

# Medium-term Management Plan 2023

## *Transform and Grow*

Commitment to a new stage



May 1, 2020  
Mitsui & Co., Ltd.

A Cautionary Note on Forward-Looking Statements:

This material contains statements (including figures) regarding Mitsui & Co., Ltd. ("Mitsui")'s corporate strategies, objectives, and views of future developments that are forward-looking in nature and are not simply reiterations of historical facts. 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.

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.

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# New Mission Vision Values

## Mission

# Build brighter futures, everywhere

Realize a better tomorrow for earth and for people around the world.

## Vision

# 360° business innovators

As challengers and innovators, we create and grow business while addressing material issues for sustainable development.

## Values

Our core values as challengers and innovators

## Seize the initiative

We play a central role in driving transformation.

## Thrive on diversity

We foster an open-minded culture and multiply our strengths to achieve excellence.

## Embrace growth

We drive our collective growth by continuously growing as individuals.

## Act with integrity

We pursue worthy objectives with fairness and humility, taking pride in work that stands the test of time.

# 2

## Mitsui's Goals

## Mitsui's Goals

- To establish a business foundation on the new Mission Vision Values updated this fiscal year, and also on the Materiality updated last year
- To grow and to support social development by identifying and responding quickly to demand and the accelerating changes in the environment, including COVID-19
- To have all employees commit themselves to transform and evolve the businesses to a new stage

## New Mission Vision Values

Medium-term Management  
Plan (2018/3 – 2020/3)  
Driving Value Creation

Medium-term Management  
Plan 2023 (2021/3 – 2023/3)  
Transform and Grow

### Materiality



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

## Medium-term Management Plan 2023

- Although a fall in profit is unavoidable given the present turbulent business environment, aim to quickly return to a growth trajectory by implementing the strategies of the Medium-term Management Plan 2023: Transform and Grow
- KPIs remain core operating cash flow, profit for the year and ROE. Emphasize per-share profitability indicators, keeping in mind shareholder value improvement
- The above outlook assumes a recovery from the impact of COVID-19 from FY Mar/2021 H2



\*Core operating cash flow for FY3/20 has been revised to deduct payment of lease liabilities

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# Medium-term Management Plan 2023 Corporate Strategy



# Medium-term Management Plan ended FY Mar/2020: Achievements

## Business Progress

- Steadily grew profit base in core areas and strengthened non-resource areas, particularly Machinery & Infrastructure and Lifestyle
- Expanded business base with a focus on Environment and Health

### Core areas

Mineral & Metal Resources	<ul style="list-style-type: none"> <li>■ Maintained and expanded iron ore business base</li> <li>■ Raised quality of coking coal portfolio</li> </ul>
Energy	<ul style="list-style-type: none"> <li>■ Steadily promoted LNG business</li> <li>■ Started production in the E&amp;P business</li> </ul>
Machinery & Infrastructure	<ul style="list-style-type: none"> <li>■ Progressed with new power generation and D&amp;S</li> <li>■ Expanded FPSO business</li> </ul>
Chemicals	<ul style="list-style-type: none"> <li>■ Participated in European paint manufacturing business</li> <li>■ Advanced environmental businesses</li> </ul>

### Growth areas

Mobility	<ul style="list-style-type: none"> <li>■ Accelerated framework for promoting MaaS (Established and strengthened foundation for vehicle operating leases)</li> </ul>
Healthcare	<ul style="list-style-type: none"> <li>■ Improved corporate value of IHH</li> <li>■ Optimized portfolio of related businesses</li> </ul>
Nutrition & Agriculture	<ul style="list-style-type: none"> <li>■ Participated in preventative healthcare business</li> <li>■ Expanded business base for agricultural inputs, crop protection and seeds</li> </ul>
Retail & Services	<ul style="list-style-type: none"> <li>■ Entered U.S. prepared food business</li> <li>■ Acquired digital functions and strengthened customer management</li> </ul>

## Financial Base, Governance, Personnel, and Innovation Functions

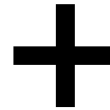
- Advanced cash flow management and tightened investment discipline
- Launched Moon Creative Lab, strengthened digital infrastructure for remote working
- Strengthened global HR management and launched next-generation leadership program
- Strengthened governance (expanded diversity and improved effectiveness of the Board)



## Medium-term Management Plan ended FY Mar/2020: Ongoing challenges

### Ongoing challenges from Medium-term Management Plan *Driving Value Creation*

- Further raise profitability of existing businesses
- Establish profit pillars in areas where Mitsui's comprehensive strength can be leveraged
- Transform employee mindsets, improve productivity and reduce costs without compromise
- Bring talent into the Mitsui Group and strengthen training and development framework
- Continuously raise ROE and shareholder value



### Spread of COVID-19 and rapidly changing business environment

- Strengthen risk management thoroughly and immediately
- Reduce costs and strengthen resistance to downturns
- Respond with agility to the accelerating digital economy
- Manage with a long-term perspective, such as responding to climate change



# Transform and Grow

# Transform and Grow: Six corporate strategies

## Transform

- Raise profitability in line with invested capital and increase ROE
- Transform the mindset, behavior patterns, and work style of each employee

- 1. Strengthen business management capabilities**
- 2. Evolve financial strategy and portfolio management**
- 3. Personnel strategy**

## Grow

- Strengthen growth areas where Mitsui's comprehensive strength is effective
- Engage with changing trends such as digitalization

- 4. Strategic focus**
  - Energy Solutions
  - Healthcare / Nutrition
  - Market Asia
- 5. Strengthen profitability of core businesses and take on challenges in new businesses**

## 6. Sustainability management; Evolution of ESG

Continue to advance sustainability management

- Key themes of the 2023 Medium-term Management Plan: Climate change, Circular economy, and Business and human rights
- Strengthen governance: Further improve Board effectiveness



# Corporate Strategy 1. Strengthen business management capabilities

- Quickly recover growth trajectory, prioritize the strengthening of business management capabilities for further growth
- Respond swiftly to accelerating changes in trends

## Specific Measures

### Improve business management expertise

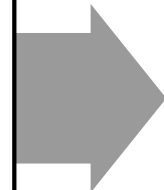
- Expand knowledge across organizations
- Introduce diverse professional talent

### Foster and deploy business management talent

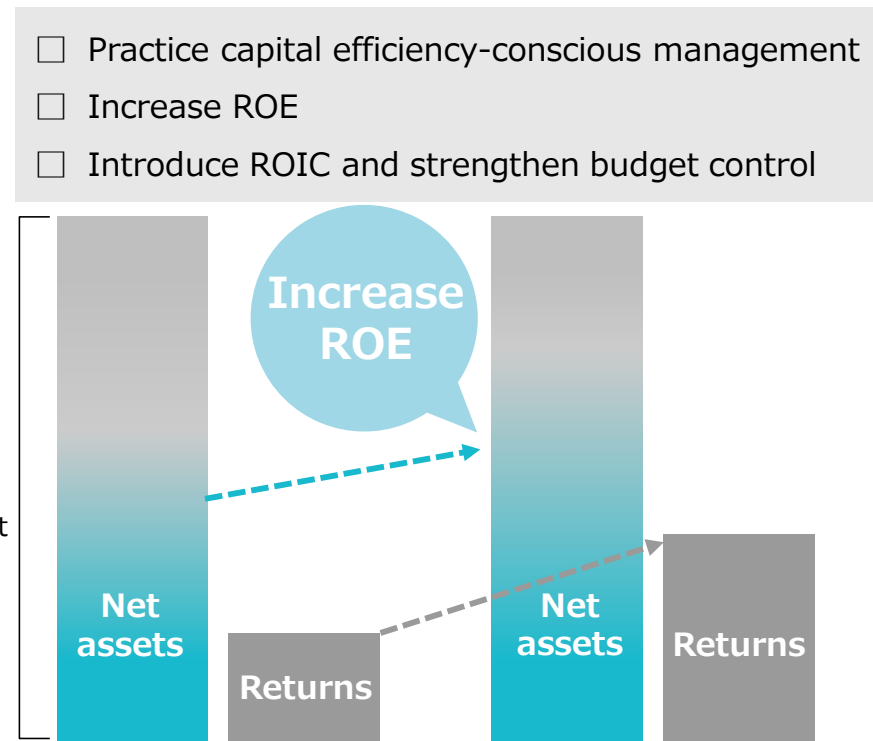
- Prioritize placements at important subsidiaries and affiliated companies
- Internal development, external recruitment

### Focus areas

- Prioritize allocation of management resources, including personnel, in businesses and companies where profitability improvement can be realized



Investment assets



Improve returns while staying conscious of investment assets size



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## Corporate Strategy 2. Evolve financial strategy and portfolio management

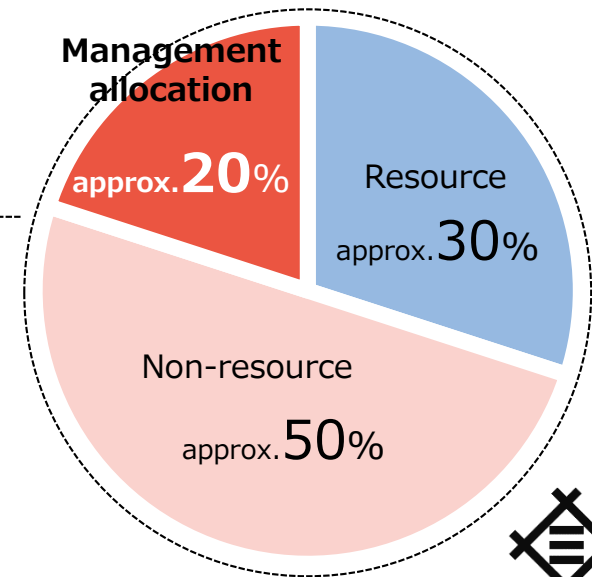
### ■ More flexible and strategic capital allocation

#### Specific Measures

- Pursue flexible and strategic capital allocation to growth investments and additional shareholder returns, taking a comprehensive view of investment opportunities and the business environment (**Management allocation**)
- Pay a minimum dividend of ¥80 per share and pursue shareholder returns that reflect improvements in capital efficiency
- Maintain and improve financial base

