



Challenge & Innovation

Mitsui & Co., Ltd. Sustainability Report 2013



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mitsui & co., ltd.

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Editorial Policy

What We Aim to Communicate in This Report

Mitsui believes that its CSR can be implemented only by facing the various challenges, repeatedly engaging in *Yoi-Shigoto*, and continuing to provide social value in order to create a sustainable society.

Details on this philosophy as well as concrete initiatives and results can be found on the Mitsui website. In addition, some information is contained in the Annual Report for readers to grasp company-wide initiatives along with financial information.

This report is an annual statement, comprehensively assembling information found on the website, and is intended to supplement the Annual Report. It is also an important communication tool for fostering understanding of Mitsui's thoughts and actions regarding CSR, and facilitating dialogue with Mitsui stakeholders.

For realizing a better society, we hope that you offer your opinions and impressions on our website so that we may consult them during future business activities.

Scope of Coverage in the Sustainability Report:

Mitsui & Co., Ltd., and major consolidated subsidiaries and associated companies.
The scope of coverage for numerical data is provided individually in appended notes.

Period Covered:

Mainly the fiscal year from April 1, 2012 to March 31, 2013

Publication Date:

August 2013
(previous publication date: August 2012; next publication scheduled for August 2014)

Reference Guidelines

Global Reporting Initiative (GRI) Sustainability Reporting Guidelines Version 3.
For a comparison of the GRI guidelines and the content of Mitsui's report, please visit the following website:
(www.mitsui.com/jp/en/csr/gri_index/)
Environmental Accounting Guidelines (2005 version) established by the Ministry of the Environment of Japan
ISO 26000 (Guidance on Social Responsibility)

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* Legally speaking, there has been no continuation between the former Mitsui & Co. and the current Mitsui & Co.

Message from Our CEO



Masami Iijima

Representative Director
President and
Chief Executive Officer
Mitsui & Co., Ltd.

For a vibrant Japan and a prosperous world

Since the establishment of Mitsui, we have constantly strived to help realize a more prosperous world, aligning our activities with the needs of each era and taking on the challenge of creating value through diverse businesses around the globe. With this business approach, we are supporting the development of industrial infrastructure, contributing to the stable supply of essential commodities, and expanding our logistics network into every corner of the world through our investment and trading activities. In Japan, we are pursuing new opportunities in environmental, energy, agriculture, healthcare and other growing sectors, while also contributing to society through a range of initiatives, including volunteer staff support for reconstruction in the aftermath of the Great East Japan Earthquake, and the Mitsui & Co. Ltd. Environmental Fund.

CSR as part of our unchanging mission of undertaking “*Yoi-Shigoto*”

In this era of rapid, unceasing change, we are keenly aware of the need to constantly and flexibly adapt our business models to embrace change throughout our organization. At the same time, there is part of our corporate DNA that we are determined never to change: our commitment to *Yoi-Shigoto*. This means pursuing work that helps society address and resolve the issues of the times, and we believe that this is the true meaning of CSR management. In fact, it is the shared mission of the Mitsui & Co. group of companies worldwide to develop *Yoi-Shigoto* and help realize prosperity for future generations.

Fostering the next generation of Mitsui's people

Our people are the fundamental resource that supports our mission. In these uncertain times, I believe that it is a particularly important role of management to promote social contribution by empowering every employee to identify and act on opportunities as they arise. For this to be successful, it is essential for us to foster the development of people who are not only knowledgeable and skilled, but who also have a proper balance of ethics, aspiration, humility and respect. Our ability to foster the next generation of Mitsui people, and to pass on that ability as part of our educational process, is a powerful driving force for our company.

Towards a sustainable society

In October 2004, Mitsui declared support for the UN Global Compact, in the belief that by bringing together the creative abilities of the companies signing the Compact we could help realize a sustainable society. In December 2007 we formulated Mitsui's “Supply Chain CSR Policy”. We have carried out a general review of our “Basic CSR Policy” to reflect changes in society, and have a number of ongoing initiatives to implement and promote compliance with these policies.

By undertaking *Yoi-Shigoto* that plays a useful role around the world, that is appreciated by our customers, and that gives our own people a strong sense of purpose and satisfaction, we are determined to continue addressing key social issues and contributing to the sustainable development of society.

CSR at Mitsui & Co.



Contribution to Society

While modern society is becoming increasingly diverse and dynamic, undergoing ever faster change and growth as globalization and the integration of information and communications technologies accelerate, it is also facing a long and varied list of economic, environmental, and societal challenges: climate change, food, energy, water, and other environmental and resource-related issues, problems with human rights, poverty, child labor, and educational inequality.

Our sustainable growth as a private corporation cannot be achieved without improvement in the sustainability of society as a whole. We believe that our duty as a member of society is to assist the local communities, nations, and international communities in which we operate as they take steps to overcome these challenges toward a better future.

Mitsui believes its corporate social responsibility is to continually contribute to society through its core business. As we launch businesses, create new value, and build interpersonal relationships, we hope to contribute directly and indirectly to the healthy growth of local communities—domestic and abroad—and the global economy, for better standards of living for everyone.

CSR at
Mitsui & Co.

Core Values: Originating in Mitsui's Founding Philosophy



The former Mitsui & Co., which was established in 1876, was disbanded as part of the dissolution of Japan's zaibatsu (industrial conglomerates) shortly after the end of World War II. The current Mitsui was founded by employees of the former Mitsui & Co. that shared the values of the original company: "Challenge and Innovation", "Open-Mindedness", and "Focus on Human Resources". The Mitsui of today continues to contribute to the creation of new value for society.

The way we work and the way we think are still very much based on the values espoused by Takashi Masuda, the first president of the former Mitsui & Co., and are reflected in our stance toward our work. The principles of Mitsui's CSR have always reflected its founder's values, a way of thinking unchanged to this day.

"Avoid infatuation with immediate advantage. To achieve enduring prosperity, harbor grand aspirations."

"I started Mitsui & Co. with the goal of realizing trade on a large scale, not in pursuit of money, but from the desire to work."

"Mitsui has a pool of very talented individuals. This is Mitsui's most important asset."



Takashi Masuda

Mitsui's Management Philosophy

For many years, Mitsui's way of thinking and the values it holds in business and work were never articulated on paper. So in 2004 we systematically and clearly set forth in written form the implicit values we shared, and issued our "Mission, Vision and Values (MVV)." We believe that sharing this management philosophy is even more important than ever as we work to create true value around the world through our global activities.



Contributing to Society through Our Core Business

2006 was the 130th anniversary of the former Mitsui & Co.'s founding. During that year we embarked on a company-wide initiative called "Yoi-Shigoto! Our Origins, Your Future." This initiative encouraged each employee to look back on our spirit of the founding of the former Mitsui & Co. and ask him or herself the question, "What 'Yoi-Shigoto' (good quality work) must Mitsui do for the future?" and "Can the work we are doing now really be considered good quality work?"

"Yoi-Shigoto" expresses the sense of the values that should be shared with every employee at Mitsui as it expands a broad-range of businesses globally. These values are (1) beneficial to society, (2) useful to and creating added value for our customers and partners, and (3) a worthwhile challenge for each employee. Mitsui's social responsibility, and the core of CSR at Mitsui, is to continually deliver value to society—that is, to practice *Yoi-Shigoto* day after day, year after year—through our core business.

As the requirements and expectations of society change rapidly with the times and as various issues grow more serious, relations between society and companies will also change. What roles should companies play, not just now but in the future? What is a company's purpose in being as far as society is concerned? And what does society require of its companies? People working in companies must understand and be sensitive to these changing relationships between companies and society and continue to rethink their roles.

A vital process in striving to make *Yoi-Shigoto* a reality is the personal process of heightening one's sensitivity to social and environmental issues, going beyond the minimum obligations that companies have of complying with laws and social ethics to ask the questions, "What significance does my work have in society?" and "How can I benefit society?" Of course, there is no one business or project that, in and of itself, represents *Yoi-Shigoto* or Mitsui's CSR. Our social responsibility, rather, is to ensure that we do good quality work that delivers value to our customers and to society at large.

Mitsui's CSR and Corporate Sustainability

If society is not sustainable, the companies in society will not be sustainable. Also, if a company is not sustainable, it cannot fulfill its social responsibilities. We believe that *Yoi-Shigoto*, the core of our CSR approach, creates value in society, and profits will follow as a result of fulfilling our responsibilities to society. Our view is that it is important to think of these issues in this order and that practicing *Yoi-Shigoto* will lead to the sustainability of Mitsui's activities.

Through Mitsui's many years of development as a company, we have constantly sought to anticipate what the future will bring, how society and the nation will evolve, and understand how Mitsui should change. In parallel with this, we have also been constantly concerned about how Mitsui should wield its potential and best draw on its resources, and how it should further advance its functions and capabilities.

We now need to look ahead to understand what Japan and the world will be like in the future and determine what Mitsui can do to contribute in creating a better world by identifying impending issues as well as formulating a sound vision and planning steps to take in our day-to-day work. As we work toward making this vision a reality, creating new value through *Yoi-Shigoto* will enable us to contribute to the creation of a sustainable society as we put Mitsui's CSR into practice.

Basic CSR Policy

1. We will conduct our business activities with honesty and integrity, make prudent efforts to understand the culture, traditions and customs of countries and regions around the world, and reinforce the importance of CSR with each of our employees. Based on our conscientious management, we will strive to enhance corporate value to stakeholders and to produce value to society.
2. We will make every effort to actively contribute to the achievement of a sustainable society through the promotion of sustainable development as well as maintaining a strong awareness of the importance of preserving the global environment. We will also emphasize the importance of interactive communication with stakeholders to understand their concerns and fulfill our accountability for our CSR activities.
3. We recognize the significance and importance of the human rights contained in the general principles of international standards such as the Universal Declaration of Human Rights. Throughout all occasions of our entire business activities, we will give due consideration to basic labor rights.
4. As a global company with operations throughout the world, we will support Mitsui & Co.'s group companies in the practice and implementation of our CSR policies, and will sincerely seek our business counterparties' understanding and cooperation to support this initiative.

Recently, Mitsui has carried out a general review of its Basic CSR Policy. Mitsui's Basic CSR Policy is a philosophy clearly set forth in written form that has been passed down through the years along with our management philosophy (Mission, Vision, Value), which serves as a guidepost for all our business activities. Its core foundation remains unchanged and serves as the cornerstone for the CSR Mitsui aims to achieve. Meanwhile, globalization has advanced rapidly in the last 10 years, social problems have become more complex, and the circumstances surrounding businesses have changed steadily. In 2010, ISO 26000 (Guidance on Social Responsibility) was released, and in 2011 the OECD Guidelines for Multinational Enterprises were revised. With these shifts and others like them, the number of roles that corporations are expected to fulfill by the international society is likely to continue to increase in an effort to achieve sustainable societies. So, although its core remains unchanged, Mitsui has reviewed its Basic CSR Policy, which was originally formulated in 2004, based on recent changes in social awareness about CSR. Working groups were formed with each department related to corporate staff divisions, and the opinions of third parties including experts were integrated during the review of the Policy. Each and every one of us will assimilate our Basic CSR Policy and then continue to put it into effect and create value through its wide-ranging business activities.

Developing the CSR Promotion Framework

In 2004, Mitsui formed the CSR Promotion Committee as an advisory body to the Corporate Management Committee to develop Mitsui's internal framework with respect to CSR and work to raise CSR awareness among employees. Mitsui also promotes CSR-related activities based on cross-organizational collaboration to meet the needs and expectations of society in relation to the company's social values and initiatives.

As a measure to facilitate planning and promotion of the CSR activities, such as practicing CSR management and penetration of "Yoi-Shigoto" concept in the organization, together with the staffs in the workplaces of each Unit, we appoint CSR Promotion Officers in each of the corporate staff divisions, business units, overseas regional business units, and domestic offices; and are building our internal CSR network. We also hold a CSR Promotion Officers Meeting once per quarter as a place for officers to share information.

CSR Promotion Framework



CSR Promotion Committee

The CSR Promotion Committee submits proposals to the Corporate Management Committee on CSR-related management policies and business activities, inculcates the importance of CSR management throughout the Company, makes recommendations with respect to "Specially Designated Businesses", and conducts other related activities.

The committee's chairman is the executive officer in charge of corporate staff divisions (oversees the Corporate Planning & Strategy Division), and its deputy-chairman is the executive officer in charge of corporate staff divisions, including the Human Resources & General Affairs Division and the Legal Division. The general managers of each corporate staff division—the Corporate Planning & Strategy Division (secretariat), the Investor Relations Division, the Corporate Communications Division, the Human Resources & General Affairs Division, the Legal Division, the Investment Administrative Division, and the Environmental/Social Contribution Division—serve as its members. The committee has the following duties:

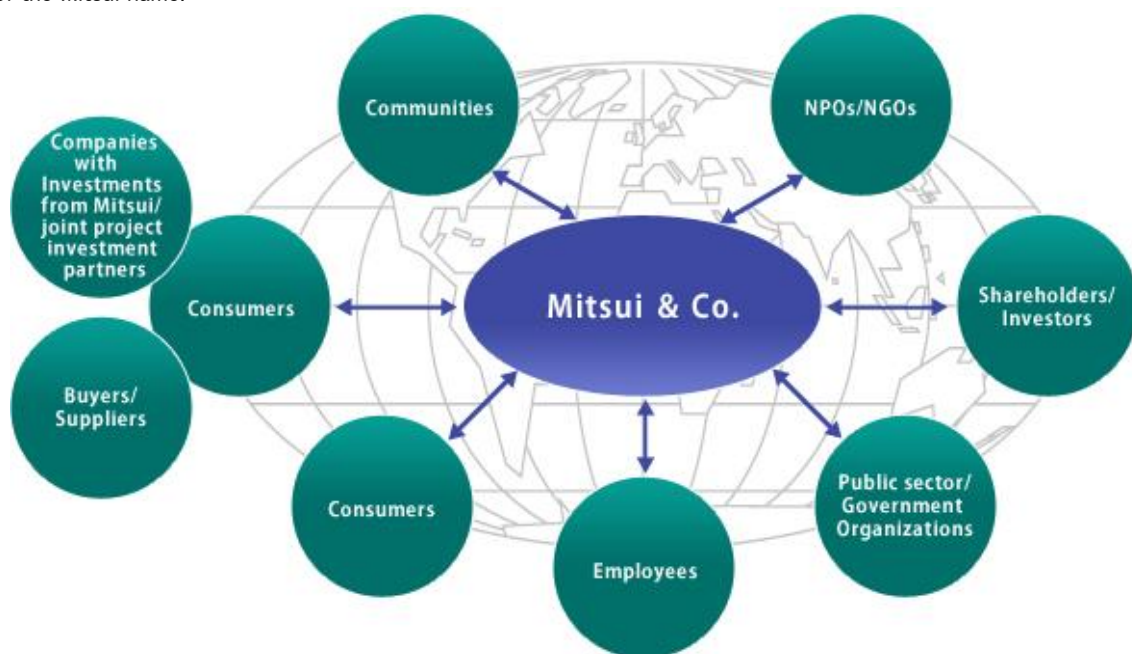
1. Develop fundamental policies on the management of the Company's CSR and fundamental plans for activities promoting CSR
2. Configure and establish an internal corporate structure for the management of the Company's CSR
3. Determine the key issues to focus on each year for activities to promote the CSR measures of the Company and ensure progress on these
4. Respond to issues related to CSR, both within and external to the Company
5. Decide whether to support individual proposals qualified as Specially Designated Businesses, and determine necessary precautions for projects that will be supported

Furthermore, the Environmental Advisory Committee has been established under the CSR Promotion Committee, with the objective of responding to various CSR related issues.

Mitsui's Stakeholders

Mitsui closely monitors the effects of its diverse and global business activities on society and works to identify its stakeholders who are especially interested.

Through interactive communication with our stakeholders, each of Mitsui's employees and officers is endeavoring to acquire a firm understanding of what society expects from and requires of them. Based on this understanding they will strive to respond to changes in market environments, constantly develop themselves, and through Mitsui's core business, create new value that is useful to society and befitting of the Mitsui name.



CSR at
Mitsui & Co.

Stakeholder Engagement

"We hope to continue to create value through our business activities, vitalize Japan and enrich the world." In order to achieve this goal, it is absolutely necessary to consider the needs of and what we can do for everyone around Mitsui, including our staff, business partners, shareholders, partner companies, and the end users of our products. Mitsui endeavors to listen to the opinions of stakeholders, and to understand social trends.

Past Activities

January 2013: *Yoi-Shigoto* Roundtable

Masayuki Kinoshita—Senior Executive Managing Officer and chairman of the CSR Promotion Committee—and Koichi Tanaka—Executive Managing Officer and vice-chairman of the committee—joined our six young employees to discuss *Yoi-Shigoto*. Various opinions were expressed regarding the meaning of *Yoi-Shigoto*, including that it is "something with no right answer to *Yoi-Shigoto* but that is a constant learning process", that it means employees should "regularly stop and take the time to think about *Yoi-Shigoto* because they all work so frantically", or that it means "contributing by playing a supportive role." The dialogue served as a chance to again realize the importance of thinking in the moment for each and every employee.



December 2012: “CSR from our origins into our future”

Participants:

Iwao Taka Professor in the School of Economics and Business Administration, C. Hiroike School of Graduate Studies
Kazutaka Okubo CSR Promotion Officer at Ernst and Young ShinNihon LLC, Certified Public Accountant, and Certified Fraud Examiner
Toru Suzuki Managing Officer, and Chief Operating Officer of the Performance Chemicals Business Unit

Facilitator:

Tatsuo Yasunaga General Manager of the Corporate Planning and Strategy Division



Experts reflected on Mitsui's CSR initiatives and offered their opinions on issues that employees should be aware of currently, as well as what will be required of the company in the future. The dialogue touched a wide variety of topics, including dialogue with stakeholders, innovation, the supply chain, abilities at workplace, and the types of leaders the company needs. Furthermore, the sharing of information was promoted by publishing the details of the dialogue in the company magazine “*MBK LIFE*” as well as on the company intranet, with employees gaining hints that they can utilize in their daily work.



June 2012: Mitsui Environment Month“Lecture : A talk on the ocean and the environment – the impact of global warming on the marine ecosystem and on us”

Please refer to p.68.

November 2011: “Initiatives in the real estate business field for consumers”

Participants:

Takako Ide Professor in the Faculty of Economics at Seikei University
Atsuko Tsuchida Chief Researcher at the Nippon Association of Consumer Specialists
Members of the Mitsui Urban Planning & Development Division, Consumer Service Business Unit

Professor Ide offered her opinions based on current trends in the government and academic circles, and Chief Researcher Tsuchida provided a variety of suggestions from the perspective of consumers. Mitsui will utilize the opinions and suggestions offered in this dialogue in future business activities.

Declarations to Society



United Nations Global Compact

In October 2004, Mitsui pledged its support for the Global Compact, which is a set of autonomous principles for action championed by the United Nations. Mitsui has been participating as a member of the Global Compact Japan Network and is complying with the principles as part of its own corporate guidelines. Currently, Mitsui conducts company-wide survey every other year in order to check compliance with the Global Compact principles, and is working to comply with and to put into practice the principles on a global Group basis.

What is the United Nations Global Compact?

The United Nations Global Compact is a set of voluntary action principles for corporations proposed by the former U.N. Secretary-General Kofi Annan at the World Economic Forum held in Davos, Switzerland in January 1999. He proposed a means to harness the creative powers of the private sector to fulfill the wishes of underprivileged people and meet the needs of future generations. It is neither a regulatory means nor a legally binding code of conduct, but rather a strategic policy initiative that encourages corporations to come together as global citizens to solve the various problems that could arise as a result of economic globalization. Participating corporations are asked to support and put into practice ten universally accepted principles in the areas of human rights, labor standards, environment, and anti-corruption. As of October 2012, over 10,000 corporations, labor unions, and civil society organizations from around the world are participating in the Global Compact.



Ten Principles of the Global Compact

Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

Labour

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

Attaining U.N. Millennium Development Goals (MDGs)

To decrease worldwide poverty by half, one of the goals of the United Nations Global Compact is the attainment of the U.N. Millennium Development Goals (MDGs). In May 2008, Mitsui became a signatory to a proclamation promoted by then U.K. Prime Minister Gordon Brown. The proclamation encourages businesses to join the U.N. in taking action to attain the MDGs by 2015, with various initiatives being undertaken to achieve this goal.

Please refer to p.46.



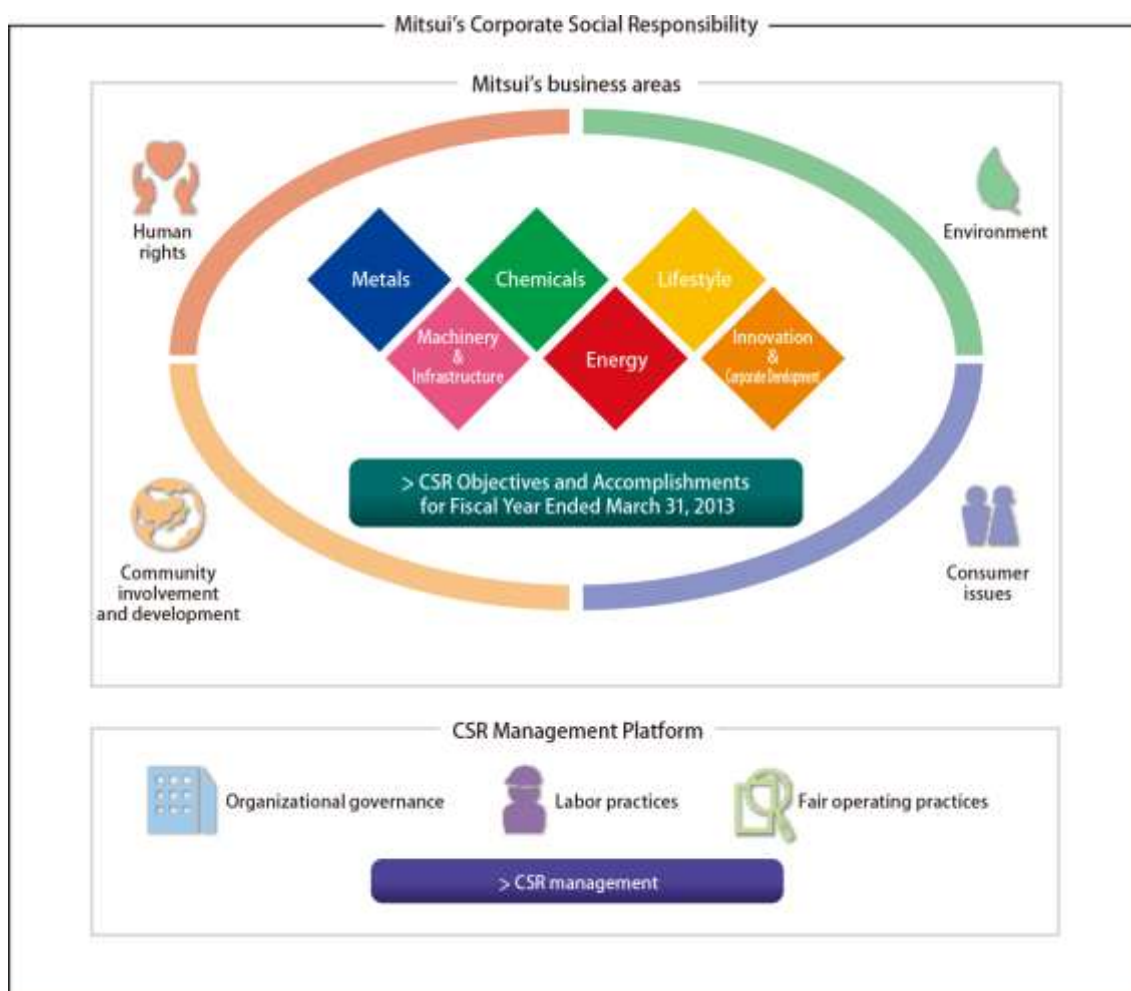
Business Activities and Corporate Social Responsibility

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Mitsui's business activities include the following six areas: Metals, Machinery & Infrastructure, Chemicals, Energy, Lifestyle, and Innovation & Corporate Development.

To fulfill our corporate social responsibility through our business activities, we are particularly focusing on four areas (human rights, the environment, consumer issues, and community involvement and development) out of the core subjects specified in ISO 26000.

*ISO 26000: An international standard related to social responsibility, established by the International Organization for Standardization, to encourage organizations in helping to achieve sustainable development. It consists of the following seven core subjects: organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues, and community involvement and development



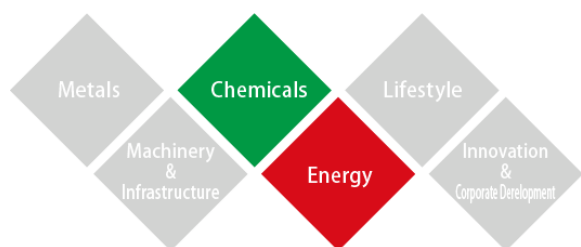
Business Topics and Corporate Social Responsibility

We present specific examples of CSR initiatives through our respective operations in each of Mitsui's business fields, especially in the four subject areas we consider to be especially important: human rights, the environment, consumer issues, and community involvement and development.

Mitsui's Business Activities 1



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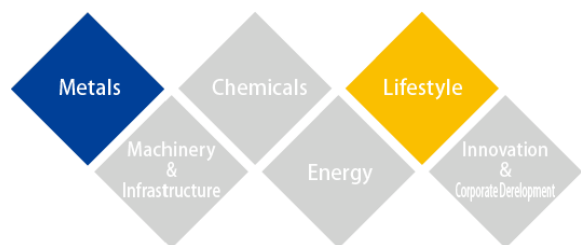


Creating new possibilities for new resources

Mitsui will forge a shale gas value chain in order to provide a stable supply of energy and stimulate the chemicals industry

- Working towards achieving stable supply of energy and chemical products
- Drilling for shale gas using environmentally-friendly methods
- Building positive relationships with local communities
- Striving to ensure operations are safe for the sake of employees and local communities

Mitsui's Business Activities 2

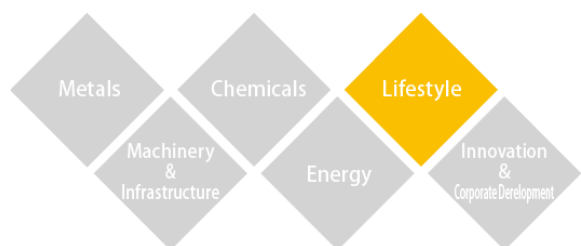


Connecting the agriculture and livestock industries with *itadakimasu*

Mitsui will link primary, secondary, and tertiary industries to forge a value chain for food

- Building a value chain for the agriculture and livestock industries with the combined primary/secondary/tertiary industries
- Creating added value in local communities
- Aiming for zero waste from value chains
- Promoting employment of personnel from a wide range of regions

Mitsui's Business Activities 3



Quality of Life is important to everyone

Mitsui will forge a medical healthcare value chain that provides solutions for people's better health

- Extending advanced Japanese medical technology throughout Asia
- Providing advanced medical treatment for intractable diseases
- Creating an environmentally-friendly value chain
- Supporting the improvement of quality of life through the management of both physical and mental healthcare



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Natural gas is a clean energy that emits less CO₂ and nitrogen oxides (NO_x) when combusted than coal or oil, and produces no SO_x sulfur oxides (SO_x). Mitsui has worked towards diversifying energy sources to achieve a stable supply of energy on a global scale. Mitsui has taken note of shale gas* in the U.S., which led the world in moving towards full-scale commercialization. In 2010 we joined a project in Marcellus, Pennsylvania, one of the leading shale gas production regions in the world. In addition to energy supply within the U.S., Mitsui is working to expand its value chain overseas through the export of liquefied natural gas (LNG). It is also aiming to create a value chain that extends from natural gas to chemicals by moving ahead with the construction of one of the largest methanol production plants in the world (1.3 million tons per year), which will use shale gas and be located in the outskirts of Houston, Texas. With the U.S.'s abundant shale gas resources, Mitsui will contribute to the creation of a more affluent and more sustainable society by utilizing its comprehensive strength to provide a stable supply of clean energy along with the chemicals that serve as the base for all areas of industry.

