

Gate 3



Management Foundation

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Roundtable Discussion: Changes to Mitsui's Governance Structure and Aiming for Further Improvement

Characteristics of Our Governance Structure

Takano First, please tell us about the characteristics of Mitsui's governance structure.

Egawa I believe Mitsui's Board of Directors has four characteristics. The first is that, as a company with an Audit & Supervisory Board, the Board of Directors is responsible for both important decision-making and oversight. Executive Committee members participate in discussions either as Internal Directors or observers, leading to substantive decision-making based on internal insights. Also, all of our decisions are made based on unanimous approval. The second point is the presence of Audit & Supervisory Board Members. Audit & Supervisory Board Members at Japanese companies are polarized into those who actively express their opinions and those who restrain their opinions. At Mitsui, Audit & Supervisory Board Members actively participate in discussions, enhancing the validity of decision-making. The third point is that decisions are made based on free and open-minded discussions, and management highly value the opinions of External Directors. The fourth point is that our External Directors are a highly diverse group of professionals, improving the quality of decision-making.

The diversity of the board is an important element that investors and other stakeholders pay close attention to. When appointing non-Japanese as directors, many Japanese companies choose those living in Japan. However, it is important that the Company went through various considerations before arriving at the current board composition in order to achieve true diversity of the Board of Directors.

Yasunaga Non-Japanese living in Japan are well-versed in Japanese culture and therefore discussions may go rather smoothly. However, such discussions based on shared tacit understanding sometimes



Yuichi Takano

Executive Managing Officer
General Counsel

Masako Egawa

External Director
Chair of the Nomination Committee
Member of the Governance Committee

Tatsuo Yasunaga

Representative Director
Chair of the Board of Directors
Chair of the Governance Committee

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do not contribute to diversity in the true sense. People who are not familiar with Japanese culture often provide stimulating inputs and unexpected insights, and I believe that is the real value of diversity.

At Mitsui, engaging in global and cross-industry businesses, we are always wary that discussions based only on Japanese values could lead to future risks and missed opportunities. As such, welcoming non-Japanese with diverse values and expertise, those who have headed non-Japanese companies, or those who have led Japanese subsidiaries of non-Japanese companies, is a minimum requirement for Mitsui to be a global company.

Egawa I totally agree. By having such diverse people on the Board, we can gain industry-specific expertise. It is also beneficial because they are familiar with the governance practices of companies outside Japan. For instance, we can hear opinions regarding the relationship between External Directors and executive management based on various examples.



Takano How do you evaluate voluntarily established committees at Mitsui, especially the Governance Committee?

Egawa Establishing the Governance, Nomination, and Remuneration Committees in 2004 was a progressive move at the time, and even now, few companies have a governance committee. Normally, the board of directors would discuss effectiveness of the board and institutional design, but having a governance committee allows more focused discussions on those issues. We have established the Governance Committee precisely because we recognize the importance of those discussions, and I believe its significance is understood by external stakeholders as well.

Changes to the Governance Structure

Takano Regarding the recent changes made to Mitsui's governance structure, while the current organizational design of a company with an Audit & Supervisory Board remains unchanged, the number of Internal Directors was reduced from nine to six, which makes the ratio of External to Internal Directors equal at 6:6. The executive structure was also revised, which includes reaffirming the role of the Executive Committee members as the leadership team and establishing the position of General Counsel. Ms. Egawa, how do you evaluate this change?

Egawa I think it is a good change. Previously, the number of Directors was large and the ratio of Internal Directors was somewhat high, but we resolved those issues. In terms of the structure, we have now clearly distinguished between Directors, who are responsible for oversight, and the leadership team, with only Chief Officers of the leadership team becoming members of the Board of Directors. This has clarified the division of roles. Furthermore, although some of the officers in charge of business units are no longer Directors, they continue to attend Board meetings as observers, and this has resulted in a good structure that aligns with our strengths.

Yasunaga Looking back, when I became CEO in 2015, there were five External Directors, but we had more members with backgrounds in the public sector and academia rather than those with corporate management experience. Back then, we used to discuss issues from a company-wide perspective at Corporate Management Committee (currently the Executive Committee) meetings and strived to include the insights of External Directors at Board meetings, but I felt the need for even more diverse members on the Board to reflect more global views and broader corporate management insights.

To discuss the overall management of the Company, it is necessary for the Board to deeply understand how our approach to HR and organizational management, as well as regional and business axes function, how we have reached the current earnings structure, and how all of these will lead to future developments for our business, through discussions on individual projects. Accordingly, we thought we should not compromise on ensuring the diversity of Directors' backgrounds, and made gradual changes to the composition of the Board of Directors. The current six External Directors are truly diverse in terms of nationality, gender, careers, and views. I believe that the current Board formation is in many ways an ideal one. The Board is capable of not only deliberating each investment, but also engaging in more profound discussions, while considering the background to each investment.

At that point I thought the Board moved closer to its ideal form, but it has been pointed out that Board meetings need to be more interactive and that discussions sometimes had become like Q&A sessions between Internal and External Directors. It had also been suggested that the Board should not just deliberate on individual investments but should also delve deeper into more overarching, important matters that could define the Company's future, which I thought was indeed a valid point.

Currently, the Board of Directors actively discusses various themes from a higher perspective, such as how the Company can allocate its resources in order to sustainably grow in the future and position itself to contribute to society.

Egawa Thanks to your explanation, I now understand the transition of Mitsui's Board of Directors.

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In recent years, many Japanese companies have raised the ratio of external directors, so I thought it would be good for Mitsui to slightly increase that ratio as well. Upon official approval at the most recent General Meeting of Shareholders, the ratio of External Directors reached 50%.

Takano Was there any particular discussion that impressed you?

Egawa What impressed me most was the positioning of Internal Directors. It was what we spent the most time discussing, and I believe it was essentially one of the most important topics. To thoroughly deliberate individual investments within the Board, the insights of Internal Directors are indispensable, and there were also concerns whether engaging with external parties without the director title could be disadvantageous. I imagine that there were extended discussions within the Company, encompassing more than what we discussed in Board meetings or Governance Committee meetings. After considering those concerns and factors, we were able to organize the Board of Directors as a supervisory function with officers with CXO titles joining the Board, while the leadership team, as members of the Executive Committee, will emphasize its significance externally. As a result, the division of roles between oversight and execution became even clearer, and I believe that the increase in the ratio of External Directors has led to stronger oversight.

Yasunaga The Governance Committee discussed from scratch what governance should look like in its ideal form. We asked ourselves whether the authority of the officers in charge of business units would be reduced if they were no longer Directors, or whether it simply represents the changes in their expected roles. Eventually, we came to the conclusion that, by highlighting their roles as members of the Executive Committee—the leadership team—and by clearly contrasting the different roles played by the director and the executive side, we can ensure that they will function effectively under the new governance structure.

