



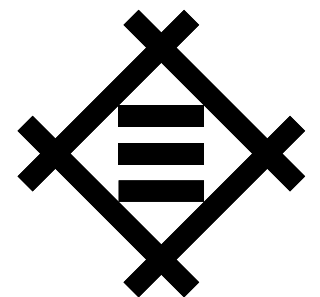
Mitsui's Forest

At the summit of the Tashiro Forest in Fukushima lies a rare high-altitude wetland ecosystem. Part of the forest has been designated as Oze National Park, recognizing its ecological importance and biodiversity value.

Disclosure Based on TNFD Recommendations

mitsui MITSUI & CO., LTD.

June 2025



MITSUI & CO.

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[Mitsui's Forest] Sando Forest in Mie

This material contains statements (including figures) regarding Mitsui's corporate strategies, objectives, and views of future developments that are forward-looking in nature and are not simply reiterations of historical facts. You should be aware that a number of known or unknown risks, uncertainties and other factors could lead to outcomes that differ materially from those presented in such forward-looking statements. These risks, uncertainties and other factors referred to above include, but are not limited to, those contained in Mitsui's latest Annual Securities Report and Quarterly Securities Report, and Mitsui undertakes no obligation to publicly update or revise any forward-looking statements. These statements are presented to inform stakeholders of the views of Mitsui's management but should not be relied on solely in making investment and other decisions. Mitsui cannot be held liable for any damages arising as a result of use of this material.

Disclosure Policy

In March 2025, Mitsui declared its support for the Task Force on Nature-related Financial Disclosures (TNFD), and registered as a "TNFD Adopter". In accordance with the recommendations of the TNFD and as a responsible company operating globally, we actively promote information disclosure with an awareness of stakeholder expectations.

[Disclosure Based on TNFD Recommendations \(June 2025\)](#)

Governance

We have identified "Create a community coexisting with nature" as one of our material issues for our business management (Materiality). We regard natural capital as a key issue in our management. Under the supervision of the Board of Directors, we have established a governance framework for nature-related issues centered on the Sustainability Committee. Directors and Audit & Supervisory Board Members, including outside members, actively engage in discussions on natural capital. Furthermore, in advancing our contributions to nature-positive outcomes through our business activities, we engage in dialogue with all stakeholders who may be indirectly affected by how our operations and supply chains impact nature. Based on our Human Rights Policy, we respect the rights of Indigenous Peoples and local communities, and aim to realize sustainability for both society and our company.



Sustainability Committee

We regard natural capital as a key issue in our sustainability management, along with climate change and business and human rights. The Sustainability Committee, which works under the Executive Committee, plans, formulates and provides proposals on basic management policies, business activities, and corporate policies and strategies related to natural capital, including the assessment of nature-related dependencies, impacts, risks, and opportunities.

The Sustainability Committee is structured so that its activities are appropriately supervised by the Board of Directors, which is composed of members with expertise and experience in environment/ society. Matters discussed by the Sustainability Committee are regularly discussed and reported to the Executive Committee and the Board of Directors.

Officer in Charge	Representative Director, Senior Executive Managing Officer, Chief Strategy Officer (CSO), Chairperson of the Sustainability Committee
Administrative Office	Corporate Sustainability Div., Corporate Planning & Strategy Div.

Natural Capital-Related Discussions

There were 6 major natural capital-related discussions by the Sustainability Committee over the past three years.

FY March 2023	FY March 2024	FY March 2025
- Report on Natural Capital (Biodiversity/Water Resources) Progress and Our Response Plan - Report on Our Policy for Natural Capital	- Report on Natural Capital: Report on Risk and Opportunity Identification and LEAP Analysis*1 - Report on Natural Capital: LEAP Analysis Results and Their Utilization / Japanese OECM*2 *1 The processes of Locate, Evaluate, Assess, and Prepare to identify and assess nature-related issues. *2 Please refer to the links below for more information. Japan's 30by30 Roadmap / Ministry of the Environment	- Report on Policy for Natural Capital Initiatives - Deliberations on Adopting TNFD Recommendations

Sustainability Advisory Board / Collaboration with External Experts

We have established a Sustainability Advisory Board, which is composed of external experts with knowledge of environmental and social issues including natural capital, and utilizes information and advice provided by its members in deliberations by the Sustainability Committee. In addition to Sustainability Advisory Board members, we also engage in communication with external experts to help ensure that we appropriately address climate change.

Please refer to the links below for more information on Mitsui's Sustainability Management Framework and the activities of the Sustainability Committee.

[Our Approach to Sustainability: Sustainability Governance and Oversight](#)

[Our Approach to Sustainability: Sustainability Committee Details](#)

[Our Approach to Sustainability: Sustainability Advisory Board](#)

[FYE 3/2025 Effectiveness Assessment: Reports to the Board \(P5\)](#)

[Notice of the 106th Ordinary General Meeting of Shareholders: Skill Matrix for Board Members \(P27\)](#)

Mitsui & Co.'s Stakeholders

We place emphasis on interacting with and engaging in dialogue with society. For this reason, we closely assess the effects of our diverse and global business activities on natural capital, society and identify and acknowledge stakeholders of particular interest.

In particular, we are committed to the development of relationships based on mutual trust with a diverse range of stakeholders, including local communities, business associates & consumers, NPOs & NGOs, employees, shareholders & investors, and government bodies, through proactive information disclosures and continual communication with our stakeholders.

Through interactive communication with stakeholders, each of Mitsui's employees and officers is endeavoring to acquire a firm understanding of what society expects from and requires of Mitsui. Based on this understanding, we strive to respond to changes in market environments, and constantly evolve to create new value through our business activities by exercising our unique capabilities, and thereby contribute to the realization of a sustainable society.

Please refer to the links below for more information on Mitsui & Co.'s Stakeholders.

[Mitsui & Co.'s Stakeholders](#)

Human Rights Policy

As we conduct business globally in many countries and regions around the world, we recognize that we must make efforts to respect human rights not only within our own operations but also across our supply chain, particularly those of indigenous peoples and local communities who are closely tied to natural capital. We regard respect for human rights in alignment with international standards as the foundation of our sustainability management. To date, we have continued to emphasize respect for human rights in both the Mitsui & Co. Group Conduct Guidelines and our Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd., and we have implemented various initiatives.