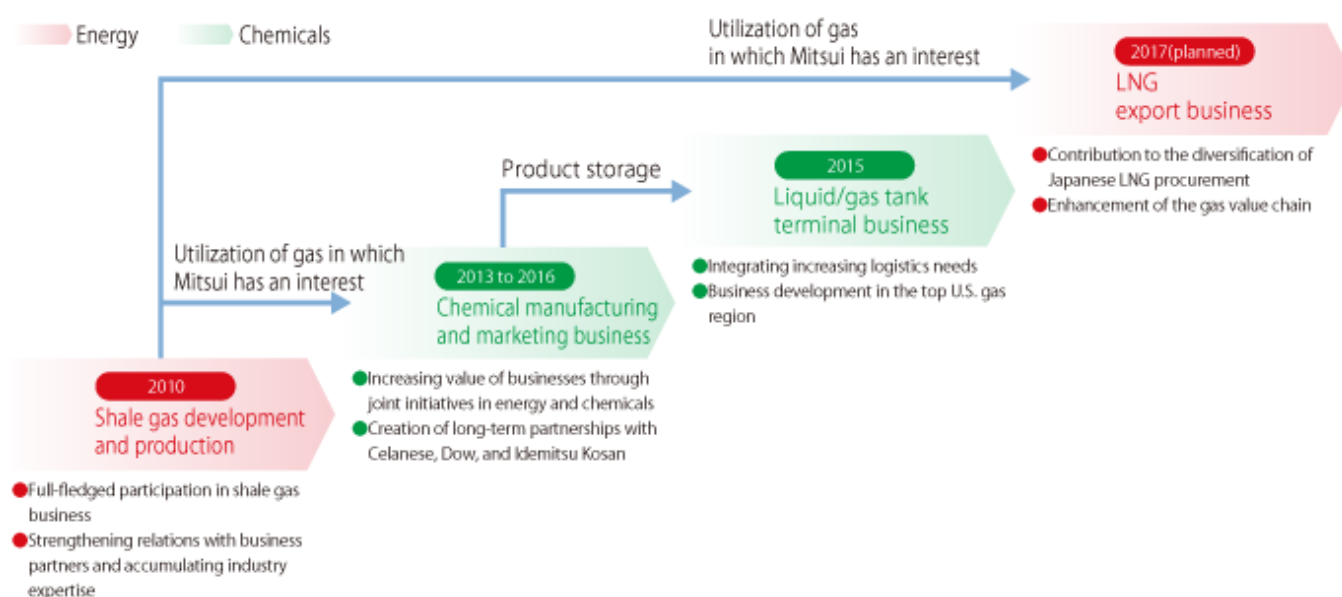
* Shale gas is natural gas contained in shale formations found two to three kilometers underground. Combined with traditional natural gas, the reserves of shale gas are thought to be able to provide 250 years' worth of global gas consumption.

Initiatives for Consumer Issues



Working towards achieving stable supply of energy and chemical products

Currently, natural gas, as an environmentally-friendly fossil energy, offers great potential in the shift towards a sustainable society. The U.S. has succeeded in shale gas development that can provide stable supply, is price competitive, and can now not only meet domestic demand, but can also be exported. In order to extract more shale gas and provide a stable supply of clean energy to the world, Mitsui is working to expand the number of extraction sites together with its partner company Anadarko Petroleum. Meanwhile, in the Chemicals business area, Mitsui is contributing to the stimulation of the chemicals industry by producing methanol through the effective use of natural gas. Mitsui is exploring every way possible to add value to natural gas and is expanding the value chain to include chemical products commencing with methanol, which form the foundation for products essential to everyday life, such as plastic products, adhesives, crop protection chemicals, medical supplies and so on.



Mitsui's gas value chain begins with the development and production of shale gas

Environmental Initiatives



Drilling for shale gas using environmentally-friendly methods

The U.S. has a long history of involvement in the oil industry and a large accumulation of technologies. It was also one of the first countries in the world to achieve the development of shale gas. Shale gas is extracted using a method known as hydraulic fracturing, whereby a large volume of water is pumped thousands of meters below ground to the shale stratum to obtain gas by creating fissures in the stratum. In the project undertaken at Marcellus, Pennsylvania, 15,000 tons of water have been used from each well. Mitsui and Anadarko Petroleum obtain water from large nearby rivers and recycle this water repeatedly, thus preventing water pollution and the depletion of water resources.



After obtaining water from nearby rivers, it is transferred to a storage dam near the drilling well. We utilize this water repeatedly, removing any impurities at treatment facilities.

Initiatives for Community Relations and Development



Building positive relationships with local communities

In regions like Pennsylvania that are booming with the shale gas rush, a great many new employment opportunities have been created. Expansion of employment is also expected in areas such as Texas and Louisiana where new chemical product plants that use natural gas are planned. The operator Anadarko Petroleum promotes the employment of local residents, and also holds events including briefings regarding environmental considerations, striving to develop positive relationships with the local community including land owners. The company works hard to ensure a correct understanding of shale development among as many people as possible, explaining aspects of the work including the fact that “a low concentration of chemicals does become mixed in with the water used for hydraulic fracturing, but those chemicals are the same level as those used in daily life.”



Holding briefings on environmental considerations for local residents including land owners

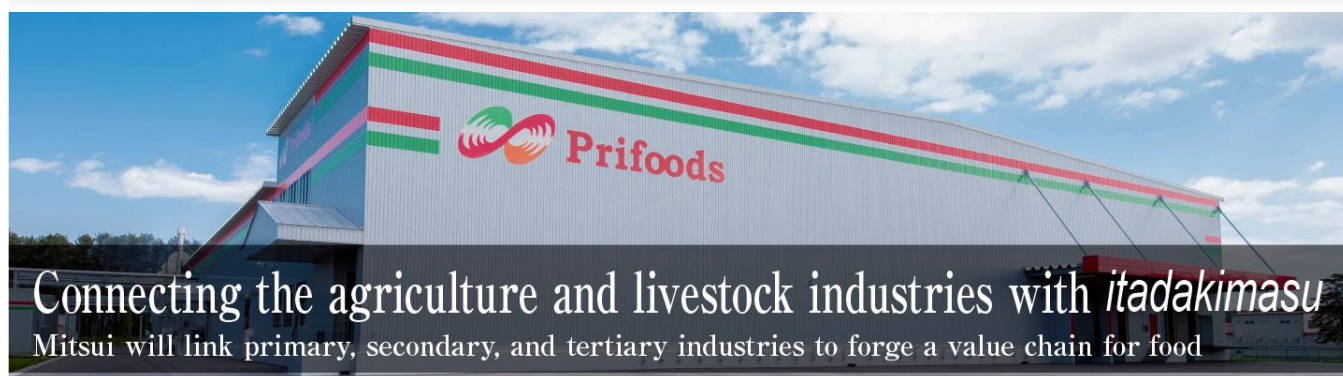
Business
Activities and
Corporate
Social
Responsibility

Human Rights Initiatives



Striving to ensure operations are safe for the sake of employees and local communities

Mitsui selects its partners from the perspective that safe operations are a major prerequisite for doing business. To ensure the safety of operators, Anadarko Petroleum has set safety standards stricter than those prescribed nationally, and also creates and analyzes “near miss reports,” implementing the PDCA cycle to improve its level of safety management. In addition, Celanese, which is currently constructing the methanol plant in Clear Lake, TX and planned to begin operations in mid-2015, has built a culture of safety with the motto “KeepSafe,” under which “all coworkers are encouraged to see themselves as leaders in driving safe behaviors. Safety is at the core of everything at Celanese. They take their responsibility to protect their employees, their worldwide communities, equipment and facilities very seriously. To recognize their continued efforts, the company also received the American Chemistry Council’s Responsible Care® Sustained Excellence Award. In the future, Mitsui will continue to work together with partners that can share its strong sense to strive to solve the important issues and to develop businesses that contribute to the creation of a better society.



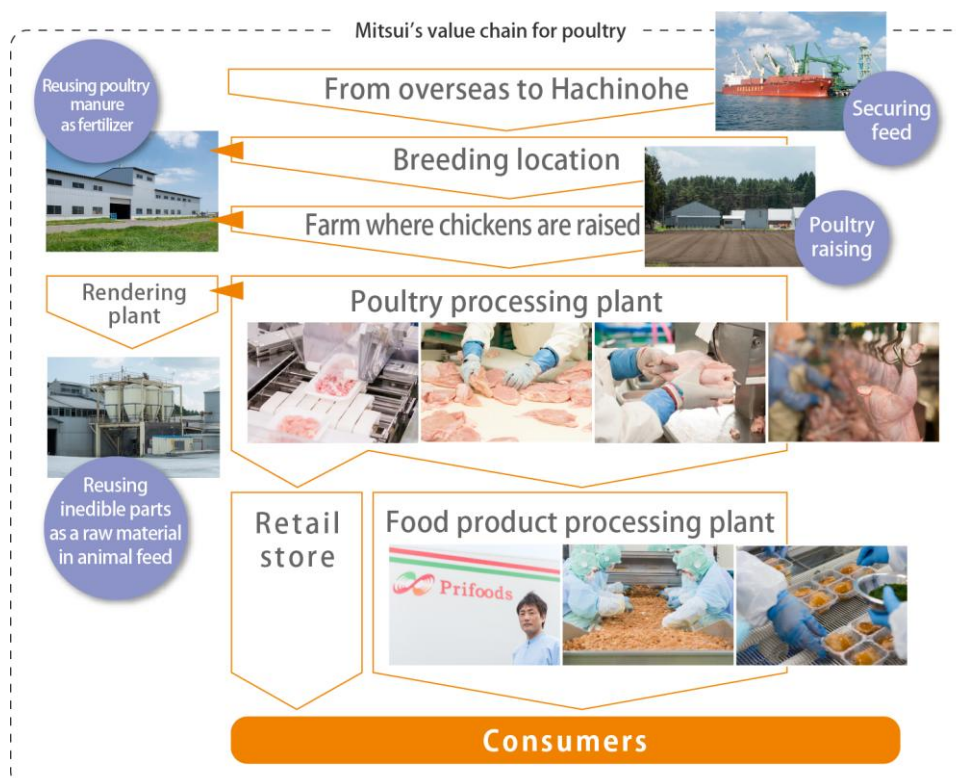
Itadakimasu is a word used in Japan before meals to express thanks for the food that provides life to us all. With the current global population reaching 7 billion, the need for securing food resources and for safe and secure food are rising due to gaps in supply and demand and regional imbalances in supply capacity. Mitsui has a strong connection with production regions including the U.S. and Brazil, and has created a food value chain with the goal of providing Japan and the rest of the world with a stable supply of items including sugar, as well as grains for both consumption and for feedstuff. Prifoods, a Japan-based Mitsui Group company responsible for one part of this process, delivers safe and secure foods by creating a value chain that extends from raising chickens for meat, to slaughter and production and sales of processed food products.

Initiatives for Consumer Issues



Building a value chain for the agriculture and livestock industries with the combined primary/secondary/tertiary industries

Currently, around 1.9 million tons of chicken is consumed in Japan a year. Around one half is imported, with the remainder produced domestically. Prifoods is based in Aomori Prefecture, which is one of the leading agriculture and livestock producing areas retaining Hachinohe Feed Complex. Prifoods handles around 9% of all chicken produced in Japan. The company contributes to the development of regional industries by adopting the consumer's perspective to work in a unified manner across the primary industry of raising chickens, the secondary industry of processed food production, and the tertiary industry of sales. The Misawa Midori no Sato Plant—Prifoods's main processing plant—has established facilities and systems to enable safe and secure food processing, and is also striving to gain FSSC 22000 certification, a standard for food safety established by the Global Food Safety Initiative.



Initiatives for Community Relations and Development



Creating added value in local communities

Although the impact of the Great East Japan Earthquake still lingers, Prifoods put priority on the positive attitude of people in the Tohoku region so construction was started as planned in November 2011 on the Prifoods Misawa Midori no Sato Plant, and operations commenced in August 2012. By producing and processing in the region, it becomes possible to increase added value in the area, and to invigorate the local economy. Furthermore Prifoods also contributes to the stimulation of local culture, literature, and sports through its support of activities including the Aomori Nebuta Festival—one of the three great festivals of the Tohoku region—the Yuki no Machi Fantasy Literature Prize, and Cheers Cup Aomori Prefecture Girls and Boys Wrestling Tournament.



Children from Aomori Prefecture that participated in the Cheers Cup Aomori Prefecture Girls and Boys Wrestling Tournament, held with support from Prifoods

Environmental Initiatives



Aiming for zero waste from value chains

In order to promote environmentally-friendly manufacturing, Prifoods has obtained ISO 14001 certification at its Tokyo head office, and has deployed similar environmental management systems at each location. In addition, at its Misawa Midori no Sato Plant, Prifoods uses boilers that run on gas instead of heavy oil, striving to switch to energies that emit low levels of CO₂ and air pollutants. Prifoods is taking proactive steps to reduce the amount of waste it produces to zero. For the 80 thousand tons of poultry manure generated each year, Prifoods has, for example, commoditized it as fertilizer, and has utilized coal created from the poultry manure as a snow-melting agent. Mitsui is also developing biomass business (power generation and fuel supply) in the Metals business area, using the poultry manure from Prifoods.



Prifoods' s fertilizer plant produces and sells fertilizer made from chicken manure generated at farms, and also makes a snow-melting agent essential in the region from its manure-derived coal

Business
Activities and
Corporate
Social
Responsibility

Human Rights Initiatives



Promoting employment of personnel from a wide range of regions

Promoting flexible employment that adapts to social and regional situations is one of efforts targeted at diversity. Prifoods implements ongoing employment of a variety of personnel, including people who retire early from the nearby Japan Self-Defense Forces, mothers who finished child-raising, and trainees from China and Vietnam. Prifoods' s Michinoku Ninohe Office was praised for developing a disability-friendly workplace environment and was praised for its employment of people with disabilities. This office went on to receive a certificate of merit for outstanding establishments for employing persons with disabilities from the Minister of Health, Labour and Welfare.



Quality of Life is important to everyone

Mitsui will forge a medical healthcare value chain that provides solutions for people's better health

Medical healthcare needs evolve along with economic development and lifestyle changes. Minimizing the risk of suffering from infectious diseases is still an important issue in developing nations, while developed nations confront challenges such as the increased number of people with chronic diseases such as diabetes, cardiovascular disease and cancer as well as mental health diseases. Japan is the only Asian country among the seven major drug innovation countries in the world. Furthermore, Japanese medical equipment manufacturers possess state-of-the-art technology that supports advanced medical treatment around the world. Mitsui contributes to the improvement of the quality of life (QOL) of each person in Asia, recognizing that each country and region faces its unique set of problems. Mitsui also creates a medical healthcare value chain by making full use of global comprehensive business engineering capabilities and integrating medical treatment, medicine, and healthcare ICT in order to provide support for current and future challenges in each region.

Initiatives for Community Relations and Development



Extending advanced Japanese medical technology throughout Asia

Current trends in developing Asian nations closely resemble the past experiences of Japan. In Asian countries, the occurrence of acute illnesses such as infectious diseases is decreasing while chronic diseases requiring continuous treatment are increasing, along with the acceleration of population growth, demographical aging and changes in lifestyle as a result of economic development. As these changes are progressing more quickly than they did in Japan, people are faced with increasing problems of shortage in medical institutions and imbalance of medical care quality in each region. Mitsui is supporting the operations of IHH Healthcare – the largest healthcare group in Asia operating around 30 hospitals – by introducing advanced Japanese medical technology and assisting its geographical expansion of medical institution network. IHH Healthcare also supports human resource development of medical professionals by operating a medical university in Malaysia and providing a scholarship to the National University of Singapore which has the country's only faculty of medicine.

Human Rights Initiatives



Providing advanced medical treatment for intractable diseases

Congenital biliary atresia is one example of an intractable disease in children. It affects approximately one out of every 10,000 births, and can be effectively treated through liver transplant. Various Asian countries including Singapore, Malaysia, and Thailand offer "Medical Tourism" to people with ailments including intractable diseases who are seeking advanced medical treatment. In collaboration with Dr. Koichi Tanaka – a global authority on living-donor liver transplant surgery –, Mitsui will open a clinic specializing in liver diseases and living-donor liver transplants at Mount Elizabeth Novena Hospital in Singapore, which is run by IHH Healthcare.



The Mount Elizabeth Novena Hospital

Environmental Initiatives



Creating an environmentally-friendly value chain



Mitsui also places strong emphasis on reducing the environmental burden throughout its value chain in order to create a sustainable society. Mount Elizabeth Novena Hospital in Singapore has implemented initiatives including management of air conditioning efficiency in operating rooms and intensive-care units, as well as the introduction of IT to reduce the amount of paper usage, and the efficient use of water. Through these efforts the hospital has received the Green Mark Platinum Award, the highest recognition given by the Singapore Building and Construction Authority (BCA). MicroBiopharm Japan – a Mitsui subsidiary that manufactures pharmaceuticals (APIs and intermediates) – generates environmentally-friendly wastes through its use of biological fermentation technology. It is also working to reduce energy consumption through, for example, the introduction of highly fuel-efficient equipment.

MicroBiopharm Japan has an environmentally-friendly corporate structure due to its pharmaceutical manufacturing that uses biological fermentation technology

Business
Activities and
Corporate
Social
Responsibility

Initiatives for Consumer Issues



Supporting the improvement of quality of life through the management of both physical and mental healthcare



In recent years, mental healthcare and the prevention of lifestyle-related diseases have become key issues in Japan. At the call center of Hokendohjinsha – the publisher of “*Katei no Igaku*” (Dictionary of Medical Science for the Home) – medical professionals with scientific expertise give consultation service to people who are faced with these issues. This company was established based on the principle of trying to help people who do not have access to the right medical healthcare information by providing evidenced information on illnesses. Mitsui identified itself with this principle and supports the activities of Hokendohjinsha. In addition, Mitsui coordinates with medical institutions and nursing homes, working to enhance businesses that support the improvement of people’s quality of life.

“*Katei no Igaku*” is a long seller with many revised editions that has been popular with Japanese people for more than 40 years (above) Hokendohjinsha has put priority on providing information related to health and illnesses based on scientific evidence, and also operates call center for physical and mental health consultation (below)

Tasks, Accomplishments, and Goals

Based on our management philosophy comprising Mitsui's Mission, Vision and Values (MVV), we are working to maintain the trust and respond to the expectations of our various stakeholders, and actively pursuing a management approach that emphasizes CSR. Furthermore, we view raising overall corporate value from various aspects —economic, environmental, and social— as our management objective, and we aim to ensure the sustainable development of both the Company and society, while earning social trust through our business operations and through activities that transcend our business and make broad social contributions. This section will describe Mitsui's principle accomplishments of the fiscal year ended March 31, 2013 and look at priorities and objectives for the next fiscal year.

CSR Management Accomplishments and Goals

Degree of achievement of goal by self-evaluation:

● : Implemented and results attained 🌐 : Implemented and further results attainment necessary ✕ : Not implemented

Governance

Item	Tasks and Objectives for FY Ended March 31, 2013	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2014
Corporate Governance	Raise awareness of Mitsui & Co., Ltd.'s Corporate Governance and Internal Control Principles on a consolidated basis	🌐	Raise awareness of Mitsui & Co., Ltd.'s Corporate Governance and Internal Control Principles on a consolidated basis
	Ensure management transparency and continue to improve effectiveness of corporate governance	🌐	Ensure management transparency and continue to improve effectiveness of corporate governance
Internal Controls	Further improve effectiveness and efficiency of internal control on a global Group basis	🌐	Further improve effectiveness and efficiency of internal control on a global Group basis
Compliance	Further enhance compliance activities on a global Group basis	🌐	Further enhance compliance activities on a global Group basis
	Continue with training and education based on the situation in society to maintain and improve compliance awareness and facilitate the acquisition of practical knowledge of compliance	●	Continue with training and education based on the situation in society to maintain and improve compliance awareness and facilitate the acquisition of practical knowledge of compliance
Risk Management Structure	Maintain and improve crisis management systems	🌐	Re-examine internal systems designed to strengthen crisis management and emergency response

Environment

Item	Tasks and Objectives for FY Ended March 31, 2013	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2014
Strengthening Environmental Management Systems	Raise environmental awareness among employees by continuing to implement the Mitsui Environment Month Program	●	Raise environmental awareness among employees by continuing to implement the Mitsui Environment Month Program
	Improve the effectiveness of ISO 14001 at our subsidiaries and affiliated companies	🌐	Reduce the risk of environmental accidents by improving ISO 14001 monitoring and reporting systems
	Promote environmental inspections related to reducing the environmental burden on a global Group basis by revising our evaluation methods for the risk of effecting the environment	🌐	Reduce environmental impact created by Japanese and overseas subsidiaries and affiliated companies by using Mitsui's own Environmental Impact Assessment system
	Deepen environmental management of the project that impact significantly on the environment	●	Improve effectiveness of environmental risk management for new projects
Initiatives to Combat Global Warming	On a group basis in Japan, companies with large CO ₂ emissions are designated as companies that intensively manage greenhouse gas, as Mitsui aims for annual reduction in energy consumption rate of at least 1% on average. On a group basis overseas, Mitsui will monitor changes in CO ₂ emissions over the year and look for areas where cuts can be made.	●	<p><For the Mitsui Group in Japan> On a group basis in Japan, companies with large CO₂ emissions are designated as companies that intensively manage greenhouse gas, as Mitsui aims for annual reduction in energy consumption rate of at least 1% on average.</p> <p><For the Mitsui Group worldwide> Mitsui will monitor changes in CO₂ emissions over the year, seeking areas where cuts can be made</p>

	Strengthen compliance with environmental relevant laws and regulations with our subsidiaries through the research, such as research on Environmental Relevant Laws and Regulations	●	Strengthen compliance with environmental laws by subsidiaries and affiliated companies in Japan and overseas
Pursuing Environmental Businesses	Promote environmental and energy businesses throughout the Company	🌐	Promote environmental and energy businesses throughout the Company
Utilizing Company-Owned Forests	Improve the sense of fulfillment by thoroughly enhancing and differentiating the contents of the forest environmental program	●	Continue to hold forest environmental programs that convey the importance of forests, forestry business, and utilization of wooden products
	Widely improve awareness through communication activities covering all of the company-owned forest activities	●	Widely improve awareness through communication activities covering all of the company-owned forest activities
	Continue diverse efforts through activities such as development of applications for woody biomass	●	Continue diverse efforts through activities such as development of applications for woody biomass

Society

Item	Tasks and Objectives for FY Ended March 31, 2013	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2014
Relations with Society	Promote, on a global Group basis, social contributions (volunteer activities etc.) with the participation of both managers and employees, and report about these causes to the wider world	●	Steadily implement, on a global Group basis, social contributions (volunteer activities etc.) with the participation of both management and employees
	Conduct environmental contribution activities meeting the needs of society through the Mitsui Environment Fund	●	Conduct environmental contribution activities meeting the needs of society through the Mitsui Environment Fund
	Promote employee participation in activities of the Mitsui Environmental Fund	🌐	Promote employee participation in activities of the Mitsui Environmental Fund
	Selectively and effectively implement Mitsui core proposals, utilizing our corporate strengths, around three vital areas of “international exchange”, “education” and the “environment” (initiatives for culturally diverse living, education of international and next generation human resource, and United Nation MDGs, etc.)	●	Promote Mitsui’s core proposals for social contributions that strive to effectively and sustainably provide value to society based around the three vital areas of international exchange, education, and the environment, and that address the important themes of each area (initiatives for culturally diverse living, education of international and next generation human resources, United Nation MDGs, etc.)
	Strengthen our antenna and communication functions with NPO/NGOs, experts from outside the company, disaster areas, etc.	●	Strengthen Mitsui’s abilities to disperse information through communication with various stakeholders
Relations with Business Partners	Continue activities to improve awareness of the Supply Chain CSR policy as well as continue checks on suppliers in fields of high risk	🌐	Consider third-party inspections of suppliers in high-risk fields in accordance with the Supply Chain CSR Policy
Relations with Employees	Promote efforts to implement HR policy and systems that contribute to full and effective utilization of diverse human resources	●	Implement an HR system that allows participation of diverse personnel, and achieves stable employment
	Strengthen development of human resources and promote measures to-exploit their capabilities at a global group basis	🌐	Accelerate the training and utilization of diverse personnel throughout the Mitsui Group worldwide
	Strengthen the HR and general affairs platform to achieve the growth of the company and employees, especially efforts to support compliance, labor management, and crisis management at a global group basis	🌐	Strengthen the HR and general affairs platform to achieve the growth of the company and employees (efforts to support compliance, labor management, and disaster response throughout the Mitsui Group worldwide, and create pleasant working environments which contribute to the higher labor productivity.)
	Continue the energy-saving measures same as in previous year to adapt successfully to shortage of generating capacity due to the shutdown of nuclear power stations	●	Implement policies and initiatives similar to those from the previous fiscal year to cope with restrictions to electricity supply in the summer

Tasks, Accomplishments, and Goals

CSR Management

Item	Tasks and Objectives for FY Ended March 31, 2013	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2014
CSR Promotion Framework	Continue initiatives to globalize and optimize the CSR promotion framework	●	Continue initiatives to globalize and optimize the CSR promotion framework
	Initiate activities to promote autonomous CSR management and reinforce company support at the working level	●	Initiate activities to promote autonomous CSR management and reinforce company support at the working level
	Heighten awareness of “Yoi-Shigoto” and “CSR at Mitsui & Co.” and heighten sensitivity related to “social responsibility risks” on a global Group basis	●	Surveys and continuous improvement of compliance with the UN Global Compact
	Implement efforts to deepen the support of human rights	●	Implement efforts to deepen the support of human rights
Risk Management	Aim for more comprehensive and balanced risk management, more specifically, including serious reputation risks within businesses that largely effect the environment as environment-related businesses as well as move towards flexible and rapid conference with external experts such as the Environmental Advisory Committee	●	Aim for comprehensive and flexible risk management from an early stage of formation of Specially Designated Business by utilizing the newly established Business Supporting Unit
Stakeholder Communication	Further improve disclosure of non-financial information through the Sustainability Report Carry out stakeholder engagement	●	Create further unity between financial and non-financial information in the integrated report Carry out stakeholder engagement
	Maintain and enhance the transparency and accountability of Mitsui's management through strategic information disclosure Conduct management that takes the capital markets and provide feedback to locations in the field	●	Maintain and enhance the transparency and accountability of Mitsui's management through strategic information disclosure Conduct management that takes the capital markets and provide feedback to locations in the field

CSR Objectives and Accomplishments for Fiscal Year Ended March 31, 2013 by Business Area

Mitsui's CSR is putting *Yoi-Shigoto* into practice. This means Mitsui creates and then offers value for society through its core business. Mitsui's 12 business units within its Headquarters Business units are engaged in a wide range of businesses that respond to the needs of society. They are constantly aware of such key questions as, “Is this work benefiting society?” “Is this work adding value for clients?” and “Do we believe this work is worthwhile?” In this section, we present some of the initiatives of the business units that we believe have economic, environmental, and social impacts.

