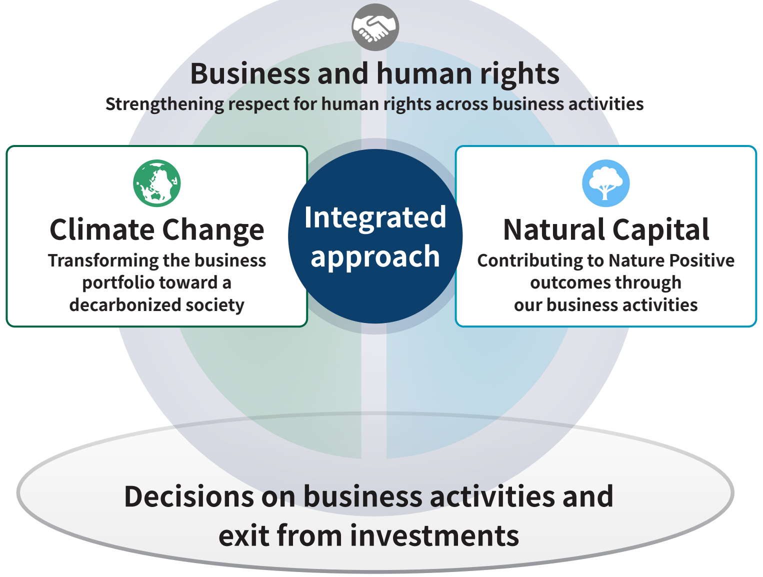
An Integrated Approach to Sustainability Management

Mitsui's unique integrated approach

As societal challenges become more complex, Mitsui is emphasizing an integrated approach in its sustainability initiatives. Rather than addressing each of the three key themes of climate change, natural capital, and business and human rights in isolation, we conduct our business activities with a keen awareness of the interrelationships between them. We identify changes in the external environment and apply the above approach in the screening of investment proposals and decision-making on other management issues, as well as in day-to-day post-investment operations and risk management. In doing so, we aim to improve our business portfolio and enhance corporate value over the medium- to long-term. Moreover, because we incorporate this approach into every phase of the value chain such as raw material procurement, manufacturing and logistics, we are able to provide cross-industry *real solutions* to societal challenges, which in turn deepens the trust we receive from stakeholders.



Examples of Our Integrated Approach

Ruwais LNG
(UAE: LNG business)
- Addressing multinational labor issues
- Low GHG emissions
- Consideration for biodiversity

Rhodes Ridge
(Australia: Iron ore business)
- Partnerships with local communities
- Protection of cultural heritage
- Conservation of the natural environment

Blue Point
(US: Low-carbon ammonia business)
- Creation of an occupational health and safety management system
- Contribution to GHG reduction
- Prevention of environmental pollution

Governance

Structures and systems

The Sustainability Committee, a sub-committee to the Executive Committee, formulates plans and proposals and makes recommendations regarding sustainability (including climate change, natural capital, and business and human rights) to the Board of Directors for deliberation or reporting after initial review by the Executive Committee. In addition to serving as chair of the Sustainability Committee, the CSO reports on sustainability-related agenda items at Board of Directors meetings as a Director, and also contributes to the formulation of portfolio strategy, and investment and lending policies as a member of the Portfolio Management Committee. The Sustainability Committee and Portfolio Management Committee work closely together to ensure that sustainability perspectives are incorporated and evaluated as a key factor in decision-making, thereby enabling portfolio management and the examination and promotion of initiatives that reflect sustainability considerations.

Sustainability management promotion structure

*1 Structure in FY March 2027

Management and oversight functions of the Board of Directors

A structure is in place to ensure the Board of Directors is able to appropriately oversee the Sustainability Committee's activities. Matters deliberated by the Sustainability Committee are regularly submitted to the Executive Committee and the Board of Directors for deliberation or reporting. For instance, the Sustainability Committee discusses response policies and measures for environmental and social risks, including climate change-related risks, which are then submitted to the Executive Committee and the Board of Directors for deliberation or reporting.

