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## Board of Directors and Independent Directors

As of June 19, 2020

### Directors

Years as a Director / Number of Company Shares Held

#### Masami Iijima

12 years / 269,706 shares

Representative Director,  
Chairman of the Board  
of Directors



1974 Joined Mitsui & Co., Ltd.

2015 Representative Director, Chairman of the Board of Directors  
(current position)

#### Tatsuo Yasunaga

5 years / 149,071 shares

Representative Director,  
President and Chief Executive  
Officer



1983 Joined Mitsui & Co., Ltd.

2015 Representative Director, President and Chief Executive Officer  
(current position)

#### Yukio Takebe

2 years / 38,154 shares

Representative Director,  
Executive Vice President



1983 Joined Mitsui & Co., Ltd.

2019 Representative Director, Executive Vice President (current position)

#### Takakazu Uchida

2 years / 51,369 shares

Representative Director,  
Executive Vice President,  
Chief Financial Officer (CFO)



1983 Joined Mitsui & Co., Ltd.

2020 Representative Director, Executive Vice President, Chief Financial  
Officer (current position)

#### Kenichi Hori

2 years / 28,786 shares

Representative Director,  
Senior Executive Managing Officer



1984 Joined Mitsui & Co., Ltd.

2019 Representative Director, Senior Executive Managing Officer  
(current position)

#### Hirotsu Fujiwara

1 year / 46,721 shares

Representative Director,  
Senior Executive Managing Officer,  
Chief Human Resources Officer  
(CHRO),  
Chief Compliance Officer (CCO)



1984 Joined Mitsui & Co., Ltd.

2020 Representative Director, Senior Executive Managing Officer, CHRO,  
CCO (current position)

#### Yoshio Kometani

1 year / 26,506 shares

Representative Director,  
Senior Executive Managing Officer,  
Chief Digital Information Officer  
(CDIO)



1985 Joined Mitsui & Co., Ltd.

2020 Representative Director, Senior Executive Managing Officer, CDIO  
(current position)

#### Shinichiro Omachi

New / 24,975 shares

Representative Director,  
Senior Executive Managing Officer,  
Chief Strategy Officer (CSO)



1984 Joined Mitsui & Co., Ltd.

2020 Representative Director, Senior Executive Managing Officer, CSO  
(current position)

#### Miki Yoshikawa

New / 18,645 shares

Representative Director,  
Senior Executive Managing Officer



1984 Joined Mitsui & Co., Ltd.

2020 Representative Director, Senior Executive Managing Officer  
(current position)

## Independent Directors

Years as a Director / Number of Company Shares Held

### Izumi Kobayashi

6 years / 4,134 shares

External Director



- 1981 Joined Mitsubishi Chemical Industries, Ltd. (currently Mitsubishi Chemical Corporation)
- 1985 Joined Merrill Lynch Futures Japan Inc.
- 2001 President, Merrill Lynch Japan Securities Co., Ltd.
- 2002 External Director, Osaka Securities Exchange Co., Ltd.
- 2007 Vice Chairperson, Japan Association of Corporate Executives
- 2008 Executive Vice President, Multilateral Investment Guarantee Agency, World Bank Group
- 2014 External Director, Mitsui & Co., Ltd. (current position)

### Jenifer Rogers

5 years / 5,799 shares

External Director



- 1989 Joined Haight Gardner Poor & Havens (currently Holland & Knight LLP)
- 1990 Registered as Attorney at Law, admitted in New York
- 1991 Joined Industrial Bank of Japan Limited, New York Branch (currently Mizuho Bank)
- 1994 Joined Merrill Lynch Japan Securities Co., Ltd.
- 2000 Merrill Lynch Europe Plc
- 2006 Bank of America Merrill Lynch (Hong Kong)
- 2012 General Counsel Asia, Asurion Japan Holdings G.K. (current position)
- 2015 External Director, Mitsui & Co., Ltd. (current position)

### Samuel Walsh

3 years / 7,100 shares

External Director



- 1972 Joined General Motors Holden's Limited
- 1987 Joined Nissan Motor Australia
- 1991 Joined Rio Tinto Limited
- 2013 Chief Executive Officer, Rio Tinto Limited
- 2017 External Director, Mitsui & Co., Ltd. (current position)

### Takeshi Uchiyamada

1 year / 3,485 shares

External Director



- 1969 Joined Toyota Motor Co., Ltd. (currently Toyota Motor Corporation)
- 1998 Member of the Board of Directors, Toyota Motor Corporation
- 2001 Managing Director, Toyota Motor Corporation
- 2003 Senior Managing Director, 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 (current position)
- 2019 External Director, Mitsui & Co., Ltd. (current position)

### Masako Egawa

New / 0 shares

External Director



- 1980 Joined Tokyo Branch, Citibank, N.A.
- 1986 Joined New York Headquarters, Salomon Brothers Inc.
- 1988 Joined Tokyo Branch, Salomon Brothers Asia Securities (currently Citigroup Global Markets Japan 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
- 2015 Professor, Graduate School of Commerce (currently Graduate School of Business Administration), Hitotsubashi University
- 2019 Vice-Chairman, Chair of Self-regulation Board, The Japan Securities Dealers Association (current position)
- 2020 Adjunct Professor, Graduate School of Business Administration, Hitotsubashi University (current position)
- 2020 External Director, Mitsui & Co., Ltd. (current position)

## Full-time and Independent Audit & Supervisory Board Members

As of June 19, 2020

### Audit & Supervisory Board Members

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

#### Makoto Suzuki

1 year / 78,521 shares

Full-time Audit & Supervisory Board Member



1981 Joined Mitsui & Co., Ltd.

2019 Full-time Audit & Supervisory Board Member (current position)

#### Kimiro Shiotani

1 year / 10,045 shares

Full-time Audit & Supervisory Board Member



1984 Joined Mitsui & Co., Ltd.

2019 Full-time Audit & Supervisory Board Member (current position)

### Independent Audit & Supervisory Board Members

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

#### Haruka Matsuyama

6 years / 2,069 shares

External Audit & Supervisory Board Member



1995 Appointed Assistant Judge at Tokyo District Court

2000 Registered as Attorney at Law. Joined Hibiya Park Law Offices

2002 Partner at Hibiya Park Law Offices (current position)

2014 External Audit & Supervisory Board Member, Mitsui & Co., Ltd. (current position)

#### Hiroshi Ozu

5 years / 1,710 shares

External Audit & Supervisory Board Member



1974 Appointed Public Prosecutor

2007 Vice Minister of Justice

2012 Attorney General

2014 Registered as Attorney at Law

2015 External Audit & Supervisory Board Member, Mitsui & Co., Ltd. (current position)

#### Kimitaka Mori

3 years / 4,439 shares

External Audit & Supervisory Board Member



1980 Joined Shinwa Accountants (currently KPMG AZSA LLC)

2000 Representative Partner

2004 Director of Financial Services

2006 Board Member

2011 Chairman, KPMG FS Japan

2013 Established Mori Certified Public Accountant Office  
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)

# Managing Officers

As of June 19, 2020

## Managing Officers

\* Corporate officer also serving as a director

### President

**Tatsuo Yasunaga\***

President and Chief Executive Officer; Head of Crisis Management Headquarters

### Executive Vice Presidents

**Yukio Takebe\***

Iron & Steel Products Business Unit; Mineral & Metal Resources Business Unit; Energy Business Unit I; Energy Business Unit II

**Takakazu Uchida\***

Chief Financial Officer; Corporate Staff Unit (CFO Planning & Administrative Division, Global Controller Division, Finance Division, Risk Management Division, Investor Relations Division, Financial Management & Advisory Division I, II, III, IV); Chairman, Disclosure Committee; Chairman, J-SOX Committee

### Senior Executive Managing Officers

**Kenichi Hori\***

Basic Materials Business Unit; Performance Materials Business Unit; Nutrition & Agriculture Business Unit; Corporate Development Business Unit; Chairman, Portfolio Management Committee

**Yoshio Kometani\***

Chief Digital Information Officer; Integrated Digital Strategy Division; Infrastructure Projects Business Unit; Mobility Business Unit I; Mobility Business Unit II; Energy Solutions Business Unit; IT & Communication Business Unit; Chairman, Information Strategy Committee

**Shinichiro Omachi\***

Chief Strategy Officer; Corporate Staff Unit (Corporate Planning & Strategy Division, Investment Administrative Division, Regional Business Promotion Division, Corporate Communications Division, Corporate Sustainability Division); Domestic Offices and Branches; Regional Blocs; Chairman, Sustainability Committee

**Hirotsu Fujiwara\***

Chief Human Resources Officer; Chief Compliance Officer; Corporate Staff Unit (Audit & Supervisory Board Member Division, Secretariat, Human Resources & General Affairs Division, Legal Division, Logistics Strategy Division, New Head Office Building Development Department); Business Continuity Plan Management; Chairman, Compliance Committee; Chairman, Diversity Committee; Head of Emergency Management Headquarters

**Motoo Ono**

Chief Representative of East Asia Bloc; Chairman of Mitsui & Co. (China) Ltd.

**Shinsuke Kitagawa**

President & CEO of Mitsui Global Strategic Studies Institute

**Miki Yoshikawa\***

Food Business Unit; Retail Business Unit; Healthcare & Service Business Unit

### Executive Managing Officers

**Hiroyuki Tsurugi**

Chair & CEO of Mitsui & Co. (Australia) Ltd.; Chair of Mitsui & Co. (N.Z.) Ltd.

**Motoaki Uno**

Chief Operating Officer of Asia Pacific Business Unit; CEO of Mitsui & Co. (Asia Pacific) Pte. Ltd.

& Chief Operating Officer of Consumer-Centric Business Development Unit, Mitsui & Co. (Asia Pacific) Pte. Ltd.

**Shingo Sato**

President of Mitsui & Co. (Brasil) S.A.

**Hiroshi Meguro**

Chief Regional Representative in CIS; General Director of Mitsui & Co. Moscow LLC

**Sayu Ueno**

Chief Operating Officer of Americas Business Unit; President and CEO of Mitsui & Co. (U.S.A.), Inc.

**Osamu Toriumi**

General Manager of Internal Auditing Division

**Koji Nagatomi**

Country Chairperson in India; Chairperson & Director of MITSUI & CO. INDIA PVT. LTD.; Deputy Chief Operating Officer of Asia Pacific Business Unit; Director

**Hirohiko Miyata**

Chief Operating Officer of EMEA (Europe, the Middle East and Africa) Business Unit; Managing Director of Mitsui & Co. Europe PLC

### Managing Officers

**Kohei Takata**

Chief Operating Officer of Nutrition & Agriculture Business Unit

**Shinichi Kikuchihara**

Chief Operating Officer of Corporate Development Business Unit

**Tetsuya Shigeta**

General Manager of Global Controller Division

**Yumi Yamaguchi**

Deputy Chief Strategy Officer; Deputy Chief Digital Information Officer

**Masaharu Okubo**

Chief Operating Officer of Energy Business Unit I

**Atsushi Kawase**

General Manager of Financial Management & Advisory Division III

**Reiji Fujita**

President of Mitsui & Co. (Thailand), Ltd.; President of Mitsiam International, Limited

**Motoyasu Nozaki**

Chief Operating Officer of Energy Business Unit II

**Koichi Fujita**

Chief Operating Officer of Iron & Steel Products Business Unit

**Takeo Kato**

Chief Operating Officer of Performance Materials Business Unit

**Masahiro Moriyasu**

Chief Operating Officer of IT & Communication Business Unit

**Yoshiyuki Enomoto**

General Manager of Financial Management & Advisory Division II

**Yuki Kodera**

Chief Operating Officer of Mineral & Metal Resources Business Unit

**Tetsuya Daikoku**

Chief Operating Officer of Mobility Business Unit I

**Takashi Furutani**

Chief Operating Officer of Basic Materials Business Unit

**Yoshiki Hirabayashi**

Chief Operating Officer of Retail Business Unit

**Tatsuya Okamoto**

Chief Operating Officer of Mobility Business Unit II

**Yoichiro Endo**

Chief Operating Officer of Food Business Unit

**Yoshiaki Takemasu**

General Manager of Human Resources & General Affairs Division

**Yuji Mano**

General Manager of Integrated Digital Strategy Division

**Takeshi Akutsu**

General Manager of Corporate Planning & Strategy Division; Director of Mitsui & Co. Korea Ltd.