Metals Business

Headquarter	CSR Priorities	Measures for FY Ended March 31, 2013 (April 1, 2012 to March 31, 2013)
Iron & Steel Products Business Unit	Reduce load on environment	<ul style="list-style-type: none"> Supplied materials in the renewable energy field including floating wind turbines Promoted supply of high-tensile steel and aluminum plates that contribute to making automobiles more lightweight Sold rails for the development of railroads, which greatly reduces CO₂ in developing countries
	Make social investments in emerging economies	<ul style="list-style-type: none"> Began full-fledged operation of an electrical furnace in India aiming to contribute to infrastructure development in developing countries Produced steel for construction projects at a Thai electrical furnace, contributing to disaster recovery in Thailand Began full-fledged operation of a processing center for steel construction materials in Russia
	Contribute to the stable supply of energy	Provided timely supply of steel construction materials including steel pipes and shaped steel for an Australian LNG project, contributing to the stable supply of energy
Mineral & Metal Resources Business Unit	Find solutions to productions issues with a view to attaining a low-carbon society	<ul style="list-style-type: none"> Accepted and advanced a Ministry of the Environment FY2012 project to operate business to build and substantiate a recycling system for small electronic devices, etc., while collaborating closely with the Japanese government As a project aimed at recovery from the Great East Japan Earthquake, promoted biomass power generation business that uses poultry manure in the Tohoku region Launched efforts to turn palm kernel shells (PKS) into biomass fuel Promoted business to appropriately process waste materials using Kyoei Steel/Kyoei Recycling by purchasing waste materials from Seven-Eleven Japan stores which are closing
	Use mineral resources in a sustainable manner (secure stable supply of rare metals for the future)	Promoted the creation of a scheme to extract and collect heavy rare earth from iron ore residue in collaboration with Shin-Etsu Chemical

Machinery & Infrastructure Business

Headquarter	CSR Priorities	Measures for FY Ended March 31, 2013 (April 1, 2012 to March 31, 2013)
Infrastructure Projects Business Unit	Respond to customer issues (access to vital services) Work to secure and maximize leverage of water resources and prevent environmental pollution	Began commercial operations in May 2012 of the El Ahogado wastewater treatment facilities for Guadalajara, Mexico; currently advancing construction of facilities for two other major contracted projects thus expanding sewage business in Mexico through the Mitsui subsidiary Atlatec; continuing operations of businesses including Galaxy NewSpring in China and Thai Tap Water Supply Public Company in Thailand
	Promote use of sustainable resources	In the Japanese renewable energy field, started construction of a solar power plant in Yonago city, Tottori prefecture in collaboration with SoftBank, and currently promoting further projects to expand business
	Implement social investments	Invested and promoted operational streamlining of the port infrastructures that support economic growth in developing countries
Integrated Transportation Systems Business Unit	Support safety	Established a safety promotion committee in this business unit and continued to implement case verification and sharing of information related to efforts regarding safety at subsidiaries and affiliated companies; based on the activities of this committee, held regular traffic safety seminars and further strengthened on-the-job employee training at logistics companies (Transfreight Group) and finance companies (BAF Group)
	Improve living convenience in emerging economies	Provided means of transport for citizens and contributed to the improvement of standards of living through automobile and motorcycle sales business (including provision of financing services) in developing countries; also contributed to the improvement of logistics that support the lives of citizens through truck sales and services
	Coexist with regional communities	Continued to implement various social contributions by subsidiaries and affiliated companies in local communities
	Promote stable supply of clean energy	Continued ongoing efforts to maintain a stable supply of LNG through operations of LNG ships (over 20 vessels) in which Mitsui has a share
	Provide air-transport for disaster prevention/relief and medical support	Contributed to the improvement of medical services for people living on remote islands through the adoption of the Bell twin-engine B429 sold by Mitsui Bussan Aerospace Co., Ltd. for use as a helicopter for dispatching doctors to remote islands in Nagasaki prefecture ("flying doctor")
	Respond to environmental issues	<ul style="list-style-type: none"> Continuing to work with infrastructure development projects for urban and freight railways with plans to continue contributing to the reduction of gas emissions by promoting modal shift Shifted to energy-conserving models and engines for ships on remaining contracts; promoting development and ordering of eco-ships at partner shipyards

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Chemicals Business

Headquarter	CSR Priorities	Measures for FY Ended March 31, 2013 (April 1, 2012 to March 31, 2013)
Basic Chemicals Business Unit/ Performance Chemicals Business Unit	Use resources in a sustainable manner	<ul style="list-style-type: none"> Promoted development and construction of mega-solar power stations over Japan Promoted business of biochemicals made from sugar cane in Brazil
	Contribute to the stable supply of food	Worked to expand existing businesses around the three pillars of fertilizer materials, food additives, and crop protection chemicals to increase food production and stable food supply
	Ensure compliance with domestic and overseas laws and regulations	Held domestic and overseas chemical-related laws and regulation seminars (REACH, poison management, industrial waste management, high-pressure gas management, etc.)

Energy Business

Headquarter	CSR Priorities	Measures for FY Ended March 31, 2013 (April 1, 2012 to March 31, 2013)
Energy Business Unit I/ Energy Business Unit II	Supply safe and stable energy	<ul style="list-style-type: none"> • Provided a stable and safe supply and management of energy including crude oil, petroleum products, and LNG in collaboration with subsidiaries and affiliated companies in Japan and overseas • Provided a stable supply of LNG through operations of existing LNG projects • Provided a stable supply of gas and oil through promotion of development and production of shale gas and shale oil projects
	Respond to environmental issues	<ul style="list-style-type: none"> • Pursued the use of sustainable resources through the examination of biofuels (bioethanol, wood pellets, etc.) and hydrogen business; implemented examination of business related to emissions trading based on international frameworks and market trends • In an effort to shift towards zero emissions from a coal-fired power plant, promoted the Callide Oxyfuel Project in Australia, under which CO₂ produced during power generation is captured; started the first ever trial of oxyfiring process at the coal power plant where the oxyfuel technology was “bolted-on” to the existing facilities in March 2012, and the demonstration tests of the integrated process of oxyfiring and CO₂ capturing & liquefaction in December 2012

Lifestyle Business

Headquarter	CSR Priorities	Measures for FY Ended March 31, 2013 (April 1, 2012 to March 31, 2013)
Food Resources Business Unit/ Food Products & Services Business Unit	Strengthen food safety management framework	Held monthly food safety seminars hosted by internal food sanitation management committees and a professional food safety consultant to improve the level of food safety management (studying the causes of sanitation law violations and sharing measures to prevent reoccurrences); by transforming the seminar format starting this year to include two-way communication rather than simply lectures, the content of seminars had been improved and deepened
	Promote and support agricultural business with respect for human rights and the environment	<ul style="list-style-type: none"> • Through our subsidiary Toho Bussan Kaisha, supported the production and sale of environmentally-sound rice grown in harmony with nature and without pesticides, including branded rice named “bring up storks” from Toyooka City in Hyogo Prefecture and certified rice “Building village for living with Japanese Ibis” from Sado Island in Niigata Prefecture, based on the concept of sustainable development of local economies through rice cultivation and harmony with nature • Promoted support of sales of palm oil certified by the Roundtable on Sustainable Palm Oil (RSPO)
	Conduct human resource exchange and training through foods	Continued for the 34th year to sponsor Future Farmers of America (FFA)—a U.S. agricultural organization of high school and university students—and to support study visits to Japan; Continued to support children’s dietary education through the Kids Kitchen Association
Consumer Service Business Unit	Respect human rights (promote CSR procurement)	Continued to implement awareness-raising activities to deepen understanding of the Supply Chain CSR Policy among new suppliers of our subsidiary Mitsui Bussan Inter Fashion by distributing a written copy of seeking agreement with the policy; obtained agreements in FY 2012 from 420 suppliers in Japan and 168 suppliers overseas, bringing the global total to 2,961 suppliers since 2008
	Respond to environmental issues	<ul style="list-style-type: none"> • Participated in woodchip processing and export business in Chile, using eucalyptus trees planted for papermaking as the raw material to contribute to the sustainable forestry plantation management • Sold solar power systems for residential use to approximately 1,000 units through Sumisho & Mitsuibussan Kenzai Co., Ltd. • As a part of Mitsui’s Smart-City business, invested in the Fujisawa Sustainable Smart Town Management Company located at the site of the former Panasonic Fujisawa Plant
	Raise awareness of environmental issues through broadcasting business	<ul style="list-style-type: none"> • Produced and aired approximately 140 TV programs of “Environmental Superman Ecogainder” for children through our subsidiary, broadcasting company Kids Station Inc., promoting healthy intellectual and emotional education and improvement of environmental awareness • Produced and aired 24 TV programs of “Textbook for the Future”, a documentary about reconstruction support from the Great East Japan Earthquake, through our subsidiary World Hi-Vision Channel, contributing to raise environmental awareness
	Promote recycling in TV shopping business	Decreased the annual plastic use to 82% of the previous year at our associated company QVC Japan by improving packaging methods

Innovation & Corporate Development Business

Headquarter	CSR Priorities	Measures for FY Ended March 31, 2013 (April 1, 2012 to March 31, 2013)
Innovation & Corporate Development Business	Reduce the environmental burden	<ul style="list-style-type: none"> Implemented close examination of Tres Amigas business probabilities, investigation of grid interconnection business in the U.S., and verification tests aimed at implementing battery services in India Beijing Tellhow Intelligent Technology (China) and CNA (Singapore): examined introduction of advanced energy-saving solutions from Japanese and overseas companies; explored possibilities for collaboration with Mitsui-related projects Viridity (U.S.) and Tianjin EV Energies (China): promoted power consumption optimization services in the U.S. and contributed to the stabilization of power grids using demand response through Viridity; spread the lithium-ion battery E-Bike in China and promoted EV development with Chinese automakers through Tianjin EV Energies Formosa (Taiwan): Currently promoting LEDs across the world that conserve energy and are environmentally friendly in collaboration with Formosa
	Promote investment in environment related businesses	<ul style="list-style-type: none"> Reinforced Japanese competitive technology, corporate management, and overseas expansion through continued investment in Nihon Itomic Co., Ltd., which develops and manufactures electric hot water distribution systems and heat pump water heaters Planned and are currently advancing development of integrated environmental cities related to environmentally responsive "Smart Cities" in UK by establishing the joint venture MASP with the English company Arup Established Future City Solutions Limited as a joint venture with Fujitsu in Japan and launched smart community business efforts; also planned and are currently advancing development of the Urayasu Eco-City Smart Community Center in collaboration with Urayasu City
	Provide optimal distribution services for international transportation	Commissioned to handle logistics including the transport of equipment for regional businesses expanding overseas (building factories, etc.), thus contributing to these companies' globalization; successfully shortened transportation routes in Japan by building a transportation scheme utilizing nearby ports
	Offer optimal logistics arrangements for storage and delivery	Contributed to configuring an efficient delivery system suited for the sales strategies of our customers by providing distribution processing services to supply procurement goods from Japan and overseas such as apparel and health foods to retail shops and consumers through Trinet Logistics co., Ltd.

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CSR Management Platform



To Mitsui, CSR means providing value to society through its core businesses in its role as a *sogo shosha* (general trading company) and actively helping society achieve sustainable progress. In order to enable Mitsui to fulfill this responsibility, it is important for each of our employees to be aware at all times of the meaning of *Yoi-Shigoto* (good quality work), our core approach to work, and to put it into practice. To continue contributing to society through our core businesses and to remain a company that society trusts, Mitsui must have a sound corporate governance structure and internal control. In order to establish our CSR management platform, which is necessary to put *Yoi-Shigoto* into practice, we will enhance our corporate governance structure, establish and improve internal control on a global Group basis, and build a stronger organization to heighten awareness of the importance of human rights and compliance among all management and staff.

Corporate Governance: Corporate Governance and Internal Controls

We are making efforts to enhance our corporate governance framework and develop and improve our internal controls on a global group basis, to make Mitsui a company that is trusted by society.

We recognize that ensuring thorough compliance with respect to internal controls is a particularly important issue.

Corporate governance and internal control: Systems and implementation

Corporate governance framework

Mitsui has chosen to base its corporate governance framework on a corporate auditor system, headed by the Board of Corporate Auditors. To achieve effective corporate governance for shareholders and other stakeholders, the Company has established the following governing bodies:

1. The Board of Directors is Mitsui's ultimate decision-making body for business execution and oversight. To ensure that those functions are fulfilled, Mitsui appoints no more than the number of directors necessary to enable effective deliberations. Mitsui has also established the Governance Committee, Nomination Committee, and Remuneration Committee as advisory bodies to the Board of Directors, with external directors and external corporate auditors serving as members of these committees.
2. The Board of Corporate Auditors audits the execution of the duties of the Board of Directors as an independent body and reports to shareholders. In pursuit of this objective, the corporate auditors carry out multifaceted, effective auditing activities, such as attending important internal meetings and auditing various types of reports, and develop necessary measures in a timely manner.

To ensure transparency and accountability, key requirements of corporate governance, Mitsui is endeavoring to strengthen management oversight and supervision, taking into account the perspectives of external directors and external corporate auditors. At the same time, the Company is developing its internal control framework with respect to information disclosure, and, based on the general rules of fair disclosure, executives and employees are responsible for ensuring accountability. Furthermore, to separate the functions of business execution and oversight, Mitsui has broadly transferred the authority for business execution to the Company's executive officers, with the Board of Directors responsible for overseeing the execution of business by the executive officers. The chief operating officers of the Company's 12 head office business units and three overseas regional business units also serve concurrently as executive officers, supporting a dynamic approach to business execution across the consolidated group.

At the time of the General Meeting of Shareholders in June 2013, there were 12 directors, four of whom were external directors.

We have five corporate auditors, two full-time and three external, and we have established a Corporate Auditor Division as a framework to provide added support to the corporate auditors in the execution of their duties. Corporate auditors attend the meetings of the Board of Directors and other important in-house meetings, overseeing procedures and resolutions, and visit offices in and outside Japan and important subsidiaries and associated companies.

Business execution and internal control system

In 2011 we adopted the so-called “J-SOX” standards defined in Japan’s Financial Instruments and Exchange Act as the basis for the evaluation of our internal control systems. We are determined to maintain highly effective internal control systems that are compliant with the new global standards and in keeping with the values of Mitsui & Co., and to ensure that all employees, including those working for subsidiaries and affiliated companies, are fully aware of and comply consistently with the basic principle that without compliance there will be no work and no company.

At the core of our internal control system, the Internal Control Committee, chaired by the president, establishes basic internal control policy and carries out company-wide internal control evaluations and improvements. The Compliance Committee, Disclosure Committee, and J-SOX Committee all operate under the Internal Control Committee.

Furthermore, to respond to the increasingly diverse kinds of risks associated with our business, we have established the Portfolio Management Committee, which met a total of 33 times during the fiscal year ended March 31, 2012, monitors the Company’s entire portfolio, makes proposals on the Company’s overall portfolio strategy, and conducts individual discussions on important projects. In addition, we have formed the Crisis Response Headquarters, an ad-hoc body reporting directly to the president, which exercises swift, precise decision making when there is a need for a swift response, and the CSR Promotion Committee, which met a total of two times during the fiscal year and promotes company-wide CSR management, builds our internal CSR-related systems, and works to heighten the awareness of CSR among employees. Moreover, we have formed the Information Strategy Committee, which formulates policies related to company-wide information and IT strategy and prepares and monitors the implementation of major policies related to promoting the enhancement of the management base and information strategy.

Current status of the internal auditing structure

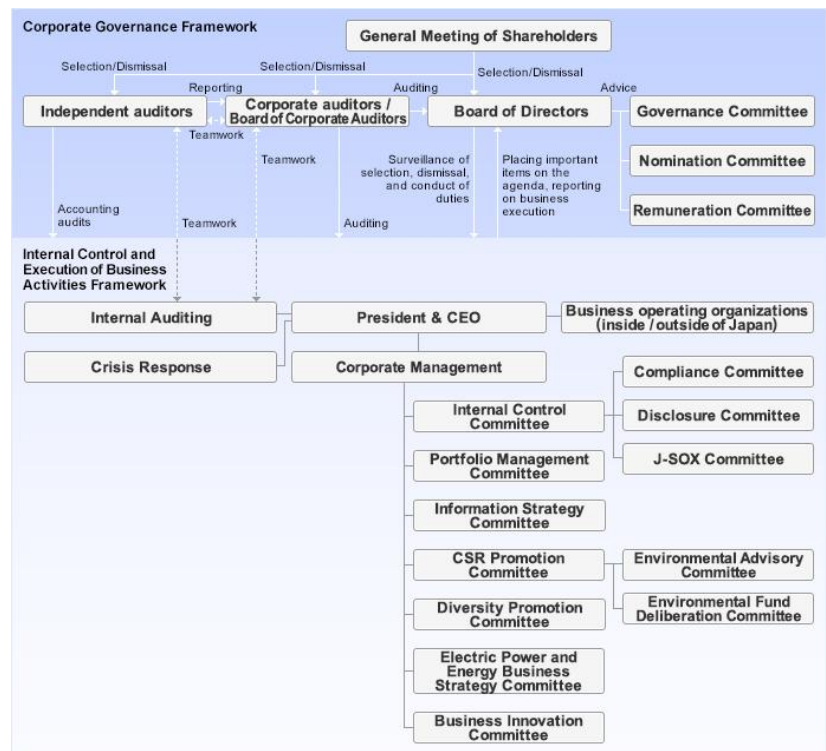
The Internal Auditing Division, which reports directly to the president and has a staff of about 90, conducts regular audits, including audits of subsidiaries inside and outside Japan. Internal auditors make independent and objective evaluations of such areas as management and operational effectiveness, compliance, and the reliability of financial reporting. The audit results are reported to the president, and follow-up reports from the audited department are requested on items where improvement is deemed necessary.

Furthermore, we have established an internal auditing section in each business unit. Each department and branch carries out self-auditing on their own initiative, and combined with Internal Auditing Division audits, this contributes to further improving the effectiveness of our internal controls.

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Initiatives to enhance corporate governance over the last fiscal year

As we have terminated our registration with the U.S. Securities and Exchange Commission (SEC), the current fiscal year is the 2nd year that we adopted the J-SOX standards as the basis for the evaluation of our internal control systems. The same as last year, we took great care to maintain the same high level of transparency, information disclosure and internal control discipline as under the U.S. standards. We recognize that institutional investors, including those based in other countries, have taken an increasing interest in corporate governance in recent years, and we have therefore started to provide direct briefings to shareholders and others concerning our corporate governance systems.



Corporate Governance and Internal Control Principles

Mitsui & Co., Ltd. has enacted the following “Corporate Governance and Internal Control Principles” in April 2006 (Revised: April 2012)

Corporate Governance: Compliance and Risk Management

Our sound reputation is the foundation of our business. As such, we recognize that it is only through compliance that we can maintain that reputation and gain even more trust from our customers.

To that end, we are working to heighten awareness among all management and staff of the importance of upholding high ethical standards and are accordingly striving to build a global compliance framework that advances best business practices.

Building a Better Compliance Framework

Business Conduct Guidelines for Employees and Officers

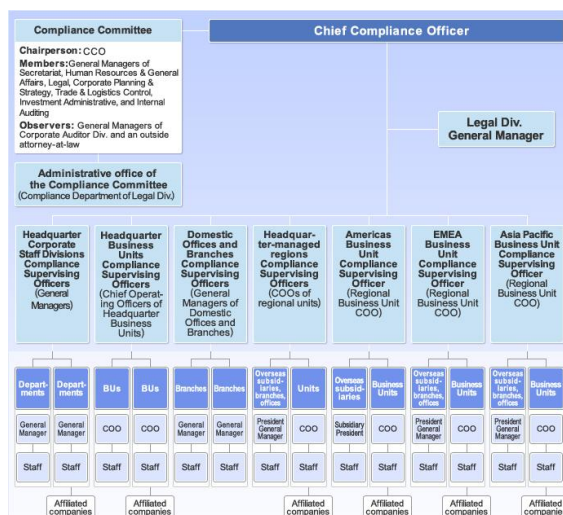
The “Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd.” specify how every Mitsui employee should act in his or her daily activities, from the perspective of compliance with laws, internal regulations, and corporate ethics. The Business Conduct Guidelines help us fulfill our corporate social responsibility (CSR) and win the trust of our stakeholders. They have been revised from time to time since their enactment in February 2001, to reflect changes in the law and best practices.

Our aim is to ensure that all Mitsui employees develop a broad awareness of the Business Conduct Guidelines through training and e-learning opportunities, and to see that all employees have pledged to comply with them. We have also introduced bespoke business conduct guidelines for each of our Group companies, which are based on the Business Conduct Guidelines but tailored to the specific business structures of those companies. In addition, we have put in place the Business Conduct Guidelines in each of our overseas offices, reflecting the local laws, regulations, and customs of the countries in each region.

Business Conduct Guidelines for Employees and Officers

1. Compliance with the Law and Respect for Human Rights
2. Office Environment and Sexual Harassment
3. Compliance with Antitrust Law
4. Conflicts of Interest between Employees and the Company
5. Gifts and Favors
6. Treatment of Company Information
7. Compliance with Procedures for Export and Import and Other Applicable Laws
8. Company Fund and Financial Reporting
9. Political Donations and Other Contributions
10. Social Contributions
11. Protection of the Environment
12. Action against Corporate Racketeering and Industrial Espionage
13. Reporting and Sanctions

The Business Conduct Guidelines booklet also covers management philosophy, report submission and consultation with others, the compliance program, the U.N. Global Compact, basic CSR policy, environmental policy, and social contribution policy.



The Compliance Program

The Compliance Department of the Mitsui Legal Division leads compliance efforts on a global and Group-wide basis under the direction and supervision of the Chief Compliance Officer (CCO) and with the support of the Compliance Supervising Officers appointed in each of Mitsui's domestic and overseas business units, in Mitsui branches and offices, and in other such entities. The objectives of these efforts are to: (i) heighten awareness of compliance issues, (ii) strengthen and improve compliance programs and systems within Mitsui, and (iii) respond to specific compliance issues that arise. In addition, a Compliance Committee has been established as a forum for discussions relating to the promotion of compliance with laws and ethical standards across the Group as a whole. With the participation of external attorneys, the Compliance Committee discusses various issues that have arisen in the wider Group, and discussion outcomes are made available on the company intranet.

Specific measures carried out with compliance in mind include conducting thoroughgoing supervision at the working level, strengthening business process controls, and promoting the rotation and movement of personnel. Such initiatives are implemented on an ongoing basis, and with the aim of preventing misconduct.

Facilitating Communication and Improving the Internal Whistleblowing System

We believe that the compliance function essentially calls for us to prevent compliance-related incidents from arising by maintaining an open working environment that is facilitated by transparent and open communication within the Mitsui community, and which reflects our management philosophy and values. Accordingly, we require that employees who have concerns about possible misconduct promptly raise those concerns with their supervisors or other managers, and duly seek their guidance, in an appropriate and timely manner.

Mitsui offers eight channels for raising compliance concerns, including internal reporting lines and reporting routes involving external attorneys or third-party hotline service providers that promise anonymity. Mitsui has published Whistleblowing System Regulations clearly stipulating that no employee will suffer any form of retaliation or prejudice for raising any compliance concern. Furthermore, we have made it possible for Group companies in Japan to refer compliance reporting to Mitsui's designated external attorneys and third-party hotline service providers as their own external reporting channels, and we are enhancing our system to allow employees of Group companies to raise concerns without fear of retaliation through providing guidance to Group companies on how to set up and manage internal whistleblowing channels.

Overseas, our regional Compliance Supervising Officers are chiefly responsible for overseeing the implementation of reporting channels that make it possible for employees in overseas offices and affiliated Group companies in each region to report and seek guidance on compliance concerns in line with local laws and customs.

Effective Education and Training

Mitsui provides employees with a wide range of compliance training programs to promote a high degree of awareness of business ethics throughout Mitsui and to ensure that all employees have the necessary skills and information available to them to ensure that work practices remain in compliance.

In the fiscal year ended March 31, 2013, we provided such training for employees at all levels, including new employees, line managers, operations staff, and administrative staff, as well as for Mitsui employees moving overseas or being seconded to Group companies. Mitsui also provides an extensive program of compliance training for executives and employees of Group companies.

In addition, during the fiscal year ended March 31, 2013, Mitsui provided lessons involving the Compliance Handbook for Mitsui employees in Japan and also conducted online testing to ensure that employees understood handbook content. Through such activities, we are working to ensure that all management and employees have adequate knowledge related to compliance that they need to conduct of day-to-day business activities.

We also provide overseas operations and Group companies specifically-tailored compliance training that takes into account particularities of the regions in which they are located.

Compliance Awareness Survey

In order to understand and monitor the level of compliance awareness among executives and employees, we have conducted Compliance Awareness Surveys as appropriate not only in Mitsui & Co., Ltd., but also in our overseas offices and major subsidiaries. We use the survey results to address issues and implement a variety of measures to promote further compliance awareness and to reduce compliance problems.

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Other Initiatives

In addition to the previously mentioned initiatives, we also visit individual key subsidiaries and associated companies in Japan to ensure adherence to best compliance practices at the Group level. In so doing, we gain a better understanding of compliance issues facing each company, thereby enabling us to offer advice geared toward helping those companies design and implement compliance programs that can be run autonomously and independently.

Throughout the fiscal year ending March 31, 2014, we will continue initiatives that call for even better communication needed to support more effective and more fully-instilled compliance program design and implementation in order to further make compliance an integral part of daily Group-wide operations.

Protecting Personal Information

We stand committed to the task of fortifying systems involved in managing the Mitsui consolidated Group, which includes our subsidiaries and associated companies. To that end, we are working to ensure that mishaps related to personal information are avoided by establishing better information security measures and by providing education and training through e-learning and other programs regarding personal information protection.

Our system for ensuring personal information protection is based on our Privacy Policy (Personal Information Protection Guidelines) and Regulations for the Protection of Personal Information, and involves the appointment of Chief Privacy Officer (CPO). Accordingly, the CPO is in charge of the CPO office which has been established to deal with matters such as facilitating awareness of information protection issues and handling related that arise in the daily course of business.

As a general trading company, we, our subsidiaries, and our associated companies handle a wide range of products. In our B-to-C (business to consumer) consumer goods business fields we handle particularly large volumes of personal information and must exercise extreme care to ensure that this data is protected. Accordingly, we have set up management teams to respond in the event that an incident involving the leakage of information should arise, and we also appoint Personal Information Management Officers in each company division who monitor the status of information management so that we can avoid such incidents in the first place.

Ensuring Safety and Consumer Confidence

The Consumer Affairs Agency of Japan was established to ensure consumer safety and confidence, and to that end has been granted jurisdiction over laws that have close relationships with the lives of consumers. Likewise, Mitsui is also well aware that consumer safety, confidence and security are of major importance in conducting its business.

With such concerns in mind, Mitsui has established its Consumer Product Handling Policy and Consumer Product Handling Regulations, and has also prepared detailed regulations for each business unit to ensure the appropriate handling of consumer products.

Moreover, in the foods area, Mitsui works to secure food products to supply Japan, which has the lowest rate of food self-sufficiency among the industrialized countries. Food Resources Business Unit, Food Products & Services Business Unit place maximum priority on food safety and security and accordingly has established internal rules and criteria for safety assurance, maintains a food-safety database, and monitors related activities overseas down to the food production stages.

To guard against such improprieties, we have been holding ongoing food safety seminars for our employees and those of Mitsui subsidiaries and associated companies, and have been redoubling efforts to ensure that details on labels such as country of origin, product quality, and product grade are accurate, and to facilitate product traceability.

When it comes to product safety and peace of mind, consumers can rest assured that the overriding priority that Mitsui places on ensuring the safety and security of consumer products and food extends to all of the items that we handle.

The Consumer Product Handling Policy

Placing More Emphasis on the Consumer and Ensuring Product Safety

Whether engaging in manufacturing, importing, or domestic marketing of consumer products, Mitsui reaches beyond its goal of providing products that offer cost savings or superior performance, and thereby additionally emphasizes a consumer-oriented approach by which the utmost priority is placed on handling safe products that consumers can use with total confidence. This policy is aligned with our management philosophy comprising our Mission, Vision and Values (MVV) and ties in with our aspiration to engage in what we refer to as *Yoi-Shigoto* (good quality work).

Developing and Operating a Risk Management System

To ensure that the Consumer Product Handling Policy functions in practice, we have developed a sound risk management system and are working to maintain and improve systems used in collecting, disseminating, and disclosing information on accidents involving products, and arranging for product recalls in the event of product-related accidents.

Information Risk Management

Under recognition that suitable management of the information as an important resource is indispensable to our company, the Information Risk Management Subcommittee which is a subordinate body of the Information Strategy Committee that the Chief Information Officer (CIO) chairs promotes integrated information risk management, based on the information security policy.

While upgrading the "Rules on Information Management" for users and the "Rules on IT Security" for system administrators, we operate and control information risk management, and continue education activities through performing self-assessment, e-learning, etc. one by one.

We have further safeguarded sensitive information physically as follows;

- Access control systems based on the use of electronic employee ID cards and admission cards.
- Introduction of information devices with built-in hard disk encryption systems, and of remote data erasing systems in the unlikely event that a device is lost in order to prevent unauthorized access to information.