#### Medium-term Management Plan 2023 Cash Flow Allocation

Cash-In	Core operating CF	¥1,500bn
	Asset recycling	¥900bn
Cash-Out	Post FID investment, maintenance CAPEX	¥1,500bn-¥1,700bn
	Growth investments (Strategic focus/new)	
	Share buyback + additional dividend	¥300bn-¥500bn <b>Management allocation</b>
	Dividend (minimum )	¥400bn



## Corporate Strategy

### 3. Personnel strategy

#### Realize next-generation work style that also considers post COVID-19

- Strong commitment to meeting individual targets, acceleration of new working style utilizing DX
- Use the move to the new Head Office to transform employee mindsets and behavior patterns

#### Deploy diverse professional talent to the right positions on a global group basis

- Leverage the global group network to deploy professional talent to the positions and boost their performance
- Develop and activate business management talent who will strengthen the existing profit base

#### Local Depth for Global Reach, Global Reach for Local Depth

- Promote and appoint personnel regardless of where they were recruited
- Develop next-generation leaders on a global basis
- Strengthen Global Talent Management

#### Diversity & Inclusion

- Create frameworks and organizations where diverse personnel can thrive
- Strengthen employee engagement on a global group basis
- Provide an innovative working environment where employees can deliver their best

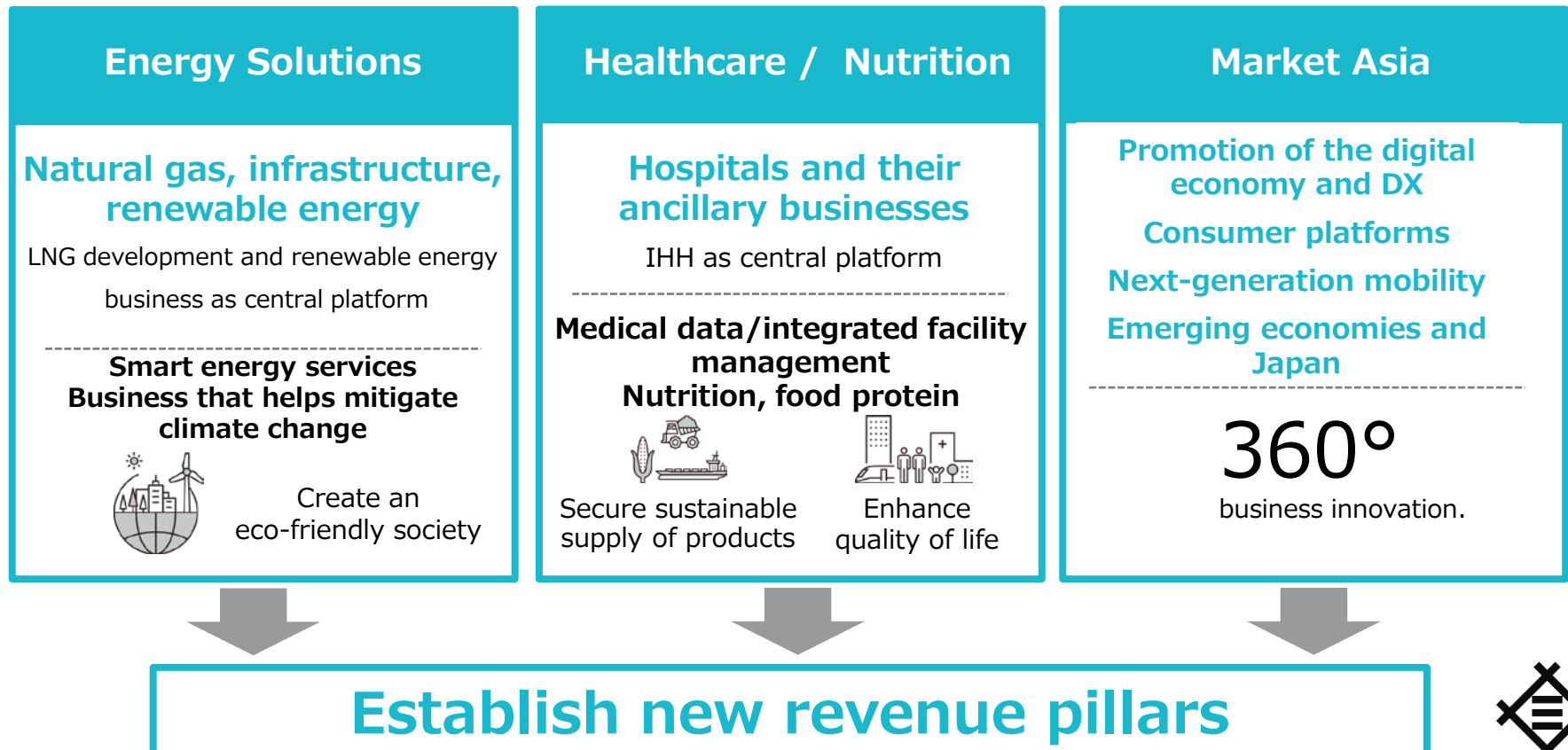
#### Strengthen diverse individuals

- Inspire and develop personnel who can take on business management
- Implement personnel systems and operations that empower the individual to succeed

## New Mission Vision Values

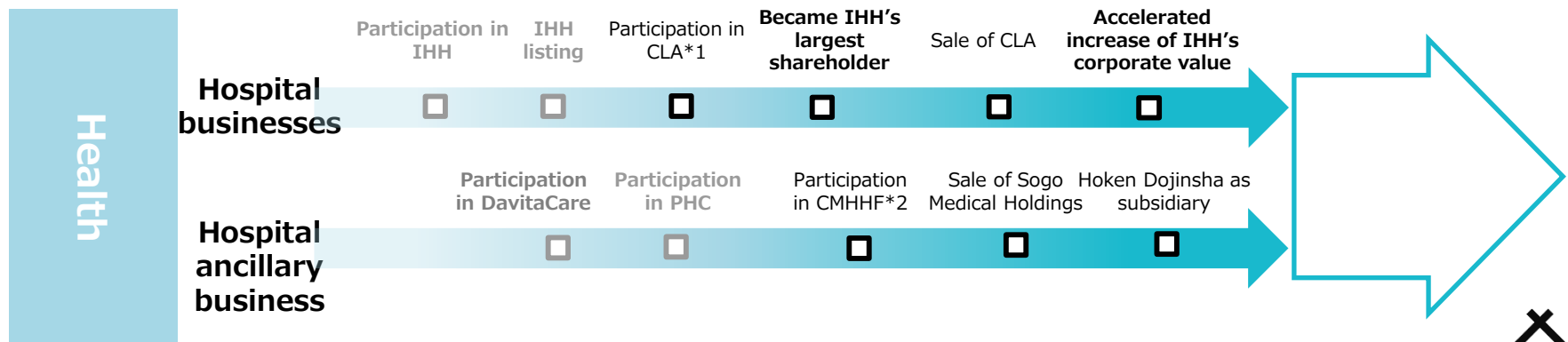
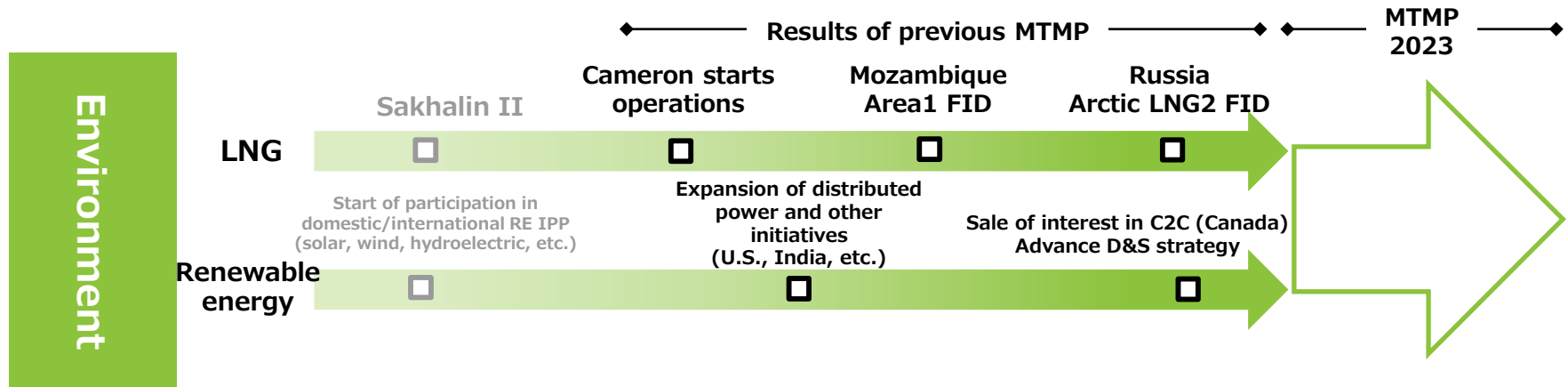
## Corporate Strategy 4. Strategic focus

- Mobilize the company as whole to create multifaceted value in the areas in which its comprehensive strengths can be leveraged
- Respond to structural change and changing trends driven by the spread of COVID-19
- Use digitalization and the power shift to the consumer to evolve business models



# Corporate Strategy 4. Strategic focus

- Energy Solutions and Healthcare / Nutrition are areas in which Mitsui can use existing business platforms to create multifaceted value, leveraging past initiatives including in Environment and Health



\*1. Columbia Asia Healthcare  
 \*2. CMH Healthcare Fund



## Corporate Strategy

# 5. Strengthen profitability of core business; Pursue new business

### Strengthen profitability of core business

(Mineral & Metal Resources, Energy, Machinery & Infrastructure, Chemicals)

- Increase competitiveness, optimize portfolio including recycling, execute bolt-on investments