**Yoshimitsu Gushiken**

General Manager of Finance Division

**Masato Sugahara**

Chief Operating Officer of Healthcare & Service Business Unit

**Makoto Sato**

General Manager of Investment Administrative Division

**Shinichi Hori**

General Manager of Osaka Office

**Kazumasa Nakai**

Chief Operating Officer of Infrastructure Projects Business Unit

**Toru Matsui**

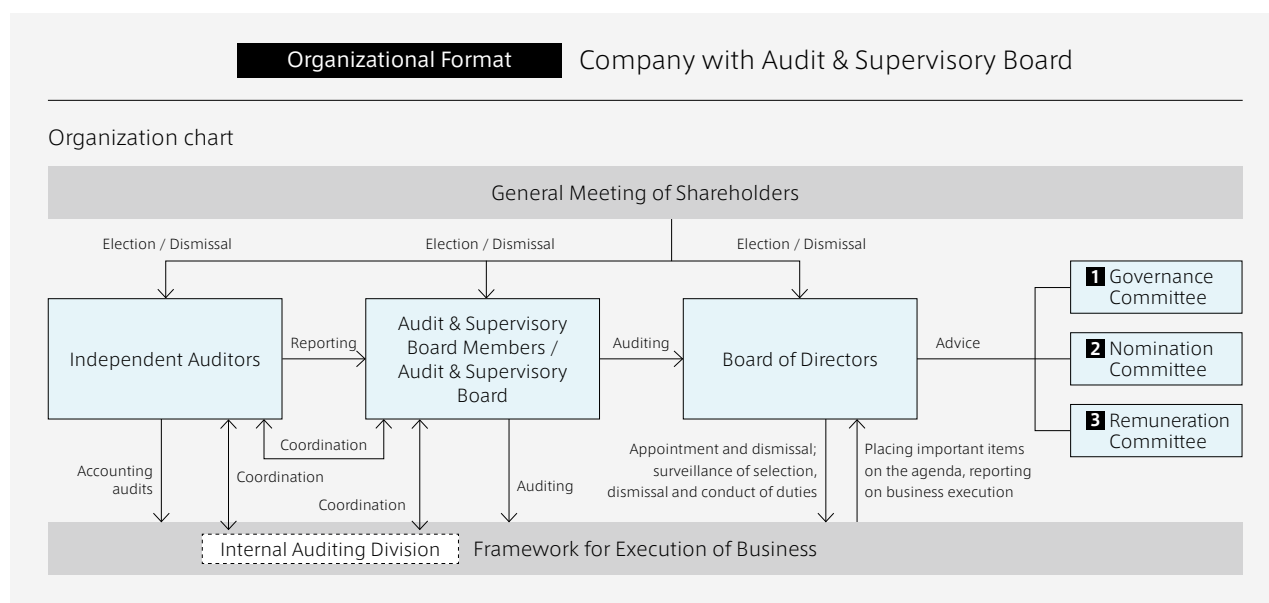
Chief Operating Officer of Energy Solutions Business Unit



## Mitsui's Corporate Governance

In terms of strengthening corporate governance, the Company worked to improve diversity among members of the Board of Directors. At the same time, an even greater number of discussions regarding Mitsui's future direction and business strategies were held at Board of Directors' meetings. In these ways, the Company has been moving forward with efforts to enhance the effectiveness of the Board of Directors.

### Corporate Governance Framework



### Directors and Audit & Supervisory Board Members

|                                   | Name               | Female | Foreigner | Position at the Company  | Term of Office Stipulated | Governance Committee <sup>*1</sup> | Nomination Committee <sup>*1</sup> | Remuneration Committee <sup>*1</sup> |
|-----------------------------------|--------------------|--------|-----------|--|---------------------------|------------------------------------|------------------------------------|--------------------------------------|
| Directors                         | Masami Iijima      |        |           | Representative Director, Chairman of the Board of Directors    | 1 year <sup>*3</sup>      | ◎                                  | ○                                  |                                      |
|                                   | Tatsuo Yasunaga    |        |           | Representative Director, President and Chief Executive Officer |                           | ○                                  | ○                                  |                                      |
|                                   | Yukio Takebe       |        |           | Representative Director, Executive Vice President              |                           |                                    |                                    |                                      |
|                                   | Takakazu Uchida    |        |           | Representative Director, Executive Vice President              |                           |                                    |                                    | ○                                    |
|                                   | Kenichi Hori       |        |           | Representative Director, Senior Executive Managing Officer     |                           |                                    |                                    |                                      |
|                                   | Hirotsu Fujiwara   |        |           | Representative Director, Senior Executive Managing Officer     |                           |                                    |                                    | ○                                    |
|                                   | Yoshio Kometani    |        |           | Representative Director, Senior Executive Managing Officer     |                           |                                    |                                    |                                      |
|                                   | Shinichiro Omachi  |        |           | Representative Director, Senior Executive Managing Officer     |                           | ○                                  |                                    |                                      |
|                                   | Miki Yoshikawa     |        |           | Representative Director, Senior Executive Managing Officer     |                           |                                    |                                    |                                      |
|                                   | Izumi Kobayashi    | ○      |           | Director (External) <sup>*2</sup>                              |                           |                                    | ◎                                  | ○                                    |
|                                   | Jenifer Rogers     | ○      | ○         | Director (External) <sup>*2</sup>                              |                           | ○                                  |                                    |                                      |
|                                   | Samuel Walsh       |        | ○         | Director (External) <sup>*2</sup>                              |                           | ○                                  |                                    |                                      |
|                                   | Takeshi Uchiyamada |        |           | Director (External) <sup>*2</sup>                              |                           |                                    | ○                                  |                                      |
|                                   | Masako Egawa       | ○      |           | Director (External) <sup>*2</sup>                              |                           | ○                                  |                                    | ○                                    |
| Audit & Supervisory Board Members | Makoto Suzuki      |        |           | Full-time Audit & Supervisory Board Member                     | 4 years <sup>*4</sup>     |                                    |                                    |                                      |
|                                   | Kimiro Shiotani    |        |           | Full-time Audit & Supervisory Board Member                     |                           |                                    |                                    |                                      |
|                                   | Haruka Matsuyama   | ○      |           | Audit & Supervisory Board Member (External) <sup>*2</sup>      |                           | ○                                  |                                    |                                      |
|                                   | Hiroshi Ozu        |        |           | Audit & Supervisory Board Member (External) <sup>*2</sup>      |                           |                                    | ○                                  |                                      |
|                                   | Kimitaka Mori      |        |           | Audit & Supervisory Board Member (External) <sup>*2</sup>      |                           |                                    |                                    | ◎                                    |

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

\*2. Independent Director / Audit & Supervisory Board Member

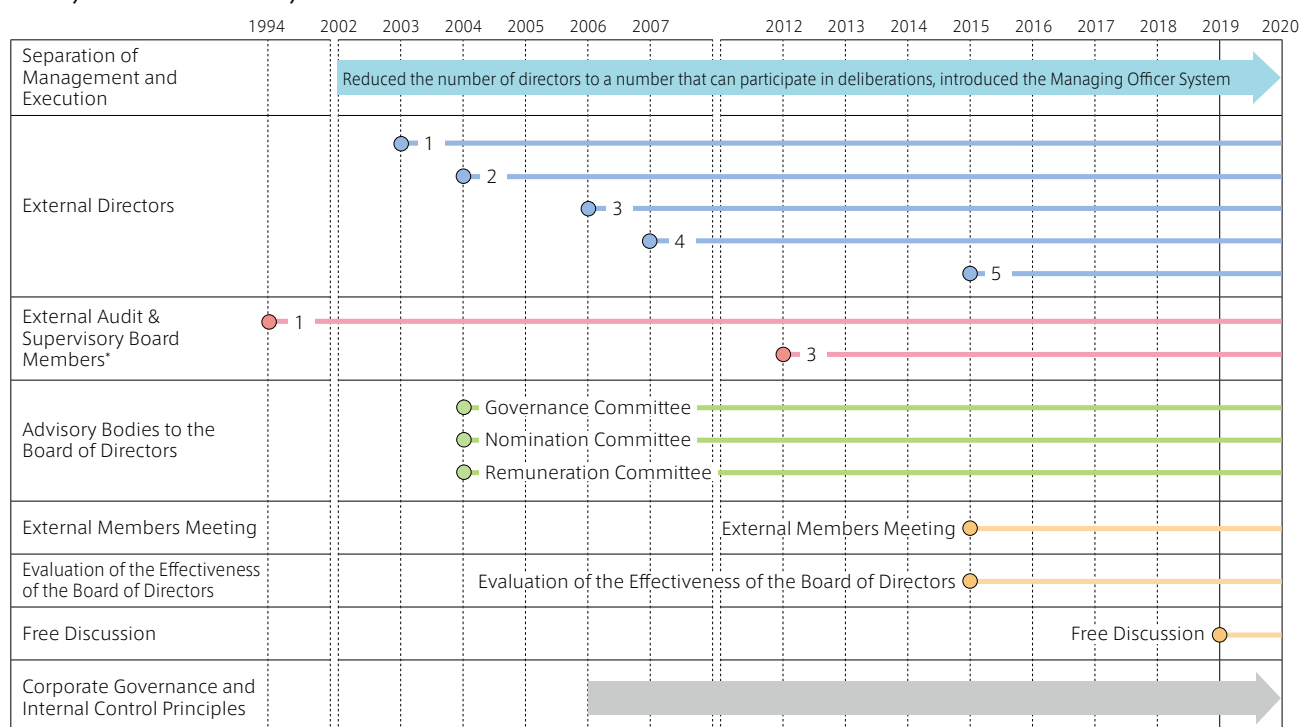
\*3. The terms of Directors end at the conclusion of the ordinary General Meeting of Shareholders held in the fiscal year that ends within one year of the Director's appointment by the previous ordinary General Meeting of Shareholders.

\*4. The terms of Audit & Supervisory Board Members end at the conclusion of the ordinary General Meeting of Shareholders held in the fiscal year that ends within four years of the Director's appointment by the previous ordinary General Meeting of Shareholders.

## Advisory Bodies

| Advisory bodies                                  | <b>1</b> Governance Committee   | <b>2</b> Nomination Committee  | <b>3</b> Remuneration Committee   |
|--|---|--|---|
| Committee chair                                  | Chairman of the Board of Directors  | External member<br>(External Director)   | External member<br>(External Audit & Supervisory Board Member)  |
| Composition<br>(including committee chair)       | Chairman of the Board of Directors<br>President and Chief Executive Officer<br>1 Internal Director<br>3 External Directors<br>1 External Audit & Supervisory Board Member   | Chairman of the Board of Directors<br>President and Chief Executive Officer<br>2 External Directors<br>1 External Audit & Supervisory Board Member   | 2 Internal Directors<br>2 External Directors<br>1 External Audit & Supervisory Board Member   |
| Expected role                                    | The Governance Committee will work 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 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. |
| 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 Directors' 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 Directors and Managing Officers, establish succession plan for the President and Chief Executive Officer and other top executives, and evaluate Director nomination proposals and to deliberate on the dismissal of Directors and Managing Officers.   | To study the system and decision-making process relating to remuneration and bonuses for Directors and Managing Officers, and to evaluate proposals of remuneration and bonuses for Directors and proposals for evaluation and bonuses for Managing Officers.                                 |
| Meetings in the fiscal year ended March 31, 2020 | 3   | 4  | 4   |
| Results in the fiscal year ended March 31, 2020  | The Governance Committee carried out a discussion in relation to the Effectiveness of the Board of Directors and responded to the Practical Guidelines for Group Governance while taking into consideration the viewpoint of the external members.  | The Nomination Committee discussed the composition and the balance of the Board of Directors, and carried out a review of the standards and the process for nominating and dismissing Directors and Managing Officers. The Committee confirmed that the candidates met the selection criteria of the Directors and Managing Officers, and discussed the succession plan for the post of Chief Executive Officer. | The Remuneration Committee carried out a review of the remuneration and bonus structure and determination processes for Directors and Managing Officers, and evaluated remuneration proposals.  |

## History of the Governance System





## Mitsui's Corporate Governance

## Board and Other Meetings Held in the Fiscal Year Ended March 2020

| Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| BD  | BD  | BD  | BD  |     | BD  | BD  | BD  | BD  | BD  | BD  | BD  |
| BD  |     | BD  | BD  |     | G   | G   | N   | R   | N   | R   | BD  |
| Ex  |     | Ex  | Ex  |     | N   | R   | Ex  | Ex  | Ex  | Ex  | G   |
|     |     |     | Ex  |     | Ex  |     | Ex  |     |     |     | N   |
|     |     |     | Ex  |     |     |     | Ex  |     |     |     | R   |
|     |     |     |     |     |     |     | FD  |     |     |     | Ex  |
|     |     |     |     |     |     |     |     |     |     |     | Ex  |
|     |     |     |     |     |     |     |     |     |     |     | Ex  |

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

## Free discussion among all members of BOD and ASB

Since the first free discussion held in the fiscal year ended March 31, 2019 was evaluated very positively in the evaluation of effectiveness in the same year, we organized the free discussion continuously during the fiscal year ended March 31, 2020.

|  |  |   |
|--|--|---|
| FY2019<br>The opinions for the evaluation of the effectiveness | Date, Venue, etc.  | Agenda  |
|  | <ul style="list-style-type: none"> <li>November 12, 2019</li> <li>Off-site meeting at a training facility of the Company</li> <li>Free discussion attended by all members of the Board of Directors and the Audit &amp; Supervisory Board</li> </ul> | <ul style="list-style-type: none"> <li>1. Conglomerate Management Strategies</li> <li>2. Mitsui Diversity Management</li> </ul> |

## Basic View on Corporate Governance

In structuring the corporate governance framework, the Company places emphasis on "improved transparency and accountability" and "the clarification of the division of roles between the oversight activities and the executive activities of management." For "improved transparency and accountability," the Company ensures sound supervision and monitoring of management with the viewpoints of External Directors and External Audit & Supervisory Board Members. The Company has also established an internal control system for disclosure so that all executives and employees fulfill their accountability to stakeholders under the principle of fair disclosure. For "the clarification of the division of roles between the oversight activities and the executive activities of management," the Company delegates execution of business to Managing Officers substantially while the Board of Directors retains a supervisory role over Managing Officers' business activities. Chief Operating Officers of the 16 Headquarter Business Units and the 3 Overseas Regional

Business Units serve concurrently as Managing Officers and engage in business operations for the consolidated Group in a responsive and flexible manner.