After extensive and detailed discussions and referring to the board composition of companies outside Japan, we ultimately made a decision on the current structure. At companies outside Japan, in terms of board members from the executive side, often, it is the CEO only, or the CEO and CFO at most, while the rest are external

directors, and business execution is usually entrusted to the leadership team, such as the management committee or other forms of the executive decision-making body. Telling people from outside Japan that this restructuring has brought us up to international standards, the response is that there are still too many internal directors. On the other hand, the perception in Japan is that we are quite progressive.

We have communicated to the officers in charge of business units that not only will their authority be maintained, but more of a company-wide perspective will be required going forward. We also emphasize within the Company that this change has set us on the path to becoming an even more genuinely global company.

Furthermore, since we have such a diverse group of six External Directors, we thought it would be better to increase the role expectations and responsibilities of the External Directors, not as six out of 15, but as six out of 12. In that sense as well, each of the 12 members feels the weight of their respective opinions in steering the Company.

Recent Changes to Board Meetings

Takano Over the past few years, we have taken various steps to improve the effectiveness of the Board of Directors through changes to the way meetings are operated. For example, we have revised the criteria for matters to be resolved and introduced more thorough pre-meeting briefings for External Directors and External Members meetings. Other changes include providing more detailed information to External Directors. Ms. Egawa, what has been your impression of these initiatives?

Egawa The Company has been working for some time to revise its criteria for matters to be resolved by the Board of Directors so that the Board could focus on a smaller number of substantial items. In parallel with these efforts, we also discussed a reduction in the frequency of Board meetings. Board members residing outside Japan were especially vocal about that change. In fact, many non-Japanese companies have fewer board meetings and allocate more time to each meeting.

According to a survey that I referenced previously, American



companies hold a total of five to nine board meetings per year, including four to five face-to-face meetings and one to four telephone meetings. The average duration of meetings was over five hours for face-to-face meetings and one hour for telephone meetings. My impression is that Mitsui's practice is getting closer to those of overseas companies. Having reduced the frequency of meetings, we now use online meetings and written resolutions for urgent matters. Meanwhile, for our face-to-face meetings, we spend greater time on more substantive discussions. In addition to thorough pre-meeting briefings, we also hold free discussion sessions and the External Members Meeting before and after Board meetings. By combining sessions such as these, we have, in effect, increased the amount of discussion. The pre-meeting briefings also include explanations and discussions about investments that are strategically important but not included in the agenda for Board meetings.

Yasunaga I also felt that we were holding too many Board meetings. However, when discussing investments, we also need to align our schedules with those of other parties, including our business partners and host countries. In some cases, it is too late if we only deliberate

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on investments once every three months. That is why we needed to hold meetings often enough to align with the speed of deal making. Under these circumstances, we have to adjust our approaches, such as discussing individual investments well in advance where possible or deliberating via online meetings. That said, some members have commented that it is difficult to discuss important projects online. So, while recognizing the need for in-person meetings, an ongoing issue for us is how to effectively modify the way in which meetings are conducted.

Takano What are your thoughts concerning changes in the themes discussed at Board meetings?

Egawa I see a number of significant changes. For example, in response to requests from External Directors, we now have more discussions on portfolio reviews and sustainability-related issues. In particular, we now engage in more thorough discussions about HSE (health, safety and environment) reports, especially safety.



Takano I served as a member of the Board of Directors Secretariat until last year. Based on the comments from External Directors that the Board should be discussing broader and more strategic matters, we increased the opportunities for the Board to deliberate on important management matters. We also strived to thoroughly explain the positioning of individual investments in the context of overall strategies as we discussed them.

Egawa I also find it extremely useful to be briefed on the strategies and activities of each business unit at the External Members Meeting and other meetings. While deliberations about individual investments will deepen our understanding about business units engaged in large-scale investment and financing projects, we tend to have few opportunities to get to know other business units. This issue is now covered through setting the agenda items for Board meetings or External Members Meetings.

Aiming for Further Improvements to Governance

Takano What kind of improvements do you think we need in order to further enhance governance?

Egawa I believe that the Board of Directors needs to debate strategies from a company-wide perspective and continually work to deepen portfolio reviews with an emphasis on ROIC. I also think that from the perspective of maintaining discipline, it would be useful to decide in advance at the time of final investment decisions (FIDs) of large-scale investments that the investment will be reviewed in, for example, two to three years. As already commented in Governance Committee meetings and during effectiveness evaluations of the Board, I think that there should be regular opportunities for discussion sessions among just the External Directors and External Audit & Supervisory Board Members.

Yasunaga I would like External Directors to continue holding these sessions and highlight aspects that may not be apparent to those of us within the Company.

Meanwhile, our frontline staff continuously apply PDCA cycles to projects, while both the Portfolio Management Committee and the Executive Committee monitor progress on the *middle game** for every investment. If all of this information were reported to the Board of Directors, there would be too much to report, and the Board would not be able to function effectively. The Board therefore needs to focus mainly on new projects and projects with issues. We also need to ensure that PDCA cycles are applied efficiently. For example, there are projects with issues for which reports are submitted on a weekly basis, so the executive side may need to reconsider how internal reporting should be made in order to improve efficiency. On a different note, I think paying visits to frontline operations is the best way for External Directors to learn about our frontline efforts to create value and enhance return on investment. This year, for example, External Directors were invited to visit some of our frontline operations in North America, and we would like to arrange more visits to provide opportunities to observe our frontline operations in each region.

* The intermediate stages between the entry and exit points of investments, where the focus is on enhancing individual businesses and implementing turnarounds to improve earnings power.

Takano Finally, as Chair of the Board, what is your vision for the future of the Board of Directors in light of the recent changes in the governance structure?

Yasunaga I would like to take a natural approach. Despite changes in the number of Directors and the composition of the Board of Directors, we will continue to prioritize our goal of achieving unanimity. Diversity is meaningless if opposing views are suppressed through majority decision-making. For us to sustainably grow while embracing diversity, unanimous decision-making by a diverse Board of Directors is essential. If we were unable to reach unanimous decisions, that would indicate that certain problems do exist. I therefore do not intend to change our basic commitment to making unanimous decisions. In my view, even if a deadline is looming and we do not have much time left, we need to debate issues fully and explore a conclusion that satisfies all members. This is the greatest value of our diverse Board of Directors. To continue providing this value, we will strive to have more interactive discussions and deepen our mutual understanding toward further enhancing the effectiveness of the Board of Directors.