<b>Mineral &amp; Metal Resources</b>	Iron ore, coking coal, copper, recycling	<input type="checkbox"/> Maintain and expand iron ore volumes <input type="checkbox"/> Raise quality of coking coal assets <input type="checkbox"/> Expand and raise quality of copper <input type="checkbox"/> Promote recycling business
<b>Energy</b>	Oil, gas, renewable energy, new energy	<input type="checkbox"/> Increase oil and gas production volume and deposits, raise LNG production capacity <input type="checkbox"/> Raise competitiveness of existing assets <input type="checkbox"/> Increase trading income <input type="checkbox"/> Expand renewable and new energy businesses
<b>Machinery &amp; Infrastructure</b>	Power generation, marine energy, gas distribution, automotive, shipping	<input type="checkbox"/> Raise quality of asset portfolio <input type="checkbox"/> Promote DX/optimize operations <input type="checkbox"/> Transform existing business, upgrading trading functions
<b>Chemicals</b>	Methanol, tank terminal, coating material, personal care, environmental chemicals, agri-science, wellness	<input type="checkbox"/> Increase sophistication in trading, enhance network <input type="checkbox"/> Stronger resilience in existing businesses, raise profitability <input type="checkbox"/> Recycle, reuse, commercialization and application of environmental focused new materials and technologies

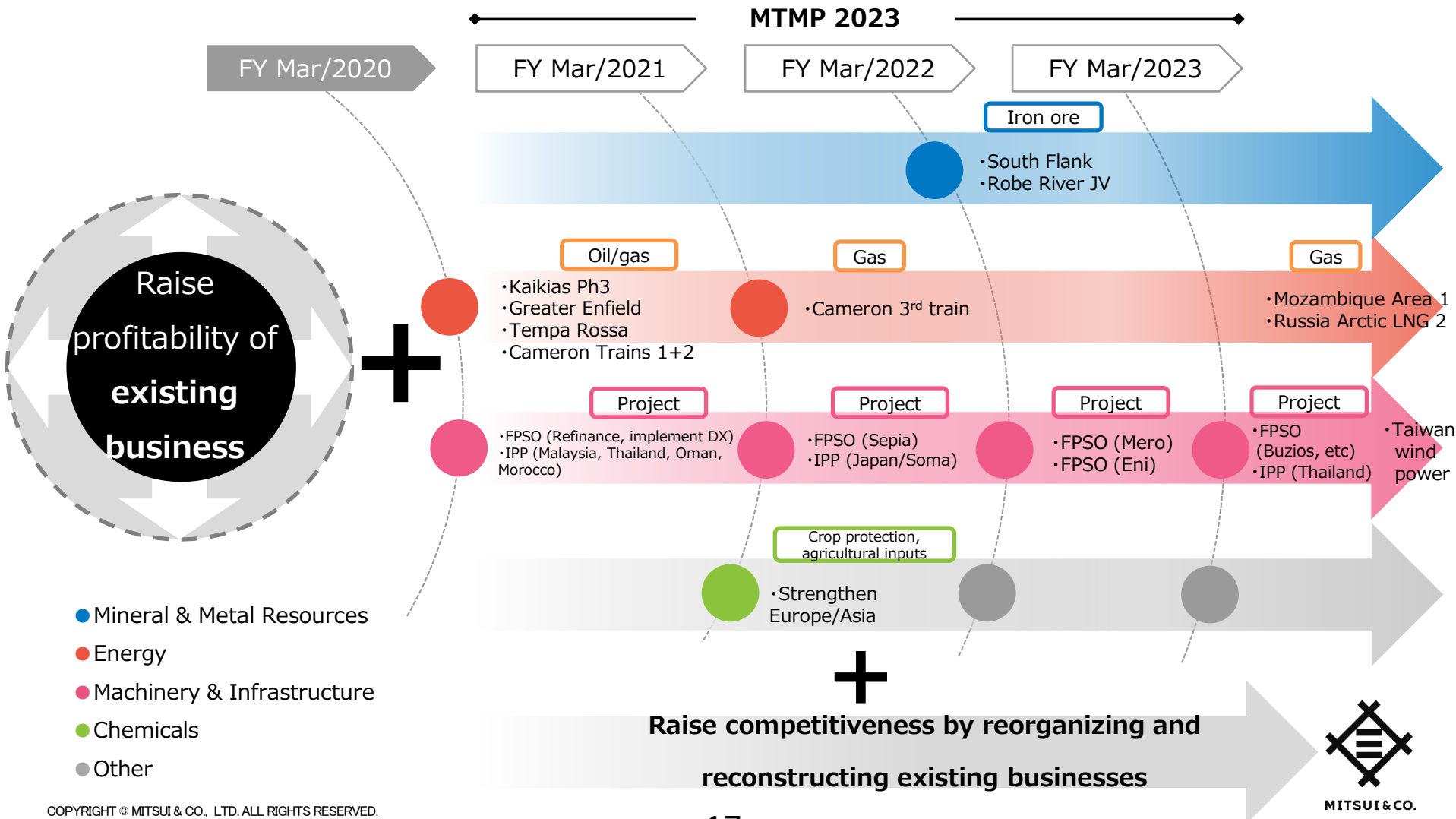
### Pursue new business

- Promote creative mindset and behavior companywide. Accelerate Moon Creative Lab initiatives
- Accelerate defensive and offensive DX initiatives. Aim to create cross-BU businesses



Corporate Strategy

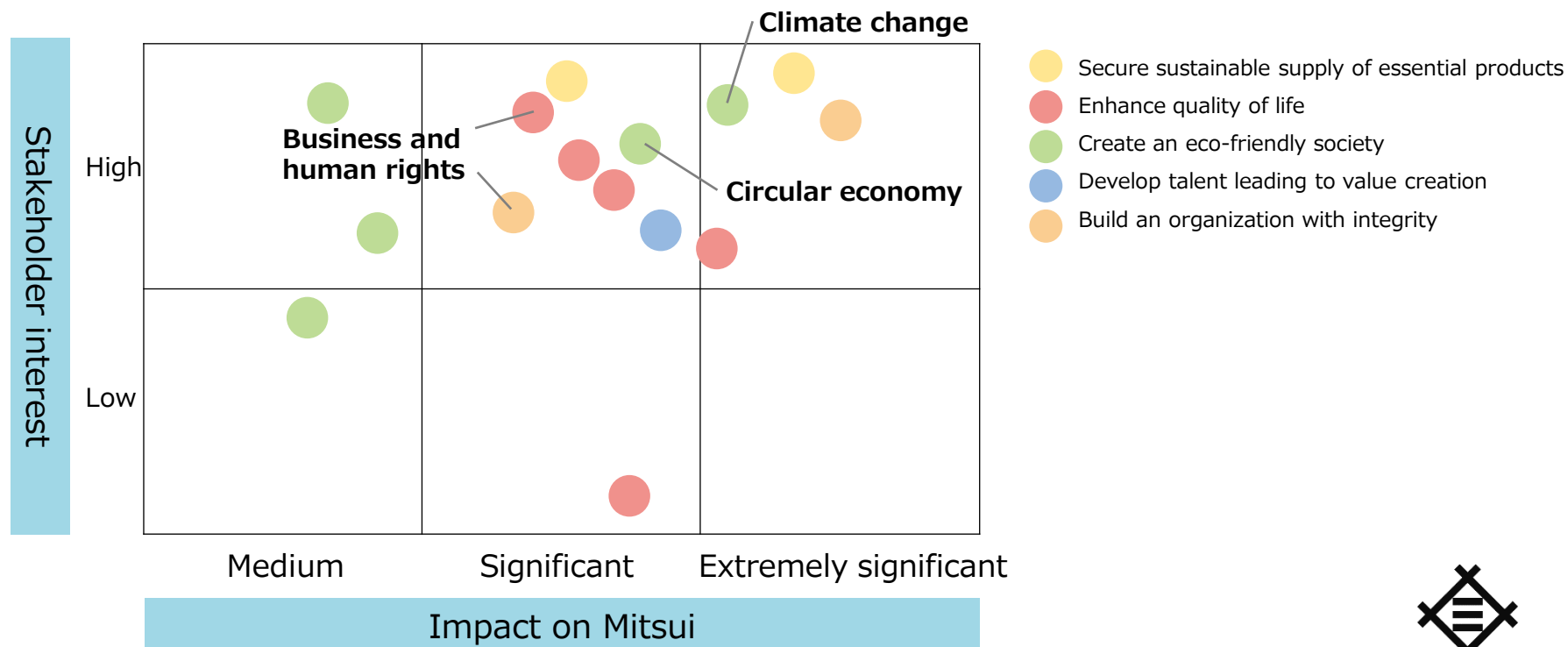
5. Strengthen profitability of core business;  
Pursue new business