While increasing the effectiveness of supervisory functions by having Audit & Supervisory Board Members, the Company implements corporate governance by maintaining an Audit & Supervisory Board system because it believes that having Internal Directors who are familiar with its business practices and operations is essential to the business of a general trading company. By adopting a Committee System in which External Directors and External Audit & Supervisory Board Members participate, the Company achieves highly effective corporate governance to secure "improved transparency and accountability" and "the clarification of the division of roles between the oversight activities and the executive activities of management."

## Board of Directors

The Board of Directors is the highest authority for execution of business and supervision, and in order to secure this function, the Company has maintained a number of Directors that is suitable for having substantial discussions. The tenure of Directors is one year, and Directors can be reappointed without obstruction. The Chairman is authorized to call for a meeting of the Board of Directors and to chair the meeting. His role as the Chairman of the Board of Directors of the Company chiefly involves carrying out supervision of management. He does not concurrently serve as an executive officer and he is not involved in the execution of day-to-day business operations. In addition, the Company has established the Governance Committee, the Nomination Committee, and the Remuneration Committee to serve as advisory bodies to the Board of Directors. These committees have majorities

of external members, including their chairpersons.

At Board of Directors' meetings, matters that are deliberated or reported on abide by the Company's internal regulations. In addition to matters concerning fundamental policies related to management, important business execution and matters authorized by resolutions of the General Meeting of Shareholders, the Company passes resolutions on matters determined by law and company statute. The Board of Directors also receives reports regarding matters determined by law 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 from time to time at any time if deemed necessary. In the fiscal year ended March 31, 2020, 15 meetings were held.

### Number of proposals/reports to the Board FYE March 2020

| Type of Proposals/Reports   | FY2020 |
|---|--------|
| Corporate strategy, sustainability and other matters related to governance  | 25     |
| Financial results and other related matters   | 17     |
| Matters related to Audit & Supervisory Board members and independent auditor (including "Key Audit Matters" update, Interim Review on the 100th Fiscal Year Audit, Internal Auditing) | 7      |
| Matters related to risk management, internal controls, and compliance   | 6      |
| Matters related to human resources  | 3      |
| Individual projects/matters   | 12     |
| Total   | 70     |

### Sustainability, internal control or risk management-related reports to the Board FYE March 2020

| Agenda of the Board   | Time of Meeting         | Matters Reported   | Relevant Risk Management Structures/Systems   |
|---|-------------------------|--|---|
| Internal Control System Review  | 2020/4/8*               | • Internal control overall   | • Authority delegation system, ringi system, oversight and support by corporate staff divisions<br>• Prior setting of position limits, monitoring by specialist units<br>• Internal Control/Portfolio Management Committee  |
| Sustainability related  | 2020/3/25               | • Overall activities related to sustainability (including climate change)  | • Sustainability Committee  |
| Mitsui & Co. Group Compliance System  | 2019/10/30<br>2020/3/25 | • Compliance risks   | • Compliance Committee<br>• Establishment of and compliance with Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd.<br>• Development of internal whistleblowing system<br>• Implementation of training and other awareness-raising activities.  |
| Internal control evaluation report given under the Financial Instruments and Exchange Law | 2019/6/20               | • Internal controls relating to financial reporting  | • J-SOX Committee<br>• Self-assessment of effectiveness of internal control systems by units under assessment, and testing by independent units   |
| Internal Auditing Div. Activity Report  | 2019/9/11               | • Results of internal auditing   | • Internal audit framework centered on Internal Auditing Div.   |
| Mitsui & Co.'s risk exposure and controls   | 2019/12/18              | • Credit risk (commercial claims, external loans/guarantees, term deposits)<br>• Market risk (commodity/forex long and short positions, inventories)<br>• Business risk (business assets, loans/guarantees to related parties, external investments)<br>• Country risk<br>• Operational risk | • Examination of credit lines and ringi applications and monitoring<br>• Ringi examination of commodity/forex long and short positions, on-site inspection of inventories, etc.<br>• Examination through ringi processes, realization of returns from investment projects and their optimization<br>• 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<br>• We have taken further steps to identify operational risk affecting individual business projects |
| Cyber security  | 2019/12/18              | • Cyber security   | • Technical support, human support (including security awareness activities), support to affiliated companies   |

\* The status of internal control regarding FYE March 2020 was reported to the Board of Directors on April 8, 2020, immediately after the ending of such FYE.

## Audit & Supervisory Board

The Audit & Supervisory Board Members supervise the Directors' execution of duties as an independent institution with the mandate of the shareholders. For this purpose, Audit & Supervisory Board Members carry out multi-faceted, effective audit activities such as attending important internal meetings, verifying reports and investigating our business, and take necessary measures in a timely manner.

A meeting of the Audit & Supervisory Board Members is regularly held prior to a meeting of the Board of Directors and whenever necessary. In the fiscal year ended March 31, 2020, 24 meetings were held.

The main items considered and discussed at the Audit & Supervisory Board are as follows: Audit policies, audit plans and work assignments; Assessment of the Independent Auditor; Audit activities conducted by full-time Audit & Supervisory Board Members; Major issues and due process relating to matters to be

discussed at the Board of Directors' meetings; Major issues and resolutions relating to the internal control system on a Global Group basis; and Monitoring of progress on discussions between the Company and the Independent Auditor about various issues including "Key Audit Matters."

Each Audit & Supervisory Board Member has a duty to audit the following issues: (i) in the area of business auditing, execution of duties by Directors, decision-making processes at the Board of Directors and others, and the status of operation and improvement of the internal control systems, and (ii) in the area of financial auditing, the independence of the Independent Auditors, the system of financial reporting, accounting policies and processing of financial information, financial statements, reports from the Independent Auditors, and the system of corporate information disclosure.

## Mitsui's Corporate Governance

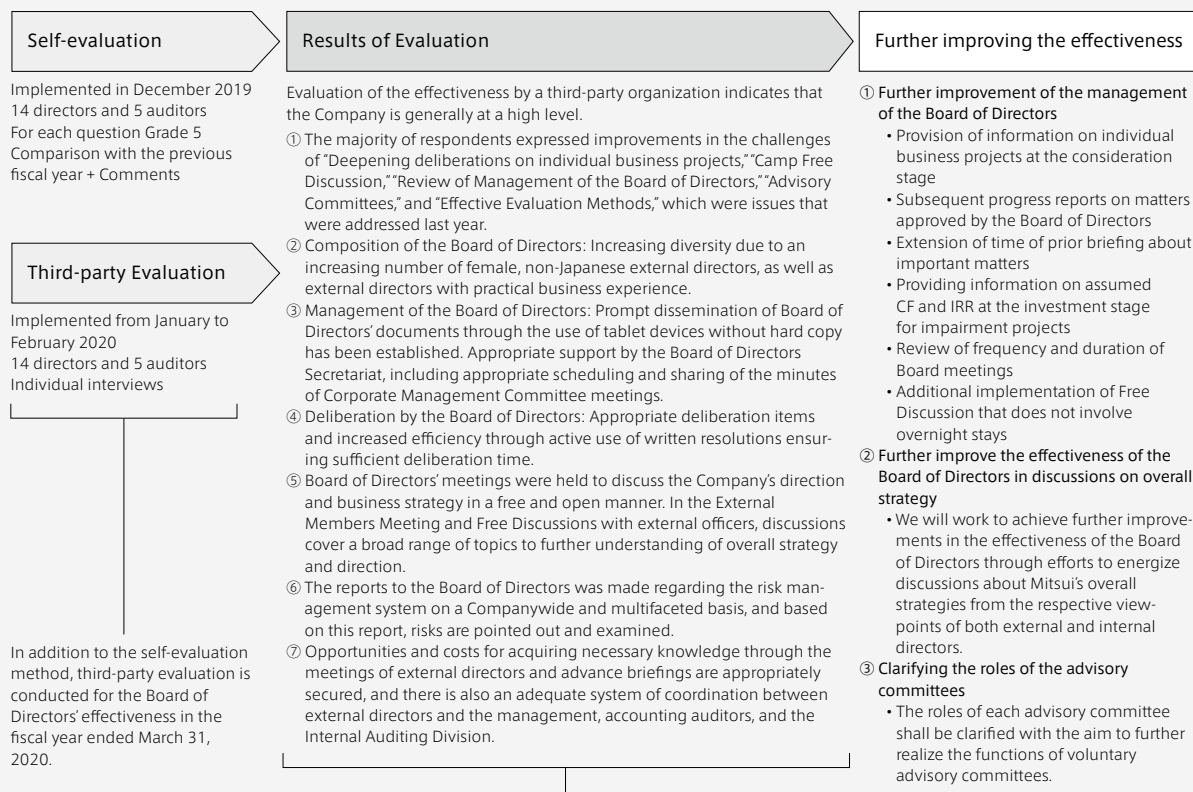
## Summary of Evaluation of the Effectiveness of the Board of Directors

Every fiscal year, the effectiveness of the Board of Directors is evaluated through a process that entails confirming efforts being undertaken in the fiscal year to address the challenges identified in the previous fiscal year's assessment and identifying issues to be addressed for the next fiscal year, with an emphasis on PDCA cycles to improve the effectiveness of the Board of Directors. Based on the results of the effectiveness evaluation of the Board in March 2019, the Board and the Board Secretariat addressed the following points during the March 2020 period:

| Recognition of issues based on evaluation results carried out on March 31, 2019 | Initiatives   | Evaluation of questionnaire carried out on March 31, 2020  |
|---|---|--|
| Deepening deliberations on individual business projects                         | Clarify the strategic position of the relevant business unit. Enhancement of materials indicating the positioning of large-scale projects throughout the company and their impact on other businesses, etc.                                 | The majority (the majority of external directors and audit & supervisory board members) positively evaluated the results. Improvement and evaluation from the previous term. |
| Free Discussion (FD) at Off-Site Meeting  | FD at Off-site Meeting by focusing the themes on "Management Strategy as Conglomerate" and "Mitsui Diversity Management."   | The majority (the majority of external directors and audit & supervisory board members) positively evaluated the results. Improvement and evaluation from the previous term. |
| Changes to the management of the Board of Directors                             | Accelerated early distribution of Board materials. Use of written resolutions to secure sufficient time for deliberations on necessary matters. Appropriate reporting of the contents of discussions at the Corporate Management Committee. | The majority (the majority of external directors and audit & supervisory board members) positively evaluated the results. Improvement and evaluation from the previous term. |
| Advisory committee  | The activities of each advisory committee are regularly reported to the Board of Directors. Report on the action plan of each advisory committee at the Board of Directors' meeting.  | The majority (the majority of external directors and audit & supervisory board members) positively evaluated the results. Improvement and evaluation from the previous term. |
| Effectiveness evaluation method   | In addition to self-evaluation, third-party evaluation is conducted by appointing a third-party evaluation organization.  | The majority (the majority of external directors and audit & supervisory board members) positively evaluated the results. Improvement and evaluation from the previous term. |

## ► Effectiveness Evaluation for the Fiscal Year Ended March 31, 2020

Based on the results of the self-assessment and third-party evaluation, and the following discussions at the External Members Meeting in February 2020 and the Governance Committee and Corporate Management Committee meetings in March 2020, the Board of Directors reviewed its effectiveness evaluation at a meeting in April 2020.



## Third-party Evaluation

Implemented from January to February 2020  
14 directors and 5 auditors  
Individual interviews

In addition to the self-evaluation method, third-party evaluation is conducted for the Board of Directors' effectiveness in the fiscal year ended March 31, 2020.

As a result of summarizing the above, the Board of Directors judged that the effectiveness of the Board of Directors was appropriately ensured in the fiscal year ended March 2020.

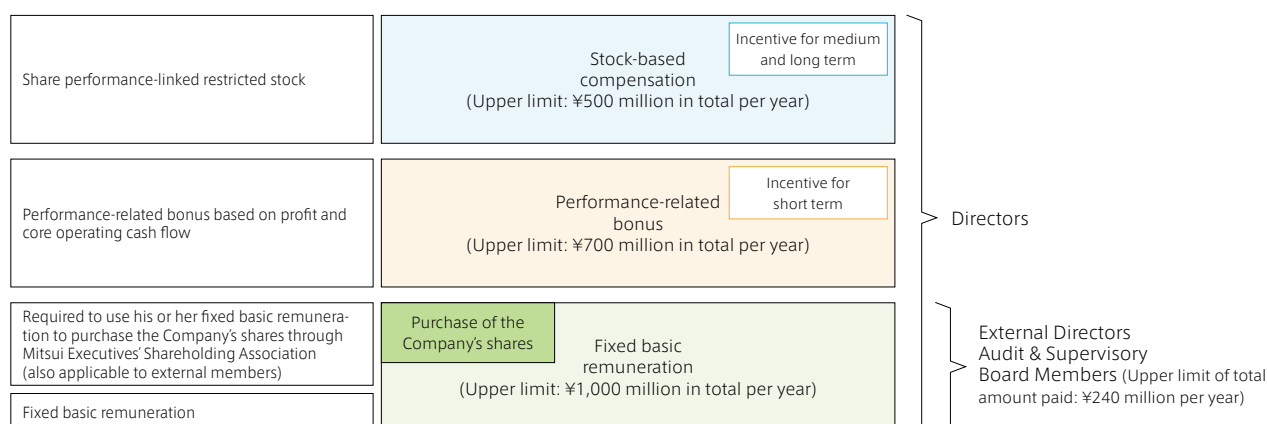
### Summary of Results of Third-Party Evaluation of the Effectiveness of the Board of Directors

The third-party evaluation entailed separate interviews of all Directors and Audit & Supervisory Board Members from January through early February 2020 about the effectiveness of the Company's Board of Directors. In conclusion, it was found that the Company's governance structure is operating at a high level of effectiveness overall. Based on the interviews with all Directors and Audit & Supervisory Board Members, affirmative opinions were in the majority on the following points.