CSR-Related Risk Management

Business opportunities and the risks associated with doing business have increased and are becoming more diverse due to economic globalization, progress in information technology, and the increasing awareness of CSR. Based on this understanding, Mitsui recognizes the necessity of comprehensively managing risk from both quantitative and qualitative perspectives, by responding appropriately to changes in social conditions and business models. With this awareness, we have designated the business domains listed in the table below, which have high qualitative risks, including risks related to the natural environment, society, and governance, as specially designated business, and we have been endeavoring to develop such businesses with due caution under our Specially Designated Business Management System. Specifically, when beginning new projects, we conduct internal assessments and, wherever necessary, approach the CSR Promotion Committee as well as the Environmental Advisory Committee for advice as to whether or not to proceed with the proposed projects and for recommendation on how improvements can be made. Ultimately, the final decisions on whether or not to proceed with any given project are made by representative directors after respective proposal documents have been circulated to the relevant departments. The members of the Environmental Advisory Committee are selected from among outside individuals who are familiar with technology trends in a broad range of fields—including global warming, environmental restoration, and environmental policy related to water, energy, and other matters—attorneys, and other knowledgeable individuals.

In the fiscal year ended March 31, 2013, we made decisions on whether 78 different projects were appropriate to be deemed specially designated business, and, as a result, 33 projects were individually assessed under the Specially Designated Business Management System. By business domain, 12 of these projects were environment-related businesses, 2 were the Medical/healthcare/bioethics-related business, and 19 were the businesses that are eligible for direct or indirect subsidies from Japanese government or other governments. As of April 2012, we expanded the scope of “Environment-related business”, and hence the number of assessed projects increased more than last fiscal year.

Meanwhile, the Business Supporting Units was established in April 2013. We aim at a more comprehensive and well balanced management of risks on specially designated business at the earlier stage of business development process with support from those units.

Furthermore, we have established the Rules on ODA Business Management for promoting ODA business, which has a high public profile and, therefore, requires operation processes that are highly transparent. Under this system, as necessary, Mitsui's ODA Projects Evaluation Committee considers these projects and engages in appropriate risk management practices.

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Business Domains Subject to Specially Designated Business Management System

Business Domain		Key Points for Screening
		Applicable to All Four Business Domains <ul style="list-style-type: none"> ● Significance and social value of the business itself ● Significance of Mitsui engaging in respective business
1	Environment-related business All businesses that have serious influences on the environment Examples: Clean development mechanism (CDM) business, business using biomass, recycling business, wastewater treatment business, etc.	<ul style="list-style-type: none"> ● Contribution of such business to the environment and society ● Measures to mitigate environmental impact, and safety assurance ● For development business, appropriate consideration and understanding of local residents and other related parties ● Compliance with environmental laws, regulations and guidelines, etc.
2	Medical/healthcare/bioethics-related business Businesses related to the medical and healthcare fields, businesses related to the development of technologies involved in genetic analysis, genetic recombination, and related areas, and businesses related to products that use such technologies. Examples: Business with a high public profile in the medical and healthcare fields (senior living business, pharmaceutical-dispensing business), development of new drugs using genetic analysis technology, etc.	<ul style="list-style-type: none"> ● Ethical screening based on guidelines of three Japanese ministries (Ethical Guidelines for Human Genome and Genetic Sequencing Research: MEXT, MHLW, METI) ● Approval by the ethics committee of the research institute, acquisition of informed consent, checking of processes, etc.
3	Businesses receiving subsidies Example: Businesses that are eligible for direct or indirect subsidies from Japanese government or other governments	<ul style="list-style-type: none"> ● Evaluation in light of Mitsui's management philosophy (MVV) ● Social impact and ensuring accountability and process transparency ● Determination of interests of stakeholders, and resultant considerations and responses ● Responsibility and capability over the medium-to-long term acting as the operator of a business with a high public profile
4	Businesses with a high public profile Businesses which have high-risk cases that may be in conflict with public order and morality, Mitsui's management philosophy, or other CSR-related matters. Examples: Business with sensitive personal information, public businesses (businesses based on PFI, designated administrator system, market testing, etc.), businesses with strong regional exclusivity (public transportation systems, etc.), etc.	<ul style="list-style-type: none"> ● Evaluation in light of Mitsui's management philosophy (MVV) ● Social impact and ensuring accountability and process transparency ● Determination of interests of stakeholders, and resultant considerations and responses ● Responsibility and capability over the medium-to-long term acting as the operator of a business with a high public profile

Human Rights Initiatives

Operating businesses globally in many countries and regions of the world, Mitsui considers the protection of human rights in accordance with international standards to be its CSR management platform. Mitsui Basic CSR Policy states that, make prudent efforts to understand the culture, traditions, and customs of countries and regions around the world; and recognize the significance and importance of the human rights contained in the international standards.

The "Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd." prescribes and requires Mitsui employees and officers to observe: full consciousness of their role as members of international society; understanding and respect of the cultures, customs, and history of individual nations; protection of human rights; and eschew of any form of discrimination based on race, creed, gender, social status, religion, nationality, age, or physical or mental ability. Furthermore, regarding measures to prevent any kind of discrimination and sexual harassment, we are raising employee and officer awareness by providing compliance seminars and other opportunities tailored to each job level.

We also support various international standards such as the Universal Declaration of Human Rights and the ILO (International Labour Organization) Declaration on Fundamental Principles and Rights at Work.

International Standards

1. Supporting the Universal Declaration of Human Rights

The Universal Declaration of Human Rights is a common standard of objectives for all peoples and all nations to respect human rights and freedom. The Declaration was proclaimed on December 10, 1948 at the third United Nations General Assembly and occupies an important position in the history of human rights.

Following this declaration, the International Covenant on Economic, Social and Cultural Rights (ICESCR) and the International Covenant on Civil and Political Rights (ICCPR) were adopted by the 21st United Nations General Assembly on December 16, 1966. They both recognize the majority of the rights indicated in the Universal Declaration of Human Rights. Japan ratified both treaties in 1979.

Mitsui supports the Universal Declaration of Human Rights, the ICESCR and the ICCPR

2. ILO Core Labour Standards

The International Labour Organization (ILO) was founded in 1919 as an international organization responsible for drawing up and overseeing international labour standards. ILO is a tripartite agency that brings together representatives of governments, employers and workers to shape programs together on the subjects of human rights, occupational safety and health, hiring policies and the development of human knowledge for the adoption of ILO agreements and recommendations.

In 1998, the ILO established the ILO Declaration on Fundamental Principles and Rights at Work. As the basic rights of workers (ILO Core Labour Standards), they are defined in the 8 conventions in 4 fields (freedom of association and the right to collective bargaining C87/C98; the prohibition of all forms of forced labour C29/C105; elimination of the worst forms of child labour C138/C182 and non-discrimination in employment C100/C111).

Mitsui supports the 8 conventions constituting the ILO Declaration on Fundamental Principles and Rights at Work.

3. Respecting Indigenous Peoples

When conducting operations, Mitsui strives to comply with all laws of the applicable country or region, and to respect the human rights and cultures of its indigenous peoples in accordance with international standards such as the United Nations Declaration on the Rights of Indigenous Peoples and the Convention concerning Indigenous and Tribal Peoples in Independent Countries (ILO Convention : C169). For example, in our forest resource business in Australia, we are exercising due diligence by assessing the level of impact that Mitsui's projects may have on the indigenous Aboriginal population. As part of our research into available solutions in the event that any problems be discovered, we conduct advance surveys from the viewpoint of cultural protection to ensure that our operations will not destroy Aboriginal historical sites. In our iron ore mining operation in Brazil, we maintain close communication with the indigenous Parketêjê people to foster mutual respect. In Japan, Mitsui concluded an agreement with the Biratori Branch of the Hokkaido Ainu Association under which action is being taken to stimulate the preservation of the culture of the Ainu people, who are the original inhabitants of the Saru Forest, which is located inside one of Mitsui's Forests.

4. Guidelines for appointing a security firm

The UN Code of Conduct for Law Enforcement Officials was adopted in December 1979 so that the UN can promote and ensure that law enforcement authorities such as police and military in membership countries take on appropriate roles as well as respect and protect human dignity. The Principles on the Use of Force and Firearms by Law Enforcement Officials was also adopted in August/September 1990 as the standard for the use of force and firearms by law enforcement officials.

Mitsui bases its appointment of security firms on both the UN Code of Conduct for Law Enforcement Officials and the Principles on the Use of Force and Firearms by Law Enforcement Officials.

Management system for human rights and labor

Mitsui conducts an internal survey in alternate years concerning compliance with the UN Global Compact to raise awareness of the management and the regular employees awareness on human rights and labor issues at our Business Units, Corporate Staff Divisions and domestic and overseas organizations (branch offices and consolidated subsidiaries).

1. Do you fully understand the UN Global Compact
2. Are there any violations of the 10 principles in the UN Global Compact and, if so, report the details of the violation and what measures were taken to handle the situation.

As a consequence of this survey, if it is found that we have a unit, a division or organization which materially lacks an understanding of the UN Global Compact, we will take measures such as to provide training seminars additionally to it. We will continue with this survey to raise awareness on human rights and labor issues while referring to Guiding Principles on Business and Human Rights (report of the Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises, John Ruggie) which is endorsed by the United Nations Human Rights Council.

Supply Chain Initiatives

Having built diverse value chains throughout the world and providing a wide range of functions and services, we at Mitsui are working with our business partners to respond to the needs of society. Our goal is to help solve the various issues present in our supply chains, including the human rights issues, labor issues, and global environmental problems that confront today's society.

Supply Chain Management

Because Mitsui has built diverse value chains throughout the world and provides a wide range of functions and services, we have gone beyond environmentally friendly green procurement and are striving to comply with laws, respect human rights, maintain safe and sanitary working conditions, and ensure the safety and security of the products and services we provide. In order to correctly assess and solve CSR-related supply chain issues, Mitsui formulated its Supply Chain CSR Policy in December 2007, and has since worked to ensure that all of its business partners fully understand this policy and cooperate in its implementation. We are making every effort to enhance our supply chain management by identifying potential problems in our supply chains and extracting key issues based on the characteristics of each supply mode, country, and industry.

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Supply Chain CSR Policy

1. We will strive to contribute to the creation of a sustainable society by understanding and solving issues associated with the supply chains of our businesses, consistent with the wishes of our stakeholders.
2. We will strive to support improvements in our supply chains by seeking understanding and implementation of the following principles by our business associates.
 1. We will engage in fair trade, prevent corruption and comply with all applicable laws and regulations.
 2. We will not be complicit in human rights abuse and violation.
 3. We will not engage in discrimination with respect to hiring and employment.
 4. We will respect the rights of employees to associate freely and bargain collectively.
 5. We will not participate in forced labor, child labor or unlawfully-cheap labor.
 6. We will help reduce and mitigate business impact on the global environment.
 7. We will ensure a safe and sanitary work environment.
 8. We will ensure the safety and reliability of our products and services.
 9. We will disclose adequate and timely information relevant to the above.

Current State of Implementation of Supply Chain CSR Policy

Mitsui is implementing this policy based on the following two pillars.

1. Company-wide uniform supplier communication forms

Beginning in the fiscal year ended March 31, 2009, we sent a letter to all suppliers requesting their understanding and cooperation in regards to our Supply Chain CSR Policy in a move to ensure that all Mitsui suppliers are fully aware of this policy. More than 31,000 companies among Mitsui's Business Units, Overseas offices, and subsidiaries received the letter, which we prepared in Japanese, English, and four other languages (Chinese, French, Spanish, and Portuguese). We are continuing to promote further compliance through a range means, including explanations provided by local staff and through our company related website.

2. Individualized Handling

In promoting compliance with this policy, we consider interactive communication with business partners to be very important. Therefore, we hope to build trusted relationships and strengthen our supply chains by working jointly on improvement ideas with our partners wherever needed. In the fiscal year ended March 31, 2012, we surveyed our business partners in high-risk fields, which include agricultural crops and consumer products, focusing on human rights abuse, child labor, environmental friendliness, etc. None of our business partners related to agricultural crops (39 companies), such as coffee and cocoa, or our business partners related to textiles (153 companies) had violated this policy based on the results of this survey in addition to direct feedback from five of our business partners related to textiles.

Future Actions

We will continue sending out letters before beginning business relationships with new suppliers and continue to ensure that all suppliers of Mitsui and its subsidiaries understand our Supply Chain CSR Policy.

To increase the sensitivity of all employees to human rights, labor, and other such issues in our supply chains and to prevent problems, we will continue to heighten awareness and provide training seminars (participants in the fiscal year ended March 31, 2013: 121) including but not limited to newly-hired employees and managers. Furthermore, we will endeavor to assess any actual business situations that do or may conflict with our Supply Chain CSR Policy, and ensure that suppliers embrace the policy and improve such situations.

If a business should violate this policy, Mitsui will strive to make improvements by providing necessary support to the suppliers. However, if there are no improvements to the situation by the suppliers, Mitsui will determine carefully whether to continue our business with the supplier which includes contract termination.

Beginning in current fiscal year, we are studying the possibility of identifying areas and countries that require our focus and taking clear and stronger actions.

Examples: Assessing and Solving Supply Chain Issues

Initiatives to Ensure Stable Supply of Raw Coffee Beans



A coffee harvester used in Brazil

The production of coffee is easily affected by natural conditions such as frost, drought, and rainfall in the dry season. In addition, the coffee bean is a commodity whose price is determined by the balance between supply and demand. For both these reasons, the income of coffee growers is highly unstable. Additionally, since most coffee beans are grown in developing countries that were once colonies, they are an agricultural crop that invites a number of supply chain-related issues.

Mitsui's goal is to establish a stable supply of carefully selected, high-quality green coffee beans from many locations around the world, including Central and South America, Southeast Asia, and Africa, and to achieve an appropriate balance between quality and price.

In Brazil in particular, through our base, Mitsui Alimentos (a wholly owned Mitsui subsidiary), we have formed alliances with superior producers and built personal, face-to-face trading relationships in each phase of the supply chain, thereby building a system for the stable supply of high-quality green coffee beans.

One example of this, at the Bau Farm in Brazil's Cerrado region, is Mitsui's comprehensive support, in collaboration with Mitsui Alimentos, of the international marketing and sales of produce. The farm owner, second-generation Japanese Brazilian Mr. Tomio Fukuda, is a former engineer. Mr. Fukuda has applied himself earnestly and rigorously to coffee production, applying the quality control concepts of *Kaizen* (improvement) and 5S, and in the process has established one of leading specialty coffee plantations in the country. With Mitsui's cooperation, he is expanding his sales to not only to Japan, but to other countries across Asia.

Mr. Fukuda has raised the quality of the coffee beans at the Bau Farm by taking care of his employees and improving the quality of their labor. Based on his belief that conscientious work requires motivation, which can be only achieved through education and fair conditions, Mr. Fukuda has improved the working environment of his employees by, for example, installing air conditioners in tractor cabs. Also, due to the thorough implementation of 5S activities, his employees are proactively engaging in improvement of their working environment.

Mr. Fukuda also continues to strive to deepen his workers' understanding of coffee through explanations during training of topics including trends in consumer nations and basic information about coffee.

By focusing on high-quality employee training through such efforts, Mr. Fukuda has been able to maintain a more stable workforce than other farms. Another of the core characteristics of the Bau Farm is the fact that new technologies to enable the production of better coffee are proactively introduced under the slogan of *Kaizen*, and that ingenuity is constantly exercised in trying new methods and coffee varieties. One example of this is the installation of an irrigation system to guard against drought, control the timing of blossoming of each production area for avoiding concentration of the harvest timing, resulting in more efficient utilization of his labor force. Another example is the introduction of technology that utilizes GPS to improve soil quality.

Mitsui delivers consumers the high-quality coffee produced through these various initiatives with the passion of the producers. Mitsui brings farm owners to Japan approximately once every two years and creates opportunities for them to meet and speak directly with workers at coffee shops and beverage manufacturers, always striving both to improve understanding of the kind of coffee that consumers want and to build a face-to-face value chain.



The Fukuda family, owners of the Bau Farm

Initiatives in Lumber Procurement

Ensuring Complete Legal Compliance and Improving Reliability

Significant deforestation and reduction and degradation of biodiversity and forest ecosystems caused by illegal logging have become major environmental issues. In 2006, as a countermeasure against illegal logging, the Japanese government enacted the Green Purchasing Law, which requires that government agencies only purchase lumber that is certified to have come from legal logging in sustainably managed forests. As one of Mitsui's missions is to ensure the stable supply of building materials, paper resources, and other wood products, we cooperate with suppliers from around the world to ensure that our purchases contain no illegally logged lumber. For example, in our tree plantations and woodchip production operations in Australia, Mitsui implements environmental management and operation procedures based on FSC™/PEFC. We conduct regular checks to ensure that only reputable plantation operators are used, that operations do not result in environmental destruction, for example through chemical soil contamination, and that the obligation to replant logged areas is being fulfilled. Furthermore, Sumisho & Mitsubussan Kenzai Co., Ltd., a Mitsui affiliate, strives to buy only FSC™/PEFC- or CoC-certified wood.



Bunbury Harbour in Western Australia and a woodchip production plant

Initiatives in Apparel Operations

Implementation of the Supply Chain CSR Policy

Mitsui Bussan Inter-Fashion Ltd. (MIF)—a Mitsui subsidiary that handles the production and procurement of apparel and fashion goods—outsources the production of goods for apparel companies to subcontracted suppliers in Japan and overseas.

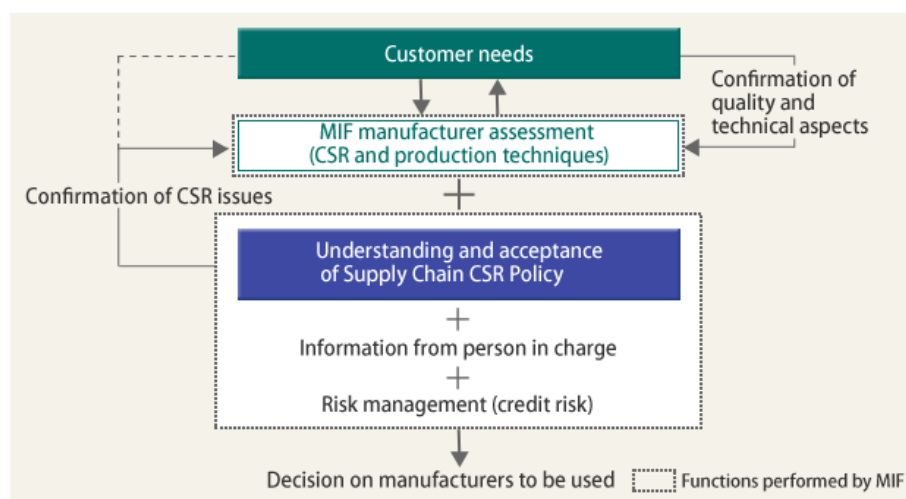
MIF has formulated a Supply Chain CSR Policy and has corresponded with all suppliers, including subcontracted manufacturers inside and outside Japan, requesting their understanding of the policy. By securing agreement from suppliers regarding this policy, MIF seeks to improve understanding of the policy and ensure that it becomes entrenched among suppliers. As of March 2013, consent to the policy has been obtained from a cumulative total of 2,363 Japanese companies and 598 foreign companies.

In the year ended March 31, 2012, MIF confirmed that none of its business partners violated this policy by surveying the supply chain initiatives of its main suppliers in Japan and overseas (153 suppliers).

MIF also unified its supply chain CSR philosophy for suppliers by internally formulating the MIF Supply Chain CSR Manual. When determining whether to form ties with a new subcontracted manufacturer, MIF strives to implement fair evaluations based on this philosophy in addition to carrying out quality control and credit risk evaluations.

For major suppliers subcontracted to produce licensed products, MIF assigns employees who are responsible solely for overseeing CSR issues at the suppliers, implementing surveys on working conditions and providing feedback. These employees are present during CSR audits performed by licensors, and coordinate with them to support the management efforts of suppliers.

MIF's functions when determining whether to form ties with a manufacturer



MIF implements internal training aimed at promoting understanding of the seven items described in its Supply Chain CSR Policy, and strives to spread awareness about its supply chain CSR philosophies and their importance. The company also holds internal seminars on employment management of foreign workers at manufacturers in Japan, striving to create a shared consciousness of respect for human rights and the laws.

In the future, MIF will continue to work with subcontracted suppliers to address CSR-related issues including working environments, while striving to make enhancements to quality and production techniques, for which there has always been a higher demand among customers (companies to which products are delivered). By maintaining daily communication with suppliers and continuing to provide thoughtful feedback, MIF hopes to help its suppliers build appropriate working environments and achieve sustainability.



A sewing line and inspection at MIF subcontracted manufacturer in Vietnam

"Mitsui is People" Human Resources to Translate into Assets



One of Mitsui's most important stakeholders is its people. Mitsui considers its employees to be the most important asset it possesses. It is said that the favorite saying of Takashi Masuda, the founder of the former Mitsui, was, "Mitsui has a pool of very talented individuals. This is Mitsui's most important asset." This thinking has been consistently passed down throughout the company's history.

To further the evolution of Mitsui's "Focus on Human Resources" concept, it is essential to improve the abilities of individuals. This entails not only enhancing our employees' work skills and know-how, but also encouraging them to develop essential qualities such as integrity, ambition, humility, gratitude, and diligence. By working hard to better ourselves, we can motivate other employees to improve, and thus contribute to a better society. It is this strong commitment to human resources that has led to the term "Mitsui is people" being associated with the company. Mitsui values human resource development above all, and our commitments to training people and improving society are linked goals that influence everything we do.



The former Mitsui & Co. was a pioneer in creating overseas training and experience programs for employees. This tradition of proactive educational engagement continues to this day, and the current Mitsui offers employees a wide range of learning and self-improvement opportunities. As our company's activities expand further to the global stage, appropriate training for our employees will also have to change in line with the kind of human resources that will be required.

To accelerate the globalization of our human resources, Mitsui will need to hire and train talented people from all corners of the world. Mitsui plans to introduce a new human resources development program with the goal of nurturing these next-generation leaders, who will take charge of managing our company on a global Group basis.

Mitsui's Human Resource Development

Mitsui, with its long history and traditions, has held the belief that human resources are its greatest asset and has maintained its objective of training and developing human resources who can contribute to society. This is why it is often said that "Mitsui is people." To implement its corporate philosophy and continue to contribute to society through generating *Yoi-Shigoto*, one of the most important tasks is for Mitsui to continue to raise the quality of individual personnel through human resource training and development activities.

Key elements of Mitsui's human resource system

Since the founding of the former Mitsui, more than 130 years ago, Mitsui has maintained the belief that "human resources are our greatest asset" and placed a set of values on "Open-mindedness" and "Challenge and Innovation." Mitsui's human resource system emphasizes these qualities as it strives to be a company where employees are motivated to work with vitality. Mitsui positions its human resource system as a "means for fulfilling its corporate mission and realizing its management philosophy" and focuses on the following three key policies.

1. Dissemination of Mitsui's Management Philosophy Comprising Its Mission, Vision and Values (MVV)

Through introducing an appraisal standard that does not focus simply on short-term quantifiable performance, but places importance on how an employee's work contributes to achieving our management philosophy over the medium-to-long term in the personnel system, we will ensure thorough dissemination and sharing of our MVV broadly among employees.

2. Development of Human Resources

We will develop human resources who can take the leadership in implementing our management philosophy.

3. Appropriate Appointment and Allocation of Personnel

We appoint and allocate human resources effectively from a company-wide perspective, based on appropriate human resources management.

"Mitsui is
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Assets

Human Resource Development

Mitsui & Co.'s View on Human Resource Development

Mitsui & Co. includes focusing on human resources in its management philosophy and regards developing talented human resources through its *Yoi-Shigoto* principle as its priority mission. Indeed, it would be no exaggeration to say that this is the company's ultimate raison d'être. The cornerstone of our human resource development is on-the-job training (OJT) and to support and supplement human resources development through OJT we also implement off-the-job-training by dispatching employees to business education programs and various other forms of training.

Human resource development program

Diverse opportunities are provided for training personnel to become effective global businesspeople, such as Overseas Trainee Dispatch for sending all business staff overseas within five years of their joining the company, Foreign Language & Business Culture Trainee, which the former Mitsui & Co was a pioneer in creating, Overseas Developmental Dispatch and Business School Dispatch.

In addition, we devise training programs for business staff and administrative assistants from the hiring and initial employee education stages with the aim of nurturing human resources who are capable of undertaking global group management. At the same time, as we continue to develop these training programs, we are constantly perfecting our training courses for improving professional skills in various sectors. To encourage employees to actively avail themselves of these programs, information on Mitsui's policy regarding human resource development and outlines of the various programs are provided on the company's intranet.

Appraisal

Mitsui positions its appraisal process as a means for encouraging employees to understand its corporate Mission, Vision, and Values (MVV), and for developing more employees who embody these values and can create *Yoi-Shigoto*. The objectives of conducting the appraisal process are not only to enhance employee understanding of Mitsui's management philosophy and motivate employees to meet management objectives, but also to provide input for fixing compensation or assigning new positions. It is also important that we promote human resource development through the appraisal process. Employees meet periodically with their managers for appraisal meetings and receive comprehensive feedback on their performance and specific contributions. These meetings create an effective framework for human resource development.

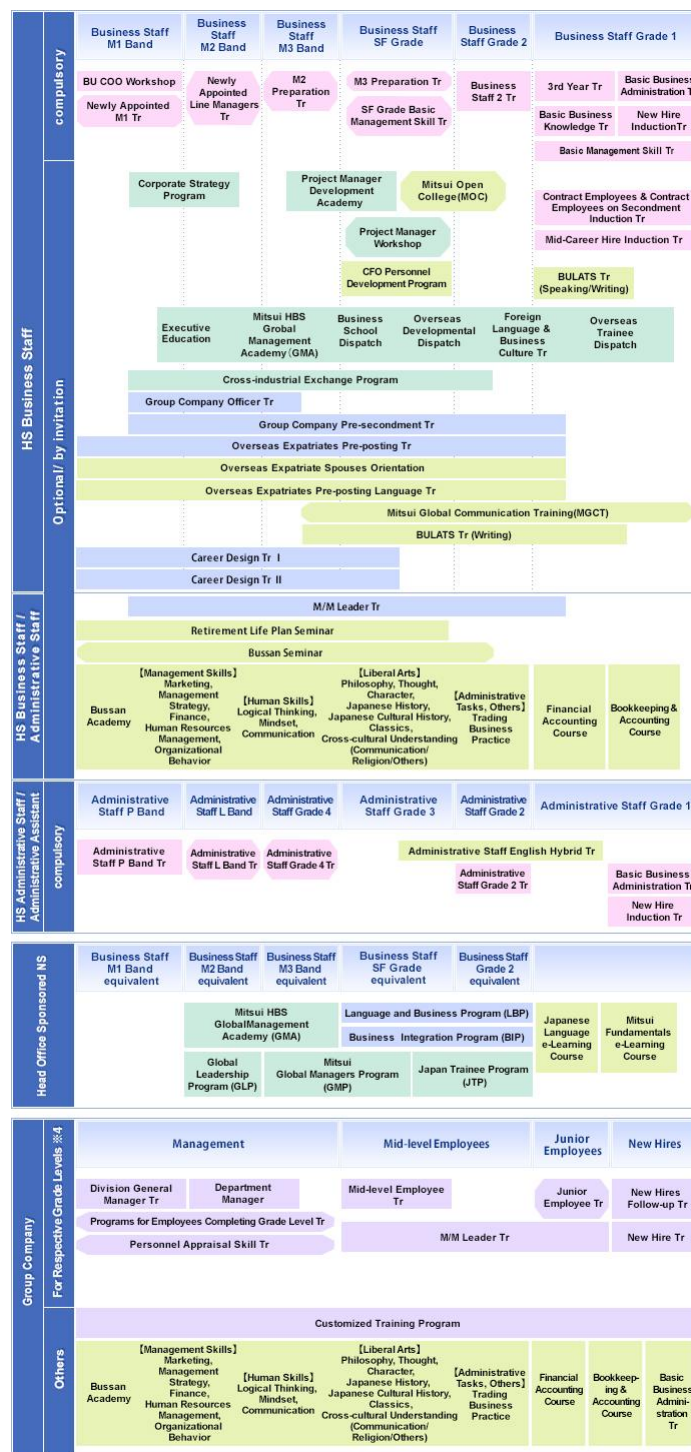
Development of Human Resources for Management on a Global Group Basis

We believe that the development of human resources at our group companies is essential for supporting our consolidated global management. Based on this principle, we provide the necessary training at each company and on various levels. In addition, through providing workshops involving personnel from various companies, such as Division General Manager Training, Department Manager Training and the New Hire Induction Program, we offer support for development of human resources to create and support personnel networks.

