interest forest functions such as headwater conservation, and serves as a site for MC employee volunteering and environmental education.



In March 2020, MC entered into an agreement with the Shikoku Forestry Bureau, Aki City, and the Eastern Kochi Forestry Association to apply biodiversity-focused management practices in the Becchaku area of Yataro's Forest. These initiatives support the Bureau's "green corridor" policy\*<sup>1</sup>, which aims to enhance biodiversity by connecting protected forest areas and enabling the movement of plants and animals.

As a result of these conservation efforts, a section of Yataro's Forest\*<sup>2</sup> was certified as a Nationally Certified Sustainably Managed Natural Site\*<sup>3</sup> by the Ministry of the Environment in March 2024.

- \* 1 Under the protective forest system, national forests in Shikoku safeguard important flora, fauna, and forest area. Establishing "green corridors" between these forests is expected to enhance biodiversity by facilitating species movement.
- \* 2 Of the total 263-hectare forest area, 212 hectares have been certified as a Sustainably Managed Natural Site. This certified zone connects to a "green corridor" in the Shikoku Mountains District.
- \* 3 Nationally Certified Sustainably Managed Natural Sites are designated areas where biodiversity conservation is advanced through private-sector initiatives.

## III Examples of Collaboration with International Organizations and NGOs

### Natural Climate Solutions

MC began supporting Natural Climate Solutions (NCS) in 2022 as part of its philanthropic activities. NCS encompasses various approaches, but MC focuses particularly on preventing rangeland degradation to preserve the carbon absorbed by vegetation and to prevent CO<sub>2</sub> stored in soil and plants from being released into the atmosphere.

In the region surrounding Durban, South Africa, rapid population growth has increased grazing pressure. As a result, rangelands, areas dominated by grass and shrubs, have begun to shrink. This raises concerns about reduced carbon absorption and the potential release of stored CO<sub>2</sub> from soil.

To address these challenges, MC is collaborating with Conservation International, an environmental NGO, to conserve rangelands in partnership with local communities. The project also aims to improve the quality of livestock farming, enhance water resource management, and support the overall well-being of local residents.



Through engagement in various NCS projects, MC seeks to contribute to climate change mitigation, biodiversity conservation, and community development.

### Global Coral Reef Conservation Project (Okinawa, Australia)

Since its launch in 2005, the Global Coral Reef Conservation Project has been conducted worldwide, combining scientific research with community-based activities through collaborations among academic institutions, industry partners, and civil society organizations. The project has continued for nearly two decades, promoting coral reef conservation and ecosystem resilience.



[Okinawa Coral Reef Project Summary \(Japanese only\) \[PDF:1.8MB\]](#)

[Australia Coral Reef Project Summary \[PDF:20.0MB\]](#)

## III Foundation Activities

Through the Mitsubishi Corporation Foundation for the Americas (MCFA) and the Mitsubishi Corporation Foundation for EMEA Charitable Incorporated Organisation (MCF for EMEA), MC supports initiatives that work towards realizing an inclusive society, empowering the next generation, and conserving the environment. These foundations work with a wide range of partners, including Farm Africa, which promotes sustainable coffee farming in Ethiopia's Bale-Eco Region, and the Yellowstone to Yukon Conservation Initiative, which works to protect caribou in Canada.



©Farm Africa

## III Examples of Collaboration with Other Companies

In April 2015, MC joined the Japan Business Initiative for Biodiversity (JBIB)\*, a coalition of companies committed to undertaking joint research aimed at protecting biodiversity. JBIB member companies pledge to respect biodiversity in daily operations and to pursue activities that reduce negative environmental impacts. Through ongoing dialogue with JBIB members and related organizations, MC continues to explore new approaches for strengthening its biodiversity initiatives.

\*A group of Japanese companies engaged in biodiversity protection activities

## • Prevention of Pollution: Policy

MC recognizes the importance of creating and enhancing environmental value, as stated in the Environmental Charter, by undertaking conservation activities and reducing its environmental footprint, including through pollution prevention. In terms of company-wide compliance with environmental laws, regulations, etc., MC takes responsibility as a business that generates waste. To ensure rigorous compliance with laws and regulations related to pollution prevention and the reduction, reuse, and recycling of waste within MC, internal notifications are issued along with announcements and alerts about meetings and related events. Furthermore, MC has formulated guidelines and standards for responding to oil spills and soil contamination and disseminates this information internally to ensure thorough understanding.

Reference [Mitsubishi Corporation Environmental Charter](#)

## • Prevention of Pollution: Targets

MC conducts an environmental performance survey for all operating companies to manage pollution prevention and promote waste reduction, reuse, and recycling initiatives on both a non-consolidated and consolidated basis. On a non-consolidated basis, we set and monitor sustainable, effective reduction targets for waste generated through Head Office activities, aiming to reduce, reuse, and recycle waste via the operation of environmental management systems (EMS).

Items	FY2024 targets	FY2024 results	FY2025 targets
Pollution prevention	Select projects and conduct oil spill risk assessments biannually	Oil spill risk assessment conducted biannually	Select projects and conduct oil spill risk assessments biannually
Waste production <sup>*1</sup>	Continue waste reduction activities (maintain a recycling rate of 96% or higher)	1,795.0 tons (+99.8% increase from previous year) Recycling rate: 99%	Continue waste reduction activities (target: 64.5% reduction from previous year)
Toxic waste emissions <sup>*2</sup>	Reduce the amount of specially controlled industrial waste generated compared to the previous year, and ensure proper treatment and disposal in compliance with the Waste Management Law	2.2 tons Recycled 100% of infectious waste emitted from in-house clinic	Continue proper treatment and disposal of the specially controlled industrial waste in compliance with the Waste Management Law
Use of raw materials <sup>*3</sup>	Continue paper reduction and other efforts (target: 15% reduction from the previous year)	7,164 thousand sheets (-28.7% reduction from previous year)	Continue paper reduction and other efforts (target: 9% reduction from previous year)

\* 1 Waste produced: Waste generated through Head Office activities

\* 2 Amount of specially controlled industrial waste under the Waste Management Law (non-consolidated)

\* 3 Use of raw materials: Volume of copy paper used at the Head Office

# • Prevention of Pollution: Structure

Officer in Charge	Kenji Kobayashi (Executive Vice President, Corporate Functional Officer, CSEO (concurrently) Capital Alliances)
Deliberative Body (A subcommittee under the Executive Committee, a management decision-making body)	Sustainability Committee Important matters related to preventing pollution that are reviewed by the Sustainability Committee are formally approved by the Executive Committee and put forward or reported to the Board of Directors based on prescribed standards.
Department in Charge	Sustainability Dept.

Reference [Diagram of the Sustainability Promotion Framework](#)

## Risk Management

When reviewing and making decisions on investment and financing proposals, MC conducts a comprehensive screening process that considers economic aspects as well as ESG factors, including pollution prevention and the reduction, reuse, and recycling of waste. Furthermore, MC strives to monitor existing operating companies and contribute to their improvement, in addition to reviewing new investment and divestment proposals. With respect to oil spills, MC conducts regular oil spill risk surveys, confirms that prevention and risk management frameworks are in place, and provides training to ensure that information on these measures is thoroughly communicated. Through these measures, MC is working to ensure appropriate risk management and to prevent oil spills from occurring.

Reference [Human Rights and Environmental Due Diligence at MC](#)

# • Prevention of Pollution: Initiatives

## III Initiatives to Reduce Waste Production (Non-Consolidated Basis)

### Office Management

- Maintained the recycling rate through rigorous waste separation
- Implemented planned management of office furniture

### Business Activities

MC’s environmental management systems are based on relevant laws and regulations and comply with various recycling laws, including the Food Waste Recycling Law, the Container and Packaging Recycling Law, the Home Appliance Recycling Law, and the Construction Material Recycling Law. MC manages its operations in accordance with the procedures set out in each of these regulations and strives to reduce waste generation through its business activities.

## III Initiatives with Lawson, Inc. to Reduce Food Waste

Together with MC’s affiliate company Lawson, Inc., MC is implementing initiatives that use AI and digital marketing to reduce food waste, which has become a pressing issue in recent years.

In May 2024, Lawson launched its ordering system “AI.CO” (AI Customized Order), which supports product-specific demand forecasting based on store-level data such as weather and sales performance. The system provides product ordering recommendations based on this data. In addition to the semi-automatic ordering capabilities that previously recommended product lineups and daily order quantities, the system now offers consistent discount recommendations. These functions help reduce lost sales opportunities and minimize food waste.

### III Initiatives to Reduce Waste Production (Mitsubishi Shokuhin Co., Ltd.)

MC subsidiary Mitsubishi Shokuhin Co., Ltd. implements a range of efficiency measures to optimize its supply chains through collaboration across the manufacturing, distribution, and retail sectors. Joint efforts with manufacturers and retailers to improve logistics efficiency, reduce product return rates, and optimize inventory levels have contributed to lower greenhouse gas emissions and reduced waste generation.

### III Application of Life Cycle Analysis in Salmon Farming Operations

Cermaq is evaluating various methods for Life Cycle Analyses.

Cermaq Norway has tested the EU draft Product Environmental Footprint Category Rules (PEFCR) for unprocessed marine fish through a case study on farmed salmon.

Cermaq Canada has undergone a third-party circular economy assessment to identify measures for improving performance. To date, the company has successfully diverted materials from decommissioned farms away from landfills by using various recycling facilities. Cermaq Canada will continue implementing identified actions to further reduce waste.

Cermaq Chile has established a management system for industrial waste that prioritizes recycling and reuse over landfill disposal.

All Cermaq operations are supported by contingency plans designed to prevent pollution events, and all teams are trained to respond quickly in coordination with local authorities.

It is also important to note that extended producer responsibility regulations are being introduced in some of the countries where Cermaq operates. These regulations require companies to take responsibility for packaging and containers placed on the market. Cermaq is currently progressing through this gradual implementation process.

Reference [Cermaq \(Research and Innovation to find solutions\)](#) 

[Cermaq \(Sustainability Reports\)](#) 

### III Initiatives to Prevent Oil Spills

MC formulated its Oil Spill Risk Guidelines in 2012. Across its operating companies, MC works to prevent oil spills, recognizing the significant environmental impact they can cause. MC makes project decisions by considering factors such as the products handled and the location of each enterprise. It also conducts regular oil spill risk surveys, confirms that oil spill prevention and risk management frameworks are in place, and provides training to ensure thorough communication of these measures. Through these efforts, MC aims to maintain appropriate risk management and prevent oil spills from occurring. In addition, MC is not aware of any major leaks to date.

## • Prevention of Pollution: External Collaboration

### III Japan Foreign Trade Council

As a member of the Japan Foreign Trade Council (JFTC), an industry association for Japanese trading companies, MC contributes to the formulation and execution of “The Commitment to a Low-carbon Society” advocated by the Japan Business Federation (Keidanren). In line with this plan, MC actively promotes the installation of energy-saving equipment to reduce energy consumption on a non-consolidated basis. In addition, as a member of the Sustainability Promotion Committee within the JFTC, MC participates in a variety of initiatives that include promoting environmental compliance, improving environmental performance, and sharing information about industry efforts aimed at creating both a low-carbon society and a recycling-oriented society. It is essential for companies to pursue sustainable growth while considering environmental impacts. The trading industry as a whole, not only MC, recognizes the role it must play from a long-term and global perspective, and is working to contribute through its business activities.

## • Efficient Use of Resources: Policy

Our daily lives depend on Earth’s abundant resources. At MC, we are committed to generating economic, societal, and environmental value simultaneously—while using these resources sustainably and within planetary boundaries. MC’s Environmental Charter positions this as a key consideration in our business activities by stating our commitment to promoting the sustainable use of natural resources, including energy, minerals, food stocks, wood, and water, throughout our global business operations. Specifically, MC strives to recycle, reuse, and use resources efficiently; reduce the ecological footprint of our business activities; maintain healthy fishery stocks; and otherwise utilize resources responsibly in alignment with our business operations.

Reference [Mitsubishi Corporation Environmental Charter](#)

## • Efficient Use of Resources: Structure

Officer in Charge	Kenji Kobayashi (Executive Vice President, Corporate Functional Officer, CSEO (concurrently) CapitalAlliances)
Deliberative Body (A subcommittee under the Executive Committee, a management decision-making body)	Sustainability Committee Important matters related to the efficient use of resources that are reviewed by the Sustainability Committee are formally approved by the Executive Committee and put forward or reported to the Board of Directors based on prescribed standards.
Department in Charge	Sustainability Dept.

Reference [Diagram of the Sustainability Promotion Framework](#)

### III Risk Management

When reviewing and making decisions on investment and financing proposals, MC conducts a comprehensive screening process that considers not only economic factors, but also ESG considerations. This includes evaluating measures related to recycling and closed-loop businesses, waste management, and related issues. Furthermore, MC strives to monitor existing operating companies and contribute to their improvement, in addition to reviewing new investment and divestment proposals.

Reference [Human Rights and Environmental Due Diligence](#)

## • Efficient Use of Resources: Targets

With regard to waste emissions at its headquarters in Tokyo, MC aims to reduce emissions by 1% from the previous fiscal year, with targets set based on the prior fiscal year’s results. In addition, MC has established a mid- to long-term recycling rate target of maintaining 95% and achieving zero emissions offices\*.

\* MC defines "zero emissions" as cases where vendors are contracted to recycle 95% or more of waste produced by its headquarters. MC also promotes waste reduction, reuse, and recycling, and manages activities at its headquarters using waste emissions targets.

(Unit: tons)

		FY2022	FY2023	FY2024
Waste	Emissions volume	485	898*	1,795*
	• Recycling volume	467	888	1,782
	• Waste volume	18	11	13
	Recycling rate (%)	96%	99%	99%

\* Includes waste from office renovation

Scope of aggregation (non-consolidated): Headquarters and certain other offices in Tokyo

## • Efficient Use of Resources: Initiatives

### III Recycling and Closed-Loop Initiatives (Livestock Feed Production)

Nosan Corporation, a consolidated subsidiary of MC, uses Eco Feed\* as a raw material for its livestock compound feed, aiming to increase the food recycling rate and enhance both livestock feed and food self-sufficiency. Currently, Nosan Corporation uses approximately 7,000 Mt per year of dried Eco Feed that is recycled from discarded by-products of food production, unsold food products, and leftovers from cooking. The company also uses approximately 20,000 Mt per year of by-products from bakeries and confectionery factories, such as breadcrumbs and cake flour, as raw materials for livestock feed.

\* Eco Feed refers to livestock feed manufactured using by-products of food production processes, unsold food products such as bread and boxed lunches, leftovers from cooking such as cut vegetable scraps, and residual farm products such as imperfect produce.



### III Recycling and Closed-Loop Initiatives (Livestock)

Japan Farm Holdings Inc., a consolidated subsidiary of MC, is a large-scale livestock company that is developing a closed-loop recycling model focused on reusing waste generated from primary industries. One example is the reuse of shochu lees left that remain after the production of the distilled liquor shochu. Japan Farm Holdings is located in Kagoshima Prefecture, which is well-known for sweet potato shochu manufacturing. Shochu lees had long been a regional challenge. To address this issue, Japan Farm collaborated with local distilleries for more than two years to develop livestock feed that incorporates the shochu lees. This feed is used to raise pigs designated as “Brand Pork.” The initiative reduces waste disposal costs and CO<sub>2</sub> emissions. In addition, manure from pigs that consume the feed is processed into fertilizer that is sold by local vendors, including agricultural cooperatives.

Japan Farm also operates a biomass power generation facility that uses chicken manure from its farm as fuel to generate both steam and electricity. The electricity is used as a power source for the facility, and the steam generated by the boiler serves as a heat source. Ash produced during the incineration process is sold externally as fertilizer raw material, as it contains valuable minerals.



## • Efficient Use of Resources: External Collaboration

Through participation in the following partnerships, we aim to advance initiatives that make effective use of limited resources and promote their efficient circulation, thereby contributing to the realization of a circular economy.

### III Circular Partners (CPs)

Established by: Ministry of Economy, Trade, and Industry

CPs aim to facilitate collaboration among industry, government, and academia to proactively work toward realizing a circular economy that maximizes added value while promoting the efficient and circular use of resources.

### III Japan Partnership for Circular Economy (J4CE)

Established by: Ministry of Environment; Ministry of Economy, Trade, and Industry; and Keidanren

J4CE was established to strengthen public and private collaboration by deepening understanding of the circular economy and promoting related initiatives among a wide range of stakeholders, including Japanese companies, in response to the accelerating global shift toward a circular economy.

# Social

Human Rights	078
Labor Practices (Labor Standards, Labor Environment and Related Matters)	086
Labor Practices (Employee Relations)	088
Diversity Management	090
Well-being (Health & Productivity Management, Occupational Safety and Health)	095
Human Resource Development	105
Customer Responsibility	111
Community	117
Supply Chain Management	123

## • Human Rights: Policy

### III Basic Approach to Respect for Human Rights

MC believes that respecting human rights is fundamental to operating a diverse range of businesses globally. Guided by the Three Corporate Principles, which have served as the Company's corporate philosophy since its inception, MC promotes fair and sound business practices and incorporates respect for human rights into its **Corporate Standards of Conduct**, **Social Charter**, and the **Mitsubishi Corporation Code of Conduct**.

MC has established its own Materiality, a set of societal issues to address through its business activities, with the goal of continuously creating shared value. As a global company engaged in a wide range of products and services, MC recognizes respect for human rights as a key management issue. We address this under the material issues of "Promoting Stable, Sustainable Societies and Lifestyles" and "Respecting Human Rights in Our Business Operations."

To further clarify and strengthen our approach to human rights, we have formulated the following Human Rights Policy, approved by both the Executive Committee and the Board of Directors.

#### Human Rights Policy

##### 1. Our commitment to respect human rights

We believe that respect for human rights is fundamental to our business\*<sup>1</sup> across the world. In an increasingly complex business environment, we face various human rights challenges. We believe that respecting and promoting human rights are directly linked to the sustainability of our business activities. Since our founding, we have been promoting fair and sound business activities based on our corporate philosophy, the Three Corporate Principles\*<sup>2</sup>. The Three Corporate Principles guide us in striving to enrich society, both materially and spiritually. Respect for human rights is essential to putting this philosophy into practice. Based on these beliefs, we have established this Human Rights Policy (hereafter "this Policy"), which represents our commitment to respect human rights throughout our business activities.

##### 2. Scope of application

This Policy applies to all persons working for Mitsubishi Corporation. This Policy is shared with our group companies, and we will work together to ensure our adherence to this Policy, as well as to respect human rights throughout our business operations.

##### 3. Outreach to business partners

We recognize the importance of respecting human rights, not only within our own business activities, but also throughout our value chain. We will work together with our business partners, including our suppliers, to respect human rights in line with this Policy.

##### 4. Support and respect for international norms

We support international norms on human rights, including the International Bill of Human Rights (Universal Declaration of Human Rights and International Covenants on Human Rights), the Declaration on the Fundamental Principles and Rights at Work of the International Labour Organization (ILO), and the United Nations Guiding Principles on Business and Human Rights.

We comply with the local laws and regulations of the countries and regions in which we operate. In cases where there is a conflict between internationally recognized human rights principles and the laws and regulations of the country or region in which we operate, we will seek ways to honor the international principles.

##### 5. Human Rights Due Diligence

We conduct human rights due diligence to identify, prevent and mitigate adverse impacts on human rights and engage with affected stakeholders where relevant. We pay special attention to vulnerable or marginalized individuals and strive to identify actual or potential adverse human rights impacts that our business activities have caused or contributed to.

##### 6. Human rights issues related to business activities in our group

We recognize the following as major human rights issues related to our business activities and stakeholders involved in our value chain, and will work to address them.

###### (1) Prohibition of discrimination

We prohibit any discrimination based on race, ethnicity, creed, religion, gender, gender identity, sexual orientation, nationality, age, origin, mental or physical disability, illness, or any other grounds.

###### (2) Prohibition of inhumane treatment

We do not tolerate any forms of inhumane treatment including mental or physical abuse and harassment.

###### (3) Providing a safe and healthy working environment

We provide our employees with a safe and healthy working environment.

###### (4) Respect for freedom of association and right to collective bargaining

We respect the right of employees to organize and to bargain collectively as a means to facilitate dialogue among employees and management regarding, but not limited to, working conditions and wage levels.

###### (5) Securing appropriate working hours and wages

We properly manage our employees' working hours. We compensate our employees at least the statutory minimum wage, and endeavor to pay at least the living wage.

- (6) Prohibition of all forms of forced labor  
We employ all of our employees at their free will and prohibit the use of forced labor.
- (7) Prohibition of all forms of child labor  
We do not employ children under the minimum working age and prohibit any forms of work that impairs their physical and mental development.
- (8) Rights of indigenous peoples and local communities  
We respect the rights of indigenous and local people as defined by the laws and international arrangements of the countries and regions in which we operate. We will take measures that our business operation will not cause or contribute to cause threat to the rights of indigenous and local people.
- (9) Environment  
Acknowledging the adverse impact of environmental destruction on human rights, we take measures to protect the global environment within our business activities. This includes addressing climate change and preserving and restoring natural capital, notably biodiversity.
- (10) Diversity, Equity & Inclusion  
We aim to foster an inclusive society where individuals with diverse values and personalities are respected and have equal opportunities to participate and contribute.

### 7. Remedy

When we identify that our business activities have caused or contributed to adverse human rights impacts, we will remediate such impacts through legitimate processes.

In case adverse impacts were directly linked to our operations, products, or services by a business relationship, we will endeavor to correct and remedy the situation by using our leverage.

### 8. Grievance mechanism

We recognize that establishing a grievance mechanism, which consists of a series of processes to address internal and external stakeholder grievances, is crucial to identifying adverse human rights impacts concerning our operations and value chain. We will establish and operate grievance mechanisms to enable individuals and groups to show concerns about adverse human rights impacts caused by our business activities and seek remedies.

### 9. Education and capacity building

We will provide the necessary training and capacity building to ensure that our officers, employees, suppliers, and other business partners understand the importance of respecting human rights and put it into practice.

### 10. Information disclosure

We ensure transparency by regularly and appropriately disclosing information on our human rights efforts and their progress.

### 11. Stakeholder engagement

We engage with relevant stakeholders through sincere and constructive dialogue to understand, improve, and address human rights issues.

### 12. Governance and management system

Our human rights efforts are overseen by the Corporate Functional Officer responsible for sustainability efforts and practices. Following deliberations by the Sustainability Committee, these efforts and practices are put forward or reported to the Executive Committee\*<sup>3</sup> and the Board of Directors.

Established in February 1, 2024

\* 1 [Mitsubishi Corporation Our Business](#)

\* 2 [The Three Corporate Principles](#)

\* 3 Management decision-making body

## III Policies and Measures for Specific Matters

### Policy on Children's Rights

MC understands that children are especially vulnerable to human rights abuses and that special consideration to respect their rights is necessary. MC also believes that respecting the rights of children allows them to better understand their own rights, which in turn contributes to their ability to become active members of society and leaders of future generations. With this understanding, MC supports the United Nations and ILO treaties\* regarding children's rights and has established policies on children's rights. In addition, MC supports the four principles of the Convention on the Rights of the Child, including children's survival and development rights, protection rights, and participation rights. As stated in [the Mitsubishi Corporation Policy for Sustainable Supply Chain Management](#), MC will not employ any person who is under the minimum working age and will not engage in any employment that impairs children's development. MC also supports the Children's Rights and Business Principles, strives to prevent abuses of children's rights in our business, and invests in social contributions through philanthropic efforts focused on children's rights. Through [the Mitsubishi Corporation Policy for Sustainable Supply Chain Management](#), MC also expects its suppliers to conform to these standards by refraining from employing anyone under the minimum working age, and prohibiting children to work in any way that impairs their development.

\* The UN Global Compact, the Convention on the Rights of the Child, the Children's Rights and Business Principles, the Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (ILO Convention No. 182), etc.

### Policy on Indigenous Peoples' Rights

In the context of its 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, as well as their unique histories and cultural

contributions throughout the world. When examining new business investment proposals, MC takes into consideration how the business operations may impact the rights of indigenous peoples and consults with the relevant stakeholders. MC supports the United Nations Declaration on the Rights of Indigenous Peoples and the Indigenous and Tribal Peoples Convention (ILO Convention No. 169).

**Policy on the Appointment of Armed Security**

MC understands the importance of protecting its employees from dangers such as violence and preventing theft of assets throughout its business operations. When necessary, it retains armed security services. MC believes that the abuse of weapons by security forces involves a potential risk of human rights abuse. With regard to retaining armed security services, in addition to complying with the laws of the countries and regions in which it operates and adhering to international standards, MC also supports relevant international agreements\*.

\* The UN Global Compact, the Voluntary Principles on Security and Human Rights, the UN Code of Conduct for Law Enforcement Officials, the UN Basic Principles on the Use of Force and Firearms by Law Enforcement Officials, etc.

**Response to Modern Slavery Act**

MC issues statements in accordance with the UK Modern Slavery Act 2015 and the Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act, which require companies to disclose actions taken to mitigate modern slavery in their supply chains.

[FY2024 Modern Slavery Act\(UK\), Fighting Against Forced Labour and Child Labour in Supply Chains Act\(Canada\) \[PDF:651KB\]](#) 

**UK/Canada**

[FY2023 Modern Slavery Act\(UK\), Fighting Against Forced Labour and Child Labour in Supply Chains Act\(Canada\) \[PDF:676KB\]](#) 

**Previous Modern Slavery Statement (UK)**

[FY2022 Modern Slavery Statement \[PDF:700KB\]](#) 

[FY2021 Modern Slavery Statement \[PDF:654KB\]](#) 

[FY2020 Modern Slavery Statement \[PDF:1.19KB\]](#) 

**Previous Modern Slavery Report (Canada)**

[FY2022 Modern Slavery Report \[PDF:655KB\]](#) 

• **Human Rights: Structure**

Within MC’s management framework, human rights initiatives are overseen by the Corporate Functional Officer (CSEO) and Member of the Board/ Corporate Functional Officer (Human Resources, Global Planning & Coordination, IT). The Sustainability Department and Global Human Resources Department develop and draft related policies and measures. Following deliberations by the Sustainability Committee and Human Resources Development Committee, items are submitted to or reported to the Executive Committee and the Board of Directors.

Officers in Charge	Kenji Kobayashi (Executive Vice President, Corporate Functional Officer, CSEO)(Concurrently Capital Alliances) Yutaka Kashiwagi (Representative Director, Executive Vice President, Corporate Functional Officer, Human Resources, Global Planning & Coordination, IT)
Deliberative Body (A subcommittee under the Executive Committee, a management decision-making body)	Sustainability Committee, Human Resources Development (HRD) Committee - Important matters related to human rights, as deliberated by the committees, are formally approved by the Executive Committee and put forward or reported to the Board of Directors in accordance with prescribed standards.
Departments in Charge	Sustainability Dept., Global Human Resources Dept.

Reference [Diagram of the Sustainability Promotion Framework](#)

## Framework of Initiatives

Protecting human rights and ensuring a sustainable supply chain are fundamental to supporting our business activities. MC identifies and analyzes potential negative impacts of our operations on human rights and the environment and undertakes the following initiatives.



### III (a) Policy Regarding Respect for Human Rights and Supply Chain Management

MC has formulated a Human Rights Policy that organizes and clarifies our approach, serving as the basis for specific initiatives to promote respect for human rights. All MC operating companies share this common philosophy. Regarding labor practices, MC adopts the International Labour Standards of the International Labour Organization (ILO) as the regulatory framework underpinning the compliance requirements set out in our Code of Conduct. Furthermore, to strengthen human rights efforts across MC on a consolidated basis, we include questions related to human rights—such as the existence of human rights policies and identification of potential risks—in our annual survey for collecting sustainability-related information from subsidiaries and affiliates.

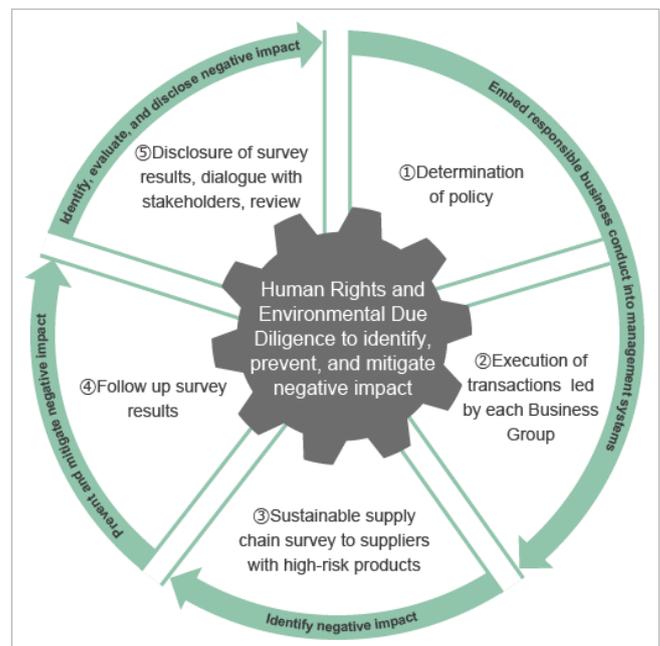
**Reference** [Corporate Standards of Conduct](#) [Mitsubishi Corporation Code of Conduct](#) [Mitsubishi Corporation Social Charter](#)  
[Human Rights Policy](#) [Labor Practices](#)

### III (b) Human Rights Due Diligence

#### Business Management

When reviewing investment and financing proposals, MC conducts a comprehensive screening process that considers not only economic factors, but also ESG impacts. From a human rights perspective, MC’s assessments are guided by risks that must be addressed based on two key dimensions: severity (including scale, scope, and how remediable the risk may be) and likelihood (considering the situation in each country, industry, and procurement region). MC’s risk management approach is informed by the UN Guiding Principles on Business and Human Rights, the International Finance Corporation (IFC) Guidelines, and the Japan Bank for International Cooperation (JBIC) Guidelines for Confirmation of Environmental and Social Considerations. Through consolidated environmental and social surveys, MC not only screens new investment and exit proposals, but also works to improve practices within existing operating companies by monitoring their management practices. Looking ahead, MC will strengthen its human rights and environmental due diligence on a consolidated basis by expanding the scope of items reviewed and engaging in direct communication with operating companies.

**Reference** [Incorporating Sustainability into Individual Projects](#)  
[Collecting Sustainability Information on a Consolidated Basis](#)



**Human Rights and Environmental Due Diligence Process for Trading Business**

#### Trading Business

In our trading business, the Mitsubishi Corporation Policy for Sustainable Supply Chain Management outlines actions to address human rights, labor rights, environmental issues, and other related issues. MC expects its suppliers to understand, support, and implement this policy. In addition, MC conducts annual human rights and environmental due diligence across its supply chain through the Mitsubishi Corporation Sustainable Supply Chain Survey.

**Reference** [Sustainable Supply Chain Surveys](#)

### III (c) Remediation

Details regarding MC's initiatives are available [Consultation Desk for External Stakeholders](#).

### III (d) Education and Enlightenment

Details regarding MC's initiatives are available [Engagement](#).

## Engagement

### III Employee Training

We provide training programs—such as those tailored for specific management levels, new employees, and trading practices—focused on our corporate philosophy, including respect for human rights and relevant guidelines.

### III Dialogue, Site Visits, and Other Engagements with Group Companies

To address specific issues within our Group, we engage in ongoing dialogue and conduct human rights and environmental due diligence with Group companies. We also collaborate with the Group to share our human rights policies and related initiatives, exchange best practices aligned with the annual theme, and hold Q&A sessions to promote mutual understanding and continuous improvement.

Reference [Examples of engagement in FY2025](#)

## Consultation Desk

### III Internal Consultation Desk

MC has established various consultation systems, including an internal human rights consultation desk and a whistleblowing system, to ensure that any human rights concerns can be raised. These systems allow concerns to be reported at any time by mail, telephone, or in person. They can be used anonymously and confidentially, ensuring the safety of the informant (no subsequent dismissal or other disadvantageous treatment) and ensuring that matters are handled and investigated by individuals who have no conflict of interest. Solutions are offered with full consideration of the informant's wishes. Employees are informed about these systems during human rights awareness training at the start of employment, and information related to the systems is posted at all times on MC's internal bulletin boards. Human rights topics are also included in the annual compliance e-learning program, which all executives and employees—including full-time and part-time employees, secondees, and temporary staff—are required to complete. Additionally, as part of a company-wide compliance program, MC provides human rights training, including information on these systems, to employees who are transferred or seconded to affiliated companies.

In FY2024, MC received a 59 reports through the whistleblowing system, 37 of which were related to human rights issues such as harassment and labor management. Compliance Officers conduct necessary investigations with due consideration to avoid infringing on the rights and reputation of those involved. Investigation results are reported to the Chief Compliance Officer and used to develop and implement measures to prevent recurrence.

### III Consultation Desk for External Stakeholders

MC conducts human rights and environmental due diligence as part of its commitment to identifying, preventing, and mitigating any human rights violations or negative environmental impacts arising from its business activities. To support this, MC has established and manages a consultation desk that serves as a point of contact for external stakeholders to raise concerns where MC's business activities are causing, or could potentially cause, adverse impacts on human rights and/or the environment.

In FY2025, MC received a total of seven reports through its grievance mechanism. For each reported case, we conducted the necessary investigations and, where applicable, shared our perspective and engaged in efforts toward resolution. The results and progress of these cases are reported to the Chief Sustainability Executive Officer (CSEO).

Reference [Internal Whistleblowing System](#) [Grievance Mechanism](#)

# • Human Rights: Initiatives

## III Training for all officers and employees

MC’s policies and guidelines, including those related to respecting human rights through its investment and financing proposals and supply chains, are accessible at any time via the Company intranet. These are communicated to all new recruits and reinforced through regular internal training sessions, including for employees in overseas offices and operating companies. Additionally, content related to human rights is incorporated into an annual e-learning program, which all officers and employees are required to complete to deepen understanding. Our results for FY2024 are as follows:

Scope	Total Time Spent	Percentage of Training Participants*
Non-Consolidated Officers and Employees	10 hours	97.3%

\* Average rate of participation for each training course

### Training for MC | Employees

Please refer to the link below for details.

Reference [Supply Chain Management](#)

## III Dialogue and Visits with Operating Companies

In FY2025, in addition to holding our annual Business and Human Rights Seminar for a wide range of MC Operating companies, MC conducted individual workshops for Operating companies that had specific concerns regarding the formulation of human rights policies and the establishment of operational structures for grievance mechanisms.

### Support for the Formulation of Human Rights Policies

MC visited subsidiaries and conducted workshops to support the development of human rights policies tailored to each company’s specific business activities.

During these workshops, MC shared the importance of having human rights policies that address company-specific challenges through dialogue. MC also discussed the policy formulation process, including how to reflect the elements required by the UN Guiding Principles on Business and Human Rights and incorporate them into concrete operational practices.

MC will continue to promote effective initiatives to respect human rights in collaboration with MC Operating companies in response to increasingly complex societal issues.

### Support for Establishing Grievance Mechanism Operational Structures

MC, together with Toyo Reizo Co., Ltd. (Toyo Reizo), an MC Operating company, conducted a workshop aimed at building effective grievance mechanisms in fisheries operations and strengthening the capacity of personnel responsible for their operation.

Crew members aboard distant-water longline tuna fishing vessels, who may remain at sea for extended periods, face structural challenges due to limited access to remedy in the event of negative human rights impacts. To address this issue, MC and Toyo Reizo are working to establish a system that enables crew members to be aware of the grievance mechanism and submit reports directly using their own smartphones or other devices.

As part of these efforts, and with the cooperation of the International Labour Organization (ILO) Japan Office, workshop participants learned practical methods for identifying risks and key considerations during interviews through simulations based on case studies. These exercises focused on ensuring appropriate responses to reports of serious human rights violations.

The lessons learned from this workshop will be reflected not only in the MC’s seafood business but also in the operation of MC’s own grievance mechanism.

## III Educational Support for Indigenous Youths in Australia through the Clontarf Foundation

Since FY2023, MC has supported the Clontarf Academy National Participant Funding Program, which promotes self-reliance among Indigenous youths. The Clontarf Foundation aims to help young Aboriginal and Torres Strait Islander men complete secondary education by establishing Clontarf Academies in public schools across Australia. These academies offer programs designed to improve educational outcomes and support long-term success.



### III Friendship Camp for Parents and Children

Please refer to the link below for details about the program.

Reference [Realizing an Inclusive Society](#)

## Examples of External Collaboration

### III Examples of Collaboration with International Organizations

MC leverages opportunities such as events organized by international organizations to stay informed about the latest developments in business and human rights.

In FY2025, MC participated in the United Nations Forum on Business and Human Rights in Geneva, Switzerland. Through these events, MC engaged in discussions on human rights initiatives with experts and other participants.

### III Participation in Initiatives

In FY2025, MC participated in the Business and Human Rights Task Force facilitated by the ILO Japan Office. Through this task force, MC engaged in discussions with other participants in the trading sector on industry-wide themes and practical approaches to advancing business and human rights initiatives. Topics included supply chain due diligence, stakeholder engagement, and training programs. By sharing best practices and lessons learned, MC further deepened its understanding of effective responses in the implementation of business and human rights initiatives.

Reference [WBCSD, United Nations Global Compact \(see the Participation in Initiatives page for further information\)](#)

# • Human Rights: Grievance Mechanism

## Policy

MC implements human rights and environmental due diligence as part of its commitment to identifying, preventing and mitigating any human rights violations or negative environmental impacts resulting from its business activities. As part of this process, we have established and manage a consultation desk that serves as a point of contact for external stakeholders to consult on cases where MC’s business activities are causing, or could potentially cause, adverse impacts on human rights and/or the environment.

Reference [Human Rights and Environmental Due Diligence at MC](#)

## Processing Inquiries Through the Grievance Mechanism

### III Eligible Users

MC responds to inquiries from 1) individuals who have suffered adverse impacts related to human rights or environmental impacts caused by MC’s business activities, 2) representatives acting on behalf of affected individuals, 3) organizations, groups, or other entities with a direct relationship to affected individuals, and 4) organizations, groups or other entities without a direct relationship but active in related fields. Anonymous reports are also accepted in line with our commitment to identifying all issues; however, our ability to investigate or respond may be limited in such cases.

### III Eligible Topics

We respond to inquiries concerning specific cases where MC’s business activities are causing, or could potentially cause, negative impacts on human rights and/or the environment in violation of international norms or local laws. The system does not cover issues unrelated to such violations, such as workplace relationship concerns, HR benefits, or product quality matters.

### III Eligible Companies

Inquiries may concern stakeholders of MC and our operating companies, including those within our supply chain.

### III Handling of Non-Eligible Inquiries

Please note that we cannot respond to inquiries that do not meet the above criteria for eligible users, topics, and companies.

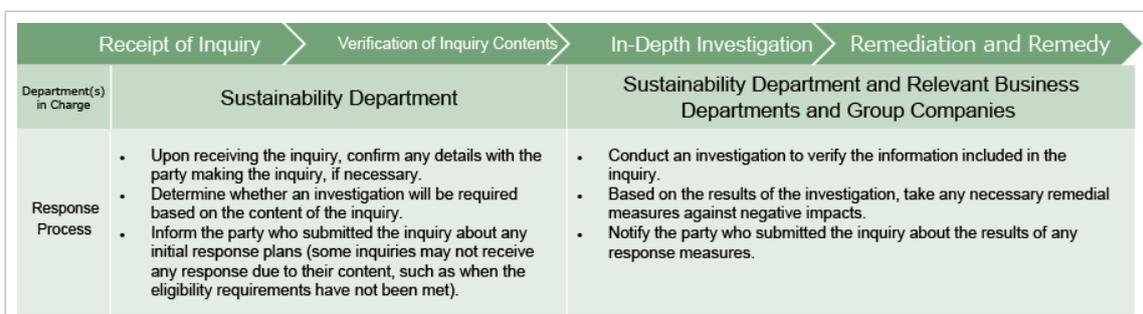
## Submitting Inquiries

Inquiries under the Grievance Mechanism can be submitted through an online form. Please click [here](#)  to access the inquiry website.

\*This is not an emergency service and should not be used to report situations posing a direct threat to life or property. For emergencies, please contact official emergency services.

## Process After Receiving an Inquiry

Once an inquiry is received, MC will investigate and respond in accordance with the process outlined below. We exercise the utmost care, including maintaining confidentiality and prohibiting any disadvantageous treatment of the party submitting the inquiry. Access to inquiry details is restricted to individuals (including external parties in some cases) who have reasonable grounds to view the information based on the circumstances.



# Labor Practices (Labor Standards, Labor Environment and Related Matters): Policy

## III Basic Approach to Human Resources

As a participant in diverse businesses and the industries that support them, MC has consistently embraced the challenge of addressing societal issues and achieving sustainable growth alongside society through its business activities, while anticipating evolving needs. Recognizing these distinctive qualities, we view our diverse and versatile human resources, who have driven our growth, as a key source of value creation and will continue to actively invest in human capital. In response to the increasing diversification and globalization of our businesses, MC is committed to developing talent and supporting their success on a company-wide and global scale under the Materiality theme of “Fostering Vibrant Workplaces That Maximize the Potential of a Diverse Workforce.” This approach enables MC’s diverse group of employees—regardless of gender, nationality, or other attributes—to fully demonstrate their unique abilities.

## III Policy on Labor Practices

### ( 1 ) MC's Policy on Labor Practices

MC believes that respect for human rights is essential in conducting business worldwide. Based on this principle, MC’s Code of Conduct stipulates that we respect human rights and prohibit all forms of discrimination and harassment. Regarding labor practices, MC adopts the International Labour Standards\* of the International Labour Organization (ILO) as the regulatory framework underpinning compliance requirements detailed in the Code of Conduct. Furthermore, MC adheres to legal minimum wage standards and maintains a uniform compensation structure for employees of different genders with the same qualifications and level of professional duties.