## Corporate Strategy

## 6. Sustainability management; Evolution of ESG

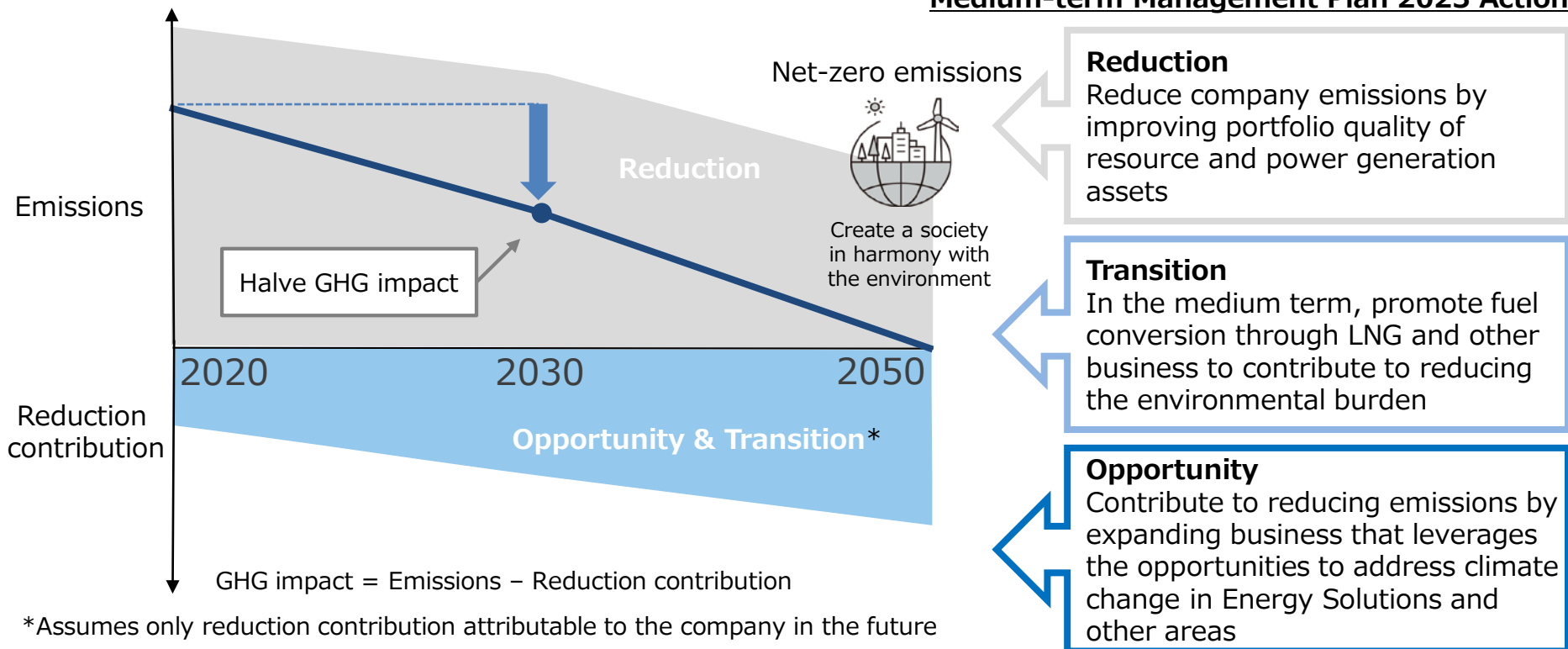
- Climate change, Circular economy, and Business and human rights are three major themes in the Medium-term management plan that will impact our business and for which there is heightened public demand
- Further improve Board effectiveness and continue to strengthen governance \*



## Climate change

- Mitsui's goal to achieve net-zero emissions by 2050  
To achieve this, aim to reduce GHG impact by 2030 to half of what it is in 2020
- Conduct a risk evaluation of existing businesses and introduce an internal carbon pricing system for new investment decisions
- Aim to set a GHG emissions reduction target during the period of the Medium-term Management Plan 2023

## Medium-term Management Plan 2023 Actions



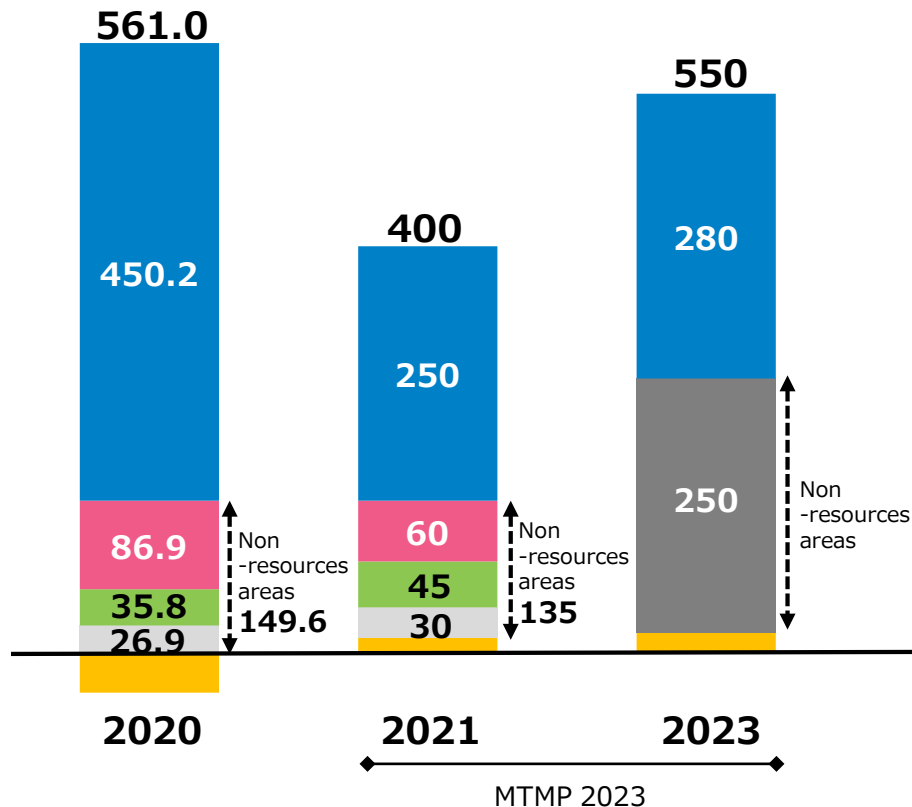
# 4

# Quantitative Targets

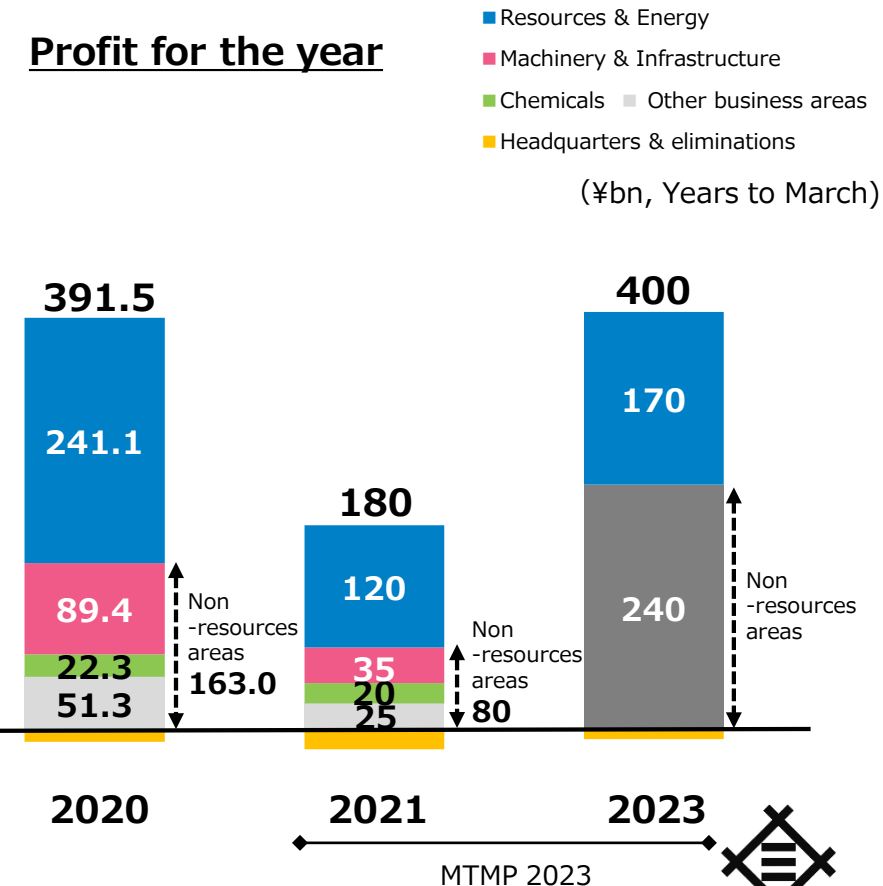
## Quantitative Targets

- Forecasting a year-on-year decline for FY Mar/2021, due to the effects of COVID-19
- Anticipated scenario is for the curtailment of global economic activity in response to the spread of COVID-19 to continue into the first half of FY Mar/2021 and recover thereafter

### Core operating cash flow



### Profit for the year



■ Resources & Energy  
■ Machinery & Infrastructure  
■ Chemicals ■ Other business areas  
■ Headquarters & eliminations

(¥bn, Years to March)



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\*Core operating cash flow for FY3/20 has been revised to deduct payment of lease liabilities

## FY Mar/2021 Action Plan

### Situational overview

- Spread of COVID-19
- Unprecedented changes in the business environment
- The post-COVID-19 'new normal'

### FY Mar/2021 Action Plan

- Ensure the safety of employees and all other stakeholders
- Preserve and maintain existing business and minimize damage
- Implement thorough cost reductions and defensive and recovery measures
- Maintain network of customers and partners, create new businesses making full use of digital technology
- Pursue business in line with Materiality (Secure stable supply of essential products / Enhance quality of life)