Main matters to be resolved and reported at Board of Directors meetings*2

- MTMP and business plans
- Review of materiality
- Remuneration of Directors and Audit & Supervisory Board Members
- Reports on GHG-related initiatives
- Updates to the Modern Slavery Act Statement
- Policy on preparation of external disclosure materials
- Sustainability management promotion activities

*2 Sustainability-related matters raised at Board of Directors meetings in FY March 2026. Important matters related to sustainability are submitted to and reported to the Board of Directors, taking into account the principles and supplementary principles of Japan's Corporate Governance Code.

Climate Change

Targets and strategies

Targets

To meet its interim targets for 2030, Mitsui is steadily advancing initiatives to reduce GHG emissions including asset recycling, and the launch of Reduction Contribution projects, as well as by implementing various emission-cutting measures. Taking into account uncertainties in the external environment and potential portfolio shifts due to business growth under MTMP2029, we will continue to advance our initiatives toward our current interim targets.

Furthermore, in preparation for statutorily required disclosures in FY March 2027, we have adjusted certain reporting boundaries and broadened the scope of calculation*1 for GHG performance data from FY March 2026. Even after these changes to reporting boundaries and scope of calculation, we will continue to track progress against our GHG reduction targets based on the original scope.

(Million t-CO_2e)	FY March 2020 (Baseline year)	FY March 2026 (Results)	FY March 2030 (Interim target)	Future initiatives toward FY March 2030
Gross GHG emissions*2	44*3	34% reduction	30% reduction	Further GHG reduction initiatives in collaboration with partners
GHG Impact*4	34	30% reduction	Halve	Balance the launch of Reduction Contribution initiatives with long-term sustainability
Scope 1 and 2 GHG emissions (Mitsui & Co. and its consolidated subsidiaries)*5	0.8	18% reduction	Halve	Advancing group-wide GHG reduction initiatives in collaboration with e-dash, a consolidated subsidiary
Renewable energy ratio*6	—	34%	Over 30%	Maintain an optimal energy mix taking into account the external environment

*1 For details of changes to performance data calculation, please refer to the sustainability section of our website
*2 Includes Scope 1, Scope 2 (including un-incorporated joint ventures), and Scope 3 Category 15
*3 Emissions in the baseline year (FY March 2020) include an expected 8 million t-CO_2e increase in emissions from standard operations of thermal power generation projects that have reached FID (final investment decision)
*4 Excludes Reduction Contribution from Scope 1, Scope 2 (including un-incorporated joint ventures), and Scope 3 Category 15
*5 Scope 1 and 2 (excluding un-incorporated joint ventures)
*6 Based on equity-share capacity of power generation facilities

Scenario analysis

Mitsui recognizes climate-related risks and opportunities as a key management issue and has been conducting scenario analysis for some time. We have updated our scenario analysis for both transition risks and physical risks in preparation for mandatory sustainability-related disclosures. In comparison with the previous analysis, this analysis is more sophisticated as we have broadened its scope and revised the criteria for selecting target assets.

	Transition risks and opportunities	Physical risks
Subject of analysis	Analysis of business and financial impacts on existing businesses arising from the divergence between Mitsui's usual business outlook and climate scenarios (Scenarios used: 2°C and 1.5°C)	Analysis of business and financial impacts on Mitsui's sites arising from climate change caused by rising temperatures (Scenario used: 4°C)
Target periods	FY March 2030, FY March 2050	
Target businesses	7 value chains (11 business areas)	75 investee companies with high exposure to physical risk

Formulation of a transition plan

We have disclosed a transition plan centered on two key pillars, consisting of continuous review of our portfolio to balance financial and non-financial value, and the steady execution of GHG emissions reduction investments in existing projects. For details, please refer to the sustainability section of our website.

Main initiatives

Low-carbon ammonia project in the US (Blue Point)

Mitsui, together with major US ammonia manufacturer CF Industries and JERA, reached an FID for the Blue Point low-carbon ammonia production project in April 2025. This project involves the construction of one of the world's largest low-carbon ammonia facilities, with an annual production capacity of approximately 1.4 million tons, and production and sales are expected to start upon commercial operation, which is scheduled for 2029. By utilizing CCS to capture and store approximately 2.3 million tons of CO_2 annually, the project is expected to reduce CO_2 emissions during the ammonia production process by more than 95%. Mitsui will also offtake its portion of the low-carbon ammonia produced, with plans to supply a total of 280,000 tons annually to end users in Japan. This project has acquired certification under the Japanese government's program providing support for the price gap and the Hub Development Support Program established under the Hydrogen Society Promotion Act. The use of low-carbon ammonia as a fuel and feedstock will help reduce the environmental impact of its users.