We are also placing more emphasis on the training of non-headquarters hired staff (NS) at the company's head office and its HR Training Center with the objective of promoting the globalization of human resources. We offer short-term training programs which consist of plenary sessions and on the job training (OJT) of up to one year, and medium- and long-term training extended for more than one year. In addition to the above, Global Managers Program (GMP) was introduced during 2008 for the training of future leaders for overseas operations who will be responsible for consolidated global management. Also, we have held a Global Leaders Program (GLP) in 2010, for NS who are already operating as general managers in overseas posts.

The Mitsui Management Academy program which had been provided only for the HS has been developed in the combined training, Global Management Academy (GMA), since 2011 in collaboration with Harvard Business School. GMA are attended by HS, NS, employees of overseas group companies, and employees of Mitsui's overseas partner companies aiming at broadening Mitsui's diversity globally.

Human resource development program



"Mitsui is People" Human Resources to Translate into Assets

Diversity Management Initiatives

Mitsui aims to become a global business enabler and is pursuing diversity management initiatives as an important corporate strategy for achieving organizational change and realizing the creation of new value.

Promoting globalization of human resources

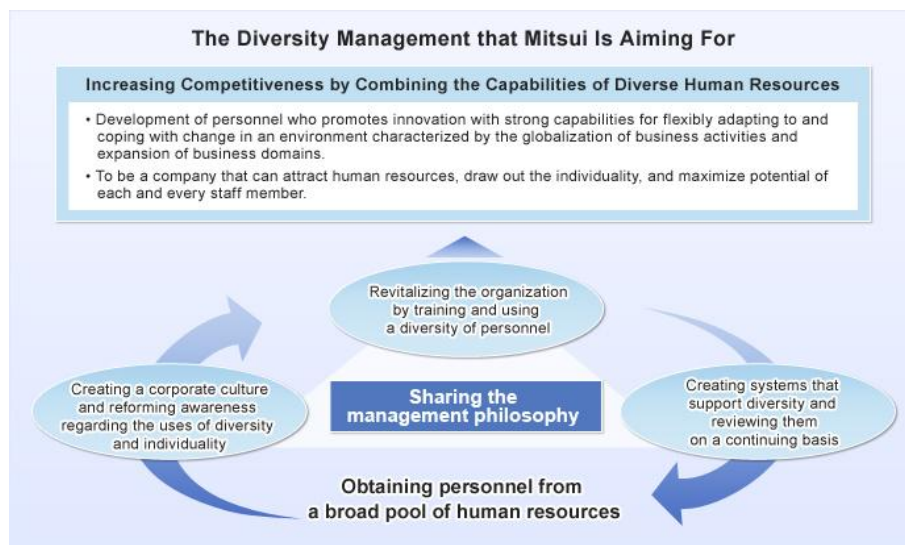
To expand our activity domains to global growth markets and develop deep-rooted businesses around the world, it is essential to appoint the personnel who are thoroughly familiar with each country and region. In addition, to respond appropriately to the continuously changing business environment and to keep generating *Yoi-Shigoto*, we must draw on the combined capabilities of a diverse range of human resources. We are also working on creating a corporate culture and systems where highly qualified personnel throughout the world can be active on a various fields.

Helping our female employees realize their full potential

About 25% of all of Mitsui's personnel are women, and Mitsui assigns these individuals to positions and activities that are suited to their duties, abilities, and aptitudes irrespective of gender. Mitsui has employed female employees in mainstream career path from 1992. We have created an environment characterized by job rotation and workplace exchange, along with training and other programs, where women can be more active. In addition, the number of female employees taking an active part in our overseas activities is increasing year by year. Currently, there are 45 female employees dispatched from Japan and stationed in Mitsui's overseas operations (including foreign language and business culture trainees and overseas trainees, as of April 1, 2013).

Hiring of disabled persons

In 1981, in accordance with the then Law for the Employment Promotion of the Disabled, we established Mitsui Bussan Business Partners Co., Ltd. (formerly Bussan Service Co., Ltd.), a trailblazing special-purpose subsidiary for the employment of people with disabilities. A large number of disabled persons are currently employed in a variety of personnel and administrative capacities including printing, mailing, various kinds of data processing, business travel arrangement and settlement, personnel, payroll and benefits administration and office layout management and for over 20 years we have exceeded the statutory employment rate for people with disabilities. As of March 2013, 2.48% of Mitsui's employees were disabled.



Diversity Cafe

Accompanying changes in the social milieu, such as a greater diversity in people's sense of values, the number of husbands and wives both holding jobs and the demographic aging of the population, there has been an increase in the number of employees seeking new kinds of career paths and wanting to maintain a balance between their work and their private lives. We sometimes provide venues such as the Diversity Café for employees to come together and have the opportunity to learn from each other's experiences and to discuss and share information on matters of common interest. The themes for discussion in 2012, mainly for our female employees, were "How to make a career of one's own" and "the experience of Administrative Overseas Trainees".



The 12th session of Diversity Cafe in progress

Creating a good work environment to have work worth

We consider it very important to improve the work environment to enable all employees — the leaders in our efforts to generate *Yoi-Shigoto* — to achieve a work-life balance and work with a sense of job satisfaction and peace of mind. Mitsui employees and their families perform indispensable roles, as employees, and as members of families and society, depending on their various life stages and circumstances in their families and at homes. We are developing systems designed to create workplaces where it is possible to maintain a balance between our work and the requirements of our personal lives and are providing information to employees on how to use these systems effectively through presentations and through the company intranet and the in-house magazine.

Addressing the issue of long working hours

At Mitsui & Co., Ltd., we have established a Labor-Management Committee to address the issue of employees' long overtime working hours from perspectives that include health management and to determine and improve the situation.

To reduce total working hours, we constantly create materials to enable the understanding of the actual situation with respect to overtime and paid leave in each division and provide them to each division so as to reduce total working hours and encourage taking annual paid leaves, including use of the planned leave system. And we provide guidance about appropriate time management and raise awareness, especially to managers through training session with "Overtime Handbook", which is our in-house manual related to overtime. We also provide access to on-site medical advisors for employees whose overtime work exceeds a specific limit and develop proposals for improving the situation, based on the Occupational Health and Safety Law of Japan, which leads to reduce total working hours and prevent health problems.

Childcare and family care support

To help employees balance their working life with childcare and family care needs, Mitsui has introduced systems of short-time working and staggered hours working in addition to its leave system. From 2007, we provided partial pay for childcare leave and moderate the eligibility requirements to allow employees to take childcare leave even if their spouse is a full-time housewife, thereby creating an environment that has encouraged male employees to take childcare leave. Furthermore, to support a smooth return to work, we have established a company nursery, the Karugamo Family Nursery, within the Company's Head Office in Tokyo. As a result of this series of policies and initiatives, we have been recognized by Japan's Minister of Health, Labour and Welfare as a company that is actively providing support for child raising.



Kurumin logo

The "Kurumin" logo may be placed on the products of businesses that have been officially recognized by Japan's Minister of Health, Labour and Welfare as actively providing support for child raising. The logo shows an infant being raised with safe and sound within a protective blanket, which represents the concern and care of the workplace and society.

Occupational hygiene initiatives

The Hygiene Committee, which is composed of members recommended by management and labor, meets each month. The activities of this committee include the discussion of arrangements for maintaining the health of employees, based on advice provided by qualified industrial physicians and hygiene experts; ways of making improvements in the workplace; and other related matters. The committee also conducts workplace visits.

"Mitsui is
People" Human
Resources to
Translate into
Assets

Health checks

Mitsui provides the opportunity for employees to have convenient periodic health checkups on Company premises. Also, for personnel who are 35 years of age and older, Mitsui recommends more extensive health examinations, which employees may take on Company premises or at external clinics. In addition, for employees who are 40 years of age and older, in collaboration with the health insurance union, Mitsui offers specific guidance for health maintenance.

Mental health care

Mitsui conducts training courses related to mental health for its employees and managerial personnel, including new employees and Man-to-Man Leaders. This course provides the necessary basic knowledge both to employees and their managers and aims to prevent mental health issues among managerial personnel and their subordinates. Also, the Health Management Center & Medical Clinic provides responses carefully tailored to individual needs, including discussion with industrial physicians and medical insurance staff, as well as counseling services provided by other specialists. In addition to assistance to employees themselves, Mitsui can provide counseling services for the families of employees via telephone, e-mail, and other communication channels.

Joint efforts with labor unions

To create an environment in which each and every employee is able to work energetically in pursuit of "Yoi-Shigoto" and in which the employees and company can continue to grow together, we actively discuss a variety of common issues with the Mitsui & Co. Labor Union. Mitsui also holds labor-management discussion meetings to confer on financial results, business activities and plan, various personnel-related systems and human resources development, and provides a venue for exchanging views on a variety of matters with managements in each Business Unit, with the aim of maintaining a healthy and cooperative relationship between management and labor.

Data of personnel affairs

Data of personnel affairs about Mitsui's Human Resource Development

Employment Information

Mitsui Employees by Gender (as of March 31, 2013)

Male:4,503
(73.0%)

Female:1,664
(27.0%)

The number of employees on a non-consolidated basis as of March 31, 2013, was 6,167.
(Male: 4,503 Female: 1,664)

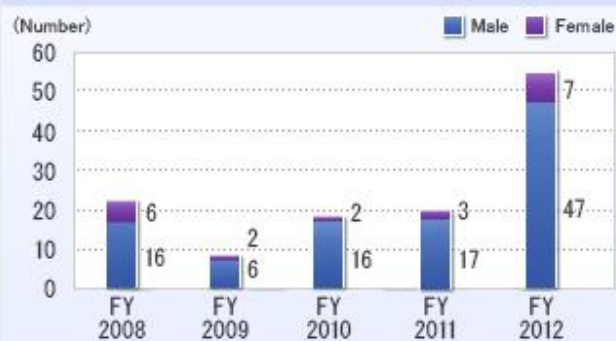
* Not including those in administrative staff positions and contract employees.

* Average personnel turnover (Over the last three years) 2.85%

Mitsui's Hires of New Graduates for the Managerial Career Path by Gender



Mitsui's Mid-Career Hires



* Includes operations personnel beginning in FY2009.

Foreign Geographic Areas (As of March 31, 2013)

	Headquarter-hired Staff (HS)	Non-Headquarter-hired Staff (NS)
Americas	315	606
Europe, the Middle East and Africa	233	773
Asia Pacific	535	1,914
Other (overseas trainees)	156	-
Total	1,239	3,292

NS Dispatched to the Head Office (As of March 31, 2013)

Japan Business Integration Program trainees	9
Japan Language & Business Program trainees	11
Intra-company transferees	18
Total	38

Employees Taking Childcare or Family Care Leave

		FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Childcare leave	Male	3	5	1	3	6	4
	Female	32	40	38	37	40	34
Family care leave	Male	0	0	0	1	0	2
	Female	5	2	0	2	1	4

Concepts about Social Contributions



Today's increasing trend towards globalization, advances in IT and other developments in society have brought considerable diversity and change to the world we live in, and as we pursue greater convenience and enrichment in our lives, we also face a broad range of issues, including global warming and other environmental problems, poverty, and educational inequality.

Mitsui not only works to create value for society through its main business but also aims to be active beyond its main areas of work, to address issues faced by regional and global society.

Mitsui's Operational Guidelines for Social Contributions Policy specify three areas of focus: international exchange, education, and environment.



Within these three areas, Mitsui utilizes its strengths and knowhow by focusing its social contribution activities on multicultural symbiosis, human resource development with an international perspective, and the global environment. By continuing our initiatives in these fields, working together and sharing them with society, we believe our activities will have follow-on effects that will lead on to solutions to larger-scale social issues.

In addition, we are planning and promoting volunteer programs with the hope building interest and sensitivity towards social issues amongst our own staff and management personnel.

Social Contributions Policy

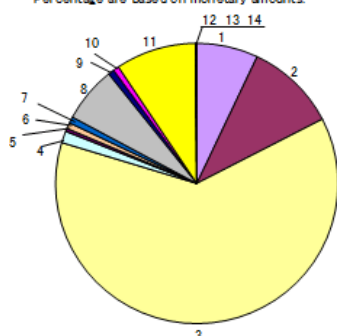
Guiding Principles

We will build a congenial relationship with our stakeholders by striving to create a harmony with the global community and local communities in accordance with the Mitsui & Co. Management Philosophy (Mission, Vision and Values), and we will actively contribute to the creation of a future where the dreams of the inhabitants of our irreplaceable Earth can be fulfilled.

Action Guidelines

1. In order to respond in an appropriate manner to the needs of the global environment, and international and regional society, Mitsui will actively promote social contributions that go beyond its normal business activities in addition to contributing to society through the implementation of *Yoi-Shigoto* in its normal sphere of business.
2. Mitsui will establish the three important areas of 'International exchange', 'Education' and 'Environment' for its social contributions, and will implement social contribution activities befitting of Mitsui & Co.
3. In addition to the making of economic contributions, such as donations etc., Mitsui also aims to carry out proactive social contributions that involve the participation of its executives and employees.
4. Mitsui promotes social contributions with an emphasis on transparency and accountability in respect of its stakeholders. It also aims for the continued improvement of activities through communication and cooperation with its stakeholders.

Social Contributions (Fiscal Year Ended March 31, 2013)
The breakdown of social contribution expenses, which totaled 2,087 million on 391 activities, is shown below.
Percentage are based on monetary amounts.



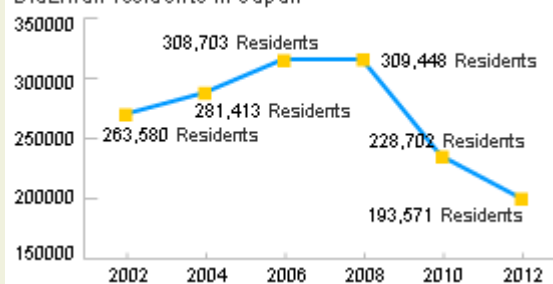
	Activity Category	Percentage (Monetary Amounts)	Number of Activities
1	International exchange and cooperation	7%	58
2	Education, social education	10%	60
3	Environmental protection	62%	32
4	Social welfare	1%	62
5	Health and medicine	0%	13
6	Sports	1%	26
7	Academic activities, research	1%	10
8	Arts and culture	6%	48
9	Archeology, preservation of traditional culture	1%	1
10	Local community involvement	1%	55
11	Assistance to disaster-stricken communities	9%	20
12	Assistance for disaster-prevention community work	0%	1
13	Human rights	0%	4
14	NPO infrastructure-building work	0%	3
	Total	100%	391



For People from Brazil, a Country Mitsui Has Strong Links with

There are many Brazilians living in Japan, next to the Chinese, South and North Korean and Philippine people. Although the figure decreased after the economic crisis caused by the collapse of Lehman Brothers in the autumn of 2008, and the Great East Japan Earthquake of March 2011 has effected more decrement, there are still approximately 194,000 Brazilian people living in Japan as of the end of December, 2012. There is a high concentration of Brazilian residents living with their families in areas with a large number of factories serving the automotive and consumer-electronics industries. Their children attend Japanese public schools or Brazilian schools, but there are also some children who do not go to school at all.

Number of registered Brazilian residents in Japan



From 1908, as many as 270,000 Japanese emigrated to Brazil, where their offspring now number 1.5 million. Many Brazilians of Japanese heritage are active in politics and business, making Brazil a country with very friendly relations with Japan. Mitsui has long-standing and close business ties with Brazil which go back to the 1930s. Although Brazil is geographically on the opposite side of the earth to Japan, it is one of emotionally closest countries for us, Mitsui, thanks to the strong connection.

Following a revision of Japanese immigration law in 1990, many Brazilians of Japanese heritage came to Japan with their families. However, the children of these Brazilians face a number of problems: children who go to Japanese public schools lack Japanese language skills, those who go to Brazilian schools suffer from poor facilities and inadequate teaching materials, and there are many children who do not attend school at all. After investigating what Mitsui could do to improve this poor educational environment, in 2005 Mitsui began activities to support Brazilian residents in Japan, focusing on children, and these activities are still continuing today. The aim is to deepen mutual understanding between Japan and Brazil and promote genuine multicultural coexistence.



Scholarships for Brazilian Children in Japan

From 2005 till 2008, Mitsui donated education-related materials to 30 Brazilian schools. Watching the children enjoying lessons as they use the new experimental equipment and personal computers makes us vividly realize the significance of these donations. However, after September 2008, many Brazilians in Japan lost their jobs because of the recession. As a consequence, many families returned to Brazil, and the number of families that can afford to send their children to the relatively expensive Brazilian schools in Japan drastically decreased. This resulted in a decline in the number of pupils and the closure of many schools. In view of this situation, from 2009, Mitsui shifted the focus of its activities "from providing things to providing support for people" by awarding scholarships to Brazilian pupils through the schools to cover monthly tuition fees. As of the end of February 2013, 353 children were attending school thanks to this scholarship program. The children who receive the scholarships have sent grateful letters saying for instance 'Thanks to Mitsui's scholarship we can go to school and talk with our friends' and 'our lessons are fun.' In these and other activities, Mitsui has benefited from the cooperation and advice of the NPO Action for a Better International Community, an affiliate of the Japan Foreign Trade Council, Inc.





Supporting Four-Year Distance Learning to Train Educators for Brazilian Schools in Japan

Nearly all Brazilian schools in Japan started out as crèches, and then gradually grew into schools. As a result, there are many classrooms where the teacher does not have an elementary or junior school teaching license. The Brazilian Ministry of Education found it necessary to raise the level of the teaching staff to ensure an adequate education for the children. In response, the Federal University of Mato Grosso in Brazil and Japan's Tokai University jointly formulated the Distance Learning Course for Brazilian Educators working at Brazilian schools in Japan based on e-learning, which began operating in July 2009. There are currently 219 participants, who will obtain their teaching qualifications after receiving a 4-year education (in 2013) based on regulations of the Federal Republic of Brazil.

The state of Mato Grosso, where the Federal University of Mato Grosso is located, is approximately 2.4 times greater in area than Japan and is covered in forest, as a result of which education by distance learning course is common. In the implementation of the program, the Federal University of Mato Grosso is drawing on this experience in distance learning, while Tokai University is taking advantage of its network of affiliated schools throughout Japan.

Mitsui participates in this program by meeting the cost of the Japanese language- and Japanese society-related course, designed to encourage knowledge of the host country. This activity is supported from the Brazilian side by the Brazilian government (Ministry of Education), the Federal University of Mato Grosso, and the Bank of Brazil, and from the Japanese side by the Ministry of Education, Sports, Science and Technology (MEXT), Tokai University, and Mitsui. It is thus an example of a project implemented with the joint participation of industry, government, and academia in both Japan and Brazil.



Kaeru (Going Home) Project Seminars in Japanese Cities with Large Brazilian Communities

The Kaeru Project, implemented in the Brazilian city of São Paulo, helps children returning home from Japan to make a smooth transition to life in Brazil. Children returning from Japan face a range of serious difficulties including differences in lifestyle and language. Starting in 2009, to alert parents still in Japan and the people involved to these educational difficulties, Mitsui invites the therapists of Kaeru Project from Brazil to Japan as speakers for seminars in cities with a high concentration of Brazilian residents such as Toyota (Aichi Prefecture) and Hamamatsu (Shizuoka Prefecture). In 2012, these seminars were held nineteen times and were attended by a total of around 1,000 people.



Mitsui's
Social
Contributions



Providing Support for NPOs that Assist Brazilian Residents in Japan

Since 2005, Mitsui has continuously made donations to the NPO SABJA, which supports Brazilian residents in Japan with services including a telephone help line for advice on medical treatment, employment, education, and other issues, and assistance to Brazilians facing poverty. In cooperation with SABJA, Mitsui also runs a charity bazaar at the Brazilian Day festival held in Yoyogi Park every Summer, with Mitsui employees taking an active part as volunteers.

From 2012, Mitsui started providing its assistance to the Association of Brazilian Schools in Japan (Associação das Escolas Brasileiras no Japão; "AEBJ"), an NPO that provides Brazilian schools in Japan with guidance and advice for sound school management and skills-building of school staff.

Additionally, we provide support to NPOs and voluntary organizations that work mainly with Brazilian children in Kita-Kanto, Tokai, and other regions with a large Brazilian community.



Other Forms of Support

(1) If Brazilian children attending Japanese public schools develop only limited ability in both the Portuguese and Japanese languages, they may end up underachieving academically or dropping out of school. With the idea of remedying this problem, Mitsui worked with Tokyo University of Foreign Studies to develop supplementary teaching materials for children to assist them with Japanese language learning and studying other school subjects. From April 2007, these materials have been available to the public free of charge on the Tokyo University of Foreign Studies website (Japanese).

(2) Wishing to place our activities at the service of government agencies and other relevant bodies, Mitsui collaborates actively with government agencies and presents them with proposals for support. One channel for this is through contacts with members of a committee at the Ministry of Education, Sports, Science and Technology which deliberates on educational issues relating to the children of foreign residents.

(3) As an urgent response to the economic crisis which started in September 2008, used freight containers have been donated to store emergency supplies, and Brazilian residents of Japan have been given temporary employment in forests owned by our subsidiary Mitsui Bussan Forest Co., Ltd.



Mitsui-Endowed Lecture Program at the University of São Paulo



Activities in Brazil (Mitsui Bussan do Brasil Foundation)

In addition to our activities in Japan, we are also active in Brazil itself through the Mitsui Bussan do Brasil Foundation as outlined below.

•Kaeru Project

In a project led by the psychologist Dr. Kyoko Nakagawa to assist their adaptation to Brazilian school and society, children who have returned from Japan are supported emotionally, academically, and through support to their environment.

•PIPA Project

The PIPA Project is a program for supporting children with autism, a disease which one out of every 100 is said to be suffering from. The program utilizes the DailyLife Therapy method, originally contrived in Japan to help autistic children live a social life independently. The program is administered by Beneficência Nipo-Brasileira de São Paulo (Japan Brazil Benevolence Association in São Paulo).

•Mitsui-Endowed Lecture Program at the University of São Paulo

To deepen understanding of society, culture, and other aspects of Japanese life, and to foster human resources who can contribute to the future development of both countries, Mitsui funds a lecture event taking place one to two times a year bearing the Mitsui name. Japanese legal books are also donated to the University. For details see Foundation and Funds Activities in the Americas.

In this way, Mitsui makes social contributions in Japan and in Brazil with the idea of reaching a deeper understanding of Brazil, an important partner country for Mitsui. We hope that this activity will help to strengthen the ties between our two countries.



Progress Toward the United Nations Millennium Development Goals

In October 2004, Mitsui pledged its support for the Global Compact, which is championed by the United Nations. The Global Compact is a set of principles that private companies agree to accept as guideline for action, focused especially in the four areas of human rights, labor, environment and anti-corruption, and Mitsui participated in the movement to establish an international framework for realization of sustainable development. In May 2008, in response to a call from the then British prime minister Gordon Brown, Mitsui signed a Business Call to Action declaration committing to corporate action aimed at achieving the United Nations Millennium Development Goals (MDGs) by the target year of 2015, and started the concrete approach toward that goal.



Contributing to Local Communities in Mozambique

In September 2010, Mitsui agreed with United Nations Development Programme (UNDP) to construct a solar powered-operated pumping facility for irrigation water to a farming community in Mozambique, and signed an agreement with UNDP. It is currently under construction.

This program, in which UNDP and Mitsui utilize their respective knowledge and strengths toward the achievement of the MDGs of reducing poverty, is an example of action to support development based on a public-private partnership. Providing the Chibuto Millennium Village in Gaza Province with the infrastructure to supply irrigation water will aim to help the community to become self-sufficient and sustainable by increasing incomes through improvement of agricultural productivity.

Mr. Iijima, President of Mitsui attended an MDGs follow-up meeting which was held in Tokyo in June 2011, and introduced this program. He explained that an empowerment of the community people to encourage the sustainable independence economically is important, and for that purpose, a human resource development becomes the issue to be solved.

Thus, Mitsui contributes the realization of sustainable development for the developing countries through the business to contribute to achieve the MDGs.



Mitsui's mission of developing human resources that can contribute to the betterment of society is premised on our human resource-oriented principles that have been passed down through the long history of our company. As a general trading company (sogo-shosha) that conducts business worldwide, we aim at fostering not only our employees but also many youths around the world who are poised to forge the futures of the wide range of countries and regions where we conduct business so that they can play leading roles on the global stage with an international perspective. In this regard, our company is engaged in various initiatives that contribute to society as outlined below.



Scholarship Programs

Mitsui-Bussan Scholarship Program for Indonesia

Our relationship with Indonesia reflects the culmination of conducting business with the nation. Aspiring to build even stronger ties between Japan and Indonesia, we established the Mitsui-Bussan Scholarship Program for Indonesia in 1992 to support exceptional individuals who will someday contribute to further development of their country.

A distinguishing feature of the scholarship is that rather than targeting international students already studying in Japan, it is awarded instead to high school students in Indonesia who are excellent in both performance and personality and show a strong desire to study in a Japanese university, providing such recipients with support for their studies and living expenses for five and a half years, including time needed to prepare for university entrance exams. Selected on the basis of test and interview results, recipients of the scholarship come to Japan after graduating from high school. They initially spend one and a half years learning Japanese and studying for university entrance exams. They then take university entrance exams for faculties/departments of universities they hope to enter, and subsequently begin attending university upon passing respective exams.

The scholarship program goes beyond providing financial backing, and also involves fine-tuned support extending to care for the psychological needs of recipients. For instance, staff members affiliated with the program meet with recipients monthly to check on their studies and living situations, and also make opportunities for recipients to interact with other current recipients and former recipients who have graduated.

The scholarship program has thus far seen 21 former recipients to graduation, and currently provides support to 10 individuals. We remain committed to this and similar initiatives even beyond Japan and Indonesia that pursue educational opportunities for individuals who are poised to play a role on the global stage.



Other Scholarship Programs

- Mitsui Bussan Trade Promotion Foundation
- National University of Singapore
- Royal University of Phnom Penh(Cambodia)



Mitsui-Endowed Lecture Programs



Peking University

In 2006, in conjunction with Peking University, we established an endowed lectureship called the Mitsui Innovation Forum at Peking University. The 10-year program, ongoing until 2015, brings in heads of leading companies and distinguished Chinese and Japanese scholars who present their views on “innovation” to an audience of youth who are poised to forge China’s future. The six lectures are held annually and have featured speakers from Japan on two occasions and from China four times. Each of those lectures has drawn in audiences numbering between 200 and 300 people, comprised of Peking University undergraduate and graduate students, graduates of the university, as well as individuals

affiliated with corporations and students from neighboring universities. Moreover, the vibrancy and enthusiasm of the Chinese youth attending the lectures has been clearly apparent, with some post-lecture question and answer sessions running for almost a full hour. We remain committed to this program in hopes not only that it will help educate individuals, but also that it will lead to a deeper mutual understanding between Japan and China and encourage interaction between the two nations.

Saint Petersburg State University

Since 2007, Mitsui & Co. has hosted two Mitsui-endowed lectures annually at Saint Petersburg State University, a prestigious university in Russia whose alumni have included many prominent politicians and academics since its founding in the early 18th century. Through the program, we aim to encourage a deeper understanding of Japanese society and its culture, and to inspire individuals to help build amicable relations between Japan and Russia and to facilitate greater interaction between the two nations. The program invites lecturers from many fields, including business, politics, education and sports. They speak at the university on the subject of

“innovation”, drawing from their own unique experiences, knowledge and philosophies, and convey to their audiences of student youth the importance of embracing dreams and aspirations. In addition to the Mitsui-endowed lectures, Mitsui also contributes to the university by providing scholarships to its students for international study in Japan and donating Japanese-language books and DVDs to the university to be used as teaching materials by SPSU’s Faculty of Oriental Studies.