\*ILO International Labour Standards

The International Labour Organization (ILO), founded in 1919, is based on the principle that universal and lasting peace can only be achieved through social justice. One of its most important functions is the formulation of international labor standards through Conventions and Recommendations. The ILO operates under a tripartite structure, with workers and employers participating as equal partners alongside governments. Conventions and Recommendations are adopted at the International Labour Conference, and ratifying states commit to observing them. Recommendations also guide national policies, legislation, and actions. Since its founding, the ILO has adopted standards covering nearly every issue affecting the working world. It has established four fields and eight conventions as fundamental labor standards (see table below). MC endorses all these fields and conventions and explicitly references compliance with them in the Mitsubishi Corporation Code of Conduct.

Reference [Basic Approach on Human Rights](#)

### ( 2 ) Participation in the UN Global Compact

MC joined the UN Global Compact in 2010, declaring its commitment to the ten universal principles in four areas: human rights, labor, environment, and anti-corruption. Guided by the spirit of the Three Corporate Principles, we actively promote initiatives in each of these areas.

Reference [Support for the UN Global Compact](#)

#### The Four Fields and Eight Conventions Constituting Fundamental Labor Standards

Freedom of association and the effective recognition of the right to collective bargaining	Convention concerning Freedom of Association and Protection of the Right to Organise (No. 87) Convention concerning the Application of the Principles of the Right to Organise and to Bargain Collectively (No. 98)
Elimination of all forms of forced or compulsory labor	Convention concerning Forced or Compulsory Labour (No.29) Convention concerning the Abolition of Forced Labour (No.105)
Effective abolition of child labor	Convention concerning Minimum Age for Admission to Employment (No.138) Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (No.182)
Elimination of discrimination	Convention concerning Equal Remuneration for Men and Women Workers for Work of Equal Value (No.100) Convention concerning Discrimination in Respect of Employment and Occupation (No.111)

# Labor Practices (Labor Standards, Labor Environment and Related Matters): Structure

Officer in Charge	Yutaka Kashiwagi (Representative Director, Executive Vice President, Corporate Functional Officer, Human Resources, Global Planning & Coordination, IT)
Deliberative Body (A subcommittee under the Executive Committee, a management decision-making body)	Human Resources Development (HRD) Committee Important matters related to labor practices deliberated by the committees are formally approved by the Executive Committee and put forward or reported to the Board of Directors based on prescribed standards.
Department in Charge	Global Human Resources Dept.

## III Risk Management

When reviewing and making decisions on investment and financing proposals, MC conducts a comprehensive screening process which considers not only economic aspects, but ESG factors as well, including labor relations, labor management and labor rights. Furthermore, MC strives to monitor existing operating companies and contribute to their improvement, in addition to reviewing new investment and divestment proposals.

# Labor Practices (Labor Standards, Labor Environment and Related Matters): Initiatives

## III (1) Conducting Fair Recruitment Activities and Providing Career Education Opportunities

MC's greatest asset is its human resources, and MC conducts activities to hire new graduates and mid-career employees every year. Our latest recruitment history is included in the link below. Based on recent circumstances, MC is also utilizing online hiring practices to recruit university and graduate students from both Japan and abroad. In addition, MC carries out interviewer training each year, including by external experts to ensure that the selection process is impartial and fair.

MC also holds programs aimed at fostering an understanding of different career perspectives among university and graduate students.

Reference [Sustainability Report / ESG Data](#)

## III (2) Workstyles that reflect our value

As part of our commitment to corporate social responsibility, we are fostering a work environment that empowers both individuals and teams to work autonomously and with balance, thereby driving improvements in performance, productivity, and overall well-being.

In response to the diverse nature of our business operations and the industries we serve, we have introduced systems and initiatives that support flexible and self-directed work styles. These include a flextime system that allows employees to choose their working hours, as well as remote work options such as telecommuting and the use of satellite offices. These measures are implemented company-wide to accommodate various working preferences and life circumstances.

To promote a healthy work-life balance, we set a shared goal of achieving a paid leave utilization rate of 70%, actively encouraging employees to take planned vacations. Furthermore, in departments where long working hours are a concern, we develop and execute targeted improvement plans. As result, in fiscal year 2024, we achieved a paid leave utilization rate of 68.4%, with an average monthly overtime of 31.0 hours.

Through these efforts, we are cultivating a corporate culture that values fair and performance-based evaluation, while creating an inclusive workplace where diverse talent can thrive. These initiatives reflect our broader commitment to employee well-being, organizational sustainability, and responsible business practices.

### III (3) Respect for Human Rights

MC's Corporate Standards of Conduct emphasize respect for human rights, while the Code of Conduct and Social Charter stipulate that MC will respect human rights; not engage in any form of discrimination or harassment; not engage in discrimination on the basis of race, ethnicity, creed, religion, gender, gender identity, sexual orientation, national or regional origin, age, physical or mental disabilities, illness or any other grounds; and respect the cultures, customs, and languages of other countries and regions.

MC has established a Basic Policy on Preventing Harassment, which is disseminated widely throughout MC. "Harassment" is defined in the Basic Policy as encompassing sexual harassment and "power harassment," as well as maternity harassment (e.g., detrimental treatment related to pregnancy, childbirth, childcare leave, or family care leave). It also states that harassment encompasses verbal or physical conduct of a sexual nature, regardless of sexual orientation or gender identity.

Moreover, MC has established human rights help desks available to internal and external stakeholders. The help desks operate around the clock, providing consultations via e-mail, telephone, in person, or by other means.

MC conducts human rights training for new employees through an annual e-learning course for all employees.

MC also conducts training programs that focus on the issue of harassment at times including when new general managers or team leaders are appointed.

Employees dispatched to MC affiliate companies also receive human rights training (including on topics such as prevention of forced labor and child labor, etc.).

## • Labor Practices (Employee Relations): Policy

### III Basic Approach

MC is engaged in various forms of dialogue with the MC Staff Union at both the MC-wide and individual group level. This dialogue is undertaken to ensure management is aware of the opinions of and issues faced by MC staff involved in operations on the ground. Through this process, MC seeks to enhance the performance of each employee while enhancing the business performance of MC and fulfilling its social responsibility to create a more positive work environment. The results of this dialogue are taken into consideration by MC in the course of formulating and implementing various policies.

### III Policy on Freedom of Association and Collective Bargaining

MC has always respected the freedom of association and the right to collective bargaining recognized by the Constitution and various laws and regulations of Japan. MC has entered into a union shop agreement with the Mitsubishi Corporation Staff Union ("MC Staff Union"), which was formed in 1970. Based on the agreement, all eligible employees are required to join the union, except for those qualified for management-level positions and those deemed to be non-union members based on individual agreements, taking into account the characteristics of their duties and other conditions. Guided by the policy of respecting the freedom of association and right to collective bargaining, MC's operating companies also comply with and respect the laws and regulations and labor practices of their host countries.

### III Collective Bargaining

MC has established conditions related to collective bargaining between MC and the MC Staff Union, beginning with labor conditions, as well as related operational procedures. Where necessary, MC has a process in place for both sides to reach agreements by increasing their understanding of the issues through discussions undertaken in good faith. In recent years, MC has engaged in collective bargaining between MC and the MC Staff Union in the process of reviewing compensation and personnel systems and revising annual salaries.

## • Labor Practices (Employee Relations): Structure

Officer in Charge	Yutaka Kashiwagi (Representative Director, Executive Vice President, Corporate Functional Officer, Human Resources, Global Planning & Coordination, IT)
Deliberative Body (A subcommittee under the Executive Committee, a management decision-making body)	Human Resources Development (HRD) Committee Important matters related to labor practices deliberated by the committees are formally approved by the Executive Committee and put forward or reported to the Board of Directors based on prescribed standards.
Department in Charge	Global Human Resources Dept.

The MC Staff Union had 3,002 members (representing a 54.5% participation ratio) as of April 1, 2025. All eligible employees join the MC Staff Union, except those considered non-union members based on agreements between the MC Staff Union and MC (including those qualified for management-level positions and those deemed to be non-union members in keeping with the characteristics of their duties based on individual agreements). The MC Staff Union is led by an executive chairman elected from among the union members. The MC Staff Union and MC share the following vision: “Recognizing the social responsibility of companies, both the workforce and management will endeavor in earnest to achieve the sound development of MC and to improve the economic and cultural standing of union members.” Guided by this philosophy, the MC Staff Union carries out a variety of initiatives.

### III Risk Management

When reviewing and making decisions on investment and financing proposals, MC conducts a comprehensive screening process which considers not only economic aspects, but ESG factors as well, including labor relations, labor management and labor rights. Furthermore, MC strives to monitor existing operating companies and contribute to their improvement, in addition to reviewing new investment and divestment proposals.

## • Labor Practices (Employee Relations): Initiatives

The MC Staff Union and MC hold labor management meetings and conferences based on the “Basic Agreement between MC and the Union” concluded by both parties, and conduct proposals, status reports and discussions concerning the mutual recognition of issues. These meetings and discussions aid in ensuring proper business management by reflecting the opinions of staff involved in daily duties at the corporate level and the level of each organization.

### III (1) Labor Management Meetings

The aims of these meetings are to facilitate communication on various matters of mutual interest between the MC Staff Union and MC through the exchange of views, to reflect the union members’ broad range of opinions aimed at stimulating better management policies and business performance, and to create a more positive workplace. Numerous labor management meetings are held at the levels of each office, business department, division, and business group. Not only are the matters discussed in the meetings put to effective use in the management of each organization, they are also placed on the reporting and discussion agenda of company-wide labor management meetings held once a year, including meetings with the President and CEO, meetings with the Corporate Functional Officer for Human Resources, meetings to discuss yearlong business performance, and meetings to discuss interim business performance.

### III (2) Conferences

Conferences are held to facilitate communication between the workforce and management on specific matters through the exchange of views and to reflect the union members’ broad range of views on energizing MC through various management policies. In the conference, the MC Staff Union presents reports and proposals to the relevant internal departments based on questionnaires and discussions held within the union, and some of these proposals have been implemented by MC.

In FY2025, three conferences were held on topics including evaluation/compensation, careers, and workstyles.

## • Diversity Management: Policy

### III Our Diversity, Equity & Inclusion (DE&I) Vision

#### -A Flexible and Powerful Organization Capable of Adapting to Changing Business Environments-

MC's global workforce is made up of a diverse group of employees in terms of lifestyles and values. As MC's businesses rapidly become more global and diverse, MC recognizes that it will be essential to drive growth while encouraging a diverse range of employees to share common values and engage in healthy competition with one another. Doing so will be vital for achieving sustainable corporate growth. We believe that 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, through the DE&I activities, MC aims to:

1. Strengthen and fully implement its management plan of evolving and transforming its existing businesses and driving new business creation
2. Continue to ensure that all MC employees demonstrate their true potential
3. Based on the above two items, continuously attract and recruit talent, which is the source of MC's competitiveness

#### Steps to Our Vision

MC has been working to realize its goals through a variety of DE&I initiatives.



## • Diversity Management: Structure

Officer in Charge	Yutaka Kashiwagi (Representative Director, Executive Vice President, Corporate Functional Officer, Human Resources, Global Planning & Coordination, IT)
Deliberative Body (A subcommittee under the Executive Committee, a management decision-making body)	Human Resources Development (HRD) Committee Important matters related to labor practices deliberated by the committees are formally approved by the Executive Committee and put forward or reported to the Board of Directors based on prescribed standards.
Department in Charge	Global Human Resources Dept.

#### Reference Diagram of the Sustainability Promotion Framework

In 2007, we established our first dedicated DE&I promotion unit within the Global Human Resources Department. Since then, we have implemented various measures to promote DE&I, including the expansion of support systems for employees who need to balance their work responsibilities with childcare or family care obligations, as well as the creation of workplaces that are accessible to our non-Japanese employees. MC will continue to undertake initiatives to further improve its work environments and ensure that employees in its diverse workforce are able to stay motivated and achieve their full potential.

# • Diversity Management: Initiatives

## III Promotion of DE&I

### DE&I Ambassadors

Since 2024, several departments/offices across the company have been nominated as "DE&I Ambassadors" to take on the mission of leading Diversity, Equity & Inclusion implementation.

MC is accelerating the promotion of DE&I by carrying out focused initiatives toward the "DE&I Ambassadors", creating and sharing good practices across the company.

### DE&I Awareness Period

To promote understanding and implementation of DE&I, we designate a "DE&I Awareness Period". During this period, MC holds expert lectures, workshops, and dialogues where employees share experiences and perspectives to deepen mutual understanding and appreciation of DE&I. In addition to this designated period, MC also offers various learning opportunities including e-learning programs throughout the year.

### DE&I Discussions

MC holds "DE&I Discussions" as a platform for employees to engage in open dialogue about DE&I. These discussions bring together individuals with diverse perspectives and experiences, encouraging respectful conversations that contribute to the development of a more inclusive workplace culture.

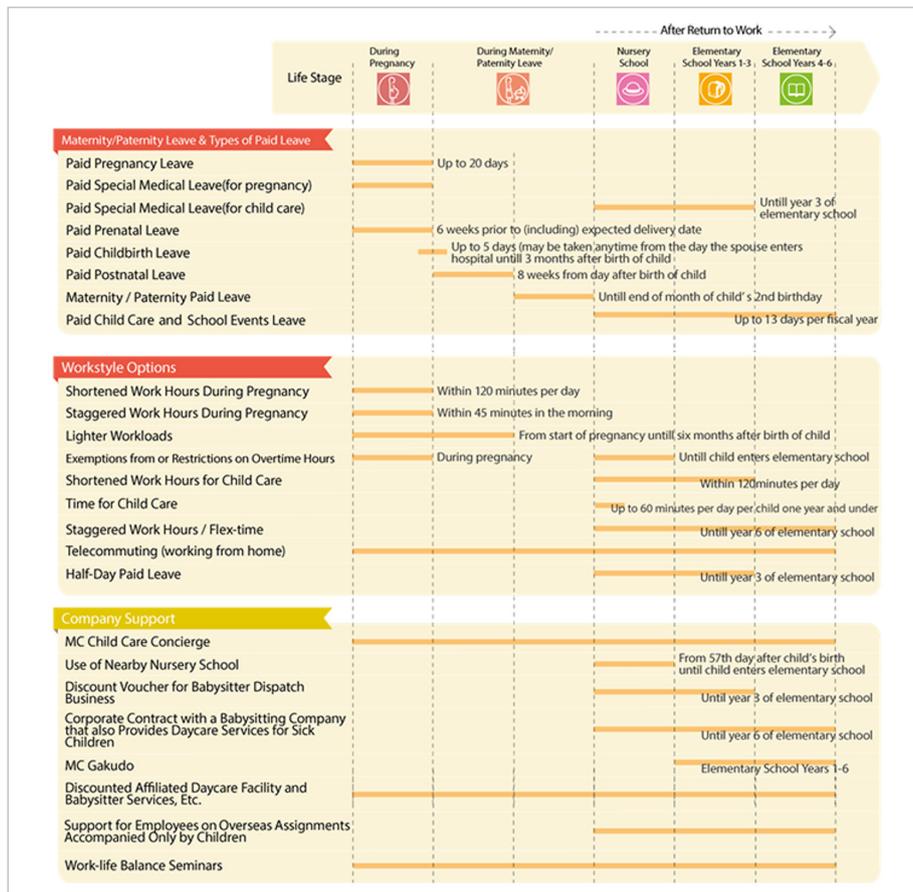
## III Supporting Employees with Family Responsibilities

MC has been improving its internal systems to enable employees to better balance matters such as childcare and family care with their careers. MC will continue to focus on building a corporate culture that embraces diverse workstyles in order to create a comfortable and supportive atmosphere that encourages the active utilization of these systems.

### Support for Balancing Career and Childcare

MC seeks to put the support of the entire company behind employees who are balancing their work with maternity and paternity roles and childcare responsibilities. As such, MC is working to upgrade and expand various systems available for use by both men and women.

Maternity/Paternity and Childcare Systems



**Establishment of MC's Childcare Concierge within the Global Human Resources Department**

To help employees smoothly return to work from maternity and paternity leave, MC has set up the Childcare Concierge within its Global Human Resources Department. This service provides employees with information on daycare facilities, babysitters, services for children to continue their studies after regular school hours, etc. It also provides consultations about pediatric health and other concerns that employees may have about raising children.

**Children's Daycare Facilities & Services**

MC has secured the services of a nearby daycare facility so that employees can smoothly return to work when they wish. In addition, MC has also secured the services of sick-child babysitters who employees can rely on confidently when their children are ill. In addition, MC has been providing the MC Gakudo service for employees with children in elementary school. This service provides day camps for children during long vacation periods from school.

**Paid Child Care and School Events Leave, Staggered Work Hours, Flex-Time Work and Telecommuting (Working from Home)**

MC has established a system for paid childcare and school events leave, which allows employees to take time off to care for a child who is sick or injured, accompany them for health checkups or vaccinations, to attend official school and daycare events, such as entrance and graduation ceremonies.

In addition, employees with children can utilize systems such as staggered work hours and flex-time and telecommuting (working from home).

**Career Support**

MC offers career support that takes into consideration significant life events such as childbirth and childcare. MC provides opportunities for employees who are either currently on Maternity Leave or Child Care Leave or who plan to take it in the near future to learn about MC's relevant systems and policies, as well as to speak with experienced working fathers and mothers. These consultations are effective in preparing employees for what to expect when returning to work.

**Encouraging Work-Style Diversity and Work-Life Balance**

MC has posted its Childcare Support Handbook on the company intranet, as part of its efforts to promote understanding and foster a supportive culture internally. The handbook includes not only explanations on all of MC's childcare systems and policies, but also provides specific advice for mothers, fathers, managers, and colleagues on how to improve office communication. MC also provides regular guidance to staff in management-level positions.

**Support for Balancing Career and Family Care**

In order for employees to continue to demonstrate their abilities while balancing career and family care responsibilities, MC has expanded systems such as family care leave, flex-time, staggered work hours, and family care leave. In addition, we provide a variety of support such as holding Work-Care Balance Support Seminars giving employees the opportunity to deepen their understanding regarding family care, and establishing a Family Care Consultation Desk where employees and their family members can seek advice regarding their concerns at an early stage. We also facilitate close communication with employees who are considering the use of these support systems.

**Family Care Support Systems**

Family members requiring nursing care	Spouses, children, parents, parents of spouses, grandparents, grandchildren, and siblings
Paid Family Care Leave	10 days per fiscal year, paid
Work Styles	<ul style="list-style-type: none"> <li>• Exemptions from and restrictions on late-night, overtime and weekend work</li> <li>• Staggered work hours/flex-time</li> <li>• Special medical leave (for family care reasons)</li> <li>• Consultations on family care with external experts / Human Resources Department</li> </ul>
Family Care Leave	1 year on a cumulative basis for each family member requiring family care (365 days including non-business days) *Can be obtained in separate segments for each family member requiring ongoing, constant nursing care
Employee benefits	Use of nursing care services (24-hour consultation desk)

**Encouraging Work-Style Diversity and Work-Life Balance**

MC has posted the Handbook for Balancing Career and Family Care on the company intranet, as part of its efforts to promote understanding and foster a supportive culture internally. The handbook includes not only explanations of all of MC's family care systems and policies, but also provides specific advice for employees providing family care, as well as for managers and colleagues on how to improve office communication. MC also provides guidance to those in management-level positions and Work-Care Balance Support Seminars for all employees on a regular basis.

## Re-Employment System for Employees Accompanying Spouses on Japanese or International Job Transfers

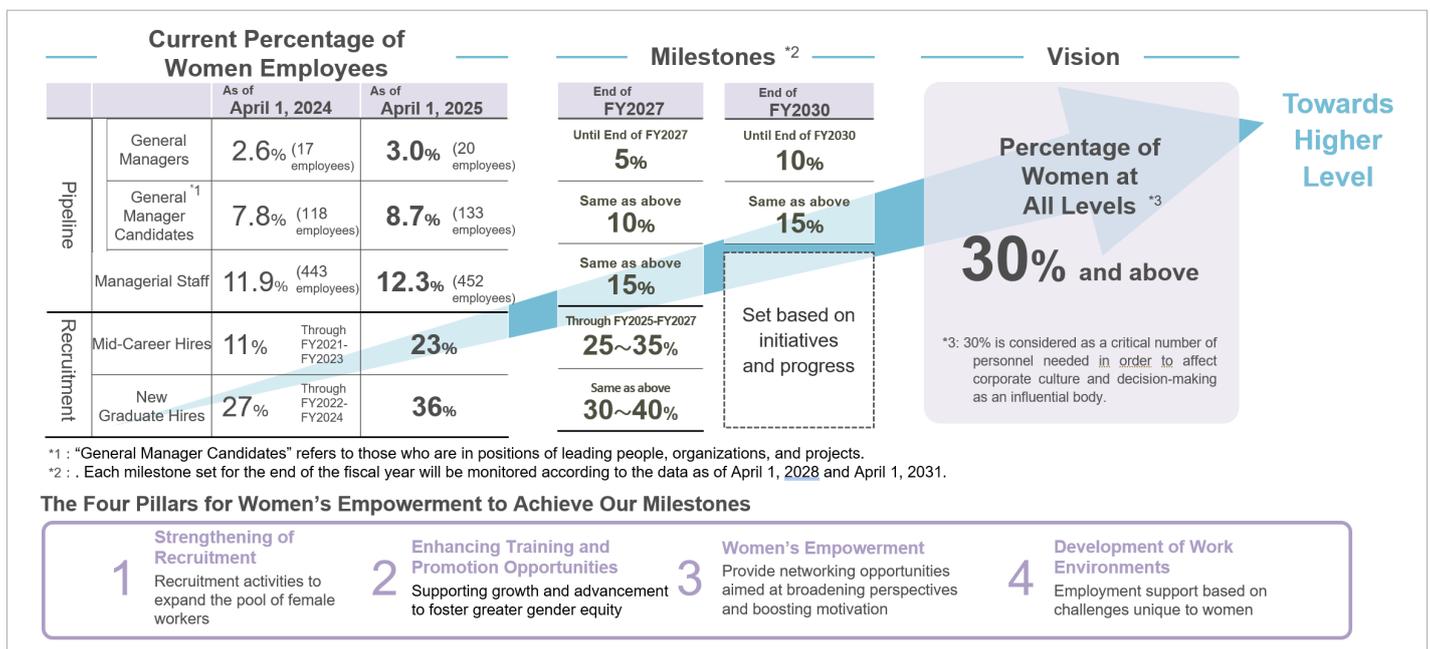
Providing that certain conditions are met, MC will re-employ those who previously left MC due to their spouses' Japanese or international job transfers. This system was introduced to enable these personnel to resume their careers at MC by making the most of their prior experience and skills.

### Supporting Women's Careers at MC

MC considers its workforce to be its greatest asset, 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 factors.

To ensure consistent representation of women at the executive level, MC will implement initiatives to strengthen the talent pipeline.

As a first step, MC has set goals for the end of FY2027 and FY2030. By continuously reviewing our initiatives and progress, MC will determine the various measures, and will achieve our vision, to have at least 30% women at all levels.



Reference [Action plan based on Act on Promotion of Women's Participation and Advancement in the Workplace \(Translation\)\[PDF:167KB\]](#)

### Career Support Based on Major Life Events during Childbirth and Childcare Periods

Taking into account the major life events of individual employees, MC is focused on systematically providing career development opportunities to the greatest extent possible, including overseas assignments. For employees planning to take maternity/ paternity leave or those currently raising children, MC explains the relevant systems and policies, in addition to offering Work-Life Balance Seminars where employees can learn about the experiences of their colleagues on topics such as work styles after returning to work from maternity/paternity leave.

### Support for Employees on Overseas Assignments Accompanied Only by Children

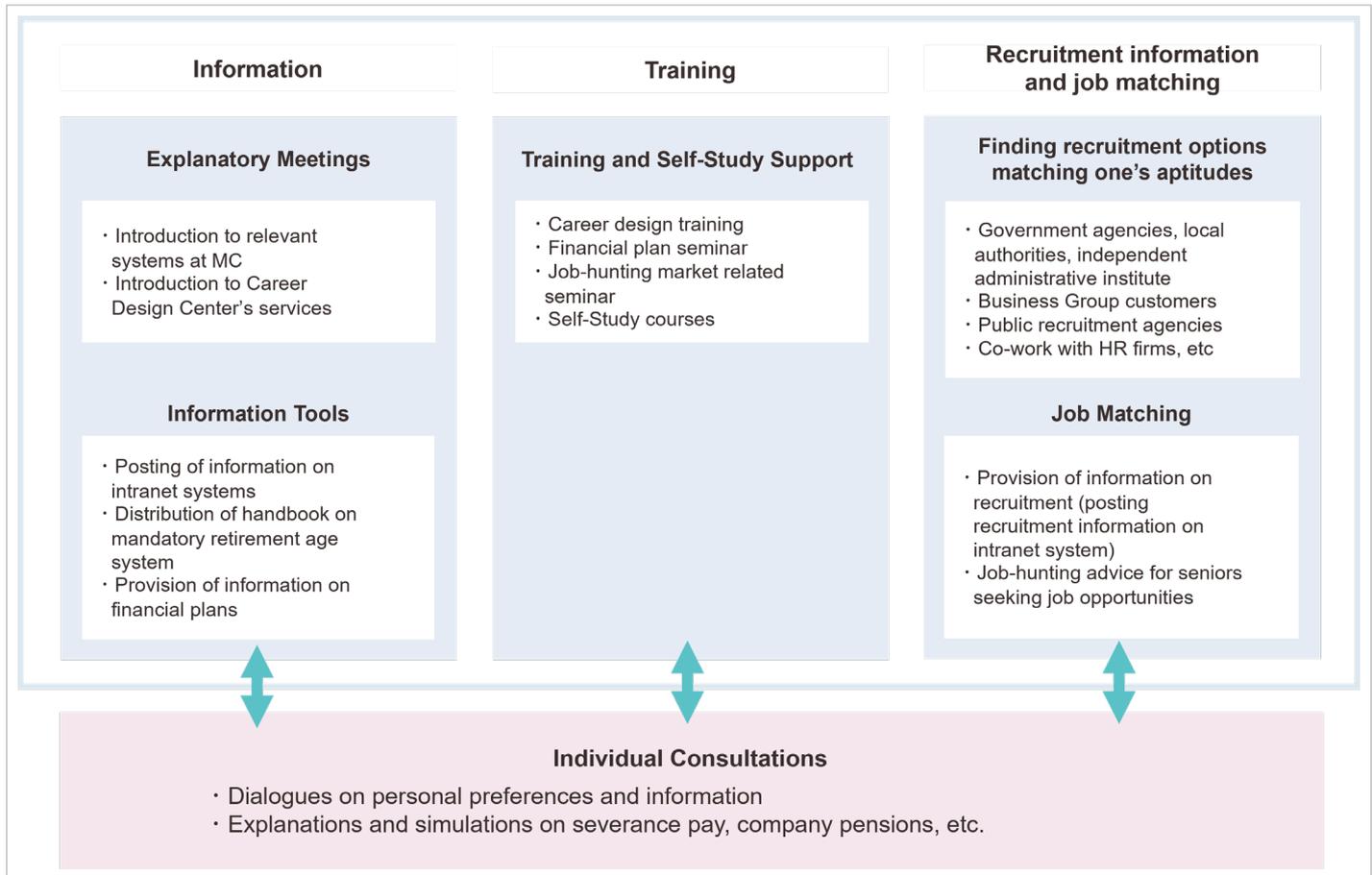
In some cases, employees may be assigned overseas and accompanied only by their children of junior high school age or younger, without their spouses. In these cases, MC provides support to ensure a smooth assignment and the necessary arrangements for daily life during the assignment. This includes sending the employee on business trips to the location prior to the assignment, arranging housing in advance, concurrently allowing their children to join the employee, and providing a subsidy for childcare fees.

### Engaging the Senior Workforce

In addition to introducing its Re-employment Course System for extending the careers of employees aged 60 and over, Career Design Center at Human Link Corporation, a wholly owned subsidiary of MC, provides comprehensive support for senior employees.

The Center offers comprehensive services such as individualized career planning consultation based on each employee's personal situation and values, provision of various information and training programs for employees who wish to continue their careers outside the company, and collection of recruitment and job matching information.

**Functions of the Career Design Center**



**III Diverse Employment Opportunities for Persons with Disabilities**

As part of its CSR and diversity initiatives, MC has a long and proud history of employing persons with disabilities. Together with its special-purpose subsidiary, Mitsubishi Shoji & Sun Co., Ltd., MC will continue its efforts in expanding career opportunities for persons with various disabilities, while maintaining the statutory employment rate for these workers.

**Helping to Increase Employment Opportunities for Persons with Disabilities Mitsubishi Shoji & Sun**

Mitsubishi Shoji & Sun Co., Ltd. was established in 1983 as an IT company following a joint investment by MC and Social Welfare Organization Japan Sun Industries. It is headquartered in Beppu City, Oita Prefecture, and has offices in Tokyo (Marunouchi). Operating under its corporate philosophies of coexistence between persons with disabilities and those without, independence as a business entity, and the pursuit of new corporate value, Mitsubishi Shoji & Sun Co., Ltd. works to increase employment opportunities for various persons with disabilities while providing IT services such as system development, data entry, DTP and server operation to numerous business partners including MC and operating companies.

Reference [Mitsubishi Shoji & Sun Co., Ltd. website \(Japanese only\)](#) □

**III Engaging a Global Workforce**

**Talent Management of Employees at Overseas Offices**

In pursuit of global growth and promoting talent management, we are strategically securing, developing, and appointing employees at overseas offices in alignment with the specific conditions of each region. We are also working to establish infrastructure such as guidelines and systems to facilitate smooth global mobility, including relocation to Japan.

**Support for Non-Japanese Employees**

MC provides support to non-Japanese employees working in Japan by providing information on matters such as application procedures for period of stay extensions, rental housing, pensions and medical information. MC also provides a consultation desk to field any concerns or questions that non-Japanese employees may have about living and working in Japan. To help them quickly adapt to their work environment, we offer support such as subsidies for language training, assistance in building internal networks, and translation tools.

Reference [For details on value sharing and international transfers of employees at overseas offices, please see Human Resource Development.](#)

## Well-being (Health & Productivity Management, Occupational Safety and Health): Policy

### III Management Message

MC, on a consolidated basis, has a global workforce of approximately 62,000 professionals, which represents our greatest source of value creation. "Fostering Vibrant Workplaces That Maximize the Potential of a Diverse Workforce" is one of the eight materiality themes MC addresses together with its operating companies. As our operations expand and globalize, we recognize the need for diverse talent representing all genders, nationalities, and backgrounds to fully leverage their capabilities and sustain corporate value creation. With this in mind, MC prioritizes improving employee Well-being by ensuring safe working environments and promoting health. Our efforts have earned continuous recognition as an "Outstanding Enterprise in Health and Productivity Management."

MC promotes initiatives around Occupational Safety and Health (OSH) management, tailored to the independence and capacity of each individual and organization. These include creating safe environments for employees and contractors, as well as health, labor and crisis management initiatives. We aim to build and operate management systems that go beyond simply meeting the legal requirements in the countries where we operate to provide support that is more substantial.

Several MC operating companies have OSH management systems certified under ISO 45000. To promote OSH management throughout MC, we will develop an organizational framework, clarifying responsibilities and continuously monitoring progress to refine and improve our activities. Accordingly, we have established the following policy for operating companies:

#### Occupational Safety and Health (OSH) Policy

- The MC as a whole will work to promote the safety and health of all stakeholders, including MC employees and contractors, and enhance our systems for occupational safety and health.
- We will conduct robust OSH management, regardless of the country or region where we operate, upholding and seeking to go beyond local labor standards, laws, and regulations.
- In order to create an environment where our people, the MC's greatest asset, can work with peace of mind, we will work to maintain and improve their health, such as reducing the risks posed by infectious diseases and preventing overwork, including the reduction of excessively long working hours.
- Through proper management systems, we will prevent occupational accidents at each workplace. In the event an accident does occur, we will quickly assess the situation, analyze the cause, and formulate preventative measures.

### III Fostering Vibrant Workplaces That Maximize the Potential of a Diverse Workforce and Reducing Health Risks

MC has designated "Fostering Vibrant Workplaces That Maximize the Potential of a Diverse Workforce" as one of its materialities.

Our policies on occupational safety and health are designed to enable diverse talent to fully utilize their capabilities and approach work with enthusiasm.

MC responds rapidly to accidents and continuously raises awareness about safety while improving management systems. We also encourage health maintenance and illness prevention. In April 2024, we established the Wellness Partner Desk, staffed by occupational physicians, public health nurses, and psychologists.

For mental health, we provide counseling services both inside and outside the company, with specialists available at our medical clinic. MC also conducts regular online stress checks.

### III Supply Chain Initiatives

Recognizing the importance of managing environmental and social impacts in its supply chains, MC has established the Mitsubishi Corporation Policy for Sustainable Supply Chain Management, which requires suppliers to respect human rights and endeavor to provide their employees with safe and healthy work environments. In addition to sharing the policy with suppliers, MC conducts regular questionnaires to confirm compliance. While basic measures for occupational safety and health management are undertaken by each business, MC endeavors to strengthen this area throughout the supply chain. Such measures include supplier visit to confirm their activities when determined necessary considering the business and its location. Furthermore, MC makes efforts to strengthen occupational safety and health across its supply chain, including its own operating companies.

**Reference** For details on other supply chain initiatives other than those described above, please see [Supply Chain Management](#).

### III Policy to Proactively Address Global Health Issues (HIV/AIDS, Tuberculosis, Malaria)

MC operates globally with a worldwide business network, and some of the countries where we do business face significant challenges related to health issues such as HIV/AIDS, tuberculosis, and malaria. MC's policy is to proactively address these global health issues.

## • Well-being (Health & Productivity Management, Occupational Safety and Health): Targets

### III MC (consolidated)

- Reduction in the rate of workplace accidents, including contractors, from the previous year

Please refer to the ESG Data at the link below for details on performance related to the targets above.

**Reference** [Sustainability Report / ESG Data](#)

### III MC (non-consolidated)

- Reduce the rate of workplace accidents, including contractors, compared to the previous year
- Health checkup rate for domestic (Japan-based) employees\*: 100%
- Percentage of annual paid leave taken: 70%

\*Refers to the percentage of MC employees who have undergone regular health checkups in accordance with the Industrial Safety and Health Act implemented by the Company.

Please refer to the ESG Data at the link below for details on performance related to the targets above.

**Reference** [Sustainability Report / ESG Data](#)

# Well-being (Health & Productivity Management, Occupational Safety and Health): Structure

Officers in Charge	Yutaka Kashiwagi (Representative Director, Executive Vice President, Corporate Functional Officer, Human Resources, Global Planning & Coordination, IT) Kenji Kobayashi (Executive Vice President, Corporate Functional Officer, CSEO (Concurrently Capital Alliances))
Deliberative Bodies (A subcommittee under the Executive Committee, a management decision-making body)	Human Resources Development (HRD) Committee, Sustainability Committee Important matters related to occupational safety and health deliberated by the committees are formally approved by the Executive Committee and put forward or reported to the Board of Directors based on prescribed standards.
Departments in Charge	Global Human Resources Dept., Sustainability Dept.

**Reference** **Diagram of the Sustainability Promotion Framework**

MC has appointed the Director, Executive Vice President, and Corporate Functional Officer (Human Resources, Global Planning & Coordination, IT) as the chief officer responsible for OSH management across MC. The Global Human Resources Department coordinates with each Business Groups, which holds primarily responsibility for OSH management.

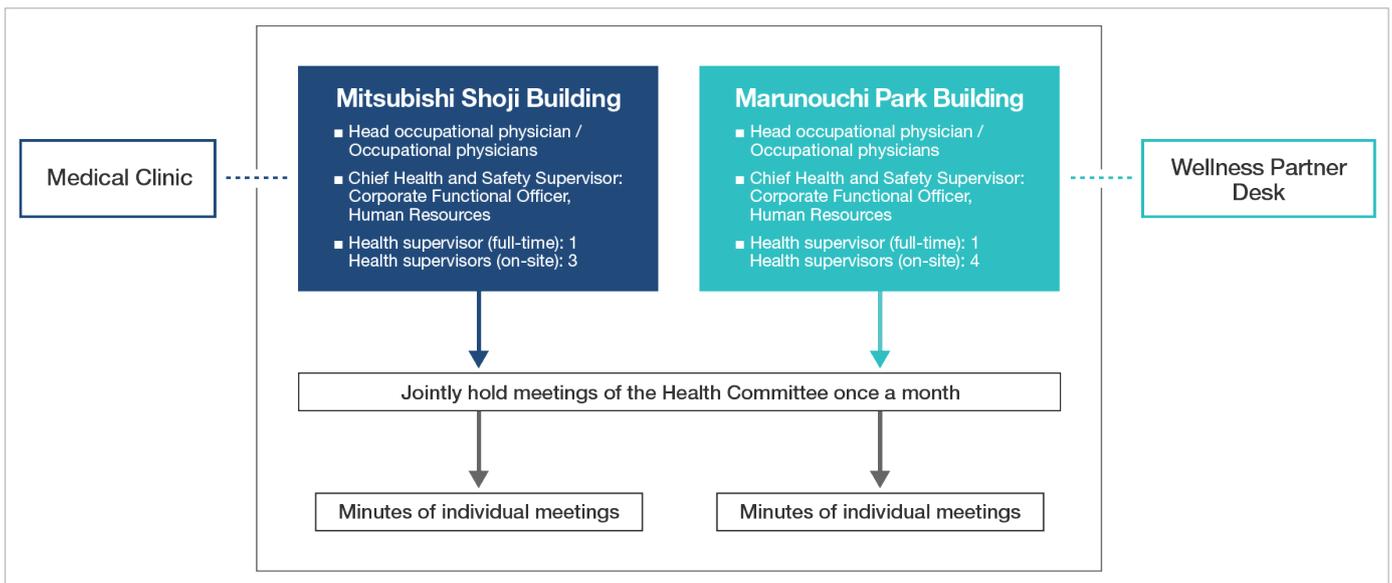
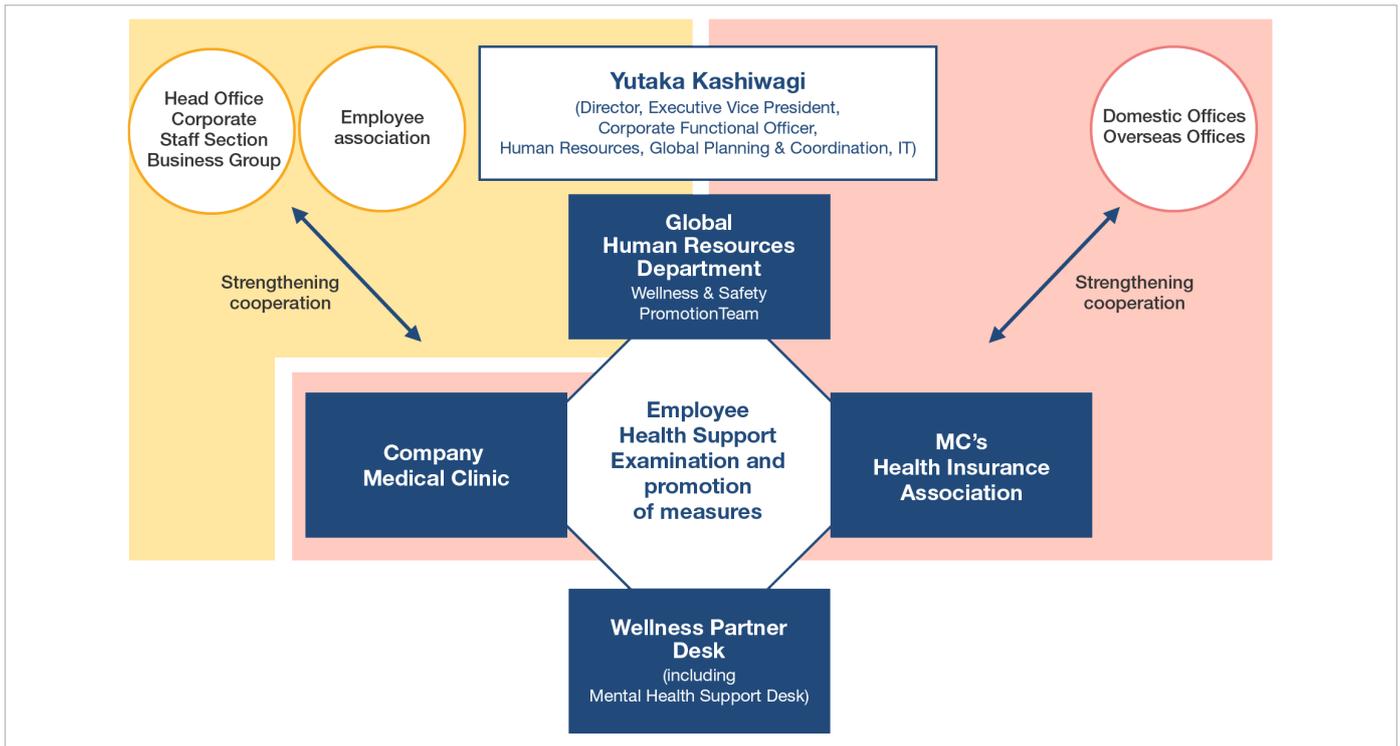
For operating companies in Japan, we have established committees such as the Health Committee in accordance with the Industrial Safety and Health Act. These committees include employee participation in developing, evaluating, and determining plans to prevent health issues and promote Well-being. At consolidated subsidiaries, hazards such as near misses are reported by employees during morning meetings and other occasions, and appropriate countermeasures are promptly implemented.



MC considers occupational safety and health a key management priority and continues to advance health and productivity management.

