

Disclosure for FYE 3/2022 (Evaluation of the Effectiveness of the Board of Directors)

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.

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.

1. 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 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.

2. 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
- VII. General

3. Effectiveness Improvement Initiatives in FYE 3/2022

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 issue 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.

4. 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.

5. Initiatives 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.

Board and Other Meetings Held in FYE March 2022

BD	Board	FD	Free Discussion	G	Governance Committee	R	Remuneration Committee
N	Nomination Committee	Ex	External Members Meeting	T	Training Session		

2021/4	2021/5	2021/6	2021/7	2021/8	2021/9	2021/10	2021/11	2021/12	2022/1	2022/2	2022/3
BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD	BD
BD	G	BD	Ex	Ex	G	Ex	G	G	N	R	BD
	R	R	Ex		R	R	N	R	N	Ex	G
		Ex			N		Ex			Ex	R
					Ex		FD			Ex	N
					Ex		T				Ex
											Ex
											FD

Directors and Audit & Supervisory Board Members

	Name	Position at the Company	Term of Office Stipulated	Board	Governance Committee*1	Nomination Committee*1	Remuneration Committee*1	External Members Meeting	Female	Foreigner	
				○	◎	○	○	○	○	○	
Directors	Tatsuo Yasuanga	Representative Director, Chairman of the Board of Directors	1year	○ 15/15	◎ 5/5	○ 5/5					
	Kenichi Hori	Representative Director, President and Chief Executive Officer		○ 15/15	○ 5/5	○ 5/5					
	Takakazu Uchida	Representative Director, Executive Vice President		○ 15/15			○ 7/7				
	Hirotsu Fujiwara	Representative Director, Executive Vice President		○ 15/15							
	Shinichiro Omachi	Representative Director, Executive Vice President		○ 15/15	○ 5/5						
	Yoshio Kometani	Representative Director, Senior Executive Managing Officer		○ 15/15							
	Miki Yoshikawa	Representative Director, Senior Executive Managing Officer		○ 15/15							
	Motoaki Uno	Representative Director, Senior Executive Managing Officer		○ 11/11							
	Yoshiaki Takemasu	Representative Director, Executive Managing Officer		○ 11/11				○ 7/7			
	Izumi Kobayashi	Director (External)*2		○ 15/15		◎ 5/5	○ 7/7	○ 13/13	○		
	Jenifer Rogers	Director (External)*2		○ 15/15	○ 5/5			○ 10/13	○	○	
	Samuel Walsh	Director (External)*2		○ 15/15	○ 5/5			○ 13/13			○
	Takeshi Uchiyamada	Director (External)*2		○ 15/15		○ 5/5		○ 13/13			
Masako Egawa	Director (External)*2	○ 15/15	○ 5/5		○ 7/7	○ 13/13	○				
Audit & Supervisory Board Members	Makoto Suzuki	Full-time Audit & Supervisory Board Member	4years	○ 15/15							
	Kimiro Shiotani	Full-time Audit & Supervisory Board Member		○ 15/15							
	Haruka Matsuyama	Audit & Supervisory Board Member (External)*2		○ 15/15	○ 5/5			○ 11/13	○		
	Hiroshi Ozu	Audit & Supervisory Board Member (External)*2		○ 15/15		○ 5/5		○ 11/13			
	Kimitaka Mori	Audit & Supervisory Board Member (External)*2		○ 15/15			◎ 7/7	○ 12/13			

*1. ◎: Committee chair for the respective advisory committees

*2. Independent Director/Audit & Supervisory Board Member

Number of proposals/reports to the Board of Directors

Type	FYE 2020 March	FYE 2021 March	FYE 2022 March
Corporate strategy/ sustainability/ governance-related	26	28	28
Financial closing and finance-related	17	16	17
Audit & Supervisory Board Members/ Independent Auditor-related	7	5	5
Risk management/ internal controls/ compliance-related	6	8	11
Human resources-related	4	6	5
Individual proposals	12	26	30
Total	72	89	96

Sustainability , internal control or risk management-related reports to the Board FYE March 2022