|                |  |  |
|----------------|--|--|
| Composition    | ① External Directors' High level of insight and Diversity (both in terms of attributes and experience) | Attributes: Gender, Nationality, and Generation  |
|                |  | Experience: Management, administration, financial, legal affairs, accounting, etc.   |
| Responsibility | ② Strong commitment to Governance, compliance, and integrity   | Internal Control Structure and Organizational Structure  |
|                |  | Formulation and thorough enforcement of Mitsui & Co. Group Conduct Guidelines "With Integrity"                                   |
| Management     | ③ Enhancement of deliberations on individual projects  | Quantitative and qualitative analysis and presentation of the position of profit and risk at the entire company and head office. |
|                | ④ Overall discussion and the design of appropriate forums  | Vigorous and transparent Board discussions   |
|                |  | Agenda: Companywide agenda, strategic agenda, and medium- to long-term vision  |
|                |  | Venue: Board of Directors, External Members' Meeting, Free Discussion, Meal Session, etc.  |
|                | ⑤ The chairman's proceedings based on a consensus basis  | Neutral listening attitude of the chairman and active listening to the opinions of internal and external directors               |
|                |  | Multiple deliberations and rejection of majority voting principles   |
|                | ⑥ Continuous improvement and sincere support to the Board of Directors by the Secretariat              | Enhancement of preliminary briefing and continuous improvement by the Secretariat  |
|                |  | Sincere and diligent response to feedback from External Directors and Audit & Supervisory Board Members, etc.                    |

## Remuneration of Directors and Audit & Supervisory Board Members

### Structure of Remuneration



### ► Remuneration of Directors

Remuneration of Directors (excluding External Directors) is determined by a resolution of the Board of Directors on the basis of deliberations by the Remuneration Committee, which is chaired by an External Director. It consists of fixed basic remuneration, a performance-related bonus based on Mitsui's key performance indicators, and stock-based compensation linked to the stock price as medium- to long-term incentive compensation. As for stock-based compensation linked to the stock price, it is provided in the form of share performance-linked restricted stock from the fiscal year ended March 31, 2020. Also, each Director (excluding External Directors) is required to purchase the Company's common shares using his or her monthly remuneration, up to ¥1 million each time, through Mitsui Executives' Shareholding Association. The appropriateness of percentages of fixed basic remuneration, a performance-related bonus, and stock-based compensation is verified each year by the Remuneration Committee, taking trends at other companies and other factors into consideration. The findings are reported to the Board of Directors. Retirement compensation is not paid to Directors.

### Performance-related bonus

#### 1 Total amount paid in bonuses

The performance-related bonus is calculated using a formula that is advised as appropriate by the Remuneration Committee and subsequently resolved at a Board of Directors' meeting. For the fiscal year ending March 31, 2021, the total amount of bonus is calculated as follows:

Total amount of bonus = (Consolidated profit for the period attributable to owners of the parent × 50% × 0.1%) + (Core operating cash flow × 50% × 0.1%)

However, the total amount shall not exceed ¥700 million. If the consolidated profit for the period attributable to owners of the parent is negative, i.e., a "net loss," and/or core operating cash flow is negative, i.e., a "cash outflow," then these items are set to 0 for the calculation. Consolidated profit for the period attributable to owners of the parent and core operating cash flow are key indicators for Mitsui, and they are taken into consideration when determining the dividend policy.

## Mitsui's Corporate Governance

**2 Amount paid as individual bonuses**

The total amount calculated by the method shown above is distributed to each Director in proportion to the following points, which are assigned for each position. Amounts will be rounded to the nearest ¥10,000, however, if the total amount of the individual bonuses paid exceeds ¥700 million, and each amount less than ¥10,000 will be rounded down.

Amount individually paid = Total amount of bonus × Position points / Sum of position points

**Points by position**

| Chairman/<br>President | Executive Vice<br>President | Senior Executive<br>Managing Officer | Executive<br>Managing Officer |
|------------------------|-----------------------------|--------------------------------------|-------------------------------|
| 10                     | 7                           | 6                                    | 5                             |

Based on the composition of the Directors as of the date of the issuance of this report, the maximum amounts that may be paid for each position (at the limit of the total bonus amount of ¥700 million) are as follows:

Chairman/President = ¥700 million × 10 points / (10 points × 2 persons + 7 points × 2 persons + 6 points × 5 persons = 64 points) = ¥109.37 million

Executive Vice President = ¥700 million × 7 / 64 points = ¥76.56 million

Senior Executive Managing Officer = ¥700 million × 6 / 64 points = ¥65.62 million

**Remuneration system of share performance-linked restricted stock**

The purpose of the remuneration system of share performance-linked restricted stock (hereinafter referred to as the "System") is to provide an additional incentive to Directors to achieve sustaining growth in Mitsui's medium- to long-term performance and corporate value, and to foster a heightened sense of shared value with shareholders, by paying remuneration consisting of the Company's ordinary shares, with a certain transfer restriction period, to Directors (shares allocated under the System will be referred to below as the "Shares") in addition to basic fixed remuneration and a performance-related bonus. This new compensation system is a share performance-linked remuneration system, since the number of Shares held by Directors at the end of a certain period (hereinafter referred to as the "number of Shares after valuation") would vary based on a comparison of the growth rates of the Company's stock price and the Tokyo Stock Price Index (TOPIX) over a specified period. By taking into account not only movements in the Company's stock price, but also the performance of the Company's stock compared with the stock market as a whole, the System is intended to give Directors a heightened awareness of the need to improve Mitsui's corporate value by amounts greater than the growth of the stock market.

**1 Payment method**

Under the System, Directors would be granted an entitlement to receive monetary remuneration and will be issued Shares, whether newly issued as ordinary shares or disposed of, in exchange for the in-kind investment of their full entitlement. The amount of entitlements to be paid to each Director under the System will be determined by the Board of Directors based on deliberations by the Remuneration Committee, within the maximum limit approved at the General Meeting of Shareholders.

**2 Total number of shares to be issued or disposed of, paid-in amount per share**

The total number of ordinary shares that would be newly issued or disposed of by the Company under the System would be no more than 500,000 per year (however, this number may be changed within reasonable limits if the Company's ordinary shares are affected by a stock split (including a free allotment of new ordinary shares in the Company) or a reverse stock split, or if other circumstances arise that require adjustments to the total number of the Company's ordinary shares that are issued or disposed of as restricted shares). The paid-in amount per Share will be decided by the Board of Directors based on the average daily closing price for the Company's ordinary shares on the Tokyo Stock Exchange (excluding days on which there is no closing price, the price will be rounded up to the nearest whole yen) in the three months immediately prior to the month containing the date on which the Board of Directors made a resolution concerning issuance or disposal of the shares (hereinafter referred to as the "date of the Board of Directors' resolution"), within a range that is not especially advantageous to the Directors.

**3 Details of share performance linkage conditions**

The number of shares after valuation would be determined as follows in linkage with the share performance, etc.

- ① If the growth rate of the Company's share price<sup>\*1</sup> is equal to or greater than 150% of the growth rate of the Tokyo Stock Price Index (TOPIX),<sup>\*2</sup> the number after valuation will be deemed to be the entire number of Shares issued.<sup>\*3</sup>
- ② If the growth rate of the Company's share price is lower than 150% of the TOPIX growth rate, the number of Shares after valuation will be a number calculated using the following formula, and the remainder of the Shares will be acquired by the Company without compensation at the end of the valuation period.

$$\begin{aligned} \text{Number of Shares after valuation} &= \text{Number of Shares} \times \frac{\text{The Company's share price growth rate}}{\text{TOPIX growth rate} \times 150\%} \\ \text{Number of Shares after valuation} &= \text{Number of Shares} \times \frac{(A+B) \div C}{(D \div E) \times 150\%} \end{aligned}$$

<sup>\*1</sup> This is the growth rate of Mitsui's share price during a valuation period defined as three years from the date of the Board of Directors' resolution (or the period to the date of retirement if a Director retires from their role as a director or managing officer of Mitsui before the lapse of three years. The same applies to <sup>(2)</sup>). The growth rate will be specifically calculated as follows:

A: The average closing price of Mitsui's stock on the Tokyo Stock Exchange during the three months immediately prior to the month in which the final day of the valuation period falls

B: The total dividend per share for Mitsui's ordinary shares during the valuation period

C: The average closing price of Mitsui's stock on the Tokyo Stock Exchange during the three months immediately prior to the month in which the date of the Board of Directors' resolution falls

**Growth rate of Mitsui's share price = (A+B) ÷ C**

<sup>\*2</sup> This is the growth rate of the TOPIX during a period of three years from the date of the Board of Directors' resolution. It will be specifically calculated using the following formula.

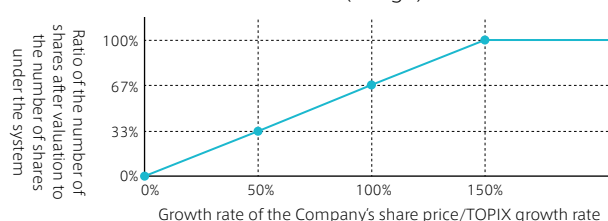
D: The average TOPIX closing price on the Tokyo Stock Exchange during the three months immediately prior to the month in which the final day of the valuation period falls

E: The average TOPIX closing price on the Tokyo Stock Exchange during the three months immediately prior to the month in which the date of the Board of Directors' resolution falls

**TOPIX growth rate = D ÷ E**

<sup>\*3</sup> Number of Shares = Entitlement to monetary compensation determined according to rank / Paid-in amount per Share

Number of shares after valuation (image)



#### 4 Restriction on transfer

Directors would be unable to transfer, pawn, or otherwise dispose of the Shares (hereinafter referred to as "Restriction on Disposal") for a period of 30 years from the pay-in date (hereinafter referred to as "Restriction on Transfer Period"). During the Restriction on Transfer Period, the Shares would be managed in dedicated accounts established with a securities company nominated by the Company.

#### 5 Lifting of the Restriction on Disposal

Irrespective of the provisions of 4 above, the Restriction on Disposal will be lifted if a Director retires as a director or managing officer of the Company before the end of the Restriction on Transfer Period.

#### 6 Grounds for acquisition without compensation (claw-back clause)

In addition to the condition that there will be acquisition without compensation under the conditions for linkage to the share performance in 3 above, the Company will acquire without compensation all or part of the Shares during the Restriction on Transfer Period if a Director engages in actions that contravene laws and regulations, or on other grounds as stipulated in the agreement concluded between the Company and the Director.

#### 7 Procedures in the event of organizational restructuring, etc.

The Company would make reasonable adjustments to the number of Shares to be acquired without compensation or the time when the Restriction on Disposal will be lifted, by resolution of the Board of Directors, if the Company enters into a merger agreement resulting in the absorption of the Company, or a share swap agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or otherwise undertakes organizational restructuring, etc., during the Restriction on Transfer Period, pursuant to a resolution of a General Meeting of Shareholders (or a resolution of the Board of Directors in the case of a matter for which a resolution of a General Meeting of Shareholders is not required).

### The Company's policy on the method used to calculate remuneration for Directors

The Company's policy on the method used to calculate remuneration for Directors is decided by the Board of Directors within limits approved by resolutions at General Meetings of Shareholders. Before making decisions, the Board of Directors receives a report from the Remuneration Committee, which is chaired by an External Director, to the effect that the amounts are appropriate, based on prior deliberations by the Committee. The amounts for the fiscal year ended March 31, 2020 were determined through the following processes.

1. The basic remuneration for Directors, excluding External Directors, has been decided according to a specific formula based on the resolution of the Board of Directors on December 19, 2018, which was approved as appropriate by the Remuneration Committee. The individual amounts of basic remuneration paid to the External Directors were decided at the meeting of the Board of Directors held on April 12, 2017, based on the report of the Remuneration Committee stating that these amounts were appropriate.
2. The amounts of performance-related bonus were decided according to a formula adopted at the meeting of the Board of Directors held on April 12, 2017. After deliberating on this formula, the Remuneration Committee reported to the meeting of the Board of Directors held on April 12, 2017 that the formula was appropriate.
3. The remuneration system of share performance-linked restricted stock was decided by a resolution of the Board of Directors at a meeting held on July 3, 2019. The Remuneration Committee reported to that meeting of the Board of Directors that the number of stock options to be allocated was appropriate.

#### ► Remuneration for External Directors

Remuneration of External Directors is limited to a fixed remuneration that does not include a performance-related portion, and there is no obligation of share purchasing for External Directors.

#### ► Remuneration of Audit & Supervisory Board Members

Remuneration of Audit & Supervisory Board Members is determined through deliberation among the Audit & Supervisory Board Members, the total of which should not exceed the amount determined at the General Meeting of Shareholders. Audit & Supervisory Board Members receive only monthly fixed remuneration, which is not related to the performance of Mitsui. Retirement compensation is not paid to Audit & Supervisory Board Members.