# 5

# Shareholder Returns



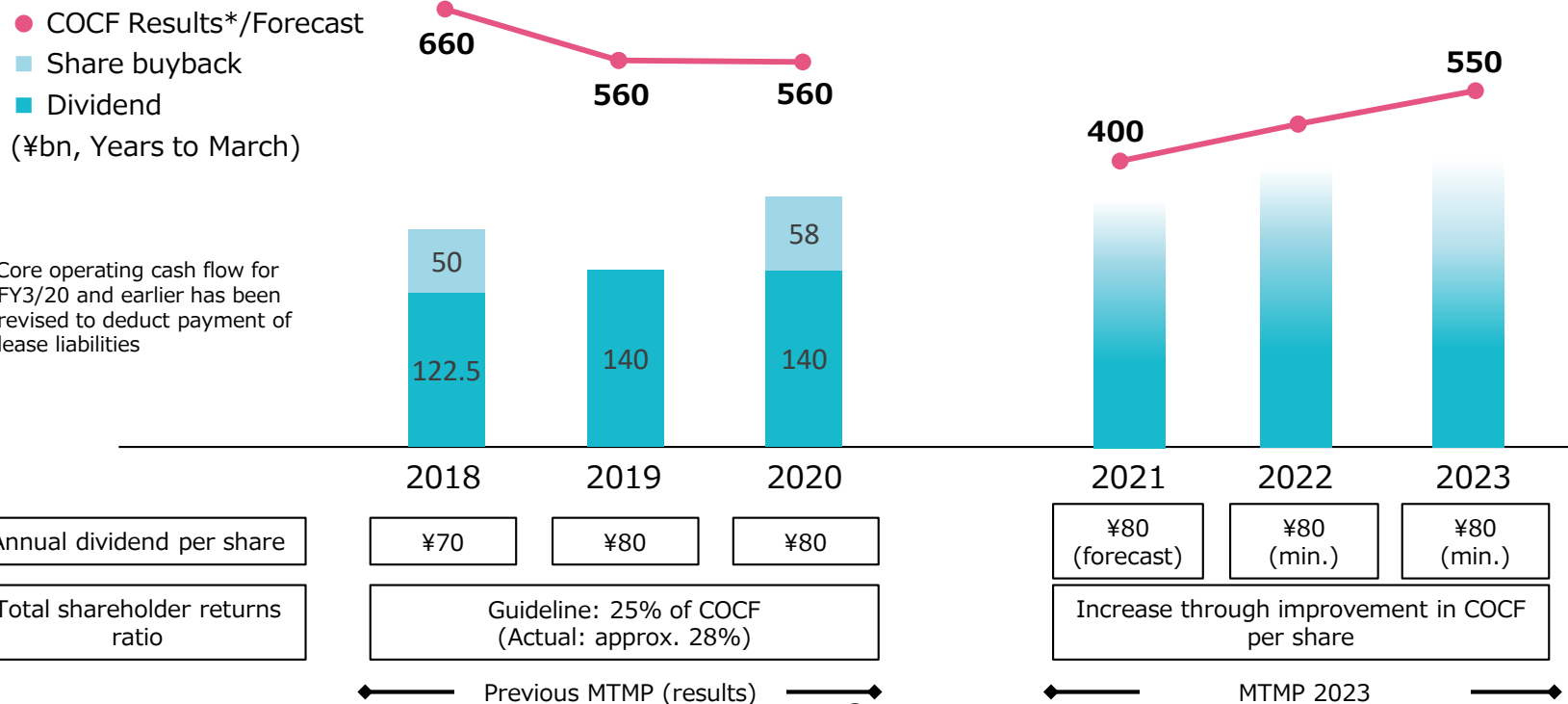
# Shareholder returns

- Even amid the COVID-19 crisis, forecasting 400 billion yen in core operating cash flow—the basis for shareholder returns—for FY Mar/2021
- Implement capital allocation with a focus on improving capital efficiency and pursue medium- and long-term growth opportunities in response to post-crisis environmental changes. Aim to increase the total shareholder returns ratio above the level of the previous Medium-term Management Plan.

**Dividend:** Set 80 yen per share as minimum dividend amount, factoring in stability and continuity. Planning 80 yen in FY Mar/2021

Aim for a stable dividend-per-share increase by improving core operating cash flow

**Share buybacks:** Flexible approach, taking into account the business environment and market trends



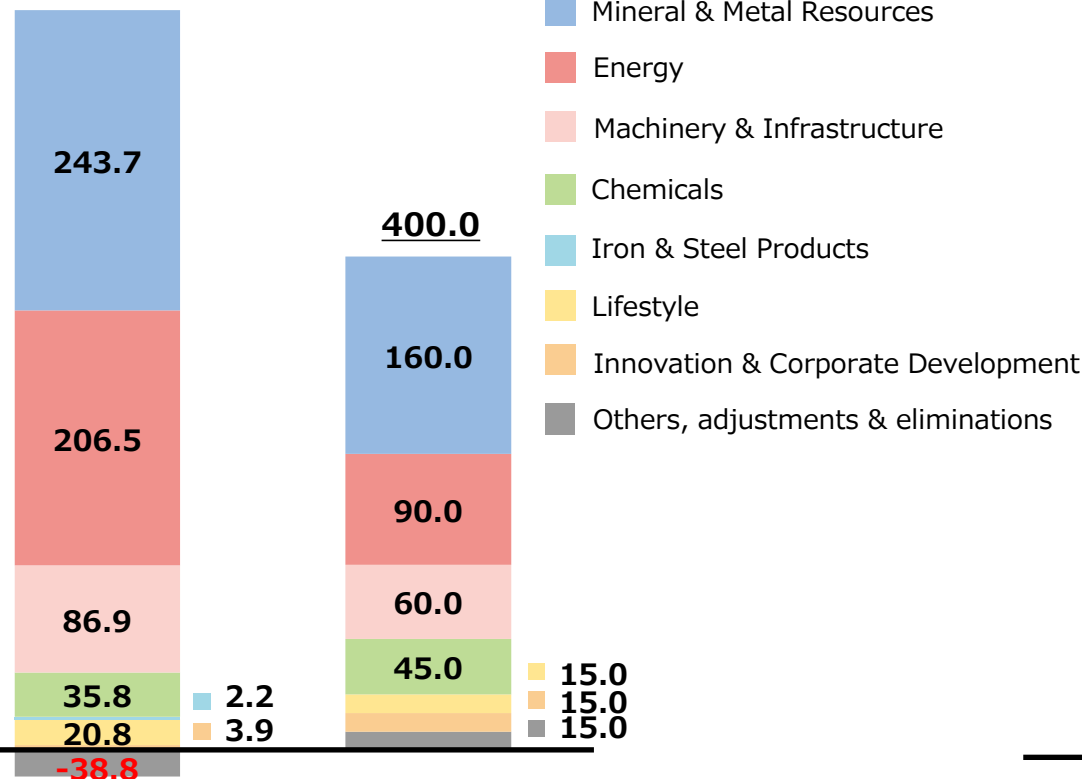
# Supplementary Information

# FY Mar/2021 Business Plan

- Core operating cash flow: ¥400.0bn (down ¥161.0bn)
- Profit for the year: ¥180.0bn (down ¥211.5bn)
- Forecasting a year-on-year decline mainly due to the economic slowdown and drop in commodity prices due to the spread of COVID-19

**Core operating cash flow** (Unit: ¥billion)

561.0

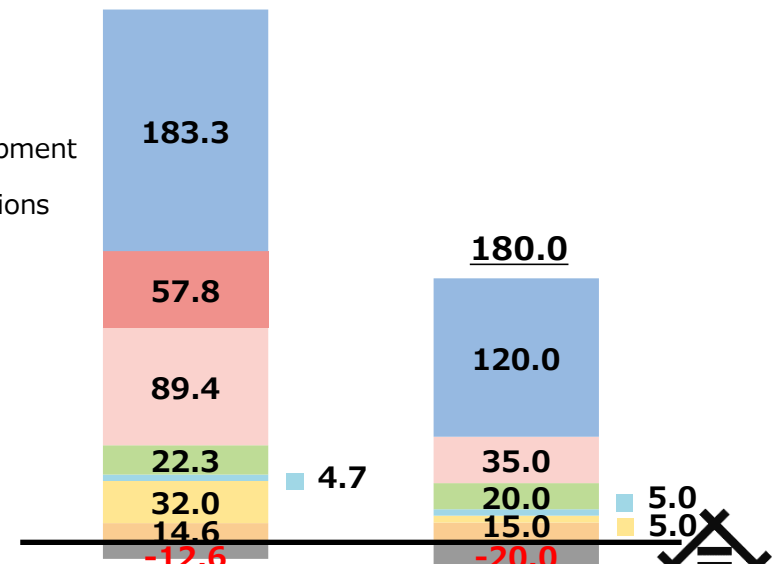


FY Mar/2020  
(results)

FY Mar/2021  
(plan)

**Profit for the year** (Unit: ¥billion)

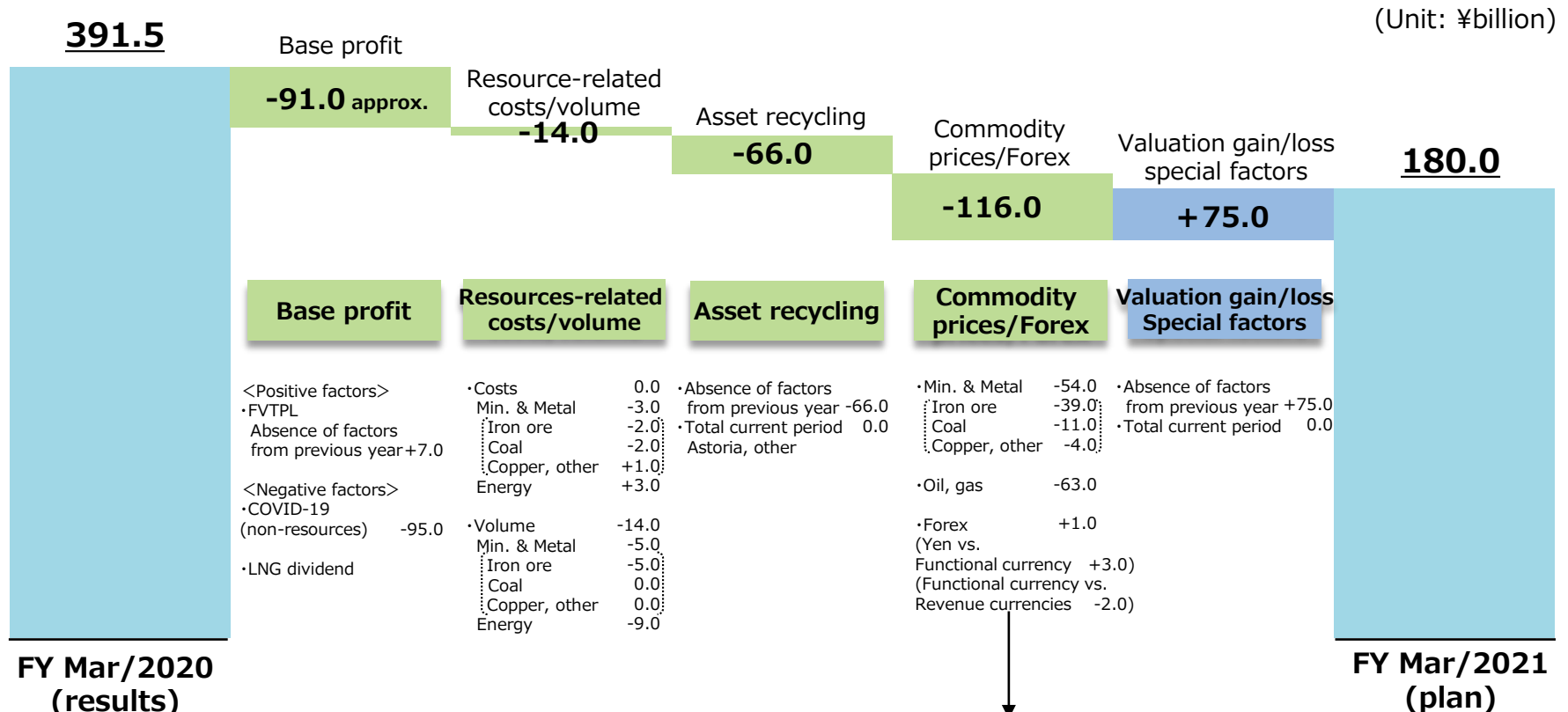
391.5



FY Mar/2020  
(results)