Other Mitsui-Endowed Lectures

- Fudan University, Zhejiang University(China)
- University of Languages and International Studies-VNU(Vietnam)
- University of São Paulo (Brazil)
- John Carroll University; The City University of New York Baruch College, Columbia University(United States)
- Mitsui Endowed Professorship Fund at Dartmouth College (United States)
- University of Warsaw (Poland)



Japan Studies



Mitsui Educational Foundation

In 1971, Mitsui & Co. (Australia) Ltd. established the Mitsui Educational Foundation with the aim of bringing about greater mutual understanding and friendship among Japanese and Australian youth, while contributing to stronger ties between the two nations. Every year, the foundation selects 8 to 10 students from universities across Australia to send on a three-week study tour of Japan. The young visitors to Japan have shown a keen interest in learning about a wide range of topics and have been given opportunities while in Japan to visit universities and other educational facilities, companies, factories, and sites that play a significant role in Japan’s history and culture. The foundation also offers other opportunities for the participants to learn more about Japan, including placements with

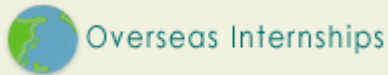
homestay families where the students are able to experience Japanese lifestyles firsthand, and chances for them to spend two days

with university students who are bound for careers at Mitsui.

As of 2012, the Mitsui Educational Foundation program has welcomed 321 students to Japan over the 41 years since it was first established. The foundation will continue to make it possible for students from Australia to gain a better understanding of Japan so that they may forge connections between Japan and Australia for years to come.

Other Japan Studies Programs

- National Future Farmers of America



Support for Overseas Internship Program

The Institute of National Colleges of Technology, Japan (Kosen) has embarked on initiatives to provide three-week internship opportunities since 2009. Through the internship program, Kosen has been sending technical college students and faculty members to overseas locations of Japanese companies. We feel that educating a pool of young engineers equipped with a broader perspective and the capacity to succeed on a global stage can help bring about greater globalization of Japanese society. Premised on that notion, Mitsui & Co. has been lending its support to the Kosen internship initiatives by seeking out Japanese companies that are willing to provide such opportunities, and subsequently introducing those firms to Kosen.

Participants of the overseas internship program have offered various observations at Mitsui-hosted annual forums for them to report on their experiences. Their feedback has included such comments as: they have become more determined to work harder at building capabilities as engineers; they now strive to communicate more proactively with others in all environments; they now take more initiative in structuring teamwork; and they now have better understanding of other cultures and are more accepting of them.

Since the program's inception, 93 students have been sent on internships with 15 participating companies, while 24 students have gained internship experience at 9 companies outside of Japan in fiscal 2012.





Fund Activities in the Americas Region



The Mitsui USA Foundation

The Mitsui USA Foundation, established in 1987 in New York, is Mitsui USA's charitable arm for active, good corporate citizenship, running programs in U.S. communities where the Company does business. Historically, the Foundation has placed emphasis on higher education and employee participation. More recently, it has enhanced its giving to include the disabled community. Every year, the Foundation supports over 50 projects across the United States in four areas: education, community and disabled welfare, arts and culture, and action based on employee participation and corporate matching. Half of this budget is devoted to education-related activities, and there are many projects bearing the name of Mitsui USA.



(1) Education

Education is also a key area of activity for the Mitsui USA Foundation, as part of which it organizes Mitsui-Endowed Lecture Programs.

John Carroll University: begun in 1993, the Mitsui USA Distinguished Lecture series at John Carroll University in Cleveland, Ohio, is held at the opening of the university's East Asian Studies Program. This high-level lecture series hosts expert speakers on Japan and other Asian countries in areas including politics, economics, culture, and history. Baruch College, The City University of New York: begun in 1994, the Mitsui USA Lunch Time Forum is held six times a year and hosts speakers from academia and the business world. The panel discussions on global issues have been well received and the program has proved very popular, attracting an audience of almost 200 including not only leading members of the university faculty, but also New York City employees and business people.

Columbia University: inaugurated in 2000, the CJEB/Mitsui USA Symposium is held once a year and sees speakers and panelists engage with graduate students and experts in animated question and answer sessions on a wide range of subjects, from analysis of the global economy to cutting-edge hedge fund techniques. Including a reception, the event provides a forum for effective interaction.

Other activities include scholarship programs for approximately 60 university students at some 40 universities in the U.S. and summer home-stays in Japan for 10 U.S. high-school students under the Youth for Understanding program.

(2) Community and Disabled Welfare

Among our wide-ranging support activities are the following programs: LifeStyle, in which people with disabilities play host to elderly people at dinner party events; Abilities, which provides disabled New Yorkers with vocational skills training and support in seeking employment; the art and music therapy program Mercy Home, held every Saturday for 40 autistic children; Citymeals-on-Wheels, which delivers meals to elderly people; and Special Olympics NY, which offers a wide range of sports training and sporting events to people with intellectual disabilities.



(3) Arts & Culture

Our activities here include support for Midori & Friends Foundation "Making Music" programs, which provide children in East Harlem, NYC. with flute, clarinet, saxophone, vocal and rhythm lessons.

(4) Employee Voluntary Activities

Support for Mitsui USA VTF (Volunteer Task Force) activities; March of Dimes walker participation; "Matching Gift" Program, whereby employees' individual donations are matched with an equal donation from Mitsui; and "Special Match" programs for natural disaster relief support.

For more details visit The Mitsui USA Foundation website at:



Mitsui Bussan do Brasil Foundation

Together with its local subsidiaries and associated companies, Mitsui Bussan do Brasil established the Mitsui Bussan do Brasil Foundation in February 2008. The Foundation supports activities aimed at cultivating human resources able to contribute to the development of friendship and the expansion of cultural exchange between Japan and Brazil.

The Kaeru Project

Led by psychologist Dr. Kyoko Nakagawa, this is a project to help children returning from Japan to adapt smoothly to Brazilian school and society. It is offered free of charge at municipal and state-run schools. Under the project, the Brazilian non-profit organization ISEC (Institute for Social and Cultural Solidarity) which Dr. Nakagawa belongs to and the São Paulo state education bureau work together to provide support to children in the three areas outlined below.

- 1) Emotional support (play, reading, creative writing, counseling, etc.)
- 2) Academic support (catch-up lessons, intensive courses, etc.)
- 3) Support to the children's environment (guidance for parents, school supervisors and teachers, etc.)

Using the expertise gained, it is planned in the future to expand the project beyond the state of São Paulo through dispatching outreach activities, workshops, etc.



PIPA Project

In Brazil, one out of every 100 is said to be suffering from autism. The disease poses significant strains on families and society at large due to difficulties in coping with the disorder and added educational challenges brought about by the disorder. With that in mind, since 2006 Beneficência Nipo-Brasileira de São Paulo (Japan Brazil Benevolence Association in São Paulo) has been implementing the PIPA Project, an initiative designed to help autistic children become independent by engaging them with the Daily Life Therapy method which avoids reliance on medications that are conventionally used in Brazil to treat those with autism. The initiative was the first in Brazil involving the Daily Life Therapy, a treatment method contrived by Dr. Kiyo Kitahara, founder of Musashino Higashi Gakuen in Japan. Mitsui is contributing a portion of the funds needed to deliver the project in hopes of helping to enable a greater number of autistic children to gain better acceptance into society and lead more independent lives. The project targets not only Brazilian children of Japanese descent but also Brazilian children of other ethnic backgrounds, with a particular emphasis on economically disadvantaged youths. It is hoped that the Daily Life Therapy will become more recognized in Brazil and be adopted more widely, as positive outcomes emerge from the project.

Mitsui-Endowed Lecture Program at the University of São Paulo

This program is supported by a grant from the Mitsui Bussan do Brasil Foundation, and the University of São Paulo Law School's Institute of International Law and International Relations, which hosts the program. The aim is to foster an understanding of Japanese society and culture, especially among students and young researchers at the university, and to develop human resources with the ability to contribute to the expansion of friendly relations between Japan and Brazil. Regular lecture programs are presented once or twice each year. Japanese legal books are also donated to the University.



The Mitsui Canada Foundation



The Mitsui Canada Foundation was established in 1981 to commemorate the 25th anniversary of Mitsui & Co. (Canada) Ltd. with the mission of promoting culture and education. In the field of Japanese language education, Mitsui & Co. (Canada) provides judges for a Japanese speech contest. In the field of community welfare, the foundation supports a Japanese Cultural Center and gives assistance to facilities providing nursing care to elderly Japanese residents of the Vancouver and Toronto areas. It also provides donations to six major Canadian universities, (Toronto, Alberta, British Columbia, Regina, Queen's, and McGill).



Action Based on Employee Participation



Mitsui Global Volunteer Program (MGVP) Employees acting together

The MGVP was initiated in October 2009 with the idea of engaging in social contribution activities which bring employees together.

1. Try it V-1000

The company makes donations in proportion to the number of employees who take part in voluntary activity.

- (1) Period of tabulation: one-year period from October to September of the following year
- (2) Amount of contribution: Number of participants × 1,000 yen.
- (3) Donee: selected on a rotating basis by the Americas, EMEA (Europe, Middle East and Africa), and Asia Pacific Business Units.

The number of employees participating in the Try it V-1000 program of FY2012 (October 1, 2011, to September 30, 2012) was 2,668 and the amount donated 2,668,000 yen.

This year the EMEA (Europe, Middle East and Africa) Business Units selected Kenyan NGO Ushirika International as the recipient of those funds.

Whereas the nation of Kenya continues to achieve development and is regarded as one of the best examples of economic growth in East Africa, it still faces a substantial and evidently growing disparity between the wealthy and the poor. This income gap is particularly apparent in regard to children from impoverished backgrounds in that even in cases where they attend a fully-subsidized public school, for instance, inadequate levels of classroom instruction and household conditions result in poor academic performance, while students typically find themselves forced to drop out of school and as a consequence miss out on the very limited opportunities available to gain scholarship funds that would enable them to access higher education.

Concerned by this state of affairs, Mr. Tohsiyuki Yano, formerly employed by a Japanese company and stationed in Kenya opted to remain in Kenya after leaving his company, established Ushirika International in 2010, and assumed head of the organization, so that through the organization he could work toward providing occupational training to Kenyan youth and offering assistance to destitute families. Mr. Yano also went on to establish South Mount Nkama Academy, a private school located in the township of Loitokitok situated at the foothills of Mt. Kilimanjaro in southern Kenya. In order to provide more opportunities for outstanding young students to benefit from higher education even if they come from poor families, the school sets tuition at levels affordable even to disadvantaged households while offering quality education in classrooms that feature low student-teacher ratios. Mr. Yano hopes that young people given such opportunities will someday become employed in well-established companies, thereby contributing to a workforce that can eventually help lift the areas that the students call home out of their current state of poverty.

On February 18, 2013, a celebratory event was held at the Nairobi office of Mitsui Europe to commemorate this round of donations, during which Itaru Nishimura, Deputy Chief Operating Officer of the EMEA Business Unit, presented the donation to Mr. Yano, head of Ushirika International. The organization intends to use the funds granted by Mitsui toward improvements to South Mount Nkama Academy.



Mitsui's
Social
Contributions

2. Volunteer Month

With the aim of bringing employees together in voluntary activity, November each year is declared Global Volunteer Month, during which each donation through the Try it V-1000 program is automatically doubled and various activities, talks, and other events are planned and staged. In November 2011, approximately 450 employees from across Mitsui participated in voluntary activity.



3. MGVP Volunteer Work Report

A booklet entitled Mitsui Global Volunteer Program Volunteer Work Report, which presents the voluntary activities of Mitsui employees focusing on Global Volunteer Month, is printed in a run of around 10,000 copies and distributed to the entire staff.



TABLE FOR TWO (TFT) is a program run by the authorized NPO TABLE FOR TWO International with the aim of fostering the health of people in both developing countries and advanced countries. The program seeks to simultaneously resolve the problem of hunger in developing countries and the problem of lifestyle-related disease in advanced countries based on the slogan 'meal for one, health for two.'

Mitsui introduced the program from August 2008 in the staff cafeteria at the Tokyo Head Office, and has received a total of some 24,000 donations (as of March 2011). When employees select the relevant lunch option at the Mitsui cafeteria, the employee pays an extra 20 yen and the company matches it with a similar donation in what is known as a matching gift arrangement, so that TFT receives a donation of 40 yen for each meal. The price of a school meal in a developing country is said to be 20 yen, so that by selecting the TFT lunch option the employee provides enough for two school meals in Malawi, Uganda, or another country through TFT.



The concept behind Table for Two is of the participant in the advanced country and children in the developing country sharing a meal across the divide of space and time. Employees participate actively in this program in the hope that it will promote human health around the world.

From autumn 2011, a drink-based version of TFT known as CUP FOR TWO will be rolled out through drink vending machines at company offices.

TFT Point Card Program – Originated at Mitsui from an Employee Suggestion

One day, the Mitsui staff member in charge of the TFT program received an e-mail from a junior employee: 'I support the TFT program and would like more of our staff to find out about it, so please let me help you promote it.' This led to the formation of the TFT Junior Task Force. Currently around 60 employees participate voluntarily in the task force and work together on plans to roll out the program within the company.



One of the ideas that arose in this process was the TFT point card system, a unique development in the TFT program that originated at Mitsui. TFT stickers awarded with each purchase of the TFT lunch option are collected on a TFT point card (see TFT point card program). Every time 50 cards of 10 stickers each have been collected, in addition to the normal TFT school meal donation, Mitsui makes a separate donation of 100,000 yen to TFT. This donation goes to providing meals through TFT to the NGO Nkanyiso, sponsor of the Kids Program in the Republic of South Africa which supports children who lost their parents to HIV/AIDS. Under the point card scheme, started in July 2010, 100 cards were collected in six months and on March 5, the director of Mitsui's Johannesburg branch office and members of the local staff visited the NGO.

We hope that other companies that participate in TFT will also introduce the TFT point card program and that support for the program will spread further and further.



Point card system



Point card (front)



Point card (back)

About the Mitsui & Co., Ltd. Environment Fund

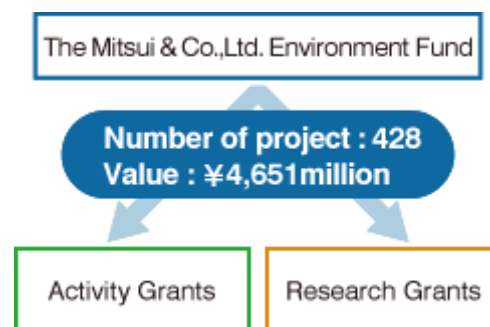


In July 2005, Mitsui launched the Mitsui & Co., Ltd., Environment Fund as a grant program which aims to realize sustainable development by supporting various activities and research projects that contribute to solving global environmental problems.

The fund is operated by Mitsui itself and is supported mainly by finance from Mitsui, but also receives donations from company officers and employees, including retirees. Its grant programs consist of Activity Grants, which support activities by NPOs and other organizations to contribute to the environment, and Research Grants, which support environmental research by universities, research institutions, and other organizations.

Mitsui also encourages its officers and employees and retirees to apply grant projects and to take part in activities of grant projects.

Since FY2011, Mitsui has supported for efforts aiming to revitalize a sustainable society by improving and resolving environmental problems caused by the Great East Japan Earthquake.



Overview of The Mitsui & Co., Ltd. Environmental Fund

Launched	July 1, 2005
Management System	CSR Promotion Committee, Project Deliberation Panels, Project Selection Meeting (composed of outside experts, Mitsui management, and staff).
Grant Fields	(1) Global Climate Change (2) Protection of Marine Resources/Ensuring Food (3) Preservation of Soil and Forests (4) Energy Issues (5) Conservation of Water Resources (6) Conservation of Biodiversity and Ecosystems (7) Establishing a Sustainable Society
Activity Grants	Grants for earthquake restoration support activities and environmental contribution activities by NPOs, General Incorporated Associations & Foundations, Public Interest Incorporated Associations & Foundations, Special Civil Foundation, and Universities
Research Grants	Grants for research related to earthquake restoration and research in the environmental field by Universities, Public Research Organizations, NPOs, General Incorporated Associations & Foundations, Public Interest Incorporated Associations & Foundations, Special Civil Foundation,

Trends in Number and Value of Grants Provided

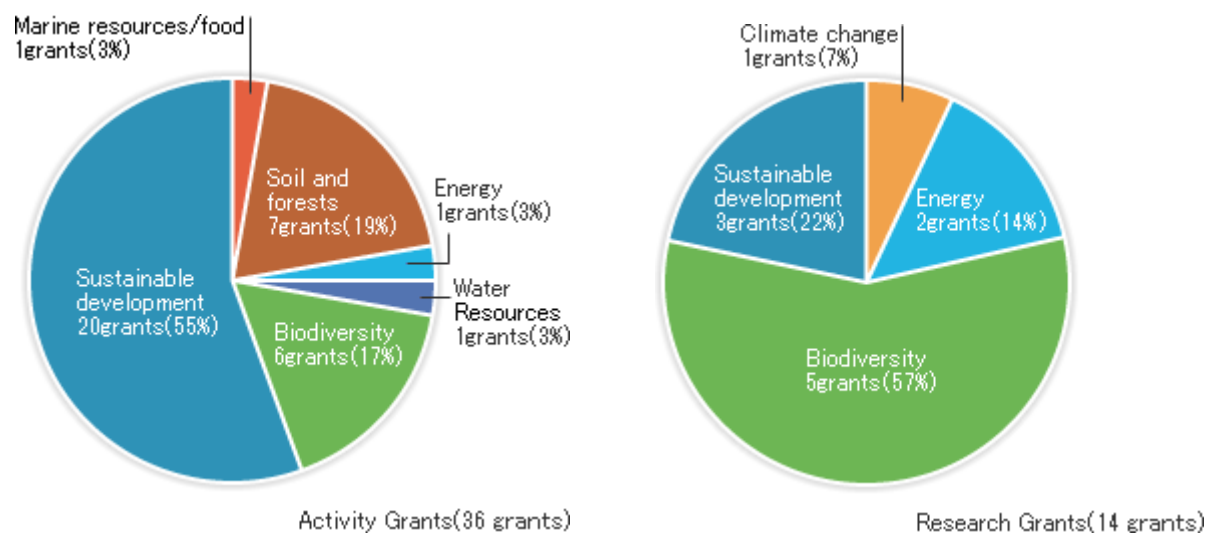
(Unit: number of project / ¥ million)

	FY2005		FY2006		FY2007		FY2008		FY2009	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
Activity Grants	15	117	18	217	48	437	51	523	34	311
Research Grants	–	–	–	–	23	456	24	368	17	213
Total	15	117	18	217	71	893	75	891	51	524
	FY2010		FY2011		FY2012		Total		–	
	Number	Value	Number	Value	Number	Value	Number	Value	–	–
Activity Grants	28	244	52 (43)	528 (463)	36 (22)	237 (157)	282 (65)	2,614 (620)	–	–
Research Grants	22	285	46 (34)	603 (481)	14 (2)	112 (13)	146 (36)	2,037 (494)	–	–
Total	50	529	98 (77)	1,131 (943)	50 (24)	349 (170)	428 (101)	4,651 (1,114)	–	–

* Activity Grants for FY2007 to FY2009 were provided twice a year.

* Items in parenthesis are Restoration Grants.

Grants Provided in FY2012 by Field of Activity and Research



Contact

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 Forestry Management & Environment Fund Dept.
 Environmental – Social Contribution Div.
 2-1, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-0004, Japan
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Environmental Initiatives



A Message from Mitsui's Environmental General Manager

Society today faces complex, large-scale environmental issues on multiple fronts, including climate change, energy sustainability, water resource management and conservation of biodiversity.

The seriousness of all these issues is growing. Our role in helping resolve environmental issues is also growing, because our goal of sustainable growth for Mitsui & Co. is intrinsically connected with the sustainability of the world in which we live.

Mitsui's management is committed to proactively addressing environmental issues, and is driving environmental initiatives on a global basis throughout the Group. We are dedicated to helping create a sustainable society, not only through the development of specific environmental businesses, but also through comprehensive measures to reduce environmental risk and burden across the entire spectrum of our business activities.



Mitsui & Co.
Representative Director, Senior Executive Managing Officer, Environmental General Manager
Masayuki Kinoshita



Guiding Principles

1. Mitsui & Co. believes that one of its most important management themes involves providing a positive response to environmental issues on a global Group basis, in order to contribute to the creation of a future where the dreams of the inhabitants of our irreplaceable Earth can be fulfilled.
2. Mitsui & Co. will make every possible effort towards realizing a "sustainable development" which is aimed at creating a harmony between the economy and the environment on a global Group basis.

In view of the above principles, and in accordance with the Action Guidelines shown below, Mitsui & Co. will design, periodically evaluate, and continually improve an adequate risk management system, including response to matters such as global warming, nature conservation with consideration given to biological diversity, and the prevention of pollution, which will cover the wide range of activities that it undertakes on a global scale. At the same time, we will strive to ensure the development and dissemination of earth-friendly technologies and further reinforce our responsibility with respect to the environment on a global Group basis.

Action Guidelines

1. Compliance with relevant environmental laws and regulations

We will comply with various relevant environmental laws and regulations, as well as all agreements signed by the company for promoting business activities.

2. Efficient utilization of resources and energy

We will strive to reduce the burden on the environment within each of our workplaces and in our business activities through the efficient utilization of resources and energy, as well as the reduction, reuse, and recycling of waste and its proper disposal.

3. Environmental care for products and services offered, as well as existing and new businesses

We will give the utmost consideration to the environment to the extent technologically and economically feasible by exercising an appropriate degree of influence in enlisting the understanding and support of involved business partners, as well as evaluating the impact that we have on the environment, not only in the prevention of pollution, but on such issues as global warming and the conservation of biological diversity as well.

4. Contribution to providing industrial solutions to environmental issues

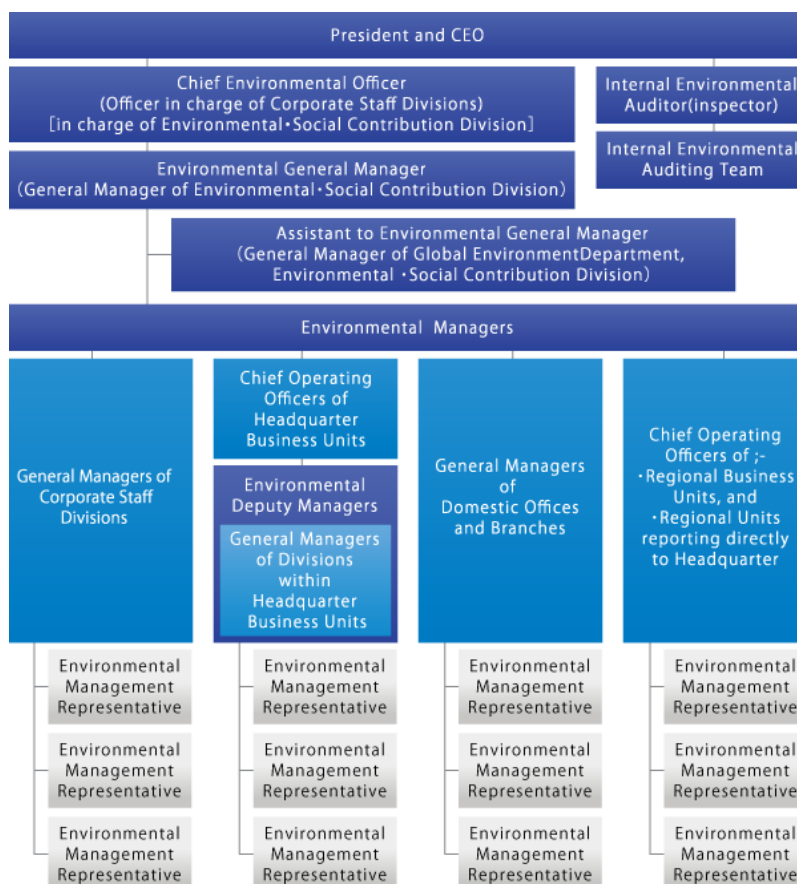
We will engage in business activities with the goal of providing rational and permanent industrial solutions, and contribute to the realization of "sustainable development" by exploiting our individual abilities and the collective strengths of our organization in cooperation with our global partners.



Environmental Management System

To facilitate effective environmental management, Mitsui & Co. has implemented a global Environmental Management System across the entire Group, applicable to all operational areas from the President through to each business unit.

A Chief Environmental Officer has been appointed to assist the President with his management responsibilities in relation to environmental issues, and the general manager of the Environmental・Social Contribution Division has been appointed as the Environmental General Manager to execute environmental management. In addition, a number of environmental managers have been appointed, including the Chief Operating Officers of each business unit, the general managers of each corporate staff division, the general managers of each branch and office in Japan, the chief operating officers of overseas regional business units and Chokkatsu (directly managed) area unit leaders. This organizational framework enables environmental management on a Group-wide basis. (Environmental Management System information as of April 2013)



Strengthening management structure with specialist personnel

Environmental Inspectors

Mitsui has appointed two Standing Environmental Inspectors in the area of environmental management. They bring with them many years of experience at the front line of manufacturing and planning, and assist us in improving the effectiveness of our environmental management through their specialist competence. The Environmental Advisory Committee conducts deliberation on specified businesses (environment-related businesses) from a primarily technical standpoint, and undertakes environmental inspections at domestic and foreign subsidiaries and affiliates to ascertain the usage status of facilities and make suggestions for improvements in environmental matters.

Training Specialist Personnel

We are working with our manufacturing and other subsidiaries that have a large effect on the environment to acquire ISO14001 certification.

We are also supporting personnel at our principal business units and global environmental department in their efforts to qualify as ISO14001 Environmental Provisional Auditors, a qualification that allows them to monitor the environmental management status of subsidiaries and provide advice and guidance as necessary.

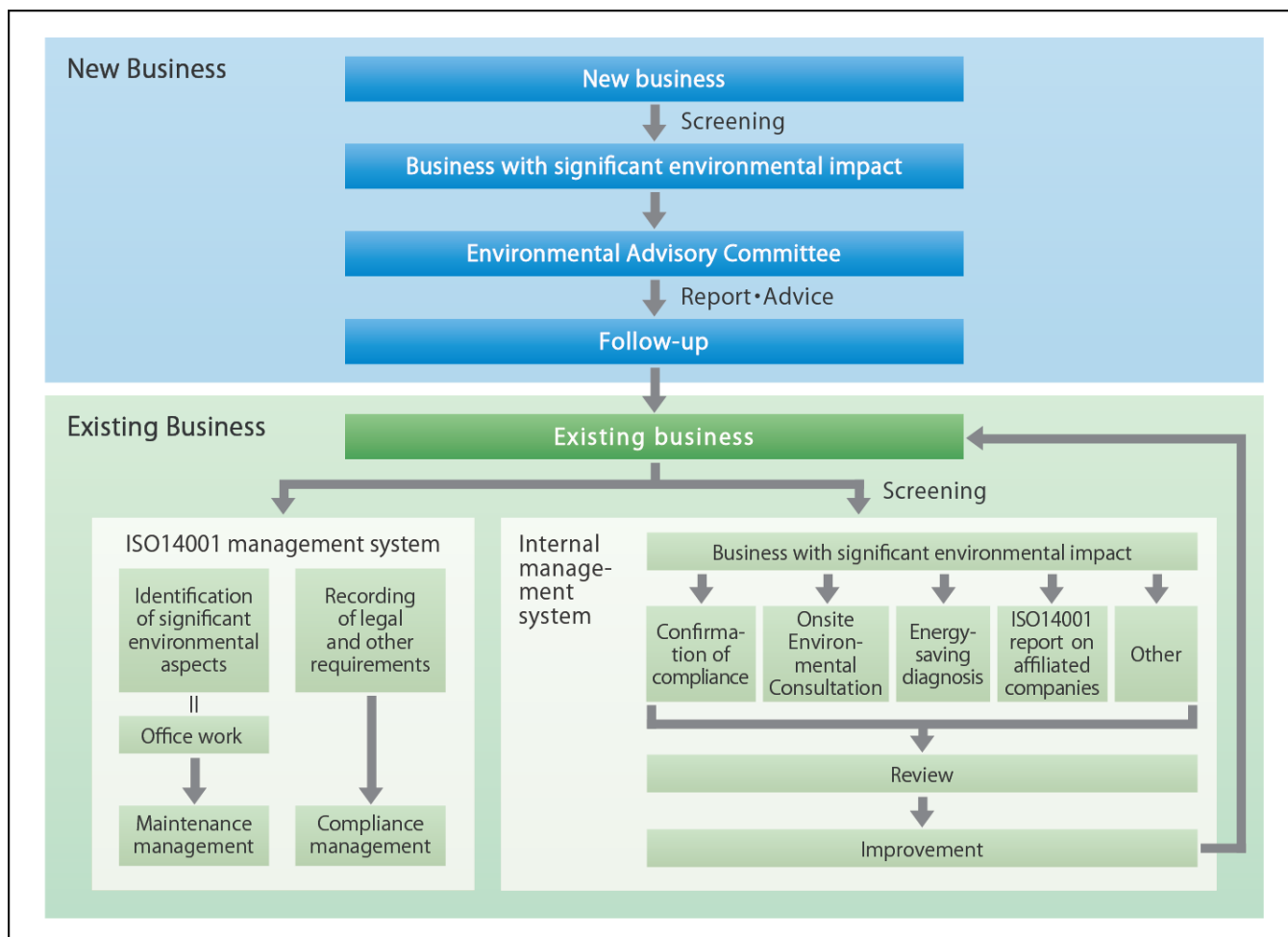
In order to provide our subsidiaries with specialist advice and guidance on environmental management, we are training personnel to become certified ISO14001 Environmental Lead Auditors. To date, three personnel have acquired this qualification. Personnel with the Environmental Provisional Auditor qualification work as auditors during the internal environmental audits mandated by the ISO14001 standard, applying their expertise to promote more effective internal auditing.