- Headed by the Chief Safety and Health Supervisor (who also serves as an Executive Vice President), the Health Committee consists of four occupational physicians, nine health supervisors from each Business Group, public health nurses, psychologists, and nurses from the internal medical clinic. The committee meets monthly on a non-consolidated basis to discuss employee health and workplace safety matters. Meeting minutes are posted on the intranet and shared with employees.
- MC believes it is essential to understand the Company’s current situation and manage the entire safety and health process, from planning measures to implementation, to promote Well-being. To support this, MC established the Health Management Office in April 2018, with the Health and Wellness & Safety Promotion Team active since October 2024. This dedicated office within the Global Human Resources Department coordinates with related departments (including the Wellness Partner Desk, the industrial hygiene section, the Mental Health Support Desk, and

the internal medical clinic) as well as the MC Health Insurance Association.



\*The Mitsubishi Shoji Building and the Marunouchi Park Building are registered as separate business sites. For each site, MC has established an occupational safety and health framework in compliance with labor laws.

### III Employee Participation

- Employees participate in the Health Committee, which develops plans to prevent health problems and promote Well-being, while also discussing evaluations and improvements. The committee is also engaged in identifying and disseminating accurate information on emerging infectious diseases.
- MC strives to create safe and healthy workplace environments where its diverse workforce can thrive. At the same time, MC supports employees in managing their own health through training seminars and related events, with particular emphasis on employees on overseas assignments. Measures include flexible hourly paid leave for outpatient care, coordinated with supervisors. Additionally, MC sponsors charity marathons and organizes in-house health events to encourage interests in sports and foster health awareness.
- MC conducts discussions on creating a positive workplace and promoting appropriate time management. Regular communication between employees and management is maintained through meetings between the MC Staff Union and management, including the President and CEO, as well as biannual meetings on business performance and regular sessions with the Global Human Resources Department. The MC Staff Union also hosts health seminars for employees.

## III Investment and Financing Screening

When reviewing investment and financing proposals, MC conducts a comprehensive screening process that considers not only economic aspects but also ESG factors. From an occupational safety and health perspective, particularly for projects with a high risk of accidents or fatalities, MC evaluates issues such as the status of Health, Safety, and Environment (HSE) management systems, past accident records, and quantitative data like the Lost Time Injury Frequency Rate (LTI). In addition to screening new investment and exit proposals, MC strives to improve existing investments by monitoring their management practices.

## III Risk Management (Risk Assessment)

Occupational safety and health is a critical component of HSE risk and is managed in accordance with the MC Group Risk Management Policy.

Excerpt:

1. Definition: HSE risk refers to recognizing the impact of manufacturing, industrial work, distribution, and other operations on occupational safety, health, and the environment, and identifying and managing risks related to accidents, health damage, environmental contamination, etc.
2. HSE risk management: a. Risk identification and management: Identify latent HSE risks based on the nature of operations and sector, and avoid, mitigate and manage these risks. b. Risk awareness: Raise employees' awareness of HSE risks through education, training, and other activities. c. Accident response policies: Establish emergency policies in advance to prepare for accidents. Implement measures to minimize damage and cooperate with relevant institutions when accidents occur. Should an accident occur, conduct necessary investigations, analyze causes, and implement preventative measures.
3. System: Comply with laws, regulations, international rules, voluntary industry standards, and customer requirements related to HSE. Formulate an action plan based on MC's industry and business activities, introduce systems for regular implementation checks, monitor performance, and review the action plan.

## III Reporting of Workplace Accidents

MC strives to prevent workplace accidents for employees.

We have established a system to promptly investigate, respond, and implement preventative measures. If an accident occurs at an operating company, it is reported through a dedicated occupational accident channel. Severe accidents—such as those involving death, serious injury, or suspected legal violations—are also reported via the compliance reporting channel.

Workplace accidents within MC are reported to the Compliance Committee, monitored through the annual Sustainability Survey, and used to develop preventive measures to reduce future incidents.

# Well-being (Health & Productivity Management, Occupational Safety and Health): Initiatives

## III Initiatives on a Non-Consolidated Basis

### Management Message on Safety and Health

MC recognizes that employee health is a key management priority and is committed to fostering dynamic, spirited, and vibrant employees and workplaces. Believing that a healthy mind and body are essential to individual success, we strive to enhance both the mental and physical well-being of our employees, as well as the quality of their work environments.

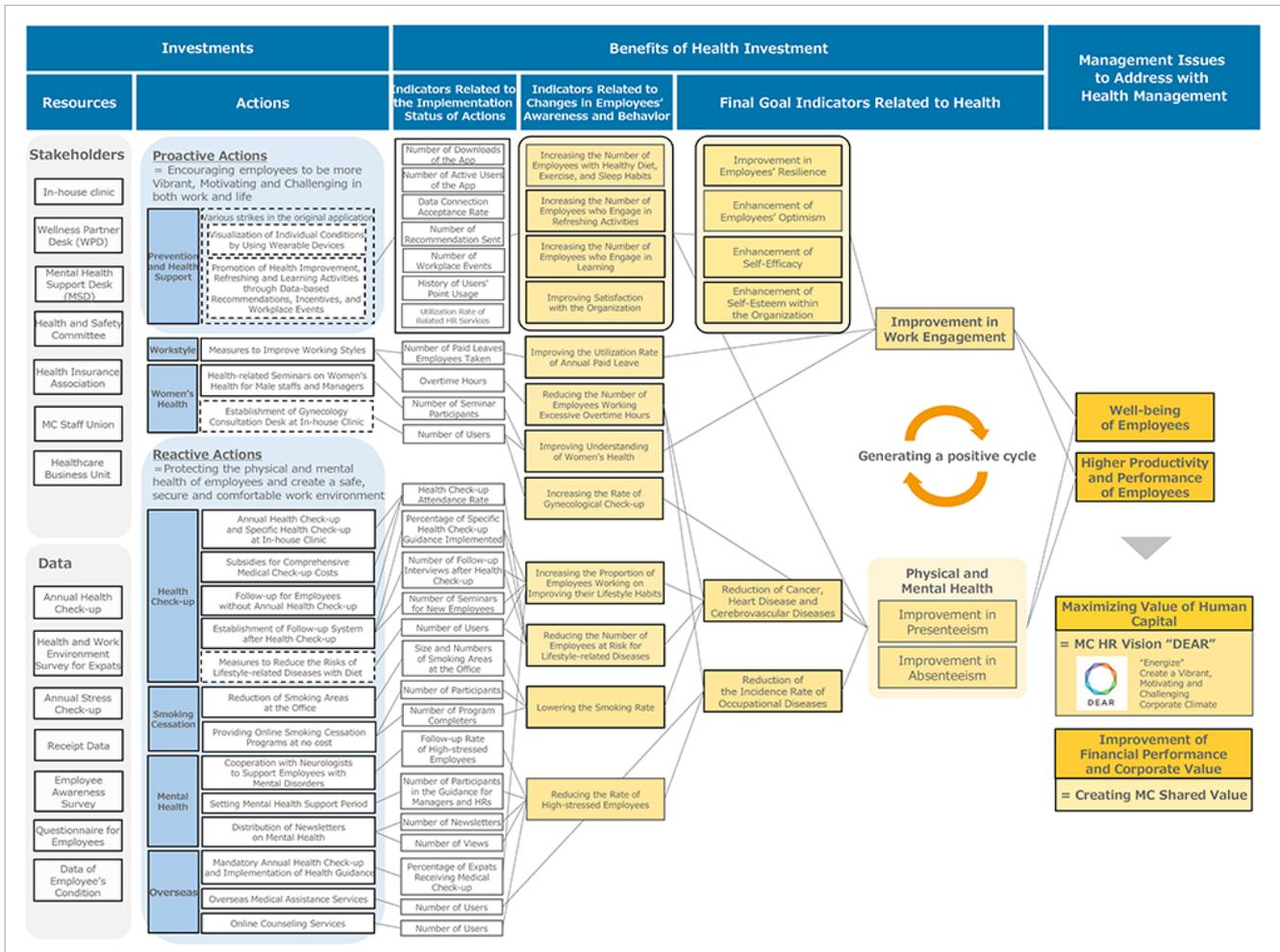
We will continue to promote health and productivity management to improve the well-being of all MC employees and to ensure that our diverse and talented workforce can fully leverage their strengths and individuality.

President and CEO of Mitsubishi Corporation  
Katsuya Nakanishi

At MC, we view our people as the source of value creation. As such, “Fostering Vibrant Workplaces That Maximize the Potential of a Diverse Workforce” is one of the eight societal issues identified in our materiality, which are challenges we aim to address across the entire Group. To continue creating sustainable corporate value, we must respond to the continued diversification and globalization of our business activities and ensure that our diverse human resources can fully utilize their unique capabilities, regardless of attributes such as gender or nationality. For this reason, MC regards the creation of safe working environments and the maintenance and promotion of employee health as critical issues, with senior management issuing a message on safety and health in FY2022.

MC’s initiatives continue to be recognized under the Certified Health & Productivity Management Outstanding Organizations Recognition Program. MC strives to create work environments where both employees and contract employees can work with peace of mind, supported by strong safety measures, health promotion initiatives, productivity management, and crisis management. In addition to complying with the legal requirements of every country in which we operate, we are committed to establishing and managing comprehensive occupational health and safety systems.

## The Strategy Map for Well-being and Health Management



Please see the link below for data related to the indicators listed on the map:

[Reference](#) [Sustainability Report / ESG Data](#)

## III Employee Health Promotion

### Initiative Examples

#### 1. Initiatives to Improve Health Awareness and Lifestyle Habits

(1) Internal notifications by occupational physicians, public health nurses, psychologists, etc.

Dissemination of health information through company newsletter columns, explanations and sharing of health data, and communication of challenges and initiatives during various tiered training sessions.

(2) Health Seminars and Health Check Events

- Provided to all employees, including those working overseas, using online platforms.
- Seminar topics include: diet, exercise, sleep apnea syndrome, cancer, women's health, mindfulness, and more. (Example: Online seminar on diet and exercise held in partnership with a sports club).
- Health Check Events: On-site measurement sessions (body composition, vascular age, body alignment), offering immediate health assessments and personalized exercise guidance based on the results.

(3) Provision of Health Apps

A health app has been introduced for all domestic employees. By tracking diet, exercise, and sleep, the app visualizes habits and provides tailored health advice.

(4) Providing Healthy Meal Opportunities

- Health-conscious menu options are offered at every meal in the employee cafeteria, as well as highlighted on the intranet. Nutritional information, such as salt content, is displayed for all menu items.
- Vegetables and fruits (e.g., vegetable sticks, cut fruit, mini salads) are made available in the office for employees seeking to supplement their meals or choose healthy snacks.
- The health app introduces seasonal healthy recipes. For lifestyle-related diseases such as diabetes, recommended menu examples are posted on the intranet and shared during nutrition counseling sessions.

(5) Strengthening the Physical and Mental Health Promotion System (Establishment of the Wellness Partner Desk)

In 2024, we established the Wellness Partner Desk as a new organization, integrating it with the former Mental Health Support Desk to create a unified structure supporting both physical and mental health.

#### 2. Initiatives for early detection and prevention of mental health problems

(1) Stress checks are conducted for all employees, including those on overseas assignments, to ensure regular mental health evaluation.

(2) Licensed psychologists offer individual consultations during the mental health support period (available by request, either in person or online).

Additional initiatives include:

- Distribution of regular mental health columns.
- Notification to all employees of handouts on self-care and care for subordinates' mental health.
- Individual emails on mental health support sent within three months of beginning an overseas assignment, with online sessions arranged for those requesting support.
- Monthly emails from licensed psychologists to overseas assignees, informing them of available consultation services.

### Health Management of Employees and Their Families During Overseas Appointments

At any given time, approximately 1,030 MC head-office employees are on overseas assignments, accompanied by about 1,340 family members. Recognizing that extended periods abroad may impact health due to differences in language, culture, medical systems, and other environmental factors, MC has implemented several initiatives to support the well-being of employees and their families wherever they are stationed. In addition to facilitating annual local health examinations, the MC Head Office medical clinic is available to respond to health-related inquiries from employees and their families when they feel unwell overseas. If suitable medical facilities are not available locally, MC provides support for the employee and their family to return to Japan or travel to another nearby developed country for examinations. Employees and their families are also eligible for subsidized travel expenses when taking Health Maintenance Leave, which may be used in addition to paid holidays and is intended to help employees refresh both mentally and physically. MC further provides a global, 24-hour Japanese-language medical emergency service, emergency transport assistance to medically advanced regions such as Tokyo, Singapore, and Bangkok, and a wide range of additional health-related support for overseas assignments.

### Survey to Monitor and Improve the Health and Working Environments of Employees on Overseas Appointments

To drive continuous improvement, since 2013 the Global Human Resources Department has conducted a survey of employees on overseas assignments. The survey evaluates the quality of healthcare received, overall working conditions, stress levels, and other factors to further enhance health-related measures. When concerns are identified, the Global Human Resources Department or the Wellness Partner Desk provides additional support as needed.

## Company Medical Clinic Supporting Employees Through Healthcare

Our headquarters features a company medical clinic that supports employees both domestically and internationally. Approximately 50 professionals—full-time and part-time—collaborate across specialties including internal medicine, dermatology, neurology, and gynecology. The clinic also includes nurses, laboratory and radiology technicians, registered dietitians, and pharmacists, enabling comprehensive health management supported by advanced diagnostic equipment. More than 17,000 employees visited the clinic in both FY2023 and FY2024.

The domestic regular health check-up participation rate is 100%, with thorough follow-up provided for secondary examinations when necessary. The clinic also supports employees on sick leave and helps create an environment where employees with health concerns can work with peace of mind.

Please refer to the ESG Data at the link below for details on the above results.

[Reference](#) [Sustainability Report / ESG Data](#)

## Preventing Lifestyle-Related Diseases and Metabolic Syndrome

MC's health clinics provide early checkups and treatment, offering medium- to long-term health management in conjunction with regular health examinations. Special health screenings are available to employees aged 40 and over, with an 84% participation rate in this age group. Preventing lifestyle-related diseases such as dyslipidemia, hypertension, diabetes, and hyperuricemia is a pressing societal issue. MC supports prevention efforts by providing employees with access to physicians and nutritionists through its clinics. Because early intervention is essential in preventing lifestyle-related diseases, MC will continue providing health guidance to younger employees while also raising awareness among healthy employees with normal examination results on how to structure daily habits to maintain long-term well-being.

## Efforts Related to Self-Medication

In collaboration with the Mitsubishi Corporation Health Insurance Association, MC offers a self-medication service that enables employees to consult with pharmacists and purchase medications online. This initiative aims to encourage employees to take an active interest in maintaining and improving their health. When developing programs such as this, MC provides services and conducts trials internally to gather feedback and continuously improve health management offerings.

## Mental Health Measures

To support prevention and early treatment, MC provides extensive mental health care resources. A simple, web-based system allows employees to assess their stress levels and potential risks for developing health issues. MC also provides a variety of training programs—including those targeted at managers—to help prevent mental health problems in the workplace. All employees, including secondees, are required to complete a stress check. After answering an online questionnaire, employees receive an immediate on-screen evaluation of their stress levels with personalized feedback. Employees with particularly high stress indicators are encouraged to meet with an industrial physician. When needed, adjustments to the working environment are implemented to help mitigate stress.

Meanwhile, the Wellness Partner Desk—comprising industrial physicians, public health nurses, psychologists from MC's internal Mental Health Support Desk, and the neurology department of the medical clinic—responds promptly to health inquiries from both domestic and overseas employees. This structure ensures that employees receive coordinated support alongside their workplaces. Additionally, MC provides access to an external help desk connected with specialized EAP\* medical facilities. Through this comprehensive system, employees and their family members can consult health professionals or receive counseling at any time of day, whether in person, by telephone, or through email.

Summarized survey results are shared anonymously within MC and used to improve workplace practices and conditions. Moving forward, MC will continue using survey findings to inform mental health measures, strengthen training programs, and deepen awareness of mental health issues across the organization.

\*Employee Assistance Program

## Wellness Partner Desk

To support the health promotion of MC employees (including those seconded within Japan and overseas), the head office clinic has long been engaged in both treatment and prevention. In April 2024, the Wellness Partner Desk was newly established as an independent organization dedicated to prevention and industrial hygiene, separate from the head office clinic. Staffed by industrial physicians, public health nurses, and psychologists, the Desk enhances health promotion by creating an environment where employees can easily seek consultation regarding both mental and physical health.

We provide support to employees with health concerns so they can work with peace of mind. This includes reinstatement interviews for employees returning from leave due to injury or illness, and assistance with balancing work and medical treatment. In addition, we work to maintain a comfortable workplace environment through workplace patrols and participation in the Health Committee. Industrial physicians also conduct interviews with employees working long hours to raise awareness of the health risks associated with extended working hours and to support early intervention.

Public health nurses draw on their medical experience and expertise in industrial hygiene to support employees working long hours and to provide follow-up based on health checkup results. We have also introduced a health management system that functions as a centralized health data platform, further strengthening employee health management.

### The Mental Health Support Desk

The Mental Health Support Desk is available to MC employees, including those on domestic or overseas assignments. Staffed by licensed psychologists and clinical psychotherapists, it offers mental health consultations, helps employees assess their stress levels, and provides an initial point of contact for those feeling unwell before seeing a neurologist.

### Assistance with Fees for Multiphasic Health Screenings

Multiphasic health screenings are offered to employees in accordance with the Japanese Industrial Safety and Health Act, with fees partially subsidized\*.

\*Subsidized by the MC Health Insurance Society

### Measures for Infectious Diseases

MC continuously gathers and analyzes the latest information from the Ministry of Health, Labour and Welfare, the Ministry of Foreign Affairs, the World Health Organization, the Centers for Disease Control and Prevention(CDC), and other organizations regarding the outbreak and spread of infectious diseases. Based on this information, the Emergency Crisis Management Office collaborates with occupational physicians and occupational health staff to implement in-house infection control measures.

We have strengthened our medical consultation system for employees assigned overseas and their families, providing medical advice on infection prevention and mental health care so that they can work safely even in regions with high infection prevalence.

MC also takes a comprehensive approach to preventing the spread of disease in the workplace by offering anti-malaria vaccinations for employees traveling to regions where tropical malaria is prevalent, recommending antibody tests and vaccinations for measles and rubella (MR), and administering in-house seasonal influenza vaccinations.

**Reference** For information on the Emergency Crisis Response Headquarters, please refer to [Crisis Management](#).

### Tuberculosis Prevention Initiatives (Mongolia)

MC partnered with the Mongolian Anti-Tuberculosis Association to raise awareness of tuberculosis in the capital city of Ulaanbaatar. Focusing on high-risk groups such as college students, MC distributed pamphlets, showed educational videos, and held awareness-raising events. For secondary school students, MC organized a drawing contest and used the winning entries in advertising posters. These initiatives were carried out across five universities and 750 secondary schools.

### New Work Styles Befitting MC

As business becomes increasingly complex and fast-paced, employees face greater pressure to handle more work at a higher level of quality. In addition, the nature of a sogo shosha often involves periods of intense workload, particularly during large projects or overseas operations. To prevent health issues caused by overwork, MC places particular priority on: 1) protecting employees' mental and physical health; 2) ensuring compliance with laws, regulations, and internal rules; and 3) appropriately managing extended overtime. Specifically, MC goes beyond legal requirements in its monitoring of overtime for both managerial and non-managerial staff. Employees who exceed a specified overtime threshold must submit a health questionnaire and receive guidance from an occupational physician. The company also uses computer logs and other objective data to ensure accurate reporting of overtime hours and maintains full compliance with the Japanese Article 36 Agreement. MC further provides time-management training and other initiatives for managers. While accounting for differences across business environments and industries, MC aims for an annual paid leave utilization rate of 70% or higher and systematically encourages employees to take their paid leave. In departments where overtime tends to be high, MC develops and implements individualized improvement plans to curb excessive hours and prevent overwork. As a result, in FY2024 the annual paid leave utilization rate was 68.4% and the average monthly overtime was 31.0 hours (compared to 71.1%, 29.2 hours in FY2023). MC continues to promote initiatives that support autonomous and flexible work styles, enhance productivity and efficiency, and improve overall performance.

MC is committed to fostering a work environment where diverse employees can thrive and ensuring a culture in which performance is evaluated fairly based on results.

## III Initiatives on a Consolidated Basis

### Initiatives at Consolidated Companies

Our operating companies work to prevent industrial accidents by formulating response policies, introducing Occupational Safety and Health (OSH) management systems\*, and taking other appropriate measures based on each business's characteristics and operating environment. Among operating companies with OSH risks, 99.6% have established OSH management systems, and we continue to review initiatives across our consolidated partner companies.

\*Refers to operating companies that have experienced one or more lost-time injuries and are working to reduce such injuries under their OSH policies (FY2021 Sustainability Survey results).

### Donggi-Senoro LNG Project

MC is one of the largest shareholders of the Donggi-Senoro LNG Project in Indonesia (DSLNG). Recognizing that occupational health and process safety are among the most critical issues in liquefied natural gas (LNG) production, we are committed to ensuring worker safety. DSLNG has implemented a range of measures, including policies on integrated quality management, health, safety, environment, and security, as well as

establishing a Process Safety Management Committee. DSLNG also provides employee training on Permit to Work procedures, process safety management, crisis management, and firefighting measures, and conducts Safety Leadership Workshops with contracted companies to further strengthen safety awareness. MC maintains a robust safety framework through regular reviews and continuous improvement of safety measures.

(1) Implementation of Audits:

DSLNG performs daily Permit to Work audits and Safety Leadership Conversations (SLC). These audits verify various aspects of online safety and ensure accurate Permit to Work documentation. If any safety concerns are identified, operations are suspended immediately pending review.

(2) Examples of Risk Assessments:

A Job Hazard Analysis (JHA) is conducted for most tasks to identify potential risks, evaluate their severity, determine appropriate mitigation measures, and assess the overall level of risk. This process ensures that work is carried out in accordance with sufficient safety standards.

### Our Group's Occupational Injury Performance

To sustainably create corporate value, our Group recognizes that it is essential for diverse personnel to fully demonstrate their capabilities in their respective roles, and that ensuring occupational safety and health is fundamental to enabling this. We have therefore strengthened initiatives across the entire Group.

As a result, the LTIFR (Lost Time Injury Frequency Rate) for FY2025 on a consolidated basis improved significantly to 1.31, a reduction of 0.44 from the previous fiscal year. This figure is well below the national average for the retail and wholesale sectors in Japan and marks the fifth consecutive year of LTIFR improvement.

Typical occupational injury cases include machinery entanglement, falling objects, and slips or trips. For each incident, root causes are analyzed and preventive measures are implemented—for example, ensuring work begins only after machinery has come to a complete stop and considering the installation of harness-type safety belts—to prevent recurrence and strengthen workplace safety.

### Status of Acquisition of ISO45001

Please refer to the links below for data related to Main Operating Companies with ISO 45001 certification.

Reference [Sustainability Report / ESG Data](#)

### Provision of HSE Information

Since 2002, Nikken Corporation has published a regular newsletter, Safety News (in Japanese), which is shared with customers and other stakeholders. MC gathers a range of information for this publication, including recommendations for reducing labor-related accidents and methods for avoiding and preventing HSE incidents, based on white papers and guidance issued by relevant organizations.

## • Human Resource Development: Policy

### III Principles of Human Resource Development

MC’s basic policy on human resource development is to continuously produce “management-minded human capital committed to enhancing business value.” Under this policy, we ensure the stepwise development of advanced foresight and execution skills, as well as a strong moral compass of its employees.

MC’s off-the-job training (Off-JT) is designed to equip employees with the necessary capabilities (foresight, execution skills, and strong moral compass) they need for each Job Grade at the right stages of their careers.

These training programs support the career development and personal growth of employees throughout the entire MC Group, including those at the parent company. They are available to all MC employees, including those assigned to overseas offices or working for Group companies in Japan and around the world.

## • Human Resource Development: Targets

### III Priority Targets and Current Status

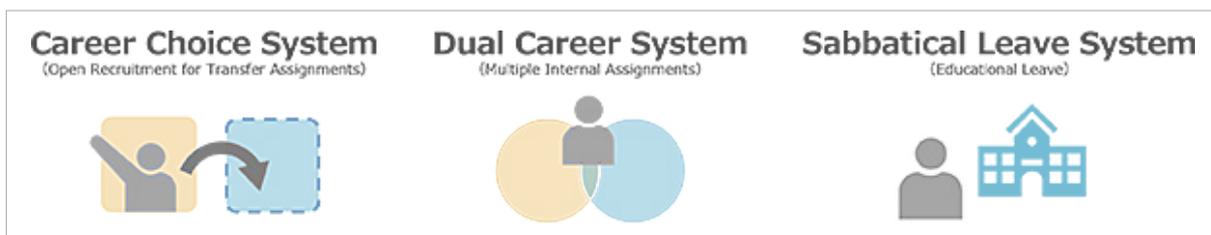
MC’s goal is to implement an HR Strategy that responds promptly to management strategies and rapid changes in the operating environment. We are therefore enhancing and expanding our training systems with an emphasis on the following three priorities to ensure that the right people are in the right positions and strengthen our ability to respond to changes in the environment so that all employees can demonstrate their capabilities.

#### Reskilling to Adapt to Change: Leadership Development

MC employs a diverse array of HR development programs to update the skills of our leadership team in response to changes in the business environment and are also working to leverage the potential of our diverse and versatile talent pool through diversity management and strengthening support for professional development. In a rapidly changing environment, it is essential to have even more advanced management and leadership skills than ever before to achieve goals with colleagues who have diverse values. In response, we revamped our MC Leadership Program in 2025, providing on-demand learning opportunities to align with actual roles and situations, no matter what titles employees have.

#### Talent Management that Leverages Individuality

MC will expand efforts to support career autonomy based on respect for personal attributes, values, and work styles of diverse individuals. Through these measures, we will ensure that our diverse and versatile talent pool can feel a sense of satisfaction and pride in their work, and continue to grow and play an active role while making the fullest use of their abilities.



Please refer to the ESG Data at link below for the above results.

Reference [Sustainability Report / ESG Data](#)

#### Development of Talent with Both Expertise in AI/Digital Fields and Business Experience

To foster talent capable of driving business initiatives with a deep understanding of AI and digital domains, we are implementing training programs from two key perspectives:

1. Enhancing literacy across all employees  
(e.g., requiring the "JDLA Deep Learning for GENERAL certification" as a prerequisite for promotion to management level)
  2. Developing high-potential talent with specialized strengths in AI/digital fields  
(e.g., dispatching selected employees to top-tier overseas engineering schools for several months as part of an "AI talent development program")
- Please refer to the ESG Data at link below for the above results.

Reference [Sustainability Report / ESG Data](#)

## • Human Resource Development: Structure

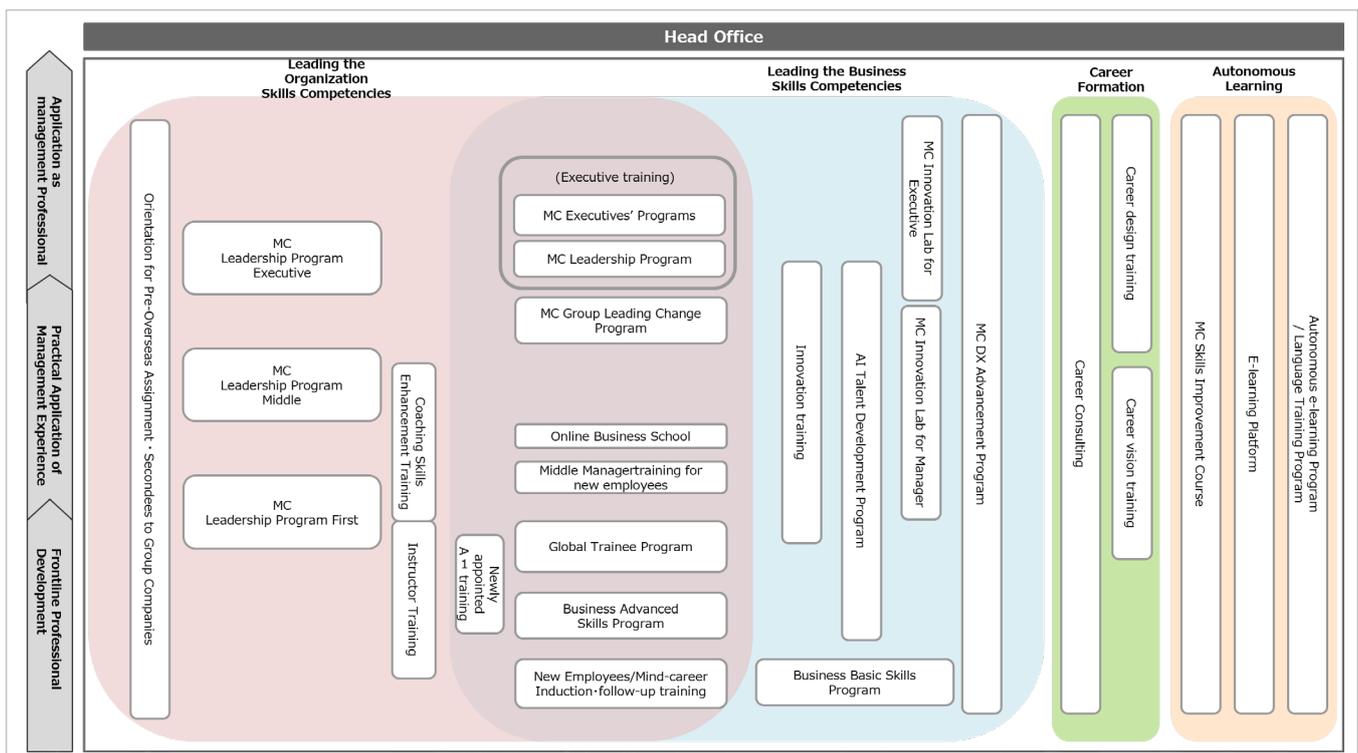
Officer in Charge	Yutaka Kashiwagi (Representative Director, Executive Vice President, Corporate Functional Officer, Human Resources, Global Planning & Coordination, IT)
Deliberative Body (A subcommittee under the Executive Committee, a management decisionmaking body)	Human Resources Development (HRD) Committee Important matters related to human resource development deliberated by the HRD Committee are formally approved by the Executive Committee and put forward or reported to the Board of Directors based on prescribed standards.
Department in Charge	Global Human Resources Dept.

### III MC HRD Program Structure

In today’s rapidly evolving business environment, where innovations in AI and other digital technologies are accelerating and future predictions are increasingly uncertain, it is essential to develop talent capable of navigating these changes with sound judgment and a management mindset, while remaining committed to enhancing business value.

To achieve this, starting in fiscal year 2025, we have revamped our training framework around two core pillars: "Skills and Competencies to Lead Organizations" and "Skills and Competencies to Drive Business."

Through this renewed structure, we aim to develop leaders who can guide organizations and spearhead business growth in an era of constant change.



\*Additionally, employees have opportunities of attending external training program outside MC.

# • Human Resource Development: Initiatives

## III Promoting Career Autonomy

We respect the diverse work views and values of individuals and are expanding our efforts to support career autonomy, to ensure that our diverse and versatile talent pool feels a sense of satisfaction and pride in their work, and continues to develop and play an active role while making use of their abilities to the fullest.

### Growth Dialogues

With the goal of increasing the effectiveness of employees' self-development, we conduct annual reviews focusing on employee skill development and career building and provide opportunities for dialogue with supervisors.

### Feedback Supporting Growth

Prior to Growth Dialogues, employees who lead certain organizations undergo a 360-degree management review from their superiors, subordinates, and colleagues, while other employees receive team feedback from their subordinates and colleagues. This provides opportunities for development support leading to increased awareness and improvement.

### Talent Review Program

MC has established a mechanism to encourage the development of employees' skills and careers through observation and assessment from multiple perspectives by sharing skill growth and career aspirations of employees confirmed through Growth Dialogues with a wider population.

### Mechanisms that Encourage Career Autonomy

Based on individual career aspirations along with skills and qualities that employees want to develop in the future, we are promoting open recruitment assignments to support the transfer of employees to positions they wish to take on and Dual Career initiatives that provide opportunities for skill acquisition and growth through in-house dual work.

We have implemented a "Sabbatical Leave" program that enables employees to proactively engage in reskilling by enrolling in universities or graduate schools, either domestically or abroad.

In addition, we offer a Career Development Support Program designed to help individuals visualize their capabilities, reflect on their experiences, and clarify their career vision. This program supports the establishment of a personalized development cycle aimed at realizing their professional goals.



Please refer to the ESG Data at link below for the above results.

Reference [Sustainability Report / ESG Data](#)

### Career Shift Support

Employees turning 50 or 55 are required to take career design training courses as an opportunity to think independently about their future, including post-retirement. Furthermore, for those in their late 40s who wish to participate, in addition to career design training, we provide briefings on company benefits as well as financial planning seminars.

## III Introduction of Human Resource Development Programs

We have adopted the key policy of “support employees’ self-development and company development” with the aim to ensure reciprocal growth between the company and its employees.

### Basic and Specialized Training

Implementing training programs designed to equip employees with basic business, problem-solving skills and leadership skills. They also work on becoming globally competitive professionals, something that is essential for all sogo shosha (trading company) employees.

### New Employee Training

This training program focuses on fostering employee self-awareness about working at MC, as well as instilling knowledge, skills, and other qualities required to be an MC employee. We also implement programs that contribute to strengthening foresight and execution skills for becoming a professional.

### Business Basic Skill Program and Business Advanced Skill Program

This comprehensive, two-stage training program is designed to strengthen the basic skills of young employees who are in their first three years with MC, comprehensively covering basic skills for professionals handling practical tasks, such as finance and accounting, bookkeeping, M&A operations, English-language proficiency, global leadership, AI, and other areas.

### Global Trainee Program

The purpose of this program is to rapidly develop young employees. To achieve this goal, MC utilizes its overseas assignment system so that all employees will, in principle, be provided with overseas experience at some point during their first eight years of employment. By exploring viewpoints and multifaceted perspectives they would not typically encounter in Japan, trainees can improve their conceptual capabilities and learn how to collaborate with individuals from diverse backgrounds and gain experience seeing projects through to completion.

- **Global Trainee Program (OJT)**

This program aims to further develop employees as businesspeople by having them experience on-the-job training (OJT) in an environment outside of Japan, such as at overseas MC offices or operating companies. In order for them to become immersed in the local environment and learn as much as possible about the country where they are assigned, trainees study the country’s official language both before and during their assignment.

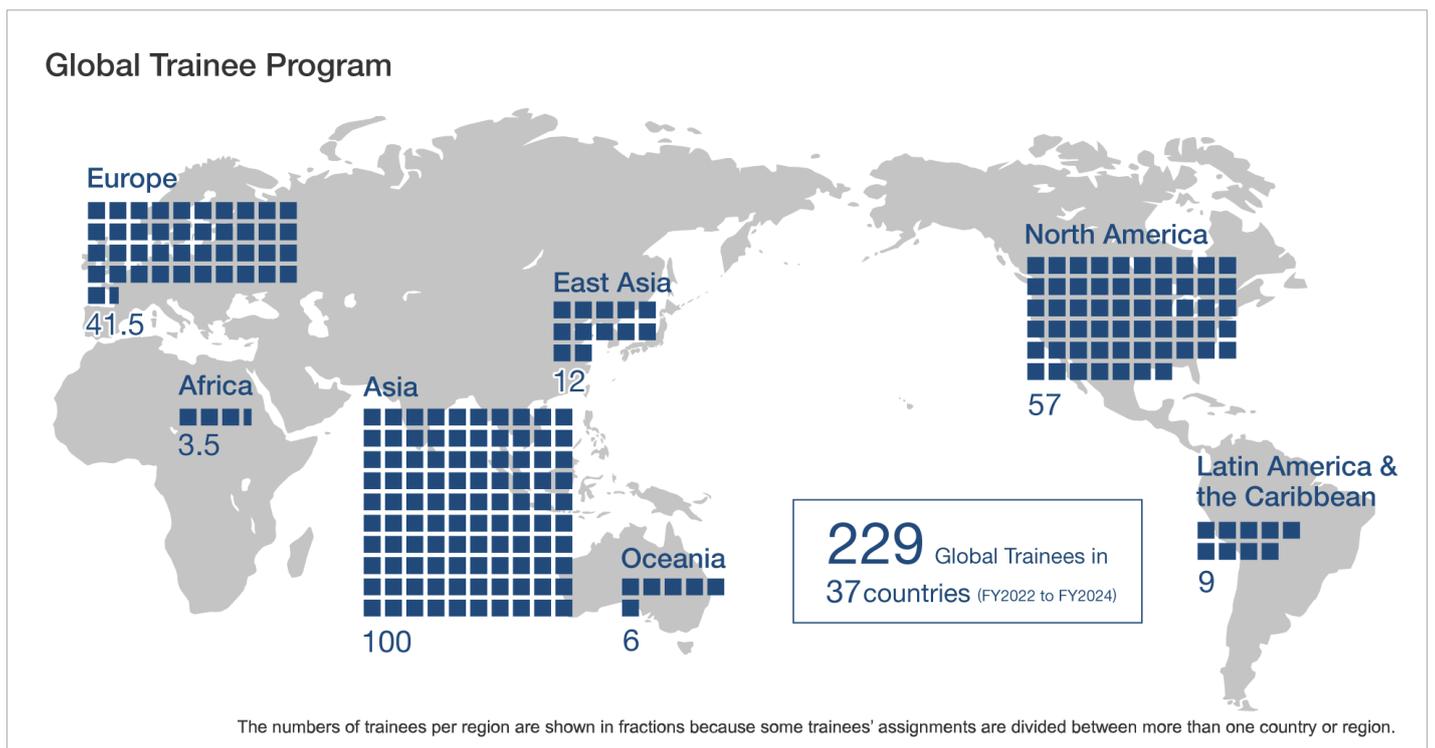
- **Global Trainee Program (Regional)**

As business becomes more and more globalized, to develop projects that are deeply rooted in each country or region, it is very important to not only have business skills, but to also have a deep understanding of the respective countries or regions. Starting with acquiring language ability, in order to deepen knowledge about concerned countries and regions, 1.5-2-year language training and OJT is held in various countries, such as Indonesia, Thailand, Vietnam, China, Turkey, Spain, and Brazil.

- **Global Trainee Program (Business Schools)**

In order to develop human resources with a grasp of the most up-to-date business management methods and extensive problem-solving abilities, MC sends trainees to business schools in Europe, America and Asia. After completing their training, they make use of their newly acquired knowledge and skills by working in various areas, such as developing new opportunities, contributing to the management of MC subsidiaries, etc.

### Assignment of Global Trainees (FY2022~ FY2024)



## Leadership

MC offers training programs that are designed to sharpen employees' ability to think as managers and to equip them with the skills to help grow business value. These programs help to enhance employees' business and digital strategy skills and their HR management skills. Additionally, in line with the new personnel system, which highlights "supporting development" for subordinates and colleagues as a key mission for management, MC is creating and expanding training programs aimed at delivering the skills and knowledge necessary to support professional development.

## Instructor Training

MC appoints senior employees to act as instructors by giving them the responsibility of training new employees that join their workplace. These instructors are responsible for actively providing guidance on day-to-day operations and instructing and educating employees on the qualities necessary to succeed as an MC employee. We provide instructors with training on how to guide new employees and support their growth.

## Innovators' Program

Run by MC with the support of professors from institutions including Stanford University, this Innovators' Program aims to nurture the skills necessary to grow business value. The platform delivers focused learning around design thinking, and other thought processes that inspire innovation, as well as the background and mechanisms behind the rapid growth of Silicon Valley enterprises.

## Online Business School

Designed for employees appointed to management-level positions, this system enables participants to take online courses from top global universities. Participants are free to choose from a wide range of programs that cover topics such as leadership, strategy, and finance.

## Business Schools

MC dispatches management level employees to short-term programs at top business schools in the US, Europe, and Asia. These assignments are designed to enhance employees' management skills and build their networks by engaging with other program participants from diverse cultures and industries.

## MC Leadership Program

We have newly established the MC Leadership Program in 2025, providing on-demand learning opportunities to acquire management and leadership skills essential for leading organizations and driving transformation. The MC Leadership Program is offered at three levels—entry, mid, and executive—based on participants' roles and responsibilities.

## Leading Change Program

This program aims to help the next generation of MC and operating companies' leaders learn and acquire leadership skills and organizational transformation abilities from the world's leading faculty. It also encourages participants to seize opportunities to build relationships and networks that transcend groups and geographic borders, and to consider the creation of MC Shared Value (MCSV).

## MC Executives' Program

This program, which targets executive candidates, has been running since FY2003. Its core feature is its management-issues workshops, which involve discussions and presentations for VPs and other current executives on a variety of the company's management issues. Lively opinion exchanges with the diversely experienced participants, lectures by internal and external business leaders, and other rich content make this program a good opportunity for executive candidates to broaden their perspectives, learn how senior managers think, and network with professionals from all of MC's business segments.

## Independent Learning

To provide employees with more opportunities for proactive learning and self-improvement, and thereby encourage "self-development," MC continues to enhance and upgrade its independent study programs. We have also introduced an Online Learning Platform that can be accessed by all employees, creating an environment that allows people to freely select and learn from a variety of educational courses. This was done in order to help employees adapt to changes in the business environment, as well as to expand the number of learning opportunities that can be tailored to meet the needs of a diverse array of individuals.

## Online Learning Platform

To support the diversification, modernization, and optimization of learning content, as well as the improvement of individual abilities and skills through independent learning, MC has introduced a platform that allows students to learn from a wide range of online content. In addition to providing access to approximately 30,000 online resources, this platform also contains over 100 videos covering internal topics.

## Career Vision Training

MC utilizes its personnel system and various other means to integrate employee development with corporate growth. We recognize that a vital part of employee development is a strong personal desire to achieve independent growth, and therefore began providing a Career Vision Training course via e-learning in FY2022. Career Vision Training aims to teach participants how to reflect on their careers in a way that will help them

continue to grow independently, visualize their own talents, and produce results by formulating and implementing action plans designed to realize their career visions.

### **MC Skill-up Seminar**

MC offers various courses to foster skills and abilities that support development of expertise, foresight, and execution skills.