Directors (As of June 19, 2024)

Years as a Director / Number of Company Shares Held



Tatsuo Yasunaga
9 years / 336,882 shares
Representative Director; President and Chair of the Board of Directors

1983 Joined Mitsui & Co., Ltd.
2021 Representative Director; Chair of the Board of Directors (current position)



Kenichi Hori
6 years / 137,104 shares
Representative Director; President and CEO

1984 Joined Mitsui & Co., Ltd.
2021 Representative Director; President and CEO (current position)



Yoshiaki Takemasu
3 years / 52,241 shares
Representative Director; Executive Vice President; CHRO; CCO

1985 Joined Mitsui & Co., Ltd.
2023 Representative Director; Executive Vice President; CHRO; CCO (current position)



Samuel Walsh
7 years / 13,450 shares
External Director

1972 Joined General Motors-Holden's Limited
1987 Joined Nissan Motor Australia
1991 Joined Rio Tinto Limited
2008 Non-Executive Director, Seven West Media Limited
2013 CEO, Rio Tinto Limited
2017 External Director, Mitsui & Co., Ltd. (current position)



Takeshi Uchiyamada
5 years / 17,447 shares
External Director

1969 Joined Toyota Motor Co., Ltd. (currently Toyota Motor Corporation)
1998 Member of the Board of Directors, Toyota Motor Corporation
2005 Executive Vice President, Toyota Motor Corporation
2012 Vice Chairman of the Board of Directors, Toyota Motor Corporation
2013 Chairman of the Board of Directors, Toyota Motor Corporation
2019 External Director, Mitsui & Co., Ltd. (current position)
2023 Member of the Board of Directors, Executive Fellow, Toyota Motor Corporation
2023 Executive Fellow, Toyota Motor Corporation (current position)



Masako Egawa
4 years / 7,060 shares
External Director

1986 Joined New York Headquarters, Salomon Brothers Inc.
1993 Joined Tokyo Branch, S.G. Warburg (currently UBS Securities Japan Co. Ltd.)
2001 Executive Director, Japan Research Center, Harvard Business School
2009 Executive Vice President, The University of Tokyo
2014 External Director, Asahi Glass Co., Ltd. (currently AGC Inc.)
2015 External Director, Tokio Marine Holdings Inc.
2015 External Director, Mitsui Fudosan Co., Ltd.
2015 Professor, Graduate School of Commerce (currently Graduate School of Business Administration), Hitotsubashi University
2020 External Director, Mitsui & Co., Ltd. (current position)
2022 Chancellor, School Juridical Person Seikei Gakuen (current position)
2023 Outside Director, Mitsubishi Electric Corporation (current position)



Tetsuya Shigeta
2 years / 54,430 shares
Representative Director; Executive Managing Officer; CFO

1987 Joined Mitsui & Co., Ltd.
2023 Representative Director; Senior Executive Managing Officer; CFO (current position)



Makoto Sato
2 years / 44,428 shares
Representative Director; Senior Executive Managing Officer; CSO

1990 Joined Mitsui & Co., Ltd.
2023 Representative Director; Senior Executive Managing Officer; CSO (current position)



Toru Matsui
2 years / 43,982 shares
Representative Director; Senior Executive Managing Officer; CDIO

1990 Joined Mitsui & Co., Ltd.
2023 Representative Director; Senior Executive Managing Officer, CDIO (current position)



Fujiyo Ishiguro
1 year / 468 shares
External Director

1981 Joined BROTHER INDUSTRIES, LTD.
1994 President, Alphametrix, Inc.
2000 President & CEO, Netyear Group Corporation
2013 External Audit & Supervisory Board Member, Sompō Japan Insurance Inc. (currently Sompō Japan Insurance Inc.)
2014 External Director, Hotto Link, Inc.
2014 External Director, Monex Group, Inc.
2015 External Director, Sompō Japan Nipponkoa Insurance Inc. (currently Sompō Japan Insurance Inc.)
2021 External Director, WingArc 1st Inc.
2021 Director, Chief Evangelist, Netyear Group Corporation
2021 Director of the Board (External), SEGA SAMMY HOLDINGS INC. (current position)
2023 External Director, Mitsui & Co., Ltd. (current position)



Sarah L. Casanova
1 year / 250 shares
External Director

1991 Joined McDonald's Canada
1997 Senior Director, Marketing, McDonald's Russia/Ukraine
2001 Senior Director, Marketing, McDonald's Canada
2004 Vice President, Marketing, McDonald's Company (Japan), Ltd.
2007 Senior Vice President, Business Development, McDonald's Company (Japan), Ltd.
2009 Managing Director, McDonald's Malaysia
2012 Managing Director, McDonald's Malaysia Regional Manager, McDonald's Singapore and Malaysia
2013 Representative Director, President and CEO, McDonald's Company (Japan), Ltd.
2014 Representative Director, President and CEO, McDonald's Holdings Company (Japan), Ltd.
2019 Representative Director, Chairperson, McDonald's Company (Japan), Ltd.
2021 Representative Director, Chairperson, McDonald's Holdings Company (Japan), Ltd.
2023 External Director, Mitsui & Co., Ltd. (current position)



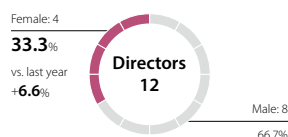
Jessica Tan Soon Neo
1 year / 0 shares
External Director

1989 Joined IBM Singapore
2006 Member of Parliament in Singapore for the East Coast Group Representation Constituency (current position)
2008 Managing Director, Microsoft Singapore
2011 General Manager, Enterprise & Partner Group, Microsoft Asia Pacific
2013 Managing Director, Microsoft Singapore
2017 Non-Executive Independent Board Director, SATS Ltd. (current position)
2017 Director, Group Commercial, Raffles Medical Group Ltd.
2020 Deputy Speaker of the Parliament of Singapore (current position)
2020 Non-Executive Independent Board Director, CapitalLand India Trust Management Pte. Ltd. (current position)
2023 External Director, Mitsui & Co., Ltd. (current position)

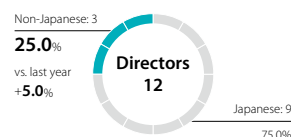
Ratio of External Directors



Ratio of Female Directors



Ratio of Non-Japanese Directors



Note: Number of shares held by Directors / Audit & Supervisory Board Members are as of March 31, 2024.
The stated number of shares are before the share split with the effective date July 1, 2024.

Audit & Supervisory Board Members (As of June 19, 2024)

Years as an Audit & Supervisory Board Member / Number of Company Shares Held



Kimiro Shiotani | 5 years / 32,335 shares
Full-time Audit & Supervisory Board Member

1984 Joined Mitsui & Co., Ltd.
2019 Full-time Audit & Supervisory Board Member (current position)



Hirotatsu Fujiwara | 1 year / 78,043 shares
Full-time Audit & Supervisory Board Member

1984 Joined Mitsui & Co., Ltd.
2023 Full-time Audit & Supervisory Board Member (current position)



Kimitaka Mori | 7 years / 7,934 shares
External Audit & Supervisory Board Member

1980 Joined Shinwa Accountants (currently KPMG AZSA LLC)
2000 Representative Partner, KPMG AZSA LLC
2004 Director of Financial Services, KPMG AZSA LLC
2006 Board Member, KPMG AZSA LLC
2011 Chairman, KPMG FS Japan
2013 Established Mori Certified Public Accountant Office
2013 Chairman and President, The Japanese Institute of Certified Public Accountants
2016 Senior Advisor, The Japanese Institute of Certified Public Accountants (current position)
2017 External Audit & Supervisory Board Member, Mitsui & Co., Ltd. (current position)