Recognizing the growing importance of respecting human rights in corporate activities, we established our Human Rights Policy in August 2020. This policy states our commitment to respecting the human rights as stated in the International Bill of Human Rights, including the Universal Declaration of Human Rights, and the core labor standards set out in the ILO Declaration on Fundamental Principles and Rights at Work. We also support the UN Guiding Principles on Business and Human Rights and the Ten Principles of the UN Global Compact, and conduct our business activities in accordance with these principles.

In line with the aforementioned international human rights standards, we conduct human rights risk assessments across the supply chains of our products and key businesses, including those of our consolidated subsidiaries. Based on the results of these assessments, we carry out human rights due diligence in areas identified as high-risk.

Please refer to the links below for more information on Human Rights Policy and Human Rights Due Diligence.

[Human Rights](#)

Respecting Indigenous Peoples

When conducting operations, we comply with all laws of the applicable country or region, and strive to respect the human rights and cultures of indigenous people in each country and region in accordance with international standards, such as the United Nations Declaration on the Rights of Indigenous Peoples, the Convention Concerning Indigenous and Tribal Peoples in Independent Countries (ILO Convention: C169), and the principle of "free, prior and informed consent (FPIC)".

For example, the operations of our forest resource business in Australia are guided by respect for the traditional rights of the indigenous peoples. We have ensured accountability by obtaining certification (FSC® -C107463), which requires regular audits by third-party certification bodies. This certification is based on 10 major principles, including respect for the traditional rights of indigenous peoples. There are stringent audits covering such aspects as whether or not Mitsui's management of business operations gives consideration to traditional indigenous rights, and whether or not measures are taken to prevent damage to significant cultural sites, etc.

In addition, Mitsui Australia, in cooperation with its consolidated subsidiaries in Australia, is engaged in a range of initiatives to ensure respect for the rights of indigenous people in Australia. These include not only business activities, but also training for employees, Acknowledgement of Country (a statement of respect for indigenous peoples) at major events and meetings, and the planning of new initiatives through regular information exchanges among staff from each branch and subsidiary in Australia.

In Japan, 75 of Mitsui's Forests have obtained FSC® certification (FSC® -C057355) and we conduct forest management respecting the traditions and culture of indigenous people. In Hokkaido, where a part of Mitsui's Forests is located, Mitsui has entered into agreements with the Biratori Ainu Association and with the town of Biratori to cooperate in activities to protect and pass on traditional indigenous culture through the conservation of forests.

Local Communities

We have identified "Foster a well-being society" as one of our material issues for our business management (Materiality). We also aim to establish sustainability for both society and our company by contributing to the betterment of living standards and the development of local industries through our business activities and social contribution activities, and by doing so, fostering trust in local communities.

When investigating new projects, we place importance not only on the economic side but also on environmental and social aspects (including those related to natural capital). We take into consideration the vitalization of the local communities and economies, the indigenous people, cultural traditions, and other peripheral circumstances and how to respond to these. We use an ESG due diligence checklist that is based on the World Bank Group's IFC Performance Standards that is an international standard for taking environmental and social factors into account. The ESG due diligence checklist includes compliance with the United Nations Guiding Principles on Business and Human Rights and the implementation status of the principles of Free, Prior and Informed Consent (FPIC). In addition to reviewing new projects and ones we have already withdrawn, we also monitor the business management of investees and strive to contribute to their improvement.

Please refer to the links below for more information on Local Communities.

[Local Communities](#)

Strategy

We recognize natural capital as a key issue in our sustainability management. Based on the TNFD recommendations, we are advancing the integration of nature-related issues into our strategy, promoting initiatives, and preparing for disclosure. As a first step, we referred to the TNFD LEAP approach to gain an overview of dependencies and impacts across our entire business portfolio, and conducted an analysis of dependencies, impacts, risks, and opportunities in three selected business areas (metal resource development and mining, desalination, and agrochemicals and agricultural materials), taking into account the assessment of priority areas for each.

Outline of Nature-related Dependency and Impact

Scoping

Given the global and diverse nature of our business operations, we utilized the international analysis tool ENCORE* to understand the relationship between each business sector and nature. We assessed the content and significance of nature-related dependencies and impacts across our business sectors, took a comprehensive view of the entire value chain in which we are involved, and organized the findings in the form of dependency and impact heatmaps.

*An online tool jointly developed by the United Nations Environment Programme, the Natural Capital Finance Alliance (UNEP-NCFA), and other organizations, with the aim of understanding the extent of nature-related dependence and impact of private companies.

Dependency Heat Map

Legend ■ Very High ■ High ■ Middle ■ Low ■ Very Low

Key processes in the business value chain	Ecosystem services									
	Provisioning services			Regulating & maintenance services						
	Water supply		Biomass, genetic material, etc.	Habitat maintenance Pollination Soil quality	Water quality maintenance Pollution and waste remediation	Noise attenuation	Water flow regulation	Climate regulation	Flood and storm mitigation	Soil and sediment retention
	Surfact water	Groundwater	Genetic materials	Maintain nursery habitats	Ventilation	Mediation of sensory impacts	Water flow maintenance	Climate regulation	Flood and storm protection	Mass stabilisation and erosion control
Development and mining of metals and metallurgical coat	High	High					High	High		High
Metal refining and processing	High	High			Low	Low	High	Low	High	Low
Oil and gas exploration, development and extraction	Low	Low						High	Low	High
Oil and gas refining	Low	Low			Low			Low	High	High
Thermal power generation	High	High			Low		High	Low	High	High