### **MC Self-Development Program**

This program is designed to equip employees with knowledge and skills in management, practical business tasks, languages, and AI/Digital Literacy that they can utilize in their work. MC encourages employees to take a selection of designated courses, providing them with opportunities to develop their skills.

### **Development of Talent with Both Expertise in AI/Digital Fields and Business Experience**

To foster talent capable of driving business initiatives with a deep understanding of AI and digital domains, we are implementing training programs from two key perspectives:

1. Enhancing AI/digital literacy for all employees
2. Developing high-potential talent with specialized strengths in AI/digital fields

### **AI/Digital Literacy Course for All Employees**

Since fiscal year 2022, we have offered the MC Digital Transformation (DX) Advancement Program, an on-demand training program designed to help all employees acquire essential AI/digital literacy according to their level of understanding.

### **AI/Digital Skills Course for Managers**

We provide a specialized course for managers—who serve as the main liaisons connecting the field and executive levels—to enhance their ability to integrate AI/digital technologies with business strategy from a company-wide perspective and optimize complex business structures. The course delivers both knowledge and practical skills necessary for this role.

### **JDLA Deep Learning for GENERAL certification**

Starting in fiscal year 2025, the JDLA Deep Learning for GENERAL certification has been made a requirement for promotion to management positions, while all employees are strongly encouraged to obtain it. As of July 2025, 956 employees across the company have acquired the certification.

### **AI Talent Development Program**

To further develop individuals with strong capabilities in AI/digital domains, we implement programs such as the AI Talent Development Program, which includes preparatory training in Japan followed by several months of study at top engineering schools overseas. In fiscal year 2024, 7 employees participated in this program, and 10 are scheduled to participate in fiscal year 2025.

### **MC Group Values**

To comprehensively strengthen its consolidated workforce of 80,000 global professionals, MC is dedicated to sharing values and building robust networks on a consolidated basis.

### **MC Group Gateway Program**

Since FY2010, the MC Group Gateway Program has been conducted as an orientation program for employees of MC's offices and subsidiaries worldwide. Held in Tokyo in both Japanese and English, the program's objectives are to encourage employees to share MC's corporate principles and values, and to foster a greater understanding of MC. Approximately 5,400 people have participated in the program since its inception. Similar orientation programs are being held in other regions.

### **International Transfers**

In recent years, we have been transferring more employees hired at MC overseas offices to other countries to meet the growing needs of our global operations. These international transfers provide a wide range of experiences and help to refine employees' global perspectives. At the same time, they give employees a broader understanding of MC and its corporate policies. MC will therefore continue to promote deployments on a consolidated, global basis, assigning the right people to the right positions.

## • Customer Responsibility: Policy

### III Responsible Advertising and Marketing

MC engages in responsible advertising and marketing in line with the Three Corporate Principles, which represent MC's core philosophy, as well as the Corporate Standards of Conduct, the Social Charter, and the Code of Conduct. Through its corporate communications activities, MC works to enhance brand value by sharing accurate information with the public while also receiving feedback from external stakeholders with humility and incorporating that feedback into business activities.

#### Advertising

To present a consistent corporate image and to carry out advertising and promotional activities with appropriate messaging, content, and media, MC has developed internal rules, guidelines, and manuals. These materials outline specific considerations and define approval and reporting procedures, along with other key requirements. MC also takes adequate precautions with respect to slanderous or discriminatory expressions, religious and political content, environmental matters, third-party privacy, confidentiality, disclosure, and intellectual property rights. Manuals have also been created for MC's subsidiaries and affiliates to ensure consistency throughout the organization.

#### Marketing

MC engages in responsible marketing that respects third parties and their reputations. We use clear and easy-to-understand information and language, and we work to avoid any potential misunderstandings with customers. This is achieved by complying with marketing-related laws and regulations (such as the Japanese Unfair Competition Prevention Act), establishing and following internal rules, and providing training.

### III Policy and Approach Related to Food Products Businesses

MC operates in a variety of business areas, but the food products business is most directly connected to consumers. Our product portfolio includes processed foods, fresh foods, and beverages, and our value chains cover activities from raw material procurement and processing to product manufacturing, distribution, and retail. MC aims to respond to increasingly diverse and sophisticated consumer needs, as well as rising expectations regarding food safety and security. Because food-related businesses are closely tied to people's daily lives, it is essential for MC's growth that we provide products and services that deliver value to consumers. It is also important that we obtain direct feedback through our retail businesses, including MC affiliate Lawson, Inc. This consumer feedback is reflected back into raw material procurement and processing, product manufacturing, and distribution. Through this process, MC advances its businesses with a consumer-first mindset. In promoting consumer-related businesses, MC recognizes the issues listed below and is committed to initiatives that prevent incidents and mitigate their impacts:

- Ensuring food safety
- Ensuring reliability and proper provision of food (including allergen information and preventing the sale of alcohol to minors, etc.)
- Appropriate handling of customers' personal data

### III Access to Better Nutrition and Medical Care

MC conducts global business activities that involve providing consumers with food products and medical services. From upstream raw material procurement to downstream retail, we provide a stable supply of products and services that meet consumer needs and help them lead rich and varied lives. With a mission grounded in business activities closely connected to food and medicine, MC strives to ensure safety and security for consumers. In doing so, we aim to provide value that meets social expectations and to contribute to improved access to better nutrition and medical care.

#### Policy and Approach for Access to Better Nutrition

Developing countries face social issues such as nutrient imbalances caused by lifestyle changes, rising obesity rates, lifestyle-related diseases, and lower nutrient intake among older adults who experience difficulty eating. In emerging countries, hunger and malnutrition caused by poverty and other conditions remain widespread. At the same time, consumers everywhere are becoming more health conscious. Each of these trends has the potential to create new markets and business opportunities, especially in emerging economies. MC recognizes these social issues and, by leveraging the strength of our value chains from raw materials to retail, as well as our technical capacities in food science, we will work to improve nutrition for groups such as older adults who are nutrient deficient. We will also develop and provide nutritious products that meet consumer needs. In addition, we will strive to maintain stable product supply chains to prevent consumers from being adversely affected by supply disruptions.

## Policy and Approach to Providing Access to Better Medical Care

MC is engaged in healthcare-related businesses through its S.L.C. Group. In Japan, one pressing issue is the strain on public finances due to worsening conditions for medical institutions and rising social insurance costs, trends that reflect the aging population and increasing medical expenditures. Meanwhile, in emerging countries, many people face limited access to high-quality medical services because healthcare environments and systems remain underdeveloped. Drawing on the knowledge and networks developed through our long-standing healthcare-related businesses, MC is working to address a wide range of healthcare issues around the world, with the aim of realizing a society with improved access to better medical care.

## Lawson Initiatives

### Sale of Alcohol

Lawson, Inc., an MC affiliated company, maintains non-alcohol sales areas, works to prevent underage drinking and drunk driving, and promotes awareness of the benefits of moderate alcohol consumption. These measures aim to reduce the health risks associated with alcohol use and other lifestyle-related factors.

### Advertising, Marketing and Labeling Guidelines

Lawson offers a wide variety of products and services, which require adherence to relevant laws and risk-management practices. Lawson's Basic Policy for Improvement of Internal Control Systems is designed to support healthy, continuous growth in light of these business characteristics. Japanese consumer laws such as the Food Labeling Act, the Food Sanitation Act, and the Health Promotion Act are considered essential for maintaining product safety, security, and consumer trust. Lawson complies with these laws by attaching labels to its original lunchboxes and prepared foods that include the product name, expiration date, ingredients, and other required information.

Lawson also considers laws such as the Intellectual Property Act in order to strengthen its label-checking systems and avoid violations of others' intellectual property rights (trademark rights, copyrights, etc.) when creating promotional materials.

Furthermore, Lawson publishes related information on its website.

### Employee Training for Compliance

Lawson conducts annual compliance and risk-management training for all employees to strengthen ethical awareness and crisis-response capability. Compliance-related content is also included in onboarding training for new employees, training for newly appointed managers, job-category training, and management-level training. Lawson regularly updates training content in response to changes in the risk environment so that employees across all roles and job categories can share issues and contribute to operational improvement.

Furthermore, Lawson publishes information about the aforementioned on its homepage.

## Mitsubishi Shokuhin Initiatives

### Sale of Alcohol

MC consolidated subsidiary Mitsubishi Shokuhin Co., Ltd. actively promotes the sale of non-alcoholic beverages in order to help reduce the harmful effects associated with excessive alcohol consumption.

### Advertising, Marketing, and Labeling Guidelines for Processed Foods; Employee Compliance Training

In addition to upholding advertising guidelines, Mitsubishi Shokuhin conducts annual employee training on relevant regulations such as the Food Labeling Act and the Act Against Unjustifiable Premiums and Misleading Representations.

## Quality Management

Mitsubishi Shokuhin supports the principles of the Global Food Safety Initiative (GFSI) and the Japan Food Safety Management Association (JFSM). The company incorporates the standard requirements and guidelines of these organizations into its audits to maintain and improve food safety.

## • Customer Responsibility: Targets

MC's goal in the life sciences field is to become the world's leading company in the field. We will achieve this by sustaining growth and establishing a robust presence in the food and health sector by further developing the Japanese market through strategic investment and innovative R&D based on our technical capacities, as well as through the provision of safe and reliable products.

## • Customer Responsibility: Initiatives

### III Initiatives on a Non-Consolidated Basis

#### Corporate Website and Corporate Brochure

As a global company, MC publishes its corporate website and brochure in both Japanese and English.

Additionally, to ensure accurate information disclosure to local audiences, MC operates regional websites in Chinese, French, Russian, and Spanish.

#### System for Responding to Inquiries

MC has created a Frequently Asked Questions (FAQ) page on its corporate website and endeavors to respond to inquiries as quickly as possible. In addition, relevant divisions promptly address customer inquiries via the Head Office's main telephone line.

### III Initiatives in the Food Science Business

#### Initiatives by Mitsubishi Corporation Life Sciences Limited

Mitsubishi Corporation Life Sciences Limited develops and manufactures seasonings, health-functional materials, and cosmetic ingredients that harness the power of microorganisms, primarily yeast. In response to future food challenges associated with population growth, the company is engaged in the development of microbial-derived protein ingredients, ingredient proposals for plant-based foods, and application proposals to enhance flavor. In the field of extending healthy lifespans, it is advancing initiatives such as developing health and beauty ingredients, addressing dietary challenges for health maintenance (e.g., delicious and healthy options), and expansion into medical and caregiving sectors. The company aims to contribute to global well-being in food, health, and beauty through sustainable, safe, and reliable production practices, including the effective use of untapped resources.

For more details, please refer to the website below.

Reference [Mitsubishi Corporation Life Sciences Website \(sustainability\)](#) 



### III Response to Issues Related to the Food Products Business

In the food-related business, which is directly linked to consumers, MC works to address various challenges through its operations.

#### Cermaq Initiatives

Cermaq, a MC subsidiary and salmon producer, considers the provision of healthy and sustainable food its core mission. Cermaq aims to produce nutritious food for a growing global population and contribute to improving the global food system by engaging in multi-stakeholder partnerships. Farmed salmon is one of the richest sources of omega-3 fatty acids, essential for nervous system development and function, and known to help lower the risk of cardiovascular disease. Food safety remains Cermaq's highest priority and is central to customers and consumer expectations. Ensuring food safety is deeply integrated into daily operations across key business functions, including farming, harvesting, processing, and distribution. Cermaq views salmon farming as part of the solution to global food needs and actively engages in partnerships to build best practices and share knowledge across the food industry.

Reference [Cermaq website \(sustainability Reports\)](#) 



#### Lawson Initiatives

Lawson, Inc., an MC affiliate company, manages and operates convenience stores. Lawson is closely connected to consumers within the food products value chain and undertakes the following initiatives:

##### 1. Promoting long-term health

Lawson is committed to supporting healthy, long-lived lifestyles, an approach made possible by its aspiration to be "close" to customers and provide confidence that a Lawson store is always nearby. Lawson has introduced its "Meal Solutions" initiative, which aims to offer healthy everyday food. This initiative provides a wide range of meals, ensures convenience, and incorporates health considerations. It is highly regarded by consumers seeking not only quick and easy meals but also options that support a healthy diet. Additionally, Lawson offers "self-medication support" for customers concerned about their health, providing consultation services to help maintain well-being.

Reference [Lawson website \(Japanese\)](#) 

**2. Materials procurement and quality management**

Lawson’s subsidiary SCI, Inc. procure raw materials and is responsible for supplying original products that are safe and reliable. SCI conducts rigorous quality assessments and when procuring raw materials, selects only ingredients that have passed a strict screening process based on Lawson’s quality control standards. In the manufacturing process, for example, at plants producing rice products, a unique food sanitation management system has been established, including a Hazard Analysis and Critical Control Point (HACCP) standard originating in Japan, to prevent incidents involving food poisoning or contamination. Through these measures, Lawson ensures the procurement of safe raw materials and rigorous quality control to prevent any negative health impacts on consumers. Furthermore, Lawson has launched the Lawson Farm project, which provides a stable supply of fresh, safe, reliable, and high-quality fruits and vegetables to Lawson Group stores. As of May 31, 2025, there are 16 LAWSON Farms in Japan, all working to acquire JGAP and ASIAGAP\* certification.



\*GAP: Good Agricultural Practice

LAWSON Farms will acquire regular Japanese JGAP and international-standard ASIAGAP

Reference [Lawson website \(Japanese\)](#)

**3. Clarification of product information**

Lawson’s products are labeled in compliance with food labeling laws. Lawson also works to display allergen information for its original products on its website. All labeling information is checked internally and by external organizations to ensure customer safety.

**4. Preventing the sale of alcohol and tobacco products to persons under 20 years of age**

To prevent the sale of alcoholic beverages and cigarettes to individuals under 20 years of age (the legal drinking and smoking age in Japan), Lawson displays a notice on the point-of-sale (POS) screen visible to customers, stating that such sales are prohibited. At the POS, customers who appear to be under 20 are asked to confirm their age with an ID card. In addition to providing regular training for store employees, Lawson displays posters and makes in-store announcements to encourage customer understanding and cooperation.

**5. Safety Station activities**

From crime prevention and disaster preparedness to safety measures and children’s health initiatives, expectations for convenience stores to play a broader role in society continue to grow. To meet these expectations, the Lawson Group participates in the Safety Station activities of the Japan Franchise Association, helping to build safe and secure communities and promote healthy environments for young people. Lawson also implements anti-crime measures to combat theft and other crimes, while supporting women and children who seek safe harbor in-store.

Reference [Lawson website \(Japanese\)](#)

**Appropriate Food Labeling Initiatives**

When people with food allergies consume an allergen, it can trigger anaphylaxis. Similarly, consuming large quantities of certain substances can harm one’s health. To prevent such issues, MC strives to label its food products clearly and in accordance with applicable laws and regulations. To ensure consumers understand product characteristics and can make informed purchasing decisions based on health and other factors, Mitsubishi Shokuhin Co., Ltd., Lawson, Inc. and other operating companies prioritize compliance with laws and regulations such as Japan’s Food Labeling Act. These companies provide easy-to-understand information from the consumer’s perspective, including clear allergen warnings and notices against underage drinking and drunk driving.

**III Nutritious Product Initiatives**

**Lawson Initiatives**

**Lawson offers low-carbohydrate, high-protein, and fiber-rich breads and sweets, as well as original products that consider calorie and salt content.**

As an MC affiliate, Lawson provides health-conscious options such as Bran Bread and sweets that are low in carbohydrate yet delicious, salads rich in protein, and rice balls that are a good source of dietary fiber.

Reference [Lawson website \(Japanese\)](#)

**Mitsubishi Shokuhin Initiatives**

In addition to striving for nutrition labels that are easy for consumers to understand, Mitsubishi Shokuhin is also working to develop health-conscious Karada Shift products.

Reference [About Karada Shift \(Japanese\)](#)





### III Initiatives for Better Access to Medical Care

As a company engaged in the healthcare sector, MC works with its Group companies on the following initiatives to help provide people in Japan and around the world with better access to healthcare.

#### Stabilizing Medical Care in Japan and Improving the Quality of Life for the Elderly

A subsidiary of MC Healthcare Holdings, Inc., (a MC consolidated subsidiary in Japan) contributes to improving hospital operations and strengthening domestic medical systems through procurement and inventory control of medical supplies and equipment, group purchasing, and development, import, and sale of medical devices. It is also leveraging its experience and expertise in the rapidly growing Chinese market. Nippon Care Supply Co., Ltd. is a pioneering provider of rental welfare equipment and in-home nursing care services. To enhance the quality of life for the elderly and enable them to continue living independently in familiar surroundings, Nippon Care Supply conducts its core business of renting welfare equipment and also supplies services such as meal delivery to day service facilities and other institutions. Through these efforts, Nippon Care Supply contributes to building a healthy longevity society where all senior citizens can live comfortably and with peace of mind.

#### Access to Medical Care in Local Communities

As a convenience store closely connected to consumers, Lawson, Inc., an MC affiliate, focuses on the sale of pharmaceutical products to provide convenience in an aging society and help curb national healthcare costs. Since 2003, Lawson has been developing stores with drug dispensing pharmacies on-site to create community pharmacies. From the perspective of promoting self-medication, Lawson has fostered alliances with dispensing pharmacies and drugstore chains throughout Japan and offers over-the-counter medicines (non-prescription drugs) in its stores. Additionally, as part of a community-based initiative, some Lawson stores offer on-site health checkups and machikado (street corner) health consultations. In cooperation with local governments, health checkups and consultations, previously conducted at government offices and community centers, are now available at convenience stores, making them more familiar and accessible to residents.

### Participation in External Initiatives

Cermaq, an MC subsidiary, engages in external sustainability initiatives aligned with its strategy, which emphasizes partnerships to address challenges in the salmon and seafood sector in line with the UN Sustainable Development Goals (SDGs). Cermaq has identified three high-priority goals: Goal 2: Zero Hunger, Goal 13: Climate Action, and Goal 14: Life Below Water. The company participates in industry and multi-stakeholder initiatives at various levels to find solutions.

Examples of initiatives include:

### III Salmon Aquaculture Industry - Global Salmon Initiative (GSI)

GSI is a leadership initiative established by global farmed salmon producers. It aims to provide a highly sustainable source of healthy protein to feed a growing global population while minimizing environmental impact and improving the industry's contributions to society.

## III Seafood Industry - SeaBOS

Seafood Business for Ocean Stewardship was established in 2016 by nine of the world's largest seafood companies, including Cermaq, Thai Union, Nissui, Maruha Nichiro, and Mowi, working alongside leading scientists and universities. The initiative explores transformative risks and opportunities to promote sustainable seafood operations and ensure a healthy ocean.

## III Local Partnerships

Each country faces unique challenges, needs, and responsibilities, making participation in and collaboration through industry associations an integral part of Cermaq's engagement efforts.

- Cermaq Norway is member of the Norwegian Seafood Federation (Sjømat Norge).
- Cermaq Canada is member of the British Columbia Salmon Farmers Association (BCSFA) and the Canadian Aquaculture Industry Alliance (CAIA).
- Cermaq Chile is member of the Salmon Council and the Magallanes Region Salmon Breeders Association.



Reference [Cermaq website \(Partnerships and collaboration\)](#) 

## • Community: Policy

### III Basic Approach

One of MC's material issues is "Addressing Regional Issues and Growing Together with Local Communities." MC works to contribute to regional development through its business and corporate philanthropy initiatives, while growing together with the regions and communities where it operates.

### III Policy on Community Investment

By identifying "Addressing Regional Issues and Growing Together with Local Communities" as one of its Materialities, MC recognizes the value of building relationships with communities for the success of its businesses. Furthermore, by growing together with communities through job creation, promoting community development, and procuring raw materials from local communities, MC also strives to minimize negative impacts. Growing together with local communities is equally as important as advancing MC's businesses and generating financial return. This reflects the true spirit of MC, which seeks to simultaneously generate economic, environmental, and societal value.

### III Policy on Local Employment and Procurement

MC appreciates that local employment and procurement have an important role to play in building positive relationships with and contributing to the sustainable development of the countries and regions in which it operates (as outlined in ISO26000, etc.). MC understands that hiring employees and procuring goods and services from the local areas near to project operations contributes to the sustainable development of the region through local human resource development and through social and economic growth. As a company with business operations in many countries and regions across the globe, MC will endeavor to make economic contributions through its business by way of local employment and procurement, as well as social contributions through various philanthropic efforts, with the aim of growing together with local communities.

### III Policy on Mine/Site Decommissioning

MC believes in the importance of minimizing impact on the environment and society when carrying out decommissioning for mining and for oil and gas projects. When carrying out these projects, in order to ensure that measures for future decommissioning are undertaken smoothly and appropriately, MC will, from initial project planning through to operation, carry out environmental impact assessments in accordance with the laws of the countries and regions in which it operates as well as with international principles\*. In addition, MC will engage in dialogue with governments, local communities and other stakeholders in order to develop appropriate decommissioning plans and implement necessary measures such as rehabilitation in order to minimize impact on the environment and communities.

\*The ICMM (International Council on Mining & Metals) 10 Principles, etc.

## • Community: Structure

Officers in Charge	Kenji Kobayashi (Executive Vice President, Corporate Functional Officer, CSEO (concurrently) Capital Alliances)
Deliberative Body (A subcommittee under the Executive Committee, a management decisionmaking body)	Sustainability Committee Important matters related to communities deliberated by the Sustainability Committee are formally approved by the Executive Committee and then put forward or reported to the Board of Directors based on prescribed standards.
Departments in Charge	Sustainability Dept.

Reference [Diagram of the Sustainability Promotion Framework](#)

### III Risk Management

When reviewing and making decisions on investment and financing proposals, MC places importance not only on economic factors, but also on ESG. We also take into account factors such as revitalization of local society and economy, surrounding areas and related responses concerning indigenous people and cultural heritages. Furthermore, MC strives to monitor existing operating companies and contribute to their improvement, in addition to reviewing new investment and divestment proposals.

## • Community: Initiatives

### III Urban Management and Urban Development Projects to Enhance Urban Value in Indonesia

MC is exploring an urban management project and promoting a large-scale urban development project in collaboration with Sinarmas Land (SML), one of the largest real estate developers in Indonesia.

In March 2020, MC signed an MOU with SML, initiating joint efforts in urban management and the implementation of smart and digital solutions (urban services) in BSD City (6,000 hectares). Through this partnership, MC and SML aim to introduce a range of urban services throughout BSD City, including an AI/IoT data platform, a city portal, mobility solutions, and energy-related technologies, in collaboration with various operating companies and partners across different business sectors.

Following the signing of the MOU, MC launched the first trial operation of autonomous electric vehicles (AEVs) in Indonesia, along with a sharing-service experiment designed to encourage a shift in behavior from owning to renting. MC also conducted a pilot of a mobile convenience store using an electric vehicle and is exploring the potential introduction of a district cooling system in BSD City. Through these initiatives, MC has been actively testing and implementing various urban services aimed at addressing social issues and promoting city sustainability.

At the same time, MC is working with SML on a large-scale development project in the same city. This initiative is the first transit-oriented development in Indonesia and aims to build a smart city that integrates residential units, commercial facilities, schools, hospitals, parks, and public transportation nodes across a new development area of more than 100 hectares.

By encouraging a modal shift toward increased use of public transport, the project aims to contribute not only to economic development, but also to social and environmental improvement by helping to address issues such as traffic congestion and air pollution. Another goal is to create convenient, safe urban developments through the application of urban services such as AI/IoT data platforms, city portals, mobility solutions, and energy-related technology.



Project image



Electric vehicle (EV)

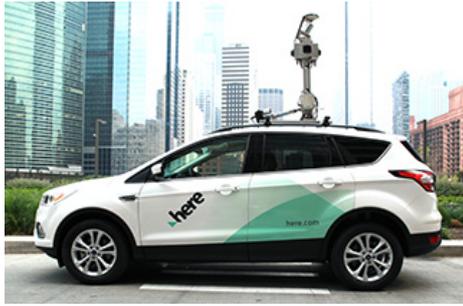
### III HERE's DX Business

In December 2019, MC reached an agreement on a capital and business partnership with HERE International B.V. (HERE\*), and in May 2020, MC acquired a 15% stake in the company. Through HERE, MC provides solutions to the automotive industry as well as a wide range of other sectors, promoting digital transformation and helping to address social issues.

\*HERE is a global leading location data and service provider with over 6,000 employees in 52 countries. The Company has a strong presence in the automotive industry, and also works with leading companies across a wide range of industries, including transport and logistics, mobility, manufacturing and retail and the public sector.

MC's specific initiatives with HERE are as follows:

- Reducing the number of people who experience difficulty accessing transportation, as well as the environmental impact of vehicles, by providing solutions needed for automated driving and electric vehicles.
- Addressing social issues such as driver shortages and traffic congestion through route-optimization services in logistics and transportation.
- Contributing to local economies by improving the convenience of transportation through enhanced efficiency and sophistication of public transportation and mobility services.



### Local Procurement in the MDP Business

Since its establishment in 1968, MC's wholly owned subsidiary Mitsubishi Development Pty Ltd (MDP) has conducted mining operations in Australia while actively engaging in community-based activities. MDP's 50%-owned BMA steelmaking coal business in Queensland supports local communities in and around BMA's core operations through the Local Buying Program. The program was established to connect local and Indigenous businesses with work opportunities, and in FY24 (Australian Financial Year ended June 2024) it created over 9,000 goods and service opportunities (job creation), resulting in over A\$140 million spent with more than 600 local and Indigenous suppliers.



### Mine Closure Initiatives

When closing mines, the operators of MC's jointly owned sites develop responsible mine closure plans that take social and environmental factors into account. While complying with relevant laws and regulations, MC and its mine operators strive to minimize the impact on the environment and local communities by engaging with governments and residents, developing appropriate mine closure plans, and implementing necessary rehabilitation measures.

Reference [Land Rehabilitation at Post-Mining Sites](#)

### Community Investment

#### Quellaveco Copper Mine

Together with Anglo American plc, MC owns Anglo American Quellaveco (an MC affiliate), which operates the Quellaveco copper mine in Peru.

#### Local Employment and Human Resource Development

More than 30,000 jobs were created at Quellaveco during the development stage. Operations began in July 2022, and the project is expected to provide stable employment for approximately 4,500 people going forward. To provide as many job opportunities as possible to local stakeholders, Quellaveco actively offers vocational training for individuals seeking to acquire skills required for mine development and operations, as well as internships for local students. The mine also places emphasis on creating employment opportunities for women and conducts vocational training programs for women.

#### Regional Health and Industry Promotion

To help improve the quality of life of the local population, Quellaveco implements the Vive Salud program in collaboration with the Regional Government of Moquegua, the Regional Health Directorate, and local NGOs. Quellaveco contributes through financial and operational support, helping strengthen the capacity of regional health institutions. In 2024, Vive Salud supported 14 health centers in the Moquegua region, providing medical consultations and health services that benefited more than 80,000 people. In addition, to promote local industry, Quellaveco prioritizes local businesses when procuring goods and services necessary for mine operations and supports the development of agriculture and regional industries through the Quellaveco Fund.



Agro Quellaveco project, which provides funding and support to local farmers

#### Regional Development through the "Moquegua Crece" Public-Private Partnership

In Moquegua, Anglo American, the International Finance Corporation (IFC, a member of the World Bank Group), the Regional Government of Moquegua, Mitsubishi Corporation, and M.C. Inversiones Peru (a wholly-owned MC subsidiary) jointly launched Moquegua Crece ("Moquegua Grows"), an innovative public-private initiative designed to promote sustainable socio-economic development across the region. The initiative

brings together a wide range of stakeholders, including the private sector, NGOs, local communities, and government agencies, to encourage coordinated, long-term development efforts. Its goals include strengthening the planning, implementation, and monitoring of regional public projects; supporting the growth of local industries; and promoting the sustainable management and use of water and other natural resources. Through this collaborative framework, Moquegua Crece aims to unlock the full potential of the Moquegua region.

**Silica Sand Production at Cape Flattery Silica Mines**

Cape Flattery Silica Mines Pty, Ltd. (CFSM), a wholly owned MC subsidiary located in Queensland, Australia, has been supplying silica sand to customers in East and Southeast Asia for over 50 years, beginning with its establishment in 1967. Now one of the world’s largest silica mines, CFSM ships approximately 3 million tons of silica sand annually to glass manufacturers and other industrial users.



**Contribution to Local Communities**

**1. Coexisting with traditional owners**

The land where CFSM operates is owned by traditional owners. In addition to providing compensation, CFSM prioritizes hiring from local communities, offering vocational training and apprenticeship opportunities, provides funding support for community infrastructure, and carries out other initiatives to strengthen its relationship with local communities. Of CFSM’s roughly 100 employees, about one third are Indigenous.

**2. Coexisting with nature**

CFSM restores vegetation in former mining areas, with dedicated staff focused on rehabilitation activities to return the land to its original state. The company collects seeds from native plants in the area, grows them in a designated nursery, and replants them once mining is completed. Through a 3-4 year restoration process, CFSM works to return each site to its original vegetation levels and maintain coexistence with the surrounding environment.



Raising seedlings at a nursery



Rehabilitation (Immediately after planting)



Rehabilitation (Some time after planting)

**Applications for Silica Sand**

The main applications for silica sand include glass, foundries, and chemicals. With growing global attention on environmental issues, CFSM is also responding to market needs by increasing its supply of materials to solar panel glass producers. Looking ahead, CFSM will continue supporting the expansion of clean energy by supplying these materials, while leveraging its environmentally-conscious operations and its stable product quality and volume.

**Corporate Philanthropy Activities**

In keeping with our belief that MC’s sustainable growth cannot be achieved without realizing a sustainable society, we address our Materiality through both business and philanthropic activities. MC engages in philanthropic activities that are in line with three overarching themes: “Realizing an Inclusive Society,” “Empowering the Next Generation” and “Conserving the Environment.” In addition, MC also provides support for regions affected by natural disasters, which includes recovery efforts for the Great East Japan Earthquake.

Each of our philanthropic activities is conducted with a focus on long-running initiatives in which our employees can voluntarily take part and which highlight and respect the unique strengths of our company. These contribute to MC’s overall pursuit of businesses that generate value for societies.

**Employee Volunteer Activities**

MC places great emphasis on deepening employee awareness of the importance of giving back to society. We therefore have taken steps to encourage employee participation in volunteer activities, for example, by establishing a volunteer leave system and by holding in-house volunteer

programs during lunch hours. In addition, MC launched a series of relief activities in the immediate aftermath of the Great East Japan Earthquake in 2011, and as of March 31, 2021, a total of 4,958 employees had participated in those activities as volunteers.

**DREAM AS ONE.**

Please refer to the link below for details of the program.

Reference [Realizing an Inclusive Society](#)

**Support through Charitable Foundations**

Foundations and Funds	Activities	Year of Establishment and Paid-in Capital (Cumulative)
Mitsubishi Corporation Disaster Relief Foundation	The Mitsubishi Corporation Disaster Relief Foundation promotes recovery activities in areas affected by the Great East Japan Earthquake through provision of scholarships and grants, as well as industry revitalization and job creation.	Established in 2012 Approximately JPY13.5 billion (Including donations through the Mitsubishi Corporation East Japan Earthquake Recovery Fund)
Mitsubishi Corporation Foundation for the Americas (MCFA)	MCFA contributes to realizing an inclusive society, empowering the next generation, and conserving the environment by addressing environmental and social issues in the Americas.	Established in 1991 Approximately USD14 million
The Mitsubishi Corporation Foundation for EMEA charitable Incorporated Organisation (MCF for EMEA)	MCF for EMEA contributes to realizing an inclusive society, empowering the next generation, and conserving the environment by addressing environmental and social issues in the EMEA region.	Established in 1992 as Mitsubishi Corporation Fund for Europe and Africa (MCFEA) Changed the name to The Mitsubishi Corporation Foundation for EMEA charitable Incorporated Organization in 2024 Approximately GBP6.5 million

**Mitsubishi Corporation Disaster Relief Foundation**

Please refer to the link below for details of the program.

Reference [Great East Japan Earthquake Relief and Recovery Support Activities](#)

**The Mitsubishi Corporation Foundation for the Americas (MCFA) and The Mitsubishi Corporation Foundation for EMEA charitable Incorporated Organisation (MCF for EMEA)**

Through the Mitsubishi Corporation Foundation for the Americas (MCFA) and The Mitsubishi Corporation Foundation for EMEA Charitable Incorporated Organisation (MCF for EMEA), MC supports organizations establishment in 1991, MCFA has donated approximately USD14 million to various initiatives. One notable example is the Amazon Waters Initiative, led by the US-based Wildlife Conservation Society (WCS),. With MCFA's support, this initiative has improved fisheries and strengthened wildlife habitat management and monitoring in the Amazon River basin. The Mitsubishi Corporation Fund for Europe and Africa (MCFEA), established in 1992, was renamed The Mitsubishi Corporation Foundation for EMEA Charitable Incorporated Organisation (MCF for EMEA) in 2024 to support better reflect its philanthropic scope across the region. To date, both MCFEA and MCF for EMEA have donated approximately GBP 6.5 million. Beneficiaries include the African Leadership Academy, which provides educational programs to nurture future leaders in Africa, and Farm Africa which works to improve biodiversity and support sustainable livelihoods of in Ethiopia.

Please refer to the link below for details.

Reference [Corporate Philanthropy](#)

**MC’s Study Abroad Scholarship for High School Students**

Please refer to the link below for details of the program.

Reference [Empowering the Next Generation](#)



Areas covered by WCS’s Amazon Waters Initiative ©Wildlife Conservation Society

## • Supply Chain Management: Policy

Since its foundation, Mitsubishi Corporation (MC) has adhered to the Three Corporate Principles, which guide its corporate philosophy and emphasize the importance of corporate social responsibility. In addition, our Corporate Standards of Conduct outline our commitment to comply with all relevant laws and international regulations, to act responsibly, and to uphold the highest social standards. These Standards further elaborate on our commitment to preserving the global environment and pursuing sustainable development across all aspects of our business activities. As a global company engaged in a wide range of products and services, ensuring sustainable supply chains is a key priority for MC. To this end, we have established the Mitsubishi Corporation Policy for Sustainable Supply Chain Management, which outlines MC's approach to addressing human rights, labor rights, and environmental issues throughout the supply chain. This policy communicates MC's fundamental perspective to all suppliers. We recognize that some products we handle may be associated with environmental challenges, such as impacts on climate and nature, as well as social issues, including potential adverse effects on the human rights of workers, indigenous peoples, and local communities. To address these concerns, we have established Individual Procurement Guidelines. These guidelines communicate MC's expectations to suppliers worldwide and help promote responsible sourcing practices.

### Sustainable Supply Chain Management

#### 1. Policy

For MC, as a global company involved in businesses across a wide range of products and services, ensuring sustainable supply chains is a key issue. MC has established the Mitsubishi Corporation Policy for Sustainable Supply Chain Management, which outlines MC's approach to addressing human rights, labor rights, and environmental issues throughout the supply chain. This policy conveys MC's fundamental expectations to all suppliers.

##### (1) Forced Labor

Suppliers shall employ all employees of their own free will, with no employee subjected to forced or bonded labor.

##### (2) Child Labor

Suppliers shall not employ individuals below the minimum legal working age in the relevant country.

##### (3) Safe and Healthy Working Environments

Suppliers shall work to provide employees with safe and healthy working environments.

##### (4) Freedom of Association and Collective Bargaining

Suppliers shall respect the right of employees to associate freely and to engage in collective bargaining as a means of negotiating working conditions, wages, and other matters with employers.

##### (5) Discrimination

Suppliers shall strive to ensure equal opportunities in the workplace and shall not engage in discrimination in recruitment or employment practices.

##### (6) Abuse and Harassment

Suppliers shall respect employees' human rights and must not tolerate abuse or any form of harassment.

##### (7) Working Hours

Suppliers shall ensure that employees' working hours and leave entitlements are appropriately managed, and that excessive overtime is prohibited to ensure compliance with statutory regulations.

##### (8) Suitable Remuneration

Suppliers shall pay employees at least the statutory minimum wage, endeavor to provide at least a living wage, and shall not unreasonably reduce wages.

##### (9) Anti-Corruption

Suppliers shall engage in fair business practices, avoid corruption including bribery and extortion, and comply with applicable laws and regulations.

##### (10) Environment

Suppliers shall work to protect the environment and consider the impact of their business activities on local communities and ecosystems, with particular attention to energy efficiency, climate change issues such as greenhouse gas emissions, sustainable use of resources, waste reduction, and air, soil, and water pollution.

##### (11) Information Disclosure

Suppliers shall disclose information related to the aforementioned matters in a timely and appropriate manner.

#### 2. Monitoring

MC conducts annual surveys of suppliers to monitor their compliance with the Basic Policy and to strengthen communication. MC also conducts site visits when necessary, based on region and business activities. Audit reviews are carried out using audit lists prepared with advice from an external advisor, and guidance is provided to suppliers as needed.

#### 3. Response to Compliance Violations

If a violation of the Basic Policy is confirmed, MC will require the supplier to implement corrective measures and will provide guidance and support as necessary.

If MC determines that the supplier is unlikely to implement corrective measures despite continued guidance and support, MC will re-evaluate its business relationship with the supplier.

## Review of our Purchasing Policy

By sharing its Policy for Sustainable Supply Chain Management in its contracts with suppliers\*, MC works to ensure that all suppliers comply with the Basic Policy. If a violation of the Basic Policy is identified, MC may request that the supplier correct its business practices. If no corrective action is taken, MC will re-evaluate its business relationship with the supplier. MC will continue working with suppliers to ensure that environmental and social considerations are incorporated into their operations.

\*Including the terms and conditions of purchasing contracts, consignment sales agreements, long-term purchasing contracts, etc.

## Individual Procurement Guidelines

MC has formulated individual guidelines for certain products.

### Soybean Procurement Guidelines

[Soybean Procurement Guidelines \(Updated March, 2026\) \[PDF:198KB\]](#) 

### Timber and Paper Products Procurement Guidelines

[Timber and Paper Products Procurement Guidelines \(Updated May, 2025\)\[PDF:184KB\]](#) 

### Palm Oil Procurement Guidelines

[Palm Oil Procurement Guidelines \(Updated May, 2025\)\[PDF:191KB\]](#) 

### Coffee Bean Procurement Guidelines

[Coffee Bean Procurement Guidelines \(Updated May, 2025\)\[PDF:176KB\]](#) 

### Cocoa Bean Procurement Guidelines

[Cocoa Bean Procurement Guidelines \(Updated May, 2025\)\[PDF:177KB\]](#) 

### Seafood Procurement Guidelines

[Seafood Procurement Guidelines \(Updated July, 2025\)\[PDF:215KB\]](#) 

### Tuna Procurement Guidelines

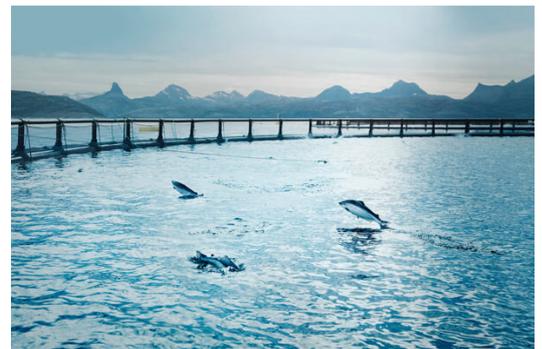
[Tuna Procurement Guidelines \(Updated July, 2025\)\[PDF:227KB\]](#) 

## Animal Welfare Policy for Suppliers

MC prioritizes maintaining comfortable living environments for livestock and aquaculture species, and believes that reducing stress and illness contributes to improved productivity and the production of safe livestock and marine products. We view animal welfare as essential to establishing sustainable supply chains and work closely with our suppliers to improve related practices, including monitoring initiatives through our Sustainable Supply Chain Survey.

Our consolidated subsidiary Cermaq has established [an animal welfare policy](#)  along with several indicators to assess whether animal welfare standards are being upheld.

In October 2024, Cermaq received the Special Recognition Prize from the NGO Compassion in World Farming in acknowledgment of the company's welfare practices for the humane slaughter of its salmon. For more information, please visit the Fish Health and Welfare page on the [Cermaq Global website](#) .



## Bluefin Tuna Sustainable Sourcing Policy

As a corporation with a significant role in the marine products business, MC recognizes the essential responsibility we hold in conserving marine resources and ensuring a sustainable supply for future generations. To learn more about MC's position on Bluefin Tuna and the specific measures we are implementing, please refer to our most recent policy below.

[Mitsubishi Corporation's Bluefin Tuna Sustainable Sourcing Policy \(Updated July 2021\) \[PDF:264KB\]](#) 

# • Supply Chain Management: Structure

MC’s supply chain management initiatives are overseen by the Corporate Functional Officer (CSEO). The Sustainability Department plans and formulates related policies and initiatives, which are reported to the Executive Committee and the Board of Directors following deliberation by the Sustainability Committee.

Officer in Charge	Kenji Kobayashi (Executive Vice President, Corporate Functional Officer, CSEO (concurrently) Capital Alliances)
Deliberative Body (A subcommittee under the Executive Committee, a management decisionmaking body)	Sustainability Committee Important matters related to supply chain management that are deliberated by the Sustainability Committee are formally approved by the Executive Committee and put forward or reported to the Board of Directors in accordance with prescribed standards.
Department in Charge	Sustainability Dept.

Reference [Diagram of the Sustainability Promotion Framework](#)

## III Risk Management

### Human rights and environmental due diligence of MC supply chain

MC has established the **Policy for Sustainable Supply Chain Management** to communicate our approach to sustainable supply chain practices to our suppliers. Each year, we conduct human rights and environmental due diligence through our Sustainable Supply Chain Survey, which examines the extent to which suppliers’ initiatives align with our policies. The survey process consists of four steps: ①identifying and reviewing target products and suppliers, ②conducting the annual survey, ③engaging with suppliers, and ④reviewing the survey results, making improvements, and disclosing outcomes.

