

# Corporate Governance Report

Last Update: June 22, 2022

Mitsui & Co., Ltd.

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<https://www.mitsui.com>

The corporate governance of Mitsui & Co., Ltd. (the “Company” or “Mitsui”) is described below.

## I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

### 1. Basic Views

[Basic Corporate Governance Policy]

In structuring the corporate governance framework, Mitsui places emphasis on “improved transparency and accountability” and “the clarification of the division of roles between the oversight activities and executive activities of the management.”

For the “improved transparency and accountability,” Mitsui ensures sound supervision and monitoring of management with the viewpoint of External Directors and External Audit & Supervisory Board Members (hereinafter referred to as the “external members”). Mitsui has also established an internal control system for disclosure so that all executives and employees fulfill their accountability to stakeholders under the principle of fair disclosure. For “the clarification of the division of roles between the oversight activities and executive activities of the management,” Mitsui delegates execution of business to Managing Officers substantially while the Board of Directors retains a supervisory role over Managing Officers’ business activities. Chief Operating Officers of 16 business units within headquarters and 2 regional business units serve concurrently as Managing Officers and engage in business operation for the consolidated group in a responsive and flexible manner.

While increasing the effectiveness of supervisory functions by having Audit & Supervisory Board Members, Mitsui implements corporate governance by maintaining an Audit & Supervisory Board system because it believes that having internal Directors who are familiar with our business practices and operations is essential to the business of a general trading company. By adopting a Committee System in which external members participate, Mitsui achieves highly effective corporate governance to secure “improved transparency and accountability” and “the clarification of the division of roles between the oversight activities and executive activities of the management.” In order to realize effective corporate governance for shareholders and other stakeholders, Mitsui has established, and maintains, the following structures:

- (a) The Board of Directors is the highest authority for execution of business and supervision, and in order to secure this function, the number of directors shall be set at an appropriate number where effective discussion is possible. As advisory committees to the Board of Directors, Mitsui also has in place the Governance Committee, the Nomination Committee and the Remuneration Committee, in which External Directors and/or External Audit & Supervisory Board Members participate as members.
- (b) The Audit & Supervisory Board Members supervise the Directors' execution of duties as an independent institution with the mandate of the shareholders. For this purpose, Audit & Supervisory Board Members carry out multi-faceted, effective audit activities such as attending important internal meetings, verifying reports and investigating our business, and take necessary measures in a timely manner.

Regarding Mitsui's basic views and policies on Corporate Governance, we published "Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles" on Company's website as follows.

[https://www.mitsui.com/jp/en/company/outline/governance/system/pdf/corp\\_gov.pdf](https://www.mitsui.com/jp/en/company/outline/governance/system/pdf/corp_gov.pdf)

(Notes)

"External Director", "Audit & Supervisory Board Member" and "External Audit & Supervisory Board Member" are used in the same sense of "External Director", "*Kansayaku*" and "External *Kansayaku*" in the heading of the format of this Corporate Governance Report respectively. Further, "Independent Director" is an External Director who is unlikely to have conflicts of interest with general shareholders, as stipulated by the Tokyo Stock Exchange.

#### [Reasons for Non-compliance with the Principles of the Corporate Governance Code]

Mitsui complies with all Principles of the Corporate Governance Code.

#### [Disclosure Based on the Principles of the Corporate Governance Code]

UPDATED

##### [Principle 1.4 Cross-Shareholdings]

- Policy on holding and reducing listed stocks for investment held for purposes other than pure investment purposes

Regarding listed stocks for investment held for purposes other than pure investment purposes including deemed stockholdings, the Company shall conduct stringent assessment about the probability of creating business opportunities, and building, maintaining and strengthening business and collaborative relationships with investee, in addition to profitability and capital efficiency.

At the same time, each year, the Board of Directors shall review the significance of and policy on holding such stocks by verifying the economic rationality based on the status of dividends, business-related profits etc., compared to the total cost such as acquisition cost, fair value and our cost of capital, and by qualitative verification based on the status of and outlook for the creation of business opportunities, as well as business and collaborative relationship with each investee. If, as a result of this review, the rational of holding these assets has significantly diluted, our policy is to sell and reduce such stocks.

#### Criteria of the classification of stocks for investment

For the reporting as of the fiscal year ending March 31, 2022, the criteria of the classification of stocks for investment held for pure investment purposes and stocks for investment held for purposes other than pure investment purposes were changed as follows in accordance with the “Concept of the classification of stocks for investment” as described hereinafter.

(Stocks for investment held for pure investment purposes)

Investment held for the purposes of realizing gains solely arising from changes in the value of shares or dividends thereon

(Stocks for investment held for purposes other than pure investment purposes)

Stocks for investment held for purposes other than for pure investment purpose

#### Concept of the classification of stocks for investment

We may hold investment shares for the purpose of creating new businesses and strong business clusters through both trading and business investment. In addition to profit from such trading, changes in the value of shares and dividends thereon, we strive to increase medium- to long-term economic profit by creating new business opportunities and raising corporate value by providing our functions.

Until fiscal year ended March 31, 2021, the policy of the classification of stocks for investment held for pure investment purposes was extremely narrow as “pure fund management stocks,” and as all our investments have strategy in some way, we have classified all our stocks as investments for other than pure investment purposes.

Based on our business model, we have revisited the policy of the classification of stocks for investment and have decided to change the criteria for the classification of stocks for investment held for pure investment purposes as “Investment held for the purposes of realizing gains solely arising from changes in the value of shares or dividends thereon.” We defined an investment held for pure investment purposes as one in which we can consider mainly about economic gain from the stock in question at the time of its acquisition or disposal, while considering collaboration and business relationships with investees, and other investments are defined as stocks for investment held for purposes other than pure investment purposes.

As a result of applying the change in concept of the classification, certain overseas stocks and Japanese listed stocks that we have held since the end of fiscal year ended March 31, 2021 have been changed to stocks for investment held for pure investment purposes.

Regardless of the classification of stocks for investment held for pure investment purposes and stocks for investment held for purposes other than pure investment purposes, all listed stocks will continued to be similarly verified in respect of the rationale for holding and the voting rights will be exercised appropriately.

■ Result of verification at the Board of Directors

The details of the Board of Directors' verification of the listed stocks held as of March 31, 2021 are as follows.

The economic rationality of holding all individual stocks was verified by examining the status of related earning, such as dividends and related trading profit, compared to the cost of capital for the amount shown on the balance sheet at the end of the financial year. At the same time, it has been confirmed that the qualitative rationale was also verified for holding all individual stocks. Further, some of the stocks have been identified as stocks that will be considered for sell in the future due to dilution of the rationale of holding these stocks, considering both qualitative and quantitative aspects.

■ Policy on the exercise of voting rights

With respect to the exercise of voting rights of listed shares held by the Company, the content of each proposal shall be considered based on the management policies and business plans etc., of the investee, and deliberation shall be conducted on a case-by-case basis while comprehensively considering from the perspectives of (1) whether or not the proposal contribute to enhance corporate value of the investee or mutual benefit of the shareholders, and (2) the impact that the proposal may have on corporate value of the Company in terms of creation of business opportunities, and building, maintaining and strengthening of business and collaborative relationship with the investee.

[Principle 1.7 Related party transactions]

Mitsui seeks resolution of the Board of Directors concerning transactions between the Company and a Director, Managing Officer, or major shareholder in accordance with laws and regulations and the Internal Regulations on Matters to Be Resolved or Reported at the Meeting of the Board of Directors, and reports periodically to the Board of Directors on important transactions with subsidiaries and associated companies.

<Supplementary Principle 2.4.1 Ensuring diversity>

Our diversity management is based on mutual respect and recognition. Our diverse human resources, inspires each other to exert the best in their capabilities, bringing new value and innovation to our business. In 2020, we designated “Thrive on diversity” as one of our corporate values, and accelerated our diversity management by making this value a core behavior in several processes to hire people, train, evaluate, and select talent.

In the Mitsui & Co. group, employees who come from a wide variety of backgrounds in terms of nationality, gender, values and other attributes play active roles globally. Our policies are designed to support the success of these people, while fostering a culture that accepts and respects diversity.

[Specific Approach]

- Human resource development for the success and deployment of diverse talent (human resource development approach)

Specific measures: Promotion of senior success, career support for female employees, support for global talent. Support for people with disabilities

- Encouraging an organizational culture that makes the most of diverse backgrounds and points of view (approach to the organization)

Specific measures: Organizational development through the Mitsui Engagement Survey (survey to measure employees engagement in the Company and its target group companies), holding unconscious bias workshops and other means.

The Mitsui Engagement Survey is intended to build an organizational environment to support employee engagement and performance. The engagement score on a global group basis was 71% in 2021.

- Demonstrate results and achievements through work-life management

Specific measure: Encouragement of workstyle innovation

<https://www.mitsui.com/jp/en/sustainability/social/hrmanagement/index.html#anc2-5>

[Promotion of Women to Managerial Positions]

We set a goal to achieve a managerial rate of 10% female managers by 2025 (8% as of March 31, 2022). We have formulated an action plan related to empower female employees by supporting career development and support to female talent. Mitsui has been selected as a Nadeshiko or Semi-Nadeshiko Brand for seven consecutive years, since fiscal 2014.

Action plan related to the promotion of women’s empowerment (April 1, 2020-March 31, 2025)

[https://www.mitsui.com/jp/ja/sustainability/social/resources/diversity/pdf/jyoseikatsuyaku\\_2003.pdf](https://www.mitsui.com/jp/ja/sustainability/social/resources/diversity/pdf/jyoseikatsuyaku_2003.pdf)

More information about our training for female employees can be found on our website.

<https://www.mitsui.com/jp/en/sustainability/social/diversity/index.html#anc1>

[Promotion of Foreign Nationals to Managerial Positions]

We work to identify diverse, talented employees on a global basis and train them as leaders capable of driving innovation in our businesses. We are also increasing the number of talented local members promoted to managerial positions. In April 2020, a locally hired employee was appointed as managing director of a major overseas subsidiary for the first time. Currently (as of March 31, 2022), 60% of managerial positions at overseas offices are held by locally hired employees. We provide training for all employees and opportunities for internal transfers between overseas business sites, including affiliated companies. Through these initiatives, diverse human resources are contributing to the enhancement of our organizational potential and the achievement of business results. Diverse talent is also placed in management positions in affiliated companies and they play critical roles in our consolidated management. We will continue to train and promote foreign nationals through a variety of initiatives on a global basis.

[Promotion of Mid-career Hires to Managerial Positions]

In Mitsui & Co., Mid-career hires are also hired at the managerial positions. There are no specific differences in the treatment of mid-career hires and new graduates, and people are promoted to managerial positions on the basis of their skills, experience, and attributes. We will continue to recruit, train and promote Mid-career hires with diverse professional backgrounds.

More information about Mitsui 's diversity initiatives can be found on our website.

<https://www.mitsui.com/jp/en/sustainability/social/diversity/index.html#anc1>

[Principle 2.6 Roles of Corporate Pension Funds as Asset Owners]

Mitsui's corporate pension fund ("Corporate Pension Fund") is managed with the aim of securing the profit needed to ensure the disbursement of pensions and lump-sum payments, and building up quality pension assets. Mitsui assigns people with the specialist knowledge and appropriate qualities deemed necessary to manage the pension fund in line with said objectives.

The Corporate Pension Fund has established an asset management committee. Pension assets are managed based on the deliberations by the asset management committee and in accordance with the subsequent decisions of the Board of Directors and board of trustees. For the asset management committee and board of trustees, Mitsui has assigned personnel with appropriate qualities for the task, such as its officers and employees engaged in such areas as human resource management, financial management, accounting, risk management, and legal affairs. At the same time, by assigning employees who represent the fund subscribers, it has created frameworks to carry out various tasks, such as the formulation of basic fund management policies, the allocation of basic assets based on certain strategies, the selection and assessment of fund management institutions, and monitoring of the fund management status. They have assigned people, such as officers or employees, who are from Mitsui, to also properly manage the issue of conflicts of interest between the Corporate Pension Fund beneficiaries and the Company with regard to the formulation and administration of these organizational frameworks.

The Corporate Pension Fund possesses assets, such as investment trusts and pension insurance, in accordance with the basic fund management policy and strategic allocation policy of base assets, and entrusts the fund management with contract fund management institutions by providing contract institutions with these fund management guidelines. The Corporate Pension Fund shall formulate

stewardship policies, monitor the stewardship activities of entrusted fund management institutions, and submit reports to the asset management committee, the Board of Directors, and the board of trustees, etc.

[Principle 3.1(i) Company objectives (e.g., business principles), business strategies and business plans]  
Please see Introduction of Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles. Also, we publish Corporate Mission Vision Values on the Company's website.

(<https://www.mitsui.com/jp/en/company/outline/idea/index.html>)

Further, we publish Management Plan on the Company's website.

(<https://www.mitsui.com/jp/en/company/outline/management/index.html>)

[Principle 3.1(ii) Basic views and guidelines on corporate governance based on each of the principles of the Code]

Please see Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles, as well as I.1. "Basic Views" of this report and Securities Report etc.

[Principle 3.1(iii) Board policies and procedures in determining the remuneration of the senior management and directors]

Please see II.1. "[Directors] and [Director Remuneration]" of this report and Securities Report etc.

[Principle 3.1(iv) Board policies and procedures in the appointment / dismissal of directors and the appointment of *kansayaku*]

The Board policies and procedures in the appointment/ dismissal of directors and the appointment of *kansayaku* are followings. Further, with respect to policies in the appointment of the external directors and *kansayaku*, please see II. 1 "Independent Directors/Kansayaku" in this report.

■ Appointment standard for Directors and process of appointment

Mitsui selects candidates for positions of director giving consideration to the following appointment standard for Directors. Selection of candidates for positions of Director is conducted after confirmation is obtained from the Nomination Committee that the necessary requirements based on the selection processes and the appointment standard for Directors established by the Nomination Committee are fulfilled.

- Person with excellent overall character who possesses qualities valuable for the management of Mitsui
- Person possessing both strong leadership skills and high moral caliber and with law-abiding spirit and a strong intention to contribute to public interest
- Person with no health concerns for the execution of duties
- Person possessing capability for smooth performance as a director of "decision-making related to the execution of operations of the company" and "oversight of the execution of duties by directors" to be conducted by the board of directors
- Person excelling in capability, foresight and insight to make best judgment for the company strictly in compliance with duty of care of a good manager and duty of loyalty expected of a director and in accordance with the "business judgment rule"

■ Appointment standard for Audit & Supervisory Board Members and process of appointment

Mitsui selects candidates for positions of Audit & Supervisory Board Member giving consideration to the following appointment standard for Audit & Supervisory Board Members. For the selection of candidates for positions of Audit & Supervisory Board Member, Directors prepare a proposal for

election of Audit & Supervisory Board Members to be submitted to the General Meetings of Shareholders by the Board of Directors.

- Person of excellent personality and considerable insight, possessing outstanding capability and achievements or abundant knowledge in the fields of legal affairs, financial affairs and accounting, business management, and other various fields
- With respect to internal Audit & Supervisory Board Members, person well-acquainted with actual conditions of the company and possessing capability to conduct appropriate audits

■ Dismissal of Directors / Managing Officers (including the CEO)

In cases in which any of the circumstances listed below applies to a Director and/or Managing Officer, to ensure objectivity and transparency, the Nomination Committee shall first discuss dismissal of that Director and/or Managing Officer, followed by deliberations about same at a meeting of the Board of Directors.

- If a person is found to have violated laws and regulations, the articles of incorporation, or otherwise committed illicit acts
- If a person has not fully performed the functions and roles required for his or her office
- If a person has become unable to fulfill any of the selection standards for his or her office

[Principle 3.1(v) Explanations with respect to the individual appointments and nominations]

Please see Notice of the Ordinary General Meeting of Shareholders on the Company's website.