FY Mar/2021  
(plan)

# FY Mar/2021 Business Plan YoY factor comparison



Forex breakdown	Yen vs. Functional Currency	Functional Currency vs. Revenue Currencies
·Min. & Metal Resources	+2.0	-4.0
·Energy	+4.0	+2.0
·Other	-1.0	0.0

# Assumptions and Sensitivities Mar/2020 results and Mar/2021 plan

Effects of price changes on profits for FY Mar/2021 (Announced May 2020)			FY Mar/2021 (Assumptions)	FY Mar/2020 (Result)	
Commodities	Crude oil/JCC	—	33	67	
	Consolidated oil price (*1)	¥3.2bn (US\$1/barrel)	39	68	
	U.S. gas (*2)	¥0.9bn (US\$0.1/mmBtu)	2.15(*3)	2.53(*4)	
	Iron ore (*5)	¥2.2bn (US\$1/ton)	(*6)	95(*7)	
	Coal	Coking	¥0.4bn (US\$1/ton)	(*6)	169(*8)
		Thermal	¥0.1bn (US\$1/ton)	(*6)	95(*8)
	Copper (*9)	¥0.7bn (US\$100/ton)	5,600	6,005(*10)	
Forex (*11)	US\$	¥1.3bn (¥1/US\$)	108.00	108.95	
	Australian\$	¥1.6bn (¥1/Australian\$)	75.00	73.81	
	Brazilian real	¥0.3bn (¥1/Brazilian real)	26.00	26.29	



(\*1) As the crude oil price affects our consolidated results with a 0-6 month time lag, the effect of crude oil prices on consolidated results is estimated as the Consolidated oil price, which reflects this lag. For FY Mar/2021 we have assumed that there is a 4-6 month lag for approx. 30%, a 1-3 month lag for approx. 50%, and no lag for approx. 20%.

The above sensitivities show annual impact of changes in consolidated oil price for projects linked to oil price.

(\*2) As Mitsui has very limited exposure to U.S. natural gas sold at Henry Hub (HH), the above sensitivities show annual impact of changes in the weighted average sale price.

(\*3) HH price of US\$2.15/mmBtu is assumed for sale prices linked to the HH price.

(\*4) U.S. gas figures for FY Mar/2020 are the Henry Hub Natural Gas Futures average daily prompt month closing prices traded on NYMEX during January to December 2019.

(\*5) The effect of dividend income from Vale has not been included.

(\*6) Iron ore and coal price assumptions are not disclosed.

(\*7) Iron ore results figures for FY Mar/2020 are the daily average (reference price) spot indicated price (Fe 62% CFR North China) recorded in several industry trade magazines from April 2019 to March 2020.

(\*8) Coal results figures for FY Mar/2020 are the quarterly average prices of representative coal brands in Japan (US\$/MT).

(\*9) As the copper price affects our consolidated results with a 3-month time lag, the above sensitivities show the annual impact of US\$100/ton change in averages of the LME monthly average cash settlement prices for the period March to December 2020.

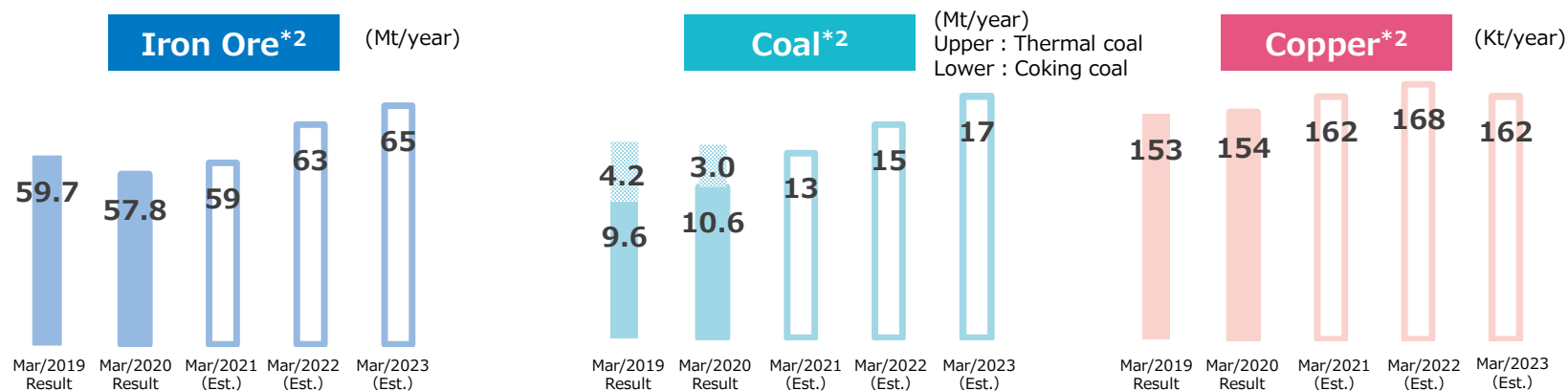
(\*10) Copper results figures for FY Mar/2020 are the averages of the LME monthly average cash settlement prices for the period January to December 2019.

(\*11) Impact of currency fluctuations on reported profit for the year of overseas subsidiaries denominated in their respective functional currencies.

Depreciation of the yen has the effect of increasing profit for the year through the conversion of profit (denominated in functional currencies) into yen. In the Metal Resources and Energy business where the sales contract is in US\$, the impact of currency fluctuations between the US\$ and the functional currencies (Australian \$ and Brazilian Real) and the impact of currency hedging are not included.

# Mineral & Metal Resources: Equity share of production

## Equity share of production\*1 (announced May 2020)



\*1. Some projects not yet reflective of effects from COVID-19  
\*2. Based on Vale's announced figures as of 17/Apr

## Production

	FY Mar/2019					FY Mar/2020				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
<b>Iron ore (Mt)</b>	14.8	15.3	15.8	13.8	59.7	14.1	14.4	15.1	14.2	57.8
Australian iron ore	10.3	10.0	10.0	8.2	38.5	10.0	10.8	10.3	9.8	40.9
Vale*1	4.5	5.3	5.8	5.6	21.2	4.1	3.6	4.8	4.4	16.9
<b>Coal*2 (Mt)</b>	3.1	3.5	3.7	3.5	13.8	3.3	3.4	3.6	3.3	13.6
MCH	2.1	2.1	2.1	2.0	8.3	2.1	2.1	2.1	2.0	8.3
BMC*1	0.5	0.6	0.5	0.5	2.1	0.5	0.6	0.5	0.4	2.0
Australian coking coal	2.0	2.0	2.0	1.9	7.9	2.4	2.3	2.3	2.1	9.1
Australian thermal coal	0.6	0.7	0.6	0.6	2.5	0.2	0.4	0.3	0.3	1.2
Moatize*1	0.3	0.4	0.5	0.4	1.6	0.3	0.3	0.3	0.3	1.2
<b>Copper*1,2 (Kt)</b>	36.5	35.8	38.3	42.4	153.0	36.3	38.0	40.0*3	39.3	153.6

\*1. Vale, BMC, Moatize and copper are results for: Q1 Jan-Mar; Q2 Apr-June; Q3 Jul-Sep; Q4 Oct-Dec

\*2. Includes Vale production (5% for FY Mar/2018 Q1 and earlier, 5.5% for Q2 and after, 5.6% for FY Mar/2019 Q4 and after)

\*3. Revised in May 2020 (Q3:39.6→40.0)



# Mineral & Metal Resources: Main businesses

Product	Name*1	Location	FY Mar/2020 equity production	Main partner	Equity ratio*4	Revenue recognition
Iron ore	Robe River	Australia	21.5 million tons	Rio Tinto	33.00%	Consolidated (partially accounted for by dividend)
Iron ore	Mt. Newman / Yandi / Goldsworthy / Jumblebar	Australia	19.4 million tons	BHP	7.00%	Consolidated (partially accounted for by dividend)
Iron ore	Vale	Brazil	16.9 million tons*2	Vale	5.59%	Dividend
Coal	South Walker Creek / Poitrel	Australia	2.0 million tons*2	BHP	20.00%	Equity method
Coal	Kestrel	Australia	1.4 million tons*2	EMR / Adaro	20.00%	Consolidated
Coal	Moranbah North / Grosvenor*5 / Capcoal / Dawson	Australia	6.9 million tons	Anglo American	Various	Consolidated
Coal	Moatize / Nacala	Mozambique	1.2 million tons*2	Vale	Moatize: approx. 15% Nacala: approx. 50%	Moatize: Dividend Nacala: Equity Method
Copper	Collahuasi	Chile	62.4 thousand tons*2	Anglo American Glencore	11.03%	Equity method
Copper	Anglo American Sur	Chile	37.0 thousand tons*2	Anglo American Codelco	9.50%	Equity method
Copper	Caserones	Chile	33.0 thousand tons*2	JX Nippon Mining & Metals Mitsui Mining & Smelting	22.63%	Other
Nickel	Coral Bay	Philippines	3.5 thousand tons*3	Sumitomo Metal Mining	18.00%	Equity method
Nickel	Taganito	Philippines	4.7 thousand tons*3	Sumitomo Metal Mining	15.00%	Dividend