#### ① Identifying and reviewing target products and suppliers

When identifying the commodities to be surveyed, MC refers to various international supply chain management declarations and international norms such as the UN Guiding Principles on Business and Human Rights. We prioritize products based on their potential impact on stakeholders, considering two factors: 1. Severity (scale of risk, scope, and how remediable the issues may be) and 2. Likelihood (conditions in each country, industry, and procurement region). Using these criteria, we prioritize products from both human rights and environmental risk perspectives. We then identify products and suppliers to assess, taking into account the views of external experts.

#### A. Screening and prioritizing MC’s products and business

- MC has approximately 730 products and business fields. These have been grouped into 140 categories, and 50 products have been identified as higher-risk from a human rights and environmental standpoint.
- International norms were referenced during screening, including the UN Guiding Principles on Business and Human Rights and the list published by the U.S. Department of Labor identifying countries and products associated with forced and child labor.

#### B. Risk analysis based on screening results

- Risk analysis of the 50 identified products is conducted in alignment with the Policy for Sustainable Supply Chain Management. The assessment covers both human rights and environmental risks.
- Screening also considers the risk of modern slavery in each country, based on severity and probability.

#### C. Discussions with internal and external stakeholders and final determination of products to monitor.

- Based on the risk assessment results and the input of external experts, we determine the products to be investigated. The following 17 products were selected for FY2024.

- Suppliers of these prioritized products are then identified as survey targets.

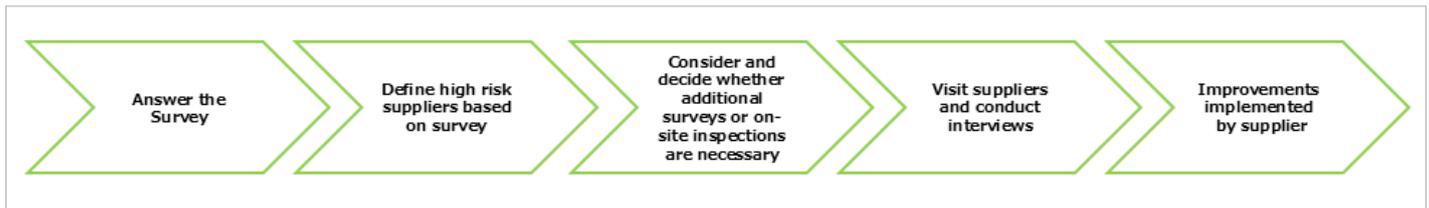
**17 products to be monitored**

<ul style="list-style-type: none"> <li>• Paper</li> <li>• LNG</li> <li>• Plastic (PP,PE etc.)</li> <li>• Wood</li> <li>• Copper</li> <li>• Zinc</li> </ul>	<ul style="list-style-type: none"> <li>• Coal</li> <li>• Iron ore</li> <li>• Tire</li> <li>• Chicken</li> <li>• Pork</li> <li>• Soybean</li> </ul>	<ul style="list-style-type: none"> <li>• Sugar</li> <li>• Shrimp</li> <li>• Tuna</li> <li>• Cacao</li> <li>• Coffee</li> </ul>
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## ② Conducting an annual survey

We conduct an annual survey of the suppliers associated with the products identified in ①. The survey flow is illustrated in the diagram below.

### Flowchart of the survey



During the survey, we confirm each supplier's efforts in line with the Policy for Sustainable Supply Chain Management.

Please refer to the ESG Data at link below for data on number of target suppliers.

Reference [Sustainability Report / ESG Data](#)

## ③ Engagement with Suppliers

### New Suppliers

For new suppliers, the Mitsubishi Corporation Policy for Sustainable Supply Chain Management is published and shared on our website. MC also ensures through our contracts with suppliers\* that they comply with the initiatives outlined in the Basic Policy.

\* Including the terms and conditions of purchasing contracts, consignment sales agreements, export consignment sales agreements, long-term purchasing contracts, etc.

### Existing Suppliers

MC periodically requests confirmation of support for the Mitsubishi Corporation Policy for Sustainable Supply Chain Management and shares the policy with suppliers through Business and Human Rights Seminars. We also conduct regular surveys to continuously monitor progress. If MC identifies issues that need correction or improvement in relation to the Basic Policy, we request corrective measures from the supplier and provide guidance and assistance as necessary. If MC determines that resolution is unlikely despite continuous support and guidance, we will review our business relationship with the supplier.

## ④ Review of Initiatives for the Current Fiscal Year and Policy Planning for the Next Fiscal Year

After reviewing the results of human rights and environmental due diligence for the fiscal year, MC engages in discussions with internal and external stakeholders, including third-party experts, MC's Group Chief Sustainability Officers, and Group Sustainability Managers from each business segment. Based on these discussions, the Sustainability Committee deliberates on the policy for the next fiscal year and submits or reports relevant items to the Executive Committee and the Board of Directors.

MC also considers reviewing its supply chain management policies as needed, based on the status of dialogue with stakeholders. We disclose the results of our human rights and environmental due diligence and work to ensure stakeholder understanding. Feedback is incorporated into future initiatives. Communication with suppliers regarding due diligence has helped deepen their understanding of MC's sustainability approach, and MC will continue to actively and consistently improve its practices.

## III Response to Conflict Mineral Issues

The U.S. Financial Regulatory Reform Act (Dodd-Frank Act), enacted in July 2010, requires U.S.-listed companies to disclose, based on reasonable investigations, whether conflict minerals\* used in their products originate from the Democratic Republic of the Congo or neighboring countries where conflicts and inhumane acts have been reported.

Although MC is not a U.S.-listed company and is not directly subject to the Act's reporting and disclosure requirements, MC has established policies and guidelines on the procurement of conflict minerals for suppliers of tin, tantalum, tungsten, and gold. These policies ensure that our corporate activities do not contribute to funding armed groups in the Democratic Republic of the Congo or surrounding countries. MC also aims to take all appropriate measures to avoid complicity in human rights violations or conflicts involving armed groups.

\* "Conflict Minerals," as defined by law, refer to tin, tantalum, tungsten, and gold.

Please refer to the ESG data at the link below for data on the number of target suppliers.

Reference [Sustainability Report / ESG Data](#)

## III Screening for Investment and Financing Proposals

To ensure the promotion of sustainability through our business, the General Manager of the Sustainability Department participates as a member of the Investment Committee. This structure ensures that potential environmental and social impacts are reflected in decision-making. When screening investment and financing proposals, MC evaluates not only economic aspects but also ESG factors in its comprehensive deliberations. From a supply chain management perspective, MC conducts due diligence and other assessments on human rights considerations not only at

subsidiaries and affiliates but also among their business partners. The results of these assessments are reflected in deliberation and decision-making.

Reference [Incorporating Sustainability into Individual Projects](#)  
[Collecting Sustainability Information on a Consolidated Basis](#)

## III Engagement

### Communications and Site Visits

MC monitors the activities of selected suppliers through communication with management and employees, as well as through site visits. These suppliers are chosen based on survey responses and include both those presenting potential human rights or environment issues and those demonstrating best practices.

During site visits, we discuss issues with suppliers facing challenges and share our policies, systems, and measures. We also draw on examples from suppliers demonstrating best practices, which contribute to improvements in human rights practices within our operating companies and supply chains.

Reference [Site visit in FY2025](#) [Site visits in past years](#)

### Business and Human Rights Seminar

MC also holds annual business and human rights seminars for suppliers of its group companies. In these seminars, we share our approach to sustainable supply chains, introduce best practices related to the annual theme, and exchange opinions through Q&A sessions.

Reference [Business and Human Rights Seminar in FY2025](#)

## • Supply Chain Management: Initiatives

### III Employee Training

Many employees at MC have opportunities throughout their careers to engage in trading activities such as purchasing and sales, or to support such activities. For this reason, MC works to deepen employees' understanding of their responsibilities as buyers by explaining MC's corporate philosophy, including respect for human rights in the supply chain. We also integrate relevant supply chain policies into buyer training programs, including those designed for specific management levels, training for new employees, and training related to trading practices.

Reference [Slavery and Human Trafficking Statement](#)

### III Engagement through seminars and workshops

#### Business and Human Rights Seminar

MC holds a business and human rights seminar each year for operating companies and suppliers, with one session in English and one in Japanese. In FY2025, we invited a wide range of participants from suppliers and operating companies in Japan and overseas, with a total of 185 attendees. The seminar focused on the formulation of human rights policies and the practice of remediation. Participants shared the importance of various initiatives, specific approaches, and points to keep in mind through discussions with external speakers.

We also held individual workshops for operating companies and suppliers that expressed particular interest in human rights policy development and remediation practices. In these workshops, participants exchanged views based on the unique circumstances of their business.

We continue to advance human rights and environmental due diligence by combining supply chain surveys with ongoing engagement.

### Existing Suppliers

In FY2025, a representative from MC's Sustainability Department visited Nissin Kako (NK), a confectionery chocolate manufacturer that handles processing operations outsourced by an MC subsidiary, MC Agri Alliance Ltd. MC exchanged views with NK's management and manufacturing site staff regarding sustainability challenges in the chocolate industry supply chain, deepening discussions from a broad perspective, including the formulation and dissemination of human rights policies and the operation of grievance mechanisms.

During this visit, we discussed respect for workers' rights throughout the supply chain, a key challenge facing the chocolate industry. We reaffirmed that a human rights policy should not merely be established but should be linked to the corporate philosophy and regarded by every employee as a personally relevant matter. Building on this understanding, we exchanged views on measures to disseminate the human rights policy both internally and externally, confirming that commitment from top management and the clarification of materiality in corporate activities are essential.

We also discussed the Customer Service Center, which serves as a grievance mechanism. To ensure prompt and appropriate responses when issues arise, it is essential to have an emergency reporting line that enables information to reach top management smoothly, as well as to clearly designate responsible personnel in advance.

Through this dialogue, we deepened our understanding of the priorities the company should address and feasible methods for improvement. NK, which manufactures sustainability-conscious chocolate and is expanding its consumer-facing brand beyond conventional confectionery manufacturing, proactively views the challenges of the chocolate industry not only as issues for importers and exporters involved in raw material procurement, but as its own challenges. We intend to share this approach as an example of good practice in our engagement with suppliers of other products.

MC will continue to work together with suppliers to ensure respect for human rights and the realization of a sustainable supply chain.



Meeting



Inspection of factory facilities

[See past site visit reports here](#) →

## External Collaboration

### III Participation in Supply Chain Initiatives

MC works to ensure sustainable supply chains by participating in various supply chain initiatives.

#### Supplier Ethical Data Exchange (Sedex)

Sedex is a global platform that provides data-driven analysis, tools, and services aimed at helping companies continually improve their ESG performance. Several MC subsidiaries use Sedex, including MC Agri Alliance Ltd., Asia Modified Starch Co., Ltd., and Nihon Shokuhin Kako Co., Ltd. These companies manage their supply chains through the Sedex platform in areas such as the purchasing and sales of raw materials for food, confectionery, beverages, and other products. Through Sedex, they collaborate with business partners on issues such as respect for human rights and quality assurance throughout the supply chain.

#### EcoVadis

EcoVadis is a global cloud-based software as a service (SaaS) platform that provides comprehensive corporate social responsibility (CSR) evaluation tools. MC subsidiary Mitsubishi Shoji Chemical Corporation adopted EcoVadis in 2022. The company uses the platform to collaborate with business partners on a wide range of supply chain issues, including respect for human rights and quality assurance.

#### Round Table on Responsible Soy Association (RTRS)

The RTRS is a global initiative that provides certification services for responsible soybean production and distribution. MC subsidiary Agrex do Brasil was the first company to obtain RTRS certification for farmland in the State of Maranhão, Brazil. In addition to obtaining RTRS certification, Agrex do Brasil continues to pursue improvements in areas such as soil protection, water management, employee engagement, and strengthening relationships with local communities.

#### Aquaculture Stewardship Council (ASC)

The ASC is an international nonprofit organization that operates a certification and labeling system for responsibly produced aquaculture products. In 2015, MC subsidiary Cermaq Group AS became the first salmon farming business in Canada to receive ASC certification for multiple sites.

#### Japan Responsible Seafood Roundtable (JRSR)

JRSR is a collaborative platform where seafood-related companies in Japan work together to address procurement challenges that cannot be solved through individual efforts alone. Through participation in JRSR, MC aims to expand its handling of sustainable seafood and ensure transparent traceability, promoting cross-company cooperation to achieve these goals.

#### Forest Stewardship Council® (FSC®)

The FSC promotes forest management that balances environmental protection, societal benefits, and economic sustainability. MC has obtained FSC chain-of-custody (CoC) certification for its timber processing and distribution operations. Through this certification, MC ensures that timber products it handles are produced with respect for human rights, preservation of biodiversity, and conservation of natural capital.

## III Cermaq Initiatives

Cermaq, an MC consolidated subsidiary, is committed to maintaining high standards related to the social and environmental impacts of its business. Cermaq has established a Supplier Code of Conduct, which reflects the principles of MC's Policy for Sustainable Supply Chain Management, to promote responsible practices throughout the supply chain. This Code outlines the minimum standards that all Cermaq suppliers are expected to follow, and Cermaq also expects suppliers to request similar standards from their own suppliers and subcontractors. Cermaq requires all suppliers to comply with national legislation and standards related to human rights, labor rights, health and safety, anti-corruption, the environment, food quality and safety, management systems, and implementation. Regarding environmental performance, suppliers are expected to minimize adverse impacts on local communities, the environment, and natural resources while safeguarding public health and safety. These adverse impacts may include pollution, over-use of limited resources, deforestation, or the release of chemicals or other harmful materials into the ground, sea, or air. To reduce such risks, including the reduction of chemical use in fish farming, suppliers are expected to identify, monitor, and manage the environmental impacts of their operations. Cermaq also reports on the compliance of its supply chain with fundamental human rights and standards for decent working conditions.



Cermaq also reports on the compliance of its supply chain with fundamental human rights and standards for decent working conditions. Cermaq also reports on the compliance of its supply chain with fundamental human rights and standards for decent working conditions.

Reference [Participation in Cermaq's External Initiatives](#)  
[Cermaq Website Policies](#)

## III Mitsubishi Corporation Packaging Initiatives

Mitsubishi Corporation Packaging Ltd. (MP), an MC consolidated subsidiary, has established its own Policy for Sustainable Supply Chain Management, which outlines MP's actions to address human rights, labor rights, and environmental issues across its supply chain. This policy communicates MP's expectations to all suppliers and subcontractors, and MP requests that they understand, accept, and implement it.

MP handles Forest Stewardship Council® (FSC®)-certified products such as cardboard and packaging paper. To assess social and environmental risks, MP confirms whether its paper manufacturing and processing suppliers hold FSC certification, which requires third-party auditing.

MP has also obtained FSC Chain of Custody (CoC) certification and follows its requirements to ensure the proper procurement, storage, and sale of FSC-certified products.

FSC Trademark License Code: FSC® - C007960

## III Lawson

Lawson, Inc., an MC affiliate company, provides freshly brewed coffee in its convenience stores under the MACHI café brand. MACHI café coffee is made exclusively\*<sup>1</sup> from beans sourced from Rainforest Alliance\*<sup>2</sup> Certified™ farms. Lawson also undertakes efforts to promote awareness of the certification, including participating in the Rainforest Alliance Consortium, a collaboration between the Rainforest Alliance and companies that offer Rainforest Alliance Certified™ products. As a member of this Consortium, Lawson conducts promotional retweet campaigns and other awareness-raising activities.

Reference [Lawson's Corporate Website](#)   
[Lawson's SDGs Handbook \(Japanese\)](#)

\* 1 Excludes Mocha Blend.

\* 2 Established in 1987, Rainforest Alliance is an international nonprofit organization focused on environmental protection. Rainforest Alliance Certification is granted only to farms that meet strict standards related to environmental conservation and improving the livelihoods of farm workers.

## III Olam

Olam Group Limited (Olam), an MC affiliate company, upholds its corporate philosophy of "Re-imagining Global Agriculture & Food Systems," which states that business growth can only be achieved by delivering value to both the environment and society. Olam pursues three key outcomes: improving farmer livelihoods, increasing community well-being, and regeneration the living world. The company has identified ten material areas for achieving these goals and has developed a framework aligned with twelve of the seventeen Sustainable Development Goals (SDGs). In 2018, Olam launched AtSource, a digital platform that directly connects customers with suppliers to provide comprehensive sustainability solutions. The platform is now being rolled out across smallholder farmers worldwide. Through AtSource, more than 150 customers can access supplier profiles and approximately 350 indicators, including environmental data such as CO<sub>2</sub> emissions associated with procured raw materials, as well as social indicators such as yield data. The platform also supports the development of customer-specific sustainability projects. Olam's sustainability initiatives through AtSource have earned significant recognition. The company received the Reuters Responsible Business Award each year from 2020 to 2023. In 2023, the Carbon Scenario Planner, a tool designed to visualize and reduce CO<sub>2</sub> emissions, received an Innovation Award from Food Ingredients Europe.

In addition, Olam’s global sustainability efforts have received international acclaim. Since 2021, Olam’s Co-Founder and Group CEO, Sunny Verghese, has served as Co-Chair of Champions 12.3, a coalition of leaders from the UN, governments, businesses, and NGOs, working to achieve SGD Target 12.3, which aims to halve global food waste per capita by 2030.

At Source has also been recognized as an official standard by the Global Coffee Platform, one of the industry’s largest organizations involved in strengthening sustainability in the coffee supply chain. For details of each initiative, please refer to the following company website.



- Reference [Olam Sustainability Framework](#)  [Olam Farmer Information System](#)  [Olam AtSource](#) 

## Archive

### Tea supplier in Sri Lanka

In FY2023, MC visited Mabroc Teas Pvt Ltd. (Mabroc), a tea supplier based in Sri Lanka, to observe on-site operations. Mabroc supplies tea to our group company, MC FOODS Ltd. During the visit, MC conducted on-site interviews at tea farms operated by Mabroc’s group company to assess and confirm the company’s sustainability management system.

MC previously visited Mabroc in 2016. At that time, MC confirmed that Mabroc and its group company placed societal and environmental initiatives at the core of their management values. During the most recent visit, MC confirmed that these initiatives have continued to deepen.

One notable initiative is the appointment of female field managers. For approximately 200 years, due to historical and cultural norms, tea leaves were hand-picked by female workers supervised by male field managers. However, Mabroc has begun appointing female field managers, marking a significant shift. During the visit, MC interviewed on such manager, who expressed how honored she felt to serve in this role and noted that her family, long involved in tea plucking, was proud of her appointment.

The company also provides residential accommodations, medical facilities, and a nursery school for field workers, allowing them to leave their children in a safe environment while they work. MC confirmed that Mabroc continues to take various initiatives that support the well-being of workers who live and work on the plantation.



Interview



Tea plucking/Nursery school



### Meat Processing company in Japan

In FY2022, MC visited a domestic meat processing company that supplied poultry to MC’s subsidiary Foodlink Corporation. This year, an inspector from DNV Business Assurance Japan Co., Ltd., an independent inspection company, accompanied MC to evaluate the supplier’s sustainability management system through interviews with management and employees.

The evaluation was conducted using the Mitsubishi Corporation Supply Chain Checklist, which examines both the validity of the supplier’s sustainability management system and the degree of its implementation. Items related to personnel and labor affairs were generally managed appropriately. However, some policies



and procedures had not been documented, and MC requested that these be formalized in writing. With regard to safety, health, and environmental matters, only a small portion of relevant policies and procedures had been documented, and management practices appeared to rely heavily on individual employees. Although employees receive regular education and training and no accidents have occurred to date, MC recommended that the supplier establish and thoroughly communicate formal policies and procedures going forward. Please refer to the attached report for more details.

[Report of DNV Business Assurance Japan Co., Ltd. \[PDF:407KB\]](#) 

### III Fisheries Cooperative Association of Mitsushima-cho in Japan

In FY2021, MC held an online meeting and interview\* with the management team and employees of the Fisheries Cooperative Association of Mitsushima-cho, a tuna supplier (located in Tsushima City, Nagasaki Prefecture) to MC’s subsidiary Toyo Reizo.



During the meeting, MC explained external sustainability-related trends as well as its own sustainability initiatives, including our basic stance on human rights and our efforts to identify and promote sustainable supply chains as a key management priority. This provided an opportunity for participants to deepen their understanding of sustainability and the importance of MC’s initiatives.

Through the online interview, MC learned that the company engages in activities that support sustainable fishing, such as collecting debris from the ocean. MC also confirmed that there have been no human rights violations or related issues, due in part to the company’s efforts to maintain an open work environment. Employees performing work with occupational health and safety risks receive appropriate training, and personnel assignments are managed to prevent uneven distribution of workloads.

During the interview, MC confirmed that the company’s internal policies on environmental and social considerations were not clearly documented. MC therefore requested that these policies be clarified in writing to support consistent awareness and to help deepen ongoing sustainability efforts.

Working in partnership with suppliers, MC will continue promoting sustainable practices throughout its supply chains.

\* This meeting and interview were conducted online due to COVID-19 restrictions.

### III Site Visits before FY2020

Year	Industry · Item · Supplier	Country
FY2020	Apparel products, garment factory	Japan
FY2019	No visit due to COVID-19 restrictions	—
FY2018	Fresh and processed poultry products, factory	Thailand
FY2017	Apparel products, garment factory Seafood, aquaculture and processing	Vietnam
FY2016	Coffee plantation, milling plant	Colombia
FY2015	Tea plantation	Sri Lanka
FY2014	Coffee plantation	Brazil
FY2013	Shrimp hatchery and processing factory	Thailand

# Governance

Governance	133
Internal Control System/Audit	154
Compliance	156
Risk Management	162
Stakeholder Engagement	170

• Governance: Board of Directors and Shares, etc.

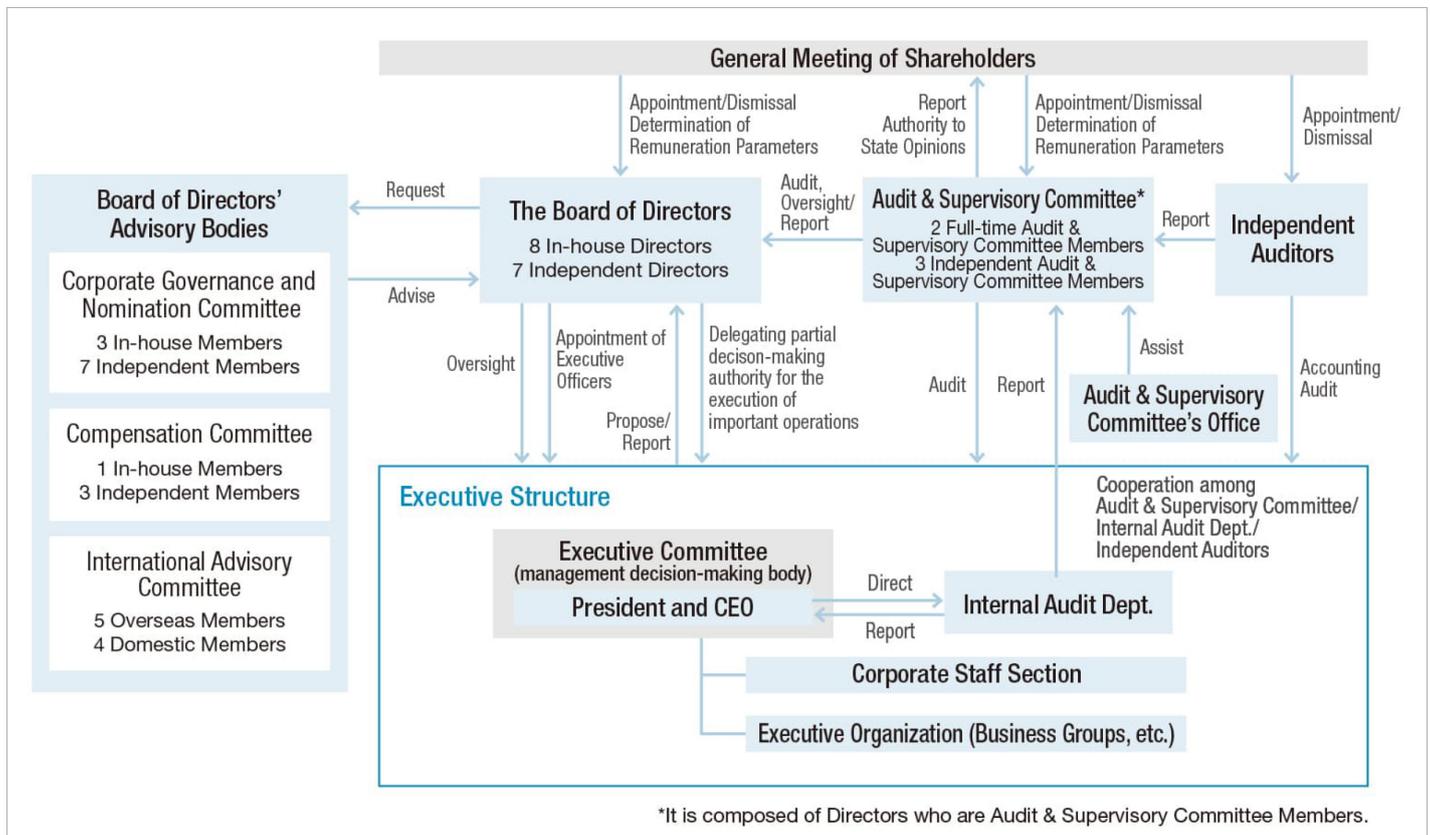
Policy and Evolution of Corporate Governance at MC

III Policy on Corporate Governance

- ① Guided by the Three Corporate Principles, MC is committed to continuously enhancing corporate value through activities rooted in the principles of fairness and integrity. The company believes that contributing to the enrichment of society is essential to meeting stakeholder expectations. To achieve this, MC views the ongoing strengthening of corporate governance as a core management policy, forming the foundation for sound, transparent, and efficient management.
- ② In line with this policy, MC has adopted a Company with an Audit & Supervisory Committee to ensure a) separation of oversight and execution in management, b) oversight of management based on deliberation by the Board of Directors, and c) timely and decisive decision-making which can respond to changes by delegating partial decision-making authority for the execution of important operations to the President and CEO, as well as other Executive Directors.
- ③ Under this corporate governance system, Executive Directors, who have been designated by the Board of Directors, formulate management strategies and business plans, which are then deliberated and approved by the Board. The Executive Directors periodically report on the progress of these strategies and plans, enabling the Board to monitor performance and ensure continuous improvement in corporate value.
- ④ MC also establishes internal rules and regulations covering codes of conduct for officers and employees, company-wide lateral management systems, measures for prevention, correction, and improvement, and internal whistleblower systems. These rules are communicated to all relevant parties and rigorously applied in operations to maintain a robust compliance system. MC also establishes appropriate internal control systems, review their effectiveness annually, and endeavor to continuously improve and strengthen them.

Reference [Principles of Corporate Governance](#)

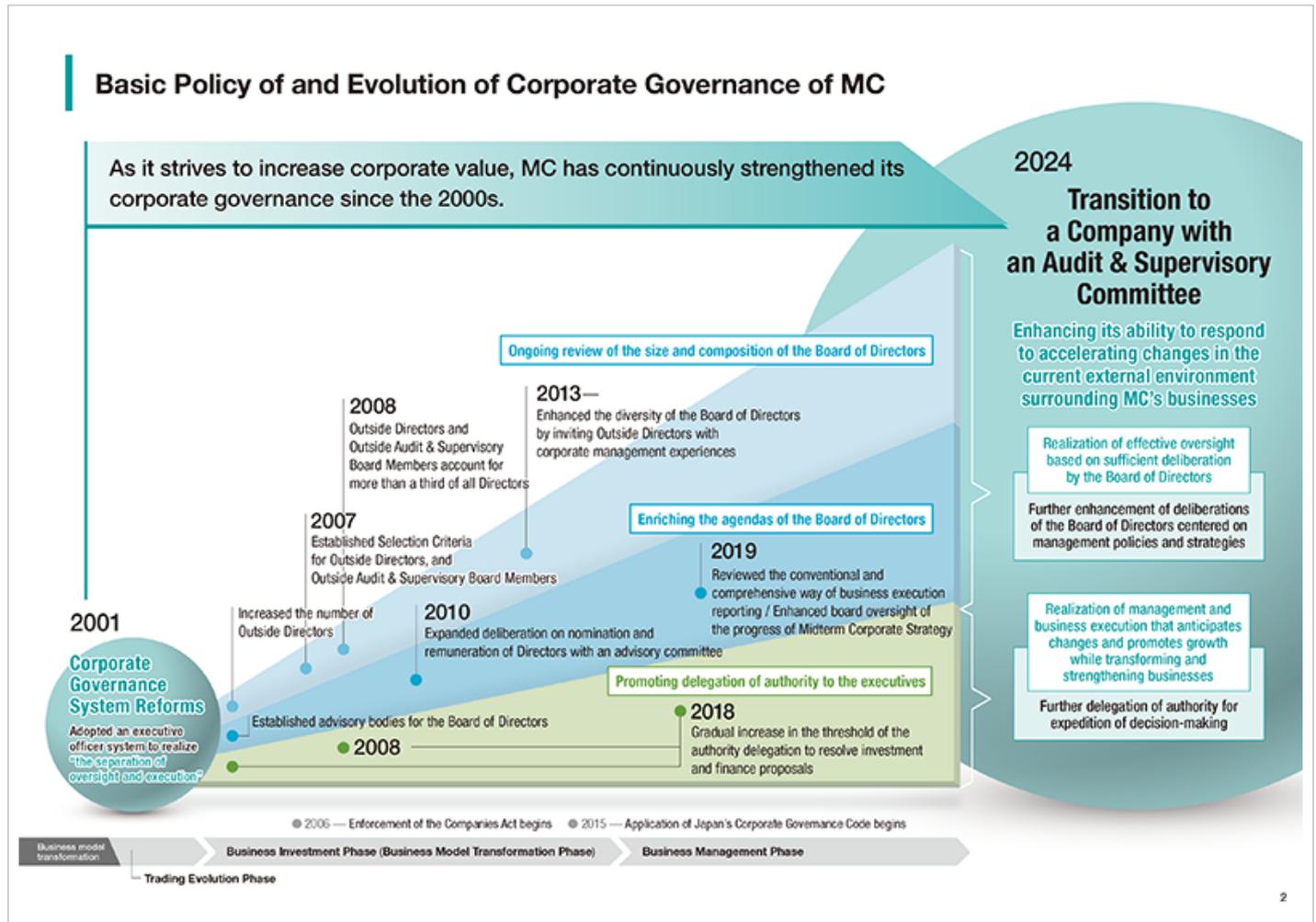
Corporate Governance System (as of July 1, 2025)



### III Evolution of Corporate Governance ~ Transition to an Audit & Supervisory Committee ~

Since the 2000s, MC has advanced corporate governance reforms in line with its policies. To enable management and business execution that anticipate change and drive growth through transformation and reinforcement, MC has continuously focused on enhancing corporate value through thorough deliberation and effective oversight by the Board of Directors.

In June 2024, MC transitioned to a Company with an Audit & Supervisory Committee, aiming to accelerate decision-making through the delegation of authority. This shift also strengthens the Board’s monitoring function by deepening discussions on management policies and strategies, further enhancing our ability to respond swiftly to rapid changes in the external environment.



## Board of Directors

The Board of Directors deliberates on important management issues and supervises business execution through reports on major items such as Corporate Strategy, the business strategy of various Business Groups, and related matters. In addition, matters requiring resolution in accordance with laws and regulations, as well as loan and investment proposals exceeding a monetary threshold standard set by the Company, are deliberated and resolved not only with consideration not only for economic aspects, but also with a strong focus on sustainability perspectives. MC has also established appropriate internal control systems, review their effectiveness annually, and endeavor to continuously improve and strengthen them. Business execution outside these matters requiring Board resolution is delegated to Executive Officers. The President serves as Chief Executive Officer, responsible for overall business execution, while the Executive Committee (which meets twice per month) functions as a key management decision-making body.

### Roles and Responsibilities of Directors / Appointment Policy / Appointment Process of Directors

	Board of Directors	Audit & Supervisory Committee
<b>Roles and Responsibilities</b>	<p>Based on its fiduciary responsibility and accountability to shareholders, the Board of Directors fulfills the following roles and responsibilities to promote Mitsubishi Corporation's (MC's) sound and sustainable growth and continuous increase in corporate value. In doing so, the Board aims to help enrich society both mentally and materially, while ensuring transparent, fair, timely, and decisive decision-making and effective oversight of management.</p> <ol style="list-style-type: none"> <li>1. Provide broad management direction aligned with MC's business realities, taking into consideration external factors surrounding MC, trends, global perspectives, etc.</li> <li>2. Oversee the development and operation of business management and risk management systems established by executives to support appropriate risk-taking.</li> <li>3. Ensure effective oversight of executives by evaluating them from an independent and objective standpoint in light of the basic management policies they formulate and the Board approves, while encouraging corrective actions when necessary.</li> </ol>	<p>The Audit &amp; Supervisory Committee, as a statutory independent body mandated by shareholders, audits the performance of directors in carrying out their duties. It is responsible for helping establish a corporate governance system through the appropriate execution of its duties and for contributing to MC's monitoring function in cooperation with the Board of Directors. Through these roles and responsibilities, the committee supports the maintenance and development of MC's corporate governance, considers the interests of its various stakeholders, and strives to work with them to achieve sound and sustainable growth, continuous enhancement of corporate value, and social credibility.</p>
<b>Size and Composition</b>	<p>To fulfill the roles and responsibilities of the Board of Directors as set forth above, MC's Board of Directors shall maintain an appropriate size and composition that ensures diversity, with at least one-third of its members serving as Independent Directors who meet <u>MC's Standards for Independent Directors</u> .</p>	<p>To fulfill the roles and responsibilities of the Audit &amp; Supervisory Committee as set forth above, MC's Audit &amp; Supervisory Committee shall maintain an appropriate size and composition that ensures diversity, with a majority of its members serving as Independent Audit &amp; Supervisory Committee members who meet <u>MC's Standards for Independent Directors</u> .</p>

#### [Directors]

	Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)	Directors Who Are Audit & Supervisory Committee Members
<b>Roles and Responsibilities</b>	<b>Internal Directors</b>	
	<b>Chairman of the Board</b>	<b>Full-time Audit &amp; Supervisory Committee Members</b>
	<p>The Chairman aims to ensure MC's sound, sustainable growth and the continuous increase of corporate value by enhancing deliberations and ensuring the Board of Directors fulfills its roles and responsibilities. To achieve this, the Chairman works to maintain and advance corporate governance. As Chairman of the Board of Directors, lead discussions at meetings in a neutral manner, appropriately eliciting the opinions of Outside Directors while considering the challenges faced by executives.</p>	<p>Leveraging their companywide management experience within MC and their knowledge and experience in finance, accounting, legal affairs, risk management, etc., Full-time Audit &amp; Supervisory Committee Members (1) together with the Chairman of the Board, fulfill the roles and functions of the Board of Directors as non-executive Internal Directors. They are also (2) responsible for the timely and accurate assessment of management execution, creating an environment for effective auditing and oversight by the Audit &amp; Supervisory Committee and collaborating with other Audit &amp; Supervisory Committee members to conduct audits and provide broad, objective oversight. They will also deliver candid, principled opinions directly to executives when necessary, with the aim of ensuring MC's sound and sustainable growth, enhancing of corporate value, and strengthening social credibility.</p>
	<b>Executive Directors</b>	
	<p>Executive Directors carry out business operations in accordance with the basic management policies approved by the Board of Directors, report on the status of execution to the Board, and work to ensure MC's sound, sustainable growth and continuous enhancement of corporate value by executing day-to-day operations based on Board deliberations.</p>	

	<b>Outside Directors</b>	<b>Outside Audit &amp; Supervisory Committee Members</b>
	With a practical, objective and professional perspective on corporate management, Outside Directors oversee the execution of management strategies proposed by executives. Drawing on their experience and insight gleaned from their networks, they provide advice on overall direction from a medium- to long-term perspective while participating in Board decision-making, aiming to ensure MC's sound, sustainable growth and continuous increase in corporate value.	In addition to the roles and responsibilities of Outside Directors described on the left, Outside Audit & Supervisory Committee Members audit and oversee MC from a neutral, objective standpoint. They leverage their diverse knowledge and experience in corporate management, along with their own expertise, aiming to ensure MC's sound, sustainable growth and continuous enhancement of corporate value and social credibility.
	<b>Directors (Excluding Directors Who Are Audit &amp; Supervisory Committee Members)</b>	<b>Directors Who Are Audit &amp; Supervisory Committee Members</b>
	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.	
	<b>Internal Directors</b>	<b>Full-Time Audit &amp; Supervisory Committee Members</b>
	In addition to the Chairman of the Board of Directors and the President, who serves as Chief Executive Officer responsible for business execution, Internal Directors are appointed from among Executive Officers (Senior Executive Vice Presidents and Executive Vice Presidents) in charge of companywide management.	Full-Time Audit & Supervisory Committee Members are appointed from individuals with knowledge and experience in companywide management, finance, accounting, legal affairs, risk management, and other areas.
<b>Appointment Policy</b>	<b>Outside Directors</b>	<b>Outside Audit &amp; Supervisory Committee Members</b>
	1. Outside Directors are appointed from those with a practical perspective drawing on extensive experience as corporate executives and those who bring an objective, professional perspective with deep insight into global dynamics and socio-economic trends.	1. Appointed from individuals with diverse and extensive knowledge and experience in corporate management, as well as expertise that contributes to auditing and oversight.
	2. To enable Outside Directors to fulfill their responsibilities, independence* is maintained; individuals who cannot ensure this independence will not be appointed.	
	3. Given MC's broad range of business domains, conflicts of interest may arise from relationships with firms employing a corporate executive appointed as an Outside Director. MC addresses this by preserving a variety of viewpoints through the appointment of numerous Outside Directors.	
	<b>Directors (Excluding Directors Who Are Audit &amp; Supervisory Committee Members)</b>	<b>Directors who are Audit &amp; Supervisory Committee Members</b>
<b>Appointment Process</b>	Based on the above appointment policy, the President and CEO prepares a proposal for the election of Director candidates (excluding those who are Audit & Supervisory Committee Members). This proposal is reviewed by the Corporate Governance and Nomination Committee and, after approval by the Board of Directors, is submitted to the General Meeting of Shareholders as the official proposal for the election of Directors (excluding Audit & Supervisory Committee Members).	In consultation with Full-time Audit & Supervisory Committee Members and based on the above appointment policy, the President and CEO prepares a proposal for 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, the proposal is approved by the Board of Directors and submitted to the General Meeting of Shareholders for election.

(Note)

\*MC's Standards for Independent Directors

To determine a candidate's independence, Mitsubishi Corporation (MC) verifies whether the individual meets the Independence Criteria prescribed by the Tokyo Stock Exchange, Inc., and whether they currently fall under any of the following items ( 1 ) to ( 7 ), or whether they have done so at any time during the past 3 fiscal years.

If MC determines that a person remains effectively independent despite one or more of the below items ( 1 ) to ( 7 ) applying, MC will provide an explanation and disclose the reason for their appointment as an Independent Director.

- ① **A major shareholder of MC (an individual or entity directly or indirectly holding 10% or more of voting rights), or a Member of Business Personnel\*<sup>1</sup> of such shareholder.**
- ② **A Member of Business Personnel of a creditor of MC exceeding the threshold set by Mitsubishi Corporation\*<sup>2</sup>.**
- ③ **A Member of Business Personnel of a supplier or a customer of MC exceeding the threshold set by MC\*<sup>3</sup>.**
- ④ **A provider of professional services (e.g., consultant, lawyer, certified public accountant) receiving cash or other financial benefits from MC, other than Directors' remuneration, where the amount exceeds ¥10 million per fiscal year.**
- ⑤ **A representative or partner of MC's Independent Auditor.**
- ⑥ **A person belonging to an organization that has received donations from MC exceeding a certain amount\*<sup>4</sup>.**
- ⑦ **A person who has served as an Outside Director and/or Outside Audit & Supervisory Board Member of MC for more than 8 years.**

- \* 1 “Member of Business Personnel,” for the purpose of 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” refers to suppliers or customers whose transaction amount with MC exceeds 2 % of MC’s consolidated revenues.
- \* 4 “Donations exceeding a certain amount” refer to donations of more than ¥20 million per fiscal year.

### III Skills Matrix of Directors (As of July 1, 2025)

The Skills Matrix of Directors is shown on page 23-24 of the Notice of 2025 Ordinary General Meeting of Shareholders (English version), available on MC’s website below at the link below.

Reference [Notice of 2025 Ordinary General Meeting of Shareholders\[PDF:27.5MB\]](#) 

### III Composition of the Board of Directors (As of July 1, 2025)

The Composition of the Board of Directors can be found at the link below.

Reference [Sustainability Report / ESG Data](#)

### III Matters Deliberated by the Board of Directors

The Board of Directors deliberates on important management issues and supervises business execution through reports on major items in Midterm Corporate Strategy 2024, business strategy of Business Groups, and related matters.

The results of deliberations for FY2024 are as follows.

#### Agenda of the Board of Directors FY2024

- Management Strategy and Sustainability-related Items  
Business Strategy Committee report/ Corporate Strategy 2027/ EX progress report/ Business Execution reports (risk management, human resources strategy, regional strategy, stakeholder engagement, business investment performance assessment, cyclical growth review, business portfolio monitoring and sustainability-related measures)
- Governance-related and corporate-related items  
Governance, Nomination, and Compensation Committee report (before June 21, 2024)/ Corporate Governance and Nomination Committee report (on and after June 21, 2024)/ Compensation Committee report (on and after June 21, 2024)/ International Advisory Committee report/ Transition to a Company with an Audit & Supervisory Committee, including partial amendments to the Articles of Incorporation, and establishment and amendments of related internal rules and regulations/ Evaluation of Board effectiveness/ Appointments of Board and Audit & Supervisory Board Members, Chairman, President, and Executive Officers/ Remuneration for Directors and Audit & Supervisory Board Members/ Organizational structure/ Financial statements/ Share repurchase and cancellation policy/ Fundraising policy/ Issuance of corporate bonds/ Response to TSE requests/ Verification of cross-shareholding policy/ Internal control systems/ Compliance report/ / Disclosures (Annual Securities Report, Corporate Governance Report, and Internal Control Report)/ Internal audit policy and report/ Ordinal General Meeting of Shareholder-related items/ Agreements limiting Directors’ liabilities/ Company indemnification agreements/ Directors and officers (D&O) liability insurance
- Investment and finance proposals  
Tangguh LNG Project / Chiyoda Corporation/ Malaysia LNG Dua and Malaysia LNG Tiga/ Cermaq/ Digital Realty Trust/ Nexamp/ Preferred Networks, Inc./ etc.