Yuko Tamai | 2 years / 0 shares
External Audit & Supervisory Board Member

1994 Joined Nagashima & Ohno (currently Nagashima Ohno & Tsunematsu)
2000 Worked at Covington & Burling LLP, Washington, D.C.
2001 Returned to Nagashima Ohno & Tsunematsu
2003 Partner, Nagashima Ohno & Tsunematsu (current position)
2022 External Audit & Supervisory Board Member, Mitsui & Co., Ltd. (current position)



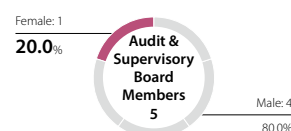
Makoto Hayashi | 1 year / 156 shares
External Audit & Supervisory Board Member

1983 Appointed to Public Prosecutor
1991 First Secretary to Japanese Embassy in France
2012 Director of General Affairs Division, Supreme Public Prosecutors Office
2013 Chief Prosecutor, Sendai District Public Prosecutors Office
2014 Director-General of Criminal Affairs Bureau, Ministry of Justice
2018 Prosecutor-General, the Nagoya High Public Prosecutors Office
2020 Prosecutor-General, the Tokyo High Public Prosecutors Office
2020 Attorney General
2022 Registered as Attorney at Law; joined Mori Hamada & Matsumoto (current position)
2023 External Audit & Supervisory Board Member, Mitsui & Co., Ltd. (current position)

Ratio of External Audit & Supervisory Board Members



Ratio of Female Audit & Supervisory Board Members



Please refer to pages 134–140 “List of Directors and Audit & Supervisory Board Members” of the Annual Securities Report for FY March 2024 for detailed information regarding the careers of Directors and Audit & Supervisory Board Members.
https://www.mitsui.com/jp/en/ir/library/securities/_icsFiles/afidfile/2024/06/19/en_105yuhp.pdf

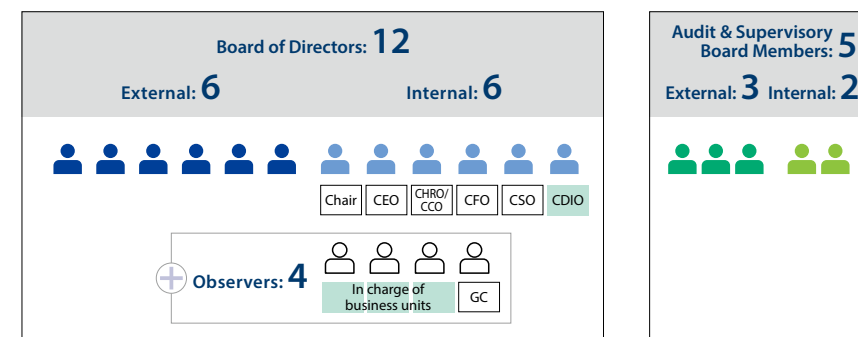
Please refer to our Corporate Governance Report for the reasons for appointment of External Directors and External Audit & Supervisory Board Members.
<https://www.mitsui.com/jp/en/company/outline/governance/status/>

Changes to Governance and Executive Structures

Changes to the Board of Directors

In order to facilitate management oversight and establish a balance of personnel that enables the Board of Directors to engage in deeper and more effective deliberations, the number of Internal Directors was reduced from nine to six following the Ordinary General Meeting of Shareholders held on June 19, 2024, resulting in a total of 12 Directors (with an equal number of External Directors and Internal Directors).

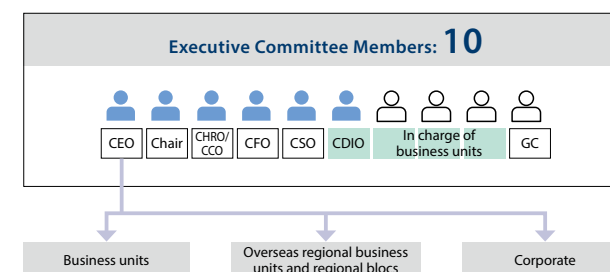
Members of the Board of Directors



Changes to Executive Structure

Effective April 1, 2024, we newly established the position of General Counsel, who serves as a member of the Executive Committee (the Corporate Management Committee prior to this date). For a more agile response to an increasingly complex business environment and related risks, and to ensure the steady realization of our management strategies, we have reaffirmed the role of the Executive Committee as our management leadership team with the aim of further enhancing corporate value. The committee consists of the Chair of the Board of Directors, the President and CEO (the committee chair), the officers in charge of Corporate Staff Divisions, and Representative Directors or Managing Officers nominated by the President and CEO. The Executive Committee meets weekly, in principle. Matters referred to the Executive Committee are determined by the President and CEO, taking into consideration discussions among the committee members.

Executive Committee Members



Please refer to our website for details of the changes to our governance and executive structures.
https://www.mitsui.com/jp/en/release/2024/1248265_14372.html

Please refer to our website for information on Executive Committee Members.
https://www.mitsui.com/jp/en/company/outline/officer/#anc_executive

Directors / Audit & Supervisory Board Members

Skill Matrix for Board Members (Directors and Audit & Supervisory Board Members)

The main areas of expertise and knowledge that the Company especially expects of Directors and Audit & Supervisory Board Members are shown below.

Name	Position, etc.	Committee Member	Corporate Management	Global Insight	Risk Management	Finance and Accounting	Innovation and DX	Human Resources Strategy	Environment/ Society
Tatsuo Yasunaga	Representative Director, Chair of the Board of Directors	Governance	●	●	●			●	●
Kenichi Hori	Representative Director, President and CEO	Governance Nomination	●	●	●		●	●	●
Yoshiaki Takemasu	Representative Director, Executive Vice President, CHRO, CCO		●	●	●			●	
Tetsuya Shigeta	Representative Director, Senior Executive Managing Officer, CFO	Remuneration	●	●	●	●			
Makoto Sato	Representative Director, Senior Executive Managing Officer, CSO	Governance	●	●			●		●
Toru Matsui	Representative Director, Senior Executive Managing Officer, CDO		●	●			●		
Samuel Walsh	Director Independent External	Governance	●	●			●		●
Takeshi Uchiyamada	Director Independent External	Nomination	●	●			●	●	●
Masako Egawa	Director Independent External	Governance Remuneration	●	●				●	●
Fujiyo Ishiguro	Director Independent External	Nomination	●	●			●	●	
Sarah L. Casanova	Director Independent External	Governance	●	●	●			●	●
Jessica Tan Soon Neo	Director Independent External	Remuneration	●	●			●		●
Kimiro Shiotani	Full-time Audit & Supervisory Board Member		●	●	●	●			
Hirotsu Fujiwara	Full-time Audit & Supervisory Board Member		●	●				●	●
Kimataka Mori	Audit & Supervisory Board Member Independent External	Remuneration			●	● (CPA)			
Yuko Tamai	Audit & Supervisory Board Member Independent External	Governance			● (Attorney at law)				●
Makoto Hayashi	Audit & Supervisory Board Member Independent External	Nomination		●	● (Attorney at law/ Former public prosecutor)			●	

Note: The above chart does not present all of the expertise and knowledge possessed by the members of the Board of Directors. "Global Experience" shall be expertise and knowledge expected of all the members. "Governance" shall be the foundation of all the skills and be included in "Corporate Management," "Risk Management," and other areas. Therefore, these matters are not set as items of the matrix. White text used for the committee name in the Committee Member column indicates that the relevant individual serves as the chair of that committee.