([https://www.mitsui.com/jp/en/ir/library/business/\\_icsFiles/afiedfile/2022/06/06/en\\_103rd\\_shoshu\\_R.pdf](https://www.mitsui.com/jp/en/ir/library/business/_icsFiles/afiedfile/2022/06/06/en_103rd_shoshu_R.pdf))

<Supplementary Principle 3.1.3 Disclosure of sustainability initiatives>

(1) Mitsui has positioned sustainability initiatives as important management issues. We have identified Mitsui's Materiality, which consists of key issues that need to be addressed so that society and Mitsui can achieve sustainable growth. In the Sustainability Policy formulated in 2021, we have stated our commitment to the implementation of sustainability-focused management by making the Materiality the cornerstone for the formulation of business policies and strategies. We disclose information about our sustainability initiatives on the Company's website.

Sustainability information on the Company's website:

<https://www.mitsui.com/jp/en/sustainability/index.html>

Sustainability Policy

<https://www.mitsui.com/jp/en/sustainability/philosophy/concept/index.html>

Mitsui & Co.'s Materiality

<https://www.mitsui.com/jp/en/sustainability/materiality/index.html>

Also see "3. Measures to Ensure Due Respect for the Stakeholders" in "III. Implementation of Measures for Shareholders and Other Stakeholders" in this report.

(2) Investment, etc., in Human Capital and Intellectual Property

As an investment in human capital, we offer employees various human resource development programs, wide-ranging of career plans, and growth opportunities. Through these investments, we create new value by each employee as a professional with profound knowledge of a wide range of business domains,



products, fields, and regions demonstrating their abilities and linking them to our business projects.

Through our business activities, we also strengthen the diverse intellectual capital that we have accumulated through business activities and new technology development as a sogo shosha, including various business know-how and knowledge of new business development. We are also implementing measures to accumulate and develop knowledge and experience concerning the business management knowledge of individual organizations and employees, as well as digital transformation (DX) and innovation.

Mitsui will make optimal use of these human capital, intellectual capital, as well as financial capital, social and relationship capital consisting of networks and trust with a wide range of stakeholders, including partners and customers, and natural capital which is the source of our business activities. By sustainably providing solutions to social issues through growth of businesses, Mitsui will enhance its management capital as the source of future value creation.

Mitsui will make optimal use of its internal capital, which consists of its human capital, intellectual capital, and financial capital, as well as its external capital consisting of social and relationship capital built with partners, suppliers, local communities and other stakeholders through networks constituted by Mitsui's overseas offices and affiliated companies, and natural capital, which is the source of all future business activities. By sustainably providing solutions to social issues through growth and the continual restructuring of businesses and portfolios, Mitsui will enhance its management capital as the source of future value creation.

(3) The Impacts of Risks and Profit Opportunities relating to Climate Change on Mitsui's Business Activities and Profits, etc.

Mitsui supports the Task Force on Climate Related Financial Disclosures (TCFD) and discloses information in accordance with the disclosure framework defined in the final report of TCFD. We identify various risks and opportunities linked to climate change as key factors in formulating business

strategies. We are working to address climate change issues through the business activities of the Mitsui group, while actively disclosing information based on the TCFD recommendations.

Visit Mitsui's website to view information disclosure based on the disclosure framework in the final report of the TCFD.

Sustainability (climate change) information on Mitsui's website:

[https://www.mitsui.com/jp/en/sustainability/environment/climate\\_change/index.html](https://www.mitsui.com/jp/en/sustainability/environment/climate_change/index.html)

[Supplementary Principle 4.1.1 Scope and content of the matters delegated to the management]

Apart from deciding basic policy related to Mitsui management, items related to important operational execution, and items authorized by resolutions of the General Meetings of Shareholders, the Board of Directors decides items provided for in laws and regulations along with the Company Articles of Incorporation, in line with Internal Regulations on Matters to Be Resolved or Reported at the Meeting of the Board of Directors. Moreover, by receiving reports on items provided for in laws and regulations and

the status of the execution of important operations, the Board of Directors oversees the execution of duties by the management headed by the President, who serves as Chief Executive Officer.

Based on the basic design of internal controls provided for by the Board of Directors, the management assumes the role and responsibility of maintaining, operating and assessing internal controls at Mitsui and Mitsui affiliated companies.

Mitsui adopts a Managing Officer system so that Directors perform their management duties in an efficient manner. Managing Officers are appointed by the Board of Directors and are delegated authority by the Board of Directors.

Under the rules on delegation of authority, specific authority is delegated to the Chief Operating Officers of Headquarters Business Units, which each engage in global business activities in specific business areas, and the Chief Operating Officers of the Regional Business Units, which play key roles in regional strategies, enabling them to provide timely management based on close links to the frontline. Mitsui implements an internal approval system for matters which are beyond the delegated authority of each Chief Operating Officer. Within such system, Mitsui's Representative Directors make final decision in the best interests of the Company, following deliberations conducted by the relevant Corporate Staff Divisions on their capacities and specialist areas.

[Principle 4.8 Effective use of independent directors]

The number of directors shall be set at an appropriate number where effective discussion is possible. The Company's policy shall be that at least one-third of the total number of directors shall be independent external directors.

[Principle 4.9 Independence standards and qualification for independent directors]

Please see II.1. "[*Independent Directors/Kansayaku*]" in this report.

[Supplementary Principle 4.11.1 A view on the appropriate balance between knowledge, experience and skills of the board as a whole, and also on diversity and appropriate board size]

The number of directors shall be set at an appropriate number where effective discussion is possible, and from the standpoint of promoting the division of roles between the oversight activities and executive activities of the management, priority is given to External Directors when increasing numbers. Mitsui has decided that as the appointment standard for External Directors, the prospective person's extensive business experience and knowledge are required to deliberate on such Board of Directors meeting proposals as investments and loans, and knowledge of his or her particular area of business is used. Mitsui has decided that in selecting candidates for the positions of External Director, it puts great value on ensuring their independence from Mitsui in the pursuit of their management oversight functions. Also, with a view to overseeing business operations in a way that reflects the standpoint of our diverse stakeholders, Mitsui takes into consideration the field from which candidates originate, along with their gender.

Through discussions by the Nomination Committee and Board of Directors about ways to ensure the effectiveness of the Board of Directors and the Audit & Supervisory Board, Mitsui has formed a Board of Directors with a composition that achieves a good balance between diversity including gender and national diversity, and an appropriate size. Also, Mitsui has appointed people with appropriate experience and capabilities as Audit & Supervisory Board members.

<Supplementary Principle 4.10.1 Utilization of voluntary committees>

Mitsui has voluntarily established the Governance Committee, Nomination Committee, and Remuneration Committee as advisory committees for the Board of Directors. External Directors and External Audit & Supervisory Board Members hold the majority of seats on each of these advisory committees, ensuring “improved of transparency and accountability”, as well as “the clarification of the division of the roles between the oversight activities and the executive activities of the management. Since the majority of committee members are external members, including External Audit & Supervisory Board Members, and the Nomination and Remuneration Committees are chaired, respectively, by an External Director and an External Audit & Supervisory Board Member, the same level of independence they would have if the majority of their members were External Directors is ensured. We believe that the effectiveness of the advisory committees is further enhanced by the use of information and knowledge gained by External Audit & Supervisory Board Members through audits. For more detailed information about the “composition”, “expected role”, “function” and “term” and other aspects of the advisory committees, please refer to the “Supplementary Explanation” in “Committee’s Name, Composition, and Attributes of Chairperson” in Section II (“Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management”) of this report.

<Supplementary Principle 4.11.1 Views on the balance of directors’ knowledge, experience and skills, and the diversity and size of the Board of Directors>

In view of deliberations by the Board of Directors on Mitsui’s diverse business activities in a wide range of regions and from the standpoint of incorporating the perspectives of diverse stakeholders in the supervision of business activities, Mitsui’s Board of Directors has achieved diversity in terms of gender and nationality and the size of the Board of Directors is appropriate for effective deliberations. In addition to the knowledge about ESG management and global management which is expected to our Directors and Senior Managements, Internal Directors are especially expected to have knowledge relating to Mitsui’s focus areas as well as innovation and DX, while External Directors are especially expected to possess deep insights on business management including management experience and knowledge about internal control systems and risk management as well as internal control systems and risk management. Audit & Supervisory Board members are required to have professional knowledge about financial accounting and law. The Nomination Committee, which is chaired by an External Director and of which the majority of members are external members, deliberates on candidates for appointment as directors from the viewpoint of achieving balance in the Board of Directors, taking into account the professional skills and background of each candidate, including the overall personal attributes. The Board of Directors gives respectful consideration to the Committee’s report when selecting candidates for membership of the Board.

The skill matrix for members of the Board of Directors, including the main professional skills and knowledge that members of the Board of the Directors and Audit & Supervisory Board are expected to possess, is disclosed in convocation notices for General Meetings of Shareholders, the Integrated Report, and Mitsui’s website.

Link to the Notice of the Ordinary General Meeting of Shareholders on Mitsui’s website:

[https://www.mitsui.com/jp/en/ir/library/business/\\_icsFiles/afieldfile/2022/06/06/en\\_103rd\\_shoshu\\_R.pdf](https://www.mitsui.com/jp/en/ir/library/business/_icsFiles/afieldfile/2022/06/06/en_103rd_shoshu_R.pdf)

Link to the Integrated Report on Mitsui’s website

[https://www.mitsui.com/jp/en/ir/library/report/\\_icsFiles/afieldfile/2021/09/07/en\\_ir2021\\_all\\_web.pdf](https://www.mitsui.com/jp/en/ir/library/report/_icsFiles/afieldfile/2021/09/07/en_ir2021_all_web.pdf)

[Supplementary Principle 4.11.2 Major concurrent positions in other organizations of Directors/Kansayaku]  
Please see I.1. “[Independent Directors/Kansayaku]” in this report. Further, we disclose major concurrent positions in other organizations of Directors, Audit & Supervisory Board Members, and candidates of those every year in Notices of the Ordinary General Meeting of Shareholders and Securities Reports, etc.

[Supplementary Principle 4.11.3 Analysis and evaluation of effectiveness of Board of Directors]  
We state in Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles that each year the Board of Directors analyzes and evaluates its effectiveness, taking into consideration the relevant matters, including the self-evaluations of each director, and discloses a summary of the results. For results for the year ended March 31, 2021, please see II.2.1. (a)(iii) “*Evaluation of effectiveness of the Board of Directors*” of this report.

[Supplementary Principle 4.14.2 Training policy for directors and Kansayaku]  
Please see Chapter 1 II.1. (12) “*Policy on training for directors*” and II.2. (5) “*Policy on training for Audit & Supervisory Board Members*” of Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles and II.2.1 “*Corporate Governance Structure*” in this report.

■ Policy on training for directors

- Upon assumption, opportunities are given to directors for gaining full understanding of the business, financial affairs, organization, etc. of the company, the Companies Act of Japan and related laws and regulations, corporate governance and internal control to ensure that they may fulfil their duties including the role expected of directors which is mandated by the shareholders (fiduciary responsibility) and legal responsibility. Furthermore, opportunities are given for keeping them up to date as necessary.
- Pre-Briefing with materials for each agenda is conducted for independent directors prior to each board of directors meeting etc.

■ Policy on training for Audit & Supervisory Board Members

- Upon assumption, opportunities are given to Audit & Supervisory Board Members for gaining full understanding of the business, financial affairs, organization, etc. of the company, the Companies Act of Japan and related laws and regulations, corporate governance and internal control to ensure that they may fulfil their duties including the role expected of Audit & Supervisory Board Members which is mandated by the shareholders (fiduciary responsibility) and legal responsibility. Furthermore, opportunities are given for keeping them up to date as necessary.
- Pre-Briefing with materials for each agenda is conducted for external *kansayaku* prior to each board of directors meeting etc.

[Principle 5.1 Policy for constructive dialogue with shareholders]

- (1) Measures for revitalization of General Meeting of Shareholders and facilitation of exercise of voting rights
  - i. Mitsui makes efforts to ensure that our shareholders may secure sufficient time to review proposals for the General Meeting of Shareholders by early sending and disclosure of convocation notice including English version and efforts to improve environment for shareholders to exercise their voting rights by introduction of electromagnetic exercise of voting rights.
  - ii. Mitsui has established the handling relating to the exercise of shareholder rights, handling relating to shares and share options, and the fees charged for these matters in the Rules on Handling Shares and releases the same on its website.

(2) Measures related to IR

- i. Mitsui has established basic philosophy and procedures for statutory disclosure and timely disclosure in the Corporate Disclosure Policy and releases the same on its website.
- ii. Mitsui gives briefings to shareholders and investors to provide information in an appropriate manner and hold dialog in accordance with the Corporate Disclosure Policy and posts materials on its website.
- iii. Mitsui gives feedback to its officers and employees including the management with respect to the opinions and management issues obtained from shareholders and investors through dialog with them and makes good use of the same for continuous improvement of corporate value.

Further, please see Chapter III.2. “*IR Activities*” and V.2. “*Other Matters Concerning to Corporate Governance System*” in this report. Further, we publish Corporate Disclosure Policy on the Company’s website. (<https://www.mitsui.com/jp/en/ir/management/ethics/index.html>)

## 2. Capital Structure UPDATED

Foreign Shareholding Ratio	More than 30%
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[Status of Major Shareholders] (as of March 31, 2022)

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	274,650,100	17.11
Custody Bank of Japan, Ltd.	91,707,802	5.71
EUROCLEAR BANK S.A./N.V. (Standing agent: MUFG Bank, Ltd.)	89,084,195	5.55
Nippon Life Insurance Company	35,070,840	2.18
STATE STREET BANK WEST CLIENT – TREATY 505234 (Standing agent: Mizuho Bank, Ltd.)	25,821,632	1.60
Sumitomo Mitsui Banking Corporation	25,667,000	1.59
JPMorgan Securities Japan Co., Ltd.	20,670,871	1.28
Barclays Securities Japan Limited	20,408,200	1.27
JP MORGAN CHASE BANK 385781 (Standing agent: Mizuho Bank, Ltd.)	20,218,227	1.25
Mitsui Sumitomo Insurance Company, Limited	17,000,000	1.05

Controlling Shareholder (except for Parent Company)	N/A
Parent Company	N/A

Supplementary Explanation

1. In addition to the shares listed above, the Company holds treasury stock of 37,539 thousand shares.
2. Percentage of common stock issued is rounded down to two decimal places.
3. The status of major shareholders shown above does not include the following reports on possession of large volume and change reports pertaining to reports on possession of large volume that were filed with the Director-General of the Kanto Local Finance Bureau in the past three fiscal years and from April 1, 2022 to the date of the issuance of this report, as it is not possible for us to confirm the actual status of the shareholding ratio as of March 31, 2022. Reports by large volume shareholders include portions held by joint holders.

Name of shareholders	Ownership as of	Number of shares owned	Holding ratio (%)
Sumitomo Mitsui Trust Bank, Ltd.	June 14, 2019	87,206,500	5.01
Mizuho Bank, Ltd.	September 30, 2019	89,773,218	5.15
Mitsubishi UFJ Financial Group, Inc.	December 23, 2019	104,359,600	5.99
BlackRock Japan Co., Ltd.	March 31, 2020	91,052,140	5.22
National Indemnity Company	August 24, 2020	86,453,900	5.03
Sumitomo Mitsui Trust Bank, Ltd.	December 15, 2020	103,181,200	6.01
Nomura Securities Co, Ltd.	January 15, 2021	87,081,683	5.07
Mizuho Bank, Ltd.	March 15, 2021	69,144,118	4.03

### 3. Corporate Attributes UPDATED

Listed Stock Market and Market Section	Tokyo Stock Exchange (Prime), Nagoya Stock Exchange (Premier), Sapporo, Fukuoka
Fiscal Year-End	March
Type of Business	Wholesale Trade
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	More than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 100 to less than 300

### 4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

N/A

### 5. Other Special Circumstances which may have Material Impact on Corporate Governance

Mitsui has no parent company or listed subsidiaries. Furthermore, there are no particular special circumstances that have a material impact on corporate governance.