## Advisory Bodies to the Board of Directors

### III Corporate Governance and Nomination Committee (after June 21, 2024)

To further strengthen corporate governance, enhance the objectivity and transparency of the Board of Directors’ nomination process, and ensure fairness, the Corporate Governance and Nomination Committee deliberates and monitors the following matters with the participation of all Independent Directors.

#### Matters Deliberated by the Committee

- Basic framework and fundamental policy of corporate governance
- Matters related to appointment and dismissal of members of the Board of Directors
- Matters related to nomination
- Other matters deemed necessary by the Committee Chair

## Main Deliberated Matters in FY2024

- Operation of the new corporate governance system following the transition to an Audit & Supervisory Committee
- Evaluation of the effectiveness of the Board of Directors
- Board size and composition and nomination of Directors

## Composition of the Committee (As of July 1, 2025)

- Independent Members ( 7 ):
  - Shunichi Miyanaga, Independent Director
  - Sakie Akiyama, Independent Director
  - Mari Sagiya, Independent Director
  - Mari Kogiso, Independent Director
  - Tsuneyoshi Tatsuoka, Independent Audit & Supervisory Committee Member
  - Rieko Sato, Independent Audit & Supervisory Committee Member
  - Takeshi Nakao, Independent Audit & Supervisory Committee Member
- Internal members ( 3 ):
  - Takehiko Kakiuchi,\* Chairman of the Board
  - Katsuya Nakanishi, Director, President and Chief Executive Officer
  - Mitsumasa Icho, Full-time Audit & Supervisory Committee Member
  - \*Committee Chair

(notes)

Percentage of Independent Outside Directors on the Corporate Governance and Nomination Committee: 70% (7/10)

## III Compensation Committee (after June 21, 2024)

To enhance the objectivity and transparency of the policy and amounts for the remuneration of Directors and Executive Officers—determined by the Board of Directors—and to ensure fairness throughout the decision-making process, the Compensation Committee deliberates and monitors the following matters.

### Matters Deliberated and/or Determined by the Committee

#### Matters Deliberated

- Fundamental policy for remuneration of Directors and Executive Officers:
  - The policy for setting remuneration of Directors and Executive Officers, appropriateness of remuneration levels and composition, and the operation status of the remuneration system
- Other matters deemed necessary by Committee Chair

#### Matters Deliberated and Determined

- Evaluation of sustainability factors tied to Executive Officers' remuneration\*
- Evaluation of the President and CEO's performance\*

\*In addition to the four members of the Compensation Committee, all Independent Directors (including Audit & Supervisory Committee Members) participate in these deliberations and decisions.

## Main Deliberated and/or Determined Matters in FY2024

- Revised remuneration for Directors and Executive Officers

## Composition of the Committee (As of July 1, 2025)

- Independent members ( 3 ):
  - Sakie Akiyama\*, Independent Director
  - Mari Kogiso, Independent Director
  - Tsuneyoshi Tatsuoka, Independent Audit & Supervisory Committee Member
- Internal members ( 1 ):
  - Takehiko Kakiuchi, Chairman of the Board

(notes)

Percentage of Independent Outside Directors on the Compensation Committee: 75% (3/4)

\*Committee Chair

## III International Advisory Committee

The Committee consists of overseas experts from diverse backgrounds, including industry, government, and academia. It provides recommendations and advice from an international perspective through discussions and exchanges of opinions on the external environment, with a focus on global affairs.

## Main Discussion Themes (FY2024)

- Geopolitical Situation
- Energy Security
- Economy & Society

## International Advisory Committee

For data on International Advisory Committee, please refer to the ESG Data at the link below.

Reference [Sustainability Report / ESG Data](#)

### Overseas Members ( 5 ) (As of October 1, 2024)

Member	Origin	Title	Principal area of specialization and background
Joseph S. Nye	United States of America	Harvard University Distinguished Service Professor	Professor Nye is a globally renowned scholar in geopolitics. He has held important positions in multiple U.S. administrations, including Chairman of the National Intelligence Council. He is widely recognized for introducing and establishing the concept of "Soft Power" as a foundation for a stable world order.
Niall FitzGerald, KBE	Ireland	Former Chairman, Unilever	Mr. FitzGerald has served as Chairman of several major global companies, including Unilever and the British Museum. He possesses exceptional expertise at the intersection of industry and geopolitics in both emerging and developed countries.
Natarajan Chandrasekaran (Chandra)	India	Chairman, Tata Sons	Mr. Chandra brings extensive knowledge of global industries and many years of management experience within the Tata Group, India's largest conglomerate. Having led TCS as CEO for nearly a decade, he has served as Chairman since 2017.
Bilahari Kausikan	Singapore	Former Permanent Secretary, Ministry of Foreign Affairs Singapore	Ambassador Kausikan has a wealth of diplomatic experience, having held senior roles such as Ambassador to the Russian Federation, Permanent Representative to the United Nations, and Ambassador-at-Large for Singapore.
Victor L.L. Chu	Hong Kong	Chairman, Hong Kong-USA Business Council	Based in Hong Kong, Mr. Chu is implementing numerous investment projects across various sectors, with a focus on China, and has vast experience in East Asian. He is also familiar with Japan, having served as an external director for Peach Aviation and Nomura Holdings. Additionally, he has chaired the Hong Kong-USA and Hong Kong-Europe Business Councils, giving him deep insight into global industry trends.

### Domestic Members ( 4 ) (As of October 1, 2024)

Takehiko Kakiuchi\* (Chairman of the Board)

Kotaro Tsukamoto (Director, Senior Executive Vice President)

Katsuya Nakanishi (Director, President and Chief Executive Officer)

Tsuneyoshi Tatsuoka (Independent Director)

\*The Committee Chair



## Initiatives to Enhance the Effectiveness of the Board of Directors

To ensure that Directors (excluding those who are Audit & Supervisory Committee Members) and Directors who are Audit & Supervisory Committee Members can adequately perform their monitoring and audit functions, the Board of Directors' Office and the Audit & Supervisory Committee's Office (herein collectively referred to as the "Support Offices") have been established. These offices, appropriately and timely provide necessary

information and support to enable Directors to fulfill their duties effectively.

For Independent Directors, the Support Offices implement the following measures to facilitate active participation in discussions and strengthen the Board's monitoring function.

### III Briefing Sessions Before Board Meetings

Prior to each Board meeting, executives from the Corporate Staff Section and Business Groups provide explanatory summaries of agenda items to Independent Directors. These sessions also serve to share information that enhances deliberations.

### III Meetings of Independent Directors

Regular meetings are held to provide a forum for open discussion among Independent Directors on a wide range of topics.

#### Main discussion themes (FY2024)

- Items discussed at the Business Strategy Committee
- Conglomerate management
- Disruption in Japan's electronics manufacturing industry

### III Discussions Between Independent Members of the Board and Officers and Employees

MC organizes discussions with management executives from the Corporate Staff Section and Business Groups, small-group discussions with Executive Vice Presidents, and sessions with mid-level and young employees to strengthen engagement between Independent Directors and Officers and employees.

### III Site Visits to Subsidiaries and Affiliates

To deepen understanding of MC's diverse businesses, Independent Directors visit subsidiary and affiliate sites annually and hold discussions with their management teams.

#### Site Visits

October 2022

Metallurgical coal mines and silica mines in Australia

November 2022

Discussions with management of automotive-related businesses in Thailand and Indonesia

March 2023

Shonan Health Innovation Park (Shonan iPark)

October 2023

Quellaveco copper mine in Peru and salmon farming sites in Chile

July 2024

Discussions with AI experts and exchange of views on geopolitics in Canada and the United States



AI-related discussions at the University of Toronto (July 2024)

### III Orientation Upon Assumption of Office

To help new Independent Directors gain a deeper understanding of the Company, orientation sessions are conducted by each division and business group.

### III Evaluation of the Effectiveness of the Board of Directors

Since 2015, MC has evaluated the effectiveness of the Board of Directors every year. In the fiscal year ended March 31, 2024, an independent third-party expert, Board Advisors Japan, Inc., conducted an evaluation with the aim of further enhancing the effectiveness of the Board of Directors, in anticipation of the transition into a Company with an Audit & Supervisory Committee. Their evaluation confirmed that the Board of Directors maintains an extremely high level of effectiveness.

#### FY2024 Evaluation Approach and Process

In the fiscal year ended March 31, 2025, following the transition to the new governance system, the effectiveness of the Board of Directors was evaluated through a self-evaluation process led by Independent Directors that utilized, as its basis, the results of the third-party evaluation in the fiscal year ended March 31, 2024. The evaluation method, process, and a summary of the evaluation results for the current fiscal year will also be reviewed by Board Advisors Japan, Inc.

**STEP 1** The Corporate Governance and Nomination Committee discussed the evaluation's implementation methods and processes.

**STEP 2** Independent Directors, Shunichi Miyanaga, and Takeshi Nakao, led the evaluation, formulating survey questions, surveying all Directors and analyzing and evaluating the responses, in addition to having independent members lead the evaluation process the Business Group CEOs were also surveyed to secure opinions from outside the Board of Directors with the objective of ensuring multifaceted analysis, objectivity and independence.

#### ■ Evaluation Criteria

- ✓ Review of FY2024  
(Monitoring progress of major items of Midterm Corporate Strategy 2024 (MCS 2024); Roles and functions of the Directors; Agenda items of the Board of Directors; Operations and practical tasks of the Board of Directors, advisory bodies for the Board of Directors, meetings of Independent Directors, and dialogues with executive officers, etc.)
- ✓ Formulation of Corporate Strategy 2027 (CS 2027) and notes for future monitoring
- ✓ Mid- and Long-term considerations  
(Sizes and Composition of the Board of Directors and advisory bodies for the Board of Directors, etc.)

#### ■ Messages by the compiling Independent Director



Shunichi Miyanaga  
Independent Director

The extensive discussions in the process of considering the transition to a Company with an Audit & Supervisory Committee brought greater clarity to all the Directors in terms of governance and monitoring. Based on the mutual understanding created and expanded through those discussions, it can be concluded that, following the transition, the degree of multifaceted monitoring and deliberation has increased at the Board of Director's meetings.



Takeshi Nakao  
Independent Director,  
Audit & Supervisory  
Committee Member

Through discussions during the process of considering the transition to a Company with an Audit & Supervisory Committee, along with the transparent sharing of information from the executives, I believe the Independent Directors have deepened their understanding of MC's businesses and that the Board of Directors is becoming more proactive in its discussions as a unified body.

**STEP 3** The results were analyzed and evaluated in the meetings of Independent Directors as well as the Corporate Governance and Nomination Committee, then deliberated by the Board of Directors.

#### FY 2024 Evaluation of the Effectiveness of the Board of Directors-Overall Summary

- In the fiscal year ended March 31, 2024, **the Board of Directors was confirmed to have an extremely high level of effectiveness**, underpinned by MC's characteristics and strengths. These strengths were confirmed to have been further enhanced through the transition to a Company with an Audit & Supervisory Committee and reforms to the corporate governance system.
- Through opportunities such as discussions regarding the transition to a Company with an Audit & Supervisory Committee, the Board of Directors has carefully considered how the Board of Directors should optimally be structured and how the Board of Directors should monitor the executions, and it was confirmed that the foundation for further improvement of corporate governance has been enhanced under the initiative of the Board of Directors.

#### Four Strengths Underpinning MC's Board Effectiveness



#### Factors Underpinning the Four Strengths

- A board culture that sincerely pursues the best way of being for the Company while taking the external environment into account
- "People-related elements" such as mutual trust between the Board Members who are in oversight roles and the executives and among Directors, and their commitment

### Policy for Future Initiatives Based on the FY2024 Evaluation

	Major Initiatives in FY2024	FY2024 Effectiveness Evaluation Results	FY2025 Policy
Overall Evaluation of the Board of Directors	<ul style="list-style-type: none"> <li>Ensured reliable, smooth operation of the new corporate governance system.</li> <li>Worked under the new corporate governance system to achieve further improvements in agenda settings and to further enhance discussions about corporate strategies and other key matters.</li> </ul>	<ul style="list-style-type: none"> <li>Confirmed that a relationship of mutual trust had been established among Directors, based on strong commitment to MC shown by Independent Directors, and the executives' proactive approach to the disclosure of detailed information.</li> <li>More opportunities to discuss corporate strategies from multiple perspectives under new corporate governance system.</li> </ul>	<ul style="list-style-type: none"> <li>The Board will maintain and enhance relationship of mutual trust between the Directors who are in oversight roles and the executives, one of MC's strengths.</li> <li>The Board will continue to discuss our vision for MC considering changes in the external environment. These discussions will form the basis for continual monitoring of and improvements to our corporate governance systems.</li> </ul>
Mid- and Long-Term Considerations	<ul style="list-style-type: none"> <li>Started deliberations on further moves to strengthen corporate governance under new structure.</li> </ul>	<ul style="list-style-type: none"> <li>Following an in-depth discussion of the sizes and composition of the Board of Directors, it was concluded that the existing situation is functioning well. However, given the dramatic changes occurring in the business environment, continuing discussions about the vision for MC were deemed essential.</li> </ul>	<ul style="list-style-type: none"> <li>Considering the complex business environment, the Board will monitor progress on CS 2027 based on the knowledge and discussions of Directors.</li> </ul>
Monitoring of MCS 2024 and Formulation of CS 2027	<ul style="list-style-type: none"> <li>Held exchanges of opinions with the goal of formulating a new corporate strategy, resulting in a deeper mutual understanding between the directors who are in oversight roles and the executive directors.</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring of progress on Midterm Corporate Strategy 2024 (MCS 2024) was carried out effectively, thanks to extensive information sharing by the executives.</li> <li>Process used to formulate Corporate Strategy 2027 (CS 2027), which involved extensive discussions between, the directors who are in oversight roles and the executives was highly rated by the Independent Directors.</li> </ul>	

## Initiatives on Corporate Governance

Based on the **Policy of Corporate Governance**, MC continuously works to strengthen its governance and fully implements all principles of Japan's Corporate Governance Code.

(For more information, please refer to the Corporate Governance Report on MC's website.)

Reference [Corporate Governance Report](#)

### III 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 business and partner relationships. When acquiring such shares, MC confirms the necessity of the acquisition based on its economic rationale in accordance with internal rules. MC also conducts an annual review of the rationality for continuing to hold these shares with the Board of Directors and aims to reduce holdings that have lost significance. In the Fiscal Year ended March 31, 2025, MC sold approximately 54.9 billion yen of its shareholdings (including 14.1 billion yen in deemed holding shares), a decrease of approximately 10% from the previous fiscal year.

Reference [Integrated Report\[PDF:10.1MB\]](#)

#### Verification Policy for Holding Individual Shares

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

The economic rationale is confirmed by whether related earnings, such as dividends and business profits from transactions, exceed MC's target capital cost relative to the market price of each share.

The qualitative reason is confirmed by the achievement or progress toward the expected purpose for holding the share.

#### Matters Verified by the Board of Directors

The Board of Directors for all listed shares held by MC as of March 31, 2025. Based on verification from both economic and qualitative perspectives, several shares were identified as candidates for reduction due to diminished significance of their original purpose and other factors.

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

MC places great importance on dialogue and communication with its investee companies to create business opportunities, strengthen partnerships, and enhance corporate value for both MC and these companies. Exercising voting rights is considered one of the most critical tools for such engagement. When voting on proposals related to investee companies, including listed shares acquired for purposes other than pure investment, the responsible department reviews business conditions (e.g., earnings, capital efficiency, etc.) from both quantitative and qualitative perspectives in accordance with internal rules. These rules outline considerations for decisions on proposals such as appropriation of surplus, election of Directors and Audit & Supervisory Board Members, and revisions to executive remuneration. Furthermore, for proposals concerning the election or dismissal of Independent Directors and Independent Audit & Supervisory Board Members of listed subsidiaries, MC’s internal rules require an assessment of their independence from MC before voting.

### Roles of Corporate Pension Funds as Asset Owners

To leverage personnel with market and investment experience, individuals responsible for pension management are appointed from MC’s Finance Department and concurrently serve as employees of the Mitsubishi Corporation Pension Fund. The fund drafts and issues policies and management guidelines for safe and efficient reserve management to contracted institutions, which are then continuously monitored. As part of its autonomous allocation responsibilities, the fund has adopted Japan’s Stewardship Code and requires entrusted institutions to carry out stewardship activities.

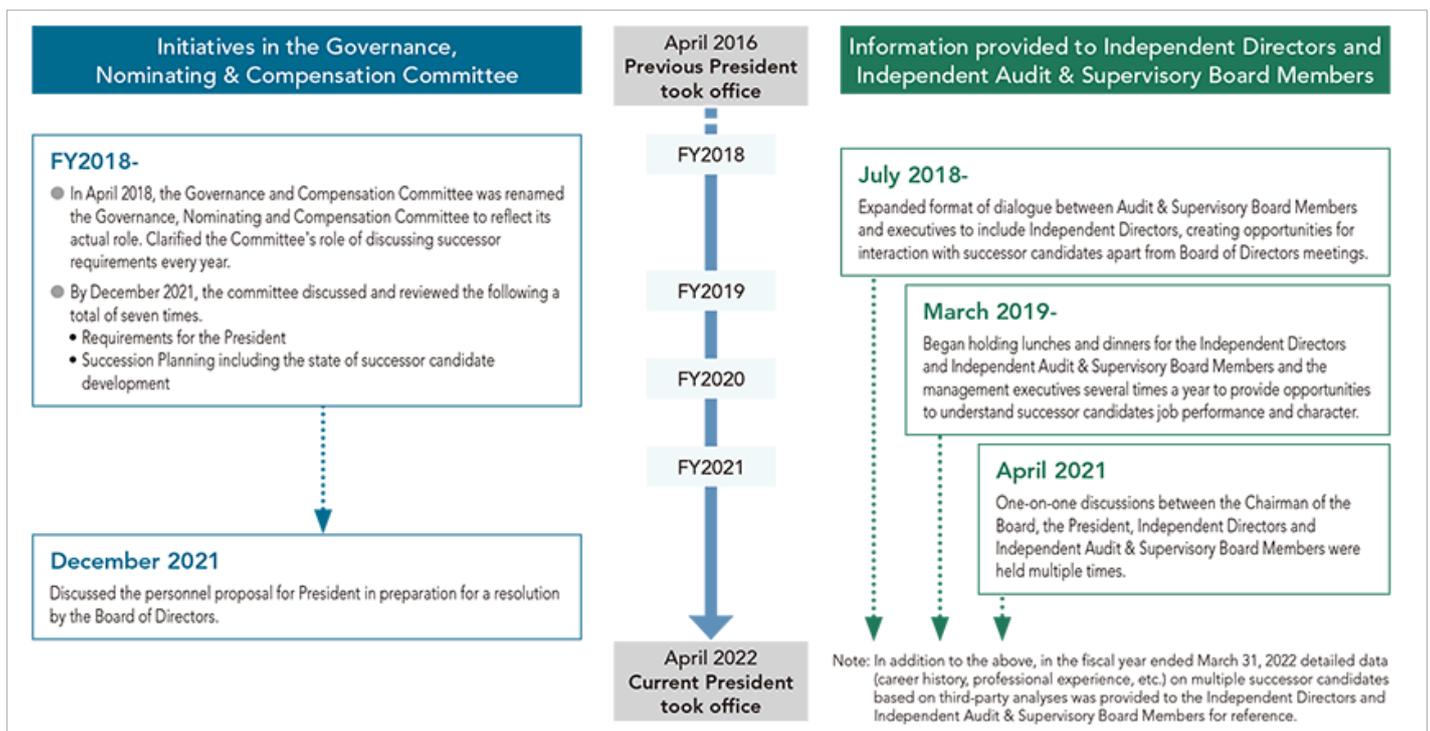
### Board Policies and Procedures for Appointment/Dismissal of Management Executives

For the appointment of the President and CEO, the Corporate Governance and Nomination Committee—where Independent Directors form a majority (7 out of 10 Committee Members)—deliberates and reviews the requirements for the role, the appointment policy, and potential candidates. The Committee then submits its recommendation to the Board of Directors, which makes the final decision. The Board also deliberates and determines the appointment of Executive Officers and their respective responsibilities.

For Directors who are Audit & Supervisory Committee Members, the President and CEO, in consultation with Full-Time Audit & Supervisory Committee Members and based on the appointment policy, prepares a proposal for candidates. After deliberation by the Corporate Governance and Nomination Committee and with the consent of the Audit & Supervisory Committee, the proposal is resolved by the Board of Directors and submitted to the General Meeting of Shareholders.

### President and CEO Selection Process in April, 2022

Since Former President Kakiuchi assumed office in April 2016, the Governance, Nomination & Compensation Committee, an advisory body to the Board, implemented a thorough succession planning process, including discussions on the requirements for the President role. Independent Directors, Independent Audit & Supervisory Board Members, and successor candidates engaged in ongoing dialogue outside of formal committee meetings. This process ultimately led to the selection of President Nakanishi.



### III Status of Individuals Who Have Retired as Representative Directors, President, etc.

Name	Job Title/Position	Responsibilities	Terms and Conditions of Employment (Full/Part Time, With/Without Remuneration)	Date When Former Role as President/CEO Ended*	Term
Ken Kobayashi	Corporate Advisor	External affairs	Part-time, no remuneration	March 31, 2022	March 2028

\*Date of retirement from the position of Chairman of the Board

Number of Individuals Holding Advisory Positions (Sodanyaku, Komon, etc.) After Retiring as Representative Director, President, etc.	1
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MC may appoint retired executives (e.g. former President and CEO) as Corporate Advisors when necessary. Currently, Ken Kobayashi serves as the sole Corporate Advisor. The role does not include serving as a Director, participating in internal management meetings, or involvement in the Company’s decision-making process. The Corporate Advisor primarily engages in external activities of high social significance at the Company’s request.

Effective July 2020, the Corporate Advisor performs duties on a part-time basis and receives no remuneration.

### III Policy for Dialogue with Shareholders

#### (a) Policy

Under MC’s Policy on Stakeholders Engagement, in addition to the Ordinary General Meeting of Shareholders, MC organizes various informational meetings and interactive forums to actively engage in dialogue with shareholders and investors. These efforts aim to deepen understanding of MC’s corporate philosophy, principles, fundamental management policies, targets, and strategies.

[Reference](#) **Policy on Stakeholders Engagement**

#### (b) Persons in Charge and Promoting System

To strengthen communication with shareholders and investors, MC appointed a Chief Stakeholder Engagement Officer (CSEO) in April 2023. The CSEO oversees the Corporate Communications, Sustainability, and Investor & Shareholder Relations Departments to address stakeholder needs in an integrated manner. The Investor & Shareholder Relations Department is responsible for shareholders and investor dialogue and acts as a liaison between the Business Groups and the Corporate Staff Section.

For information disclosure, MC prepares documents in compliance with the Financial Instruments and Exchange Act, the Companies Act, and other relevant regulations, and discloses information promptly and appropriately in accordance with Financial Instruments Exchange rules. Additionally, MC has established a Disclosure Committee—a subcommittee of the Executive Committee—that deliberates and confirms the appropriateness of content in the Annual Securities Report and related disclosure documents. MC has also developed and disclosed Information Disclosure Rules and Policies to ensure all officers and employees are fully informed of its approach to disclosure.

#### (c) Policy on Dialogue with Shareholders and Investors and Activity Results

To continuously enhance corporate value over the medium to long term, MC promotes constructive communication with shareholders and investors through the following initiatives:

##### i. Ordinary General Meeting of Shareholders

MC positions the General Meeting of Shareholders as its highest decision-making body and a key forum for constructive dialogue. In addition to proactively disclosing information through the meeting notice (issued in both Japanese and English), MC fulfills its accountability by respectfully responding to shareholder questions during the meeting.

##### ii. Communication with Individual Investors

MC regularly holds briefing sessions for individual investors.

<Activities Conducted in the Fiscal Year Ended March 31, 2025>

Individual investor briefing sessions: 2 sessions (both included participation by the President, CFO, and others)

Additionally, short explanatory videos for individual investors were created and made available on MC’s website and on securities firms’ websites.

##### iii. Dialogue with Institutional Investors

In addition to quarterly financial results briefings, MC hosts sessions and meetings for domestic and international institutional investors, including individual briefings and investor days such as the MCSV Creation Forum.

<Activities Conducted in the Fiscal Year Ended March 31, 2025>

Financial results briefings\*: 4 meetings

MCSV Creation Forum\*: 2 meetings (1 ESG Briefing, 1 Discussion on Business Strategy)

Interviews with domestic and foreign institutional investors and analysts: approximately 600 meetings (about 20 included participation by the President and CEO, CSEO, and others)

Additional interviews with institutional investors: approximately 30 meetings (including 1 session with CSEO, Independent Directors, and others)

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

#### (d) Management Feedback and Control of Insider Information

MC has established a feedback system whereby opinions and comments from shareholders and investors obtained through IR and SR activities are reported to management, including the President and CEO, the Board of Directors, and the Executive Committee. In addition, relevant departments provide internal feedback from discussions with shareholders and investors, as well as financial results briefings, to help improve management practices. To prevent the intentional or accidental leakage of insider information during communication with shareholders, MC has implemented a Standard for the Prevention of Unfair Stock Trading in accordance with its Code of Conduct for Officers and Employees. All officers and employees are fully informed of these requirements.

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

##### Investor Relations

- Presentation Materials
- Earnings Releases
- Integrated Reports
- Financial Statements
- Quarterly Reports
- Corporate Brochure
- Sustainability Report

#### (e) Action to Implement Management Conscious of Cost of Capital and Stock Price

MC believes its recent stock price performance reflects the expectation that medium- to long-term ROE will exceed the cost of equity. MC aims to further raise ROE over the medium to long term by achieving sustainable growth and efficiency through the value creation framework of "Enhance, Create, Reshape" outlined in Corporate Strategy 2027. In parallel with efforts to achieve the quantitative targets set forth in Corporate Strategy 2027, MC is strengthening disclosure and engagement with shareholders and investors to foster positive market expectations for sustained growth and efficiency. Furthermore, MC seeks to increase corporate value by incorporating insights gained through these initiatives in management decisions.

**Reference** Quantitative targets set forth in Corporate Strategy 2027 are disclosed on MC's IR website for investors below.

##### Investor Relations

## • Governance: Audit & Supervisory Board/Audit & Supervisory Committee

Since June 21, 2024, MC transitioned to a Company with an Audit & Supervisory Committee. Accordingly, the status of activities in FY2024 (ended March 31, 2025) reflects both the structure prior to the transition (Audit & Supervisory Board) and the new structure thereafter.

The Audit & Supervisory Committee consists of all Committee Members responsible for auditing Directors' decision-making processes and management performance in compliance with the Companies Act, other applicable laws and regulations, as well as Mitsubishi Corporation (MC)'s Articles of Incorporation and internal rules and regulations.

Full-time and Independent Audit & Supervisory Committee Members help ensure sound management by conducting audits informed by their extensive experience at MC and expertise in their respective fields, combined with a neutral and objective perspective. In addition to resolving matters required by law and other significant issues, the Committee promotes information-sharing among Members through briefings on key matters and reporting on the status of the auditing activities of each of the Members.

#### Structure of the Audit & Supervisory Committee

Please refer to the ESG Data at the link below for details on the Committee's structure.

**Reference** Sustainability Report / ESG Data

## Percentage of Independent Audit & Supervisory Committee Members among Total Audit & Supervisory Committee Members\*

\*Based on the status as of June 20, 2025



[The following description relates to activities in FY2024 and therefore partially reflects the structure of a company with an Audit & Supervisory Board prior to the transition to an Audit & Supervisory Committee.]

### III Audit Plans

At the beginning of each fiscal year, the Audit & Supervisory Committee formulates audit plans and identifies key focus areas. In FY2024 (ended March 31, 2025), three priority areas were selected to monitor progress in management and execution.

#### 1. Summary of Midterm Corporate Strategy 2024 and initiatives for the next Midterm Corporate Strategy:

- Progress on key measures and achievement of targets
- Status and challenges of business segment management and cooperation following organizational restructuring

#### 2. Extending governance of MC operating companies:

- Reassessment of risk management and internal controls in trade practices, etc.
- Strengthening IT organizational structure and reviewing progress in IT management foundation development
- Status of initiatives to strengthen governance systems on a consolidated basis

#### 3. Initiatives to strengthen corporate governance:

- Status of discussions on corporate governance
- Enhancement of deliberations at the Board of Directors
- Operational status following the transition to a Company with an Audit & Supervisory Committee

### III Audits of Management Performance

#### 1. Dialogue with Executive Officers

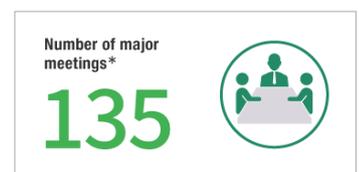
Opportunities were provided for all Audit & Supervisory Committee Members, including Independent Audit & Supervisory Committee Members, to engage in discussions with the Chairman of the Board, President and CEO, Senior Executive Vice President, Corporate Functional Officers, Business segment CEOs, Business Division COOs, General Managers of Administrative Departments within each business segment, as well as the General Manager of the Internal Audit Department, General Manager of the Corporate Strategy & Planning Department, and General Managers of the Corporate Staff Sections.



\*Numbers for FY2024

#### 2. Attendance at Important Meetings

In addition to participating in Audit & Supervisory Committee meetings, Members attended Board of Directors meetings in their capacity as Directors. They also took part in key committees, including the Corporate Governance and Nomination Committee and the Compensation Committee. Full-time Audit & Supervisory Committee Members attended meetings of major internal management bodies, such as the Executive Committee and Business Strategy Committee, and provided opinions as necessary. Independent Audit & Supervisory Committee Members participated in Board of Directors meetings after receiving briefings on discussions held in the Executive Committee and other subordinate bodies, offering input as appropriate.



\*Numbers for FY2024

#### 3. On-site Audits and Observations

Audit & Supervisory Committee Members proactively conducted on-site audits and visits to overseas and domestic operating companies to gain a clear understanding of local circumstances. When selecting locations for these audits and visits, both quantitative factors such as investment amount and net income and qualitative factors such as the business environment and compliance cases were considered.

In FY2024 (ended March 31, 2025), Committee Members met with the CEOs and executive officers of 12



\*Numbers for FY2024

operating companies across 6 overseas locations and 21 domestic operating companies, as well as the the ethe heads of 10 overseas and domestic offices. The results of these audits were reported to the Chairman of the Board, the President and CEO, and relevant executive officers.

At least one Independent Audit & Supervisory Committee Member participated in on-site audits and visits to 8 companies in 3 overseas countries and 14 domestic operating companies, as well as 3 overseas and domestic offices.

#### **4. Reinforcement of Corporate Governance on a Consolidated Basis**

In addition to holding dialogues with the CEOs and other executive officers of operating companies, quarterly information exchange sessions were arranged with the Audit & Supervisory Board Members of 33 major operating companies in Japan. These Board Members also organized subcommittees to share information and exchange opinions. We provided training support for individuals scheduled to be assigned as Full-time Audit & Supervisory Board Members at operating companies. We will continue working to strengthen corporate governance on a consolidated basis through regular monitoring.

### **III Enhancing the Effectiveness and Auditing Activities of the Audit & Supervisory Committee**

MC conducted annual evaluations of the Board of Directors to continuously improve the effectiveness of its corporate governance. The Audit & Supervisory Committee focused on the following matters, referring to issues identified in the effectiveness evaluation.

#### **1. Strengthening Collaboration with Independent Directors**

Independent Directors who are not Audit & Supervisory Committee Members also attend meetings between Committee Members and executive management. Collaboration among Independent Directors is further strengthened through opportunities to exchange opinions, such as preliminary briefings on matters to be submitted to the Board of Directors and meetings of Independent Directors.

#### **2. Enhancing the Effectiveness of the Audit & Supervisory Committee and Its Members**

To improve the effectiveness of audits conducted by Committee Members, we enhanced reviews of Committee activities. Specifically, as in previous years, the Committee held mid-year and year-end reviews of audit progress, focusing on key audit areas. In addition, the Committee carried out an evaluation of its effectiveness through a member survey and discussions of the results. Based on these findings, the Committee reviewed its auditing methods and deliberated on matters to follow up in the next fiscal year. The evaluation confirmed that the Committee's audits functioned adequately and effectively, and efforts will continue to further strengthen effectiveness going forward.

### **III Enhancement of Tripartite Audits**

The Audit & Supervisory Committee worked to strengthen cooperation with Independent Auditors and the Internal Audit Department to assess the Company's situation and improve audit effectiveness.

#### **1. Collaboration with Independent Auditors / Evaluation of Independent Auditors**

The Committee engaged with Independent Auditors through briefings on accounting audit plans, audit reports for quarterly results, and monthly meetings. It also exchanged opinions with Independent Auditors of operating companies in Japan and overseas.

For performance evaluations, the Committee monitored evaluation data throughout the fiscal year using regular audit reports and other sources. At the end of FY2024 (ended March 31, 2025), it held an evaluation conference and concluded that the current Independent Auditors performed audits appropriately and professionally. Based on this, the Committee resolved to reappoint them.

#### **2. Collaboration with the Internal Audit Department**

The Internal Audit Department and Full-time Audit & Supervisory Committee Members held monthly meetings to exchange views on internal audit reports. The Internal Audit Department also presented quarterly audit results at Committee meetings.

Additionally, Committee Members attended internal auditor liaison meetings organized by the Internal Audit Department for 40 major operating companies in Japan. The General Manager of the Internal Audit Department participated in liaison meetings held by the Committee with Audit & Supervisory Board Members of these companies. These sessions facilitated information sharing and opinion exchange among all parties.

## • Governance: Remuneration for Directors, etc.

Following continued deliberations by the Compensation Committee, the Board of Directors decided, at its May 2025 meeting, to revise the remuneration package for directors responsible for business execution (excluding Audit & Supervisory Committee Members), effective from FY2025 onward.

This revision was subsequently approved at the 2025 Ordinary General Meeting of Shareholders, which adopted a resolution to determine the amount of remuneration for eligible Directors (excluding Audit & Supervisory Committee Members) and to introduce a stock-based remuneration system for these Directors.

The updated remuneration package is designed to strengthen alignment with shareholder interests and reinforce our commitment to continuous growth and the enhancement of medium- to long-term corporate value. The new policy on remuneration for Directors and its governance framework are outlined below.

### III Policy on Remuneration for Directors and Executive Officers

MC has established its policy on remuneration of Directors as follows.

#### Remuneration levels

- Levels of remuneration are set based on the functions and roles of Directors and Executive Officers.

#### Remuneration Governance

- The Compensation Committee, where a majority of the members are composed primarily of Independent Directors and the committee is chaired by one of them, who serves as Committee Chairperson, continuously deliberates and monitors the policy for setting remuneration for Directors and Executive Officers, the appropriateness of remuneration levels and composition including items subject to the clawback policy, the operating status of the remuneration package, and other matters.

#### Reference [Compensation Committee](#)

- The primary objective of the remuneration package for Executive Directors (excluding Audit & Supervisory Committee Members) is to promote value sharing with shareholders and strengthen awareness of medium- to long-term corporate value enhancement.

The following factors will be considered:

##### Alignment with Strategy

KPIs will be selected based on their strategic relevance to ensure that our remuneration package is aligned with the company's overall corporate strategy. Remuneration levels will be benchmarked both domestically and globally to remain competitive, reflecting the roles, responsibilities and performance. This approach is intended to ensure the career development of future leaders and enhance the company's overall vitality.

##### Further Value Sharing with Shareholders

We are introducing stock-based remuneration linked to share performance, significantly increasing its proportion in the overall remuneration structure.

##### Strengthening Accountability

As described above, we will strengthen remuneration governance in accordance with these principles.

- The Chairman of the Board and Independent Directors (excluding Directors who are Audit & Supervisory Committee Members) who perform management oversight functions and Audit & Supervisory Committee Members who perform audit and management receive only a fixed base salary, without any performance-linked compensation, to ensure their independence in carrying out management oversight.

### III Decision Policy on Remuneration for Directors and Executive Officers

The policy for determining remuneration for Directors and Executive Officers, as well as the process for deciding actual payment amounts, involves deliberation by the Compensation Committee followed by a resolution by the Board of Directors.

The respective policies for determining individual remuneration are as follows:

#### ① Remuneration Governance for Executive Officers (Including Executive Directors)

- The total remuneration amount (actual payment amount) and individual payment amounts for Executive Directors, excluding individual performance-linked remuneration, are determined by a resolution of the Board of Directors within the upper limits approved at the 2025 Ordinary General Meeting of Shareholders held on June 20, 2025.
- Fixed base salary is paid in amounts determined by the Board of Directors.
- Variable remuneration, including performance-linked bonuses and stock-based remuneration tied to share performance, is determined based on

key performance indicators and formulas set by the Board of Directors following deliberation by the Compensation Committee.

- Individual performance-linked remuneration for Executive Directors is based on annual assessments, including qualitative assessments, by the President, reflecting both financial and non-financial performance. The Board of Directors delegates authority to the President for determining these amounts, as the President serves as Chief Executive Officer. Performance evaluations of Executive Directors comprehensively take into account their contributions to the organizations and businesses they oversee; their contributions to management of the entire company, Corporate Staff Section, Business Segments and offices; and the initiatives related to value creation that lead to sustainable growth. The President’s own performance evaluation is conducted by the Compensation Committee, which is chaired by an Independent director and consists of a majority of Independent directors, and also participate in all Independent Directors (including Audit & Supervisory Committee Members).
- Results of performance assessments 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 bonus) that was approved by the Board on May 2, 2025, each year, the Compensation Committee deliberates and the Board of Directors makes a resolution determining that the total remuneration packages and payment methods for individual directors align with this policy.
- MC has adopted a clawback policy applicable to individual performance-linked remuneration, performance-linked bonuses, and stock-based remuneration tied to share performance of Executive Directors.
- Each year, the Compensation Committee reviews and monitors the appropriateness of remuneration levels, composition (including components subject to clawback), and operational status, referencing external benchmarking data provided by consulting firm Willis Towers Watson.

**② Remuneration Governance for Non-executive Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

The remuneration for the Chairman of the Board and Independent Directors (excluding Directors who are Audit & Supervisory Committee Members) is deliberated by the Compensation Committee and decided by the Board of Directors.

**③ Remuneration Governance for Directors Who Are Audit and Supervisory Committee Members**

The total and individual remuneration amounts for Directors who are Audit & Supervisory Committee Members are determined following deliberations among those members, within the upper limits approved at the 2024 Ordinary General Meeting of Shareholders held on June 21, 2024.

**III Remuneration Package for Directors (from FY2025)**

Remuneration item	Payment Form / Variable or Fixed	KPI	Remuneration Details	Directors (excluding Directors who are Audit & Supervisory Committee Members)		Directors who are Audit & Supervisory Committee Members
				Executive Directors (who are Executive Officers)	Non-Executive Directors (the Chairman of the Board and the Independent Directors)	
Base salary	Base salary	—	• An amount determined by the Board of Directors according to position, paid monthly.	○	○	○
Individual Performance-linked remuneration*	Cash/ Variable	Individual Performance (Single year)	• Payment amount determined for each Director based on assessments of performance in both financial and non-financial terms by the President, with the authority delegated by the Board of Directors. • The assessment on the President’s performance is determined by the Compensation Committee”. • Performance assessment results are reported to the Board of Directors and the Compensation Committee.	○	—	—
Performance-linked bonus*	Cash/ Variable	Underlying operating CF, ROE, Sustainability factors (single year)	• The amount paid is determined in line with the underlying operating cash flows for a single fiscal year, based on formulas resolved by the Board of Directors following deliberation by the Compensation Committee. However, if net incomes is zero or there is a net loss, the amount paid shall be zero regardless of the amount of underlying operating cash flows. In addition, if ROE falls below the level resolved by the Board of Directors, the amount to be paid shall be reduced. • In addition, the amount varies in accordance with the results of evaluations of initiatives related to sustainability factors. These evaluations are carried out by the Compensation Committee”, which comprehensively examines initiatives over the relevant single year, while also considering longer-term impact in both quantitative and qualitative terms. The evaluation results are reported to the Board of Directors.	○	—	—
Stock-Based remuneration linked to share performances*	Stock/ Variable	Share Price/Growth rate in shares (three years)	• Each fiscal year, points shall be allocated according to position. • The performance evaluation period will be three years, and the points allocated will fluctuate according to the growth rate of MC stock during the evaluation period [calculated as Total Shareholder Return (TSR) divided by the TOPIX benchmark growth rate including dividends], based on a remuneration formula decided by the Board of Directors following deliberation by the Compensation Committee. • Stock-based remuneration using trust scheme will be introduced for the delivery of shares. *The basic policy is that Directors are obliged to hold any shares while in office. Sales of such shares are restricted until their aggregate market value exceeds approximately 300% (500% for President and CEO) of the base salary of each position.	○	—	—

\*All Independent Directors (including those who are Audit & Supervisory Committee Members) participate alongside the members of the Compensation Committee, which is chaired by an Independent Director and consists of a majority of Independent Directors.

Note:

1. The amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) was resolved at the 2025 Ordinary General Meeting of Shareholders, as described in (①) and (②) below. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) subject to this remuneration is 10, including 4 Independent Directors.