Remuneration of Directors and Audit &amp; Supervisory Board Members in the fiscal year ended March 31, 2020

| Category of position   | Number of recipients <sup>1</sup> | ¥ million          |            |                    |                                 |
|--|-----------------------------------|--------------------|------------|--------------------|---------------------------------|
|  |                                   | Basic remuneration | Bonus      | Stock compensation | Total remuneration <sup>2</sup> |
| Directors (excluding External Directors)   | 11                                | 724                | 507        | 322                | 1,552                           |
| Audit & Supervisory Board Members (excluding External Audit & Supervisory Board Members) | 4                                 | 132                | —          | —                  | 132                             |
| External Directors   | 6                                 | 104                | —          | —                  | 104                             |
| External Audit & Supervisory Board Members   | 3                                 | 60                 | —          | —                  | 60                              |
| <b>Total</b>   | <b>24</b>                         | <b>1,020</b>       | <b>507</b> | <b>322</b>         | <b>1,849</b>                    |

<sup>1</sup> The above includes Directors and Audit & Supervisory Board Members who retired from office in the fiscal year ended March 31, 2020.

<sup>2</sup> In addition to the above amounts, a total of ¥468 million was paid to 102 retired Directors, and ¥41 million to 12 retired Audit & Supervisory Board Members, as pensions (representing payments determined prior to the abolition of those systems).

<sup>3</sup> Amounts less than ¥1 million are rounded off.



## Mitsui's Corporate Governance

## External Directors / External Audit &amp; Supervisory Board Members Selection Criteria

## ▶ Selection Criteria: External Directors

## External Directors

- The prospective person's extensive business experience and knowledge are required to deliberate and knowledge of his or her particular area of business should be used.
- The Company puts great value on ensuring the independence of External Directors from the Company in the pursuit of their management oversight functions.
- With a view to overseeing business operations in a way that reflects the perspectives of our diverse stakeholders, the Company shall take into consideration the fields from which candidates originate, along with their gender.

## Reasons for Appointing Each External Director

| Name               | Independent Director | Reasons for Appointment  | Attendance at Meetings in FY2020<br>(Number of Meetings Attended / Total Number of Meetings) | Significant Concurrent Positions<br>(As of June 19, 2020)  |
|--------------------|----------------------|--|--|--|
| Izumi Kobayashi    | ○                    | Ms. Kobayashi has deep insight in organizational management and risk management for generating innovation, which she has accumulated through her experience working as the representative of private sector financial institutions and a multinational development bank. She speaks out actively from diverse perspectives at the Board of Directors' meetings, making a significant contribution to deepening the discussion. In the fiscal year ended March 31, 2020, she served as a member of the Remuneration Committee, and contributed to the discussions related to the design of a remuneration system for Officers and evaluation of Officers. In addition, as chair of the Nomination Committee, she exercised strong leadership in enhancing the transparency of the procedures for the appointment of executives, including the CEO. In view of these points, we have appointed Ms. Kobayashi for another term as External Director so that she may continue to advise and supervise the Company's management.  | BD (15/15)<br>N (4/4)<br>R (4/4)<br>Ex (15/15)   | External Director, ANA HOLDINGS INC.<br><br>External Director, Mizuho Financial Group, Inc.  |
| Jenifer Rogers     | ○                    | Ms. Rogers has a global perspective and deep insight in risk management cultivated through her experience working for international financial institutions and her experience in legal work as in-house counsel. She makes many useful comments concerning risk control at the Board of Directors' meetings, making a significant contribution to enhancing the supervisory function of the Board of Directors. In the fiscal year ended March 31, 2020, she served as a member of the Governance Committee, actively providing her opinions with the aim of creating a highly transparent governance system. In view of these points, we have appointed Ms. Rogers for another term as External Director so that she may continue to advise and supervise the Company's management.   | BD (15/15)<br>G (3/3)<br>Ex (15/15)  | General Counsel Asia, Asurion Japan Holdings G.K.<br>External Director, Kawasaki Heavy Industries, Ltd.<br>External Director, Nissan Motor Co., Ltd.   |
| Samuel Walsh       | ○                    | Mr. Walsh has global expertise and excellent management skills cultivated through his long years working in upper management within the automobile industry and as chief executive officer of an international natural resources company. At the Board of Directors' meetings, he makes many proposals and suggestions from a broad-minded standpoint based on his abundant business management experience, and makes significant contributions to active discussions at the meetings of the Board of Directors, and to improving the effectiveness of said meetings. In the fiscal year ended March 31, 2020, he served as a member of the Governance Committee, actively providing his opinions with the aim of creating a highly transparent governance system. He has diverse perspectives based on his global corporate management experience and expertise and knowledge related to capital policy and business investment. We have appointed Mr. Walsh for another term as External Director so that he may continue to advise and supervise the Company's management.  | BD (15/15)<br>G (3/3)<br>Ex (15/15)  | Gold Corporation (Australia)<br>Chairman of the Board  |
| Takeshi Uchiyamada | ○                    | Mr. Uchiyamada has long been involved in research on environmental and safety technologies at Toyota Motor Corporation, which could realize a "smart mobility society" called for by today's society, as well as in the development of products demanded by consumers, and has been exercising his excellent managerial skills as an executive officer of Toyota Motor Corporation. At the Board of Directors' meetings, he makes many proposals and suggestions from a broad-minded standpoint based on his management experience at a global company and his in-depth knowledge of society in general, and makes significant contributions to active discussions at the meetings of the Board of Directors, and to improving the effectiveness of said meetings. In the fiscal year ended March 31, 2020, he served as a member of the Nomination Committee, and contributed to the discussions with the aim of enhancing the transparency and effectiveness of the procedures for the appointment of executives, including the CEO. In view of these points, we have appointed Mr. Uchiyamada for another term as External Director so that he may continue to advise and supervise the Company's management. | BD (11/11)<br>N (4/4)<br>Ex (10/12)  | Chairman of the Board of Directors, Toyota Motor Corporation<br>External Director, JTEKT CORPORATION<br>JTEKT CORPORATION is an equity-accounted associated company of Toyota Motor Corporation. |

| Name         | Independent Director | Reasons for Appointment   | Attendance at Meetings in FY2020 (Number of Meetings Attended / Total Number of Meetings) | Significant Concurrent Positions (As of June 19, 2020)  |
|--------------|----------------------|---|---|---|
| Masako Egawa | ○                    | Ms. Egawa has deep insight in finance and corporate management gained through her experience of management as a director of The University of Tokyo, her many years of experience working at global financial institutions, and through her research on management and corporate governance at Japanese companies. She has also made extensive contributions to the public interest, including serving as a member of the Tax Commission, the Council for Science, Technology and Innovation, the Fiscal System Council, and the United States – Japan Conference on Cultural and Educational Interchange. Although Ms. Egawa has no direct experience participating in corporate management, we have newly appointed Ms. Egawa as External Director so that she may advise and supervise the Company's management, by utilizing the above wide-ranging experience and knowledge. | BD —<br>G —<br>R —<br>Ex —  | External Director, Tokio Marine Holdings, Inc.<br>External Director, Mitsui Fudosan Co., Ltd.<br>Adjunct Professor, Graduate School of Business Administration, Hitotsubashi University |

BD Board G Governance Committee N Nomination Committee R Remuneration Committee Ex External Members Meeting

Note: An External Director who is unlikely to have conflicts of interest with general shareholders, as stipulated by the stock exchange

## External Audit & Supervisory Board Members

The External Audit & Supervisory Board Members shall be selected with the objective of further heightening the neutrality and independence of the auditing system, and, in particular, it is expected that the External Audit & Supervisory Board Members will give an objective voice to their auditing opinions from the standpoint of neutrality, building on such factors as independence. When selecting candidates for External Audit & Supervisory Board Members, the Audit & Supervisory Board shall confirm that no issues with independence arise by taking into consideration such factors as relations with the Company, management and important staff members.

### Reasons for Appointing Each External Audit & Supervisory Board Member

| Name             | Independent Audit & Supervisory Board Member | Reasons for Appointment   | Attendance at Meetings in FY2020 (Number of Meetings Attended / Total Number of Meetings) | Significant Concurrent Positions (As of June 19, 2020)  |
|------------------|--|---|---|---|
| Haruka Matsuyama | ○  | We have appointed Ms. Matsuyama on expectation she will objectively express audit opinions from an independent and neutral standpoint, with advanced insight into corporate governance and risk management cultivated through her many years of experience in legal affairs as a judge and as an attorney at law. In the fiscal year ended March 31, 2020, she served as a member of the Governance Committee, proactively voicing her opinions to contribute to the building of a transparent and objective governance structure.                              | BD (14/15)<br>AS (23/24)<br>G (3/3)<br>Ex (13/15)   | Attorney at Law<br>External Director, T&D Holdings, Inc.<br>External Director, Mitsubishi UFJ Financial Group, Inc.<br>External Director, Restar Holdings Corporation                                       |
| Hiroshi Ozu      | ○  | Mr. Ozu has been appointed on the expectation he will objectively express audit opinions from an independent and neutral standpoint, with advanced insight into governance and risk management cultivated through the many years of experience and perspective in legal affairs he has gained as a prosecutor and an attorney at law. In the fiscal year ended March 31, 2020, he served as a member of the Nomination Committee, contributing to improving the transparency of the Company's Director and Audit & Supervisory Board Member nomination process. | BD (15/15)<br>AS (23/24)<br>N (4/4)<br>Ex (14/15)   | Attorney at Law<br>External Audit & Supervisory Board Member, Toyota Motor Corporation<br>External Audit & Supervisory Board Member, Shiseido Company, Limited  |
| Kimitaka Mori    | ○  | Mr. Mori has been appointed on the expectation he will objectively express audit opinions from an independent and neutral standpoint, based on his advanced expertise in corporate accounting cultivated through his many years of experience as a certified public accountant. In the fiscal year ended March 31, 2020, he served as a member of the Remuneration Committee, contributing to discussions about examining and revising the remuneration system for Officers from an objective standpoint.   | BD (15/15)<br>AS (24/24)<br>R (4/4)<br>Ex (15/15)   | Certified Public Accountant<br>External Director, Japan Exchange Group, Inc.<br>External Audit & Supervisory Board Member, East Japan Railway Company<br>External Director, Sumitomo Life Insurance Company |

BD Board AS Audit & Supervisory Board G Governance Committee N Nomination Committee R Remuneration Committee  
Ex External Members Meeting

Note: An External Audit & Supervisory Board Member who is unlikely to have conflicts of interest with general shareholders, as stipulated by the stock exchange

## Mitsui's Corporate Governance

### ► Criteria for Independence of External Members (Directors/Audit & Supervisory Board Members)

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

- (1) Person who is currently or was in the past 10 years an executive director, executive officer, managing officer, manager, employee, administrative officer, etc. (hereinafter referred to as "executing person") of Mitsui or Mitsui's consolidated subsidiaries
- (2) Person or the executing person of a corporation holding either directly or indirectly 10% or more of the total number of the voting rights of Mitsui
- (3) Person whose major business partner is Mitsui or Mitsui's consolidated subsidiaries (\*1) or the executing person of the same
- (4) Major business partner of Mitsui or Mitsui's consolidated subsidiary (\*2) or the executing person of the same
- (5) Independent auditor of Mitsui or Mitsui's consolidated subsidiary or employee, etc., of the same
- (6) Person providing professional services such as consultant, lawyer or certified public accountant who received from Mitsui monetary payment or other property benefits exceeding ¥10 million in total other than officer remuneration in the most recent fiscal year (referring to the person belonging to the organization if the one who received the relevant property is an organization such as a corporation or association)
- (7) Person or the executing person of a corporation who received the annual total of ¥10 million or more of donations or aid funds from Mitsui or Mitsui's consolidated subsidiary in the most recent fiscal year
- (8) Person who has fallen under any of (2) to (7) above in the past three years
- (9) Spouse or relative within the second degree of kinship (hereinafter referred to as "close relatives") of the person who is currently or has been recently the important executing person of Mitsui or Mitsui's consolidated subsidiary (including Director who is not the executing person in the case of External Audit & Supervisory Board Member)
- (10) Close relatives of the person who currently falls or has fallen recently under any of (2) to (7) above (excluding the one who is not important)

\*1. If the relevant business partner received from Mitsui or Mitsui's consolidated subsidiary the payment equivalent to 5% or more of its annual transaction volume (non-consolidated) in the most recent fiscal year or the relevant business partner obtained from Mitsui or Mitsui's consolidated subsidiary the money loans equivalent to 5% or more of its consolidated total assets in the most recent fiscal year, the relevant business partner is deemed to be the person whose major business partner is Mitsui or Mitsui's consolidated subsidiary.

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

### ► Support Systems

For External Directors, before regular and extraordinary meetings of the Board of Directors, materials on the proposals are provided and advance explanations are given. For External Audit & Supervisory Board Members, company information that contributes to their auditing, including summaries of regular meetings between Full-time Audit & Supervisory Board Members and staff in the Audit & Supervisory Board Member Division, is provided in a timely manner by the Full-time Audit & Supervisory Board Members and the staff. Advance distribution of materials and advance explanations are conducted regarding regular and extraordinary meetings of the Audit & Supervisory Board and of the Board of Directors. For external members, the Company provides personal computers and tablets (hereinafter referred to as the "External Members' PCs") and distributes materials for meetings of the Board of Directors in a timely

manner, thereby ensuring the time to review agendas. In the fiscal year ending March 31, 2021, since it is difficult and inappropriate that all Directors and Audit & Supervisory Board Members gather physically due to the spread of COVID-19, Mitsui holds the meetings of the Board of Directors and the meetings of Audit & Supervisory Board Members as remote meetings using a web conference system. Mitsui sets up a usage environment of such web conference system on the officers' PCs and provides support so that the Directors and Audit & Supervisory Board Members can discuss matters effectively even at remote meetings. The Company sets up a Board of Directors' database for use in storing information such as minutes and other materials of past meetings of the Board of Directors, and maintains a platform that enables access to such database from the officers' PCs.