Methane emissions reduction project in Bangladesh

We have launched a project to reduce methane emissions through the use of water-efficient rice-growing technology, in partnership with an NGO that has an extensive track record of working with local farmers. The project's water management method, in which fields are drained and allowed to dry thoroughly before being flooded again multiple times during the growing period, is expected to reduce methane emissions by approximately 30%. This project aims to qualify for the JCM, anticipating increased demand for JCM credits following the launch of Japan's Emissions Trading System (GX-ETS).

Gas sampling at the project site

HIGHLIGHT **Mitsui & Co. Co-creation Fund—Capturing CO_2 directly from the atmosphere using DAC technology from Planet Savers**

The Mitsui & Co. Co-creation Fund, which aims to resolve societal challenges through co-creation with Mitsui officers and employees, has provided a grant to Planet Savers to support decarbonization in industrial sectors where it is difficult to achieve emissions reductions.

Addressing climate change requires not only reducing emissions but also dealing with the CO_2 that has already been released into the atmosphere. The IEA estimates that achieving the 1.5°C target will require direct capture and removal annual capacity of approximately 1 billion tons of CO_2 from the atmosphere by 2050. With various capture and removal methods and technologies under consideration, DAC is attracting significant attention due to its scalability and precise mechanical measurement of the volume of CO_2 removed.

Natural Capital

Strategy

Much of our business activity depends on and impacts natural capital, and changes in the natural environment could affect our business portfolio over the medium- to long-term. Based on this understanding, we are taking actions in accordance with the recommendations of the TNFD and published our first TNFD report in June 2025.

In creating both social and economic value through our business activities, we intend to enhance corporate value in a sustainable manner by integrating nature-related opportunities and risks into our portfolio management.

Roadmap

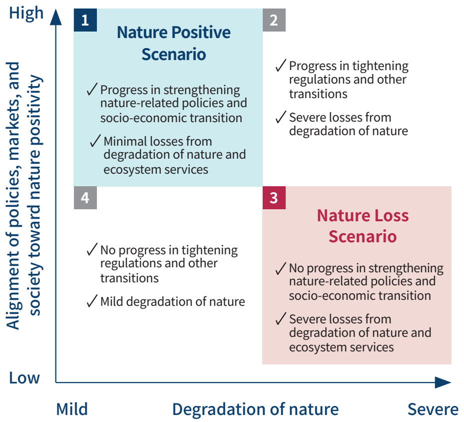
We have been implementing our initiatives for natural capital in stages, and in FY March 2026 we expanded the scope of our analysis to cover all business operations and conducted a scenario analysis. The analysis confirmed that dependencies, impacts, risks, and opportunities vary by business segment, highlighting the importance of establishing business-specific metrics. It also underscored the importance of mitigating risk and creating opportunities when managing our businesses and optimizing our business portfolio. We will identify priority business areas and define specific metrics to accelerate our response to nature-related risks and opportunities.

FY March 2024	FY March 2025	FY March 2026	FY March 2027 onward
• Referenced TNFD guidance in identifying 10 important business areas • Conducted LEAP analysis for three of the businesses	• Declared support for the TNFD recommendations	**Locate** • Updated assessment of priority regions **Evaluate** • Examined dependencies and impacts across seven value chains, including those related to the 10 important business areas **Assess** • Assessed risks and opportunities in the seven value chains through scenario analysis • Published the first TNFD report • Expanded the scope of LEAP analysis and conducted scenario analysis • Prioritized risks and opportunities by business based on importance	**Prepare** • Address risks and opportunities • Identify priority businesses and define specific metrics

Scenario analysis

For our natural capital scenario analysis, we established four scenarios based on the TNFD guidance (see figure to the right).

Of these scenarios, we selected two, the Nature Positive Scenario and the Nature Loss Scenario, and analyzed the importance of risks and opportunities from a natural capital perspective, based on the likelihood of occurrence and degree of impact. Through that analysis, we are identifying factors with high importance to the Company's businesses. We will use the results of this scenario analysis to consider how to address business areas and issues that require priority attention.