## II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

### 1. Organizational Composition and Operation

Organization Form	Company with <i>Kansayaku</i> Board (Audit & Supervisory Board)
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[Directors] UPDATED

Maximum Number of Directors Stipulated in Articles of Incorporation	N/A
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Company Chairperson
Number of Directors	14
Appointment of External Director	Appointed
Number of External Directors	5
Number of Independent Directors	5

#### External Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Izumi Kobayashi	From another company								△		△	
Jenifer Rogers	From another company											
Samuel Walsh	From another company								△			
Takeshi Uchiyamada	From another company								○			
Masako Egawa	Academic											

\* Categories for "Relationship with the Company"

\* "○" when the director presently falls or has recently fallen under the category;

"△" when the director fell under the category in the past

\* "●" when a close relative of the director presently falls or has recently fallen under the category;

"▲" when a close relative of the director fell under the category in the past

- a. Executive of the Company or its subsidiaries
- b. Non-executive director or executive of a parent company of the Company
- c. Executive of a fellow subsidiary company of the Company
- d. A party whose major client or supplier is the Company or an executive thereof
- e. Major client or supplier of the listed company or an executive thereof
- f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/*kansayaku*
- g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
- i. Executive of a company, between which and the Company external directors/*kansayaku* are mutually appointed (the director himself/herself only)
- j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
- k. Others

#### External Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship/ Reasons of Appointment
Izumi Kobayashi	○	<p>Supplementary Explanation of the Relationship</p> <p>Mitsui paid membership fees and made donations to the Japan Association of Corporate Executives, where Ms. Kobayashi had served as Vice Chairperson until April 2019, but the yearly amount paid in each of the last three (3) fiscal years was below the standard amount for donations and aid funds (¥10 million) established by Mitsui's Criteria of Independence for External Members. From the above, Mitsui has determined that there is nothing that would affect the independence of Ms. Kobayashi as External Director. Other than the above, there is no special interest between Ms. Kobayashi and Mitsui. Therefore, Ms. Kobayashi is deemed to appropriately carry out her duties as the independent and neutral External Director.</p> <p>Reasons of Appointment</p> <p>Ms. Kobayashi has deep insight in organizational management and risk management for generating innovation, which she has accumulated through her experience working as the representative of private sector financial institutions and a multilateral development bank. She speaks out actively from diverse perspectives at the Board of Directors meetings, making a significant contribution to deepening the discussion. In the year ended March 31, 2022, she served as chair of the Nomination Committee, and exercised strong leadership in enhancing the transparency and effectiveness of the procedures for the appointment of executives, including the CEO succession plan. In addition, as a member of the Remuneration Committee, she contributed to the discussions related to the redesign of executive remuneration and evaluation system. In view of these points, we appointed Ms. Kobayashi</p>

		<p>as External Director so that she may continue to advise and supervise the Company's management. She does not fall under any of the five circumstances listed in Article III. 5. (3)-2 of the Guidelines Concerning Listed Company Compliance, etc. and meets the standards set by Mitsui for appointment as External Director, she has accordingly been appointed as an Independent Director.</p>
Jenifer Rogers	○	<p>Supplementary Explanation of the Relationship N/A</p> <p>Reasons of Appointment Ms. Rogers has a global perspective and deep insight in risk management cultivated through her experience working for international financial institutions and her experience in legal work as an in-house counsel. She makes many useful comments concerning risk control at the Board of Directors meetings, making a significant contribution to enhancing the supervision function of the Board of Directors. In the year ended March 31, 2022, she served as a member of the Governance Committee, actively provided her opinions with the aim of creating a highly transparent governance system. In view of these points, we appointed Ms. Rogers as External Director so that she may continue to advise and supervise the Company's management. She does not fall under any of the five circumstances listed in Article III. 5. (3)-2 of the Guidelines Concerning Listed Company Compliance, etc. and meets the standards set by Mitsui for appointment as External Director, she has accordingly been appointed as an Independent Director.</p>
Samuel Walsh	○	<p>Supplementary Explanation of the Relationship N/A</p> <p>Reasons of Appointment Mr. Walsh has global expertise and excellent management skills cultivated through his long years working in upper management within the automobile industry and as chief executive officer of an international natural resources company. At the Board of Directors meetings, he makes many proposals and suggestions from a broad-minded standpoint based on his abundant business management experience, and makes significant contributions to active discussions at the meetings of the Board of Directors, and to improving the effectiveness of said meetings. In the year ended March 31, 2022, he served as a member of the Governance Committee, actively provided his opinions with the aim of creating a highly transparent governance system. He has diverse perspectives based on global corporate management experience and expertise and knowledge related to capital policy and business investment. We appointed Mr. Walsh as External Director so that he may continue to advise and supervise the Company's management. He does not fall under any of the five circumstances listed in Article III. 5. (3)-2 of the Guidelines Concerning Listed Company Compliance, etc. and meets the standards set by Mitsui for appointment as External Director, he has accordingly been appointed as an Independent Director.</p>
Takeshi Uchiyamada	○	<p>Supplementary Explanation of the Relationship Mitsui and its consolidated subsidiaries sell metal products to Toyota Motor Corporation, at which Mr. Uchiyamada has served as Director; however, the yearly amount of sales in each of the last three (3) fiscal years is less than 0.2% of the annual consolidated transaction</p>

		<p>volume of Toyota Motor Corporation and Mitsui. In addition, Mitsui and its consolidated subsidiaries purchase automobiles and automobile components from Toyota Motor Corporation, but the yearly amount paid in each of the last three (3) fiscal years is less than 0.8% of the annual consolidated transaction volume of Toyota Motor Corporation and Mitsui. From the above, Mitsui has determined that there is nothing that would affect the independence of Mr. Uchiyamada as External Director. Other than the above, there is no special interest between Mr. Uchiyamada and Mitsui. Therefore, Mr. Uchiyamada is deemed to appropriately carry out his duties as the independent and neutral External Director.</p> <p>Reasons of Appointment</p> <p>Mr. Uchiyamada has long been involved in research on environmental and safety technologies at Toyota Motor Corporation that could realize a mobility society responding to the needs of the times, as well as in the development of products demanded by consumers, and has been exercising his excellent managerial skills as an executive officer of Toyota Motor Corporation. At the Board of Directors meetings, he makes many proposals and suggestions from a broad-minded standpoint based on his management experience at a global company and his in-depth knowledge of society in general, and makes significant contributions to active discussions at the meetings of the Board of Directors, and to improving the effectiveness of said meetings. In the year ended March 31, 2022, he served as a member of the Nomination Committee, and contributed to the discussions with the aim of enhancing the transparency and effectiveness of the procedures for the appointment of executives, including the CEO succession plan. In view of these points, we appointed Mr. Uchiyamada as External Director so that he may continue to advise and supervise the Company's management. He does not fall under any of the five circumstances listed in Article III. 5. (3)-2 of the Guidelines Concerning Listed Company Compliance, etc. and meets the standards set by Mitsui for appointment as External Director, he has accordingly been appointed as an Independent Director.</p>
Masako Egawa	○	<p>Supplementary Explanation of the Relationship N/A</p> <p>Reasons of Appointment</p> <p>Ms. Egawa has deep insight in finance and corporate management gained through her experience of management as a director of the University of Tokyo, her many years of experience working at global financial institutions, and her research on management and corporate governance at Japanese companies. Her broad range of public contributions includes the activities at the Japan-United States Educational Commission and councils of the Ministry of Finance. In the year ended March 31, 2022, she served as a member of the Governance Committee, actively provided her opinions with the aim of creating a highly transparent governance system. In addition, as a member of the Remuneration Committee, she contributed to the discussions related to the redesign of executive remuneration system and evaluation system. Although Ms. Egawa has no direct experience participating in corporate management, considering the above, we appointed Ms. Egawa as External Director so that she may advise and supervise the Company's management. She does not fall under any of the five circumstances listed in Article III. 5. (3)-2 of the Guidelines Concerning Listed Company Compliance, etc. and meets the standards set by Mitsui for appointment as External</p>

		Director, she has accordingly been appointed as an Independent Director.
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Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established
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Committee's Name, Composition, and Attributes of Chairperson
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	Committee Corresponding to Nomination Committee	Committee Corresponding to Remuneration Committee
Committee's Name	Nomination Committee	Remuneration Committee
All Committee Members	5	5
Full-time Members	0	0
Internal Directors	2	2
External Directors	2	2
External Experts	0	0
Other	1	1
Chairperson	External Director	Other

## Supplementary Explanation

Mitsui has established the Governance Committee, the Nomination Committee and the Remuneration

Committee shown above as advisory bodies to the Board of Directors. All members of the committee have been selected by a resolution of the Board of Directors. The compositions of members, expected roles, functions, secretariat as of the date of issuance of this report and activities of the year ended March 31, 2022 are as follows:

- Governance Committee (Secretariat: Corporate Planning & Strategy Div.)

Composition: 3 Internal Directors serving as the Chairman of the Board of Directors (the committee chair), President and Chief Executive Officer, the Chief Strategy Officer (CSO), 3 External Directors, 1 External Audit & Supervisory Board Member

Expected Role: The Committee will work to enhance management transparency and fairness and achieve sustained improvement in Company's corporate governance by continually monitoring corporate governance and considering governance enhancement measures.

Function: To consider basic policies and measures concerning the governance of the Company, to consider the composition, size, and agenda of the Board of Directors, with the aim of achieving further improvement in corporate governance, and to consider the role of the Board of Director's advisory committees, including recommendations on deliberations and discussions in meetings of the Nomination and Remuneration Committees.

Term: The term of this Committee Members shall be from the date of the ordinary general meeting of shareholders on the year when such Committee Member is appointed as a Committee Member to the end of next year's general meeting of the shareholders.

Activities: The Governance Committee was held five times in the year ended March 31, 2022 and carried out a discussion in relation to our response to revised Corporate Governance Code, institutional design based on our frameworks for business execution, review of standards on matters to be resolved/reported at the Board of Directors and the Evaluation of Effectiveness of the Board of Directors while taking into consideration the viewpoint of the external members.

- Nomination Committee (Secretariat: Human Resources & General Affairs Div.)

Composition: 2 External Directors (one of them is the committee chair), 2 Internal Directors serving as the Chairman, President and Chief Executive Officer, 1 External Audit & Supervisory Board Member, and the Chief Human Resources Officer (CHRO) shall serve as Director-General.

Expected Role: To enhance the transparency and objectivity of processes relating to the nomination of Directors and Managing Officers through the involvement of external members, and to ensure the fairness of Directors and Managing Officers nominations.

Function : To study the selection and dismissal standards and processes for nominating Directors and Managing Officers, establish succession planning for President and Chief Executive Officer and other top executives, and evaluate Director nomination proposals and to deliberate on the dismissal of Directors and Managing Officers.

Term: The term of this Committee Members shall be from the date of the ordinary general meeting of shareholders on the year when such Committee Member is appointed as a Committee Member to the end of next year’s general meeting of the shareholders.

Activities: The Nomination Committee was held five times in the year ended March 31, 2022 and discussed Consideration/Deliberation of selection of Director candidates based on Skill Matrix, and deliberation of plan of Internal Directors.

- Remuneration Committee (Secretariat: Human Resources & General Affairs Div.)

Composition: 1 External Audit & Supervisory Board Member (the committee chair), 2 External Directors, 2 Internal Directors serving as the Chief Financial Officer (CFO), the CHRO

Expected Role: To enhance the transparency and objectivity of decision-making processes relating to remuneration for Directors and Managing Officers through the involvement of external members, and to ensure the fairness of remuneration for Directors and Managing Officers through ongoing monitoring.

Function : To study the system and decision-making process relating to remuneration and bonuses for Directors and Managing Officers, and to evaluate proposals of remuneration and bonuses for Directors and proposals for evaluation and bonuses for Managing Officers.

Term: The term of this Committee Members shall be from the date of the ordinary general meeting of shareholders on the year when such Committee Member is appointed as a Committee Member to the end of next year’s general meeting of the shareholders.

Activities: The Remuneration Committee was held seven times in the year ended March 31, 2022 and carried out a discussion in relation to re-evaluation of the remuneration system and level towards the contribution of medium- to long-term corporate value under global competitive environment, etc.

[ *Kansayaku* ] UPDATED

Establishment of <i>Kansayaku</i> Board	Established
Maximum Number of <i>Kansayaku</i> Stipulated in Articles of Incorporation	N/A
Number of <i>Kansayaku</i>	5

Cooperation among *Kansayaku*, Accounting Auditors and Internal Audit Departments

- The Audit & Supervisory Board holds regular meetings with the Internal Auditing division and the Independent Auditors. At the beginning of the fiscal year, the participants exchange information and opinions about their auditing policies and plans, the items of focus in audits, the status of audits and other matters, and have discussions on the execution of effective and efficient accounting audits and internal control audits.
- Fulltime Audit & Supervisory Board Members in principle attend all of the feedback sessions on regular internal audits by the Internal Auditing Division, in addition to the exchange of information with the Internal Auditing Division for implementing efficient audits. The General Manager of the Internal Auditing Division periodically reports on the plans and results of internal audits to the Audit & Supervisory Board. The Audit & Supervisory Board Members, as necessary, request reports on the internal control system, risk evaluation and other matters from the Internal Auditing Division and other divisions responsible for internal controls, and also ask for their cooperation on a wide range of matters in audits.

- At the end of the fiscal year, the Audit & Supervisory Board receive reports on the audit procedures and results of audits on accounting and internal controls respectively from the Independent Auditors, and exchange opinions on these. During the fiscal year, the Audit & Supervisory Board Members hold monthly meetings with the Independent Auditors and receive reports from the Independent Auditors about their auditing plans, the items of focus in audits, the status of audits, the status of discussion of the "Key Audit Matters" and other matters. At the meetings, the participants exchange information and have discussions on the execution of effective and efficient accounting audits and internal control audits.

Mitsui's certified public accountant auditor is Deloitte Touche Tohmatsu LLC. See II.2.3. "*Details of Audit Fees and Other Matters*" regarding details of fees paid to the certified public account auditor and non-auditing work and policy for determining audit fees.

Appointment of External <i>Kansayaku</i>	Appointed
Number of External <i>Kansayaku</i>	3
Number of Independent <i>Kansayaku</i>	2



External *Kansayaku's* Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Hiroshi Ozu	Lawyer													
Kimitaka Mori	Certified Public Accountant													
Yuko Tamai	Lawyer													

\* Categories for “Relationship with the Company”

\* “○” when the director presently falls or has recently fallen under the category;

“△” when the director fell under the category in the past

\* “●” when a close relative of the director presently falls or has recently fallen under the category;

“▲” when a close relative of the director fell under the category in the past

- a. Executive of the Company or its subsidiary
- b. Non-executive director or accounting advisor of the Company or its subsidiaries
- c. Non-executive director or executive of a parent company of the Company
- d. *Kansayaku* of a parent company of the Company
- e. Executive of a fellow subsidiary company of the Company
- f. A party whose major client or supplier is the Company or an executive thereof
- g. Major client or supplier of the Company or an executive thereof
- h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a *kansayaku*
- i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the *kansayaku* himself/herself only)
- k. Executive of a company, between which and the Company external directors/*kansayaku* are mutually appointed (the *kansayaku* himself/herself only)
- l. Executive of a company or organization that receives a donation from the Company (the *kansayaku* himself/herself only)
- m. Others

External *Kansayaku's* Relationship with the Company (2)