### ► External Members Meetings

External Members Meetings are periodically held for the purpose of exchanging information and opinions regarding important matters in management among external members, or among external members, Internal Directors, Full-time Audit & Supervisory Board Members and/or Managing Officers. The meetings were held 15 times during the fiscal year ended March 31, 2020, where information and opinions were exchanged regarding matters such as the corporate management policy, audits, the operation of operating segments and human resource development.

#### Agenda of External Members Meetings in FYE2020

| Theme  |
|--|
| 1 Iron & Steel Products Business Unit  |
| 2 Guidance on responding to questions put to external directors at a general meeting of shareholders |
| 3 Market Reaction, Points of Interest / Feedback on Investor Day 2019 Panel Discussion               |
| 4 Results of the Engagement Survey   |
| 5 Update of "Moon Creative Lab"  |
| 6 Reporting on the Status of Cash Flow Allocation  |
| 7 Business Environment Outlook 2020  |
| 8 Activities of Audit & Supervisory Board Members  |
| 9 Digital Transformation Activity Report   |
| 10 Track Record Verification by Analysis on Investment Case  |
| 11 Corporate Strategy (Medium-term Management Plan 2023 Formulation Framework)                       |
| 12 Discussion on Evaluation of Effectiveness of the Board of Directors                               |
| 13 Human Resource Development  |
| 14 Exchange of opinions and information with independent auditor                                     |
| 15 Individual Project Matter   |

### ► Coordination between Supervision by the External Directors or Auditing by External Audit & Supervisory Board Members, Auditing by the Internal Auditing Division, Audit & Supervisory Board Members and the Independent Auditors, and Relationship with Divisions Involved in Internal Control

The External Directors and External Audit & Supervisory Board Members, through the meetings of the Board of Directors, the meetings of the Audit & Supervisory Board and the External Members Meetings, respectively, exchange information and opinions on auditing by the Internal Auditing Division, auditing by Audit & Supervisory Board Members and accounting audits by the Independent Auditors as well as mutually coordinate with them to supervise and audit the internal control system. Specifically, they periodically receive reports on the following at the meetings of the Board of Directors, respectively; results and plans of the internal audits, results and plans of auditing by the Audit & Supervisory Board, summary of the management letter by the Independent

Auditors, results of the internal control system assessment in accordance with the Financial Instruments and Exchange Act of Japan, the operational status of compliance programs, and other matters regarding the management and improvement of the internal control systems. At the External Members Meetings, External Directors, Audit & Supervisory Board Members, and the Independent Auditors mutually exchange information and opinions regarding the policy of audits, as well as opinions about

the activities of Full-time Audit & Supervisory Board Members. Full-time Audit & Supervisory Board Members, at their discretion, hold a meeting to exchange opinions beforehand among the External Directors and External Audit & Supervisory Board Members on certain important matters to be discussed at meetings of the Board of Directors, in order to provide External Board Members with sufficient information for effective discussion at meetings of the Board of Directors.

## Policy on Training for Directors and Audit & Supervisory Board Members

Upon assumption, opportunities are given to Directors and Audit & Supervisory Board Members for gaining full understanding of the business, financial affairs, organization, etc., of Mitsui, the Companies Act of Japan and related laws and regulations, corporate governance and internal controls to ensure that they may fulfill

their duties, including legal responsibilities, in the respective roles (fiduciary duties) expected of Directors or Audit & Supervisory Board Members, which are mandated by the shareholders. Furthermore, opportunities are given for keeping them up to date as necessary.

## Policy Related to Acquisition and Holding of Cross-Shareholdings

The Company defines listed shares held for reasons other than purely for investment returns as cross-shareholdings. These are acquired and held in accordance with the following policy.

- (1) The purpose of cross-shareholdings in investees for which the equity method applies is to improve the corporate value of the investees and increase the equity method-based profit and dividends to be received through participation in the management of the investees. Cross-shareholdings in companies other than equity-method applicable investees (including deemed shareholdings) are categorized as "listed shares for general investment purposes" and regarded as a means of creating business opportunities and building, maintaining, or strengthening business and collaborative relationships.
- (2) Investments in the shares of equity-method applicable companies are implemented only in cases where the economic rationale is recognizable. At the same time, each year the Board of Directors reviews the meaning of and policy on holding such shares, including a verification of the rationale in relation to the Company's cost of capital, within the framework of portfolio reviews that are carried out in relation to investment assets generally, including unlisted shares. If the meaning of holding

these assets has significantly declined, a policy toward withdrawal shall be determined.

- (3) When acquiring listed shares for general investment purposes, the Company conducts a prior stringent assessment of the probability of the investment, creating business opportunities, or building, maintaining, or strengthening business and collaborative relationships, and owns the shares only if there is a viable rationale. At the same time, each year the Board of Directors reviews the meaning of and policy on holding listed shares for general investment purposes by verifying the economic rationale based on the status of dividends, business-related profits, and other related profits, in comparison to the Company's overall costs, including its acquisition cost, market value and cost of capital, with verification of qualitative aspects based on the status of and outlook for the creation of business opportunities, as well as business and collaborative relationship with each cross-shareholding investee. If as a result of this review the meaning of holding these assets has significantly declined, our policy is to sell such assets, thereby reducing the cross-shareholdings.

## Independent Auditors

The Company appoints certified public accountants belonging to Deloitte Touche Tohmatsu LLC as Independent Auditors to carry out auditing under the Companies Act of Japan and the Financial Instruments and Exchange Act of Japan as well as auditing of consolidated financial statements in English.

To secure prompt financial closing and reliability, the auditing work of the Company and its consolidated subsidiaries is in principle entrusted solely to Deloitte Touche Tohmatsu, which belongs to the same network as Deloitte Touche Tohmatsu LLC.

## Internal Audits

Based on the order or approval of the President and Chief Executive Officer, the Internal Auditing Division evaluates the establishment and operational conditions of internal controls from various perspectives. These include the effectiveness and efficiency of operations, reliability in terms of financial reporting, compliance with laws and regulations, and the safeguarding of Company assets. The division also provides advice and proposals for improving the adequacy and effectiveness of risk management, control methods, and governance. The Internal Auditing Division carries out regular audits that cover the Company, overseas offices and subsidiaries, domestic subsidiaries, and other affiliated companies. Identifying the items to be audited based on risk, these audits provide an

independent and objective evaluation in accordance with international internal audit standards. Additionally, the division carries out audits based on Companywide themes, such as import/export management, and on the protection of private information. The division also implements extraordinary audits of events that have brought about exceptional economic loss or have damaged the Company's reputation, investigating the causes of such events and examining the adequacy of measures to prevent recurrence. Furthermore, the Internal Auditing Division, as an independent body, complies with and assesses internal controls regarding the credibility of financial reporting, pursuant to the Financial Instruments and Exchange Act.

## Execution of Business Activities and Internal Controls

### Execution of Business Activities

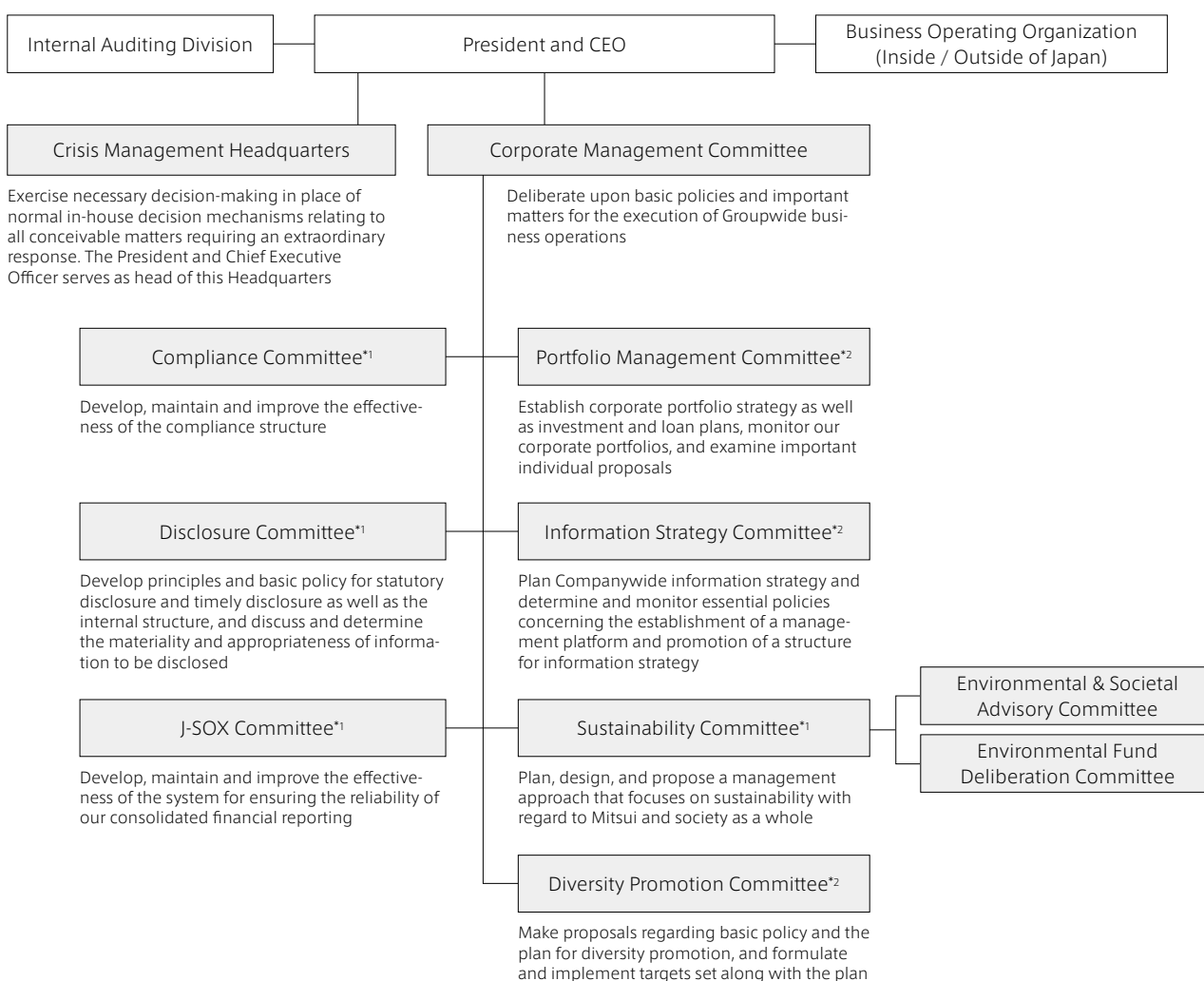
Ultimate responsibility for execution of business operations lies with the President and Chief Executive Officer. The President and Chief Executive Officer delegates authority to the Chief Operating Officers of the business units and regional business units, who, in turn, report to the President and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

President and Chief Executive Officer, taking into consideration discussions among the Committee members.

Based on the basic design of internal controls provided for by the Board of Directors, management assumes the role and responsibility of maintaining, operating and assessing internal controls at Mitsui and Mitsui affiliated companies. The Internal Auditing Division, the division positioned directly under the President and Chief Executive Officer, examines the status of development and implementation of the internal control of Mitsui.

The Company has established major committees pertaining to the execution of business and implementation of internal control as follows, and is taking measures to respond to a wide range of risks and forms of businesses, which continue to increase and diversify.

### Framework for Internal Controls and Execution of Business Activities



\*1. Sub-committees to the Corporate Management Committee

\*2. Advisory bodies to the Corporate Management Committee

## Internal Controls

In the construction of internal control processes, aiming to achieve the objective of the internal control process—"Improvement of effectiveness and efficiency of operations," "Compliance with accounting standards and securing reliability of financial reporting," "Compliance with laws, rules that are equivalent to the laws, and observance of management philosophy and company rules including all codes of conduct which reflect this philosophy," and "The conservation of company assets"—the following systems are implemented.

### ► Risk Management System

Risks arising from Mitsui's business activities are monitored and managed by Chief Operating Officers of business units and regional business units within the authorization delegated to them from the Company's management. Measures taken by each business unit to manage quantitative risks include setting position limits and loss-cut limits and conducting monitoring through divisions with relevant expertise. For the management of qualitative risks, the business units are obligated to observe relevant internal regulations. When a business unit or regional business unit takes on risks that are greater than the scope of authority granted to them, it is necessary to obtain approval of the Corporate Management Committee or a relevant representative director or senior managing officer, depending on the importance of the situation, in accordance with the standards of the internal approval system. Furthermore, organizations such as the Portfolio Management Committee, the Sustainability Committee, and the Crisis Management Headquarters establish and develop risk management structures on a Companywide basis and handle significant risks. Members of the corporate staff of each committee are responsible for surveillance of Mitsui's position regarding the risks they are in charge of overseeing, as well as the control of risks within the prescribed range of their authority and the provision of support to relevant directors and managing officers.

### ► Internal Controls over Financial Reporting

The Company implements the internal controls framework as stipulated in the Financial Instruments and Exchange Act of Japan. In addition to Companywide discipline, the Company has been conducting self-assessment by units subject to evaluation and testing by an independent division concerning the effectiveness of accounting and financial closing controls, IT controls and business process level controls.