Expertise, Knowledge, Experience, and Other Qualities Especially Expected of Directors and Audit & Supervisory Board Members

The Company's Directors and Audit & Supervisory Board Members need to have the experience, expertise, knowledge (skills), and outstanding character that are appropriate to their roles in decision-making and oversight in the management of the Company's global and wide-ranging industrial operations. The main skills expected from this perspective and the reasons for their selection are as follows.

Skills the Company expects of each individual member in making management decisions and overseeing the management	
Corporate Management	We form cross-industry business clusters that provide <i>real solutions</i> to complex social issues. Knowledge and experience in corporate management, including development and promotion of company-wide management strategies, are required.
Global Insight	In promoting business development globally, expertise and knowledge in economic/regional situations and trends in politics/policy, in addition to global experience, are required.
Risk Management	Solid knowledge and experience are required in order to identify important risks by overlooking the various risks in the Company's businesses, manage such risks, and the safeguard Company assets.
Finance and Accounting	Solid knowledge and experience in finance, accounting, and tax matters are required in order to promote growth investment for sustainable increases in corporate value, build a strong financial base, formulate a policy for shareholder returns, and ensure stable corporate operations.
Innovation and DX	Solving issues and creating new businesses in an increasingly complex world require knowledge and experience in advanced technology and innovation. Moreover, expertise and knowledge in leveraging DX-related know-how of the entire Company are required to achieve efficiency from both offensive and defensive perspectives.
Human Resources Strategy	Under our founding philosophy that "people" are the source of our sustainable value creation, we have consistently worked on the acquisition and cultivation of human resources, and continuous human resources development and organizational development as the top priorities in management since our establishment, and related knowledge and experience are required.
Environment/ Society	For deeper sustainability management, experience and insight related to responses to climate change, preservation of natural capital, etc. to realize a decarbonized society, as well as human rights, supply chains and other matters are necessary.

Mitsui's Corporate Governance

Corporate Governance Structure

• Improving Transparency and Accountability

The Company ensures sound oversight and monitoring of management by taking into account the viewpoints of External Directors and External Audit & Supervisory Board Members. The Company has also established an internal control system for disclosure to ensure that all managerial personnel and employees fulfill their accountability under the principle of fair disclosure.

• Clarifying the Separation of Management Oversight and Execution Roles

The Company substantially delegates execution of business to Managing Officers while the Board of Directors oversees the business activities of Managing Officers. The Chief Operating Officers of 16 business units, which carry out global business activities for each business, and two overseas regional business units, which are the backbone of our regional strategies, serve as Managing Officers and Regional Officers, respectively, and engage in business operations for the Group in a responsive and flexible manner.

The Company works to enhance the effectiveness of the audit function of Audit & Supervisory Board Members. Furthermore, it has determined that management aligned with the actual state of each business, centering on Internal Directors who are deeply familiar with Company operations and have a high level of expertise, is essential given its business model as a global investment and trading company. In addition to implementing appropriate corporate governance as a company with an audit and supervisory board, the Company has established various advisory committees, in which the majority of members are External Directors or External Audit & Supervisory Board Members. This structure improves transparency and accountability, and clarifies separation between management oversight and execution roles, thereby achieving highly effective corporate governance.

History of the Corporate Governance Structure

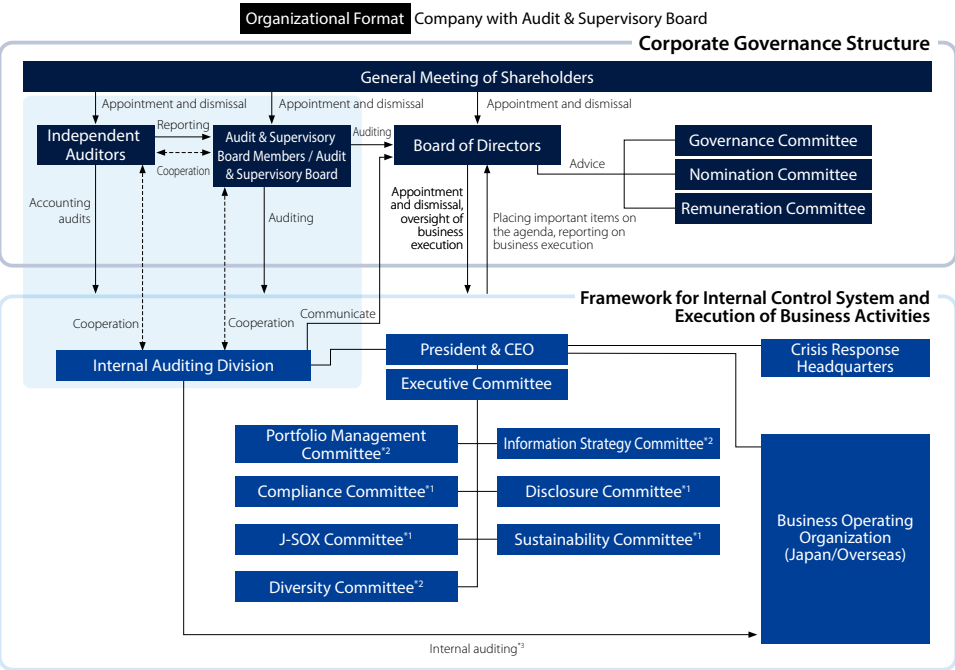
	Significant Developments	Number of Directors*	Number of Audit & Supervisory Board Members*
2002	Introduced the Managing Officer System to separate management and execution, and reduced Directors to a number that facilitates discussion	11 (0)	4 (2)
2003	Appointed the Company's first External Director	11 (1)	5 (3)
2004	Established the Governance Committee, Nomination Committee, and Remuneration Committee as advisory committees to the Board of Directors	11 (2)	5 (3)
2006	• Established Corporate Governance and Internal Control Principles • Appointed the Company's first female External Director	11 (3)	6 (4)
2014	Appointed the Company's first female External Audit & Supervisory Board Member	13 (4)	5 (3)
2015	• Started External Members Meetings • Started evaluation of the effectiveness of the Board of Directors • Ratio of External Directors exceeded 1:3 • Appointment of the Company's first non-Japanese External Director	14 (5)	5 (3)
2018	Started free discussion by all Directors and Audit & Supervisory Board Members	↓	↓
2019	Started evaluation of the effectiveness of the Audit & Supervisory Board	↓	↓
2023	External Directors made up 40% of the Board of Directors	15 (6)	5 (3)
2024	External Directors made up 50% of the Board of Directors	12 (6)	5 (3)

* The number of External Members is shown in parentheses.

