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1. Message from Kenji Kobayashi, Senior Vice President



Mitsubishi Corporation (“MC”), since its establishment, has held the Three Corporate Principles as its core philosophy, and aims to contribute to the sustainable development of society by conducting its global business activities with integrity and fairness in line with these principles.

The need to find solutions to the challenges facing the global environment and society is becoming more urgent, and expectations upon the private sector to be part of those solutions to societal issues such as climate change, human rights, and biodiversity are increasing year by year.

In October 2021, we formulated our “Roadmap to a Carbon Neutral Society” in which we declared our goal of achieving a carbon neutral society, fulfilling our responsibility as an active player in industries including resources and energy by maintaining stable energy supplies while providing decarbonization solutions.

In this Roadmap, in addition to committing to halve our GHG emissions by FY2030 and to achieve Net Zero by 2050, we have also established “Integrated EX (Energy Transformation) / DX (Digital Transformation) initiatives to ‘Create a New Future’” as a common theme for company-wide business promotion.

Furthermore, in Midterm Corporate Strategy 2024, we defined and announced our goal of creating “MC Shared Value (MCSV)” as the continuous creation of significant shared value by enhancing the MC Group’s collective capabilities to address societal challenges.

In April 2023, MC established the position of Chief Stakeholder Engagement Officer (CSEO) and I have been appointed to strengthen mutual engagement with a diverse range of stakeholders. The MC Group will continue to communicate with our stakeholders and to help provide solutions, including with respect to global agenda items such as the protection of human rights through our business to continuously create MCSV.

March 19, 2024



Kenji Kobayashi

CSEO, Senior Vice President

Mitsubishi Corporation

2. About the Report

MC has produced this annual report (this “Report”) for Fiscal Year 2022 (a period starting from April 1, 2022 and ending on March 31, 2023, “FY2022”) in line with the requirements of Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”).

This Report is intended to communicate the steps that MC has taken during FY2022 to prevent any occurrence of forced labor and child labor (collectively, “modern slavery”) in any part of its business or supply chains.

In recognition that modern slavery can manifest in many ways depending on local circumstances, this Report covers MC’s efforts to prevent any form of modern slavery; ensuring that workers are safe throughout its business operations and supply chains; and that all relevant laws and international standards are being upheld.

3. About Mitsubishi Corporation

MC is a global integrated business enterprise that develops and operates businesses together with its offices and subsidiaries worldwide.

MC has 10 Business Groups that operate across virtually every industry: Natural Gas, Industrial Materials, Chemicals Solution, Mineral Resources, Industrial Infrastructure, Automotive & Mobility, Food Industry, Consumer Industry, Power Solution and Urban Development. Through these 10 Business Groups, plus the addition of its Industry Digital Transformation Group and Next-Generation Energy Business Group, MC’s current activities have expanded far beyond its traditional trading operations to include project development, production and manufacturing operations, working in collaboration with our trusted partners around the globe.

Further details are available via the following link: <https://www.mitsubishicorp.com/jp/en/>

4. MC’s Philosophies and Principles

The Three Corporate Principles – “Corporate Responsibility to Society”; “Integrity and Fairness”; and “Global Understanding through Business” – established early in MC’s history, serve as MC’s core philosophy.

MC has constantly endeavored to enhance its compliance initiatives. Measures have included establishing the Corporate Standards of Conduct to set forth expectations with regard to how business should be conducted, in conjunction with developing various compliance-related internal rules,

introducing a compliance officer system, and expanding and upgrading risk management frameworks.

MC requires employees to conduct business in compliance with local laws and regulations as well as global standards such as the Universal Declaration of Human Rights established by the United Nations (“UN”), the Guiding Principles on Business and Human Rights, and the core labor standards of the International Labour Organization (“ILO”). Through the Code of Conduct, MC also requires employees to act in a socially responsible manner by complying with the highest ethical standards in the conduct of their business.