Key processes in the business value chain	Ecosystem services									
	Provisioning services			Regulating & maintenance services						
	Water supply		Biomass, genetic material, etc.	Habitat maintenance Pollination Soil quality	Water quality maintenance Pollution and waste remediation	Noise attenuation	Water flow regulation	Climate regulation	Flood and storm mitigation	Soil and sediment retention
	Surfact water	Groundwater	Genetic materials	Maintain nursery habitats	Ventilation	Mediation of sensory impacts	Water flow maintenance	Climate regulation	Flood and storm protection	Mass stabilisation and erosion control
Hydropower generation	High	High			Low		High	High	High	High
Geothermal power generation	High	High			Low		High	Low	High	High
Solar power generation	Low	Low						High	High	High
Wind power generation								High	High	High
Biomass power generation	High	High	High		Low		High	Low	High	High
Ports, terminals and airports	High	High			Low		High	High	High	High
Water-related projects	High	High		High	Low	Low	High	High	High	High
Production of machinery, automobiles, automobile components, etc.	High	High			Low	Low	High	Low	High	High
Rail transport, rail infrastructure	High	High			Low			High	High	High
Ownership and operation of ships	High	High			Low			High	High	High
Ground station business				High				High		High
Petrochemical production	High	High			Low	Low	High	High	High	High
Tire and rubber production	High	High			Low	Low	High		High	High
Manufacture of electronic products and emiconductors	High	High								
Manufacture of personal care products, etc.	High	High	High							
Manufacture of building material manufacturing	High	High			Low	Low	High			
Afforestation, production of woodrelated products	High	High	High	High	Low		High	High	High	High
Paper products and containers	High	High	High		Low		High	Low		
Manufacture of pharmaceuticals and fertilizers	High	High	High		Low	Low	High	Low	High	High
Steel production	High	High					High	Low		High
Agricultural production	High	High	High	High	Low	Low	High	High	High	High
Fishery products (natural)	High		High	High	Low		High	High	High	High
Aquaculture	High	Low	High	High	Low		High		High	High
Livestock and dairy farming	High	High	High	High		Low	High	High	High	High
Food and beverage production	High	High		High	Low		High		High	High
Apparel production	High	High					High	Low		High
Medical and healthcare services	High	High								
Sates and retailing								High	High	High
IT-related services							Low			
Real estate	High	High			Low	Low			Low	
Logistics								High	High	High
Finance										High

Impact Heat Map

Legend ■ Very High ■ High ■ Middle ■ Low

Key processes in the business value chain	Use of terrestrial (land based) ecosystems	Use of freshwater ecosystems	Marine ecosystems	GHG emissions	Water use	Other resource use	Waste	Non-GHG pollution	Soil contamination	Water contamination	Disturbance
Development and mining of metals and metallurgical coal	Very High	High		High	Very High			High	High	High	High
Metal refining and processing				High	High			High	High	High	
Oil and gas exploration, development and extraction	High	High	High	High	Very High			High	High	High	High
Oil and gas refining				High	Very High			High	Middle	Middle	
Thermal power generation		High		High	Very High		High	High	High	High	High
Hydropower generation	Very High	Very High		High	Very High			High	High	High	
Geothermal power generation				High	Very High			High	High	High	High
Solar power generation	Very High			High	Very High			High	High	Middle	
Wind power generation	High	Middle	High	High	High			High	Middle	High	High
Biomass power generation				High	High		High	High	High	High	High
Ports, terminals and airports	High	Very High	Very High	High	High			High	High	High	High
Water-related projects	High	High		High	High			High	High	High	
Production of machinery, automobiles, automobile components, etc.				High	High		High	High	High	High	High
Rail transport, rail infrastructure				High	High			High	Middle	High	High
Ownership and operation of ships			High	High	High			High	High	High	High
Ground station business	Middle	Middle		High	High			High	High	High	High
Petrochemical production	High			High	Very High		High	High	High	High	High
Tire and rubber production				High	High		High	High	High	High	High
Manufacture of electronic products and semiconductors				High	High		High	High	High	High	High
Manufacture of personal care products, etc.				High	High		High	High	High	High	High
Manufacture of building material manufacturing	Very High	High	High	High	High		High	High	High	High	High
Afforestation, production of woodrelated products	Very High			High	High			High	High	High	High
Paper products and c,ontainers				High	Very High		High	High	High	High	High
Manufacture of pharmaceuticals and fertmzers				High	High		High	High	High	High	High
Steel production				High	High		High	High	High	High	High
Agricultural production	Very High	Very High		High	Very High			High	High	High	High
Fishery products (natural)		Very High	Very High	High	High	High		High	High	High	High
Aquaculture		Very High	High	High	High			High	High	High	High
Livestock and dairy farming	Very High			High	Very High			High	High	High	High
Food and beverage production				High	High		High	High	High	High	High
Apparel production	High			High	Very High		High	High	High	High	High
Medical and healthcare services				High	High		High	High	High	High	High
Sales and retailing				High	High		High	High	High	High	High
IT-related services				High	High		High	High	High	High	High
Real estate	Very High			High	High		High	High	High	High	High

Key processes in the business value chain	Use of terrestrial (land based) ecosystems	Use of freshwater ecosystems	Marine ecosystems	GHG emissions	Water use	Other resource use	Waste	Non-GHG pollution	Soil contamination	Water contamination	Disturbance
Logistics			High	High				High	Middle	Middle	High
Finance							High				

Based on the significance and substance of the dependency and impact organized in the heat map above, and further by considering the amount of capital invested in the business and the size of its revenue (sales), the following 10 businesses were identified as important nature-related businesses.

- Four businesses with significant nature-related dependencies: Agricultural production; afforestation, production of wood-related products; livestock and dairy farming; and aquaculture.
- Six businesses with significant nature-related impacts: Development and mining of metal resources; oil & gas exploration, development, extraction and production; ports and terminals; thermal power generation; petrochemical production; and production of machinery, automobiles, automobile components, etc.

Next, for our major business sites including those associated with the ten identified business sectors, we referred to the priority area assessment indicators outlined in the TNFD Guidance. Based on this, we narrowed down the businesses to be analyzed under the LEAP approach and selected three businesses (Locate). We then conducted an analysis of nature-related dependencies, impacts, risks, and opportunities for these three businesses (Evaluate, Assess, Prepare).