Framework for Internal Control and Execution of Business Activities

Ultimate responsibility for the execution of business operations lies with the President and CEO. The President and CEO delegates authority to the Chief Operating Officers of business units and overseas regional business units, who, in turn, report to the President and CEO. The Executive Committee is organized for deliberating on basic policies and important matters relating to overall management.

Based on the basic design of internal controls provided by the Board of Directors, management assumes the role and responsibility of maintaining, operating, and assessing internal controls. The Internal Auditing Division, which is positioned directly under the President and CEO, assumes the role and responsibility of independently verifying the conformance of the design and the implementation of internal controls, based on the plan approved by management. Internal auditing activities are directly communicated on a regular basis to the Board of Directors and to the Audit & Supervisory Board Members. The Company is also working to create an organization with integrity by establishing and strengthening a compliance framework on a global group basis.



*1 Sub-committees to the Executive Committee *2 Advisory committees to the Executive Committee
*3 During regular audits, items to be audited are identified based on risk factors, and an independent and objective evaluation is carried out in accordance with international internal audit standards. Continuous efforts are made to maintain and improve the qualities of these internal auditing activities through measures such as quality evaluations by external specialists.

Please refer to our website for more information about our compliance and integrity systems.
<https://www.mitsui.com/jp/en/sustainability/governance/compliance/index.html#anc4>

Mitsui & Co. Group Conduct Guidelines—With Integrity
https://www.mitsui.com/jp/en/company/outline/governance/compliance/WithIntegrity_E.pdf

Board of Directors

The Board of Directors is the highest authority for the execution of business and oversight. In order to secure this function, the Company has maintained the number of Directors at a level that is suitable for having substantive discussions. The term of Directors is one year, and there is no prohibition on their reappointment.

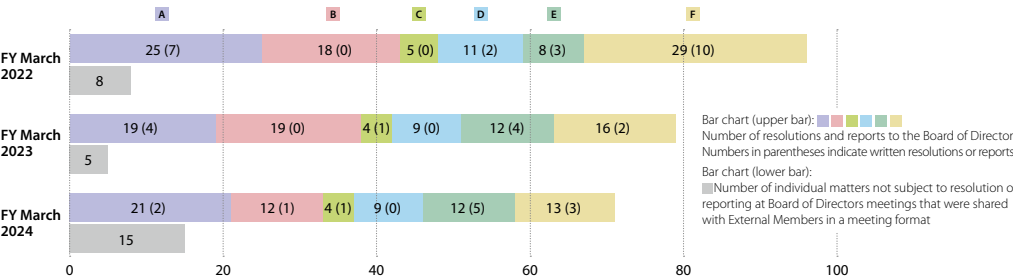
The Board of Directors, in accordance with the internal regulations on matters to be resolved or reported at the meeting of the Board of Directors, resolves matters considering fundamental policies related to management, matters of important business operation, matters mandated by the General Meeting of Shareholders, and matters stipulated in laws and regulations and the Articles of Incorporation. The Board of Directors also receives reports regarding matters stipulated in laws and regulations and the status of important business operations. Regular meetings of the Board of Directors are held once every month in principle and extraordinary meetings are held at any time, if deemed necessary. In FY March 2024, 13 meetings were held.

Main Resolutions and Reports at Board of Directors Meetings (FY March 2024)

Matters Resolved or Reported		
A	<ul style="list-style-type: none">Medium-term Management Plan; business planChanges to governance and executive structuresEvaluation of the effectiveness of the Board of DirectorsAdvisory committees activity status; annual plansSustainability management promotion activitiesProgress on diversity managementRecruiting policy	D <ul style="list-style-type: none">Internal control system evaluation and operational statusInternal audit activitiesCompliance framework and operational statusOccupational health and safety; well-being managementRisk exposure and controlsCybersecurity response status
	<ul style="list-style-type: none">Revision of personnel systemAsset portfolio reviewsInvestment resultsVerification of the significance of holding listed stocksStatus of operations after revision of standards for matters to be resolved at Board of Directors meetingsPolicies for preparation of annual securities report and integrated report	E <ul style="list-style-type: none">Personnel matters relating to Directors and Audit & Supervisory Board MembersRemuneration of Directors and Audit & Supervisory Board Members
B	<ul style="list-style-type: none">Financial results announcement; business planShareholder returnsFund management and borrowing plan	F <ul style="list-style-type: none">Policies for handling new projectsProgress of current projectsReports on cases of impairment
C	<ul style="list-style-type: none">Audit & Supervisory Board Members audit implementation report and audit policyKey Audit MattersManagement letter from the Independent Auditor	

■ A Related to corporate strategy, governance, or sustainability ■ B Related to financial results or financial affairs
■ C Related to Audit & Supervisory Board Members or the Independent Auditor ■ D Related to internal controls, risk management, or compliance
■ E Personnel or remuneration matters relating to Directors and Audit & Supervisory Board Members ■ F Individual Matters

Number of Resolutions and Reports to the Board of Directors by Topic and Number of Matters Shared with External Members



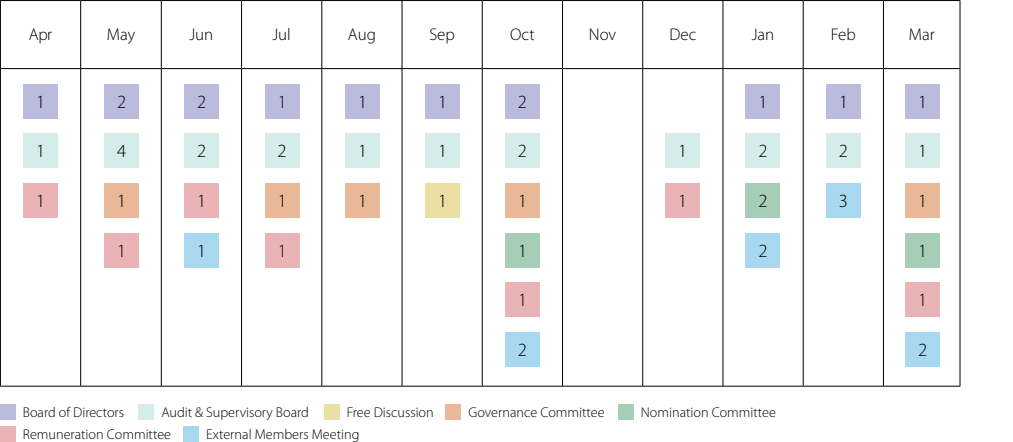
In March 2022, the threshold amount for referral for discussion by the Board of Directors was changed from "over JPY 40 billion" to "over JPY 60 billion," which resulted in fewer proposals related to individual matters and more thorough discussion of important proposals. In addition, individual matters that are being discussed by the Executive Committee but are not subject to resolution or reporting at Board of Directors meetings are shared with External Members to provide them with plenty of opportunities to deepen their understanding of the Company's business and management.