- ① The total annual amount for base salary and individual performance-linked remuneration will be up to 1.8 billion yen (including up to 250 million yen for the base salary of Independent Directors).
- ② The annual amount for performance-linked bonuses, which reflect profit for a single fiscal year, will be up to 1 billion yen. Payment amounts are adjusted based on evaluations of underlying cash flows, ROE, and initiatives related to sustainability factors, and calculated according to the formula approved by the Board of Directors. An upper limit is also placed on the total amount payable. Remuneration for each Director (excluding Directors who are Audit & Supervisory Committee Members) is determined through deliberation and decision-making by the Board of Directors and the Compensation Committee within these upper limits.

In the event of a material revision of financial statements, etc., due to actions by Directors, MC may withhold or require repayment (malus and clawback) of individual performance-linked remuneration and performance-linked bonuses. Each item of remuneration marked with\* is subject to the clawback policy.

Annual deferment for retirement remuneration under the previous remuneration package (up to FY2024) will not accumulate from FY2025 onward. The accumulated amount up to FY2024 will be calculated and paid upon Board resolution at the time of retirement from a business execution role.

Performance-linked bonuses (medium- to long-term) will also be abolished from FY2025. However, individual performance-linked remuneration, short-term performance-linked bonuses, medium- to long-term performance-linked bonuses, and stock-based remuneration linked to medium- to long-term share performances for past fiscal years will continue to vest and be paid based on the basic approach, governance, and remuneration package applicable for each fiscal year.

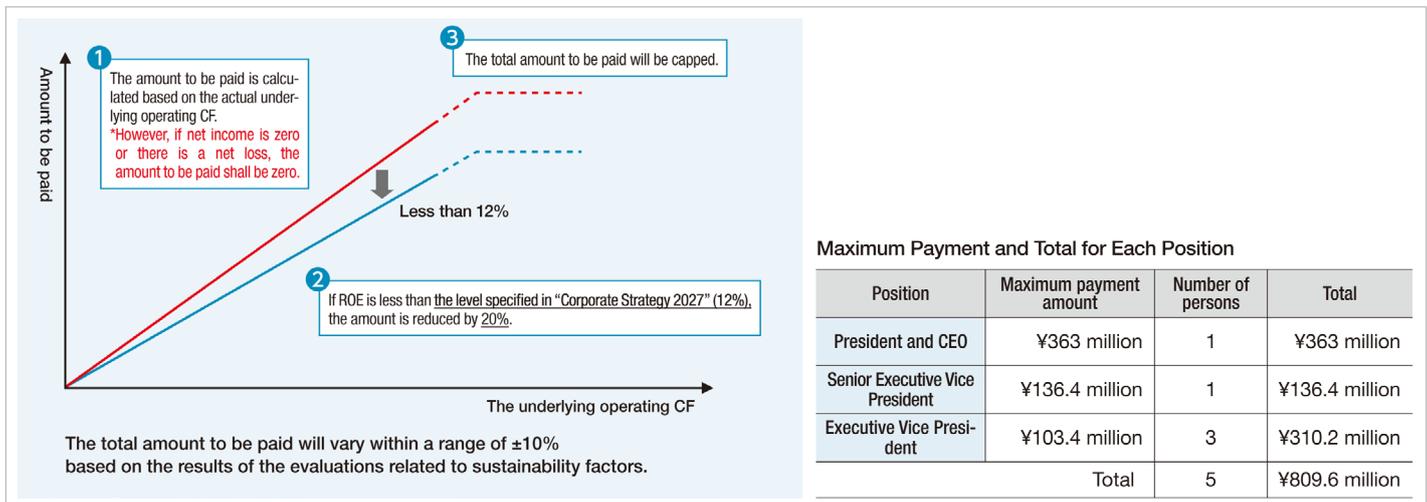
2. From FY2025 onward, following a resolution at the 2025 Ordinary General Meeting of Shareholders, the previous stock-based remuneration linked to medium- to long-term share performance was abolished. In its place, a new trust-based stock remuneration plan, with an annual limit of 1.7 billion yen, has been introduced for eligible Directors. This system aims to promote value sharing with shareholders and further strengthen awareness of medium to long-term corporate value enhancement. Five directors are eligible for this plan. From FY2025, MC will no longer issue stock acquisition rights as medium- to long-term share performance-linked remuneration for Executive Directors; however, stock acquisition rights already issued will remain in effect.

3. The amount of remuneration for Directors who are members of the Audit & Supervisory Committee will not exceed 450 million yen per year, as resolved at the 2024 Ordinary General Meeting of Shareholders. The number of Directors subject to this remuneration is 5, including 3 Independent Directors.

### III Calculation Method for Performance-Linked Remuneration

- The amount paid is determined based on the underlying operating cash flows for a single fiscal year, using formulas approved by the Board of Directors following deliberation by the Compensation Committee. However, if the net income is zero or there is a net loss, the amount paid will also be zero, regardless of operating cash flows. In addition, if ROE falls below the threshold set by the Board of Directors, the payment amount will be reduced.
- The amount also varies based on evaluations of initiatives related to sustainability factors. These evaluations are conducted by the Compensation Committee, which reviews initiatives for the relevant single fiscal year while considering both quantitative and qualitative long-term impacts. The evaluation results are then reported to the Board of Directors.

#### Calculation and Maximum Payment and Total for Each Position in FY2025



## III Stock-Based Remuneration linked to Share Performance

Stock-based remuneration linked to share performance within the remuneration package is as follows:

### (1) Overview of the Plan

MC contributes funds to the Trust (hereinafter referred to as the “Trust Fund”), which then acquires shares of MC stock (hereinafter referred to as “MC Shares”) and delivers or transfers (hereinafter referred to as “Delivered, etc.”) MC Shares or their monetary equivalent (hereinafter referred to as “MC Shares, etc.”) through the Trust as remuneration to Directors, based on their positions, achievement of targets, and other criteria.

#### ① Eligible Directors

This system applies to directors who concurrently serve as executive officers responsible for business execution. The Chairman of the Board of Directors and Independent Directors, who do not concurrently serve as Executive Officers are ineligible for payment in light of their roles.

#### ② Upper limit of the Trust Fund

An amount equal to 1.7 billion yen multiplied by the number of fiscal years in the target period. For the initial target period, this is 5.1 billion yen for the three fiscal years ending March 31, 2028.

#### ③ Upper Limit of MC Shares to Be Delivered to the Eligible Directors and the Acquisition Method.

- An amount equal to 1.4 million shares multiplied by the number of fiscal years in the target period. For the initial target period, this is 4.2 million shares for the three fiscal years ending March 31, 2028.
- The ratio of 1.4 million shares per fiscal year to the total number of shares issued by MC (as of March 31, 2025, net of treasury stock) is approximately 0.03%.
- MC Shares will be acquired by the Trust through the issuance of new shares via third-party allotment, disposal of treasury stock by MC to the Trust, or purchases from the stock market through the Trust.

#### ④ Calculation Method for the Number of MC Shares, etc. to Be Delivered, etc. to Eligible Directors

The number will fluctuate within a certain range based on performance achievement. For the initial target period, performance achievement will be calculated by dividing the Company’s Total Shareholder Return (hereinafter referred to as “TSR”) during the period by the growth rate of the Tokyo Stock Price Index with dividends (hereinafter referred to as “TOPIX Total Return Index”) during the same period.

#### ⑤ Timing of MC Shares, etc. to be Delivered, etc. to Eligible Directors

In principle, delivery will occur after the end of the target period.

## (2) Upper limit of the Trust Fund

This Plan will, in principle, cover three fiscal years, with the initial target period being the three fiscal years ending March 31, 2028.

MC will set an upper limit of 1.7 billion yen multiplied by the number of fiscal years in the target period as the maximum amount of the Trust Fund and establish a trust (the “Trust”) for the term corresponding to the target period, with Eligible Directors who meet the requirements as beneficiaries.

Under the trustee’s instructions, the Trust will acquire MC Shares using the Trust Fund as the source of funds. MC will grant points to Eligible Directors as described in section (3) below, and MC Shares will be delivered by the Trust equivalent to the number of points granted at a predetermined time. The Trust may be extended upon expiration by amending the trust agreement and making additional contributions. In such cases, the new target will, in principle, be three fiscal years, and the Trust term will be extended accordingly. MC will make additional contributions within the scope approved by resolution at this General Meeting of Shareholders regarding the Trust Fund and continue granting points to Eligible Directors and making MC Shares, etc. to be Delivered, etc. for the new target period. However, if additional contributions are made, any remaining MC Shares (excluding shares equivalent to points already granted to Eligible Directors that have yet to be delivered) and funds in the Trust property (hereinafter collectively with MC Shares, the “Residual Shares”) at the end of the prior trust period will be considered. The sum of the Residual Shares to be delivered to Eligible Directors and the additional Trust Fund contribution must remain within the scope approved by resolution at this General Meeting of Shareholders.

Such extensions are not limited to once; the trust period may be extended again in the same manner thereafter.

## (3) Calculation Method and Upper Limit of MC Shares to be Delivered to Eligible Directors

The number of MC Shares to be delivered to Eligible Directors will be determined based on “Share Delivery Points.” One MC Share per point, or a cash payment equivalent to the value of one MC Share, will be delivered with any fractional points rounded down. However, if a share split or reverse share split occurs during the Trust period, MC will adjust the number of the shares per Share Delivery Point, as well as the upper limit on shares and cash equivalents, in proportion to the split or reverse split ratio. Share Delivery Point shall be calculated as follows:

Each fiscal year, points are allocated to Eligible Directors based on their position. After the target period ends, the points allocated are multiplied by a performance-based coefficient\* reflecting achievement of performance targets and other factors. This determines the final number of Share

Delivery Points. If an Eligible Director who meets beneficiary requirements resigns during the target period, the performance-based coefficient will still be applied after the target period ends to calculate their Share Delivery Points.

\*The coefficient fluctuates within a certain range depending on performance achievement. For the initial target period, achievement will be calculated by dividing MC's TSR by the growth rate of the TOPIX Total Return Index during the same period. The fluctuation range for the initial Target Period is set at 50-250%. Please note that both the indicator and the range may be changed in the future by resolution of the Board of Directors.

The maximum number of MC Shares to be delivered (the number of points to be granted to the Eligible Directors) during the Trust period is 1.4 million shares multiplied by the number of fiscal years in the target period. This limit is set with reference to factors such as the current share price and the upper limit of the Trust Fund.

**( 4 ) Method and Timing of Delivery of MC Shares to Eligible Directors**

Eligible Directors who meet the beneficiary requirements will, after the target period ends, receive a delivery of MC Shares from the Trust equivalent to their accumulated Share Delivery Points, following prescribed beneficiary identification procedures.

At that time, a portion of the Share Delivery Points will be delivered as MC Shares, and the remaining points will be converted into cash within the Trust, and the Eligible Directors will receive a payment equivalent to the converted value. In addition, Eligible Directors who are determined to be non-residents of Japan will receive from MC an amount calculated by multiplying their Share Delivery Points by the share price of MC Shares at the time of payment. If, for any reason, the Trust cannot make the cash payment, MC may pay an equivalent amount directly (hereinafter referred to as the "cash plan"). Under the cash plan, the total number of points (hereinafter referred to as the "cash plan points") used to calculate payments and the number of MC shares (including those converted to cash) to be delivered will not exceed the number calculated by multiplying 1.4 million shares by the number of fiscal years in the target period. The payment amount will be based on the market share price at the time of payment.

In the event of an Eligible Director's death, all MC Shares corresponding to their Share Delivery Points will be converted into cash within the Trust, and an heir to said Eligible Director will receive a payment equivalent to the converted value.

**( 5 ) Malus and clawback policy**

In the event of a material revision to financial statements, etc., due to actions by an Eligible Director, MC may require forfeiture of the beneficial interest in MC Shares to be delivered (malus) or the return of MC Shares already delivered (clawback).

**( 6 ) Exercise of Voting Rights Related to MC Shares Held by the Trust**

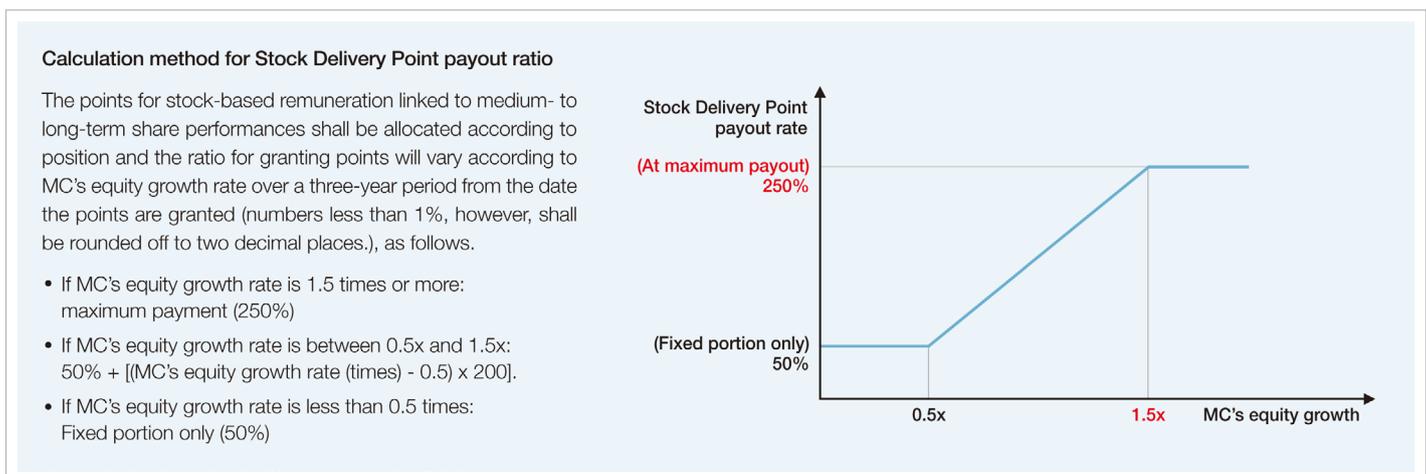
To ensure management neutrality, voting rights for MC Shares held by the Trust will not be exercised during the Trust period.

**( 7 ) Treatment of Dividends on MC Shares Held by the Trust**

Dividends on MC Shares held by the Trust will be received by the Trust and applied to trust fees and expenses.

**( 8 ) Other details of this Plan**

Other details of this Plan will be determined by the Board of Directors whenever the Trust is established, the trust agreement is amended, or additional contributions are made.



**III Guideline for Share Ownership (Policy)**

MC has established a share ownership guideline requiring Executive Directors and Executive Officers to hold MC shares while in office. Sales of these shares are restricted until their aggregate market value reaches approximately 300% of the base salary of each position (500% for the President and CEO).

## III Deliberation Process for Revising the Remuneration Package for Executive Directors and Executive Officers

MC resolved to revise the remuneration package for Executive Directors and Executive Officers following ongoing deliberations by the Board of Directors and the Compensation Committee. The review process was as follows.

### October 2024, Compensation Committee

- The Compensation Committee discussed the basic design (grand design) proposal for the new remuneration package for Executive Officers (including those who are Directors)

### January 2025, Compensation Committee

- The Compensation Committee discussed the detailed proposal for the new remuneration package for Executive Officers

### March 2025, Compensation Committee

- The Compensation Committee discussed the final proposal, including the disclosure plan for the new remuneration package for Executive Officers

### May 2025, Board of Directors' Meeting

- The Board of Directors resolved to revise the remuneration package (including the policy and remuneration governance) for Executive Directors, including the FY2025 remuneration package for Executive Officers

### June 2025, Ordinary General Meeting of Shareholders

- The General Meeting of Shareholders resolved to determine the amount of remuneration for Eligible Directors (excluding Audit & Supervisory Committee Members) and introduced a stock-based remuneration system for Eligible Directors (excluding Audit & Supervisory Committee Members)

## III Directors' and Audit & Supervisory Board Members'\* Remuneration: Total Amounts and Number of Eligible Persons

Please refer to our ESG Data at the link below for information on the total remuneration amounts and the number of eligible persons for Directors and Audit & Supervisory Board Members'\* Remuneration: Total Amounts and Number of Eligible Persons in the Fiscal Year.

\*Prior to the transition to a Company with an Audit & Supervisory Committee in June 2024

Reference [Sustainability Report / ESG Data](#)

## III Names, Titles, Total Amounts of Consolidated Remuneration and Amount by Type of Remuneration for Each Director and Audit & Supervisory Board Member\*

Please refer to the ESG Data at the link below for details on names, titles, total amounts of consolidated remuneration and amount by type of remuneration for each Director and Audit & Supervisory Board Member\*.

\*Prior to the transition to a Company with an Audit & Supervisory Committee in June 2024

Reference [Sustainability Report / ESG Data](#)

## III Significant Employee Salaries of Directors Concurrently as Employees

None of MC's Directors serve concurrently as employees.

## III Employee Salaries

MC has a performance-linked bonus system for non-executive employees, including certain fixed-term contract employees.

## • Internal Control System

On May 2, 2025, the Board of Directors of Mitsubishi Corporation (MC) resolved to adopt a policy for developing internal control systems for MC and its operating companies. The goal is to improve corporate value through proper and efficient business operations in compliance with laws and MC's Articles of Incorporation. MC regularly reviews the operation of these systems and strives for continuous improvement and reinforcement.

[Reference](#) [Approaches to Internal Control System](#)

## • Audit

### III Audit & Supervisory Board Member/Audit & Supervisory Committee Audits

The Audit & Supervisory Committee consists of five members. Among the two Full-time Audit & Supervisory Committee Members, Mitsumasa Icho has experience in corporate management as well as finance and accounting, while Akira Murakoshi has experience in corporate management. Of the three Independent Audit & Supervisory Committee Members, Tsuneyoshi Tatsuoka brings deep industry knowledge and insight into sustainability, including environmental and energy policies. Rieko Sato and Takeshi Nakao have extensive experience as an attorney specializing in corporate law and as a certified public accountant, respectively. Of the five members, Mitsumasa Icho and Takeshi Nakao possess significant knowledge and experience in finance and accounting. One Full-time Audit & Supervisory Committee Member serves as the Committee Chair and is also the specified member stipulated by law. The Committee is supported by the Audit & Supervisory Committee Member's Office, an independent organizational body with 11 members (as of June 20, 2025).

< The following description relates to FY2024 activities and therefore partially reflects the structure prior to the transition from an Audit & Supervisory Board to an Audit & Supervisory Committee.>

In FY2024 (ended March 31, 2025), as part of activities based on the audit plan, Committee Members attended 135 meetings of major internal management bodies, including the Executive Committee, Business Strategy Meeting, etc. They also held 68 discussions with internal departments and key offices in Japan and overseas, including dialogues with executive officers (such as the Chairman of the Board), CEOs, and other executives at 12 overseas operating companies and 21 domestic companies, as well as heads of 10 overseas and domestic offices. The Committee maintained regular meetings with MC's independent auditors and the Internal Audit Department to ensure timely and accurate understanding of the Company's situation through close cooperation. It provided a forum for active discussion, where members reported and shared audit activities and made decisions on statutory matters. In FY2023 (ended March 31, 2024), the Committee met 12 times, with full attendance at all meetings. At the meeting held at the end of the fiscal year or the beginning of the next, the audit plan for the upcoming year was finalized and a review of the previous year's audit activities was conducted. These matters were also reported to the Board of Directors. In addition to statutory matters such as audit reports and decisions on the selection, dismissal, and remuneration of independent auditors, the Committee also discussed major investment and financing projects and issues identified through audit activities, including on-site audits, tours, discussions, etc.

### III Internal Audits

The Internal Audit Department, which had 80 members as of April 1, 2025, conducts audits of MC, overseas subsidiaries, and affiliated companies from a company-wide perspective. In addition, each business segment has its own internal audit organization that audits operations under its group on a consolidated basis. These audits are based on annual plans and conducted after selecting audit targets. Under a dual reporting system, audit results are reported to the President and CEO, Full-time Audit & Supervisory Committee Members, and other relevant parties after each audit, and regularly to the Board of Directors, the Executive Committee, and the Audit & Supervisory Committee.

MC performs regular audits throughout the year for MC and its operating companies in accordance with International Standards for Internal Auditing every three to five years, considering factors such as business risks and scale. In addition to legal compliance, MC evaluates governance, risk management, and internal controls with attention to social norms and business ethics. Thematic audits are also conducted annually. In FY2024 (ended March 31, 2025), thematic audits focused on verifying the integrity and operation of preliminary consultation and institutional resolution processes for managing operating companies.

## Accounting Audits

The accounting audit of MC was carried out by four certified public accountants—Yuki Higashikawa, Hirofumi Otani, Sogo Ito and Keisuke Okubo—of Deloitte Touche Tohmatsu LLC. They were assisted by 30 certified public accountants, 28 junior accountants, and 110 other staff members.

## Mutual Cooperation Among Tripartite Audits and Relationship with Internal Control Departments

Continuing from the previous year, Audit & Supervisory Committee Members, the Corporate Accounting Department, and independent auditors held regular meetings during quarterly financial results to exchange opinions.

The Internal Audit Department provided regular reports to the Audit & Supervisory Committee. Committee Members held monthly meetings with the Internal Audit Department and participated in liaison meetings with internal audit departments of MC's subsidiaries and affiliates. The Internal Audit Department also joined regular meetings for information exchange with Audit & Supervisory Committee Members and Independent Auditors during FY2024 (ended March 31, 2025).

Following the transition to the Audit & Supervisory Committee, this cooperation continued to strengthen linkages supporting tripartite audits (Audit & Supervisory Committee Audits, Internal Audits, and Accounting Audits).

Fees paid to MC's independent auditors, Deloitte Touche Tohmatsu LLC, for FY2024 were as follows:

- Fees for services under Article 2, Clause 1 of the Certified Public Accountant Law of Japan (Law No. 103, 1948)\*<sup>1</sup>: ¥1,000 million
- Fees for services other than those under Article 2, Clause 1 of the Certified Public Accountant Law of Japan\*<sup>2</sup>: ¥47 million
- Total fees paid by Mitsubishi Corporation and consolidated subsidiaries\*<sup>3</sup>: ¥2,884 million

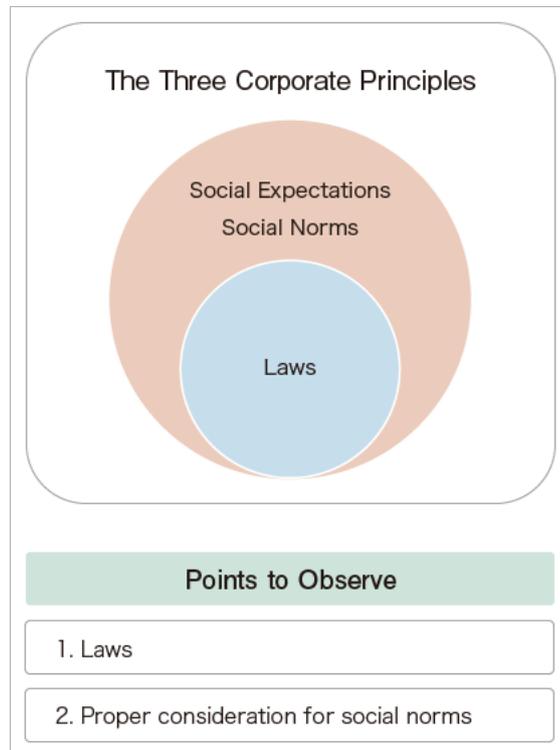
\* 1 Services under Article 2, Clause 1 include audit certification for English-language financial statements prepared under International Financial Reporting Standards (IFRS) and audits based on the Companies Act and the Financial Instruments and Exchange Act.

\* 2 Fees for services other than those under Article 2, Clause 1 include comfort letters for bond issuance, training, etc.

\* 3 Some subsidiaries are audited by certified public accountants or independent auditors (including those with equivalent qualifications overseas) other than Mitsubishi Corporation's independent auditors.

## • Compliance: Policy

Within MC, "compliance" is defined as an observance of laws, rules, regulations, international standards, and internal regulations, as well as respect for social norms. In addition to 1) observing laws and regulations, all officers and employees of MC must also 2) follow internal regulations and 3) respect social norms. Officers and employees must continually consider what these social norms entail in the present-day context and in the applicable regions, as there are no clearly stated rules in this regard. Officers and employees are aware of society's high expectations and aim to ensure that MC remains trusted by society.



## • Compliance: Structure

### III Investigations of Compliance Violations and Response Systems

#### Compliance Framework

At MC, the Compliance Committee and Compliance Officer systems play important roles in implementing compliance programs. Acting as an advisory body to the Chief Compliance Officer, the Compliance Committee reports on and discusses major compliance incidents within MC, ensuring appropriate measures are communicated and enforced. The Committee, chaired by the Chief Compliance Officer, who is appointed by the President and CEO, and meetings are held twice a year in principle. Matters discussed by the Committee are reported to the Executive Committee and the Board of Directors annually. The Chief Compliance Officer oversees all compliance matters across MC and is responsible for planning and implementing compliance programs. The Chief Compliance Officer also has the authority to conduct investigations in the event of an actual or potential breach and may order the suspension or modification of business activities to prevent or remedy such breaches. In addition, MC appoints senior executives in the corporate section and each Business Group at the Head Office as Compliance Officers. Each officer implements compliance programs tailored to their respective section or Business Group. Under the Chief Compliance Officer's supervision, these officers—who are management executives—take measures to prevent recurrence of violations and are responsible for promoting ethical conduct and preventing bribery and corruption.

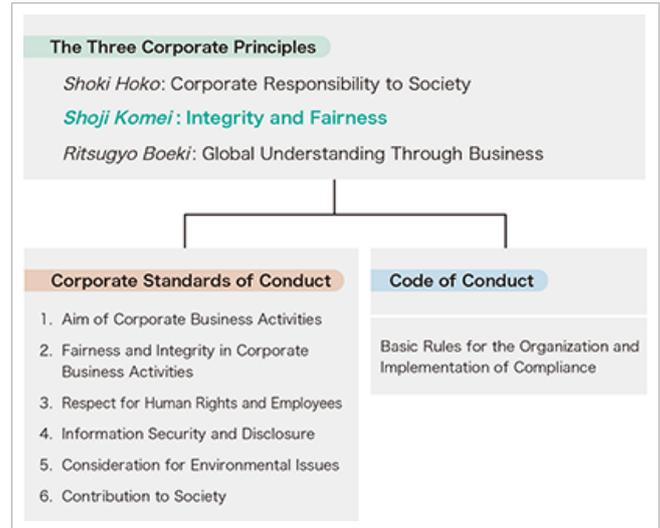


consultations are included so officers and employees can refer to them whenever necessary. Furthermore, an annual e-learning program featuring case studies related to the Code of Conduct is conducted. At the end of the program, all officers and employees submit a written pledge affirming their commitment to comply with the Code.

Reference [Mitsubishi Corporation Code of Conduct\[PDF:38KB\]](#) 

To maintain an effective compliance program and ensure accessibility to MC's compliance philosophy and rules, MC has established various compliance-related internal regulations under the Three Corporate Principles, the Corporate Standards of Conduct, and the Code of Conduct. These internal regulations are reviewed annually to reflect amendments to laws and regulations, as well as changes in the business environment and other relevant conditions.

**Mitsubishi Corporation Internal Rules and Regulations**



**Major internal rules and regulations relating to compliance include:**

- Basic Rules for the Organization and Implementation of Compliance
- Standard for Internal Reporting
- Security Trade Control Rules and Regulations
- Standard for Sanction Management
- Trade Procedure Management Standards
- Standard for the Prevention of Cartels
- Standard for Transaction Pursuant to the Law on the Prevention of Delays in the Payment of Subcontracting Charges
- Standards for the Prevention of Unfair Stock Trading
- Code of Prohibition against Improper Payments or Other Types of Benefits
- Standard for Entertainment
- Standard for the Management of Antique Trading
- Permission Approval and Notification Management Standards
- Standard for the Management of Chemical Substances
- Consumer Products Import and Sales Standards

**III Monitoring System**

**Monitoring of Individual Cases**

All reports regarding the facts, causes and preventive measures or remedies for each compliance incident are shared with the Administration Office for the Compliance Committee. These reports are used for case analyses, risk assessment, and planning compliance programs and measures.

**Employee Awareness Survey**

We view employee engagement as the most important factor in developing a dynamic, spirited, and vibrant talent pool and organization through human resource policies aligned with our management strategies. In line with this philosophy, MC began conducting an annual Employee Awareness Survey in FY2022 to regularly monitor and enhance organizational culture, including the culture of compliance. One of MC's KPIs is maintaining positive response rates of at least 65% for both employee engagement and employee enablement in the survey. Employees receive feedback on survey results to help them make improvements within their own organizations. At the management level, we analyze and discuss these results, identify company-wide issues, and incorporate findings into policies. For example, since FY2023, MC has implemented company-wide business process reforms based on survey analysis to improve efficiency and raise productivity. These reforms aim to create business environments where human resources can focus on value- creation activities.

**Responses to Risk Factors by Each Business**

MC conducts periodic self-assessments of compliance risks that require special attention for each of its businesses and subsidiaries, such as risks relating to anti-trust violations, bribery and corruption, and occupational health and safety, taking into account industry, product, and regional characteristics. Compliance Officers of each Business Group analyze risk factors specific to their Group and implement appropriate risk response measures. Each subsidiary also appoints a person responsible for compliance matters (i.e. Compliance Officer of subsidiaries), who analyzes risk factors for their respective business areas and implements risk response measures.

**PDCA Cycle**

Utilizing the PDCA cycle, MC implements necessary measures, such as conducting seminars and adopting regulations, to address compliance risks identified through surveys, reports, and monitoring, while considering input from Compliance Officers of each Business Group. Results are monitored and analyzed, and findings are reflected in further risk identification and evaluation. The goal is to improve compliance awareness and knowledge among all officers and employees through repeated and rigorous education and training.

## • Compliance: Initiatives

### III Initiatives for Preventing Corruption

MC has established the “Code of Prohibition Against Improper Payments or Other Types of Benefits” to prevent the provision of improper benefits to domestic and foreign public officials, etc. (including persons deemed public officials under applicable laws, etc.), and to avoid conduct that could appear suspicious or untrustworthy to third parties. MC also complies with anti-bribery laws and regulations in various countries, including Japanese criminal law and the Unfair Competition Prevention Act, the U.S. Foreign Corrupt Practices Act, and the U.K. Bribery Act. The MC Code of Conduct defines and sets compliance requirements for bribery, conflicts of interest, and other forms of misconduct. To date, no bribery risks have been assessed as high risk. Furthermore, MC has implemented a strict anti-corruption system and pre-approval process for activities such as providing entertainment or gifts to public officials, appointing agents or intermediaries, accepting internships for relatives of public officials, and making donations to governments or their enterprises. Internal anti-corruption regulations also require detailed due diligence when accepting workplace training for relatives of public officials, etc., or providing donations to government entities. In addition, MC has introduced guidelines for conducting anti-corruption due diligence on business and other partners. MC continuously reviews and improves its internal rules and regulations, taking into account enforcement trends, proceedings by anti-corruption regulators, and measures adopted by other companies.

In 2016, to build a more effective anti-corruption system, MC conducted a comprehensive assessment of its anti-corruption framework by external experts. Based on their evaluations and recommendations, MC remains committed to continuous improvement and effective operation of its systems. That same year, MC created the Anti-Corruption Handbook, which provides accurate information on anti-corruption laws, regulations, enforcement cases in major countries, and MC’s own programs and initiatives. The handbook has been distributed throughout MC.

In 2019, MC adopted a risk-based anti-corruption system that allocates resources according to transaction types, scales, and corruption risk levels in applicable countries. Relevant guidelines were revised to strengthen consolidated measures for preventing bribery and corruption. Through these rules and guidelines, MC works to deter compliance violations and limit opportunities for unethical behavior, including prohibiting inappropriate contact with public officials, etc.

In FY2024, there were no bribery or corruption cases that had a significant impact on MC.

### III Initiatives in Selecting and Managing Agencies, Intermediaries, etc.

In addition to preventing corruption by officers and employees, MC has established internal regulations to prevent corruption by any agents, consultants, intermediaries, etc. retained by MC (hereafter collectively referred to as “Agents”). These regulations require officers and employees to obtain prior approval from the relevant Compliance Officer before retaining suitable Agents. Since FY2019, MC has introduced new internal approval procedures for retaining Agents based on a risk-based approach, considering factors such as the nature of services to be provided, project size and purpose, and the level of risks, including corruption risk in the relevant countries. In FY2023, MC further reviewed application forms and the approval procedure itself. These procedures are reviewed annually as described in the above.

- Agents are categorized into two groups based on factors that include the nature of their services and the relevant country to determine the level of due diligence required, focusing on the following points.
- Agents must have no relationship with public officials who could influence business transactions or dealings sought by MC, must have a good compliance track record, possess necessary qualifications, and demonstrate capability to provide the services.
- The adequacy of remuneration for services provided by Agents must be thoroughly assessed.
- Contracts with Agents must include clauses prohibiting the provision of improper benefits to public officials, etc., and require Agents to be informed of MC Group’s Anti-Corruption Guidelines.

### III Mitsubishi Corporation Group’s Anti-Corruption Guideline

In 2015, MC established and published the “Mitsubishi Corporation’s Anti-Corruption Guideline” to inform business partners of MC’s basic principles for preventing corruption. The Guideline explains MC’s anti-corruption policies and initiatives as “MC’s commitment” and expects business partners to adhere to these principles. In April 2019, to further strengthen its anti-corruption efforts, MC expanded the scope of the Guideline to cover the entire MC and announced the new “Mitsubishi Corporation Group’s Anti-Corruption Guideline.” This updated Guideline not only includes MC’s commitments but also requests that all business partners and clients (including suppliers) prohibit bribery, communicate anti-corruption policies, and cooperate with investigations when concerns about violations arise.

Reference [Mitsubishi Corporation Group’s Anti-Corruption Guideline\[PDF:468KB\]](#) 

## III Cases of Corruption

In FY2024, no corruption cases were detected at MC. As a result, no fines or financial penalties related to corruption were incurred.

## III Internal Whistleblowing System

MC has established internal whistleblowing systems, known as the “Meyasubako (Compliance Mailbox and Helpline)”. These systems allow reporting or consultation on compliance-related questions or issues, including workplace misconduct, harassment, violations of laws and regulations, and bribery or corruption. Reports to the Meyasubako are sent directly to the Administration Office for the Compliance Committee. MC has also established whistleblowing reporting routes to the Internal Audit Department and the Audit & Supervisory Committee Members. In addition, MC provides a whistleblowing route connecting to outside legal counsel, called the “Bengoshi Meyasubako (Outside Legal Counsel Compliance Mailbox and Helpline),” for officers and employees who wish to have more anonymity. While outside legal counsel confirms whether the informant is an MC officer or employee, they do not disclose the informant’s name or section to the Administration Office without consent. For subsidiaries in Japan, there is an additional route called the “MC Group Legal Counsel Compliance Mailbox and Helpline.” Furthermore, MC operates a whistleblowing system for anti-trust and corruption issues called “Let Us Know System (LUKS)”, available to officers and employees of MC and its domestic and overseas subsidiaries 24 hours a day, 365 days a year, in multiple languages (Japanese, English, French, Spanish, Chinese, Thai, Indonesian, etc.).

Our internal regulations clearly stipulate protection of informant anonymity and confidentiality, uphold informant’s rights, and prohibit retaliation or disadvantageous treatment. Violations of these regulations may result in disciplinary action. Investigations are conducted to avoid conflicts of interest, and MC complies with whistleblower protection laws in each country, including Japan’s Whistleblower Protection Act. After receiving a report, the Administration Office shares details only with personnel who need the information to investigate and take action. MC invites external instructors to train those responsible for handling whistleblowing reports on proper investigation practices. In FY2020, MC engaged external experts to assess the effectiveness of its whistleblowing systems. In FY2022, following revisions to the Whistleblower Protection Act, MC updated its whistleblower standards, distributed a response manual to investigators, and conducted video training for all officers and employees in Japan. These systems are continuously reviewed. Regarding management-level harassment training, MC provides internal training aimed at general managers, team leaders, and other levels, using case studies. Furthermore, MC publicizes internally that: (1) the prohibition of harassment is stipulated in the Code of Conduct; (2) basic policies, pamphlets, and other resources have been created to prevent harassment; and (3) whistleblowing systems and the Human Rights Consultation Desk in the Human Resources Department are available for support.

In FY2024, there were no whistleblowing reports that had a significant impact on MC’s management.

[Reference](#) [Compliance Framework](#)

## Number of reports received through Whistleblowing Systems

In FY2024, MC received a total of 59 reports, including those submitted to operating companies. Of these, 27 were related to harassment and 32 concerned other issues (occupational health and safety, labor management, etc.).

In FY2024, none of the reported cases had a significant impact on MC’s management.

Please refer to the ESG Data at the link below for data on the number of reports received through whistleblowing systems.

[Reference](#) [Sustainability Report / ESG Data](#)

## III Supervision by the Board of Directors

Each year, the Board of Directors supervises the development of internal rules and regulations, including the Code of Conduct for Officers and Employees, the progress of various compliance training programs, anti-corruption initiatives, the results and status of compliance violation cases, and compliance programs and measures planned for the current fiscal year. In addition, Independent Directors and Independent Audit & Supervisory Committee Members receive reports twice a year on compliance activities, enabling them to provide more effective oversight from an external perspective.

## III PDF booklet “Mitsubishi Corporation Compliance Report”

Please also refer to our PDF booklet “Mitsubishi Corporation Compliance Report,” for details on our compliance activities.

[Reference](#) [Mitsubishi Corporation Compliance Report\[PDF:3.4MB\]](#) 

## • Compliance: Performance

### III Results of Compliance Training

MC conducts in-house training programs on a company-wide basis according to organization levels. Compliance-related training is also offered on individual topics such as antitrust laws, the Subcontract Act, prevention of bribery and corruption (including anti-bribery laws), and labor management. Additionally, tailored seminars are held for each Business Group and region. MC has developed an e-learning program related to the MC Code of Conduct, incorporating the latest developments and case studies on topics such as harassment, bribery, and whistleblowing systems. To review the permeation and effectiveness of compliance based on the MC Code of Conduct, all MC officers, employees, advisors, part-time employees, secondees, and temporary staff are required to complete this e-learning program annually.

### Compliance Discussions

Since 2013, MC has held compliance discussions in which small groups of employees at each workplace discuss potential compliance issues and day-to-day concerns. These discussions supplement conventional training, which tends to be one-way, and help improve compliance awareness among all officers and employees. By facilitating discussions on familiar topics, employees recognize that compliance is personally relevant, gradually increasing awareness. MC conducts these discussions at least once a year, involving nearly all employees at every organizational level, including overseas offices, and has expanded the initiative to over 100 domestic and overseas subsidiaries.

### Distribution of Handbook for Officers and Employees

In addition to training and e-learning program, MC has created a Compliance Handbook featuring the latest case studies in a Q&A format. The handbook aims to resolve common compliance-related questions and is distributed to all officers and employees for easy reference.

### III Number of Compliance Violations

The total number of violations at the Head Office, domestic and overseas branches and offices, and domestic and overseas subsidiaries and affiliated companies in FY2024 was 93. There were no compliance violations that had a significant impact on MC's management.

### III Provisions Concerning Legal Violations and Litigation

If MC currently owes a debt (legal or constructive) as a result of past incidents, is likely to be required to pay such debt, and a reliable estimate of the amount (penalties, settlement amounts, etc.) can be made, MC must record provisions for such debt. In FY2023, there were no significant provisions requiring separate disclosure in the financial statements.

### III Tax Transparency

MC conducts tax affairs in accordance with the following basic principles.

#### 1. Compliance with laws and regulations

MC is committed to complying with tax laws and avoiding tax practices that deviate from the intent of those laws in relevant jurisdictions.

#### 2. Transparency

MC is committed to properly reporting and disclosing tax-related information in accordance with tax laws, accounting principles, and other applicable international rules (e.g., OECD Guidelines).

#### 3. Relationships with tax authorities

MC seeks to maintain mutual understanding with local tax authorities whenever necessary to ensure proper tax administration in the jurisdictions where MC and its subsidiaries operate.

## • Risk Management: Policy

MC has a policy of identifying risks associated with its business activities, classifying them by their characteristics, and managing them in order to maintain and improve its financial soundness and corporate value. In particular, risks that could significantly affect MC’s financial position and social standing are identified and managed on a consolidated basis.

## • Risk Management: Risk Management System

### III Overview

#### MC maintains the following risk management framework:

- The Executive Committee, a key management decision-making body, determines basic policies on risk management as well as matters related to individual and integrated risk management. It also decides whether to advance individual projects and submits items to the Board of Directors based on prescribed standards.
- MC has established categories of business activity risk aligned with the nature and scale of each risk, including credit, market, business investment, country, compliance, legal, information management, environmental, and natural disaster-related risks. For each category, MC designates directors in charge and specifies responsible departments.
- MC has created and maintains an overall system for reviewing individual projects and internal systems related to specific risk types through deliberative bodies under the Executive Committee. These include the Investment Committee, Sustainability Committee, Compliance Committee, and Human Resources Development (HRD) Committee. Matters discussed by these committees are submitted or reported by the responsible director to the Executive Committee, chaired by the President and CEO.
- To enable effective Board oversight of specific risk categories, a system is in place whereby matters deliberated by each committee are reported to the Board of Directors as needed. Each risk is then broadly classified into financial and non-financial risks, with the effectiveness of its corresponding management system reviewed and monitored by the Board on an annual basis.  
\*The Internal Audit Department, which reports directly to the President and CEO, is independent from the directors in charge and the responsible departments mentioned above, and oversees auditing and risk management.
- For individual projects, personnel in the department responsible for a given project make decisions within the scope of their prescribed authority after analyzing and assessing the project’s risk-return profile in accordance with companywide policies and procedures. Projects are executed and managed individually under this framework. MC also conducts periodic reviews of risk-return profiles in response to project progress or changes in the external environment.