Outline of the LEAP Approach

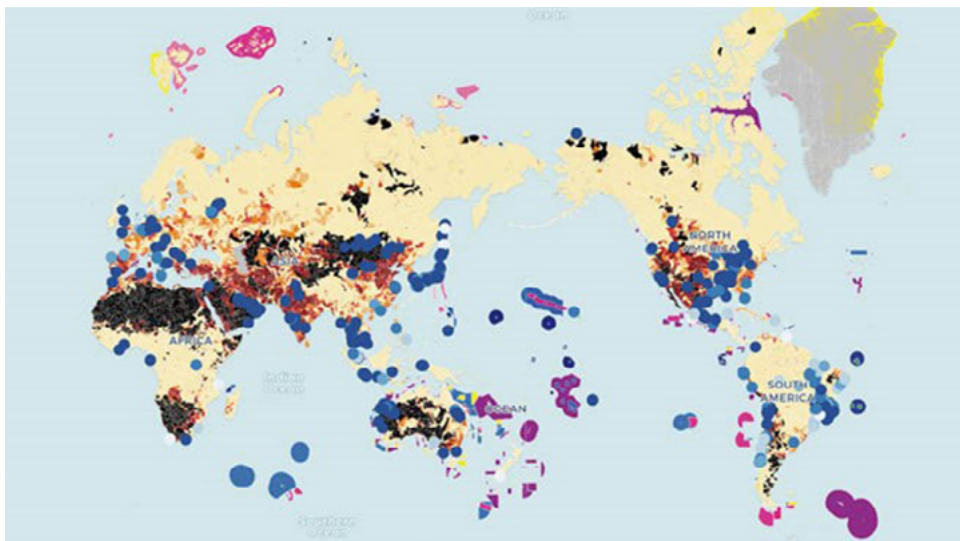
Locate The interface with nature	Evaluate Dependencies & impacts	Assess Risks & opportunities	Prepare To respond & report
- Span of the business model and value chain - Dependency and impact screening - Interface with nature - Interface with sensitive locations	- Identification of environmental assets, ecosystem services and impact drivers - Identification of dependencies and impacts - Dependency and impact measurement - Impact materiality assessment	- Risk and opportunity identification - Adjustment of existing risk mitigation and risk and opportunity management - Risk and opportunity measurement and prioritisation - Risk and opportunity materiality assessment	- Strategy and resource allocation plans - Target setting and performance management - Reporting - Presentation
- Consider in which areas of the entire value chain dependence on and impacts on nature is important - Understanding of the ecosystems involved and the locations of activities at our sites and in areas of the value chain where dependency/impact is important - Evaluate ecologically sensitive areas and areas where dependency/impact is important	- Identify what ecosystem services each location depends on and impacts through the value chain - Evaluate key dependencies/impacts using a variety of indicators	- Identify and evaluate the significance of nature-related risks and opportunities based on the nature of the dependency/impact - Identify high-priority risks and opportunities - Examine processes for managing risks and opportunities	- Consider what response strategies to take based on what you have evaluated - Examine ways to set target - Consider the content of information disclosure

Assessment of Priority Areas at Major Business Sites

[Locate](#)

In examining nature-related dependencies, impacts, risks, and opportunities, we recognize the importance of the conditions at locations where our operations interact with nature. Accordingly, we assessed priority areas among 522 major business sites and assets across our group, using the criteria outlined in the TNFD guidance and the following indicators.

Evaluation perspective	Referenced indicator	Indicator description
High ecosystem integrity	Biodiversity Intactness Index	Biodiversity Intactness Index (expressed as a percentage, a measure of how much more or less common a species is, relative to its predicted abundance if the human footprint was minimal) Data source: Newbold et al. (2016)
Decline in ecosystem integrity	Loss of tree cover	Ratio of area with declining tree cover around business sites Data source: Global Forest Watch
Importance of biodiversity	Proximity to protected areas and Key Biodiversity Area (KBA)	Evaluation of whether protected areas and Key Biodiversity Areas (KBAs), designated under international conventions or global standards, exist within a 500m radius of each site Data source: The World Database on Protected Areas, IBAT (Integrated Biodiversity Assessment Tool)
	STARt metrics (Species Threat Abatement and Restoration)	STAR metric (an indicator that quantifies the potential for species threat reduction actions in a given area to contribute to reducing species' global extinction risk. This metric is weighted according to the IUCN Red List and the sum of the percentages of the range of each species that the location occupies) Data source: IBAT
Physical water risk	Water stress	Water stress (ratio of water consumption to water supply in a watershed) Data source: WRI (World Resources Institute) Aqueduct Water Risk Atlas



Water and Biodiversity Risk Map

As a result of our analysis, we found that approximately 30% of our assessed sites, including a copper mine in Chile (mineral resources development and mining business), are located in areas with high water stress. Additionally, around 10% of the sites are situated within 500 meters of protected areas or key biodiversity areas.

Detailed Analysis of Nature-related Dependencies, Impacts, Risks, and Opportunities for Three Selected Businesses

Evaluate

Assess

Prepare

Among the ten important nature-related businesses, we selected three businesses—based on the assessment of priority areas—and conducted an assessment of key dependencies, impacts, risks, and opportunities with reference to the TNFD's LEAP approach.

1. Development and Mining of Metal Resources

2. Desalination

- Based on the heatmap analysis, the development and mining of mineral resources were identified as having potentially significant impacts, particularly in relation to water use and land transformation. Furthermore, through the assessment of priority areas, the copper mining business in Chile—specifically the Los Bronces mine—was found to be located in a region with high water stress. As a result, this operation was selected as a representative case for detailed analysis.
- In addition, given its close relevance to the water use impacts mentioned above, the seawater desalination business in northern Chile, which supplies freshwater to copper mines, was also included in the analysis.

3. Agrochemicals and agricultural supplies

- Based on the heatmap analysis, the agricultural production value chain was identified as having a high level of dependency on various ecosystem services, and was therefore selected as a representative business. Among the businesses involved in our agricultural production value chain, the agricultural inputs business was considered particularly important in terms of its potential to mitigate negative impacts on nature and generate positive impacts. Accordingly, we conducted an assessment based on the LEAP approach with the aim of linking these efforts to business opportunities.