5. MC’s Commitments in Relation to Modern Slavery

MC is committed to respecting human rights and strives to ensure that its business activities do not cause or contribute to adverse human rights impacts, including modern slavery. This commitment is expressed through a variety of channels including the following:

- MC’s Social Charter states that MC “will fully respect human rights” and will also “fully respect fundamental labor rights and endeavor to ensure the provision of proper working environments with consideration for safety, health and other aspects.”
- MC’s Basic Stance on Human Rights affirms MC’s commitment to various international standards including the Universal Declaration of Human Rights, the ILO International Labour Standards and the Voluntary Principles on Security and Human Rights.
- MC is a signatory to the UN Global Compact, declaring support for the 10 universal principles in the fields of human rights, labor, environment and anti-corruption. Principle 4 of the Compact states that signatories should strive for “the elimination of all forms of forced and compulsory labor.”
- MC has announced its Materiality in Midterm Corporate Strategy 2024 as a set of crucial societal issues that we will prioritize through our business activities. Through “Promoting Stable, Sustainable Societies and Lifestyles” and “Respecting Human Rights in Our Business Operations,” MC will continue to implement a sustainable approach to procurement and supply operations while taking into account environmental and social factors not only in MC’s own business but also throughout the supply chain.

	Issues	Overview
Realizing a Carbon Neutral Society and Striving to Enrich Society Both Materially and Spiritually	 Contributing to Decarbonized Societies	Contribute to the realization of decarbonized societies by striving to reduce greenhouse gas (GHG) emissions, while providing products and services that support decarbonization during the transition period.
	 Conserving and Effectively Utilizing Natural Capital	Recognizing the Earth itself to be our most important stakeholder, strive to maintain biodiversity and conserve natural capital, and work to create circular economies while reducing our environmental footprint.
	 Promoting Stable, Sustainable Societies and Lifestyles	Promote sustainable societies and lifestyles of the future through businesses in a diverse range of countries and industries, while fulfilling our responsibility to provide a stable supply of resources, raw materials, products, services, etc., in line with the needs of countries and customers.
	 Utilizing Innovation to Address Societal Needs	Create businesses that help to address societal needs while working to spur major industry reforms that are supported by business innovation.
	 Addressing Regional Issues and Growing Together with Local Communities	Strive to contribute to the development of economies and societies by addressing issues facing countries and regions, while seeking to grow together and collaborate with diverse stakeholders, regions and communities.
	 Respecting Human Rights in Our Business Operations	Respect the human rights of all stakeholders involved in promoting our diverse operations worldwide, and pursue solutions for value chain-related issues, while considering the local conditions in each country.
Striving to Serve as a Platform for Generating "Triple-Value Growth"	 Fostering Vibrant Workplaces That Maximize the Potential of a Diverse Workforce	Recognizing that our human resources are the great assets of our businesses, foster a diverse and versatile talent pool that drives efforts to generate triple-value growth throughout our organization, and also seek to develop an organization where diverse human resources share common values and grow together while furthering their connections and inspiring one another to excel.
	 Realizing a Highly Transparent and Flexible Organization	While swiftly responding to changes in the business environment, strive to realize effective governance on a global, consolidated basis and maintain/strengthen a sound organization that is transparent and flexible.

*Triple-value growth: the simultaneous generation of economic value, societal value, and environmental value

- MC's commitment to respect and uphold human rights also extends to its supply chains. In order to convey this stance to suppliers, MC created the MC Policy for Sustainable Supply Chain Management (the "MC SSCM Policy"), which all suppliers are expected to understand, embrace and abide by. Article (1) of the MC SSCM Policy states that "suppliers shall employ all employees of their own free will with no employee being subject to forced or bonded labor." The MC SSCM Policy also addresses issues such as child labor, freedom of association and suitable remuneration.
- MC has established the Palm Oil Procurement Guidelines, Timber and Paper Products Procurement Guidelines, and Tuna Procurement Guidelines which set out MC's stance on human rights in relation to the procurement of those products.

6. MC's Activities in FY2022 in Relation to the Prevention of Modern Slavery

A) Training and Awareness Raising

MC provides training on its corporate philosophy, including respect for human rights and relevant guidelines, on a consolidated basis.

- Training for all officers and employees: MC's policies and guidelines, including those related to respecting human rights through its businesses and supply chains, are communicated to all new recruits and reinforced at various internal training sessions on a regular basis. These policies and guidelines are also conveyed to employees of overseas businesses and affiliated companies at various internal training seminars on a regular basis.

In addition, content related to human rights violations and the Act are incorporated into an e-learning program which all executives and employees are required to take every year, in order to cultivate a better understanding of modern slavery.

MC's data related to training for FY2022 is as follows.