Name	Designation as Independent <i>Kansayaku</i>	Supplementary Explanation of the Relationship
Hiroshi Ozu	○	<p>Supplementary Explanation of the Relationship N/A</p> <p>Reasons of Appointment Mr. Ozu is appointed as an External Audit &amp; Supervisory Board Member in expectation of the expression of his objective audit opinions from an independent and neutral standpoint, with advanced insight into governance and risk management cultivated through the many years of experience and perspective in legal affairs he has gained, as a prosecutor and an attorney at law. He does not fall under any of the circumstances listed in Article III. 5. (3)-2 of the Guidelines Concerning Listed Company Compliance, etc. and meets the standards set by Mitsui for appointment as External Director, he has accordingly been appointed as an Independent Audit &amp; Supervisory Board Member.</p>
Kimitaka Mori	○	<p>Supplementary Explanation of the Relationship N/A</p> <p>Reasons of Appointment Mr. Mori is appointed as an External Audit &amp; Supervisory Board Member in expectation of the expression of his objective audit opinions from an independent and neutral standpoint, with advanced insight into corporate accounting, accounting audit activities and risk management cultivated through his many years of experience as a certified public accountant. He does not fall under any of the circumstances listed in Article III. 5. (3)-2 of the Guidelines Concerning Listed Company Compliance, etc. and meets the standards set by Mitsui for appointment as External Director, he has accordingly been appointed as an Independent Audit &amp; Supervisory Board Member.</p>
Yuko Tamai		<p>Supplementary Explanation of the Relationship N/A</p> <p>Reasons of Appointment Ms. Tamai is appointed as an External Audit &amp; Supervisory Board Member in expectation of the expression of her objective audit opinions from an independent and neutral standpoint, with advanced insight into various types of corporate transactions, corporate governance and risk management cultivated through her many years of experience in legal affairs as a lawyer as well as extensive experiences as an external board member of other companies and a Commissioner (part-time) of Certified Public Accountants and Auditing Oversight Board. The amount of transactions in the past three years between Nagashima Ohno &amp; Tsunematsu, Ms. Tamai's law office, and the Company does not exceed the amount established by the Company's Criteria of Independence for External Members, and she satisfies both the standards established by the Company and the conditions for the independence of External Directors and External Audit &amp; Supervisory Board Members established by the Tokyo Stock Exchange. She will continue to satisfy such independence requirements throughout her term of office as an Audit &amp; Supervisory Board Member. The yearly transaction amount paid by the company to Nagashima Ohno &amp; Tsunematsu, her law office, in each of the last three (3) fiscal years is less than 1% of the yearly amount of sales and the yearly amount of</p>

		<p>consolidated sales of both the law office and the Company. As Nagashima Ohno &amp; Tsunematsu's policy does not recognize lawyers belonging to their office being registered as Independent Directors or Audit &amp; Supervisory Board Members when they become External Directors or External Audit &amp; Supervisory Board Members of any company, the Company does not appoint or register Ms. Tamai as an Independent Audit &amp; Supervisory Board Member.</p>
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Number of Independent Directors/*Kansayaku*

7

Matters relating to Independent Directors/*Kansayaku*

1. Mitsui has submitted filings with the domestic stock exchanges on which it is listed designating all external members except Ms. Yuko Tamai as Independent Directors and Independent Audit & Supervisory Board Members. (Please refer to “II.1. [*Kansayaku*] External *Kansayaku*’s Relationship with the Company (2)” for the information regarding the independence of Ms. Tamai.).
2. Policy regarding independence of external members, their function and roles

## [External Directors]

- The prospective person’s extensive business experience and knowledge are required to deliberate on such Board of Directors meeting proposals as investments and loans, and knowledge of his or her particular area of business is used.
- Mitsui puts great value on ensuring independence of the External Directors from Mitsui in the pursuit of their management oversight functions. Also, with a view to overseeing business operations in a way that reflects the standpoint of our diverse stakeholders, in selecting External Directors, Mitsui takes into consideration the fields from which candidates originate, along with their gender.
- Given that Mitsui is a general trading company with extensive business dealings, it has been decided to make appropriate efforts by the Board of Directors to handle likely conflicts of interest involving the prospective External Directors in individual transactions with external parties.

## [External Audit &amp; Supervisory Board Members]

External Audit & Supervisory Board Members are appointed with the objective of further heightening the independence and neutrality of the auditing system, and it is particularly expected that External Audit & Supervisory Board Members objectively express their auditing opinions from the standpoint of neutrality, building on such factors as that independence.

When selecting candidates for positions of External Audit & Supervisory Board Member, in addition to the appointment standard for Audit & Supervisory Board members stated in II.2.1 “Corporate Governance Structure” in this report, the Audit & Supervisory Board confirms that no issues with independence arise by taking into consideration not only the appointment standard provided for in “Appointment of Audit & Supervisory Board Members” above, but also such factors as relations with the Company, the management and important staff.

## [Criteria of independence for external members]

External Directors or External Audit & Supervisory Board Members of Mitsui who do not fall under any of the following items are to be judged to have independence.

- (1) Person who is currently or was in the past ten years an executive director, executive officer, managing officer, manager, employee, administrative officer, etc. (hereinafter referred to as “executing person”) of Mitsui or Mitsui’s consolidated subsidiaries
- (2) Person or the executing person of a corporation holding either directly or indirectly 10% or

more of total number of the voting rights of Mitsui

- (3) Person whose major business partner is Mitsui or Mitsui's consolidated subsidiaries (\*1) or the executing person of the same

\*1 If the relevant business partner received from Mitsui or Mitsui's consolidated subsidiary the payment equivalent to 2% or more of its annual consolidated transaction volume in the most recent fiscal year or the relevant business partner obtained from Mitsui or Mitsui's consolidated subsidiary the money loans equivalent to 2% or more of its consolidated total assets in the most recent fiscal year, the relevant business partner is deemed to be the person whose major business partner is Mitsui or Mitsui's consolidated subsidiary.

- (4) Major business partner of Mitsui or Mitsui's consolidated subsidiary (\*2) or the executing person of the same

\*2 If Mitsui or Mitsui's consolidated subsidiary received from the relevant business partner the payment equivalent to 2% or more of Mitsui's annual consolidated transaction volume in the most recent fiscal year or the relevant business partner provided Mitsui or Mitsui's consolidated subsidiary with the money loans equivalent to 2% or more of Mitsui's consolidated total assets, the relevant business partner is deemed to be the major business partner of Mitsui or Mitsui's consolidated subsidiary.

- (5) Person who is in charge of auditing operations of Mitsui or Mitsui's consolidated subsidiary, as partners etc. of the auditing firm of the Independent Auditor of Mitsui or Mitsui's consolidated subsidiary
- (6) Person providing professional services such as consultant, lawyer and certified public accountant who received from Mitsui monetary payment or other property benefits ¥10 million or more in total other than officer remuneration in the most recent fiscal year (if the one who received the relevant property is an organization such as corporation and association, it shall be referred to the person who belongs to an organization which received from Mitsui property benefits more than higher of either ¥10 million or 2% of the consolidated gross sales of such organization)
- (7) Person or the executing person of a corporation who received the annual total of ¥10 million or more of donations or aid funds from Mitsui or Mitsui's consolidated subsidiary in the most recent fiscal year
- (8) Person who has fallen under any of (2) to (7) above in the past three years
- (9) Spouse or relative within the second degree of kinship (hereinafter referred to as "close relatives") of the person who is currently or has been recently the important executing person of Mitsui or Mitsui's consolidated subsidiary (including Director who is not the executing person in the case of External Audit & Supervisory Board member)
- (10) Close relatives of the person who currently falls or has fallen recently under any of (2) to (7) above (excluding the one who is not important)

### 3. Activities of External Directors and External Audit & Supervisory Board Members in the year ended March 31, 2022

[External Director]

- Ms. Kobayashi participated in all 15 Board of Directors meetings held during the year ended March 31, 2022. She has deep insight in organizational management and risk management

for generating innovation, which she has accumulated through her experience working as the representative of private sector financial institutions and a multilateral development bank. She speaks out actively from diverse perspectives at the Board of Directors meetings, making a significant contribution to deepening the discussion. In the year ended March 31, 2022, she served as chair of the Nomination Committee (attending all 5 such meetings) and exercised strong leadership in enhancing the transparency and effectiveness of the procedures for the CEO succession plan. In addition, as a member of the Remuneration Committee (attending all 3 such meetings), she contributed to the discussions related to the redesign of executive remuneration and evaluation system.

- Ms. Rogers participated in all 15 Board of Directors meetings held during the year ended March 31, 2022. She has a global perspective and deep insight in risk management cultivated through her experience working for international financial institutions and her experience in legal work as an in-house counsel. She makes many useful comments concerning risk control at the Board of Directors meetings, making a significant contribution to enhancing the supervision function of the Board of Directors. In the year ended March 31, 2022, she served as a member of the Governance Committee (attending all 5 such meetings), and actively provided her opinions with the aim of creating a highly transparent governance system.
- Mr. Walsh participated in all 15 Board of Directors meetings held during the year ended March 31, 2022. He makes proposals and suggestions from a broad-minded standpoint based on his global expertise, excellent managerial skill, and abundant business management experience cultivated through his long years working in upper management within the automobile industry and as chief executive officer of an international natural resources company, making significant contributions to active discussions at the meetings of the Board of Directors, and to improving the effectiveness of said meetings. In the year ended March 31, 2022, he served as a member of the Governance Committee (attending all 5 such meetings), and actively provided his opinions with the aim of creating a highly transparent governance system.
- Mr. Uchiyamada participated in all 15 Board of Directors meetings held during the year ended March 31, 2022. He has long been involved in research and development on environmental and safety technologies at Toyota Motor Corporation that could realize a mobility society responding the needs of the times, as well as in the development of products demanded by consumers, and has been exercising his excellent managerial skills as an executive officer of Toyota Motor Corporation. At the Board of Directors meetings, he makes many proposals and suggestions from a broad-minded standpoint based on his management experience at a global company and his in-depth knowledge for society in general, and makes significant contributions to active discussions at the meetings of the Board of Directors, and to improving the effectiveness of said meetings. In the year ended March 31, 2022, he served as a member of the Nomination Committee (attending all 5 such meetings) and contributed to the discussions with the aim of enhancing the transparency and effectiveness of the procedures for the CEO succession plan.
- Ms. Egawa participated in all 15 Board of Directors meetings held during the year ended March 31, 2022. She has made significant contributions to active discussions at the meetings of the Board of Directors, and to improving effectiveness of such meetings, based on her deep insight in

finance and corporate management gained through her experience of management as a director of the University of Tokyo, her many years of experience working at global financial institutions, and her research on management and corporate governance at Japanese companies. In the year ended March 31, 2022, she served as a member of the Governance Committee (attending all 5 such meetings) and actively provided her opinions with the aim of creating a highly transparent governance system. In addition, as a member of the Remuneration Committee (attending all 7 such meetings), she contributed to the discussions related to the redesign of executive remuneration and evaluation system.

[External Audit & Supervisory Board Member]

- Ms. Matsuyama participated in all 15 Board of Directors meetings, and all 18 Audit & Supervisory Board meetings held during the year ended March 31, 2022. She offered advice and expressed opinions based on her knowledge and experience gained as a judge and an attorney at law. In the year ended March 31, 2022, as a member of the Governance Committee (attending all 5 such meetings), she actively provided opinions that contribute to developing transparent and objective governance.
- Mr. Ozu participated in all 15 Board of Directors meetings, and all 18 Audit & Supervisory Board meetings held during the year ended March 31, 2022. He offered advice and expressed opinions based on his knowledge and experience gained as a public prosecutor and an attorney at law. In the year ended March 31, 2022, as a member of the Nomination Committee (attending all 5 such meetings), he contributed to the discussions with the aim of enhancing the transparency and effectiveness of the procedures for the CEO succession plan.
- Mr. Mori participated in all 15 Board of Directors meetings, and all 18 Audit & Supervisory Board meetings held during the year ended March 31, 2022. He offered advice and expressed opinions based on his knowledge and experience gained as a certified public accountant. In the year ended March 31, 2022, as the chair of the Remuneration Committee (attending all 7 such meetings), he exercised strong leadership in discussions related to the redesign of executive remuneration and evaluation system.

4. Major Concurrent positions in other organizations (as of June 22, 2022)

[External Director]

Izumi Kobayashi	External Director, ANA HOLDINGS INC. External Director, Mizuho Financial Group, Inc. External Director, OMRON Corporation
Jenifer Rogers	General Counsel Asia, Asurion Japan Holdings G.K. External Director, Kawasaki Heavy Industries, Ltd. External Director, Nissan Motor Co., Ltd. External Director, Seven & I Holdings Co., Ltd.
Samuel Walsh	Chairman of the Board, Gold Corporation (Australia) the Perth Mint

Takeshi Uchiyamada	Chairman of the Board of Directors, Toyota Motor Corporation External Director, JTEKT CORPORATION JTEKT CORPORATION is an equity accounted associated companies of Toyota Motor Corporation.
Masako Egawa	External Director, Tokio Marine Holdings, Inc. Chancellor, School Juridical Person Seikei Gakuen

[External Audit & Supervisory Board Member]

Hiroshi Ozu	Attorney at Law External Audit & Supervisory Board Member, Toyota Motor Corporation External Audit & Supervisory Board Member, Shiseido Company, Limited
Kimitaka Mori	Certified Public Accountant External Director, Japan Exchange Group, Inc. External Audit & Supervisory Board Member, East Japan Railway Company External Director, Sumitomo Life Insurance Company
Yuko Tamai	Attorney at Law Partner, Nagashima Ohno & Tsunematsu External Audit & Supervisory Board Member, Japan Bank for International Cooperation (scheduled to retire in June 2022)

5. Shareholdings as of March 31, 2022

[External Director]

Izumi Kobayashi	:	5,640
Jenifer Rogers	:	7,799
Samuel Walsh	:	11,000
Takeshi Uchiyamada	:	12,885
Masako Egawa	:	3,170

[External Audit & Supervisory Board Member]

Hiroshi Ozu	:	2,071
Kimitaka Mori	:	5,878
Yuko Tamai	:	0

Mitsui considered that the shareholdings of external members shall not affect the independence of those external members.



[Incentives] **UPDATED**

Incentive Policies for Directors	Performance-linked Remuneration
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Supplementary Explanation

As the performance-related remuneration, results-linked bonuses and share performance-linked restricted stock-based remuneration are paid to the Company's Directors (excluding External Directors). With the approval of Item 5 (Revision of Remuneration for Directors) at the 103<sup>rd</sup> Ordinary General Meeting of Shareholders on June 22, 2022, the Company revised the remuneration for Directors for the next fiscal year ending March 31, 2023 and thereafter. As the stock-based remuneration, the Company newly introduced performance-linked restricted stock-based remuneration and replace the share performance-linked restricted stock-based remuneration with a tenure-linked restricted stock-based remuneration. See II.1. "Director Remuneration" for more information about the remunerations.

Further, the same share performance-linked restricted stock is granted to the Managing Officers (non-residents of Japan receive monetary remuneration linked to the share price under conditions equivalent or similar to the share performance-linked restricted stock, mutatis mutandis) by resolution of the Board of Directors.

Recipients of Stock Options	
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Supplementary Explanation

N/A

## Disclosure of Individual Directors' Remuneration

## Selected Directors

## Supplementary Explanation

The total amount of remuneration for Directors and Audit & Supervisory Board Members and a breakdown of this total are recorded in Business Reports, etc. and Securities Reports, which are available on the Mitsui website for public perusal.

(a) The remuneration of the Company's Directors and Audit & Supervisory Board Members regarding the year ended March 31, 2022, is as follows:

	Number of Recipients	Basic Remuneration	Results-linked Bonuses	Stock-based Remuneration	Total Remuneration Paid Relating to the Year Ended March 31, 2022
Directors (Excluding External Directors)	11	¥725 million	¥700 million	¥325 million	¥1,750 million
Audit & Supervisory Board Members (Excluding External Audit & Supervisory Board Members)	2	¥132 million	-	-	¥132 million
External Directors	5	¥104 million	-	-	¥104 million
External Audit & Supervisory Board Members	3	¥60 million	-	-	¥60 million
Total	21	¥1,021 million	¥700 million	¥325 million	¥2,046 million

(Notes)

1. The above includes Directors who retired from office in the year ended March 31, 2022.
2. The results-linked bonuses above shows the expected payment amount. The actual amount paid is determined using a formula decided by the Board of Directors based on discussions by the Remuneration Committee.
3. The stock-based remuneration above shows the amount recognized as expenses during the year ended March 31, 2022, of the expenses related to share performance-linked restricted stock-based remuneration to be allotted to nine Directors (excluding External Directors).
4. In addition to the above amounts, a total of ¥438 million was paid to 95 retired Directors (excluding External Directors), and ¥41 million to 12 retired Audit & Supervisory Board Members (excluding External Audit & Supervisory Board Members), as pensions (representing payments determined prior to the abolition of such systems).
5. Neither Directors nor Audit & Supervisory Board Members receive payment of special retirement compensation.
6. Each Director (excluding External Director) is required to purchase Mitsui's shares with his or her monthly remuneration but less than ¥1.0 million through the Mitsui Executive's Shareholding Association.

7. Amounts are rounded to the nearest ¥1.0 million.

(b) The following table contains information about remuneration earned by the named Directors for the year ended March 31, 2022.