\*1 Includes JV names, company names, and project names

\*2 Jan-Dec 2019 results

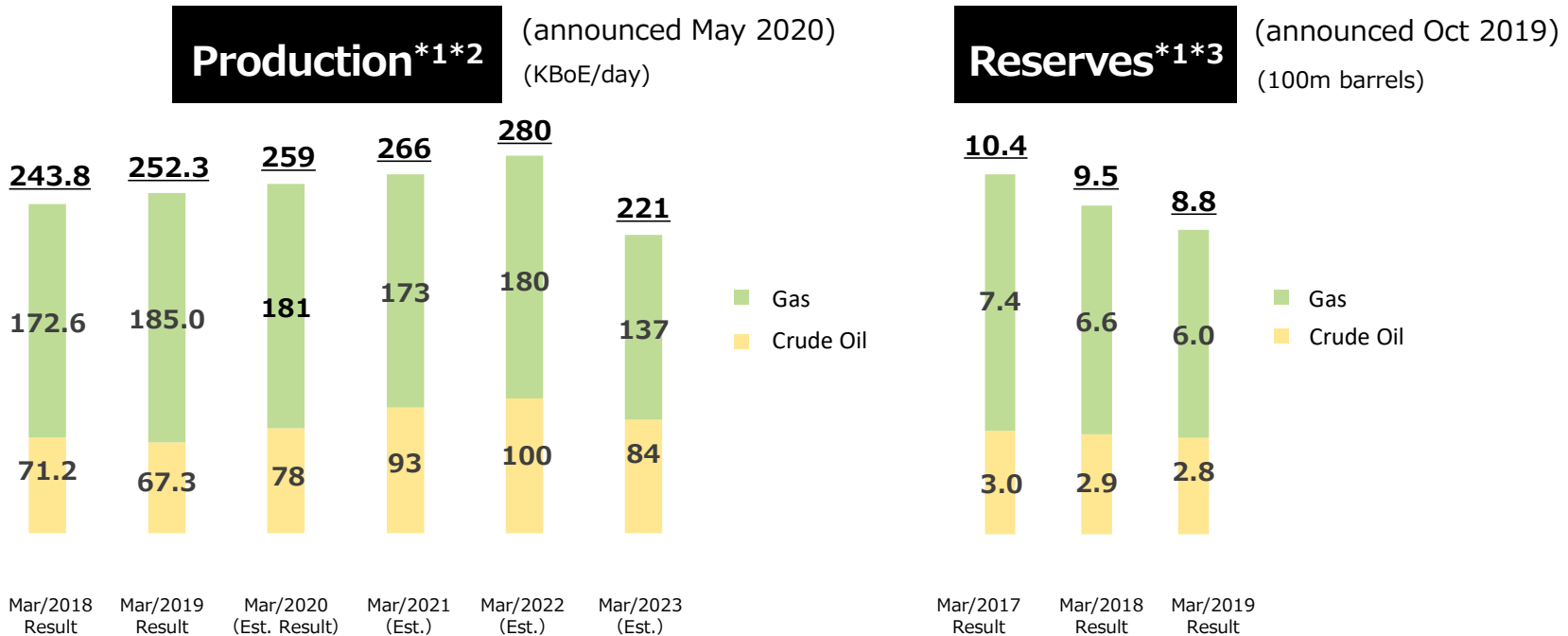
\*3 Production capacity base

\*4 As of end of March 2020

\*5 Not included in production volume as due to be acquired in FY Mar/2021



# Energy: Crude oil & gas – Equity share of production & reserves



- \*1. Oil equivalent  
Mitsui's equity share of interests of consolidated subsidiaries, affiliates, and non-consolidated interests
- \*2. Mitsui's share of sales is applied to certain projects  
Some projects not yet reflective of effects from COVID-19
- \*3. According to Mitsui's assessment standards



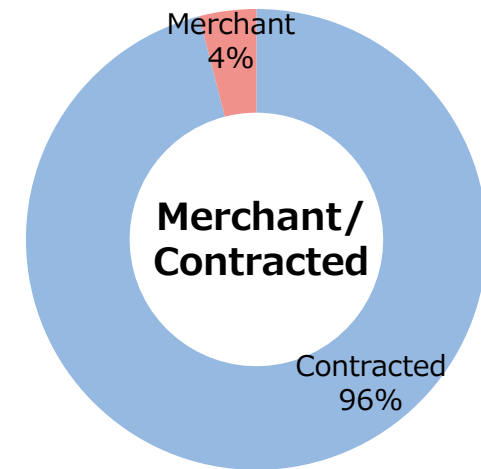
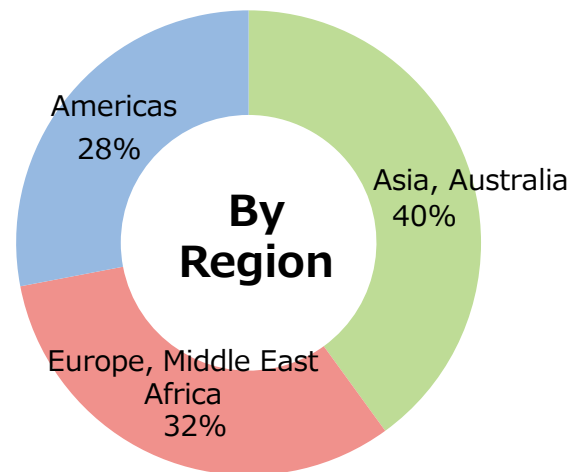
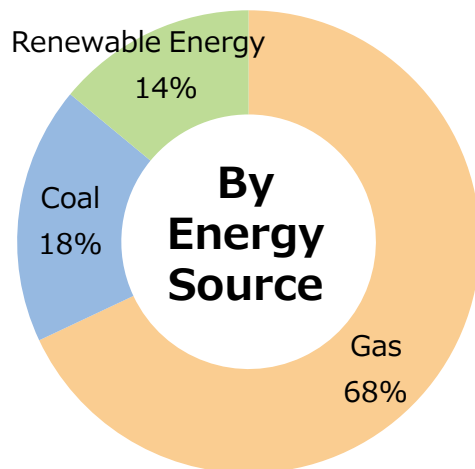
# Energy: Main businesses (producing assets only)

Product	Project name	Shareholder composition/Interest holders * = operator, Blue text= Mitsui participating entity	LNG: Production capacity E&P: Production (FY Mar/2019 Result) *FY Mar 2020 result update scheduled in Q1	Accounting Period	Revenue recognition
LNG	Abu Dhabi	*ADNOC (70%), Mitsui (15%), BP (10%), Total (5%)	LNG:5.60 million tons/year	NA	Dividend income
LNG	Qatargas1	*QP (65%), Total (10%), EM (10%), MILNED (7.5%), Marubeni (7.5%)	LNG:9.60 million tons/year	Mar.	Dividend income
LNG	Qatargas 3	*QP (68.5%), Conoco Phillips (30%), Mitsui (1.5%)	LNG:7.80 million tons/year	Mar.	Dividend income
LNG	Oman	*MOG(51%), Shell(30%), Mitsui (2.77%), others	LNG:7.10 million tons/year	NA	Dividend income
LNG	Equatorial Guinea	*Marathon (60%), Sonagas (25%), Mitsui (8.5%), Marubeni (6.5%)	LNG:3.70 million tons/year	NA	Dividend income
LNG	Sakhalin II	*Gazprom (50%+1 share), Shell (27.5%-1 share), Mitsui (12.5%), Mitsubishi Corp (10%)	LNG:9.60 million tons/year	Dec.	Dividend income
LNG	North West Shelf (NWS)	*Woodside, MIMI [Mitsui/Mitsubishi Corp=50:50], Shell, BP, BHP, Chevron (16.7% each)	LNG:16.90 million tons/year LPG:0.46 million tons/year Crude oil/condensate:97 thousand BD	Dec.	Equity method profit
LNG	Tangguh	*BP(40.2%), KI Berau[Mitsubishi Corp/INPEX=56:44](16.3%), KG Berau [JOGMEC/Mitsui/Mitsubishi Corp/INPEX/JX=49.2:20.1:16.5:14.2](8.6%), KG Wiriagar[Mitsui](1.4%), others	LNG:7.60 million tons/year Crude oil/condensate: 6 thousand B/D	Dec.	Equity method profit /Gross profit
LNG	Cameron	*Sempra (50.2%), Mitsui, Total, [Mitsubishi Corp/NYK] (16.6% each)	LNG:12.00 million tons/year	Dec.	Equity method profit
E&P	MOECO/Thai offshore	*Chevron, *PTTEP, MOECO (17.2%)	Gas/crude oil/condensate: 452 thousand B/D	Mar.	Gross profit /Equity method profit /Dividend income
E&P	MOEX North America/Kaikias	*Shell (80%), MOEX NA (20%)	NA	Dec.	Gross profit
E&P	MEPME/Block9	*Occidental (50%), OCEP (45%), MEPME (5%)	NA	Dec.	Gross profit
E&P	MEPME/Block27	*Occidental (65%), MEPME (35%)	NA	Dec.	Gross profit
E&P	MEPME/Block3&4	*CCED (50%), Tethys (30%), MEPME (20%)	NA	Dec.	Gross profit
E&P	MEPUK/Alba	*Chevron (23.4%), MEPUK (13.3%), others	Crude oil: 12 thousand B/D	Dec.	Gross profit
E&P	MEPAU/Greater Enfield	*Woodside (60%), MEPAU (40%)	NA	Dec.	Gross profit
E&P	MEPAU/Kipper	*EM (32.5%), BHP (32.5%), MEPAU (35%)	NA	Dec.	Gross profit
E&P	MEPAU&AWE/Casino, Henry, Netherby	*Cooper (50%), AWE (25%), MEPAU (25%)	Gas/condensate: 9 thousand B/D	Dec.	Gross profit
E&P	MEPAU/Meridian	*WestSide (51%), MEPAU (49%)	Gas: 6 thousand B/D	Dec.	Gross profit
E&P	MEPTX/Eagle Ford	*Sanchez (25%), Blackstone (25%), KNOC (25%), Venado (12.5%), MEPTX (12.5%)	Gas/condensate/NGL: 130 thousand B/D	Dec.	Gross profit
E&P	MEPUSA/Marcellus	*Chesapeake (32.5%), ALTA (32.5%), Equinor (15.5%), MEPUSA (12%), others	Gas: 343 thousand B/D	Dec.	Gross profit