Scope	Total time spent	Participation Rate* ¹
Officers and Employees (Non-Consolidated Basis)	16 hours	96.2%

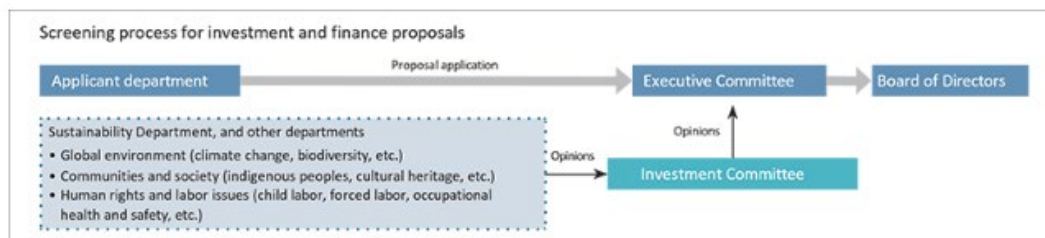
*1: Average rate of participants for each training course.

- In July 2022, MC held a business and human rights seminar for MC executives and employees seconded to MC Group companies. A total of 147 people representing approximately 50 companies attended this event, where outside lecturers provided an overview of the various international standards forming the foundation of human rights due diligence, as well as specific processes in this field. We also took this opportunity to reiterate our basic approach on human rights and various other related initiatives.
- Furthermore, from FY2022, in order to strengthen efforts to respect human rights throughout the MC Group, MC has added human rights related questions to its annual survey conducted to collect sustainability related information/data on a consolidated basis. MC will utilize information collected through this survey to continue enhancing its human rights due diligence activities on a consolidated basis.

B) Investment Screening

In order to ensure that the direct business operations and relationships that MC enters into do not cause or contribute to adverse human rights impacts, when making decisions on investments, MC applies a screening process that considers not only financial and legal risks but also environmental, social and governance (ESG) factors, including human rights. With regards to human rights screening, we examine any potential negative impacts on stakeholders (size, scope and difficulty to make improvements) and the likelihood that such negative impacts will materialize (procurement country status, industry and region). These factors are all carefully scrutinized for deliberation and consideration. By having the General Manager of the Sustainability Department serve as a member of the Investment Committee, MC has put in place a screening system that reflects potential environmental and social impacts in its decision-making process. MC's ESG screening takes into account various standards which emphasizes the importance of human rights. These standards include the International Finance Corporation (IFC) guidelines and the Guidelines

for Confirmation of Environmental and Social Considerations published by the Japan Bank for International Cooperation (JBIC).



Further details are available via the following link:

<https://mitsubishicorp.disclosure.site/en/themes/109/#1208>

Furthermore, in FY2022 MC has set environmental and human rights due diligence guidelines and implemented this program from FY2023. These guidelines state the kinds of due diligence that the Business Groups must conduct depending on the risk and types of investment, and also provides a self-assessment questionnaire model. By setting this unified method across various business fields, MC can proceed to ensure suitable due diligence and effectively identify, assess, prevent and mitigate adverse environmental and human rights impacts.

C) Supply Chain Management

a) Formulation of Guidelines

MC strives to ensure that it does not contribute to adverse human rights impacts throughout the supply chain. As part of these efforts, MC has established the MC SSCM Policy, which is made available to MC's suppliers.

In addition, MC has established the Timber and Paper Products Procurement Guidelines, Palm Oil Procurement Guidelines, and the Tuna Procurement Guidelines and implementing initiatives aiming to resolve specific issues related to those products.

b) Review of our Purchasing Policy

By referring to the MC SSCM Policy in its contracts with suppliers^{*2}, MC ensures its suppliers abide by the MC SSCM Policy. MC may ask a supplier to correct their business behavior if there is a violation of the MC SSCM Policy, and will re-evaluate its business relationship with the relevant supplier if no correction has been made. MC will continue to work with its suppliers to ensure that environmental and social considerations are taken into account.

*2: The terms and conditions of purchasing contracts, consignment sales agreements, long-term purchasing contracts, etc.

c) Supply Chain Surveys

In order to confirm that its policies and guidelines are being upheld, MC conducts regular supplier assessments (the “Supply Chain Surveys”) for products that are considered to have high levels of environmental and human rights risks, including modern slavery.