Name	Category of position	Payer	Basic remuneration	Bonus	Stock compensation	Total remuneration
Tatsuo Yasunaga	Director	Mitsui	¥114 million	¥109 million	¥85 million	¥308 million
Hori Kenichi	Director	Mitsui	¥131 million	¥109 million	¥98 million	¥339 million
Takakazu Uchida	Director	Mitsui	¥68 million	¥77 million	¥23 million	¥167 million
Hirotsu Fujiwara	Director	Mitsui	¥76 million	¥77 million	¥23 million	¥175 million
Shinichiro Omachi	Director	Mitsui	¥76 million	¥77 million	¥23 million	¥175 million
Yoshio Kometani	Director	Mitsui	¥62 million	¥66 million	¥19 million	¥147 million
Miki Yoshikawa	Director	Mitsui	¥62 million	¥66 million	¥19 million	¥147 million
Motoaki Uno	Director	Mitsui	¥47 million	¥66 million	¥19 million	¥131 million
Yoshiaki Takemasu	Director	Mitsui	¥42 million	¥55 million	¥17 million	¥114 million

(Notes)

1. The remuneration amounts for Mr. Motoaki Uno and Mr. Yoshiaki Takemasu, who were newly elected at the Ordinary General Meeting of Shareholders held on June 18, 2021, were limited to the Directors' remuneration paid during 9 months after the election.
2. The remuneration paid for each of the External Directors, Audit & Supervisory Board Members and Directors who retired at the Ordinary General Meeting of Shareholders held on June 18, 2021 is not included in the above table.

## Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The Company has established the policy for determining the remuneration of individual Directors by resolution of the Board of Directors, following deliberation by and report of the Remuneration Committee. The remuneration for Directors of the Company is comprised of basic fixed remuneration, results-linked bonuses based on important management indicators for the Company, and share performance-linked restricted stock-based remuneration as medium- to long-term incentive remuneration. From the perspective of respecting the independence of External Directors and Audit & Supervisory Board Members who are independent from business execution, the External Directors and Audit & Supervisory Board Members are not eligible for the results-linked bonuses or stock-based remuneration. In addition, the Company will not pay retirement compensation to Directors and Audit & Supervisory Board Members. The Company newly introduced performance-linked restricted stock-based remuneration and abolished the stock performance-linked restricted stock-based remuneration and replaced it with a tenure-linked restricted stock-based remuneration from the year ending March 31, 2023.

The Company's Remuneration Committee is chaired by an External (Independent) Member. The Committee discusses the remuneration system for Directors and Audit & Supervisory Board Members, and examines the appropriateness of the proportions of fixed remuneration, results-linked bonuses, and medium- to long-term incentive compensation based on trends at other companies and then reports this as well as the appropriateness of clawback provisions to the Board of Directors, among other measures, in order to emphasize transparency in the determination of Directors' and Audit & Supervisory Board Members' remuneration. Regarding the remuneration, etc. of individual Directors for the year ended March 31, 2022, after receiving the report of the Remuneration Committee, the Board of Directors has confirmed that the contents of the determined remuneration, etc. are consistent with the applicable policy and has judged that they are in line with such policy.

(1) Results-linked bonuses:

- (a) Operating diverse businesses, the Company emphasizes consolidated profit for the year (attributable to owners of the parent) and Core Operating Cash Flow as common performance indicators, and also references these when determining the dividend policy. Directors' bonuses are calculated using the following formula, which is linked to these indicators.
- (b) Total payment amount = (Consolidated profit for the year (attributable to owners of the parent) x 50% x 0.1%) + (Core Operating Cash Flow x 50% x 0.1%)

\* Note that the upper limit for the total payment amount is set at ¥700 million and if the consolidated profit for the year (attributable to owners of the parent) is negative, i.e., loss, or if the Core Operating Cash Flow is negative, i.e., net cash outflow, this negative item will be calculated as 0. This upper limit for the total payment amount is due to be adjusted from ¥700 million to ¥1.5 billion pursuant to approval by a resolution of this General Meeting of Shareholders.

Amount individually paid = Total payment amount x (Position points / Sum of position points)

Position	Chairman/President	Executive Vice President	Senior Executive Managing Officer	Executive Managing Officer
Points	10	7	6	5

Based on the composition of the Directors and as of the date of the issuance of this report and the Business Plan forecast of the next fiscal year ending March 31, 2023 (consolidated profit (attributable to owners of the parent) of ¥800 billion and Core Operating Cash Flow of ¥950 billion), the amounts that may be paid for each position are as follows:

Sum of position points	= 10 points × 2 persons + 7 points × 1 person + 6 points × 2 persons + 5 points × 4 persons	= 59 points
Total Payment amount	= (Consolidated profit for the year (attributable to owners of the parent) ¥800.0 billion x 50% x 0.1%)+(Core Operating Cash Flow ¥950.0 billion x 50% x 0.1%)	= ¥875.0 million
Chair/President	= ¥875.0 million × 10 points / 59 points	= ¥148.31 million
Executive Vice President	= ¥875.0 million × 7 points / 59 points	= ¥103.81 million
Senior Executive Managing Officer	= ¥875.0 million × 6 points / 59 points	= ¥88.98 million
Executive Managing Officer	= ¥875.0 million × 5 points / 59 points	= ¥74.15 million

(2) Performance-linked restricted stock-based remuneration (restricted stock)

- (a) The Company, whose “Mission” is to “Build brighter futures, everywhere”, has been encountering the increasing importance of solving social issues through its business against the backdrop of a rapidly changing global business environment in recent years. As an incentive to continuously improve our medium- to long-term performance and corporate value while fulfilling our social responsibilities, the Company newly introduces a performance-linked restricted stock-based remuneration plan under which the number of shares of the Company's common stock to be granted on an ex-post basis fluctuates based on the level of achievement of the important management indicators for the Company from next fiscal year.

(b) Details of performance linkage conditions

The initial evaluation period is to consist of the three fiscal years extending to the fiscal year ending March 31, 2025, from the fiscal year ending March 31, 2023, which is to be the initial applicable fiscal year. During the initial evaluation period, we will focus on management indicators that include ESG elements, including response to climate change, and ROE, etc. The amount of the performance-linked restricted-stock-based remuneration will be linked to achievement of each management indicator within a variation range of 80% to 120% during the initial evaluation period.

(3) Restricted stock-based remuneration (restricted stock): Abolish the stock performance-linked restricted stock-based remuneration and replace it with a tenure-linked restricted stock-based remuneration from the next fiscal year.

- (a) At the 100th Ordinary General Meeting of Shareholders held on June 20, 2019, the Company introduced the stock performance-linked restricted stock-based remuneration plan in which the number of shares that Directors can hold (number of shares after evaluation) changes based on a comparison between the Company's stock price growth rate and the growth rate of the Tokyo Stock Price Index (TOPIX). However, it was resolved at the 103rd Ordinary General Meeting of Shareholders held on June 22, 2022 to abolish the stock performance-linked condition and replace it with a tenure-linked restricted stock-based remuneration in order to function as a medium- to long-term incentive to maximize the value of our shares at absolute value, rather than as a comparison with other indicators. The newly introduced tenure-linked restricted stock-based remuneration begins from the next fiscal year ending March 31, 2023.

Details of valuation of the performance-linked restricted stock-based remuneration are as follows.

- (b) Number of shares after valuation: The number of shares after valuation is decided at the Board of Directors meeting by taking into consideration the following formula and clawback provisions after receiving advice from the Remuneration Committee.

$$\text{Number of shares after valuation} = \text{Number of shares} \times \frac{\text{Growth rates of Mitsui's share price}}{\text{TOPIX growth rate} \times 150\%}$$

This system was introduced in 2019, and since the initial evaluation period ends in July 2022, actual results of performance indicators are not provided for the current year.

As stated below, with respect to the remuneration for Directors and Audit & Supervisory Board Members, approvals have been given by resolutions of the General Meeting of Shareholders on the maximum amount and that the individual amounts shall be determined by the Board of Directors within their respective maximum amounts.

Until the fiscal year ended March 31, 2022

	Basic remuneration		Bonus	Share performance-linked restricted stock-based remuneration
Resolution of General Meeting of Shareholders	Ordinary General Meeting of Shareholders on June 21, 2017			Ordinary General Meeting of Shareholders on June 20, 2019
Maximum (per year)	¥1,000 million	¥240 million	¥700 million	¥500 million
Eligibility for payment	Directors	Audit & Supervisory Board Members	Directors (excluding External Directors)	
Number of the recipients at the time of the resolution	14	5	9	

Fiscal year ending March 31, 2023 and thereafter

	Basic remuneration		Bonus	Tenure-linked and restricted-stock-based remuneration	Performance-linked and restricted-stock-based remuneration
Resolution of General Meeting of Shareholders	Ordinary General Meeting of Shareholders on June 21, 2017		Ordinary General Meeting of Shareholders on June 22, 2022		
Maximum (per year)	¥1,000 million	¥240 million	¥1,500 million	¥500 million	¥300 million
Eligibility for payment	Directors	Audit & Supervisory Board Members	Directors (excluding External Directors)		
Number of the recipients at the time of the resolution	14	5	9		

The External Members, through the Board of Directors, the Audit & Supervisory Board and the External Members Meetings respectively, mutually coordinate with internal audits, auditing by Audit & Supervisory Board Members and accounting audits as well as supervise and audit the internal control system. Specifically, they periodically receive reports on the following at the meeting of the Board of Directors and the Audit & Supervisory Board, respectively: results of the internal audits and internal audit plans, results of auditing by the Audit & Supervisory Board and audit implementation plans, summary of management letters by Independent Auditors, assessment results with regards to the internal control system in accordance with the Financial Instruments and Exchange Act of Japan, the operational status of compliance programs, and other matters regarding the structure and management of internal controls. In the year ended March 31, 2022, at the External Member Meetings, External Directors, Audit & Supervisory Board Members and Independent Auditors mutually exchange information and opinions regarding the policy of audits, and Audit & Supervisory Board Members hosted the free discussion meeting with External Directors. Fulltime Audit & Supervisory Board Members, at their discretion, hold a meeting to exchange opinions beforehand among the External Directors and Audit & Supervisory Board Members on certain important matters to be discussed at meetings of the Board of Directors, in order to provide External Board Members with sufficient information for effective discussion at meetings of the Board of Directors.

In addition to the above, at meetings such as meetings of the Audit & Supervisory Board, the External Audit & Supervisory Board Members coordinate with the Independent Audit & Supervisory Board Members and the Internal Auditing Division by periodically receiving reports regarding status and results of their audit activities and exchanging information and opinions.

The external members are given the following support in addition to the training shown in II.2.1 “*Corporate Governance Structure*”:

1. For External Directors, before regular and extraordinary meetings of the Board of Directors, materials on the proposals are provided and advance explanations are given.
2. For External Audit & Supervisory Board Members, company information which contributes their auditing, including summaries of regular meetings between Full-time Audit & Supervisory Board Members and staff in the Audit & Supervisory Board Member Division, are timely provided by the Full-time Audit & Supervisory Board Members and the staff. Advance distribution of materials and advance explanations are conducted regarding regular and extraordinary meetings of the Audit & Supervisory Board and of the Board of Directors.
3. For external members, Mitsui provides personal computers and tablets (hereinafter referred to as the “officer PCs”) and distributes materials for meetings of the Board of Directors in a timely manner, thereby ensuring the time to review agendas.
4. In the fiscal year ending March 31, 2022, since it has been difficult and inappropriate that all Directors and Audit & Supervisory Board Members gather physically due to the spread of COVID-19, Mitsui holds the meetings of the Board of Directors and the meetings of Audit & Supervisory Board



Members as fully or partially remote meetings using web conference system, depending on the situation around COVID-19. Mitsui has set up the usage environment of such web conference system on the Officer PCs and provides supports to use them in order to ensure the environment that allows the External Directors and External Audit & Supervisory Board Members to discuss effectively in remote meetings.

5. Mitsui sets up a Board of Directors' database for use in storing information such as minutes and other materials from past meetings of the Board of Directors, and maintains a platform that enables access to such database from the officer PCs.

[Status of persons retired from Representative Director and President, etc.]

Names, etc., of advisors ("sodanyaku," "komon," etc.) who have formerly served as Representative Director and President, etc.

Name	Title/Position	Role/Activity	Working Conditions	Date of Retirement from President, etc.	Term
Masami Iijima	Counselor (Komon)	Business community-related activities and bilateral or multilateral civil diplomatic activities (not involved in the management and operation of the company)	Full-time Paid	March 31, 2015	5 years

Total number of advisors ("sodanyaku", "komon". etc.) who have formerly served as Representative Director and President, etc.

1 person

Supplementary Explanation

- We abolished sodanyaku system in 2006.
- We have internal rules in place regarding Komon and appointment of Komon is subject to a resolution by the Board of Directors.
- We abolished sodanyaku system in 2006.
- Mr. Iijima is assigned to the following business community affairs and uninvolved in the management of the Company:
  - i. Bilateral or multilateral civil diplomatic affairs which are beneficial to the Company; and
  - ii. Business community affairs which the Company should participate in from the viewpoint of our social responsibility, including but not limited to being in the position of Counsellor of the Bank of Japan.

## 2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System) UPDATED

### 1. Corporate Governance Structure

#### (a) Board of Directors

##### (i) Status of Board of Directors

- Upon the introduction of the Managing Officer System in April 2002, the number of Directors was reduced from 38 to 11 in June 2002. In June 2003, the first External Director was appointed, and since the Ordinary General Meeting of Shareholders held in June 2015, five External Directors have been appointed. As of the date of the issuance of this report, 14 Directors (including 3 female External Directors, and the percentage of female Directors is 21.4%) are appointed, 8 of whom also serve as Managing Officers.
- The number of directors shall be set at an appropriate number where effective discussion is possible. The tenure of Directors is one year, and Directors can be reappointed.
- The Chairman is a director and is authorized to call for a meeting of the Board of Directors and to serve as a chairman of the meeting. His role as the Chairman of the Board of Directors of Mitsui chiefly involves carrying out supervision of management. He does not concurrently serve as an executive officer and he is not involved in the execution of day-to-day business operations.
- In accordance with the Rules of the Board of Directors Regarding Resolutions and Matters to be Reported, the Board of Directors passes resolutions of fundamental policies on management of Mitsui, matters of important business operation, matters mandated by a resolution of the General Meeting of Shareholders and issues prescribed in laws and regulations and in the Articles of Incorporation. The Board of Directors also receives reports on issues prescribed in laws and regulations and the status of important business operations.
- A regular meeting of the Board of Directors is held once every month, and extraordinary meetings are held from time to time, whenever necessary. During the year ended March 31, 2022, 15 meetings were held.
- Further, the external members meeting is held for the purpose of exchanging information and opinions regarding important matters in management among external members, or among external members, Internal Directors, Full-time Audit & Supervisory Board Members and/or Managing Officers. The meeting was held 13 times in the year ended March 31, 2022, where information and opinions were exchanged regarding matters such as Market Reaction of the Financial Results for the fiscal year ended March 31, 2021, Business Overviews of the several Business Units, Activities of the Portfolio Management Committee, and Mitsui Engagement Survey in the fiscal year ended March 31, 2021 (the results of the engagement survey targeted the employees of the Company and Mitsui & Co. group), etc.
- Mitsui has established the three committees shown below as advisory bodies to the Board of Directors. Mitsui has reviewed the composition of members in order to strengthen the corporate governance structure of Mitsui in June, 2015. As a result, External Directors and Auditor compose a majority of the Governance Committee, and an External Director serves

as the committee chair of the Nomination Committee as well as the Remuneration Committee. Further, from June 2018, external members compose a majority of the Nomination Committee. From June 2019, external members compose a majority of the Remuneration Committee and as of the date of the issuance of this report, an External Audit & Supervisory Board Member serves as the committee chair. See II.1. “*Committee’s Name, Composition, and Attributes of Chairperson*” for the composition of each Committee, etc.