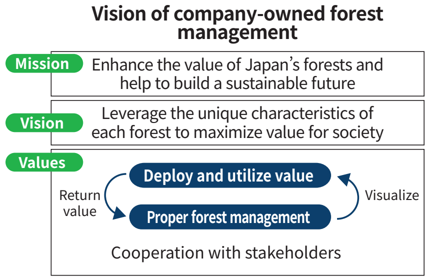


Case study of natural capital initiatives in business—Landscape approach for palm oil in Malaysia

Mitsui has started building a framework for stable procurement of sustainable palm oil in specified areas of Sabah, Malaysia based on the landscape approach, under which stakeholder collaboration encompasses both the natural environment and local communities. Centered on a supply chain partnership with Wild Asia, a Malaysian social enterprise dedicated to resolving societal challenges, we view the harvesting region and its surroundings as an integrated whole when conducting initiatives in pursuit of sustainable agriculture, better living standards for producers, and environmental conservation. We are working not only to conserve natural capital but also to create new business opportunities.

This is just one example of the ongoing expansion of our initiatives to mitigate risks and seize opportunities as we work to conduct more sophisticated business management and build resilience.

Our unique natural capital initiative—Mitsui's Forests



Mitsui owns and manages approximately 45,600 hectares of forests in 76 locations throughout Japan. Based on proper forest management, we visualize and leverage the economic and public-interest value derived from forests to create a virtuous cycle for reinvesting that value back into the forests themselves. In doing so, our vision is to enhance the value of forests across Japan and build a sustainable future.

As part of efforts to visualize the value of natural capital, as of August 31, 2026, five forest areas have obtained recognition as Nationally Certified Sustainably Managed Natural Sites under the Act on Promoting Activities to Enhance Regional Biodiversity. Under this certification system, the national government certifies private sector-led biodiversity conservation, restoration, and creation initiatives. Certified areas are registered in an international database as Other Effective Area-based Conservation Measures (OECM)[*1] and recognized as contributing to the shared global 30by30 target[*2] for conservation. The five forest sites were recognized as meeting all nine value criteria for Nationally Certified Sustainably Managed Natural Site certification. (For details, please refer to "Mitsui's Forests": Five Forests Certified as "Nationally Certified Sustainably Managed Natural Sites" in the Sustainability section of our website.)

Mitsui is also a member of the International Sustainable Forestry Coalition (ISFC),[*3] in which private-sector companies working in forestry-related areas work together to promote sustainable forest management and contribute to climate and biodiversity goals. With member companies owning and managing a total of over 30 million hectares of forest in 41 countries, the ISFC leads global discussions through data disclosure and policy recommendations, aiming to enhance forest carbon sequestration and storage functions as well as the value of natural capital.

Based on our involvement in this initiative, we will continue to quantify the natural capital value of our company-owned forests and contribute to the development of international evaluation methodologies from the perspective of a Japanese forest owner.

*1 Refers to areas that contribute to biodiversity conservation, although they are not designated protected areas such as national parks.
*2 30by30 target: An international target for natural capital that aims to conserve or protect 30% of the world's land and sea areas by 2030.
*3 A global organization representing the private forestry sector to promote sustainable and climate-positive forestry.

Business and Human Rights / Supply Chains

Policies

Mitsui understands and respects human rights as outlined in international standards[*1] as a universal value. We formulated a Sustainable Supply Chain Policy in 2007 and established a Human Rights Policy in 2020. These policies apply to the Mitsui & Co. Group and its supply chain partners. They promote respect for human rights by specifying how environmental and societal challenges, including human rights risks, should be identified and addressed throughout the supply chain. In a review of our materiality in 2025, we added "Cultivate societies that respect human rights" as a new material issue to make clearer our commitment to respecting human rights. We intend to sustainably enhance our corporate value through initiatives based on the above policies.

*1 The International Bill of Human Rights, including the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights and the Ten Principles of the United Nations Global Compact, among others.

Roadmap

Under the supervision of the Board of Directors, we have been conducting initiatives to ensure respect for human rights as an integral part of our business activities, progressively expanding and upgrading our internal systems with a focus on human rights DD. Through transparent disclosure and dialogue with stakeholders, we will further strengthen initiatives to ensure that human rights are respected.