MC selects “products to be monitored” from among all of its business products based on various international supply chain management declarations and international norms such as the UN Guiding Principles on Business and Human Rights and prioritizes them in terms of the following regarding potential impacts to stakeholders: (1) severity (scale, range, difficulty to make improvements) and (2) probability (procurement country status, industry and region). In FY2022 the number of “products to be monitored” has increased to 18 from the 14 that were identified in the previous year. In addition, in relation to tuna, palm oil and tea related products, the scope of coverage has extended to include Tier 2 suppliers (suppliers that deliver to Tier 1 suppliers). Therefore, the range of products to be surveyed by Tier 2 suppliers, together with apparel which came under the Tier 2 supplier survey scope in FY2021, totals 4 products. Current “products to be monitored” are as follows;

LNG, Plastics (PP, PE etc.), Wood (biomass), Crude oil, Copper, Zinc, Coal, Iron ore, Chicken, Sugar (cane/raw sugar), Shrimp, Tuna, Cacao, Coffee, Palm oil, Tea, Tires (natural rubber), Apparel
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Both the UN Guiding Principles on Business and Human Rights and the Guidelines on Respecting Human Rights in Responsible Supply Chains that the Government of Japan released in FY2022 state that it is necessary for companies to include indirect business partners in their initiatives to prevent and mitigate adverse human rights impacts. According to those protocols MC is trying to extend our due diligence to Tier 2 suppliers.

MC asks suppliers questions that take into account the specific issues and risks of the products handled by each supplier, with a focus on aspects including “existence of policies, compliance with laws and regulations”, “prevention of forced labor, child labor and discrimination towards workers”, “environmental protection” and “information disclosure”. We have also established our own web system to improve convenience and accessibility for suppliers for our supply chain survey, and we conduct the survey through this system.

Based on the results of the assessment, MC has incorporated a mechanism to monitor suppliers in terms of their governance and operations, identify high-risk suppliers, and determine whether further surveys or site visits are required. In the event that potential or actual adverse impacts are identified, or further improvement is deemed necessary, MC commits to engaging with suppliers to ensure that corrective measures and improvement plans are implemented. If a supplier fails to take the necessary steps to cease or prevent the adverse impacts identified, MC reevaluates its business relationship with the supplier. The level of communication with suppliers achieved through these surveys and site visits provides a valuable opportunity to deepen the suppliers' understanding of MC's stance on sustainability. It also gives MC the opportunity to deepen communication with its suppliers and provide them with training and assistance as necessary.

For the survey conducted in FY2022, MC received replies from approximately 1000 companies in 50 countries. As we have done previously, the results of this assessment have been shared with stakeholders via MC's website. MC also began disclosing the number and percentage of suppliers the company is working with to share concerns, solve issues, etc., in order to increase transparency and share progress with all stakeholders.

Our results for FY2022 are as follows.

Area	Number of survey responses	The number (%) of suppliers MC is working with to share concerns, solve issues, etc.*3
North/Central/South America	53	1 (2%)
Europe, Middle East, Africa	34	1 (3%)
East Asia	320	14 (4%)
Asia/Oceania	236	2 (1%)
Japan	373	23 (6%)

*3: As of January 2023 (figure excludes the number of suppliers with which MC has already worked to share concerns, resolve issues, etc.)

Further details are available via the following link:

<https://mitsubishicorp.disclosure.site/en/themes/126/#1039>

To date, we have not discovered concerns of modern slavery that would require us to take any measures to remediate the loss of income to the most vulnerable families.

d) Communication with Suppliers

In FY2022, MC visited a domestic meat processing company, which is a poultry supplier for MC's subsidiary Foodlink Corporation. This time, an inspector from DNV Business Assurance Japan Co., Ltd., a third-party inspecting company, accompanied MC during the visit and evaluated the supplier's sustainability management system through interviews with the supplier's management and employees.



The evaluation was conducted based on MC's Supply Chain Checklist that confirms the supplier's validity of sustainability management systems and its implementation in practice. The checklist items related to personnel and labor affairs were found to be generally properly managed. However, since some of the items did not have policies or procedures in place, MC requested that

these policies and procedures be documented and improved. Regarding occupational health and safety as well as environmental issues, only a small number of the checklist items were documented and management seemed to be dependent on specific employees for knowledge about these issues. Although a certain amount of education and training is provided to the employees and no accidents have occurred as of yet, MC recommended that proper policies and procedures be established and thoroughly communicated across the company in the future.