- Mitsui has entered into agreements with each of the External Directors respectively pursuant to Article 427, Paragraph 1 of the Companies Act of Japan, to limit their liability to the minimum amount of liability as stipulated in Article 425, Paragraph 1 of the Companies Act of Japan.
- Mitsui has executed a directors and officers liability insurance (D&O insurance) policy under Article 430-3, Paragraph 1 of the Companies Act of Japan, covering all of the Directors as the insureds, with insurance companies. This insurance policy covers compensation for damages and litigation expenses, etc. borne by the insured due to claims for damage compensation arising from actions (including inaction) carried out by the insured in relation to the execution of their duties, and the full insurance premium amount for the insured is borne by Mitsui.

(ii) Appointment standard for Directors and process of appointment

Mitsui selects candidates for positions of director giving consideration to the following appointment standard for Directors. Selection of candidates for positions of Director is conducted after confirmation is obtained from the Nomination Committee that the necessary requirements based on the selection processes and the appointment standard for Directors established by the Nomination Committee are fulfilled.

- Person with excellent overall character who possesses qualities valuable for the management of Mitsui
- Person possessing both strong leadership skills and high moral caliber and with law-abiding spirit and a strong intention to contribute to public interest
- Person with no health concerns for the execution of duties
- Person possessing capability for smooth performance as a director of “decision-making related to the execution of operations of the company” and “oversight of the execution of duties by directors” to be conducted by the board of directors
- Person excelling in capability, foresight and insight to make best judgment for the company strictly in compliance with duty of care of a good manager and duty of loyalty expected of a director and in accordance with the “business judgment rule”

(iii) Evaluation of the Effectiveness of the Board of Directors

The Board of Directors analyzes and evaluates its effectiveness each year based on self-evaluations by individual directors and other data and discloses summaries of the results. As shown in the attached materials\*, disclosure of the results for FYE March 2022 will also be accompanied by disclosure about the composition of the Board of Directors, and the activities of directors.

\* With respect to (i) Attendances for Board and other meetings, (ii) Board and other meetings, (iii) Number of proposals/reports to the Board, (iv) Sustainability, Internal

Control or Risk Management-related reports to the Board , (v) Free Discussion among all members of BOD and ASB, (vi) Advisory Committees Activities, (vii) Agenda of external members meetings, and (viii) Activities of external members of BOD and ASB, please see the detail from page 4 on the following websites:

[https://www.mitsui.com/jp/en/company/outline/governance/status/pdf/e\\_eoe\\_202203.pdf](https://www.mitsui.com/jp/en/company/outline/governance/status/pdf/e_eoe_202203.pdf)

The method used to evaluate the effectiveness of the Board of Directors in FYE March 2022 is outlined below, together with a summary of the results.

< Evaluation Method > (Self-Evaluation)

In FYE March 2022, we evaluated the effectiveness of the Board of Directors through a self-evaluation process.

- (1) In January 2022, a survey (“the FYE 3/2022 survey”) of all 14 directors and Audit & Supervisory Board members was carried out. Topics covered included the composition and operations of the Board of Directors as well as the content of deliberations.
- (2) On February 3, 2022, all external directors and external Audit & Supervisory Board members attended an external members meeting and shared their views on the effectiveness of the Board of Directors based on the reported results of the FYE 3/2022 survey.
- (3) The results of the FYE 3/2022 survey and the external members meeting were discussed at a Governance Committee meeting held on March 3, 2022.
- (4) Based on the discussions at the Governance Committee meeting, the Corporate Management Committee meeting discussed the draft evaluation of the effectiveness of the Board of Directors and the draft disclosure of the evaluation at a meeting held on March 28.
- (5) Based on all the discussions listed above, at a meeting held on April 8, the Board of Directors confirmed the evaluation of the effectiveness of the Board of Directors in the fiscal year ended March 2022.

< Items in the Survey >

Questions in the FYE 3/2022 survey were divided into the following major categories. For each question, participants were asked to provide a score using a five-point scale. Space was also provided for free comments on each item. In addition, to allow progress toward the improvement of the effectiveness of the Board of Directors to be monitored, participants were asked to indicate the level of improvement compared with the previous fiscal year on a three-point scale.

- I. Composition of the Board of Directors
- II. Operations of the Board of Directors
- III. Deliberations by the Board of Directors
- IV. Roles and responsibilities of the Board of Directors
- V. Advisory Committees
- VI. Performance of duties by individual directors and Audit & Supervisory Board members
- VII. Support for directors and Audit & Supervisory Board members
- VIII. General

< Effectiveness Improvement Initiatives in FYE March 2022 >

Based on the results of the evaluation of the effectiveness of the Board of Directors in FYE March 2021, the Board of Directors and Board of Directors Secretariat worked to address the following issues in FYE March 2022:

Ongoing consideration of the optimal overall number of directors, the ratio of external to internal members, the number of internal directors, and organizational design

Given the opinions put forward in the effectiveness evaluation for FYE March 2021 that there was a need for ongoing consideration of the optimal overall number of directors, the ratio of external to internal members, the number of internal directors, and organizational design, the Governance Committee discussed Mitsui & Co.'s business execution framework at a meeting on September 8, 2021, and Mitsui & Co.'s institutional design at a meeting on December 16, 2021.

Participants in the FYE 3/2022 survey commented that the current composition of Mitsui & Co.'s Board of Directors is working well given the diversity of Mitsui & Co.'s business activities, because of the scale and characteristics of Mitsui & Co.'s business activities, the Board needed to have a certain number of internal directors in order to deliberate and decide on matter to be resolved at the Board of Directors. On the other hand, others commented that the overall number is still rather high, and that we should continue to look at reducing the size of the Board.

< Outline of the Results of the Effectiveness Evaluation for FYE March 2022 >

The evaluation of the effectiveness of the Board of Directors in FYE March 2022 was confirmed on the basis of the FYE 3/2022 survey, discussions at an external members meeting, and deliberations by the Governance Committee, Corporate Management Committee and Board of Directors.

- Concerning the issue “ongoing consideration of the optimal overall number of directors, the ratio of external to internal members, the number of internal directors, and organizational design”, the Governance Committee discussed Mitsui & Co.'s business execution framework and institutional design at meetings in September and December 2021.
- Regarding “Composition of the Board of Directors”, the diverse expertise and experience of each director is well intertwined. The diversity of external members is fully utilized.
- Regarding “Deliberations by the Board of Directors”, items of agenda such as overall business strategy, business portfolio has been enhanced. In addition to sustainability, themes related to internal control such as cybersecurity have been expanded and deepened.
- Regarding “Operation of the Board of Directors”, each and every topic is discussed carefully. The use of written resolutions has resulted in improvements in the number of agenda items and securing more time.
- Regarding “Advisory committees” and “Support for directors and Audit & Supervisory Board members”, matters are discussed appropriately by the advisory committees as well. The Board Secretariat provides appropriate support for directors and Audit & Supervisory Board members.

- The fact that macroscopic themes were discussed at the free discussion sessions was positive. Themes necessary for future management strategy are taken up.
- It is very clear that Mitsui & Co. emphasizes governance.

Based on the preceding summary, the Board of Directors determined that an appropriate level of effectiveness was achieved in FYE March 2022. However, we will take further actions on the following issues in order to achieve further improvements in effectiveness.

< Initiative toward the Further Improvement of Effectiveness >

(1) Continuing consideration of high-level analysis of substantive effectiveness relating to the number of directors and the role and ratio of internal directors, based on the existing business executive structure and governance systems

The following views were expressed in the FYE 3/2022 survey, during discussions in the external members meeting, and at Governance Committee meetings.

- The Board of Directors is functioning well with its present composition.
- Because of the scale and characteristics of Mitsui & Co.'s business activities, the Board needed to have a certain number of internal directors in order to deliberate and decide on matter to be resolved at the Board of Directors.
- The overall number is still rather high, and that we should continue to look at reducing the size of the Board.
- We should analyze the pros and cons of having a large number of internal directors and think a little more deeply about this approach.
- In addition to the roles that internal and external members are expected to play in relation to our governance structures, we also need to consider compatibility with the future direction toward which Mitsui & Co. aspires, and to create an essential design which is based on real requirements rather than external, pro forma standards.
- Regarding the issues such as the number of internal directors, we need to consider whether the current situation is optimal, and to adjust our approach as required while considering future needs.

In light of these views, while retaining Mitsui & Co.'s current executive and governance systems, we will continue to engage in high-level discussions and studies concerning the number of directors, the role and ratio of internal directors, and other matters toward sustainable growth.

(2) Continue with initiatives to improve the operation of the Board of Directors

In relation to the operation of the Board of Directors, we improved the selection of agenda items and operation of Board meetings, in order to allocate more time for the discussion of important matters. However, some members commented that there is a need for continuing efforts to achieve further improvements. Others expressed the view that it is necessary to continue to further improve providing information, selecting appropriate agenda, managing the operation, and support by the secretariat, recognizing that information and awareness gaps between the internal members and the external members are easy to widen naturally.

Based on these opinions, we will continue our initiatives to improve the operation of the Board of Directors, by improving agenda selection and operation of the Board meetings to enable the Board of Directors to focus more on deliberations about important matters, and by continuing to enhance the provision of information to external members.

The Board of Directors will continue its efforts to achieve sustainable improvement in Mitsui & Co.'s corporate value by taking measures to further enhance its effectiveness, including taking into consideration the aspects outlined above, and by providing effective supervision of management.

(b) Audit & Supervisory Board Members

(i) Status of Audit conducted by the Audit & Supervisory Board

Organization, personnel:

- As of the issuance of this report, there are five Audit & Supervisory Board Members, including two Full-time Audit & Supervisory Board Members and three External Audit & Supervisory Board Members (including one female External Audit & Supervisory Board Member, and the percentage of female Audit & Supervisory Board Member is 20%). The Audit & Supervisory Board has designated Mr. Kimiro Shiotani and Mr. Kimitaka Mori as Audit & Supervisory Board Members who have considerable expertise in finance and accounting. Mr. Kimiro Shiotani joined Mitsui in 1984. Before being elected as Audit & Supervisory Board Member in 2019, he had worked in the field of accounting and was appointed as General Manager of Segment controller Division in 2012, and as Managing Officer, General Manager of Accounting Division in 2015. Mr. Kimitaka Mori had been working in the field of corporate accounting over the years as a certified public accountant, and holding important positions in that field such as the former Chairman and President of the Japanese Institute of Certified Public Accountants.
- Mitsui has entered into agreements with each of the Audit & Supervisory Board Members respectively pursuant to Article 427, Paragraph 1 of the Companies Act of Japan, to limit their liability to the minimum amount of liability as stipulated in Article 425, Paragraph 1 of the Companies Act of Japan.
- Mitsui has executed a directors and officers liability insurance (D&O insurance) policy under Article 430-3, Paragraph 1 of the Companies Act of Japan, covering all of the Audit & Supervisory Board Members as the insureds, with insurance companies. This insurance policy covers compensation for damages and litigation expenses, etc. borne by the insured due to claims for damage compensation arising from actions (including inaction) carried out by the insured in relation to the execution of their duties, and the full insurance premium amount for the insured is borne by Mitsui.
- We set up the Audit & Supervisory Board Member Division to assist in the performance of the duties of the Audit & Supervisory Board Members, and assign to the Division at least three full-time employees with the appropriate knowledge and abilities necessary for this work.

Activities of the Audit & Supervisory Board:

- A meeting of the Audit & Supervisory Board Members is regularly held prior to a meeting of the Board of Directors as a general rule and whenever necessary. In the year ended

March 31, 2022, 18 meetings were held and all Audit & Supervisory Board Members participated in all Audit & Supervisory Board meetings.

- Pursuant to laws and regulations, the Articles of Incorporation and the provision of the Rules of the Audit & Supervisory Board, the Audit & Supervisory Board receives reports, deliberates and/or makes resolutions as to important matters in auditing.
- The main items considered and discussed at the Audit & Supervisory Board in the year ended March 31, 2022 are as follows:
  - Audit policies and plans, division of duties;
  - Assessment of Independent Auditors;
  - Audit activities conducted by Full-time Audit & Supervisory Board Members;
  - Major issues and due process relating to matters to be discussed at the Board of Directors meetings;
  - Decisions relating to the internal control system on global group basis; Communication with the Independent Auditors concerning Key Audit Matters (KAMs);
  - Consent to the proposal of the election of the Audit & Supervisory Board Member;
  - and
  - Evaluation of the effectiveness of the Audit & Supervisory Board
- Regarding the formulation of audit policies, priority is given to confirmation that the Mitsui & Co. Group Conduct Guidelines are being assimilated as the foundation for the development and administration of internal control systems, and that business activities are being pursued on the basis of the Guidelines. In addition, while changes in the external environment for business activities are taken into account, audit policies are formulated from multiple perspectives, including ESG and new workstyles. Issues identified by the Audit & Supervisory Board on the basis of audit results for the year are reported to the Board of Directors in interim and year-end audit reports. There is also an exchange of views on recommendations submitted to the Board of Directors. The content of these reports and discussions are disseminated within the company. To assist in managing activities by Audit & Supervisory Board members based on priorities, important affiliated companies are selected as “Affiliated Companies to be Monitored Designated by the Audit & Supervisory Board”.
- An effectiveness evaluation of the Audit & Supervisory Board was conducted through individual interviews with all of its external members, an exchange of views on organization and personnel of Audit & Supervisory Board, status of the operation and discussion at Audit & Supervisory Board and its auditing activities, as well as via self-evaluation. The results indicate that an appropriate level of effectiveness is generally being achieved.
- Visits to the locations of frontline business activities and communication with the group employees who are active in those locations are an important part of our audit activities. As in the previous fiscal year, the spread of COVID-19 placed limitations on site visits, etc., in the fiscal year ended March 31, 2022. Despite this situation, the Audit & Supervisory Board employed various initiatives to maintain audit quality, including the expansion of opportunities for meetings via online conferencing systems instead of site visits, and visits to offices and affiliated companies in Japan after the lifting of the state of emergency in Japan. Additionally, to conduct effective and efficient audits, the Audit &



Supervisory Board coordinates closely with the Independent Auditors and the Internal Auditing Division. Another priority is the development of closer collaboration with the organizations, officers, and employees (such as audit & supervisory board members of affiliated companies, accounting auditors, and internal audit organizations) responsible for supervision of the development and operation of internal control systems in affiliated companies.

#### Main Activities of Audit & Supervisory Board Members

- Each Audit & Supervisory Board Member has a duty to audit the following issues; (i) in the area of business auditing, execution of duties by Directors, decision-making processes at the Board of Directors and others, and the status of operation and improvement of the internal control systems, and (ii) in the area of financial audit, the independence of the Independent Auditors, effectiveness of the internal control systems, system of financial reporting, accounting policies and processing of financial information, audit of financial statements, reviews and reports from the Independent Auditors, and the system of disclosure.
- Audit & Supervisory Board Members attend the meeting of the Board of Directors and audit the procedure of the meeting and the contents of resolutions as well as other issues, and proactively express their opinions. All Audit & Supervisory Board Members have discussions with the Chairman of the Board of Directors and the President and Chief Executive Officer, respectively, on a periodic basis, and in the year ended March 31, 2022 Audit & Supervisory Board Members hosted the free discussion meeting with External Directors for further collaboration between External Directors and Audit & Supervisory Board Members.
- Full-time Audit & Supervisory Board Members attend important internal meetings and committees, including the Corporate Management Committee, Portfolio Management Committee, Sustainability Committee, Disclosure Committee, Compliance Committee, Information Strategy Committee and Headquarter Business Unit Chief Operating Officer Meeting. Full-time Audit & Supervisory Board Members receive reports and exchange opinions at individual meetings with Directors and Managing Officers, as well as regular meetings with the Directors in charge of Corporate Staff Units, general managers in Corporate Staff Units, and the Chief Operating Officers of Business Units. Fulltime Audit & Supervisory Board Members receive reports relating to regular internal audits from the Internal Auditing Division, in principle attend all of the feedback sessions on regular internal audits by the Internal Auditing Division, and deliver their opinions and advices to audited organizations.
- The Audit & Supervisory Board has designated some of the affiliated companies both domestic and overseas as “Affiliated Companies to be Monitored Designated by the Audit & Supervisory Board”. The Audit & Supervisory Board Members conduct auditing on the management status of Mitsui’s subsidiaries through visits to these designated affiliate companies and major subsidiaries as well as through cooperation with audit & supervisory board members at subsidiaries. In addition to the above, The Audit & Supervisory Board Members receive reports relating to the status of audits and other matters, including the status of quarterly review, at the monthly meetings with the Independent Auditors. At the

meetings, the participants exchange opinions about audit environment and other matters, including cooperative framework for the accounting audit within the Company.