# Machinery & Infrastructure: Power generation portfolio

Net generation capacity (Mitsui's share): **11.1GW**  
(Gross generation capacity: 40GW)

As of end of March 2020



# Mitsui's Corporate Governance

## Governance structure

### Organizational format:

Company with Audit & Supervisory Board

### Directors:

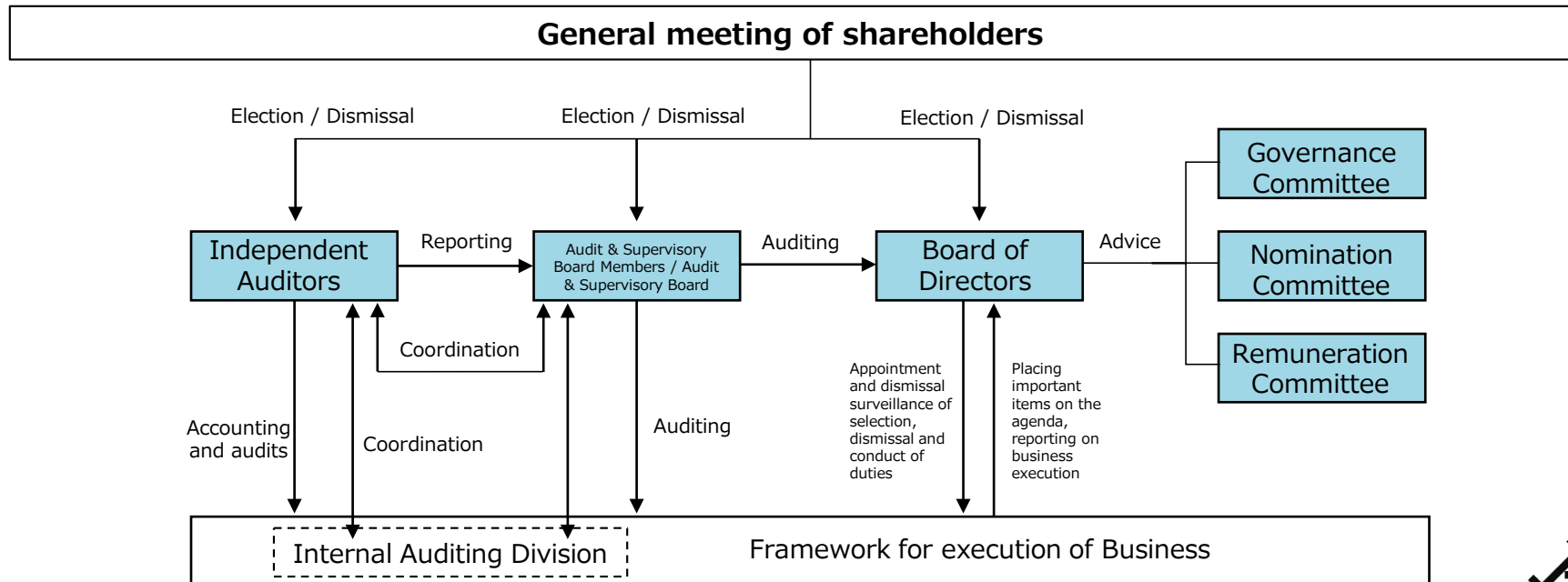
14 (of whom 5 are External Directors)

### Audit & Supervisory Board Members:

5 (of whom 3 are external Audit & Supervisory Board members)

### Advisory Bodies to the Board of Directors:

1. Governance Committee (Committee chair: Chairman of the Board of Directors)
2. Nomination Committee (Committee chair: External Member)
3. Remuneration Committee (Committee chair: External Member)



# Mitsui's Corporate Governance

(Following June 19, 2020 shareholders meeting)

	Name	Position at Mitsui	Governance Committee	Nomination Committee	Remuneration Committee	Diversity	
						Female	Non-Japanese
Directors	Masami Iijima	Representative Director, Chairman of the Board	◎	○			
	Tatsuo Yasunaga	Representative Director, President & CEO	○	○			
	Yukio Takebe	Representative Director, Executive Vice President					
	Takakazu Uchida	Representative Director, Executive Vice President			○		
	Kenichi Hori	Representative Director, Sr. Executive Managing Officer					
	Hirotsu Fujiwara	Representative Director, Sr. Executive Managing Officer			○		
	Yoshio Kometani	Representative Director, Sr. Executive Managing Officer					
	Shinichiro Omachi	Representative Director, Sr. Executive Managing Officer	○				
	Miki Yoshikawa	Representative Director, Sr. Executive Managing Officer					
	Izumi Kobayashi	Director (external)		◎	○	○	
	Jenifer Rogers	Director (external)	○			○	○
	Samuel Walsh	Director (external)	○				○
	Takeshi Uchiyamada	Director (external)		○			
	Masako Egawa	Director (external)	○		○	○	
Audit & Supervisory Board Members	Makoto Suzuki	Full-time Audit & Supervisory Board member					
	Kimiro Shiotani	Full-time Audit & Supervisory Board member					
	Haruka Matsuyama	Audit & Supervisory Board member (external)	○			○	
	Hiroshi Ozu	Audit & Supervisory Board Member (external)		○			
	Kimitaka Mori	Audit & Supervisory Board Member (external)			◎		

Notes 1. Election of 14 Directors are subject to resolution at shareholders meeting

2. The mark ◎ represents chairperson of each committee



# Mitsui's Corporate Governance

## Initiatives related to improvement of Board effectiveness

The effectiveness of the Board of Directors is evaluated every fiscal year to confirm efforts to address the challenges identified in the previous fiscal year's assessment, identify issues to be addressed for the next fiscal year, and emphasize PDCA cycles to improve the effectiveness of the Board of Directors.

### FY Mar/2020 initiatives to improve effectiveness

#### Deepening of information about individual business projects

Clarification of relative position of projects in business unit strategies. Enhancement of materials indicating the position of large-scale projects throughout the company and their impact on other businesses, etc.

#### Off-site free-discussion (FD)

Off-site FD focusing on the themes of Management Strategy as a Conglomerate and Mitsui Diversity Management.

#### Changes to the management of the Board Meetings

Acceleration of Board materials distribution. Use of written resolutions. Appropriate reporting of content of discussions by the Corporate Management Committee.

#### Advisory committees

Regular reporting of activities of each advisory committee to the Board of Directors. Reporting of activity plans of each advisory committee to Board of Directors.

#### Effectiveness evaluation method

Implementation of third-party evaluation in addition to self-evaluation.



## Further initiatives

- 1 Further improvement of Board meeting management:
  - Provision of information on individual business projects under consideration.
  - Provision of progress reports on projects after their approval by the Board of Directors.
  - Extension of prior briefing time for important projects.
  - Provision of information on CF, IRR assumptions at the investment stage for impaired projects.
  - Review of frequency and duration of Board meetings
  - Implementation of additional free discussion sessions without overnight off-sites.
- 2 Further improvement of Board effectiveness in relation to discussion of overall strategies
- 3 Clarification of roles of advisory committees

Please follow the link below for more details:

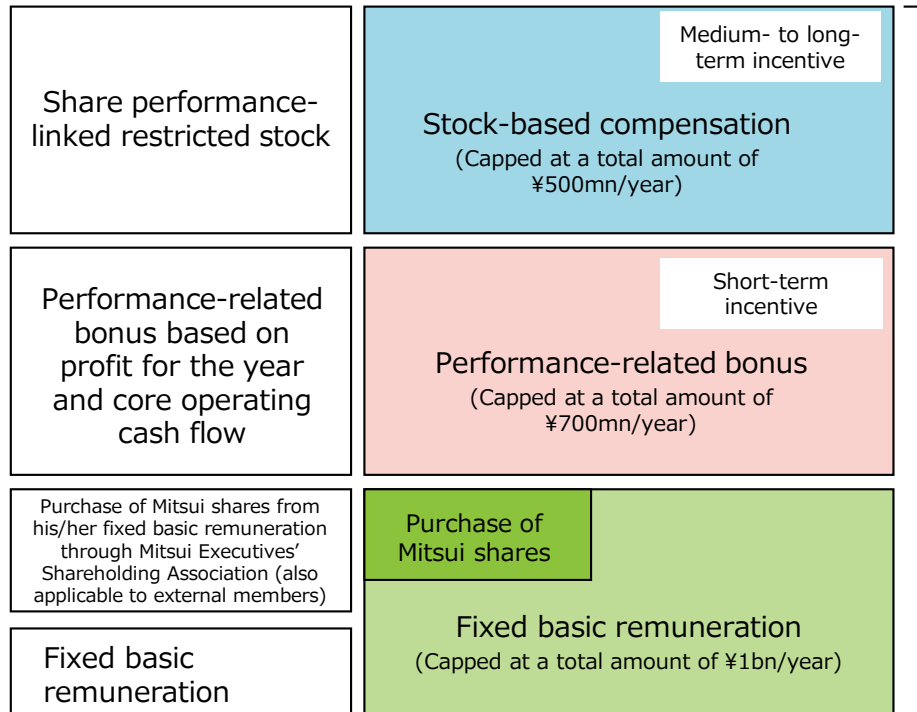
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# Mitsui's Corporate Governance

## Structure of Remuneration



Directors

External Directors

Audit & Supervisory Board Members  
 (Capped at a total amount of ¥240mn/year)

### Remuneration of Directors (excluding External Directors)

- The compensation package comprises a fixed basic remuneration, performance-related bonus, and share performance-linked restricted stock as medium- to long-term incentives.
- Share performance-linked restricted stock: Number of shares is dependent on growth rate of Mitsui share price compared to that of the TOPIX index. Transfer restriction period is 30 years or until retirement.
- Performance-related bonus: Total compensation = (Profit for the year x 50% x 0.1%) + (Core operating cash flow x 50% x 0.1%)
- A certain amount of fixed basic remuneration will be allocated to Mitsui Executives' Shareholding Association for monthly purchases of Mitsui shares.

(Note 1) No retirement compensation is paid

360° business innovation.



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