Audit & Supervisory Board

The Audit & Supervisory Board Members audit the Directors' execution of duties as an independent institution with the mandate from the shareholders. For this purpose, Audit & Supervisory Board Members carry out multifaceted, effective audit activities such as attending Board of Directors meetings and other important internal meetings, verifying reports, conducting on-site visits, and investigating the Company's business, and take necessary measures in a timely manner.

The Audit & Supervisory Board regularly holds a meeting prior to a meeting of the Board of Directors and whenever necessary. In FY March 2024, the Audit & Supervisory Board held 19 meetings. The main items considered and discussed by the Audit & Supervisory Board are as follows: audit policies, audit plans, and work assignments; assessment of the Independent Auditors; auditing activities conducted by Full-time Audit & Supervisory Board Members; major issues and due process relating to matters to be resolved at the Board of Directors meetings; status of handling of matters including issues relating to the global internal control system for the Group; and communication with the Independent Auditor regarding "Key Audit Matters."

Meetings of the Board of Directors, Audit & Supervisory Board, Advisory Committee Meetings, External Members Meetings, etc. (FY March 2024)
(Numbers indicate how many times each committee convened that month.)



Advisory Committees

The Company has established the Governance Committee, Nomination Committee, and Remuneration Committee, each of which is composed of a majority of External Members, as advisory committees to the Board of Directors.

Advisory Committee	Governance Committee	Nomination Committee	Remuneration Committee
Composition (including committee chair)	◎ Chair of the Board of Directors (Tatsuo Yasunaga) President and CEO (Kenichi Hori) CSO (Makoto Sato) External Director (Samuel Walsh) External Director (Masako Egawa) External Director (Sarah L. Casanova) External Audit & Supervisory Board Member (Yuko Tamai)	◎ External Director (Takeshi Uchiyamada) President and CEO (Kenichi Hori) External Director (Fujiyo Ishiguro) External Audit & Supervisory Board Member (Makoto Hayashi)	◎ External Director (Masako Egawa) CFO (Tetsuya Shigeta) External Director (Jessica Tan Soon Neo) External Audit & Supervisory Board Member (Kimitaka Mori)
Expected role	To enhance management transparency and fairness and achieve sustained improvement in the 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 Managing Officers (including the CEO) through the involvement of External Members, and to ensure the fairness of Directors' and Managing Officers' nominations.	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.
Details of discussions in FY March 2024	The committee deliberated on the Company's governance system, including the ratio of External Directors, size of the Board of Directors, and organizational format, the operation of the Board of Directors and an evaluation of its effectiveness, among other matters.	The committee worked to further expand opportunities for External Members to familiarize themselves with candidates for Director and Managing Officer and the information and materials provided to them, and to deliberate on the selection and proposals for the appointment of candidates for Director and Managing Officer.	The committee deliberated on matters including re-evaluation of remuneration structures and remuneration levels with a view to contributing to medium- to long-term corporate value amid the global competitive environment.

◎ Committee Chair

Highlight

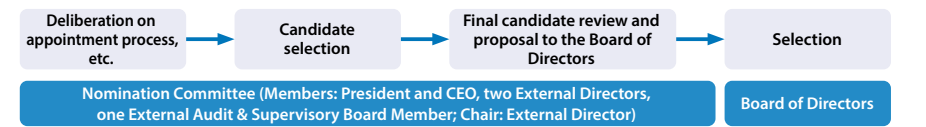
Nomination Committee Process for Nominating Directors and Managing Officers

The Nomination Committee, which is chaired by an External Director, formulates the policy for appointing Directors, including the CEO, and Managing Officers. In addition to using candidate data, which includes a multifaceted evaluation, in the nomination process, initiatives include setting up opportunities for the External Directors and External Audit & Supervisory Board Members who are members of the Nomination Committee to familiarize themselves with the unique attributes of candidates, including their personalities, abilities, and other characteristics. The Nomination Committee is also involved in selection of candidates for External Director from the early stage.

After the Nomination Committee has confirmed that a candidate satisfies the requirements based on the appointment policy through the above process, the proposal for the appointment of a Director/Managing Officer is submitted to the Board of Directors.

In addition, the Company has positioned its CEO succession plan as one of its key management issues for enhancing the Group's corporate value and achieving sustainable growth over the medium to long term.

CEO Selection Process



Please refer to "Status of Corporate Governance" on the Company's website for the criteria of independence for External Directors and External Audit & Supervisory Board Members, support system, coordination between oversight by the External Directors or auditing by External Audit & Supervisory Board Members, the auditing by the Internal Auditing Division, Audit & Supervisory Board Members and the Independent Auditors, and relationship with divisions involved in internal control.

Effectiveness of the Board of Directors: Evaluation Summary

The effectiveness of the Board of Directors is evaluated every fiscal year to confirm efforts to address the issues identified in the previous fiscal year's assessment, identify issues to be addressed for the next fiscal year, and emphasize the PDCA cycle for improving the effectiveness of the Board of Directors. Based on the results of the effectiveness evaluation for FY March 2023, the Board of Directors and its Secretariat addressed the following points during FY March 2024.

Recognition of FY March 2024 Issues	Continuing examination of the number and diversity of Directors, the ratio of Internal and External Directors, and organizational format	Consideration of initiatives to enhance the quality and efficiency of Board deliberations
Initiatives	<ul style="list-style-type: none">The Company's executive structure and organizational format were discussed in Governance Committee and Executive Committee meetings, and during free discussion at Board of Directors meetings.A decision was made that after the 2024 Ordinary General Meeting of Shareholders, the Company would adopt a 12-member Board of Directors, with an equal number of Internal and External Directors, while maintaining the organizational format of a company with an Audit & Supervisory Board.	The following measures were proposed by the Secretariat and are being implemented sequentially. (1) Reduction of the number of Board meetings and extension of deliberation time (2) Voluntary selection of the method of attending Board meetings (3) Improvement of engagement among Executive Committee members, Directors, and Audit & Supervisory Board Members
Evaluation	Questionnaire survey held December 2023–January 2024 Respondents: 15 Directors and 5 Audit & Supervisory Board Members Evaluation on a five-point scale for each question, comparison with the previous fiscal year, and comments	
Results of Evaluation	<ul style="list-style-type: none">By working to deploy and strengthen monitoring functions in Board management, the effectiveness of the Board of Directors is improving year by year. The enhancement of pre-meeting briefings is contributing to the efficient management of Board meetings, allowing more time to be spent on substantive deliberations.Various innovative steps have been taken to ensure effective oversight by the Board of Directors, especially External Directors, including the selection and clear explanation of group-wide themes, and thorough explanations of the positioning of individual projects in company-wide strategies and project details.The Board of Directors is highly effective, and various measures have further improved its effectiveness. There is a need for continuous action and fine-tuning in relation to aspects that require further improvement.	
For Further Improvement in Effectiveness	<p>Issues for FY March 2025</p> <p>Further enhancement of the quality of deliberations and the efficiency of Board meeting management under the new structure: Consideration of the following initiatives in light of the change in governance structure after the Ordinary General Meeting of Shareholders in June 2024</p> <ul style="list-style-type: none">Initiatives that contribute both to the enhancement of the quality of deliberations at Board meetings and to the improvement of meeting management efficiencyFurther enhancement and efficient management of various forums designed to deepen deliberations at Board meetings, including pre-meeting briefings and free discussion sessions, as well as the creation of more opportunities for exchange of views among Directors and Audit & Supervisory Board Members <p>Medium- to Long-term Initiative</p> <p>Continued consideration of the governance structure, including the organizational format, based on annual evaluations of the effectiveness of the Board of Directors and the results of dialogue with stakeholders</p>	