Progressive expansion of company-wide initiatives in response to social demands regarding business and human rights

Key initiatives	MTMP2023 Full-scale implementation	MTMP2026 Continuation and embedding of initiatives	MTMP2029 Advancement of initiatives
1 Formulation of the Human Rights Policy integration into management	• Human Rights Policy • Sustainable Supply Chain Policy • Procurement Policies for Specific Commodities (natural rubber, palm oil, timber, paper products)	• Internal regulations related to human rights and supply chains • "Human rights" added to materiality • Procurement Policies for Specific Commodities (coffee beans, cacao beans) • Marine Products Procurement Policy[*2] • CSA[*3] and internal audits	**Integration with business activities** • Risk management integrated with and aligned with credit-risk management
2 Human rights DD Scope	• Launch of human rights DD • Food, apparel, construction, etc. • Tier-1 supplier surveys and on-site visits	• Continuous initiatives for human rights DD • Inclusion of mining, metals, oil, gas, and chemicals	**Enhancement of human rights DD** • Sustainability-related risk management across operating companies and the entire supply chain • Optimization of questionnaire
3 Corrective and remedial measures/ strengthening the foundation	• Launch of training	• Expansion of training (role- and topic-based, etc.)	**Augmentation of corrective and remedial measures** • Use of and enhancements to the operation of JaCER platform

*2 Policy formulated by Mitsui & Co. Seafoods, a consolidated subsidiary of the Company that handles marine products

*3 Control Self-Assessment (CSA): An internal control self-assessment process in which risks and the effectiveness of controls in the management of affiliated companies are autonomously evaluated and improved

Initiatives

1 Formulation of the Human Rights Policy integration into management

Key human rights initiatives: Mitsui designates forced labor, child labor, and other matters with a high likelihood of human rights issues as high-risk areas, and conducts human rights DD across the supply chain through measures such as supplier surveys and on-site surveys. In FY March 2024, we used external databases and advice from external experts to identify high-risk areas based on the three criteria of industry risk, country-of-origin risk, and degree of materiality for Mitsui. We expanded the scope beyond our existing categories, which included food, apparel, and construction, to add mining, oil, gas, chemicals, and industrial metals.

We then conducted supplier surveys over the two-year period of FY March 2025 and FY March 2026, collecting responses from a total of 630 companies. A review of the responses confirmed that there were no serious human rights issues.

We also conduct annual on-site surveys of suppliers, and in FY March 2026, we carried out follow-up surveys at sites previously visited during FY March 2025. We investigated the working conditions of migrant workers at palm oil refineries and plantations in Malaysia in collaboration with the RSPO, the operators of the Malaysian Sustainable Palm Oil (MSPO) certification scheme, and Wild Asia, a social enterprise. The investigation found no evidence of forced labor or child labor. Moreover, to strengthen our initiatives regarding the procurement of products with elevated risk in terms of human rights and the environment, we formulated specific procurement policies for coffee beans and cacao beans in FY March 2026, adding them to the four product categories already covered.

2 Human Rights DD

Initiatives at affiliated companies: Our sustainability-related risk management also extends to our affiliated companies. We conduct risk assessments that include assessment items tailored to the specific characteristics of each business, in addition to items common to all business operations, such as initiatives related to respect for human rights and responding to environmental risks. In FY March 2026, we confirmed the certification status of affiliated companies in our fisheries business and conducted assessments of environmental and social risks, including biodiversity, water resources, and human rights, to identify key risks.

Establishment of a framework: In FY March 2025, we implemented the Rules on Human Rights Management Framework, a system by which business units manage their own risks as the primary entities responsible for human rights DD. The business units report to the Sustainability Committee, as well as periodically to the Executive Committee and the Board of Directors, while corporate staff divisions provide monitoring and support. We intend to continuously review our human rights initiatives and policies, including through dialogue with stakeholders.

3 Corrective and remedial measures/ strengthening the foundation

Corrective and remedial measures (grievance mechanism): In addition to accepting complaints via our website, in April 2026 we introduced a more impartial and transparent dialogue and remediation platform provided by the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), which is aligned with the UN Guiding Principles on Business and Human Rights.