Consideration for the environment within our businesses



Mitsui & Co. is expanding its business globally through its six segments in metal, machinery and infrastructure, chemicals, energy, lifestyle, and innovation and cross function. Through initiatives in these segments, Mitsui is working to ensure the greatest possible consideration for the environment.

In order to best understand and manage the environmental risks for our various businesses, we operate a unified environmental management system on a global Group basis. The system includes environmental law research and onsite environmental consultations, as well as the application of the ISO14001 standard for continuous improvement under a PDCA approach.



Environmental Management for New business

Specially designated business management systems and Environmental Advisory Committee

New projects are examined internally, and must receive approval prior to their implementation. Reports will be made on an ad-hoc basis by the CSR Promotion Committee and the Environmental Advisory Committee, with final approval coming from the representative directors through Ringi approval. Members of the Environmental Advisory Committee will primarily be selected from external experts, lawyers, and others who possess a broad range of perspectives on global warming, environmental restoration, environmental policy for water and energy, and technological trends.

Environmental Management for Existing business

Environmental management through Mitsui's original system

Environmental management is not limited to ISO14001 – it is also conducted through our original system, in existence prior to the introduction of ISO14001. We will continue to utilize both systems as we plan for the substantial reduction of our environmental burden and risk through continuous improvement in environmental management.

Deciding on targets for management

The Global Group, consisting of Mitsui, domestic and overseas subsidiaries, and domestic and overseas affiliate companies, designates candidate areas for management. Through quantitative and qualitative analysis, the global Group designates Plans/Companies with Substantial Environmental Impact.

From these designees, we further designate Business Sites of Importance in Environmental Themes, which become targets for management. These Business Sites of Importance in Environmental Themes are managed with emphasis on onsite environmental Consultations and environmental law research to reduce environmental risk.

Onsite Environmental Consultation

Based primarily on the environmental impact evaluations of Business Sites of Importance in Environmental Themes, Mitsui's Global Environmental Department staff and environmental inspectors, together with environmental consultants from third party organizations, travel to the corresponding business sites. They conduct onsite environmental consultation for implementing specific improvement plans for observing environmental laws, reducing burden on the environment and preventing environmental pollution. In fiscal year 2012, we conducted consultations of seven domestic and four overseas business locations. From the start of environmental consultations in 2001 through fiscal 2012, we have consulted over 200 companies in Japan and overseas.

Case study 1: ShinSankoKoukan Corporation

ShinSankoKoukan manufactures and sells electric resistance welded steel pipe (steel pipe welded with high frequency electricity for manufacture into round or square pipe). The factory uses computers to run a unified production management system, but due to the presence of hazardous materials storage and refrigeration towers that burden the environment, appropriate environmental management was recommended. Mitsui has conducted two onsite environmental consultations – once in October 2010 and once in March 2013. As a result, improvement has been noted. Daily environmental management activities have been closely observed at the factory and the yield ratio has increased. Additionally, careful environmental management has led to improvements in labor safety management, with a record 15 consecutive months without incident.

ShinSankoKoukan is working to enhance safety and cleanliness at its factory by promoting a high level of environmental awareness among staff, while taking an environmentally friendly approach to developing and selling its products, as well as conserving resources and working to reduce the use of harmful substances.



Safety within the plant is enhanced by clearly delineating equipment and passageways in different colors.



The factory is kept clean and orderly at all times.

Case study 2: P.T. Paiton Energy

P.T. Paiton Energy is an independent power producer based in Jakarta, Indonesia, which sells energy to Indonesia's state-owned electric power company, P.T. PLN. In November 2012, we visited P.T. IPM Operation and Maintenance Indonesia (IPMOMI), the company which operates and maintains the Unit 3 (815MW) and Unit 7 and 8 (615MW each) at the Paiton thermal power station in East Java, to conduct onsite environmental consultations. We were able to confirm that the company has established CSR KPIs (Key Performance Indicators) based on risk assessment. It constantly monitors and manages its environmental impact, and produces a stable supply of approximately 2,000 MW of electricity for the Java-Bali grid. We also visited a nearby farming village and conducted an interview with the Mayor and surveyed the local area. As a result we confirmed that the company has established a high degree of trust in the region, as it makes social contributions including medical and educational support. Mitsui is never satisfied with the status quo, however, and will continue to work with this company to achieve further improvements.



Turbine generator using a super critical pressure boiler

Environmental accident response

During the fiscal year ended March 31, 2013, there were no environmental-related incidents at the parent company. There was, however, one small environmental-related incident reported by one of our subsidiaries and affiliates. This incident was quickly addressed, and, as a result, all related corrective and preventive measures have been completed. When a major environmental incident occurs, the Environmental Incident Response Committee convenes to identify the causes and consider appropriate corrective and preventive measures.

Analysis of Greenhouse Gas (GHG) Emissions

Mitsui is carrying out initiatives to reduce greenhouse gas (GHG) emissions on a global Group basis. In Japan, since the fiscal year ended March 31, 2006, we have continuously monitored GHG emissions to ascertain our GHG emission volumes from year to year. In the fiscal year ended March 31, 2012, the Group announced a plan to reduce energy consumption at both its parent company and its domestic subsidiaries by an average of over 1% per year (based on basic units). The entire group is promoting the reduction of GHG emissions from energy sources. Overseas, we began surveying the GHG emissions of our subsidiaries from the fiscal year ended March 31, 2009, and we are continuing to consider new initiatives to reduce GHG on a global Group basis.

ISO14001 (Environmental management through ISO14001)

A core element of our environmental management structure's existing business phase is the ISO14001 standard for continuous improvement under a PDCA approach.

Mitsui's Head Office, domestic branches and offices have retained ISO14001 certification since it was first granted in 1999. We primarily apply it to office activities involving paper, garbage and energy saving. In 2010, we established a company-wide goal of reducing paper use for copiers. Each department and branch promoted efficiency individually, which achieved a large reduction in the amount of paper used (a 20 percent reduction from fiscal year 2009 over fiscal years 2010 and 2011). In fiscal year 2012, we made increasing managers' environmental consciousness an environmental goal, and achieved this by establishing objectives appropriate for each department and branch.

Domestic subsidiaries with high environmental burden and risk are obliged to gain ISO14001 certification, and 29 completed the procedure thus far. In order to maximize the efficacy of ISO14001 among subsidiaries and affiliates, we hold seminars providing information on revisions to ISO standards and the latest environmental technology and equipment. We also run an ISO14001 monthly study group for practical explanation of ISO standards. The study group helps to improve understanding by answering questions on the application of environmental management systems and audits. In addition, our Business Units observe and participate in subsidiaries and affiliates' ISO14001 internal audits and external audits, enabling us to understand the status of their environmental management and provide accurate guidance and support. The Business Units receive and verify the ISO14001 inspection reports, and are running an Subsidiaries and Affiliated Company ISO14001 Monitoring System that recommends improvements and examinations on matters judged to be important environmental themes.

Subsidiaries with ISO14001 certification (29 companies in total)

Seikei Steel Pipe Corporation, Mitsui & Co. Nagoya Steel Center, Mitsui & Co. Plate Processing Ltd., MSS Stainless Steel Center Co., Ltd., Shin Sanko Koukan Corporation, Toyo Wire Ltd., Mitsui Bussan Kozai Hanbai Co., Ltd., Mitsui Bussan Metals Co., Ltd., Kanto Denko KK, Daito Chemical Co., Ltd., Mitsui Oil Exploration Co., Ltd., Mitsui Oil Co., Ltd., Chita Futo Co., Ltd., Prifoods Co., Ltd., San-ei Surcochemical Co., Ltd., Mitsui Norin Co., Ltd., B Food Science Co., Ltd., Mitsui & Co. Facilities Ltd., Bussan Real Estate Co., Ltd., Tri-net Logistics Co., Ltd., Toshinsoko Ltd., Konan Futo Co., Ltd., Mitsui & Co. Steel Ltd., Mitsui Bussan Machine Tec Co., Ltd., Mitsui Bussan Frontier Co., Ltd., Mitsui & Co., Plastics Ltd., Mitsui Knowledge Industry Co., Ltd., MKI Technologies Co., Ltd., Mitsui Electronics Inc.

Environmental
Initiatives

Overseas subsidiaries with high environmental burden and risk are also making progress in obtaining ISO14001 or equivalent local environmental management system certification.

Complying with environmental-related laws and regulations

Mitsui Co., Ltd strongly urges its businesses to comply with environmental-related laws and regulations. As a global group, we conduct diverse training and research for our employees to gain full awareness and compliance on various environmental-related laws and regulations in domestic and international settings.

Research on environmental laws and regulations

We conduct research on environmental laws and regulations for domestic subsidiaries annually. We promote full employee compliance in a number of ways, including creating checklists and reviewing answers that are directly related to implementing environmental laws and regulations. Not only do we check for any breach of laws and regulations, but also we aim to create greater awareness of environmental regulations in each and every employee, including those at subsidiary companies.

Research and analysis conducted in fiscal year 2012 confirmed that we are compliant with environmental laws and regulations at 76 domestic offices and 315 project sites.

Training on environmental laws and regulations

We conduct annual training on environmental laws and regulations in order to bring greater awareness to employees at Mitsui and at domestic subsidiaries and affiliates. As of fiscal year 2013, we have begun hosting this training cooperatively with other companies. In addition to Tokyo, we have also hosted events in Osaka, with 160 employees participating from Mitsui group.



Confirming compliance to laws and regulations through onsite environmental consultation

Please refer to “Onsite Environmental Consultation” in “Consideration for the environment within our business” page.

Major issues associated with managing environmental-related laws and regulations

Energy saving laws and regulations – work in environmental logistics

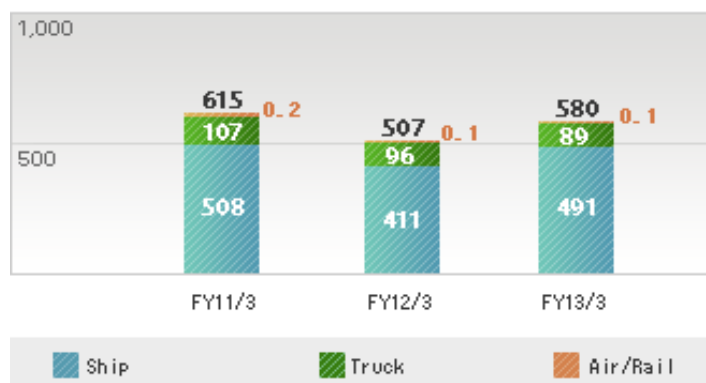
With the idea of compliance and environmental conservation in mind, we abide by energy saving laws and regulations (laws related to rationalizing energy use), and are involved in work related to environmental logistics and the implementation of energy saving use during shipping and logistics.

At present, we handle a diverse range of freight, including iron and steel, other metals, chemical products, and foods.

We handle a total of 580 million ton-kilometers*¹ of domestic freight annually. About 85% is carried by ship, about 15% by truck, and the remainder by rail or airplane. Since we handle more than 30 million gross ton-kilometers of domestic freight annually, Mitsui is classified as a Specified Consigner. We therefore calculate the total amount of freight based on Mitsui-owned cargo as well as freight arranged for transportation in Japan. When Mitsui became a Specified Consigner, to meet the requirements of the Energy Saving Act we began to carry out an array of company-wide initiatives to promote efficient energy use in our logistics business. These initiatives included making improvements to our operating systems and arranging seminars and other information events.

Freight Volumes Handled by Mitsui

(Million ton-kilometers)



In each of our business units, we collaborate with our logistics partners and promote economical driving practices and other fuel saving techniques. We also work to raise efficiency by using larger transport vehicles, introducing cargo consolidation arrangements, and reviewing transport routes. We implement energy saving measures through modal shifts, making use of rail and ship transport.

Each business unit is responsible for formulating and implementing specific energy reduction plans*². These plans are gradually being implemented with the support of the Logistics Management Division as the administrative body, which consults with government and administrative agencies (Japan's Ministry of Economy, Trade, and Industry), compiling data, conducting checks based on the PDCA cycle, and holding in-house seminars, and the Environmental and Social Contribution Division, which is responsible for overall company-wide environmental management systems.

*¹ Ton-kilometers are calculated by multiplying the number of metric tons of cargo by the distance they are transported (in kilometers).

*² Plans are prepared on an annual basis, with monthly status reports

Energy Reduction Policy

Selection of transportation method	Use of railways, shipping (modal shift) Use of sophisticated freight services
Measures to improve transportation efficiency	Use of shared/mixed loading Selection of appropriate vehicle class Optimization of routing and method Scaling up of vehicle size Use of most efficient freight vehicles Review of schedules to avoid congestion
Alliances between transportation service providers and users	Review of distribution frequencies Adoption of coordinated logistics planning
Measures to increase fuel efficiency	Eco-drive driving techniques Installation of fuel-saving equipment

Result for Fiscal Year Ended March 31, 2013*³

Specific consumption*⁴	20.6
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*³ Results are as provided to the Kanto Bureau of Economy, Trade and Industry in June 2013.

*⁴ Specific consumption: An expression of energy efficiency, calculated as energy used (liters of oil equivalents) divided by thousand ton-kilometers, where a smaller number represents higher transportation efficiency.

Environmental Initiatives

Compliance with Waste Disposal laws

Mitsui operates in compliance with the Waste Disposal and Public Cleaning Law (referred to as the Waste Disposal Law or Waste Law). Disposal of industrial and general waste generated through commercial activities is managed by Mitsui's Logistics Management Division, which prepares waste handling process flows, answers questions, and offers other ongoing support to business units within Mitsui. In addition, the Logistics Management Division holds periodic seminars to increase the awareness and understanding of proper waste disposal practices, covering such matters as the selection of waste management subcontractors, manifesto production and management, and other related issues. The division also holds seminars for associated companies, providing guidance from experienced personnel and offering other waste management related assistance with the aim of promoting appropriate handling of industrial waste.

Responding to REACH regulations (Registration, Evaluation, Authorization, and restriction of Chemicals)

REACH is legislation developed by the European Union (EU) that places restrictions on the registration, assessment, and permits required for chemicals. The REACH legislation became effective on June 1, 2007, with pre-registration completed by November 30, 2008 and the first full registration by November 30, 2010.

Under these regulations, compliance with the REACH law is required of all related businesses manufacturing in or importing into the EU. Mitsui has worked in cooperation with its European offices to complete a database on all the relevant chemical substances and to structure systems to confirm compliance with REACH regulations.



In order to realize the goal of creating a sustainable society in which the economy and the environment are both considered in harmony, there must be cooperation between government, NGO/NPOs, individuals, and companies.

Mitsui strives to communicate its messages to a wide spectrum of stakeholders. We introduce our environmental initiatives on our website, support the development of environmental awareness and interest among our employees, and build networks.

Internal environmental communication

As we work to accelerate environmental initiatives across the global Group it is vital that we raise the environmental awareness of each of our employees at all levels. We conduct seminars and training sessions to promote these messages internally.

Regular seminars and training sessions

At Mitsui, we work to raise awareness of environmental issues among employees of Mitsui, our subsidiaries and affiliated companies, through regular seminars, environmental law training sessions, and ISO14001 training programs.



Seminars and training sessions held in fiscal 2012

Title	Number of Times per year	Target audience	Outline
Environmental law training (half-day course, 1-day course)	4	Mainly Mitsui, subsidiaries and affiliated company employees	Management methods based on ISO14001, recent environmental law trends, basic knowledge, and key law amendments, etc.
New environmental manager training	2	New environmental managers	An explanation of Mitsui Group's global environmental management system, environmental managers and their role, etc.
Internal environmental auditor training (ISO14001)	3	Mitsui, subsidiaries and affiliated company employees pursuing Internal environmental auditor certification	For the purpose of improving the Company's environmental management and support systems based on ISO14001
Internal environmental auditor practical training (ISO14001)	2	Internal environmental auditors, department representatives in charge of self checks	Roll-play based training which aims to improve the efficiency of internal audits and self checks
Plant visits	2	Mitsui, subsidiaries and affiliated company employees	A visit to the plant of a company leading the way in environmental management, to improve awareness among environmental managers, and improve management capabilities
Environment seminar (1) Awareness of environmental risks and latest environment D/D trends and follow up (2) Consideration for biodiversity during project investment – a NGO/NPO perspective	2	Mitsui, subsidiaries and affiliated company employees	Enhancing awareness of environmental risks and measures to controls such risks
ISO14001 study session	7	Mitsui, subsidiaries and affiliated company employees	Accurate explanations of ISO regulations

Mitsui Environment Month(2012/06)	Target audience	Outline
Lecture: A talk on the ocean and the environment – the impact of global warming on the marine ecosystem and on us	Mitsui, subsidiaries and affiliated company employees	A lecture on global warming and preserving the environment, with a focus on the link with marine life and the ocean
Seminar: Saving electricity at home 2012	Mitsui, subsidiaries and affiliated company employees	Summer power saving actions at the home

Mitsui Environment Month

At Mitsui, every June is known as Environment Month, during which a number of programs are held for employees of Mitsui and its subsidiaries affiliates. For Mitsui Environment Month 2012, we presented a lecture on the impact of global warming on the marine ecosystem, and held a seminar aimed at encouraging our all of our employees to save energy.

Lecture: A talk on the ocean and the environment – the impact of global warming on the marine ecosystem and on us

Sakana-kun (Mr. Fish), Tokyo Kaiyo University Visiting Associate Professor, fish life coordinator and member of the Chikyu Ikimono Oendan, was invited to present a lecture titled, “A talk on the ocean and the environment – the impact of global warming on the marine ecosystem and on us”. More than 230 employees attended the lecture. A survey conducted after the lecture found that participants “learned a lot about the wonders of the ocean and the preciousness of life, and found it very interesting to learn about the link between global warming and pollution of oceans,” while other participants agreed that we “must learn to become more aware of the environment in our everyday lives.”



Seminar: Saving electricity at home 2012

As part of a push to encourage all employees to save energy, and with energy demand expected to increase in the coming summer, we enlisted the help of the Tokyo Metropolitan Center for Climate Change Actions (Coolnet Tokyo) and conducted a seminar on summer power saving actions in the home. Approximately 90 employees attended the seminar, which was held in for the second year in a row. Participants were asked to bring along their monthly power statement, and learned about the following points:

- ① Summer energy demand and its impact on our lives: when should I save power?
- ② What home appliances use the most energy? (tips on using these appliances)
- ③ Energy saving methods (specific measures)
- ④ Better understand your power statement (an explanation of a TEPCO statement)

Building a network with NGOs and NPOs

Mitsui is working to build a network with NGOs (Non-Governmental Organizations) and NPOs (Non-Profit Organizations) who are positioned as some of the Company's key stakeholders.

Since July 2005, Mitsui & Co. has supported the activities and research of NGOs and NPOs through the Mitsui & Co., Ltd. Environmental Fund, which was established with the aim of contributing to the creation of a sustainable society and solving environmental problems. Since 2010, we have held interchange meetings with grant recipients. These meetings have become a platform for communication, and participant numbers continue to increase year by year.

Environmental
Initiatives

Initiatives conducted through financial circles

Japan Foreign Trade Council : Global Environment Committee

Mitsui & Co.'s role as a member of the Japan Foreign Trade Council, includes such initiatives as ascertaining energy usage volumes across the entire trading industry, promoting the 3Rs (reuse, reduce and recycle), gathering information on new energy through its main business, and developing a “Voluntary Action Plan on Environment (global warming / recycle-oriented society)” for the trading industry. We also conduct study sessions and arrange expert presentations related to environmental laws, through which we work to actively promote environmental awareness and gather key information.

Keidanren : Committee on Nature Conservation, Committee on Environment and Safety

As a member of the Keidanren Committee on Nature Conservation and Committee on Environment and Safety, Mitsui actively works to protect biodiversity and the natural environment. We are also a participant in the Japan Business and Biodiversity Partnership, through which we work together with various organizations including business associations, NGOs and research organizations, and public institutions, and share information and experiences for the promotion of biodiversity, with the ultimate goal of creating a sustainable society which considers both the economy and the environment.



Mitsui & Co. is pursuing initiatives aimed at helping address a range of environmental issues, including the creation of a low carbon, recycling society, and the preservation of biodiversity. Here we introduce two key programs, one for preserving biodiversity and one for realizing a low carbon society.

Initiatives for preserving biodiversity

Activities to Conserve Biodiversity through Business: Tree-Planting Program in Australia

Mitsui is carrying out a eucalyptus tree planting program in Australia, together with Nippon Paper Industries Co., Ltd., for the stable provision of wood chips (the raw material for paper). Australia was chosen for its very flat land area compared to mountainous Japan, and because its tree planting areas are highly productive and intensively managed – so much so that they are often called tree farms. The trees grow for approximately 10 years between planting and harvest, known as one 'rotation'. After harvest, reforestation (or coppice regeneration) is done so as to grow subsequent rotations of trees in a sustainable manner.

Mitsui's joint tree planting program with Nippon Paper Industries is being carried out in four areas throughout Australia. As of December 2012, the total forested area was approximately 170 km², equivalent to an area slightly larger than Washington DC. Tree planting commenced at two of these four areas in 1996, and these two areas are currently in their second rotation. For more than ten years now, each project has been managed with full consideration for the environment over the long term.

These tree-planting areas have all acquired Australian Forestry Standard certification, which is recognized under the international Program for the Endorsement of Forest Certification (PEFC). The PEFC promotes sustainable forest management, and its international forest certification system evaluates whether or not forests are being adequately managed.

To acquire this certification, a forest must satisfy the following four criteria, and have a positive impact on biodiversity:

1. Compliance with local laws and regulations
2. Monitoring of the forest's health, results of forestry operations, and production results
3. Creation of and adherence to long- and short-term forest management plans
4. Forest management that takes into consideration the environment and local communities

As an example of our adherence to these criteria, we are being careful not to disrupt the many kinds of flora and fauna that live in the wetland and headwater ecosystems of the land we manage. We are also actively preventing the supplanting of native vegetation by controlling specific invasive weeds.

All forest management activities near water and tree planting areas are carried out with reference to Australia's Department of Sustainability, Environment, Water, Population and Communities' database of rare species (for native reptiles, mammals, birds, fish, etc.). As a result, these activities also serve to protect native species, headwaters, and water quality.

The greatest threat to biodiversity is posed by bushfires. To prevent these we install mandatory firebreaks throughout the tree farms, maintain a fire truck response system, and operate a continuous monitoring network. In cooperation with neighboring farmers, we make use of the Australian location to allow sheep to graze the forest undergrowth, helping prevent the spread of fire at the same time as reducing the need for weed killers and other such chemicals.



Tree-Planting areas in Australia



Sheep that contribute to preventing the spread of fires

Activities to Conserve Biodiversity through Mitsui's Forests

With the habits of a wide range of living organisms rapidly disappearing, businesses today need to take initiatives for the preservation of the biodiversity which is the foundation of our survival. Through appropriate management of its forests, Mitsui is committed to making the social contribution of nurturing biodiversity and passing on a rich forest environment to the future generations. For more information, Please refer to "Growing Forest to Protect Biodiversity", at p.80.

Initiatives for a low carbon society

Power saving measures at Tokyo head office

In the spring of 2011, Mitsui installed solar panels across an area of approximately 2,000 square meters on the roof of its head office building in Ohtemachi, Tokyo. The reduction in CO₂ emissions as a result of this initiative is equivalent to the amount that would be absorbed by 11.3 hectares of forest. Our efforts to reduce electricity consumption following the Great East Japan Earthquake resulted in a 20% reduction in the amount of electricity used in 2012 compared to 2011. The solar panels accounted for 1.5% of this saving. The amount of power being generated by these panels is presented in real time on a large display in the head office building's first floor lobby. We will continue to pursue other steps to improve the environmental performance of our offices, including the installation of high-efficiency lighting, motion sensors and the use of inverter-type air conditioning equipment.



Solar panels installed on the roof of the head office building



Power savings are visible on a display in the lobby

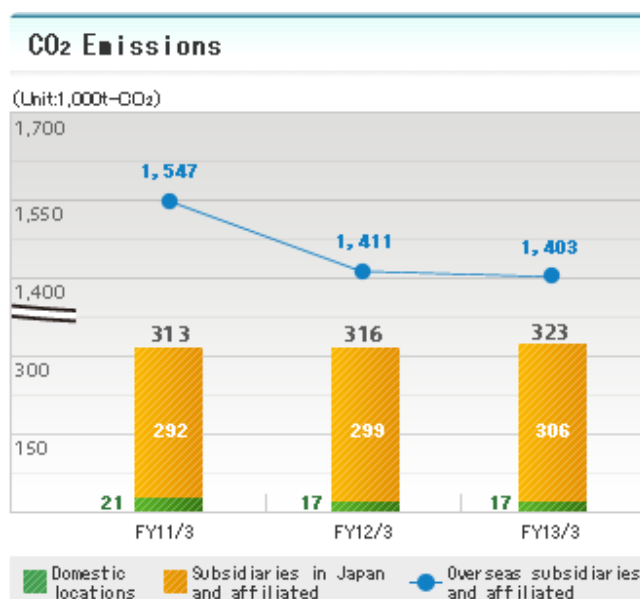
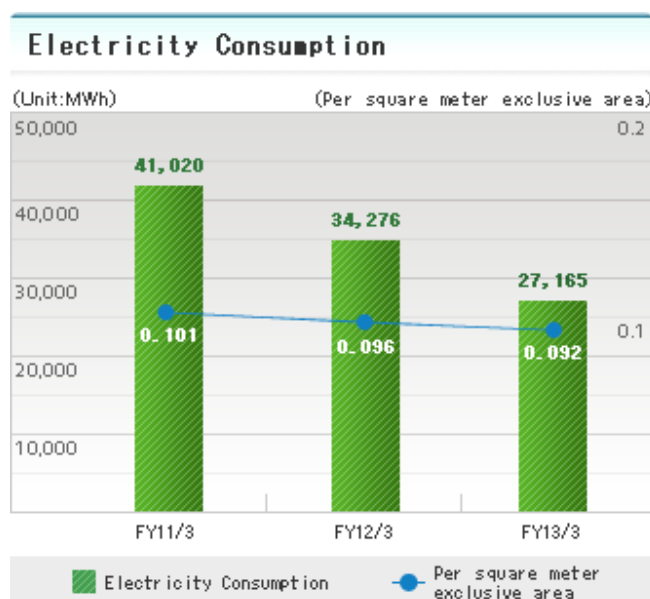


Workspace with high-efficiency lighting and motion sensors installed



Management of Greenhouse Gas (GHG) Emissions

Mitsui is carrying out initiatives for the reduction of greenhouse gas (GHG) emissions on a global Group basis. From the fiscal year ended March 31, 2006, Mitsui has continually surveyed its domestic GHG emissions in order to understand its fixed quantity of emissions year by year. Mitsui has also announced its objective of reducing energy consumption (intensity target) since the fiscal year ending March 31, 2012 for Mitsui itself as well as for its domestic subsidiaries, by an average of over 1% per year. In this way the entire group is promoting the reduction of GHG emissions from energy sources. In addition, Mitsui has begun surveying the GHG emissions of its overseas subsidiaries since the fiscal year ended March 31, 2009. In the future, Mitsui will consider policies and reduction leeway on a global Group basis, and work to further reduce its GHG emissions.