(ii) Appointment standard for Audit & Supervisory Board Members and process of appointment Mitsui selects candidates for positions of Audit & Supervisory Board Member giving consideration to the following appointment standard for Audit & Supervisory Board Members. For the selection of candidates for positions of Audit & Supervisory Board Member, Directors prepare a proposal for election through consultation with Audit & Supervisory Board Members and obtain agreement of the Audit & Supervisory Board in advance. The Audit & Supervisory Boards deliberates on the advisability of agreeing with the proposal for election of Audit & Supervisory Board Members to be submitted to the General Meetings of Shareholders by the Board of Directors.

- Person of excellent personality and considerable insight, possessing outstanding capability and achievements or abundant knowledge in the fields of legal affairs, financial affairs and accounting, business management, and other various fields
- With respect to internal Audit & Supervisory Board Members, person well-acquainted with actual conditions of the company and possessing capability to conduct appropriate audits

(iii) Internal auditing

- Based on the order or approval of the President and Chief Executive Officer, for the purpose of contributing to the effective achievement of management goals, the Internal Auditing Division evaluates how internal control is present and functioning with emphasis on the effectiveness and efficiency of operations, the reliability of financial reporting, compliance with laws and regulations, as well as safeguarding of Company assets. The adequacy and effectiveness of each process in risk management, control (any action taken by the management toward the achievement of the established goals) and governance (processes and structures implemented by the management to inform, direct, manage and monitor the activities of the organization toward the achievement of its objectives) within each organizational unit shall also be evaluated, and suggestions and proposals shall be made for their improvement.
- In order to ensure the independence and objectivity of internal audits, we have the Internal Auditing Division directly under the rule of the President and Chief Executive Officer. The composition of the personnel in the division as of March 31, 2022, is as follows: of a total of 63 people, which includes one General Manager, 28 internal auditors (including 13 re-employed retired contract employees), 18 members in charge of audits, and 16 staff members; 57 people are stationed in the Internal Auditing Division in the Head Office and 6 people are stationed in Internal Auditing Offices overseas.
- In the regular audits which cover Mitsui, Overseas Offices, Overseas Trading Subsidiaries, and other subsidiaries, internal auditors carry out independent and objective evaluations, pursuant to the rules on internal audits, etc., with an emphasis on risk management, effectiveness of management and operations, compliance, and appropriate financial reporting. In addition, the following audits are implemented as internal audits: cross-organizational and cross-functional audits by target and item, such as issues involving multiple organizations and business processes or security trade control systems, and extraordinary examinations to get a whole picture of such events that caused or could cause

irregular economic losses or that jeopardized or could jeopardize the corporate trust, in order to identify the responsibility and recommend measures to clarify causes as well as to prevent recurrence. The Internal Auditing Division as an independent department compiles and checks the assessment of the entity-wide internal control regarding the credibility of financial reports, pursuant to the Financial Instruments and Exchange Act of Japan. The final results are reported to the below- mentioned J-SOX Committee.

- For each fiscal year, the internal auditing policy and the internal auditing plan go through the approval process by the President and Chief Executive Officer. Internal audits are implemented either with or without advance notice to the target organization. The internal auditors provide feedback on the results of the internal audit to the organization before preparing the internal audit report and carry out a full exchange of opinions on their suggestions. The audit results are reported to the President and Chief Executive Officer. The reports from the organization on the implementation status of improvements regarding the issues identified are requested and are reevaluated.

(iv) Auditing of financial statements

- For the year ended March 31, 2022, the certified public accountants executing audits on our financial statements are the following three people, who all belong to Deloitte Touche Tohmatsu LLC: Shuichi Morishige, Takashi Kitamura, and Yoshio Oka. The period successively involved in the audit by Deloitte Touche Tohmatsu LLC is 49 years. The number of assistants involved in auditing work is 123 people as of March 31, 2022, and this number is comprised of 39 certified public accountants, 21 members of the Japanese Institute of Junior Accountants, and 63 others.
- Rotations of the partners were conducted properly. A partner does not serve the Company for more than seven consecutive fiscal years. In addition, a lead audit engagement partner does not serve the Company for more than five consecutive fiscal years.
- In order to secure prompt financial closing and reliability, the auditing work of Mitsui and its consolidated subsidiaries are in principle entrusted solely to Deloitte Touche Tohmatsu. Mitsui's Independent Auditors implement auditing under the Companies Act of Japan and the Financial Instruments and Exchange Act of Japan as well as auditing of the consolidated financial statements in English.

2. Framework for internal control and execution of business activities

- Ultimate responsibility for execution of business operations lies with the President and Chief Executive Officer. The President and Chief Executive Officer delegates authority to the Chief Operating Officers of the business units and regional business units, who, in turn, report to the President and Chief Executive Officer. The Corporate Management Committee is organized for deliberating the basic policies and important matters relating to the overall management. The Committee consists of the Chairman of the Board of Directors, President and Chief Executive Officer (the committee chair), the Directors in charge of Corporate Staff Units, and Representative Directors or Managing Officers nominated by the President and Chief Executive Officer. The Corporate Management Committee is held weekly in principle. Matters referred to the Corporate Management Committee meeting are determined by the President and Chief Executive Officer, taking into consideration discussions among the Committee members.

- As mentioned above, the Internal Auditing Division, the division positioned directly under the President and Chief Executive Officer, examines the status of development and implementation of the internal control of Mitsui. With the delisting from NASDAQ in April 2011 and the termination of SEC registration in July 2011, Mitsui has implemented the internal control framework based on Japanese regulation from the year ended March 31, 2012. Even after the transition, Mitsui maintains its internal control system by positioning the internal control as the structure by which the management controls the executive body, aiming for: (1) “Improvement of effectiveness and efficiency of operations,” (2) “Compliance with accounting standards and securing reliability of financial reporting,” (3) “Compliance with laws, rules that are equivalent to the laws, and observance of management philosophy and company rules including all codes of conduct which reflect this philosophy,” and (4) “The safeguarding of company assets;” and consists of: “control environment,” “risk assessment,” “control activities,” “information and communication,” “monitoring,” and “response to IT.” These objectives and components are as stated in the basic framework designated in “Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting,” issued by the advisory board to the Commissioner of the Financial Services Agency.
- Mitsui has established major committees pertaining to the execution of business and implementation of internal control as follows, and is taking measures to respond to a wide range of risks and forms of businesses, which continue to increase and diversify. The efforts made by the committees regarding execution of business activities and internal controls in the year ended March 31, 2022 are as follows:

Compliance Committee

As an organization under the Corporate Management Committee, this committee, with an attorney at law from outside Mitsui participating as an observer, develops, maintains, and improves the effectiveness of the compliance structure. At the meeting of the Compliance Committee four times per year, the Corporate Management Committee and the Board of Directors twice each year, compliance-related matters are reported, and active discussion are held to review Mitsui's responses to compliance issues and the compliance policies, for the purpose of maintaining and improving the effectiveness of the compliance structure. In order to improve the awareness and knowledge of compliance issues among its officers and employees and instill integrity, Mitsui shared a handbook to all the employees, and conducted various compliance training sessions. Further, in November 2021, Mitsui established the With Integrity Month with the theme of "With Integrity for All Mitsui," carried out various activities such as seminars, exchanges of opinions and information, and so on. The compliance awareness survey was also conducted at Mitsui and its major affiliated companies located in Japan, in order to assess the awareness level of the group and to improve our compliance structure. Mitsui has also assisted with compliance of these affiliated companies by holding seminars, sharing the "Compliance Handbook for Mitsui Group companies" and also offering "Guidelines on the Establishment of Compliance Systems at Affiliated Companies" to contribute to the development and operation of an effective compliance system. Furthermore, in order to further strengthen the detective and control, Mitsui encourages the use of the whistle-blowing system through continuous messaging from the Chief Compliance Officer and other officers, displaying posters in office spaces, and releasing a video introducing the whistle-blowing system on the intranet. In addition, Mitsui has a special whistleblowing hotline for reporting and seeking advice for incidents that breach the laws of Japan or other countries regarding anti-trust (monopoly) laws or anti-corruption laws, or cases that give rise to the suspicion of such breaches. Whistleblowing reports from officers and employees of overseas offices and other subsidiaries in Japan and overseas received via this hotline are handled in an integrated manner by the Compliance Department belonging to Mitsui's head office Legal Division.

Disclosure Committee	As an organization under the Corporate Management Committee, this committee develops principles and basic policy for statutory disclosure, timely disclosure and other important disclosure materials and disclosing acts as well as the internal structure, and discusses and determines the materiality and appropriateness of information to be disclosed. The Committee met four times. The Committee established a disclosure principles and basic policy for various disclosure materials and determined the adequacy of the contents of such materials.
J-SOX Committee	As an organization under the Corporate Management Committee, this committee develops, maintains, and improves the effectiveness of the system for ensuring the reliability of our consolidated financial reporting. The Committee met three times. The Committee understood the company-wide status of internal control over financial reporting for the year ended March 31, 2022 and studied company-wide measures to keep and improve the effectiveness of internal control.
Portfolio Management Committee	As an advisory body to the Corporate Management Committee, this committee establishes the corporate portfolio strategy as well as investment and loan policies, monitors our corporate portfolios, and examines important individual proposals. The Committee met eight times. The Committee continued to provide appropriate risk management at the company-wide level by monitoring portfolios across the entire company, discussing portfolio strategies from the perspectives of asset efficiency and sustainability, verifying progress on company-wide cash flow allocations and reviewing action policies and strategies in the Strategic Focus areas identified in the Medium-term Management Plan.
Information Strategy Committee	As an advisory body to the Corporate Management Committee, this committee plans company-wide information and DX strategy and determines and monitors essential policies concerning establishment of a management platform and promotion of the structure of the information strategy. The Committee met nine times. The Committee monitored the progress of "DX Comprehensive Strategy" formulated in the year ended March 31, 2021, which consists of DX Business Strategy, Data Driven (DD) Management Strategy, and DX HR Strategy, and reviewed and discussed various initiatives such as structure expansion / inspection / training to respond to cyber-attack, Mitsui's intranet renewal, next-generation personnel system policy, outlines of amendments to the Act on the Protection of Personnel Information and our responses, and digital marketing initiative policy, etc.
Sustainability Committee	As an organization under the Corporate Management Committee, this committee aims to promote the sustainability management at Mitsui related to Mitsui's sustainability and environmental, social, and governance (ESG) issues. The Committee met seven times. The Committee reviewed and discussed various initiatives such as formulation of the roadmap to 2030 emission targets and procurement policies for specific commodities in relation to supply chain management, and policy on operation, management and utilization of Mitsui's forest.

Diversity Committee	As an advisory body to the Corporate Management Committee, this committee makes proposals regarding basic policy and the plan for diversity promotion, and formulates and implements targets set along with the plan. In this fiscal year ended March 31, 2022, the Committee welcomed 5 members, including an Executive Vice President from an overseas office and Business Unit Chief Operating Officers (including 3 females and 1 non-Japanese) in addition to the Chair of the Committee, Human Resources & General Affairs Division G.M. and Corporate Planning Division G.M. The Committee was held three times during the year to monitor KPIs and action plans related to the development of female talent in Japan and talent hired outside the head office. It also confirmed results of the Mitsui Engagement Survey as an initiative to achieve and organization that “Thrives on diversity” and discussed D&I related initiatives for the organization.
Crisis Management Headquarters	As an extraordinary and non-permanent organization under the direct rule of the President and Chief Executive Officer, the Crisis Management Headquarters exercises necessary decision making in place of normal in-house decision mechanisms relating to all conceivable matters requiring an extraordinary response. The President and Chief Executive Officer serves as head of this Headquarters.

### 3. Details of Audit Fees and Other Matters

#### (a) Details of fees paid to the certified public accountant auditor

Mitsui’s certified public accountant auditor is Deloitte Touche Tohmatsu LLC. The table below shows the amount of fees paid to Deloitte Touche Tohmatsu LLC by Mitsui and its consolidated subsidiaries, for the years ended March 31, 2022.

	Audit Fees (Millions of Yen)	Non Audit Fees (Millions of Yen)
Mitsui	810	4
Consolidated subsidiaries	726	14
Total	1,536	18

(Notes) Audit fees are fees for auditing pursuant to the Companies Act of Japan, the Financial Instruments and Exchange Act of Japan, and auditing the consolidated financial statements prepared in English. The audit fees include services performed as part of the audit, directly relating to the audit, and which are required by laws to be performed by the auditor, and can only be reasonably performed by the auditor.

#### (b) Details of other significant fees

We entrust auditing work and non-auditing work to member firms of Deloitte Touche Tohmatsu Limited, which belong to the same network to which Deloitte Touche Tohmatsu LLC belongs. The table below shows the amount of fees paid to member firms of Deloitte Touche Tohmatsu Limited (excluding Deloitte Touche Tohmatsu LLC) by Mitsui and its consolidated subsidiaries, for the years ended March 31, 2022.

	Audit Fees (Millions of Yen)	Non Audit Fees (Millions of Yen)
Mitsui	7	127
Consolidated subsidiaries	2,284	200
Total	2,291	327

(c) Details of non-auditing work performed by the certified public accountant auditor of Mitsui  
The non-auditing work for which Mitsui pays a fee to Deloitte Touche Tohmatsu LLC includes tax-related services and so on.

(d) Policy for determining audit fees

In determining audit fees, factors such as the auditing plan and the status of execution of duties by the auditor in the previous fiscal year are taken into account. In order to maintain and improve audit quality and efficient execution of audit, we check the audit process and divide roles between the auditor and the executive department as well as organizing the issues of the individual projects, which promotes transparency of the auditing hours and optimizes the amount of audit fees.

In addition, comparison of budget and actual results, analysis of fluctuation factors, studying further efficiency of audit and confirmation of its progress are carried out quarterly, all of which are discussed with the auditor in a timely manner.

The adequacy of audit fees is confirmed in accordance with the above policy, and the final approval is made with the consent of the Audit & Supervisory Board.

### 3. Reasons for Adoption of Current Corporate Governance System

- Regarding the reasons for adoption of the current corporate governance system, see I.1. “*Basic Views*” and II.2.1. “*Corporate Governance Structure*”.
- Regarding the functions and roles of External Directors of Mitsui, see II.1. “*Matters relating to Independent Directors/Kansayaku*”.



### III. Implementation of Measures for Shareholders and Other Stakeholders

#### 1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	Mitsui dispatches notices for General Meetings of Shareholders around 3 weeks before the date of each Meeting.
Scheduling AGMs Avoiding the Peak Day	When setting the date for Ordinary General Meetings of Shareholders, Mitsui gives first priority to the avoidance of dates on which there are many other shareholders' meetings.
Allowing Electronic Exercise of Voting Rights	To facilitate the active exercise of shareholders' voting rights, Mitsui has started using electronic convocation notices and electronic voting since the General Meeting of Shareholders in June 2004.
Participation	Since the General Meeting of Shareholders held in June 2006, Mitsui has used the platform provided by ICJ, Inc. to enable institutional investors to exercise their voting rights electronically.
Providing Convocation Notice in English	English versions of notices, including Business Reports, etc., are posted on the Company's website.
Other	Notices (including Business Reports, etc.), including English translations, are disclosed on the Company's website and posted on stock exchanges and electronic voting platforms via TDNet more than 4 weeks prior to the date of the meeting. In addition, immediately after a General Meetings of Shareholders, videos of activities at each Meeting, including presentations by senior management, are posted on the Company's website and are available for streaming for a certain period.

#### 2. IR Activities

	Supplementary Explanations
Preparation and Publication of Disclosure Policy	Since 2005, Mitsui has maintained a Corporate Disclosure Policy and publishes it in Japanese and English on its Company's website.
Regular Investor Briefings for Individual Investors	Presentation meetings for individual investors by the President and Chief Executive Officer, CFO, Global Controller or General Manager of Investor Relations Division are held around 6 times a year on site or on line, and the presentation materials are posted on the Company's website.