Development and Mining of Metal Resources/Desalination

We conducted a survey focusing on the TNFD sector guidance and environmental impact assessment reports for the subject projects to identify dependencies and impacts on nature and risks/opportunities. As a result, the significant dependencies/impacts and risks/opportunities are listed in the table below.



Los Bronces Mine (Anglo American Sur)

Dependencies

Project phase	Ecosystem	Category	Dependence
Mine and related facility construction to site rehabilitation	Regulating & maintenance services	Global climate regulation, soil and sediment retention	Climate-related hazard mitigation in construction, development, and operations, including wind, flood, and sediment disasters
Mine operation	Provisioning services	Water Supply	Mining and development, use of water supply in extraction and processing of minerals
Desalination plant operation	Regulating & maintenance services	Cleanup of contamination	Diffusion/purification of environmental impact substances and concentrated seawater through atmospheric and water circulation

Impacts

Project phase	Impact Driver	Direction of impact ^{*1}	Impact
Mine and related facility construction to site rehabilitation	Land use		Impacts on habitats, species, and cultural services such as historic sites due to land alteration and occupation during development, construction, and operation of mine and related facilities, soil degradation due to excavation, etc.*2
			Natural recovery through rehabilitation, replanting, etc.
Mine operation	Water use		Water supply use in mining and development, mineral extraction and processing
	Pollution		Environmental impact from the use of heavy equipment for hauling, mining, etc. associated with the operation, as well as impacts on species and local communities from wastewater discharges
Desalination plant operation	Water use		Reduction of freshwater resources, mitigation of water supply use

*1 Positive impact on nature is indicated as  and negative impact is indicated as .

*2 Prior to development, it is necessary to obtain approval from environmental authorities, ensuring that measures to minimize impact and protect archaeological sites are fully addressed and approved. The project is carried out while maintaining dialogue with authorities, etc.

Risk and opportunities

Based on the analysis of dependencies and impacts, we compiled a list of nature-related risks and opportunities and organized them in accordance with the categories presented by the TNFD. The table below shows part of this assessment, which revealed that impacts on water resources from mine development and operations, as well as impacts on ecosystems from land conversion and use, are particularly significant. On the other hand, our desalination projects help mitigate negative impacts on water resources. Through these projects, we are contributing to the reduction of water-related impacts in our copper mining operations.

Major nature-related risks	Category	Risks and opportunities
Physical risk	Acute and chronic	- Impact of reduced water supply on operations (mines). - Impact of wind, flood, and sediment disasters on construction and operations (mining and desalination).
Transition risk	Reputation & liability	- Damage, etc. due to emissions of environmentally impactful substances (mines). - Criticisms of adverse impacts on flora and fauna, landscape, cultural services, etc., including land modification associated with development and operations, emissions of environmentally impactful substances into the atmosphere, and consumption of water supplies (mining).
	Policy & markets	Increased cost of using water supply due to stricter regulations (mining)
Opportunity	Products & services Markets	Mitigation of the impact of the project on water supply, vegetation, animals, etc., and expansion of the project (possible expansion of business opportunities in response to water withdrawal restrictions in the mining industry, agricultural business, etc.) (desalination)

Based on the analysis of dependencies and impacts, we compiled a list of nature-related risks and opportunities and organized them in accordance with the categories presented by the TNFD.

We are further advancing our initiatives by evaluating these results alongside nature-related indicators proposed by the TNFD, and applying them in our engagement with investees, including copper mining projects. In addition, we actively promote projects that contribute to reduce specific negative impacts, such as desalination projects, positioning them as opportunities for natural capital. In doing so, we remain mindful of other potential environmental and social impacts.

Agrochemicals and agricultural supplies

With regard to the agricultural production value chain, we reviewed relevant literature including the TNFD sector guidance, SASB Standards, and GRI Standards to identify key dependencies, impacts, risks, and opportunities. We also mapped the nature-related impacts of each solution provided through our agrochemicals and agricultural supplies business. As a result, the key dependencies, impacts, risks, and opportunities are summarized in the table below.

Dependencies

Conventional agriculture	Ecosystem services	Category	Dependence
Agricultural production (Conventional)	Provisioning services	Water supply	Use of water supplies such as surface water and groundwater
	Regulating & maintenance services	Pollination	Pollination by insects
		Maintaining water quality/ water flow regulation	Maintaining water cycle and maintaining water quality, including recharging water sources
		Soil conditioning	Microbial adjustment of soil quality
		Global climate regulation/ flood and windstorm mitigation/Soil and sediment retention	Maintaining a stable climate and environment suitable for production and disaster mitigation
		Pest control	Control of crop diseases and pests

Impacts

Conventional agriculture	Impact driver	Direction of impact*	Impact
Agricultural production (Conventional)	Land use		Terrestrial ecosystems use and adverse effects due to land clearing, land use for agricultural production and related activities, soil compaction, etc., conversion of natural ecosystems and habitat change.
	Water use		Use of groundwater and surface water for production and irrigation

Conventional agriculture	Impact driver	Direction of impact*	Impact
	Climate change		GHG emissions from agricultural land conversion, plowing and cultivation, fertilizers, agrochemicals, etc.
	Pollution		Effects on air, soil, and water quality due to excessive use of agrochemicals and fertilizers

Conventional agriculture	Impact driver	Direction of impact*	Impact	Related Mitsui solutions and businesses
Agricultural production (Conventional)	Land use Climate change		Reduced land use through increased productivity	Agricultural materials business (agrochemicals, fertilizers, vegetable seeds, biostimulants, biopesticides, drip irrigation, plant factories, regenerative agriculture, etc.)
			Reduction of GHG emissions from farmland conversion, tillage and cultivation	
	Water use		Reduce water supply needs and dependence on water resources by providing new solutions	Vegetable seed business, biostimulants, drip irrigation, plant factories, regenerative agriculture
	Pollution		Promoting proper use of fertilizers and agrochemicals through faming advice, deploying less toxic agrochemicals, and providing solutions such as biostimulants and plant factories to reduce impacts on air, soil, and water quality.	Agricultural materials business
			Effects on air, soil, and water quality associated with excessive use of agrochemicals and fertilizers	
				Chemical fertilizers, agrochemicals

*The evaluation is based on a baseline of natural conditions in conventional agriculture, with  when negative impacts are mitigated or positive impacts are created, and  when negative impacts are further increased.