Further details of the report are available via the following link:
[supplier inspection report 202304 en.pdf \(disclosure.site\)](#)

e) Grievance Mechanism

Both the UN Guiding Principles on Business and Human Rights and Japan's Guidelines on Respecting Human Rights in Responsible Supply Chains have stated that business enterprises should enable a remedial system as an important element of the responsibility to respect human rights by establishing a grievance mechanism. Through this grievance mechanism, individuals and groups can raise concerns or bring complaints about adverse impacts caused by business enterprises, file a grievance, and seek remedy. This allows business enterprises to use the information and suggestions obtained through the grievance mechanism to identify

and address adverse human rights impacts. In FY2022, MC established a [grievance mechanism](#) through its website which serves as a point of contact for external stakeholders to consult on their specific concerns.

f) Dialogue with Stakeholders

In order to respond to the ever-changing demands of society, MC believes it is important to conduct dialogues with all its stakeholders, formulate policies, and follow up with implementation plans. The main content of MC's dialogues with its stakeholders is as follows.

- In FY2022, MC held approximately 40 direct dialogues with shareholders on the topic of sustainability. MC also conducted 85 direct dialogues with NGOs, including 9 in Japan, 32 in Europe and 44 in the Americas. These meetings provided valuable insights into stakeholders' perspectives, including expectations in relation to our strategies toward the transition to a low-carbon/decarbonized society, as well as policies around individual fossil fuel projects. MC will consider the suggestions received and will strive to provide timely and appropriate disclosure of the response measures and policies it formulates.
- Sustainability Advisory Committee: MC has established a Sustainability Advisory Committee which consists of external experts representing the perspectives of MC's diverse stakeholders including NGOs, international agencies and the ESG investment sector, as an advisory body to the Chief Stakeholder Engagement Officer (CSEO). MC conveys its stance on sustainability policies to the Committee members and, with the aim of improving stakeholder engagement, receives advice and recommendations from them. With regards to supply chain management, MC has received feedback regarding its survey methods and risk definitions when reporting on the current year's activities.

g) External collaboration with international organizations

MC collaborates with external international organizations in order to enhance our knowledge on human rights initiatives and to continuously conduct capacity building.

- MC regularly participates in the UN Forum on Business and Human Rights in order to keep abreast of the latest developments in this field. At the November 2022 meeting of the forum in Geneva, Switzerland, staff from MC engaged in discussions on human rights initiatives with human rights experts and other attendees.
- Through its participation in the World Business Council for Sustainable Development (WBCSD) and the Global Compact Network Japan (GCNJ), MC exchanges information with

other companies and participates in initiatives to strengthen the exchange of information and best practices with leading companies and apply such information to business practices.

- Staff from MC also participated in the B+HR Academy in October 2022, together with representatives from MC Group subsidiary companies Toyo Reizo Co., Ltd., MC Agri Alliance Ltd., and MC Fashion Co., Ltd. The B+HR Academy is a human rights due diligence training program for Japanese companies run by the United Nations Development Program. It consists of a two-day course of lectures from both Japanese and overseas experts as well as group discussions among participants. The MC staff who participated in this program were able to gain an overall appreciation of the various international standards that serve as the foundation for human rights due diligence, as well as a deeper understanding of the specific processes that are used in this field.

7. Looking Ahead


Within the context of its broader human rights commitments, MC recognizes the importance of maintaining constant vigilance to identify and address any impacts associated with modern slavery throughout its global operations and supply chains. In recognition of the salience of these issues, MC is committed to continuing to enhance its capacity to identify, prevent and mitigate any actual or potential impacts in this field including the following initiatives.

- We will work to strengthen our engagement with suppliers and strengthen the risk associated with Supply Chains.
- We will strengthen training and educational activities related to Supply Chain Management and promote stronger Supply Chains Management.
- We will strengthen information disclosure related to Supply Chains and enhance transparency related to Supply Chain Management.

8. Corporate Approval by MC

I, Yutaka Kashiwagi, hereby certify that the information contained in this Report is factual and has been approved pursuant to Section 11 paragraph 4(a) of the Act.

March 19, 2024



Yutaka Kashiwagi

Director, Executive Vice President

Mitsubishi Corporation