Regular Investor Briefings for Analysts and Institutional Investors	Regular presentations for sell-side analysts and institutional investors are held after the release of quarterly financial results, with the President and Chief Executive Officer or CFO as presenter. Presentation materials, including English translations, are posted on the Company's website on the day of each meeting. Questions and answers from these meetings are also posted on the website. In addition, Mitsui has been holding the investor day event every year for sell-side analysts and institutional investors from 2017. On-demand video of the presentations, questions and answers as well as presentation materials, including English translations, are posted on the website.
Regular Investor Briefings for Overseas Investors	Individual meetings with executives and General Manager of Investor Relations Division are regularly held at the offices of institutional investors in Europe, the Americas, and Asia, or on line.
Posting of IR Materials on Website	IR materials are available on the Company's website ( <a href="https://www.mitsui.com/jp/en/ir/index.html">https://www.mitsui.com/jp/en/ir/index.html</a> ). Information provided for shareholders on the website includes financial results, timely disclosure materials other than financial results, Securities Reports, quarterly reports, integrated reports, corporate presentation materials, corporate governance reports, notices for General Meetings of Shareholders, and Newsletters to Shareholders.
Establishment of Department and/or Manager in Charge of IR	The Investor Relations Division has been established under the rule of the CFO as a dedicated IR unit.

### 3. Measures to Ensure Due Respect for Stakeholders

UPDATED

Supplementary Explanations	
Stipulation of Internal Rules for Respecting the Position of Stakeholders	In the Mitsui & Co., Ltd Corporate Governance and Internal Control Principles, the management objective of Mitsui is defined as "Mitsui company officers and employees working under the "Mitsui management principles" to reply to the expectations and trust placed in us by our stakeholders, including shareholders, clients, employees as well as consumers and regional communities, and proactively pursuing Corporate Social Responsibility (CSR) oriented management, and as a result to increase corporate value from both the quantitative and qualitative aspects in a sustainable manner." The Company has also formulated various policies, including the Sustainability Policy, the Environmental Policy, the Human Rights Policy, and the Sustainable Supply Chain Policy, to raise the CSR awareness of individual employees.

Implementation of Environmental Activities, Sustainability Activities etc.	Please refer to the Mitsui's website ( <a href="https://www.mitsui.com/jp/en/sustainability/index.html">https://www.mitsui.com/jp/en/sustainability/index.html</a> ) for detailed information about environmental conservation and Sustainability activities.
Development of Policies on Information Provision to Stakeholders	The Mitsui & Co. Group Conduct Guidelines and the Sustainability Policy define the importance of trust and engagement with our stakeholders. Through proactive disclosure and interactive communication with stakeholders, we seek to understand what society expects from and requires of Mitsui and thereby contribute to the realization of a sustainable society.
Other	<p>[Initiatives for combining the capabilities of diverse human resources]</p> <p>Diverse human resources make our firm competitive as a group, globally and locally. As one pillar of the human resource strategy in the Mid-Term Management Plan, we have set up further reinforcement of Diversity &amp; Inclusion as a KPI, to promote the development of diverse talent.</p> <p>1. Development of employees in overseas offices</p> <p>To develop businesses in each country and region, we are focusing on promoting the success of employees at local levels (overseas subsidiaries, branches, and offices). Since 2018, we have been implementing Change Leader Program (CLPs) to foster leaders who can actively promote change.</p> <p>Employees selected from around the world participate in intensive discussions on topics such as leadership and dialogue with top management. In 2020, we held an on-line Change Leader Business Meetup in response to Covid-19. Candidates for next-generation leaders from Japan and other countries worldwide participated in the meeting. Participants discussed topics related to Strategic Focus described in the Mid-Term Management Plan and proposed new business ideas.</p> <p>We will continue to provide a variety of work experience opportunities in Japan and other locations to accelerate the appointment of the right people in the right place in our global group. Mitsui HR Development Institute Inc. also provides planning and management of education and training not only for the overseas offices, but also for employees who work for our group companies around the world.</p> <p>2. Career Development Initiatives for Female</p> <p>As of March 31, 2022, the percentage of female managers in parent company is 8% (267 employees). In order to further empower women's careers, we have set an action plan to achieve 10% of female managers by the fiscal year ending March 31, 2025. (<a href="https://www.mitsui.com/jp/ja/sustainability/social/resources/diversity/pdf/jyoseikatsuyaku_2003.pdf">https://www.mitsui.com/jp/ja/sustainability/social/resources/diversity/pdf/jyoseikatsuyaku_2003.pdf</a>) (Only available in Japanese)</p> <p>As part of our efforts to further empower women's careers, we have implemented a "Women Leadership Initiative Program" with the active support by External Directors.</p>

We also implemented a Sponsorship Program since 2021 where Corporate Management Committee members have been part of the program as a sponsor, providing a yearlong mentorship, consisting of career advice as well as developmental support. This program includes the opportunity of a stretch assignment in support of participant's career progression opportunities. As a result of these initiatives, Mitsui was selected as a 2021 'Nadeshiko Brand' company by the Japanese Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange in recognition of its proactive efforts to support women to play more active roles in the workplace. This is the seventh year running that Mitsui has been awarded the Nadeshiko Brand including 'Semi-Nadeshiko Brand'. For information on our status regarding the promotion of a greater role for female employees, please refer to the database for companies promoting women's participation and advancement, operated by Japan's Ministry of Health, Labour and Welfare (<https://positive-ryouritsu.mhlw.go.jp/positivedb/detail?id=866>)

(Only available in Japanese)

3. To foster inclusive workplace environment

We are promoting a Work Style Innovation to create a workplace environment where diverse individuals can reach their full potential.

In order to realize high levels of efficiency and productivity and maximize both our personal and organizational results, we introduced “annual paid leaves on an hourly basis” from the year ended March 31, 2017, “individual-based staggered working hour scheme” from the year ended March 31, 2018 and “Telework (work-from-home or mobile work)” from the year ended March 31, 2020.

In May 2020, we completed our relocation to the new Head Office building. We defined our new Head Office building as a place where Mitsui’s diverse individuals will create new value in an environment that combines intellectual efforts by numerous professionals from inside and, outside the company, to create the future of Mitsui & Co. We introduced “Group address system” and created “Communication space (Camp)” for this purpose.

We also have introduced Work Life Management policies that goes beyond minimum statutory requirements, such as childcare and family care. We also hold several efforts such as ‘Diversity Café’ sessions for employees to exchange information on how to manage their Work and Life.

[Compliance with the United Nations Global Compact]

In October 2004, Mitsui pledged its support for the United Nations Global Compact. The Company is promoting business activities based on good faith and a high standard of transparency by periodically reviewing its compliance with the principles of the Compact in order to identify and remedy any inadequacies.

## IV. Matters Related to the Internal Control System UPDATED

### 1. Basic Views on Internal Control System and the Progress of System Development

Regarding internal control system and the related units, see II.2.2 “*Framework for internal control and execution of business activities*”. In the construction of internal control processes, aiming to achieve the above mentioned objective of the internal control process – “Improvement of effectiveness and efficiency of operations,” “Compliance with accounting standards and securing reliability of financial reporting,” “Compliance with laws, rules that are equivalent to the laws, and observance of management philosophy and company rules including all codes of conduct which reflect this philosophy,” and “The conservation of company assets” – the following systems are implemented.

#### 1. Risk management system

Risks arising from business activities are monitored and managed by Chief Operating Officers of business units and regional business units within their authorization delegated from the management. Risks associated with our business include quantitative risks such as credit risk, market risk, business risk arising from subsidiaries’ businesses and country risk, as well as qualitative risks such as compliance risk and operational risk. Measures taken by each business unit to manage quantitative risks include setting of position limits and loss-cut limits as well as monitoring of positions by divisions with relevant expertise. For the management of qualitative risks, the business units are obligated to observe related internal regulations. When a business unit or a regional business unit takes risks greater than the scope of authority granted to the Chief Operating Officers, it is necessary to obtain approval of the Corporate Management Committee or a Representative Director in charge, or a Senior Managing Officer in charge, depending on the importance of the case, in accordance with the standards of the internal approval system.

Furthermore, as stated in II.2.1. “Corporate Governance Structure” as committees responsible for business execution and the internal control system, organizations such as the Portfolio Management Committee, the Internal Controls Committee, the Sustainability Committee, and the Crisis Management Headquarters establish and develop the risk management structures and handle significant risks. These committees consist of Managing Officers and the General Managers of Corporate Staff Units. With respect to the risks in the fields they are in charge of, each division of the Corporate Staff Units is responsible for surveillance of the whole Company’s positions, control within the prescribed range of their authority, and supporting the relevant Directors and Managing Officers.

#### 2. Internal control over financial reporting

As a result of the termination of the SEC registration, Mitsui implements the internal control framework as stipulated in the Financial Instruments and Exchange Act of Japan from the year ended March 2012. In addition to the Company-wide discipline, Mitsui has been conducting self-assessment by units subject to evaluation and testing by an independent division concerning the effectiveness of accounting and financial closing controls, IT controls, and business process level controls. After comprehensively assessing the above, Mitsui management confirmed that internal control over financial reporting is effective for the year ended March 31, 2022.

#### 3. Internal controls regarding construction and management of information systems and information

security

“Information Technology (IT) policy” is declared as a basic policy for IT utilization to promote further awareness raising of employees and enhancement of IT governance. The important principles for our global group information strategy are formulated in line with the corporate management policy through the discussions at the Information Strategy Committee established pursuant to the “Rules of Information Strategy Committee.” Under the system centered around the Information Strategy Committee, we are enhancing the system of internal control including management of various possible risks such as information leakage and cyber-attacks through maintenance of the following rules, necessary in light of development and operation of information systems and information security.

“Rules on Information System Management”: rules on the process of procurement, introduction and operation of Information assets

“Rules on IT Security”: code of conduct for the system supervisory divisions regarding IT security

“Rules on Information Management”: basic policies in terms of information risk management system and information management

“Rules on Protection of Personal Information”: rules for the handling of personal information required for business execution (Applied only in Japan)

“Rules on Cyber Security Countermeasures”: rules for preventive measures against cyber-attacks and emergency countermeasures in the event of incident

#### 4. Compliance structure

In addition to the Compliance Committee, (see II.2.1 “*Corporate Governance Structure*”), chaired by the Chief Compliance Officer, Mitsui implements a compliance management system within the regular line of management at business division and department level. Further, Compliance Supervising Officers are designated at domestic and overseas units, branch offices and others.

Mitsui has set forth the “Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd.” (“Guidelines”) and has equivalent business conduct guidelines in place at its subsidiaries. Mitsui is striving to improve observance of the Guidelines through continuous monitoring and reviewing. Additionally, to further clarify our basic approach toward integrity and compliance on a global group basis, we have put together the “Mitsui & Co. Group Conduct Guidelines” to be shared by Mitsui & Co. Group companies. Please refer to the “Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd.” or “Mitsui & Co. Group Conduct Guidelines” released on the Mitsui’s website. Mitsui has a total of eight whistle-blowing avenues in place, including those involving an external attorney at law and a third-party providing hotline services. Pursuant to the Whistleblower Protection Act, Mitsui made it clear that a whistle-blower would not be subject to any recrimination or detrimental treatment by Mitsui as a result of whistle-blowing. Additionally, Mitsui makes sure that its domestic affiliated companies are also able to use the whistle-blowing avenues (external attorneys at law and a third-party providing hotline services) designated by Mitsui in order to (i) maintain a high standard of confidentiality and (ii) enable their employees to use these avenues without uneasiness. Mitsui’s overseas offices and overseas affiliate companies also have whistle-blowing systems that were put in place considering applicable local laws and regional characteristics. Furthermore, Mitsui prohibits treating a whistleblower disadvantageously due to the reason of the whistleblowing itself, and will

thoroughly make this a known internal fact. Any cases of violation of compliance are handled strictly, including disciplinary actions in accordance with the Employment Regulations of Mitsui & Co., Ltd.

5. Systems to secure appropriateness of operations within the corporate group

In March 2006, Mitsui established the “Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles” (“Principles”). In light of other laws and regulations and to the extent reasonable, Mitsui requires its subsidiaries to develop and operate internal controls based on these Principles, and for its equity accounted investees, Mitsui coordinates with other equity participants and encourages the equity accounted investees to develop and operate similar internal controls. For internal controls to secure reliability in financial reporting, see IV.1.2. “*Internal control over financial reporting*” above. In addition, from its officers and employees, Mitsui appoints supervising officers for its affiliated companies and has them engage in their duties based on the “Rules on Delegation of Authority for Supervising Officers for Affiliated Companies.” Also, when Mitsui deploys full-time audit & supervisory board members in major affiliated companies, Mitsui selects personnel from the Internal Auditing Division rather than from related Business Units to enhance the independence of auditing.

## 2. Basic Views on Eliminating Anti-Social Forces

1. Mitsui reacts resolutely towards antisocial forces, and will not, as a matter of principle, conduct business with antisocial forces or with parties that have relations with antisocial forces.
2. Mitsui specifies the abovementioned principle in its “Business Conduct Guidelines”, and makes this thoroughly known to its officers and employees. To reject antisocial forces, and to make this a company-wide stance, insertion of a clause within contracts rejecting antisocial forces is encouraged, and by placing a response unit, a system enabling routine coordination with external professionals, such as police and lawyers, is established.



## V. Other UPDATED

### 3. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
Supplementary Explanation	
N/A	

### 4. Other Matters Concerning to Corporate Governance System

[Outline of Timely Disclosure System]

1. Internal structure relating to timely disclosure to capital markets
  - (1) Mitsui has formulated principles and a basic policy and developed an internal structure relating to statutory disclosure, timely disclosure and other important disclosure materials and disclosing acts on an internal and external consolidated basis. We have also established the Disclosure Committee to examine highly urgent IR matters and formulate measures. The Disclosure Committee is a subordinate organization of the Corporate Management Committee. It is headed by the CFO and co-headed by CSO and CHRO, and its members are the General Managers of the relevant corporate staff divisions. The Investor Relations Division, which acts as the secretariat for the Disclosure Committee, works with IR staff assigned to corporate staff divisions and business units to prepare drafts of disclosure documents and analyze points for discussion in response to directives from the Disclosure Committee.
  - (2) In its Corporate Disclosure Policy, Mitsui has defined the fundamental requirements and procedures for the disclosure of information that investors need to make appropriate decisions. This policy has been posted on the Company's website.
  - (3) Mitsui has established the Investor Relations Division as the unit responsible for disclosure to investors. This Division is in charge of administrative processes relating to timely disclosure and is responsible for the monitoring and management of facts, financial data, and other information that could have a material impact on investors' decisions, and for the accurate and timely disclosure of that information.
2. Facts that could have a material impact on investors' decisions
  - (1) Management of information relating to timely disclosure is integrated within the Investor Relations Division, which is the unit responsible for communication with the Tokyo Stock Exchange. When disclosing important new facts, the Investor Relations Division, determines the content of the disclosure. If necessary, it first examines the information in consultation with the corporate staff divisions that make up the Disclosure Committee and consults with the Corporate Communications Division, which is responsible for interaction with the media.
  - (2) If a high-level management decision is required concerning the disclosure method and timing, etc., disclosure will be carried out after deliberation by the Disclosure Committee, and, if necessary, after approval has been obtained from the Corporate Management Committee.

(3) The Investor Relations Division is responsible for day-to-day communications among internal units in preparation for the disclosure of important information. Internal units are required to inform the Investor Relations Division about progress on important businesses through the corporate organization. To align the viewpoints of the corporate organization and frontline business units, the Investor Relations Division holds regular meetings with each business unit after the publication of quarterly financial results. The purpose of these meetings is to share information about market reactions to information disclosed at the corporate or individual business unit level, and about important disclosure items going forward.

### 3. Information about Financial Results

Information is released each quarter after approval by the Corporate Management Committee and report to the Board of Directors.

- (1) Management of financial information has been integrated within the Global Controller Division, and general non-financial information within the Investor Relations Division. Final responsibility for the external disclosure of Flash Reports and other information rests with the Investor Relations Division.
- (2) Before financial results are released, Flash Reports and other external disclosure documents and important disclosure items are checked by a study committee made up of the CFO and members of the Disclosure Committee.

[Governance structure]