In considering business location, since dependence and impact on nature in the region is important, we evaluated which countries have particularly high negative impacts based on the global distribution of production areas by crop and data on the degree of water stress and excess nutrients. In countries with high negative impacts, Mitsui's agrochemicals and agricultural supplies business has a high potential to contribute to reducing negative impacts and increasing positive impacts, and can be considered as a method of analysis when considering businesses that use natural capital as an opportunity.

Risks and opportunities

In the evaluation of dependence and impact, we positioned the downstream of the agrochemicals and agricultural supplies business, and organized its dependencies and impacts on nature. In particular, in terms of impact, we identified various positive contributions such as reductions in water supply requirements and GHG emissions through agricultural land conversion, including carbon sequestration in soils. These types of projects are also considered opportunities within natural capital. Thus, we indicated that initiatives which reduce negative impacts and enhance positive impacts have the potential to meet growing demand and expand business opportunities, driven by changes in policy and market conditions.

Based on these studies, we have identified two types of natural capital opportunities: reducing negative impacts on nature and creating positive impacts on nature in the value chain of businesses, and have confirmed that such opportunities are expanding as potentially viable markets. As specific business examples, we are promoting agrochemicals and agricultural supplies businesses that contribute to reducing dependence on and impact on water supply and ecosystems. In this way, we will continue to promote businesses that reduce negative impacts on nature or create positive impacts.

COLUMN

LEAP Approach to Mitsui's Forests

Mitsui & Co. owns approximately 45,000 hectares of forest across more than 76 locations throughout Japan, collectively referred to as "Mitsui's Forests." Through sustainable forest management, we aim to enhance the value of natural capital and contribute to biodiversity conservation and ecosystem services. In February 2024, we conducted a LEAP Approach analysis—recommended by the Taskforce on Nature-related Financial Disclosures (TNFD)—on Ishii Forest, located in the Obihiro region of Hokkaido. The analysis revealed that continuing our current forest management practices in Ishii Forest would generate more positive impacts compared to alternative management methods. These include contributions to biodiversity conservation and the forest's public benefit functions such as carbon sequestration, soil runoff control, and groundwater recharge.

We will continue to practice sustainable forest management in Mitsui's Forests to further enhance biodiversity and the public benefit values that forests provide, positioning these efforts as nature-positive opportunities aligned with our natural capital strategy.

Contribution to the 30by30* Target (Nationally Certified Sustainably Managed Natural Sites)

As part of our commitment to biodiversity conservation and sustainable land use, Mitsui & Co. has registered two of its forest sites under the Ministry of the Environment's "Nationally Certified Sustainably Managed Natural Sites" program. In fiscal year 2024, the Kyoto/Kiyotaki Forest was certified, followed by the Yamagata/Kaname Forest in fiscal year 2025. These certifications recognize the ecological value and sustainable management practices of Mitsui's Forests, which span approximately 45,000 hectares across more than 75 locations in Japan.

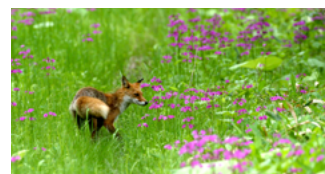
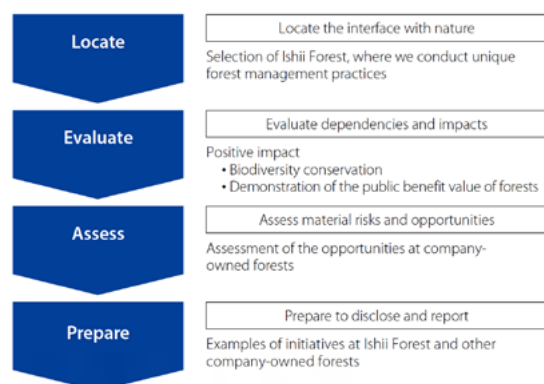
In addition, since 2007, Mitsui & Co. has been collaborating with the NPO Asaza Fund to implement the "Yatsuda Restoration Project" in Ushiku City, Ibaraki Prefecture. This initiative aims to restore abandoned valley rice paddies (Yatsuda) through pesticide-free rice cultivation and other nature-based activities. Over 3,500 employees and their families have participated in this project, gaining firsthand experience in the importance of natural cycles and biodiversity.

In recognition of these long-term efforts to restore satoyama landscapes and conserve biodiversity, the Yatsuda site was also certified as a "Nationally Certified Sustainably Managed Natural Site" in fiscal year 2025. Starting in 2025, Mitsui & Co. will incorporate biodiversity monitoring experiences into its employee participation programs. Through direct observation and recording of ecological changes, participants will help visualize the progress of nature restoration efforts.

Through these activities, we aim to deepen employee understanding of environmental issues—including natural capital—and contribute to sustainable community development.

*These efforts also support the international 30by30 target, which seeks to conserve 30% of the world's land and oceans by 2030, as outlined in the Kunming-Montreal Global Biodiversity Framework adopted in December 2022.

Main LEAP Approach Analysis Items for Mitsui's Forests



[Mitsui's Forest] Ishii Forest in Hokkaido



[Mitsui's Forest] Kiyotaki Forest in Kyoto

Please refer to the links below for more information on LEAP approach to Mitsui's Forest and related issues.

[The LEAP approach to Mitsui's Forest](#)

[Mitsui's forests video library](#)

[Yatsuda Regeneration Project](#)

Risk and Impact Management

Risk Management

We identify company-wide material risks across organizational boundaries and implement a wide range of initiatives to hedge and control risks. For this purpose, Mitsui has established an integrated risk management system that centrally manages company-wide risks, through the Portfolio Management Committee under the Executive Committee. Under the integrated risk management system, the Corporate Staff Divisions, which act as the secretariat, manage risks from a company-wide perspective. Material risks we assume include those related to the environment, society and governance, such as risks from climate change, compliance, and infectious disease, disasters, terrorism, etc. The Sustainability Committee, which works under the Executive Committee, plans, formulates and provides proposals on basic management policies, business activities, and corporate policies and strategies related to natural capital.