### ► Internal Controls Related to Information Systems and Information Security

The Information Strategy Committee establishes important policies related to Global Group information strategy. Further, the committee leads Mitsui's efforts to build and operate information systems, develop internal rules required for information security, and strengthen the management of risks related to information, including the risk of information leakage. The committee ensures the establishment of systems to control risk associated with information assets appropriately. Specifically, it establishes rules for process of procurement, introduction and operation of information assets; code of conduct for the system supervisory divisions regarding IT security; requirements for information risk management systems and the basics of information management; and internal rules relating to the handling of personal information required in the course of business operations as well as Cyber Security Countermeasures.

### ► Compliance

Mitsui has a strong belief that a sound reputation is the foundation of Mitsui's business. At Mitsui, we define compliance as complying with corporate ethics and social norms in addition to laws, regulations, and internal rules of the Company. Mitsui requires its employees and officers to act in accordance with its corporate ethics, based on its management philosophy and social norms in addition to laws and regulations as well as internal rules of the Company.

To those ends, we carry out corporate management with an emphasis on compliance. With the Chief Compliance Officer as chairperson and an external lawyer as an observer, the Compliance Committee develops Mitsui's compliance system and maintains and enhances its effectiveness. The Company has established the "Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd.," and it also has equivalent business guidelines in place for its subsidiaries.

The Company is striving to improve observance of these guidelines through continuous monitoring and review. In addition, the Company has a total of eight whistleblowing avenues in place, including those involving an external attorney at law and a third party providing hotline services. The Company made it clear that a whistleblower would not be subject to any recrimination or detrimental treatment by the Company as a result of whistleblowing. Additionally, the Company makes sure that its domestic affiliated companies are also able to use the whistleblowing avenues (external attorneys at law and a third party providing hotline services). Mitsui's overseas offices and overseas affiliated companies also have whistleblowing systems that were put in place considering applicable local laws and regional characteristics.

To maintain and improve its compliance structure, the Company consistently conducts activities to raise employee awareness toward compliance and provides as many opportunities as possible for employees to better themselves through training and other means. In doing so, the Company shares knowledge and important points of concern related to compliance. Any cases of violation of compliance are handled strictly, including disciplinary actions in accordance with the Employment Regulations of Mitsui & Co., Ltd.

### ► Specially Designated Business Management System

In response to the DPF Incident, the Company established the "Specially Designated Business Management System" in April 2005. Under this system, internal review of the four business domains "Environment-related business," "Medical, Healthcare and Bioethics-related businesses," "Businesses with subsidy," and "Business harboring other unusual reputation risks" is strengthened. When examining these matters, reports from the Sustainability Committee or the Environmental & Societal Advisory Committee in which external experts participate as members, or opinions from other external experts, will be obtained as necessary. In addition, the Company appoints consultants with insights into environmental and social risk and human rights issues, and utilizes their advice for new and existing environment-related businesses as necessary.

### ► Ensuring the Appropriateness of Operations within the Corporate Group

The Company has set forth the "Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles." In light of other laws and regulations, the Company requires its subsidiaries to develop and operate internal controls based on these principles and to the extent reasonable. For its equity-accounted investees, the Company coordinates with other equity participants and encourages the equity-accounted investees to develop and operate similar internal controls. In addition, from its officers and employees, the Company appoints supervising officers to each affiliated company and has them conduct management based on the "Rules on Delegation of Authority for Supervising Officers of Affiliated Companies."

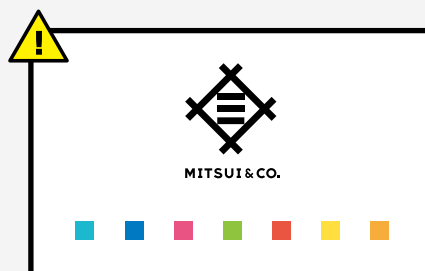


## Global Group Risk Management

Our broad range of businesses across the globe face various risks. In addition, the environment surrounding our management and businesses is undergoing rapid change, leading to higher levels of uncertainty. Amid these circumstances, we need to heighten our awareness of risks and carry out a swift response to address them. Issues resulting from changes in the external environment, which are difficult to address in our frontline operations, need to be resolved through collaboration between the front lines and management. To that end, we have in place the following risk management structure to ensure such collaboration.

### 1. In the Event of a Crisis

Pursuant to the Rules on the Crisis Management Headquarters, Mitsui established a Crisis Management Headquarters, headed by the President, as an organization to limit damage and loss by rapidly determining and implementing concrete measures to respond to crisis appropriately. Based on Rules on Business Continuity Management, in the event that business continuity is disrupted by earthquakes, flooding, terrorism, pandemics, power shortages, etc., and assuming that a crisis situation will be drawn out, Emergency Management Headquarters shall be established, headed by the Managing Director in charge of the Human Resources & General Affairs Division, for the purpose of quickly restoring and resuming distributed business operations in the wake of a disaster.

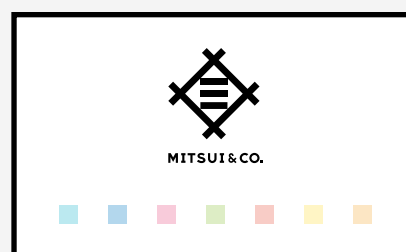


#### CASE Our Response to COVID-19

Mitsui set up the Emergency Management Headquarters in January 2020, centralizing the management of information, including for affiliated companies, while rapidly deciding and implementing measures to bring employees home from overseas locations, and to change work systems, including at overseas trading affiliates.

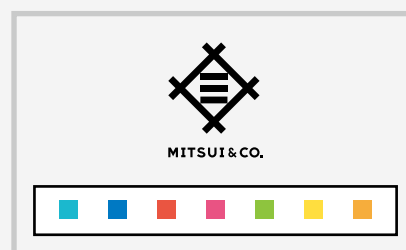
### 2. Companywide Risks

Centered on the Corporate Management Committee and the Portfolio Management Committee, an advisory body to the Corporate Management Committee, Mitsui has put into place a comprehensive risk management structure to integrate Groupwide risk management, while facilitating the design, establishment and development of risk management structures on a Global Groupwide level, and handle significant risks. In addition, each division of the corporate units is responsible for surveillance of all of Mitsui's positions, control within the range of their authority, and support of the relevant Directors and Managing Officers.



### 3. Frontline Operational Activities

Each Head Office Chief Operating Officer and Regional Chief Operating Officer manages business within the scope of the authority granted to them based on the various rules on delegation of authority, including the Rules on Delegation of Authority for Head Office Chief Operating Officers, and manages risk of loss relating to their businesses within the scope of their authority. Transactions that exceed the authority delegated to each Head Office Chief Operating Officer and Regional Chief Operating Officer require approval via Mitsui's internal approval system. In other words, approval needs to be obtained from the Corporate Management Committee or a relevant representative director or senior managing officer, depending on the importance of the situation (please refer to page 113). Measures taken by each business unit to manage quantitative risks<sup>\*1</sup> include setting position limits and loss-cut limits as well as monitoring positions by divisions with relevant expertise. For the management of qualitative risks,<sup>\*2</sup> the business units are obligated to observe related internal regulations.




\*1. Credit risks, market risks, business risks arising from the businesses of subsidiaries, country risks, etc.

\*2. Compliance risks and operational risks, etc.

## Business Risks

Through its integrated risk management structure, Mitsui looks across organizational boundaries for Groupwide risks, and identifies material risks within the context of risk frequency, the scale of projected damage and Groupwide risk tolerance. We also promote a wide range of initiatives to hedge and control risks. As of March 31, 2020, Mitsui has identified the following material risks.

| Importance   | Risk Countermeasures  |  |
|--|---|--|
|  | Risks from COVID-19 pandemic                                  | Action Plan for the Fiscal Year Ending March 31, 2021 <a href="#">□□ P.52</a>  |
|  | Business investment risk                                      | Portfolio management <a href="#">□□ P.40</a><br>Risk asset monitoring, stress checks   |
|  | Country risk  | Financing through export credit agencies in each country<br>Qualitative and quantitative monitoring of state of country risk, etc.   |
|  | Risks regarding climate change (physical risk)                | Insurance coverage, creation of crisis management policies, reinforcement of facilities, etc.  |
|  | Risks regarding climate change (transition risk)              | Halve GHG emissions impact by 2030 (compared with 2020) to achieve net-zero emissions in 2050  |
|  | Commodity market risk   | Devise and implement policies to manage risk, including setting position limits and loss limits, use commodity swaps and other derivatives to hedge against risks, etc.                            |
|  | Foreign currency risk   | Devise and implement policies to manage risk, including setting position limits and loss limits, use forward exchange contracts, currency swaps and other derivatives to hedge against risks, etc. |
|  | Risk of change in price of shareholdings in listed companies  | Periodically review stock portfolio  |
|  | Credit risk   | Credit line management, monitoring of delinquent recovery periods, require provision of collateral as necessary  |
|  | Fund procurement risk   | Financial strategy <a href="#">□□ P.40</a>   |
|  | Operational risk  | Examine risk mitigation measures and loss prevention measures, insurance coverage, etc.  |
|  | Compliance risk   | Global Groupwide compliance structure <a href="#">□□ P.116</a>   |
|  | Risk regarding information systems and information securities | Internal controls on information systems and information security <a href="#">□□ P.113</a>   |
|  | Risk relating to natural disasters, terrorism, and riots      | Business continuity plan (BCP) for crises, disaster contingency manuals, etc.  |

In addition to these specific material risks, Mitsui has identified the following major risks that could adversely impact its financial health, operating performance, and cash flows.

- 1** Risk of changes in global macroeconomic factors
- 2** Risk associated with laws and regulations
- 3** Risk due to competition
- 4** Risk associated with constraints of human resources
- 5** Interest rate risk
- 6** Risks regarding pension costs and defined benefit obligations

The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the carrying value of assets and liabilities and the disclosure of contingent liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. For details, please refer to our Annual Securities Report for the fiscal year ended March 31, 2020 (P.28–).

## An Organization with Integrity

Takashi Masuda, the first president of the former Mitsui,\* once said, “Let not short-term gains tempt your mind, seek only enduring prosperity by embracing grand aspirations.” Since then, the Mitsui Group has inherited the spirit of working with high aspirations to realize valuable business that is truly required by society.

We believe that business is built on a foundation of trust, and compliance is necessary to maintain and foster such trust. In our pursuit of compliance, it is not enough simply to follow laws, regulations, and norms. It is also extremely important that we continually verify the appropriateness of our words and actions against our sense of integrity. With these ideas forming the foundation of our business, Mitsui’s Corporate Management Philosophy (Mission, Vision, Values) also embodies these concepts of integrity that each and every employee on a Global Group basis cherishes while acting with an awareness of compliance.

\* From a legal perspective, there is no continuity between the former Mitsui & Co. and the present Mitsui & Co., and they are totally separate corporate entities.

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### Mitsui & Co. Group Conduct Guidelines—“With Integrity”

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It is essential that Mitsui & Co. and each of the Mitsui Group’s companies act with the highest levels of integrity and compliance, sharing our approach toward integrity and compliance on a Group basis to continue achieving sustainable growth as a Group and earning the trust of society. With this in mind, in November 2018 we put together the Mitsui & Co. Group Conduct Guidelines—“With Integrity.” These guidelines are reflected in each company’s corporate philosophy (MVV) and business conduct guidelines. As every officer and employee across the entire Group puts these conduct guidelines into practice in their daily work activities, the Mitsui Group faithfully and sincerely respects the trust placed in us by society.



Mitsui & Co. Group Conduct Guidelines—“With Integrity”

[https://www.mitsui.com/jp/en/company/outline/governance/compliance/WithIntegrity\\_E.pdf](https://www.mitsui.com/jp/en/company/outline/governance/compliance/WithIntegrity_E.pdf)

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### Initiatives to Build an Organization with Integrity

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To continue to be a corporate group that is truly trusted by society, we are working to rigorously reinforce compliance awareness with each employee. We are also asking employees to maintain a proper awareness and level of dignity as a member of a corporation, or in other words, to act with integrity. In these ways, we are working to build an organization with integrity on a Global Group level.

#### Compliance Framework

Mitsui promotes compliance-related initiatives on a Global Group basis under the direction and supervision of the Chief Compliance Officer (CCO) and in collaboration with the Compliance Supervising Officers appointed in each of Mitsui’s business units, and branches and offices in Japan and overseas. Initiatives of these Groupwide efforts include heightening awareness of integrity and compliance, improving and strengthening compliance programs, and responding to specific compliance issues as they arise. Furthermore, Compliance Administrators have been established in each business unit to provide assistance to the Compliance Supervising Officers. Based on the frontline conditions in each business, the Compliance Supervising Officers and Compliance Administrators promote a thorough response to compliance, including the implementation of initiatives to prevent the occurrence or recurrence of compliance-related issues as well as the promotion of integrity.

Also, to serve as an organization that operates under the Corporate Management Committee, Mitsui established the Compliance Committee, which works to develop our compliance framework and maintain and improve its effectiveness. With the participation of external attorneys, the Compliance Committee meets twice a year to discuss the state of the action plans based on trends in compliance-related matters, arising issues, and the overall compliance framework. The minutes of the committee meetings are shared among all of our officers and employees.

Across the entire Group, we aim to bolster the management capabilities, including enhancing integrity, and strengthen compliance at affiliated companies through their own efforts by having each company thoroughly discuss and put into practice our “Guidelines on the Establishment of Compliance Systems at Affiliated Companies,” a set of key rules and principles that are the bare essentials for operating compliance systems at affiliated companies. Furthermore, we periodically hold the Mitsui & Co. Group CCO Meeting, attended by CCOs from domestic affiliated companies, and regional CCO meetings at overseas bases to share knowledge and exchange information and opinions on a Global Group basis, in addition to implementing compliance measures at overseas bases that are designed for each region.