In addition to managing risk at the individual project level, MC assesses and monitors risk on a consolidated basis for risks that can be quantified, and adjusts its risk management approach as necessary.

Risk Type	Director in Charge	Duties Overseen
Credit risk, market risk, business investment risk, country risk	Yuzo Nouchi	Representative Director, Corporate Functional Officer, CFO
Environmental risk	Kenji Kobayashi	Corporate Functional Officer, CSEO (concurrently) Capital Alliances
Compliance risk	Kotaro Tsukamoto	Representative Director, Senior Executive Vice President, Senior Assistant to the President and CEO, (concurrently) Chief Compliance Officer
Legal risk, employee safety risk such as natural disasters/terrorism/emerging infectious diseases, etc., business continuity risk	Yoshiyuki Nojima	Representative Director, Corporate Functional Officer, Corporate Administration, Legal (concurrently) Officer for Emergency Crisis Management Headquarters
Information management risk	Yutaka Kashiwagi	Representative Director, Corporate Functional Officer, Human Resources, Global Planning & Coordination, IT

**Risk Management Framework**

Risk Type	Supervising Organization
Credit risk, market risk (foreign exchange, interest rate, stock price, foreign exchange mikoshi*, etc.), country risk	Finance Department
Credit risk (rating systems, conclusion of contracts, trade credits, bailment, payment extension, etc.)	Mitsubishi Corporation Financial & Management Services (Japan) Ltd.
Business investment risk and market risk (Investment Return Valuation System, new business investments, actions for existing operating companies, transactions by operating companies, granting loans/guaranty, acquisition and disposal of fixed assets, mikoshi, acquisition and disposal of non-affiliated investments, etc.)	Business Investment Management Department
Climate risk, etc.	Sustainability Department
Compliance risk (litigation/government investigations, laws and regulations, scandals/compliance issues)	Legal Department
Risk of natural disasters, etc. (risks related to employee safety, including natural disasters, terrorism, new infectious diseases, and business continuity risks)	Corporate Administration Department (Security & Crisis Management Office)
Information management risk	IT Service Department

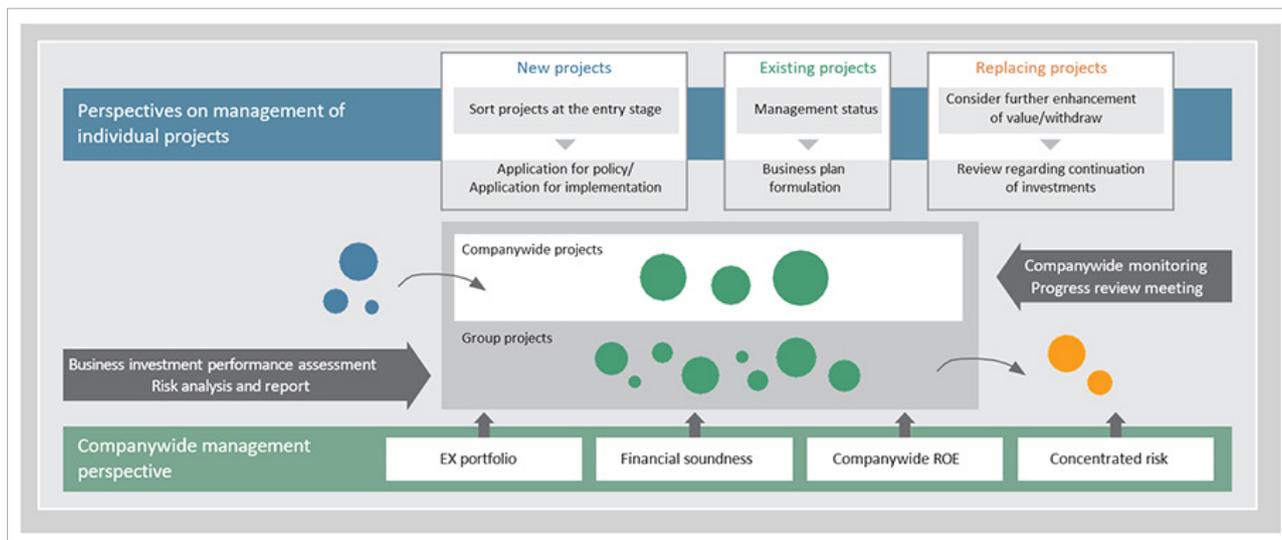
(notes)The above list excludes those items that are related to major risks.

\*The Structured Finance, M&A Advisory Dept. also manages foreign exchange mikoshi.

**III Responding to Business Investment Risk**

To properly manage business investment risk, MC has established a screening process to review and make decisions on new, existing, and recycling projects.

New projects	Application for policy/Application for implementation	Narrow down new investment and finance proposals by comprehensively evaluating quantitative factors, such as invested capital and expected returns based on each business's characteristics, together with qualitative factors including alignment with each business segment's strategy, risk locations, and proposed countermeasures
Existing projects	Business plan formulation	Conduct an annual review of subsidiaries' and affiliates' management issues and initiatives, as well as MC's functions and each business's life cycle
Recycling projects	Review regarding continuation of investments	Conduct qualitative and quantitative evaluations of new investment and finance proposals based on the strategic priorities of each business segment and promote a healthy portfolio cycle



# Risk Management: Integrated Risk Management and Monitoring

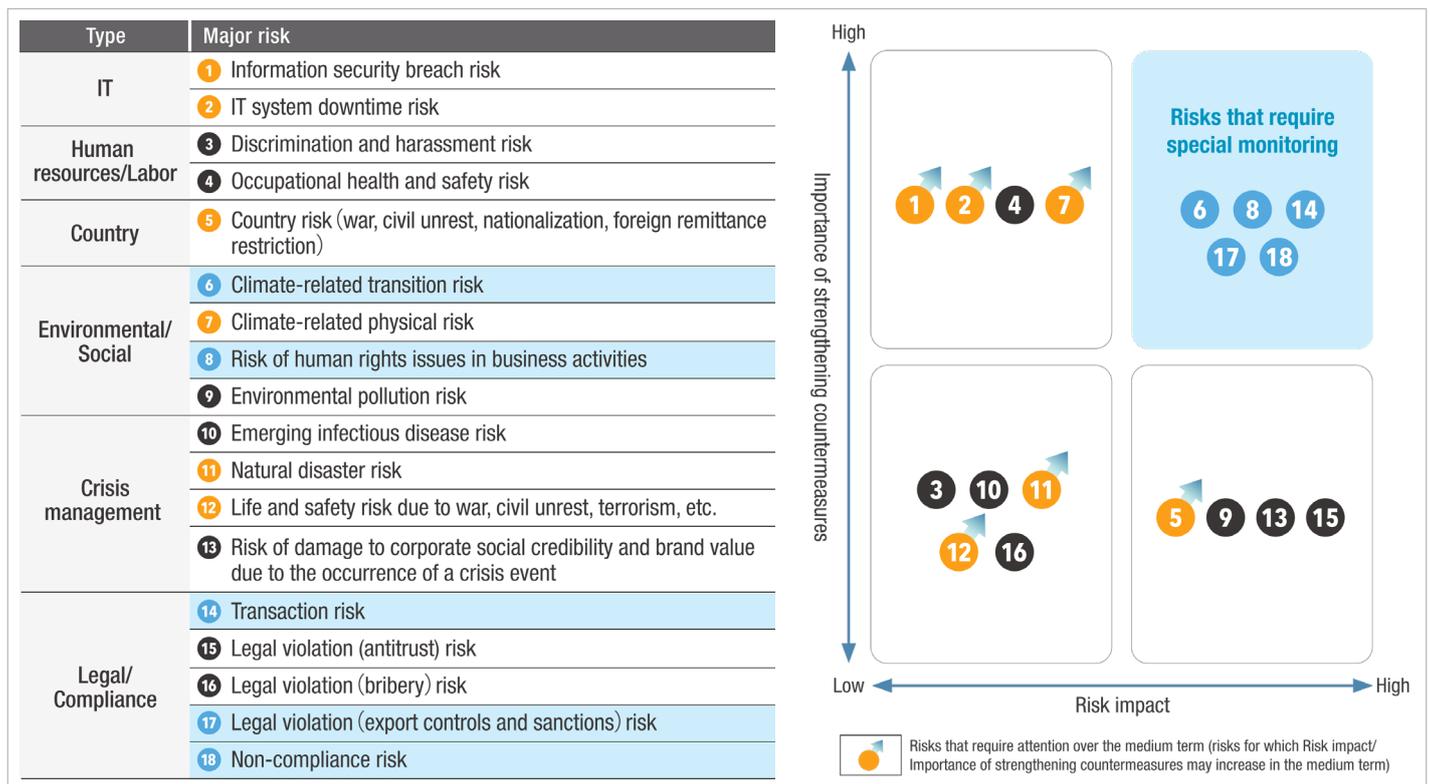
MC implements integrated approach to risk management and monitoring in addition to responding to risks individually. For example, we identify operational risks, which have grown increasingly important in recent years. Every year, we report our assessment of these risks to the Board of Directors. This evaluation is based on unified standards and supported by the establishment and operation of risk management systems, while considering potential changes in the external environment. For the fiscal year ended March 31, 2025, we conducted the following three-step evaluation and reported the results to the Board of Directors.

## STEP1 Current situation evaluation by mapping risks

MC identifies major operational risks across the Company and evaluates them on a consolidated basis using unified standards. These risks are then plotted on a risk map. We identify “Risks that require special monitoring” (located in the upper-right corner of the map), and the Board of Directors monitors the countermeasures for these risks.

## STEP2 Medium-term evaluation considering the external environment

In addition to evaluating the current situation (Step 1), MC identifies external environmental factors—such as geopolitical, technology, and environmental conditions—that could influence major operational risks over the medium term. Risks particularly susceptible to such factors are classified as “Risks that require attention over the medium term” since they may escalate to “Risks that require special monitoring” in the future (see 1, 2, 5, 7, 11, and 12 below).



## STEP3 Addressing risks requiring attention over the medium term

In addition to “Risks that require special monitoring,” MC also designates “Risks that require attention over the medium term” as areas where we must strengthen future responses. Countermeasures for these risks are as follows, and monitored by the Board of Directors.

### 1 Information security breach risk

We continue to implement and strengthen new information security measures that incorporate advanced technologies. As a top-priority compliance initiative, we also provide ongoing employee education and training programs to ensure readiness against cyberattacks.

## ② IT system downtime risk

In addition to maintaining IT system-related regulations, we utilize high-quality, high-security data centers and actively promote cloud migration. Furthermore, we conduct an annual large-scale disaster response drill for critical systems.

## ⑤ Country risk (war, civil unrest, nationalization, foreign remittance restrictions)

To address geopolitical uncertainties, we hold management meetings informed by data gathered from our global network. We also manage country risk on a company-wide level to mitigate risks such as war, civil unrest, nationalization, and foreign remittance restrictions.

## ⑦ Climate-related physical risk

For the two assets—steelmaking coal and copper—determined to have a high level of exposure to physical risks in the physical risk assessment, we conduct annual reviews to confirm updates to current measures and future adaptation strategies.

## ⑪ Natural disaster risk

We have prepared initial response and business continuity plans (BCP) for both Japan and overseas operations on a consolidated basis.

## ⑫ Life and safety risk due to war, civil unrest, terrorism, etc.

We have established a structure to safeguard the lives and safety of employees globally on a consolidated basis.

### Reference **Physical Risks**

[Crisis Management on a Consolidated Basis/ Business Continuity Management \(BCM\)](#)

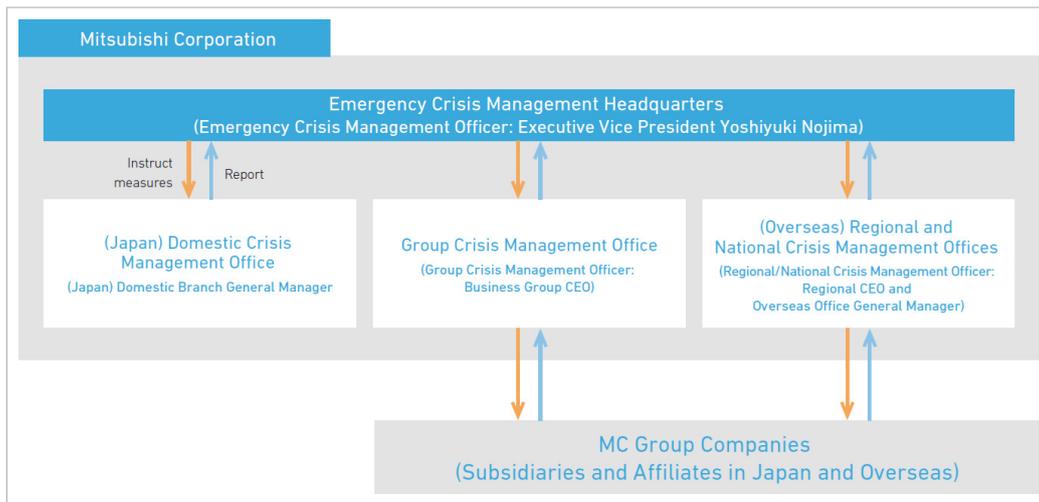
[Sustainability Report 2024 \(FY2023 results\)](#) 

# Risk Management: Crisis Management on a Consolidated Basis/Business Continuity Management (BCM)

## III Structure and Concept

### Crisis Management Structure on a Consolidated Basis

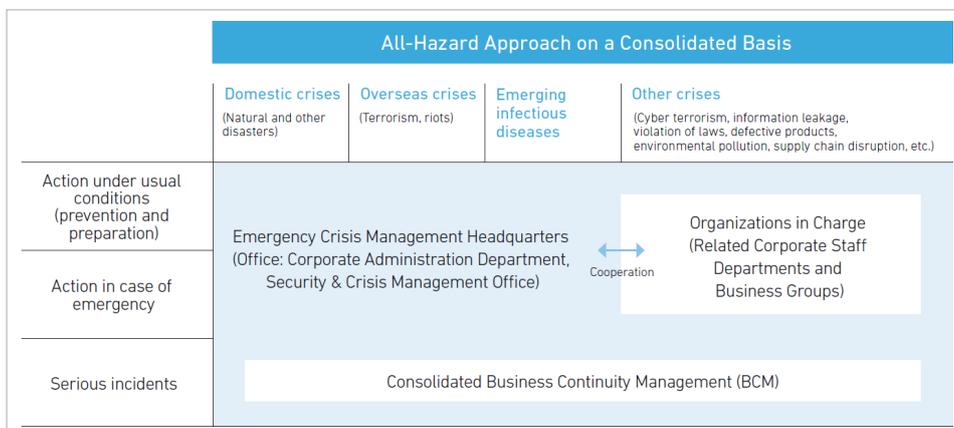
MC has established a comprehensive framework to safeguard the lives and safety of employees and their families while ensuring business continuity and profitability during any crisis (all-hazard approach). This structure integrates Group, Regional, and National Crisis Management Offices under the leadership and supervision of the Emergency Crisis Management Officer (Representative Director and Executive Vice President Yoshiyuki Nojima).



\*As of November 1, 2024

### All-Hazard Approach

Based on an all-hazard approach, MC has established an internal framework designated to anticipate and address a wide range of risks, such as major natural disasters, acts of terrorism, civil unrest, emerging infectious diseases, supply chain disruptions, legal transgressions, or cyber incidents. Under normal conditions, in collaboration with relevant corporate departments and business segments, we develop and maintain crisis management measures and structures to ensure that, in the event of a crisis, we can promptly secure the safety and confirm the status of all affected parties as part of our initial response. We then act quickly to maintain and restore the infrastructure necessary for business continuity. For serious incidents that impact employee safety and the continuity of critical business operations, we have a company-wide structure in place to respond under the direction of the Emergency Crisis Management Officer, in accordance with our Business Continuity Management (BCM) process on a consolidated basis.



\*While company-wide action to address serious incidents is taken under the direction of the Emergency Crisis Management Officer, compliance-related incidents are handled under the direction of the Chief Compliance Officer.

### III Status of Initiatives in Normal Conditions

#### Crisis Management

Even during normal times, MC makes necessary preparations for potential crises—including but not limited to natural disasters, acts of terrorism, civil unrest, labor disputes, or accidents—whether in Japan or overseas, that could impact employee safety or the continuity of earnings, assets, and business operations.

Specifically, in addition to maintaining various frameworks, regulations, manuals, and systems, we implement initiatives to increase their effectiveness. These include earthquake simulation training at the Emergency Crisis Management Headquarters, safety confirmation drills on a consolidated basis, and training programs on crisis management and safety measures for employees assigned to new posts, aimed at raising awareness and preparedness.

**(Examples of main crisis management initiatives)**

	Internal Rules and Regulations	BCP / Manual	Other Specific Measures	In-House Education and Training, etc.
Common	<ul style="list-style-type: none"> <li>· Crisis Management Policy</li> <li>· MC Group Crisis Management Guidelines</li> </ul>			
Japan	<ul style="list-style-type: none"> <li>· Standard for Japan Crisis Management</li> </ul>	<ul style="list-style-type: none"> <li>· Emergency Crisis Response Headquarters Manual</li> <li>· EOC/EOC Support Headquarters Manual</li> <li>· BCP (headquarters, Japanese/overseas offices)</li> <li>· Emerging Infectious Disease Response Manual</li> </ul>	<ul style="list-style-type: none"> <li>· Development of IT systems for emergency response                             <ul style="list-style-type: none"> <li>– Safety confirmation for officers and employees</li> <li>– Emergency communication tools</li> <li>– Safety confirmation of officers and employees / facility damage at operating companies</li> </ul> </li> <li>· Maintenance of stockpiles (e.g., food, masks, disinfectant, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>· Earthquake simulation training</li> <li>· EOC* drills</li> <li>· Safety confirmation training (consolidated basis)</li> <li>· Desktop exercises (consolidated basis)</li> <li>· Crisis Management Orientation for Employees</li> </ul>
Overseas	<ul style="list-style-type: none"> <li>· Standard for Overseas Crisis Management</li> </ul>		<ul style="list-style-type: none"> <li>· Individual alerts and travel restrictions for overseas business trips</li> <li>· Overseas safety surveys</li> <li>· Establishment of a safety confirmation IT system for overseas workers and business travelers (including some operating companies)</li> </ul>	<ul style="list-style-type: none"> <li>· Overseas Crisis Management Orientation for Employees</li> <li>· Desktop exercises (consolidated basis)</li> </ul>
Emerging infectious diseases	<ul style="list-style-type: none"> <li>· Standard for Emerging Infectious Diseases</li> </ul>		<ul style="list-style-type: none"> <li>· Working from home (WFH) measures</li> <li>· Office and commuting safety measures</li> </ul>	<ul style="list-style-type: none"> <li>· Various warning notices</li> <li>· Display of in-house awareness materials</li> </ul>

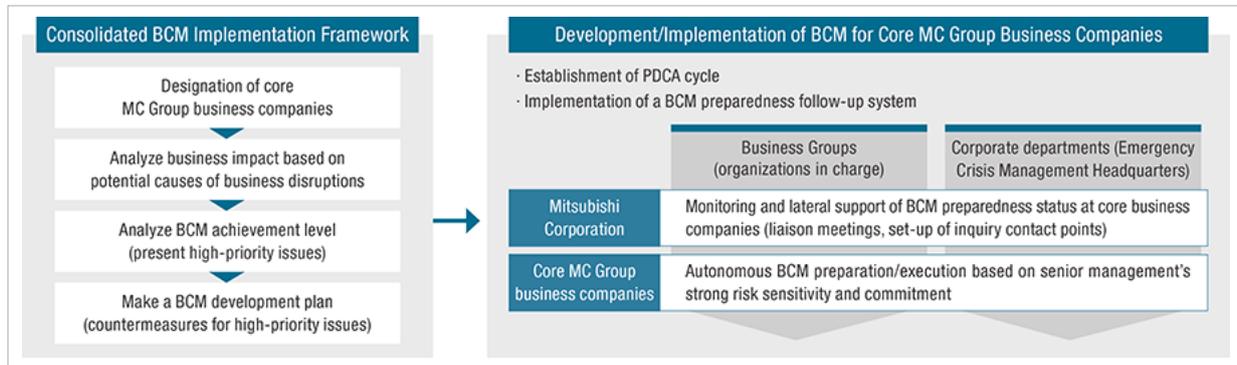
\*MC also provides individual support to operating companies

\*EOC stands for Emergency Operation Center. In the event of a major disruption to headquarters functions, the EOC, responsible for first response operations, has been established at a separate location to serve as an alternative to the Emergency Crisis Management Headquarters.

### III Business Continuity Management (BCM)

In FY2018, MC introduced “Business Continuity Management (BCM)” for its core business companies (selected from among operating companies) to establish and strengthen a consolidated framework that equips us with the capabilities needed to respond effectively to major crises. BCM encompasses comprehensive management activities based on an all-hazard risk and impact analysis, tailored to the business characteristics (such as type and location) of each operating company. These activities include formulating initial response plans and business continuity plans (BCP), establishing organizational structures, and implementing an ongoing PDCA cycle through education and training.

#### Overview of BCM Initiatives



#### Business Impact Analysis Framework

We analyze “cause incidents” that disrupt core operations and lead to “result incidents,” taking into account the unique characteristics of each company’s operations.

- Cause incidents:  
Natural disasters, infectious diseases, technology-related issues, external incidents, internal faults, legal issues, third-party related events
- Result incidents:  
Human resources (fatalities, unconfirmed safety, inability to report or commute to work); physical resources (damage to manufacturing, distribution, or other facilities); supply chains (disruption of distribution channels, disruption of material or fuel supply); information (IT system failures, electronic data damage, data manipulation or alteration, information leakage); reputation (product or service quality issues, environmental problems, administrative penalties, business suspension); financial (suspension of cash withdrawals, remittances, payments)

#### BCM Follow-Up Structure

While operating companies are expected to develop their own BCM systems, we provide additional support by offering BCM development tools—such as BCM guidebooks and BCP samples—and by conducting BCM meetings and re-examination sessions.

Internal Rules and Regulations	Guidelines	Lateral BCM Development Support for Operating Companies
<ul style="list-style-type: none"> <li>• Business Continuity Management Policy</li> <li>• Standard for Business Continuity Management</li> </ul>	<ul style="list-style-type: none"> <li>• MC Group BCM Guidebook</li> </ul>	<ul style="list-style-type: none"> <li>• BCM development status self-assessment tools (heat maps, checklists)</li> <li>• BCM development plans</li> <li>• BCM development tools (first response manual / BCP samples, etc.)</li> <li>• BCM Re-examination and meetings etc.</li> </ul>

### III Implementation Status Monitoring

For the crisis management and BCM initiatives mentioned above, we strive to improve our crisis management and business continuity capabilities by monitoring progress—including at operating companies—and providing various types of feedback. This process leverages business plans and other documents from each company, including unlisted subsidiaries.

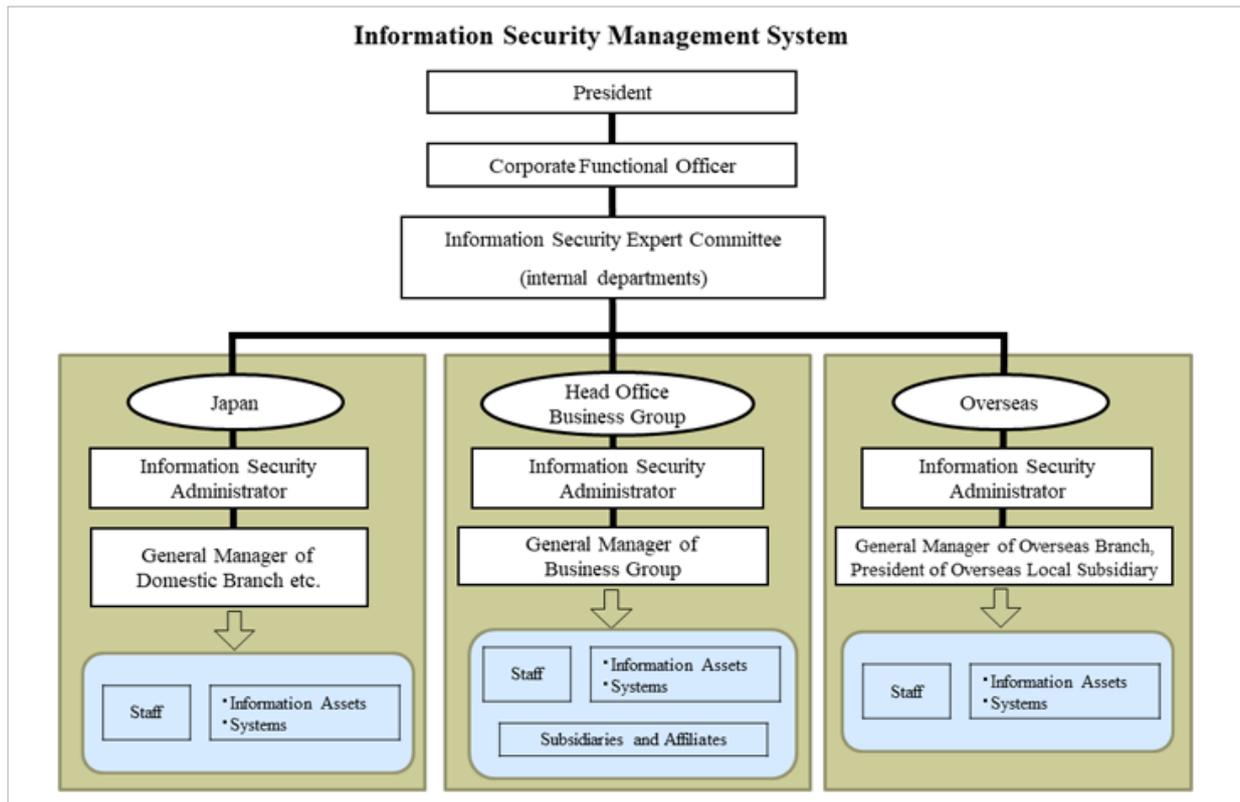
#### Preparations for Large-Scale Natural Disasters

In the event of a Tokyo Inland Earthquake, MC has established a system—based on damage scenarios derived from government and local authority data—that enables the launch of an Emergency Crisis Management Headquarters (including remote response), safety confirmation of officers and employees, and facility damage checks at operating companies on a consolidated basis. We have also arranged various stockpiles. Additionally, we regularly draft and update BCPs and manuals within each organization, conduct earthquake simulations and other training sessions, and review

areas for improvement. Through the promotion of BCM on a consolidated basis, we continue to strengthen the business continuity capabilities of each company.

### Information Security and Cyber Security Measures

In order to maintain and improve the information security of our company including our major subsidiaries, we have established an internal system, developed relevant regulations for the safe and appropriate handling and management of information assets, and conduct employee training. Furthermore, in order to address cyber-attacks and e-mail frauds aimed at theft and destruction of information, we have implemented appropriate and effective countermeasures, which are not only control measures for information systems but also employee training and checking / implementation of incident response systems including those of major subsidiaries as well as obtaining the latest information in cooperation with specialized external organizations.



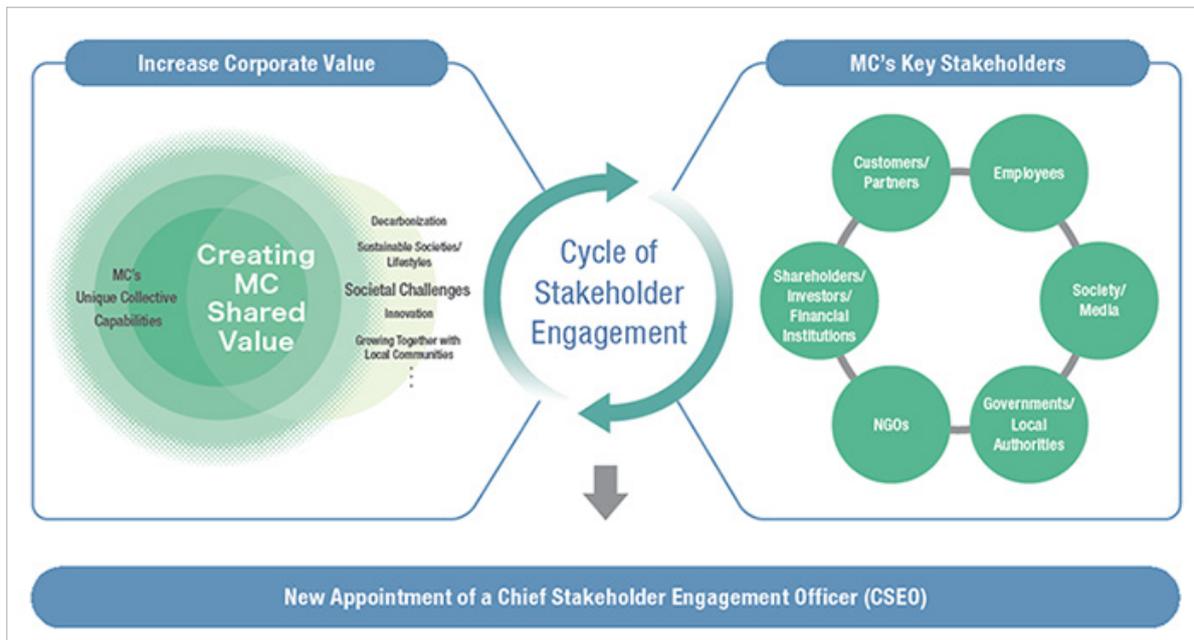
### Independent Auditors

The MC Audit & Supervisory Committee deliberates on the appointment, dismissal, reappointment, and non-reappointment of MC’s Independent Auditors and annually assesses the appropriateness of audit methods and results. If the Committee determines that dismissal or non-reappointment is warranted, it will submit a proposal for new Independent Auditors to the General Meeting of Shareholders.

# Stakeholder Engagement: MC's Primary Stakeholders

With the Three Corporate Principles as its core philosophy, MC has continued to grow alongside society by addressing global issues. MC seeks to increase its corporate value in the medium to long term amid a global backdrop of rising uncertainty and unpredictability, including geopolitical and economic shifts, changes in industrial landscapes driven by technological innovation, and evolving societal values. To this end, we believe it is vital to accurately understand the demands and expectations of all of our stakeholders through engagement and dialogue, and to reflect these in our Group management.

MC has established a system to reflect stakeholder opinions into company management by incorporating external perspectives into the Board of Directors and its advisory bodies (Corporate Governance and Nomination Committee, Compensation Committee, and International Advisory Committee), as well as the Sustainability Roundtable. With these and other initiatives to engage with its various stakeholders, MC aims to achieve sustainable growth through value creation and by engaging our stakeholders.



## Customers and Partners

MC contributes to the development of societies and economies by providing a stable supply of products and services that meet the needs of customers and business partners across a wide range of business areas, from upstream raw material procurement to downstream retail. We also work closely with customers and partners to develop businesses that could not be realized on our own. As a company handling a diverse range of products and services worldwide, ensuring a sustainable supply chain is a key priority for MC.

### Examples of Engagement

- Producing websites and corporate brochures in multiple languages
- Receiving and responding to opinions and questions
- Conducting surveys and collaborating with external parties regarding the supply chain

Reference **Supply Chain Management**

## Employees

In response to the increasing diversification and globalization of its businesses, MC is working to support company employees and encourage their success worldwide, with the aim of "Fostering Vibrant Workplaces That Maximize the Potential of a Diverse Workforce." This is to establish vibrant workplaces where MC's diverse and versatile employees, regardless of gender, nationality, or other attributes, are able to demonstrate their unique abilities to the fullest.

## III Examples of Engagement

- Human resource development  
(enhanced talent management, career autonomy, group-wide training initiatives, etc.)
- Health and productivity management, diversity management  
(including supporting health with internal medical clinics, career support for female employees, etc.)
- Conducting regular Employee Awareness Surveys  
(These surveys are conducted annually to obtain a snapshot of employee motivation and organizational vitality.)
- Dialogue with the MC Staff Union, and information dissemination through MC's intranet and internal magazine

Reference [Human Resource Development](#) [Well-being \(Health & Productivity ManagementOccupational Safety and Health\)](#)  
[Diversity Management](#)

## III MC Staff Union

Please refer to the [MC Staff Union](#) page for details.

## Shareholders, Investors, and Creditors

MC strives to gain understanding and support for its business and management strategy through the timely and appropriate disclosure of information and enhancement of disclosure materials, as well as through briefings and individual meetings. At the same time, MC works to maximize corporate value by incorporating the opinions and demands of shareholders and investors obtained through dialogue into its management practices.

## III Examples of Engagement

- Meetings with institutional investors and analysts
- Communication with shareholders at the Ordinary General Meeting of Shareholders
- Publication of business reports, integrated reports, and sustainability reports
- Quarterly financial results briefings
- Business briefing sessions
- Online seminars with individual investors

Reference [Corporate Governance Report \(Principle 5.1 Policy for Constructive Dialogue with Shareholders\)](#)

## General Public and the Media

We believe that building relationships with society and the media is important for the promotion of our business. Through communication, we strive to ensure their opinions and requests are heard, and gain their understanding and support for our management philosophy, strategies, and stance on social issues.

## III Examples of Engagement

- Ensure timely and accurate disclosure regarding projects and events that could significantly affect society or people's livelihoods
- Share views from our business perspective that may influence the formation of public opinion  
e.g. corporate website, news releases, official social media networks, sponsored events

## NGOs and NPOs

We recognize NGOs and NPOs as key stakeholders representing the interests of the planet and its citizens. Feedback from our ongoing and constructive communication with these organizations is incorporated into efforts to improve our initiatives. Moreover, we actively foster collaborations with these groups to address pressing environmental and societal challenges.

## III Examples of Engagement

- Corporate philanthropic activities focused on protecting biodiversity (such as coral reef conservation worldwide) and addressing climate change (such as rangeland restoration)

Through the Mitsubishi Corporation Foundation for the Americas (MCFA) and the Mitsubishi Corporation Foundation for EMEA Charitable Incorporated Organisation (MCF for EMEA), MC supports initiatives that work towards realizing an inclusive society, empowering the next generation, and conserving the environment.

## Governments and Local Authorities

To help address social issues and deliver solutions through our global business operations, we engage in collaboration, joint initiatives, and dialogue with public sector bodies. This includes in business associations, public-private initiatives, and other forums.

### III Examples of Engagement

- Business association activities:

Dialogues with public sector bodies through organizations such as the Japan Business Federation (Keidanren), the Japan Chamber of Commerce and Industry, the Tokyo Chamber of Commerce and Industry, the Japan Association of Corporate Executives, the Japan Foreign Trade Council, Inc., etc.

- Public-private initiatives with public institutions:

Collaborations with and utilization of Japanese government ministries (including the Ministry of Foreign Affairs, the Ministry of Economy, Trade and Industry, the Ministry of the Environment, the Ministry of Land, Infrastructure, Transport and Tourism, etc.), the Japan International Cooperation Agency, and Multilateral Development Banks.

## • Stakeholder Engagement: Social Evaluations

The indexes in which MC is included as well as evaluations and other assessments from ESG rating agencies are as follows. Going forward, MC will continue to heed sincerely the feedback from our stakeholders and reflect this feedback onto our measures and initiatives, while at the same time working to further expand our disclosure of both financial and non-financial information including ESG.

### III FTSE4Good Index Series • FTSE JPX Blossom Japan Index • FTSE JPX Blossom Japan Sector Relative Index

MC has been included in the FTSE 4 Good Index Series and the FTSE JPX Blossom Japan Index, both provided by FTSE Russell, as of June 2018. And MC also has been included in the FTSE JPX Blossom Japan Sector Relative Index which provided by FTSE Russell as of April 2022.

Those indexes are used by a wide variety of investors as a reference to evaluate the Environmental, Social and Governance (ESG) performance of companies.

Furthermore, the FTSE JPX Blossom Japan Index and the FTSE JPX Blossom Japan

Sector Relative Index are among the indices selected by Japan's Government Pension Investment Fund (GPIF) for Japanese equities.



FTSE4Good



FTSE JPX Blossom Japan Index



TSE JPX Blossom Japan Sector Relative Index

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Mitsubishi Corporation has been independently assessed according to the index criteria and has satisfied the requirements to become a constituent of the FTSE 4 Good Index Series, FTSE JPX Blossom Japan Index, and FTSE JPX Blossom Japan Sector Relative Index. These indices, created by the global index and data provider FTSE Russell, are designed to measure the performance of companies demonstrating specific Environmental, Social and Governance (ESG) practices and are widely used by market participants to create and assess responsible investment funds and other products.

Reference [FTSE4Good](#) [FTSE Blossom Japan](#) [FTSE Blossom Japan Sector Relative Index](#)

### III MSCI Nihonkabu ESG Select Leaders Index

We have been selected for the MSCI Nihonkabu ESG Select Leaders Index. The MSCI Nihonkabu ESG Select Leaders Index is a free float-adjusted market capitalization-weighted index designed to represent the performance of companies that are selected from the MSCI Nihonkabu Investable Market Index (Parent Index) based on Environmental, Social and Governance (ESG) criteria. These criteria exclude constituents based on involvement in specific business activities, as well as ESG ratings and exposure to ESG controversies. The Index construction has a target coverage of 50% by number of securities in each Global Industry Classification Standard (GICS®) sector of the Parent Index by selecting constituents primarily based on criteria including the ESG rating and the company's industry adjusted ESG score.

The MSCI Japan ESG Select Leaders Index was adopted by GPIF as its latest passive ESG investment management benchmark, and Mitsui has met the selection criteria for the index and is selected as a stock.

\*THE INCLUSION OF MC IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF MC BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

### III CDP

MC has responded to CDP (formerly the Carbon Disclosure Project), a global platform to which companies disclose information on climate change, since 2003.

CDP Climate Change evaluates how companies are responding to the risks and opportunities associated with climate change. In FY2025, MC received a score of A.

CDP Water Security evaluates companies' water stewardship efforts. In FY2025, MC received a score of A.

CDP Forests evaluates how companies are managing the risks associated with deforestation in their supply chain. In FY2025, MC received a score of B.

Reference [CDP Questionnaire 2025 Response \[PDF:1.8MB\]](#)



### III SOMPO Sustainability Index

MC has been selected as a constituent stock in the "SOMPO Sustainability Index" for the fiscal year 2025. This index combines ESG scores from surveys conducted by SOMPO Risk Management Co., Ltd. with stock value assessments and includes approximately 300 stocks.



### III Kurumin certification and Platinum Kurumin certification

In January 2017, MC received the Platinum Kurumin Certification from the Ministry of Health, Labour and Welfare. The Platinum Kurumin Certification is awarded to Kurumin-certified companies that have implemented measures to support employees' childcare needs at a higher standard. At MC, childcare benefits include both maternal welfare and childcare support. MC has been working to create processes as well as an environment that supports employees with children. Specifically, MC has ensured that its Maternity/Paternity Leave exceeds Japan's minimum legal requirements, and has introduced other measures to help employees returning from Maternity/Paternity Leave to comfortably balance their parenting and work responsibilities. These include a flex-time system as well as shortened or staggered work hours. MC has also made it easier for male employees to take advantage of these benefits, such as by lifting the restriction that previously did not allow employees' spouses access to full-time childcare, and also by introducing MC's Paid Spousal Childbirth Leave. As a result of these and other measures to support work-life balance, MC has received Kurumin certification from the Ministry of Health, Labour and Welfare continuously since 2008, in recognition of the action plan it has formulated and implemented to support employees' childcare needs.



\*About the Kurumin certification and Platinum Kurumin certification (Excerpt from the Ministry of Health, Labour and Welfare's website)  
Enterprises that have formulated general business operator action plans in accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children and satisfy certain standards may apply to receive certification by the Minister of Health, Labour and Welfare (Kurumin certification) as a company that supports the childcare needs of employees. Moreover, the new Platinum Kurumin certification was instituted on April 1, 2015 to recognize Kurumin-certified enterprises that have made considerable progress in terms of the introduction and use of work-life balance support systems and which have executed measures to a high standard, along with encouraging these enterprises to continuously undertake such measures.

Reference [Work-Life Balance Plaza \(Japanese only\)](#)

### III L-boshi certification

In January 2017, MC received L-boshi (second level) certification from the Ministry of Health, Labour and Welfare as an outstanding enterprise in promoting women's participation and career advancement.

\*About the L-boshi certification (Excerpt from the Ministry of Health, Labour and Welfare's website)  
The Act on Promotion of Women's Participation and Advancement in the Workplace entered into force on April 1, 2016. Under this act, enterprises that have formulated general business operator action plans and have submitted notification to the effect that they have formulated such plans, as well as satisfy certain standards, may obtain certification by the Ministry of Health, Labour and Welfare (L-boshi certification) as an enterprise offering excellent conditions with respect to promoting women's participation and career advancement.



### III Health & Productivity

MC's initiatives on Safety and Health continue to be recognized under the Certified Health & Productivity Management Outstanding Organizations Recognition Program's.

Reference [Well-being \(Health & Productivity Management, Occupational Safety and Health\)](#)



### III WELL Certification

In January 2025, MC has been awarded WELL Certified Platinum, the highest certification level of the WELL Building Standard (WELL) for the Mitsubishi Corporation Building.

\*About WELL Certification  
Announced in the United States in 2014, WELL is a library of evidence-based building and organizational strategies that can improve people's health and well-being, is comprised of ten concepts and an additional innovation concept. Four levels of certification can be earned through third-party verification.



### III Others

- Award for Excellence as part of the NIKKEI Integrated Report Award (FY2022, FY2024)
- Selected as an "Excellent Integrated Report" by GPIF's external asset managers (FY2019, FY2021–FY2025)
- Selected as one of the "Most Improved Integrated Reports" by GPIF's external asset managers (FY2019–FY2023)
- Selected as one of the "Greatest IR Improvement Premium Companies" and "Best Continual IR Efforts Premium Companies" at the Japan Investor Relations Association 30th Anniversary Commemorative Awards (FY2023)