Please refer to the links below for more information on Risk Management.

[Risk Management](#)

Conservation of Water Resources and Identification of Water Risks

- Conserve water resources related to our businesses, identify water risks in our businesses, and consider countermeasures.
- Utilize ESG due diligence checklists and implement a risk assessment in advance using the water-related checklist items when planning new business or when expanding or withdrawing from operations. Make efforts in advance to understand the risks related to water resources for businesses and investment projects where water resources are particularly important such as beverages, agriculture, and mining in water-stressed regions.

Enhancement of environmental and social risk assessment based on natural capital perspective

Based on the results of the analysis of nature-related issues using the LEAP approach, we have enhanced our assessment system by incorporating criteria based on a natural capital perspective into our existing environmental and social risk assessment procedures for all new investments and loans. Specifically, we have strengthened our risk assessment function by adding indicators obtained through the LEAP approach analysis to the list of assessment items to evaluate nature-related dependencies and impacts. Furthermore, to utilize this information in project formation and assessments, we have created a database of areas of high importance in terms of water risk (water stress, etc.) and biodiversity (relationship with protected areas, etc.), and have made a water and biodiversity risk map available internally for use in natural capital risk analysis. Going forward, we will also expand the evaluation of projects that provide opportunities to reduce nature-related dependence and impact.

Metrics and Targets

We have established the following goals related to natural capital. Going forward, we will explore initiatives in line with TNFD recommendations and set measurement indicators and targets based on analyses of nature-related dependencies, impacts, risks, and opportunities.

Goals and Targets

Sustainable Use of Commodities that are Crucial to Biodiversity

- Aim to procure natural rubber, palm oil, timber and paper products that have zero connection to deforestation.
- Increase the ratio of sustainable certified palm oil procurement, including RSPO-certified, to 100% by 2030.

Conserving Biodiversity

- Maintain and manage Mitsui's Forests that have been designated as Biodiversity Conservation Forests (approximately 10% of our company-owned forests), and other specified areas, by carrying out regular ecosystem monitoring with an awareness of the need to conserve biodiversity.
- Contribute to the creation of national and international frameworks for biodiversity conservation through our proactive participation in social initiatives to conserve biodiversity, such as the TNFD Forum and the 30by30 Alliance*

*Please refer to the links below for more information.

[Japan's OECM and related policy / Ministry of the Environment](#)

[Human Rights](#)

[Sustainable Supply Chain Policy](#)

The following environmental indicators and targets have been established and are being monitored on an ongoing basis.

■ Energy consumption:

- Reduce energy consumption intensity, and achieve 100% fossil-free energy use at the Head Office and branches and offices in Japan, etc., of Mitsui & Co. (non-consolidated) by FY March 2030.

■ Water Resources:

- Reduce water consumption at the Head Office and branches and offices in Japan, etc., of Mitsui & Co. (non-consolidated) to less than the amount used in the previous fiscal year, and improve the efficiency of water use.

■ Pollution Prevention:

- Increase the waste recycling rate at buildings owned by Mitsui & Co. as a non-consolidated entity (Head Office, Osaka Office) to over 90% by FY March 2030.
- Reduce paper consumption at the Head Office and branches and offices in Japan, of Mitsui & Co. (non-consolidated) by 50% or more compared to FY March 2020 by FY March 2030.

For specific performance data, please refer to the following.

[Environmental Performance Data](#)

Initiatives

Land (Forests and Soil)

Initiatives in the Forest Resource Business

Along with business partners, Mitsui is engaged in the plantation business in Australia and Chile (approximately 9,000 hectares in total as of March 31, 2024), with the aim of ensuring the stable supply of wood chips, the raw material for paper. The business manages forest resources responsibly, including carrying out measures in consideration of biodiversity protection, and has acquired international forest certification from organizations such as FSC®. In addition, in our plantation business, we are promoting the generation of emission credits through conversion to tree species that are expected to increase the GHG (greenhouse gas) reduction effect.

New Forests Pty Ltd. is one of the largest forest asset management companies in the world, with over AU\$11.7 billion in forest assets under management. New Forests' vision is to provide long-term and stable investment returns to investors and realize a sustainable future by investing and managing forest resources in harmony with the circular economy and local communities. We will work with New Forests to expand our efforts towards the sustainable development of society.

[Mitsui & Co. \(Australia\) Ltd.: Group Companies \(Mitsui Bussan Woodchip Oceania\)](#)

Initiatives

Initiatives to Generate and Sell Carbon Credits Through Regeneration of Vegetation in Native Forests

We are an investor in Climate Friendly, a leading Australian company that generates and sells carbon credits through carbon farming projects focused on vegetation regeneration and soil improvement. These projects contribute to the restoration and enhancement of natural capital on agricultural land, while also creating high-quality carbon credits.

Climate Friendly's initiatives not only support CO₂ absorption and sequestration through land-use transformation, but also deliver broader ecosystem benefits such as improved drought resilience and enhanced biodiversity. As Australia is one of Mitsui & Co.'s key regions of business, this investment contributes to both the reduction of GHG emissions across our group and the creation of opportunities to enhance natural capital in the country.

Through this partnership, we aim to support the development of nature-positive, climate-resilient landscapes while contributing to the realization of a decarbonized society.



Climate Friendly carbon farming project site

Mitsui's Forests Operational and Management Initiatives

We have acquired an international forest certification (FSC®) for Mitsui's forests and the company that manages them. Forest certification comprises forest management certification, which is third-party certification awarded to forests that are being managed appropriately, and chain of custody (CoC) certification, which certifies that timber from certified forests is being handled appropriately all the way through to finished products. Mitsui Bussan Forest Co., Ltd., which manages Mitsui's Forests, engages in sustainable forest management through the formulation and implementation of management plans based on international standards. Logs and other products from these forests are also handled by Mitsui Bussan Forest, which has acquired CoC certification, creating a chain of forest certification. Mitsui Bussan Forest uses a unique "zoning" management method in which areas are divided into categories based on various characteristics, such as topography and tree species, and then managed according to these categories. Categories include "Harvest-oriented Sustainable Forests," "Naturally Regenerated Forests," and "Biodiversity Conservation Forests" and each type of forest is managed appropriately based on a management policy for each category. "Biodiversity Conservation Forests" in particular have been identified as forests with high biodiversity value, so they are divided into the four categories of "Special Conservation Forests," "Water and Soil Conservation Forests," "Environmental Conservation Forests," and "Cultural Conservation Forests" and management and forestry operations are carried out in a manner that fully takes into account their biodiversity.