## Compliance Programs

We believe that even if detailed, fine-tuned integrity and compliance programs are formulated, their effectiveness cannot be reinforced without senior executives taking the lead in related initiatives. By leveraging the Mitsui & Co. Group Conduct Guidelines—“With Integrity,” the CCO blog, and other efforts, we are continuously striving to instill an awareness of compliance while providing as many opportunities as possible to learn about compliance, including training programs. In these ways, we share lessons and important points of concern on compliance. We have designated November of each year as “With Integrity Month,” and have provided opportunities for every officer and employee to think more deeply about integrity by having the president give talks about integrity and having senior executives take the lead on reminding everyone that compliance and integrity are the foundation of our businesses. Any cases of compliance violations are handled strictly, including disciplinary actions, and measures to prevent a recurrence are formulated and implemented in accordance with our Working Regulations.



Meeting in November 2019

## Fostering a “Speak Up” Culture

We believe that the essence of compliance lies in the development of an open working environment that reflects our management philosophy and values, so that problems can be prevented through smooth communication. At the same time, we strive to form open and innovative workplaces, and make concerted efforts to improve productivity and management capabilities while making workplaces better and encouraging employees to grow. Should problems occur, a report must be immediately made to superiors or to those in charge, so that appropriate action can be taken in a timely manner. We recognize the importance of discovering problems at an early stage, and we are actively fostering a culture in which people speak up when they become aware of issues. Senior executives continually disseminate the message that we can improve the Company by speaking up about issues.

The Company has established eight channels for reporting compliance-related matters within or outside of the administrative chain of command, including anonymous access to attorneys and independent organizations outside of Mitsui. The rules for the whistleblowing system prohibit any form of retaliation against or disadvantageous treatment of whistleblowers. We also clearly state that any infractions of this prohibition or any form of retaliation against or disadvantageous treatment of whistleblowers or investigators will be dealt with severely, thereby encouraging employees to speak up. Furthermore, Mitsui has introduced the Global Group Hotline, a special whistleblowing hotline for reporting and seeking advice regarding cases that breach the laws of Japan or another country in relation to anti-trust (monopoly) laws or anti-corruption laws, or cases that give rise to suspicion of such breaches. Under the system, the Compliance Department of the Legal Division of Head Office becomes a unified channel by which to receive whistleblowing reports from overseas trading affiliates, and other subsidiaries in Japan and overseas. Also, officers and employees of Group companies are able to seek advice directly through Mitsui’s whistleblowing system when the issues are related to officers and employees of Mitsui or when the issues could have a serious impact on the Mitsui Group.



## Human Rights and Supply Chain Management

### Respect for Human Rights

Mitsui & Co. regards respect for human rights, in accordance with international standards, as the foundation of its sustainability management. We have emphasized respect for human rights in both the Mitsui & Co. Group Conduct Guidelines and the Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd., and we have implemented various initiatives. Human rights initiatives in the corporate sector have become increasingly important in recent years. We recognize the need for human rights initiatives not only within Mitsui, but also across the entire supply chain. In August 2020, we formulated a Human Rights Policy to clarify our approach to human rights. This policy was approved by the Corporate Management Committee, and was reported to the Board of Directors' meeting.

#### Human Rights Due Diligence

In accordance with the United Nations Guiding Principles on Business and Human Rights, in the fiscal year ended March 2020, Mitsui appointed external experts and began conducting due diligence with regard to human rights in the supply chains of products handled by Mitsui and its overseas trading affiliates, as well as the main business operations of its consolidated subsidiaries.

#### Human Rights Risk Assessment Process

|   |  |
|---|--|
| 1. Identification of human rights risks                       | Establishment of screening standards with reference to indicators and tools, etc.                                  |
| 2. Establishment of human rights risk items                   | Establishment of risk items relating to human rights and labor, with reference to international norms, etc.        |
| 3. Establishment of additional priority risk management items | Establishment of supply chain risk management items as additional indicators with reference to international norms |
| 4. Definition of risk severity                                | Recognition of the four categories of core labor standards defined by the ILO as priority risk items               |
| 5. Implementation of human rights risk assessments            | Preparation of risk mapping, formulation of risk mitigation measures, and general understanding of risks           |



For details on the Human Rights Policy, please see *Sustainability Report 2020*.

### Promotion of Supply Chain Management

Having diverse businesses around the world, Mitsui & Co. provides a wide range of services, from upstream to downstream, with as many as 20,000 suppliers. Together with our suppliers, we endeavor to correctly assess and solve ethical and social issues in supply chains in order to meet society's demands, such as complying with laws, respecting human rights, complying with occupational health and safety laws, and reducing environmental load.

#### Sustainable Supply Chain Policy

Mitsui formulated its Supply Chain CSR Policy in December 2007, and has since made efforts to ensure that all of Mitsui's suppliers fully understand its standards and cooperate in the implementation of the policy. We reviewed the policy based on society's changing expectations, and renamed it as the Sustainable Supply Chain Policy in August 2020.

#### Initiatives with Suppliers

##### ① Companywide uniform supplier communication forms

We send letters to all new suppliers (about 50,000 suppliers in total) requesting their understanding and cooperation in regard to our policies.

##### ② Questionnaires and on-site surveys

We consider interactive communication with our suppliers to be very important, and we work jointly on ideas for improvements with our partners, wherever needed. For this reason, we regularly conduct surveys targeting the suppliers of Mitsui and its subsidiaries to confirm the status of their adherence to our policies, and whether they have their own policies related to such areas as human rights and labor practices, occupational health and safety, business ethics, and environmental management. Starting from the fiscal year ended March 2020, Mitsui has surveyed suppliers that handle products in high-risk business domains, in accordance with human rights due diligence. In addition to these surveys, Mitsui audits suppliers using a checklist of items for compliance with its policies. When necessary, the Company provides advice and guidance to suppliers based on meetings with persons in charge at suppliers and inspections of manufacturing facilities.

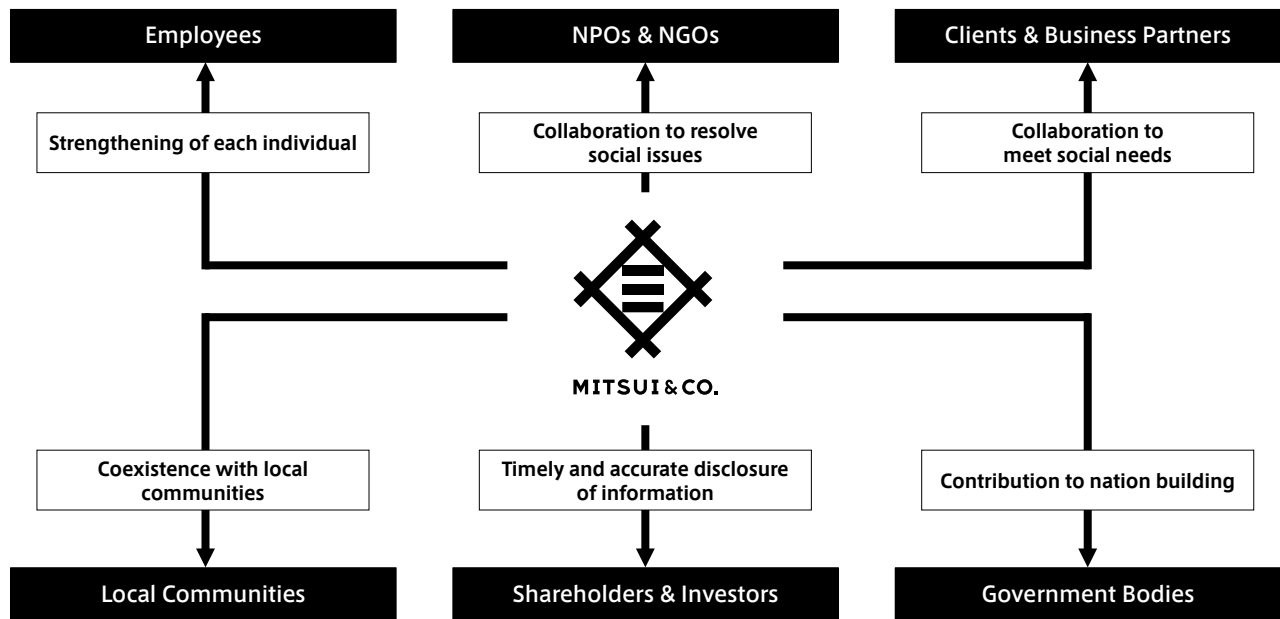


For details on the Promotion of Supply Chain Management, please see *Sustainability Report 2020*.

## Stakeholder Engagement

### Engagement for Business Creation

Through interactive communication with its stakeholders, each of Mitsui's employees and officers is endeavoring to acquire a firm understanding of what society expects from Mitsui. We will contribute to the realization of a sustainable society through our business activities while responding to changes in market environments.



### Timely and Accurate Disclosure of Information

#### Basic Approach

We determined the Corporate Disclosure Policy that stipulates the necessary procedures and disclosure requirements for Mitsui's information in order for investors to form appropriate investment decisions. The policy works to ensure transparency in disclosures and our accountability to investors based on the facts. Under this policy, we are committed to the timely, appropriate, and fair disclosure of material information in a manner that ensures fair and equitable access by all investors.

As an organization that operates under the Corporate Management Committee, we established the Disclosure Committee, which comprises directors, executive officers, and the general managers of each relevant corporate staff division. The Disclosure Committee is in charge of determining the accuracy and adequacy of the documents for Statutory Disclosure, Timely Disclosure, and Material Voluntary Disclosure.



For more details on the Corporate Disclosure Policy, please refer to our website.  
<https://www.mitsui.com/jp/en/ir/management/ethics/index.html>

#### Results of IR activities in the fiscal year ended March 2020

|                             | Apr  | May | Jun | Jul     | Aug                    | Sep | Oct | Nov       | Dec                | Jan       | Feb                    | Mar              |
|-----------------------------|--|-----|-----|---------|------------------------|-----|-----|-----------|--------------------|-----------|------------------------|------------------|
|                             | ● Yearly Results      ● 1Q Results      ● 2Q Results      ● 3Q Results<br>● Investor Day      ● Integrated Report (Japanese)<br>● Shareholder Meeting      ● Integrated Report (English) |     |     |         |                        |     |     |           |                    |           |                        |                  |
| For individual investors    |  |     |     | ● Tokyo | ● Shizuoka<br>● Tokyo  |     |     |           | ● Osaka<br>● Tokyo |           |                        | ● Online         |
| For institutional investors | ● U.S. IR    ● Euro IR   |     |     |         | ● U.S. IR    ● Asia IR |     |     | ● Asia IR |                    | ● Euro IR | ● U.S. IR    ● Asia IR | ● Asia IR online |
|                             | ← Meetings: 250 →  |     |     |         |                        |     |     |           |                    |           |                        |                  |



## Participation in Initiatives

### United Nations Global Compact

Mitsui & Co. signed and pledged its support for the UN Global Compact in October 2004, and has been participating as a corporate director of the Global Compact Network Japan (GCNJ), complying with the Global Compact as part of its own corporate guidelines. At present, as a member company of the GCNJ, Mitsui complies with and practices the principles of the Global Compact, and pursues SDGs on a Global Group basis.



#### Ten Principles of the UN Global Compact

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

### Sustainable Development Goals (SDGs)

#### Related SDGs

|   | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 |
|---|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|
| Secure sustainable supply of essential products | ● | ● | ● |   |   |   | ● |   |   |    |    | ●  |    | ●  | ●  |    |    |
| Enhance quality of life                         | ● | ● | ● | ● | ● | ● | ● | ● | ● | ●  | ●  | ●  | ●  | ●  | ●  | ●  | ●  |
| Create an eco-friendly society                  |   |   | ● |   |   | ● | ● | ● | ● |    | ●  | ●  | ●  | ●  | ●  |    | ●  |
| Develop talent leading to value creation        |   |   | ● | ● | ● |   |   | ● |   | ●  |    |    |    |    |    |    |    |
| Build an organization with integrity            |   |   | ● |   | ● |   |   |   |   | ●  |    |    | ●  |    |    | ●  |    |

### Other Initiatives

- TCFD (Task Force on Climate-related Financial Disclosures)
- World Economic Forum
- Forest Stewardship Council® (FSC®)
- RSPO (Roundtable on Sustainable Palm Oil)
- CLOMA (Japan Clean Ocean Material Alliance)
- CEFLEX (Circular economy for flexible packaging)
- ASI (Aluminium Stewardship Initiative)
- Japan Business Federation (Keidanren)  
(Committee on Responsible Business Conduct & SDGs Promotion, Committee on Population Issues, Committee on Diversity & Inclusion, Committee on Overseas Development Cooperation, Committee on Energy and Resources, Committee on Environment and Safety, Committee on Nature Conservation)
- Japan Foreign Trade Council  
(The Global Environment Committee, Sustainability/CSR Study Committee)
- Japan Business and Biodiversity Partnership

## Evaluation by Society

## Major Selection and Certification (Year to March 31, 2020)

## Japan Investor Relations Association's Best IR Award



## Awards for Excellence in Corporate Disclosure



## Dow Jones Sustainability Indices



## CDP (Carbon Disclosure Project)



## FTSE4Good Index Series



## FTSE Blossom Japan Index



## MSCI Japan Empowering Women Index (WIN)



## Competitive IT Strategy Company Stock Selection



## Nadeshiko Brand



## Eruboshi (L Star)



## Kurumin Certification



## Certified Health &amp; Productivity Management Organization Recognition Program