Board of Directors Agenda	Date	Type of Risk	Reference: Risk management framework and rules
Internal Control System Review	2021/4/7	<ul style="list-style-type: none"> • Internal control overall 	<ul style="list-style-type: none"> • Authority delegation system, ringi system, oversight and support by corporate staff divisions • Prior setting of position limits, monitoring by specialist units • Internal Control/Portfolio Management Committee
Sustainability related	2021/4/7 2021/9/15 2021/10/6 2021/11/2	<ul style="list-style-type: none"> • Overall activities related to sustainability • Formulation of the Sustainability Policy • Approval of the Statement under the UK Modern Slavery Act 	<ul style="list-style-type: none"> • Sustainability Committee
Mitsui & Co. Group Compliance System	2021/4/7 2022/3/24	<ul style="list-style-type: none"> • Compliance risks 	<ul style="list-style-type: none"> • Compliance Committee • Establishment of and compliance with Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd. • Development of internal whistle-blowing system • Implementation of training and other awareness-raising activities
Internal control evaluation report given under the Financial Instruments and Exchange Law	2021/6/18	<ul style="list-style-type: none"> • Internal controls relating to financial reporting 	<ul style="list-style-type: none"> • J-SOX Committee • Self-assessment of effectiveness of internal control systems by units under assessment, and testing by independent units
Internal Auditing Div. Activity Report	2021/9/8	<ul style="list-style-type: none"> • Result of internal auditing 	<ul style="list-style-type: none"> • Internal audit framework centered on Internal Auditing Div.
Mitsui & Co.'s risk exposure and controls	2022/1/14	<ul style="list-style-type: none"> • Credit risk (commercial claims, external loans/guarantees, term deposits) • Market risk (commodity/forex long and short positions, inventories) • Business risk (business assets, loans/guarantees to related parties, external investments) • Country risk 	<ul style="list-style-type: none"> • Examination of credit lines and ringi applications and monitoring • Ringi examination of commodity/forex long and short positions, on-site inspection of inventories, etc. • Examination through ringi processes, realization of returns from investment projects and their optimization • Collection and analysis of country risk information, position monitoring by country, designation of countries for suspension of transactions, designation of special countries, formulation of country-specific policies
Cyber Security	2022/1/14	<ul style="list-style-type: none"> • Cyber Security 	<ul style="list-style-type: none"> • Technical support, human support (including security awareness activities), support to affiliated companies

Advisory Committees Activities (FYE March 2022)

Advisory Committees	①Governance Committee	②Nomination Committee	③Remuneration Committee
Committee chair	Chairman of the Board of Directors	External Member	External Member
Composition (including committee chair)	Chairman of the Board of Directors President and Chief Executive Officer 1 Internal Director Chief Strategy Officer (CSO) 3 External Directors 1 External Audit & Supervisory Board Member	Chairman of the Board of Directors President and Chief Executive Officer 2 External Directors 1 External Audit & Supervisory Board Member CHRO(Chief Human Resources Officer) shall serve as Director-General	2 Internal Directors serving as the Chief Financial Officer (CFO), the CHRO 2 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.	To enhance the transparency and objectivity of processes relating to the nomination of directors and executive officers (referred to collectively as "Officers", including the CEO, the same to apply below) through the involvement of External Members, and to ensure the fairness of Officer nominations.	To enhance the transparency and objectivity of decision-making processes relating to remuneration for Officers through the involvement of External Members, and to ensure the fairness of remuneration for Officers through ongoing monitoring.
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.	To study the selection and dismissal standards and processes for nominating 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 Officers.	To study the system and decision-making process relating to remuneration and bonuses for 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.	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.	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.
Meetings in the FYE March 2022	5	5	7
Results in the FYE March 2022	Governance Committee discussed (i) Our response to revised Corporate Governance Code, (ii) Institutional design based on our frameworks for business execution, (iii) Review of standards on matters to be resolved/reported at the Board of Directors and (iv) Evaluation of Effectiveness of the Board of Directors.	The Nomination Committee discussed Consideration/Deliberation of selection of Director candidates based on Skill Matrix, and deliberation of plan of Internal Directors.	The Remuneration Committee discussed re-evaluation of the remuneration system and level towards the contribution of medium-to long-term corporate value under global competitive environment, etc.

Free Discussion among all members of BOD and ASB

Regarding the free discussion which was first held in the fiscal year ended March 31, 2019, it had marked very positive in the evaluation of effectiveness in the fiscal year ended March 31, 2021, we organized the free discussion continuously during the fiscal year ended March 31, 2022.

	Date, Venue, etc.	Agenda
FYE 2021 March The opinions for the evaluation of the effectiveness	<ul style="list-style-type: none"> November 16, 2021 Free discussion attended by all members of the Board of Directors and the Audit & Supervisory Board 	"Priority of Issues and Actions That Mitsui Should Tackle in the Medium to Long Term to Increase Corporate Value"
	<ul style="list-style-type: none"> March 3, 2022 Free discussion attended by all members of the Board of Directors and the Audit & Supervisory Board 	"How Global Operation Should Be"