[Mitsui's Forests: Initiatives for Biodiversity](#)

Contributing to the Development of High-Productivity, Sustainable Agriculture through Environmentally-Friendly Biopesticides

Our subsidiary Certis USA (now Certis Biologicals, hereafter "Certis Bio") is engaged in the manufacture and sales of biopesticides. Biopesticides utilize the abilities of microorganisms, natural enemies, parasites, etc., to combat insect pests and weeds, transforming them into agents that can be applied easily and effectively. They can be used to create an environment in which it is difficult for insect pests and weeds to thrive, and restrict their growth so that they do not cause economically significant damage.

In an age where environmental pollution, food safety and social acceptance have become such major societal issues, regulations on agrochemicals have been tightened, because of their potential impact on the human body and on ecosystems, and this has spawned significant demand for safer agricultural methods. Although Certis Bio produces biopesticides, we do not believe that agrochemicals should be reduced to zero. Biological pesticides make it possible to realize pest prevention while also reducing the harm caused to humans and domestic animals, the environment, and biodiversity. However, they do have disadvantages; they are relatively slow-acting, and it can be difficult to decide the best time to apply. Agrochemicals can compensate for these deficiencies because they are often quick-acting and easier to use. On the other hand, excessive use of agrochemicals can reduce the biodiversity of the microorganisms in the soil, creating an environment which is more conducive to the growth of pathogenic bacteria and insect pests. Therefore, it is important to recognize Integrated Pest Management (IPM), which is the skillful use of both biological and chemical pesticides. By promoting IPM through our agrochemicals business, we contribute to the development of a highly productive and sustainable agricultural system.

Initiatives in Regenerative Agriculture project

We have invested in RRG Nature Based Solution LLC ("RRG NBS"), a U.S.-based company with an integrated global involvement in regenerative agriculture projects at all stages from project formation through to design and management.

In recent years, there has been an increasing focus on regenerative agriculture* as an approach that contributes to agricultural sustainability, productivity, and profitability by achieving better harmony with nature and regenerating the natural environment, through climate change countermeasures and the conservation of ecosystems and water resources. Of particular significance is the fact that major food and beverage manufacturers are starting to adopt policies calling for a shift to raw materials derived from regenerative agriculture, with the aim of reducing environmental impacts and ensuring reliable access to raw material in the future.

Through this investment in RRG NBS, Mitsui will contribute to the stabilization of world food production and the conservation of natural capital by combining its accumulated knowledge of agricultural materials with new solutions leading to a transition to regenerative agriculture.

*Agriculture that aims to restore the natural environment, including water resources and ecosystems, through soil restoration and improvement.

Oceans and Rivers

Initiatives in the Hydroelectric Power Plant Business

The Madeira River is a tributary of the Amazon River and forms part of the Amazon Basin, a region that is known for its rich biodiversity. Located on the Madeira River in northern Brazil, the Jirau Hydroelectric Power Plant has been closely watched by many parties, including local communities and NGOs, because of its location, and every possible step is being taken to ensure that the plant is operated in an environmentally responsible way. As part of an environmental program, we conducted preliminary surveys to identify every possible impact that could affect the local environment and local communities. We then built hospitals, schools, and new housing to improve the local living environment. Other initiatives include measures to protect flora and fauna, such as fish and mammals.

Initiatives in Land-based Aquaculture

The amount of salmonids being consumed globally is growing year on year and it has become one of the three biggest markets for sea surface farmed fish. However, there has been less room for the expansion of sea surface farming. In light of this situation, our FRD Japan Co., Ltd., which possesses advanced bio-filtration technologies, has developed a proprietary land-based aquaculture system that does not draw sea water from outside, and cultivates trout in a closed water cycle, minimizing impact on ocean environments and realizing the sustainable production of marine products.

We began operating a pilot plant in Kisarazu City, Chiba Prefecture in 2018, selling farmed trout under the brand name "Okasodachi". Also, we started to construct a commercial plant that will produce approximately 3,500 tons per year in 2023. Through this business, we will work to minimize ocean pollution and contribute to the production and supply of sustainable marine products.



FRD Japan Pilot Plant (in Kisarazu City)

Initiatives in our Chilean Salmon Business

At Multi X S. A., a Chilean salmon farming, processing and sales company in which we have invested, we give consideration to biodiversity by periodically checking cage conditions to prevent damage to local marine ecosystems caused by fish escaping through damaged marine aquaculture nets. As a result, there has not been a single escape in the last few years. We have also installed predator nets in order to protect the fish and the facility from potential sea lion attacks. Furthermore, we are carrying out feeding activities that fully take into account local ecosystems by introducing a remote-controlled automatic feeding system. This system monitors feeding from below the sea surface using cameras to ensure optimum feeding amounts. We also make efforts to minimize feed waste that is lost or accumulated in the seabed.

Initiatives in our Solar Marine Salt Production and Sales Business

Shark Bay Salt Pty owns a solar marine salt field in Shark Bay, Western Australia. It produces and sells some of the world's purest salt while actively working to improve the local ecosystems of Shark Bay, an internationally renowned World Heritage site. With a dedication to maintaining harmony with nature, the company continuously monitors the terrestrial environment and mangrove ecosystem of both the salt field and the surrounding maritime environment, ensuring its operations have no impact on the local ecosystem of the dugong – a species considered highly vulnerable to extinction – and other marine fauna unique to the area. As a result of these efforts, the stability of local wildlife populations has improved. Shark Bay Salt Pty also supports ongoing research activities on dolphins and their ecosystem in the Shark Bay area.