Highlight

Providing Information to External Members

For enhanced deliberations and more efficient management at Board of Directors meetings, we conduct briefings for External Members prior to Board meetings and provide opportunities for them to deepen their understanding of the business through advance distribution of agenda materials, as well as advance explanations and question-and-answer sessions from relevant divisions. Furthermore, even when a matter falls short of the criteria for resolution/reporting to the Board of Directors, important matters discussed at Executive Committee and other meetings are shared with External Members in a timely manner. This enhanced provision of information contributes to improved deliberations at Board of Directors meetings. A total of 10 External Members Meetings were held in FY March 2024, and measures to strengthen engagement were implemented, including exchanges of opinions among External Members based on information provided by Internal Directors on feedback on engagement with capital markets, climate change response, and Wellness Ecosystem Creation.

Remuneration of Directors and Audit & Supervisory Board Members

The Company has established a policy for determining the remuneration of individual Directors by resolution of the Board of Directors, following deliberation by and reporting from the Remuneration Committee, which is chaired by an External Director. The Remuneration Committee discusses the remuneration structure for Directors and Audit & Supervisory Board Members, and examines the appropriateness of the levels and proportions of fixed remuneration, results-linked bonuses, and medium- to long-term incentive remuneration 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 ensure transparency in the determination of Directors' and Audit & Supervisory Board Members' remuneration. Regarding remuneration of individual Directors, after receiving the report of the Remuneration Committee, the Board of Directors confirms and issues an opinion on whether the contents of the determined remuneration are consistent with the applicable policy.

Overview of Remuneration of Directors and Audit & Supervisory Board Members

Eligible Persons	Type of Remuneration	Consideration	Cap (Annual)	Overview
Directors (excluding External Directors)	<div>Long-term incentive</div> Variable stock-based remuneration	Stock	JPY 600 million 300,000 shares	• Performance-linked conditions: The initial evaluation period covers the three fiscal years from FY March 2023, which is the initial applicable fiscal year, to FY March 2025. After FY March 2024, the evaluation period covers the three fiscal years immediately preceding the granting year (3-year rolling period). During the evaluation period, the amount of remuneration varies within a range from 80% to 120% according to the level of achievement of the targets for ROE and each ESG element, including climate change response. • Clawback clause: Applies
	Performance-linked restricted stock-based remuneration			
	<div>Long-term incentive</div> Fixed stock-based remuneration	Stock	JPY 1.0 billion 500,000 shares	• Provision of a number of shares of the Company's common stock determined according to position • Clawback clause: Applies
	Tenure-linked restricted stock-based remuneration			
Directors	<div>Short-term incentive</div> Variable monetary remuneration	Monetary	JPY 1.5 billion	• Payment of an amount calculated based on a formula linked to consolidated profit for the year attributable to owners of the parent and Core Operating Cash Flow
	Results-linked bonuses			
Directors	<div>Fixed monetary remuneration</div> Basic remuneration	Monetary	JPY 1.0 billion	• Payment of an amount determined according to position • Purchase of the Company's shares through Mitsui Executives' Shareholding Association, paid from basic remuneration
Audit & Supervisory Board Members	Basic remuneration	Monetary	JPY 300 million	• Payment of an amount determined by discussion among the Audit & Supervisory Board Members

Note: Neither Directors nor Audit & Supervisory Board Members receive payment of special retirement compensation.

Performance-linked Conditions of Performance-linked Restricted Stock-based Remuneration for FY March 2024

ROE (70%)	• Evaluation in the range of 80–120 points according to the level of achievement, referring to the ROE target set as a KPI in the Medium-term Management Plan	
ESG (30%)	Elements	Indicators for Evaluation (FY March 2024)
	E element (10%)	• Progress made in major business initiatives for achieving a 50% reduction in GHG Impact by 2030 and net-zero emissions by 2050 (qualitative evaluation) • Degree of achievement toward a 50% reduction in GHG Impact by 2030 and a 50% reduction in GHG emissions (Scope 1 and 2) by 2030 (quantitative evaluation) • Evaluation in the range of 80–120 points according to the level of achievement for each indicator • Consideration of improvement in evaluation by third-party organizations, contribution to external initiatives, and improvement in disclosure (in the comprehensive evaluation)
	S element (10%)	• Change in the positive response rate regarding “employee engagement” and “employee enablement” in the Mitsui Engagement Survey compared with the previous fiscal year • Evaluation in the range of 80–120 points according to the change in the positive response • Consideration of progress on Diversity & Inclusion (in the comprehensive evaluation)
	G element (10%)	• Average score of the responses (five-point scale) by all External Members regarding important questions in the evaluation of effectiveness of the Board of Directors • In principle, evaluation in the range of 80–120 points according to the average score; however, if the average score is less than two points out of five, score determined by comprehensive consideration after factor analysis • Consideration of improvement in evaluations by third-party organizations and improvement in disclosure (in the comprehensive evaluation)
Final Evaluation	• Final score = ROE × ROE evaluation weighting + (E + S + G) ÷ 3 × ESG evaluation weighting (For FY March 2024, the evaluation weighting is 70% for ROE and 30% for ESG) • Final score determined by the Board of Directors based on deliberations by the Remuneration Committee, considering progress during the three-year period	

Highlight

Share Ownership Guidelines

In order to share greater value with the shareholders and raise incentives for sustainable improvement of medium- to long-term business performance and corporate value, the Company established Share Ownership Guidelines in FY March 2023, which set targets for the stock held by Directors (excluding External Directors).

Eligible Persons		Target for the Ownership of the Company's Shares
Directors (excluding External Directors)	President and CEO	Ownership of the Company's shares equivalent to three times the basic remuneration (annual amount)
	Other Directors	Ownership of the Company's shares equivalent to the basic remuneration (annual amount)



For more details, please refer to pages 161–170 “Remuneration of Directors and Audit & Supervisory Board Members” of the Annual Securities Report for FY March 2024.
https://www.mitsui.com/jp/en/ir/library/securities/_icsFiles/afldfile/2024/06/19/en_105yuh.pdf