Agenda of External Members Meeting in FYE Mar 2022

1	Response to Shareholders' Questions at General Meeting of Shareholders	8	Business Environment Outlook
2	Market Reaction of the Financial Results for the FY Ended March 2021, etc.	9	Explanation on Business Units (Basic Materials Business Unit/ Performance Materials Business Unit/ Enegy Business Unit I / Enegy Business Unit II)
3	Activity Report on the FY Ended March 2021 from the Nomination Committee Chair	10	Mitsui Engagement Survey 2021
4	Business outline① Infrastructure Projects Business Unit/Energy Solutions Business Unit	11	Discussion on Evaluation of Effectiveness of the Board of Directors
5	East Asia Bloc Business Overview	12	Iron & Steel Products Business Unit/ Mineral & Metal Resources Business Unit
6	Activities of the Portfolio Management Committee	13	Exchange of opinions and information with independent auditor
7	Explanation on Business Units (Nutrition & Agriculture Business Unit/ Wellness Business Unit)		

Major Activities of External Directors

Major activities of External Directors during the year ended March 31, 2022 are as follows.

<p>Izumi Kobayashi (Director since June 2014)</p>	<p>Ms. Kobayashi has participated in all 15 Board of Directors meetings held during the year ended March 31, 2022. She has applied her deep insight related to organizational management for generating innovation, and risk management, gained from her experience serving as a representative of private sector financial institutions and a multilateral development bank. At the Board of Directors meetings, she speaks out actively from diverse perspectives, 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 appointment of executives, including the Chief Executive Officer. 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.</p>
<p>Jenifer Rogers (Director since June 2015)</p>	<p>Ms. Rogers has participated in all 15 Board of Directors meetings held during the year ended March 31, 2022. At the Board of Directors meetings, she has made many useful comments concerning risk control from her global perspective and based on her deep insight related to risk management gained from her work experience at international financial institutions and experience in legal operations as a corporate attorney. As such, she makes a significant contribution to enhancing the supervision function of the Board of Directors. In the year ended March 31, 2022, she has 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.</p>
<p>Samuel Walsh (Director since June 2017)</p>	<p>Mr. Walsh has participated in all 16 Board of Directors meetings held during the year ended March 31, 2022. He has offered proposals and suggestions from a broad-minded standpoint based on his global expertise, outstanding managerial skills, and abundant business management experience cultivated through his long years working in upper management within the automotive industry and as chief executive officer of an international mining and resource company. He has made significant contributions to active discussions at the meetings of the Board of Directors, and to improving the effectiveness of the said meetings. In the year ended March 31, 2022, he has served as a member of the Governance Committee (attending all 5 such meetings), and actively contributed his opinions for the creation of a highly transparent governance system.</p>
<p>Takeshi Uchiyamada (Director since June 2019)</p>	<p>Mr. Uchiyamada has participated in all 15 Board of Directors meetings held during the year ended March 31, 2022. He has long been involved in research at Toyota Motor Corporation on environmental and safety technologies development that could realize a mobility society called for by today's society, as well as in the development of products demanded by consumers, and is exercising his excellent managerial skills as an executive officer of Toyota Motor Corporation. At the Board of Directors meetings, he makes numerous proposals and suggestions from diverse perspectives, based on his management experience in a global company and deep insight into society in general. He makes significant contributions to active discussions at the meetings of the Board of Directors, and to improving the effectiveness of the 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 appointment of executives, including the Chief Executive Officer.</p>
<p>Masako Egawa (Director since June 2020)</p>	<p>Ms. Egawa has participated in all 15 Board of Directors meetings held during the year ended March 31, 2022. She has made significant contributions to reviving the discussions at the meetings of the Board of Directors and improving its effectiveness, based on her deep insight in finance and corporate management gained through her management experience as a director of The University of Tokyo, her many years of experience working at global financial institutions, and through 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 expressed her opinions toward building a highly transparent governance system. She also served as a member of the Remuneration Committee (attending all 7 such meetings) and contributed to discussions related to the redesign of executive remuneration and evaluation system.</p>

Major activities of External Audit & Supervisory Board Members during the year ended March 31, 2022 are as follows.

<p>Haruka Matsuyama (Audit & Supervisory Board Member since June 2014)</p>	<p>Ms. Matsuyama has participated in all 15 Board of Directors meetings and 18 of the 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 has actively provided opinions that contribute to developing transparent and objective governance.</p>
<p>Hiroshi Ozu (Audit & Supervisory Board Member since June 2015)</p>	<p>Mr. Ozu has 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 discussions with the aim of enhancing the transparency and effectiveness of the procedures for the appointment of executives, including the Chief Executive Officer.</p>
<p>Kimitaka Mori (Audit & Supervisory Board Member since June 2017)</p>	<p>Mr. Mori has 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 his 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 demonstrated strong leadership in discussions related to the redesign of executive remuneration and evaluation system.</p>