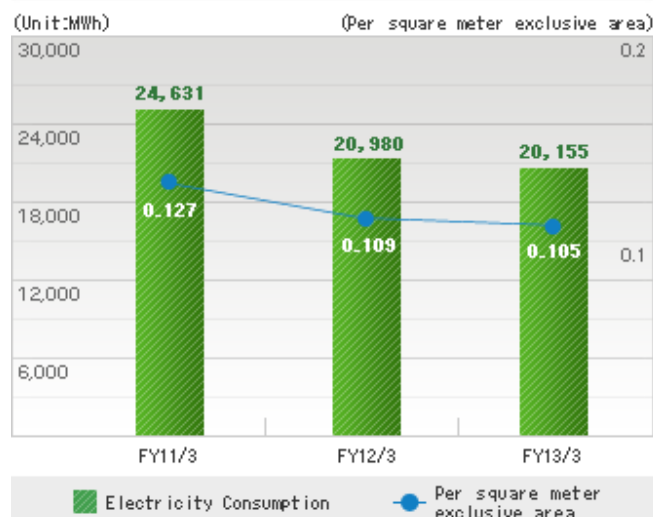


- *1 Scope of coverage: Estimates of electric power usage and the volume of CO₂ emissions for all locations in Japan are based on the computation criteria stipulated in the Revised Act on the Rational Use of Energy. The scope includes not only Mitsui's Head Office, subsidiaries, and branches, but also buildings owned in Mitsui's name in Japan as well as rental buildings, offices, and training centers.
- *2 Subsidiaries and affiliated companies in Japan are domestic consolidated subsidiaries as specified in the Financial Instruments and Exchange Law. Estimates are based on the computation criteria stipulated in the Revised Act on the Rational Use of Energy.
- *3 Overseas subsidiaries and affiliated companies are overseas subsidiaries included within the scope of consolidation. Estimates are based on the computation criteria contained in the World Business Council for Sustainable Development (WBCSD) and GHG protocols (2004).

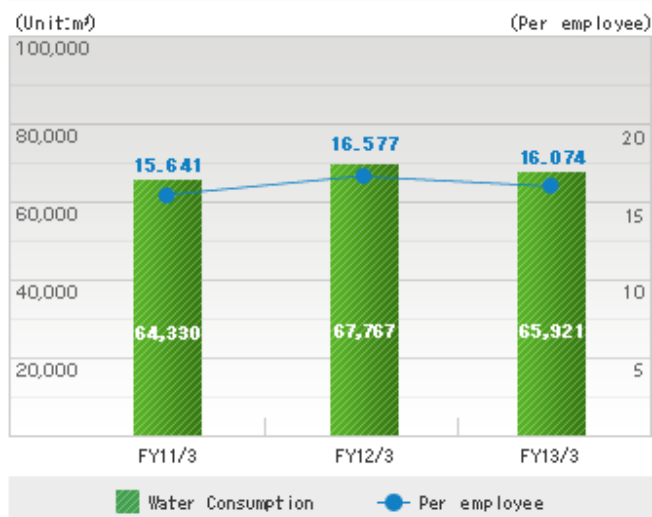
Reducing the Environmental Impact of Offices

All employees at Mitsui strive to reduce the burden on the environment not only when conducting business, but also in their office activities through the efficient utilization of energy resources, as well as the reduction, reuse, and recycling of waste and its proper disposal.

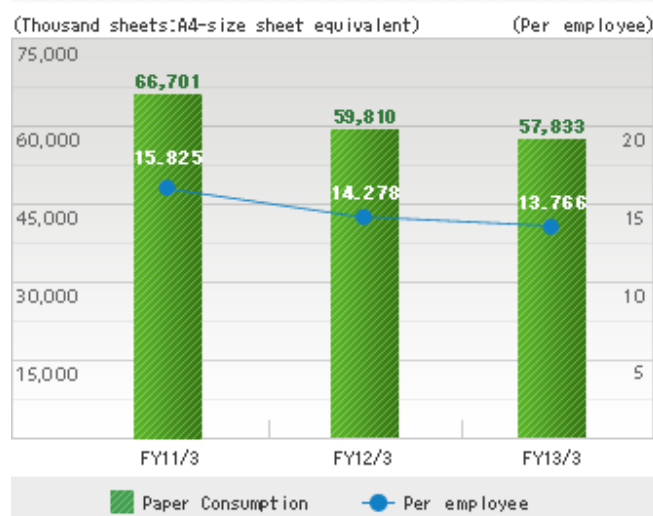
Electricity Consumption



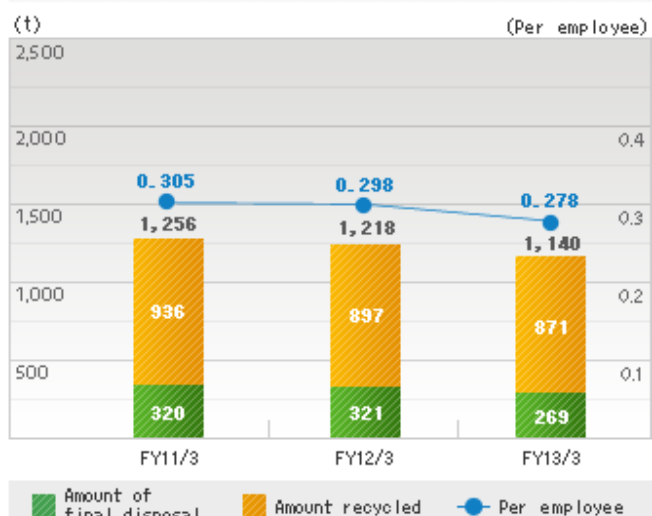
Water Consumption



Paper Consumption



Waste



	FY11/3	FY12/3	FY13/3
Recycling rate(%)	74.5	73.7	76.4

* Figures for Electricity Consumption and Paper Consumption are all offices in Japan (Mitsui & Co., Head Office Building (Tokyo), 6 Offices, 5 Branches).

* Figures for Water Consumption and Waste recycling are for the following Mitsui-owned buildings: (FY11/3:Mitsui & Co. Head Office Building; Nagoya Building (Chubu Office); Toyota Building (Toyota Branch) and Osaka Building (Kansai Office), FY12/3 and FY13/3:Mitsui & Co. Head Office Building; Nagoya Building (Chubu Office); and Osaka Building (Kansai Office)).

Environmental Initiatives

Environmental Accounting/ Environmental Liabilities

Environmental Conservation Costs

The cost of environmental conservation for all of Mitsui's domestic Offices during the fiscal year ended March 31, 2013 is outlined below.

(Unit:1,000JPY)

Category	Investments	Expenses
Business areas costs	1,389,143	2,534,722
Upstream/downstream costs	0	63,266
Administration costs	72,351	589,808
Social activity costs	0	1,399,211
Total	1,461,494	4,587,007

* Based on the Environmental Accounting Guidelines (2005 version) published by the Ministry of the Environment of Japan
 Scope of coverage: All offices in Japan
 Target period: April 1, 2012 – March 31, 2013

Environmental Conservation Benefit

Mitsui's environmental conservation and economic benefits for paper consumption, energy consumption, and waste output during the fiscal year ended March 31, 2013 are shown below.

	Environmental preservation effects	Economic effects (Unit:1,000JPY)
Paper consumption	1,977sheets	2,310
Electricity consumption	760Wh	△18,306
Waste recycling	79 t	1,572

Environmental preservation/Economic effects are calculated by Actual numerical results for the previous year – Actual numerical results for this year

Scope of coverage:

Paper: All offices in Japan / Sheet: A4-size sheet equivalent

Consumption of the electric power used and of the waste emissions: Buildings owned by and in use by Mitsui in Japan

Assessment of Environmental Liabilities

Currently, demands are being placed on corporate management to make proactive efforts regarding environmental issues. Mitsui endeavors to understand the environmental risk—particularly asbestos, PCB, and soil pollution—of tangible fixed assets such as the land and buildings of Mitsui itself, as well as those of its domestic group subsidiaries, through on-site investigations. It also works to respond in a timely manner in order to ensure its usefulness during decisions and judgments related to management policies, in addition to responding to legal requirements. In the fiscal year ended March 31, 2013, Mitsui held Seminars and training sessions to correspond to revision of the relevant environmental laws and regulations.

Environment-Related Business



Mitsui engages in a wide range of businesses in the world around us, and, under the action guidelines Environmental Policy Action Guidelines, it positions active participation in finding industrial solutions for environmental issues as one of its highest management priorities. Accordingly, we carry out a broad spectrum of environment-related business activities on a global Group basis. As such issues as global warming and population growth have become more serious, society's concerns have increased regarding preserving the natural environment, sustaining biodiversity, making the low-carbon society a reality, and expanding the use of natural energy. Themes related to these concerns that should be addressed have mounted in number. Mitsui is taking initiatives through its core business in many areas to help find solutions to respond to these concerns, and some of these are introduced here.

Renewable Energy

Mitsui has set an objective of substantially increasing the ratio of renewable energy among its holdings of energy assets as a policy for dealing with global warming and realizing global sustainability. Accordingly, Mitsui is pursuing and strengthening its initiatives related to renewable energy projects in the United States, Europe, Australia and so on.

Project	Company name	Country	Generating capacity/Scale
Solar power generation business	IPM Eagle Desarrollos Espana	Spain	1.5MW
	ISAB Energy Solare	Italy	1MW
	Haneda Solar Power Co., Ltd.	Japan	2MW
	SoftBank / Tottori-Yonago Solar Park	Japan	42.9MW (Under Construction)
	Tahara Solar-Wind Joint Project	Japan	50MW (Under Construction)
	Okumatsushima "Kizuna" Solar Park (Higashimatsushima City reconstruction project)	Japan	3.9MW (Under Construction)
	Brockville Solar	Canada	10MW
	Beckwith Solar	Canada	10MW
Solar thermal power generation business	Guzman Energia S.L.	Spain	50MW
Wind power generation business	Brazos Wind, LP	U.S.A.	160MW
	Bald Hills Wind Farm	Australia	106.6MW (planned)
	Zajaczkowo Windfarm Sp.	Poland	48MW
	NS Wind Power Hibiki Co., Ltd.	Japan	15MW
	MITOS Windpark GmbH	Germany	3MW
	Tahara Solar-Wind Joint Project	Japan	6MW (Under Construction)
	Norway Wind	Canada	9MW
	SOP Wind	Canada	40MW
	West Cape Wind	Canada	99MW
	Caribou Wind	Canada	99MW
	Harrow Wind	Canada	40MW
	PAR Wind	Canada	49MW
	Plateau Wind	Canada	27MW
	ELSC Wind	Canada	99MW
	Erieau Wind	Canada	99MW
	Cape Scott Wind	Canada	99MW
	Cape Scott Wind Expansion	Canada	50MW
	Bii Stinu Wind Project	Mexico	164MW
Biomass power generation business	Green Power Ichihara Co., Ltd.	Japan	50MW

Environment-Related Business

Example: Haneda Solar Power Generation Business (Japan)

Through joint investment with JFE Engineering Corporation, Mitsui built an on-site solar power generation system with 2,000-kW output, the largest of its kind in Japan, on the roof of the International Cargo Terminal Shed at Haneda Airport. In commercial operation since August 2010, this system enables us to operate an energy service business that supplies stable electrical power by combining the power generated by this system with power from the power grid.



Solar panel system (Haneda Airport)

Projects for Reducing Greenhouse Gas Emissions

By combining its various functions as a general trading company, since 2002, Mitsui has played a principal role in the development and implementation of Clean Development Mechanism (CDM) projects that are aimed at reducing greenhouse gas emissions as provided for under the Kyoto Protocol (please refer to the following table). In addition, in 2009, Mitsui began trading Green Investment Scheme (GIS) – backed Assigned Amount Units with the Czech Republic under the Kyoto Protocol. In the future, Mitsui plans to take advantage of the expertise we have gained through CDM and GIS to tackle global warming issues on a medium to long-term basis while also paying close attention to factors including developments within the Japanese government regarding greenhouse gas emissions. We will promote mitigation projects that reduce greenhouse gas emissions including those that introduce Japan's clean technologies, especially in the area of efficient energy use commercializing renewable energy.

Project	Country	Greenhouse gas reductions
China Fluoro Technology Co., Ltd. HFC23 Abatement Project	China	4,250,000 tons/year
Guangdong Shenzhen Qianwan LNG Generation Project	China	1,000,000 tons/year
Tiefa Coal Industry Group CMM Utilization Project for City Gas	China	800,000 tons/year
Sandaowan Hydropower project in Gansu Province	China	300,000 tons/year
N2O reduction project at a nitric acid plant in Deepak	India	350,000 tons/year
Lepanto Landfill Gas Management Project	Chile	400,000 tons/year
Methane Capture from Palm Oil Mill Effluent and Power Generation Project	Malaysia	50,000 tons/year
14 other projects		30,000,000 tons/year
Total of 21 projects		37,150,000 tons/year

Example: Subsidy program for energy saving projects in the housing and building sectors in the Czech Republic

Mitsui has so far concluded agreements to purchase GIS-backed Assigned Amount Units (totaling more than 50 million tons) from the Czech government, the proceeds of which are being used for subsidies for energy saving projects in the housing and building sectors in the Czech Republic.



Subsidy program for insulating exterior walls and window frames

Recycling

In addition to development of underground resources, Mitsui has positioned the recycling of aboveground resources as an area for emphasis within its comprehensive energy and environmental strategy. The objective of these activities is to offer industrial solutions to environmental problems and provide stable supplies of various resources.

Business investment (Company name)	Main business	Country	Scale
Sims Metal Management Ltd.	General recycling business (metal scrap and home appliances recycling, etc.)	North America, Europe, Australia, New Zealand, and elsewhere	Handles 13 million tons of metal scrap and 700,000 tons of home appliances recycled annually
Mitsui Bussan Metals Co., Ltd.	Trading of ferrous/non-ferrous metal scrap and provision of environmental solutions	Japan	Handles 5,600,000 tons of ferrous and non-ferrous metal scrap annually
Kyoei Recycling Co., Ltd.	Industrial waste processing and gas production	Japan	Processing capacity of 27,000 Mt/year, 140,000 Nm ³ /day

Example: Comprehensive Recycling Business for Metal Scrap, Home Appliances, etc.

Mitsui invested in Sims Metal Management, the world's largest recycler of ferrous and non-ferrous metal as well as electronics, in June 2007, and, as of March 31, 2013, Mitsui had become the largest shareholder with a 17.7% ownership. Today, Sims Metal Management has more than 270 locations on five continents with a focus on North America, and more than 6,600 employees. In addition to metal scrap business, the company also operates the world's largest electrical and electronics recovery and recycling business as well as New York City municipal waste processing business. Sims Metal Management is, therefore, continuing to grow as a total recycling enterprise.



Sims scrap yard (U.S.)

Modal Shift

Building and improving the social infrastructure is a top-priority issue for the economic growth and promotion of industrial development in countries around the world. To respond to related needs, Mitsui is strengthening its functions and capabilities on a global Group basis. Mitsui has leveraged its accomplishments in the rolling stock leasing business, which has grown especially over the past 10 years, and focused on the railway logistics infrastructure projects. In this field, Mitsui is promoting the modal shift to railway transportation through the development of railway terminals and new businesses related to the cargo transport value chain.

Business investment (Company name)	Main business	Country	Quantitative effect (annual CO ₂ emissions)
Tri-net Logistics Co., Ltd.	Tokyo Bay barge transportation (Ichihara to Yokohama)	Japan	92.3% reduction in CO ₂ emissions compared to truck transportation
MRC (Mitsui Rail Capital, LLC)	Railway freight car leasing	U.S.A.	Total number of rolling stocks at four global basis. Freight cars : approx. 20 thousand Locomotives : approx. 3 hundred
MRCE (Mitsui Rail Capital Europe B.V.)	Railway locomotive leasing	Europe	
MRC-LA (Mitsui Rail Capital Participações)	Railway freight car leasing	Brazil	
MRC1520 (MRC1520 LLC)	Railway freight car leasing	Russia	
Via Quatro	Operation of Line Four of São Paulo Metro	Brazil	Transporting 173 million people annually

Example: Railway Rolling Stock Leasing

The MRC group, which is developing its operations on four global bases in the United States, Europe, Brazil and Russia, is supporting its customers enhance the efficiency of their operations by meeting their needs for leasing different types of rolling stock as well as drawing on Mitsui capabilities as a general trading company to offer added value by providing operation and maintenance management services.

Also, by promoting the modal shift from truck transport to rail transport, the MRC group works to reduce the emission of greenhouse gases and contribute to improving the earth's environment.



Bombardier made electric locomotive hauling the freight wagons

Tree Plantations

Tree Plantations	Country	Scale of operations (*target)
BTP (Bunbury Treefarm Project)	Australia	20,000ha*
GTP (Green Triangle Treefarm Project)	Australia	10,000ha*
VTP (Victoria Treefarm Project)	Australia	8,000ha*
AAP (Australian Afforestation Pty., Ltd.)	Australia	2,000ha*
PTP (Portland Treefarm Project)	Australia	3,000ha*
BFP (Bunbury Fibre Plantations Pty., Ltd.)	Australia	14,000ha

Example: Tree Farming in Australia

Mitsui has been engaged in five tree-farming projects in Australia since 1996. By cultivating sustainable forests, these projects contribute to preserving valuable natural resources, absorbing and chemically immobilizing carbon dioxide, preserving biodiversity, and preventing soil erosion and salt pollution



Tree Farming in Western Australia

Other Environment-Related Business

Project	Main businesses
Water treatment business	Through subsidiary Atlatec which is a water treatment engineering company headquartered in Mexico, Mitsui has participated jointly with Mitsui & Co. (U.S.A.) in the sewage processing business in the state of Queretaro de Arteaga in that country and in the effluent processing business for projects of PEMEX, Mexico's national oil company. In addition, in December 2008 and again in September 2009, an order was received for a sewage processing project from the water utility of the state of Jalisco in Mexico. Also, in January 2010, an order was obtained from Mexico's water utility for a sewage processing facility that, on completion, will be the largest single plant of its kind in the world. One facility was completed and commenced operation in May 2012 and the other two facilities are currently under construction
Water treatment business in China	In August 2010, Mitsui and Hyflux Ltd., a leading provider of integrated water management solutions based in Singapore, established Galaxy NewSpring Pte. Ltd, with each company investing an equal amount. Subsequently, Galaxy NewSpring completed acquisition of 22 assets of drinking water, sewage, and water recycling businesses in China by the end of December 2010 and commenced joint business operations. Two additional assets were acquired in December 2012, and, in the future, the two parent companies plan to expand Galaxy NewSpring's business operations to help mitigate China's water environmental problems
Photovoltaic modules and related equipment	Sale of solar power generation modules (trade transactions and domestic sales) and related equipment; structuring and upgrading global supply systems
Materials and equipment for solar cell batteries	Structuring systems for the stable production and supply of the principal materials and equipment for solar batteries and solar battery modules (including silicon materials and products)
Materials for secondary battery use	Structuring systems for the stable production and supply of secondary battery materials, including principally those used in lithium-ion batteries
Investment in the clean-tech field	Sopogy, Inc. (a U.S. company that develops, manufacturers and sells solar thermal systems), Glycos Biotechnologies Inc. (a U.S. company that develops and manufacturers chemicals produced from biomass including mainly isoprene), Proterra, Inc. (a U.S. company that manufacturers and sells EV buses and rapid electrical chargers for bus companies), BioAmber, Inc. (a Canadian company that develops processes for manufacturing chemicals from biomass and offers licenses), Inventys Thermal Technologies, Inc. (a Canadian company that sells CO ₂ based on technologies that separate and capture CO ₂ from flue gas), and Nihon Itoic Co., Ltd. (a Japanese company that develops and manufactures electric hot water distribution systems and heat pump water heaters)
High-pressurized tank for NGVs and FCVs	Import and sale of tanks for installation on vehicles powered by natural gas and fuel cells
Rooftop gardening, green wall building, and greening at educational institutions	Proposal sales of greening (landscape)-related materials and development of sales business for greenery to improve the environment through Mitsui Bussan Agro Business Co., Ltd. (Japan)
Building energy conservation engineering business in China	Participation in an affiliate joint venture established jointly by Taigo Co., Ltd., of China, and Panasonic Corporation, which is engaged in promoting the automation of buildings and energy-conserving engineering
Building energy conservation engineering business in Asia	Development by the Singapore-based CNA Group of advanced engineering systems that combine IT and building automation for airports, railroads, hospitals, and factories in China, India, and Southeast Asia
Car-sharing business	Operation of a car-sharing business that utilizes high fuel-efficiency, low-pollution vehicles
Environmental electronics business in Asia	Please refer to the information below
High-grade urea solution AdBlue® business	Please refer to the information below
Japan-Australia Oxyfuel Combustion CCS Verification Project	Please refer to the information below

Environment-
Related
Business

Example: Environmental electronics business in Asia

Mitsui contributes to realizing a society consuming sustainable energy by providing solutions to save electricity through our business participation in Tianjin EV Energies Co., Ltd., which manufactures and sells lithium-ion secondary batteries in China.

We also aim to contribute to a society conserving energy and to reducing CO₂ emissions by popularizing LED light sources through our business participation in Formosa Epitaxy which manufactures and sells LED wafers and chips.



Tianjin EV Energies factory construction

Example: High-grade urea solution AdBlue® business

Mitsui Chemicals' AdBlue® is a detoxifying agent of water and nitrogen which works as a reduction agent for nitrogen oxides including gas emissions of trucks and buses.

Mitsui is building and enhancing a nationwide sales and logistics locations and infrastructure as an AdBlue® distribution network. Mitsui contributes to the environment by steadily supplying AdBlue® for diesel vehicles supporting the gas emission regulations set down by the country. As automobile exhaust emissions regulations are tightened (Japan's Post New Long-Term Regulations), the need for ensuring a stable supply of AdBlue® is continuously increasing.



AdBlue® is a registered trademark of the German Association of the Automobile Industry (VDA)

Example: Japan–Australia Oxyfuel Combustion CCS Demonstration Project

Mitsui is continuing to advance its demonstration project with Australia to capture carbon dioxide through boiler operations using the world's first oxyfuel combustion renovated into an existing boiler of the Callide A Coal-Fired Power Station in Queensland, Australia aiming to reduce the environmental impact of coal use. Mitsui intends to store the carbon dioxide captured in the future underground. The CSS (CO₂ capture and storage) for this demonstration project partnering Japan and Australia is supported by both the Japanese and Australian governments.



Oxyfuel combustion boiler at the Australia Callide-A coal-fired power station in Queensland, Australia



About Mitsui's Forests

Forest Management Policy



Forest Management Policy

Adopted July 17, 2009

1. Guiding Principle

Mitsui, mindful of its corporate mission, "Strive to contribute to the creation of a future where the aspirations of the people can be fulfilled," we are committed to carefully nurturing our forests to pass them on to the next generation.

2. Management Policy

Mitsui gives its forest the status of "assets with a high degree of public use that benefits the whole of society". As well as providing the reusable natural resource of lumber, forests can fulfill a range of socially beneficial functions if properly managed and enhanced on a consistent basis; for instance, they can purify the atmosphere by absorbing carbon dioxide to produce oxygen, and they can act as a reservoir that stores and purifies rainwater. On the other hand, if forests are neglected and not adequately maintained, they might increase the likelihood of natural disasters and develop into a source of other social problems. Aware of the social value that its forests therefore have, Mitsui regards their long-term ownership and maintenance as an important social responsibility. So as to maximize the socially beneficial functions of our forests, we work to enhance them based on the FSC®'s forest management principles and criteria.

3. Policy

In its concrete activities in the context of its forest holdings, Mitsui will act conscientiously on the basis of the management policy outlined above, giving full consideration to their social significance and maintaining a strong awareness of their environmental impact. Accordingly, we will redouble our efforts in the following areas:

- Offering Forest Environmental Programs to stakeholders
- Research work and concrete action to preserve biodiversity
- Achieving sustainability in the production of wooden material as a reusable natural resource and promoting its utilization as wood biomass

About
Mitsui's
Forests

Outline of Mitsui's Forests



Location of Our Forests

Mitsui owns forests at 74 locations throughout Japan, from Hokkaido to Kyushu, which together total approximately 440 km² (44,000 hectares). Mitsui's forests thus cover an area equal to approximately 70% of the 23 wards of Tokyo, or 0.1% of Japan's land area, and represent the third largest corporate holding of forest in Japan (as of Mar 31, 2013). Mitsui's has cultivated them carefully over the many intervening years.

- Number of forests owned: 74 (in Japan)
- Total area: approximately 440 km² (44,000 hectares)



Social Value of Forests

Mitsui gives its forests the status of "assets with a high degree of public use that benefits the whole of society." As well as providing the reusable natural resource of lumber, forests can fulfill a range of other socially beneficial functions if properly managed and enhanced on a consistent basis: for instance, they can purify the atmosphere by absorbing carbon dioxide to produce oxygen; they can act as a reservoir that stores and purifies rainwater; they can help to prevent natural disasters through their ability to retain water; and they can conserve the ecosystem. Everyone can enjoy a wealth of benefits from forests.

Aware of the social value of our forests, we see it as an important social responsibility to maintain the forests we own in a healthy condition over the long term.

Mitsui's forests currently absorb and fix approximately 160,000 tons of carbon dioxide absorbed per year (Mitsui estimate). A quantification of the monetary value of this function based on Forestry Agency data indicates a yearly figure of 120 billion yen. Moreover, approximately 130 km² (13,000 hectares) of our forests have been officially designated as "Water Conservation and Water Replenishing Forests," important for safeguarding the water supply and preventing floods and landslides.

In December 2009, Mitsui obtained certification for all of its forests under the FSC™ system of forest certification based on international standards. This was done with the aim of obtaining certification based on an objective evaluation of whether the company was conducting appropriate forest management; that is, whether it was carrying out its forestry operations in a way that factored in biodiversity. Mitsui thus became the largest private corporation with a forest holding in Japan of 100 km² (10,000 hectares) or more to acquire this certification.

Preserving and Utilizing Forests to Benefit the Future

Not content with merely managing our forests appropriately, we have begun initiatives to utilize them for a range of beneficial purposes. As part of our activities to contribute to society and local communities, we utilize our forests as the venue for our Forest Environmental Program, which seeks to encourage an awareness of the role of forests, the bond between people and nature, and the importance of nurturing forests. We also take advantage of our forests to support aspects of the culture and traditions of the surrounding area that make use of forest resources.

Additionally, we are considering recycling unused wood fiber from Mitsui's forests into biomass, which would be put to use locally in generating electric power and as fuel for boilers. In this way we are developing new uses of our forests.



Our wealth of forest resources does not belong to the current generation alone. Mindful of our corporate mission "Strive to contribute to the creation of a future where the aspirations of the people can be fulfilled," we are committed to working closely with the staff of our subsidiary Mitsui Bussan Forest Co., Ltd., which undertakes the management of Mitsui's forests, to carefully nurture our forests and utilize them for future benefit so as to pass them on to future generations.

How We Cultivate Forests at Mitsui



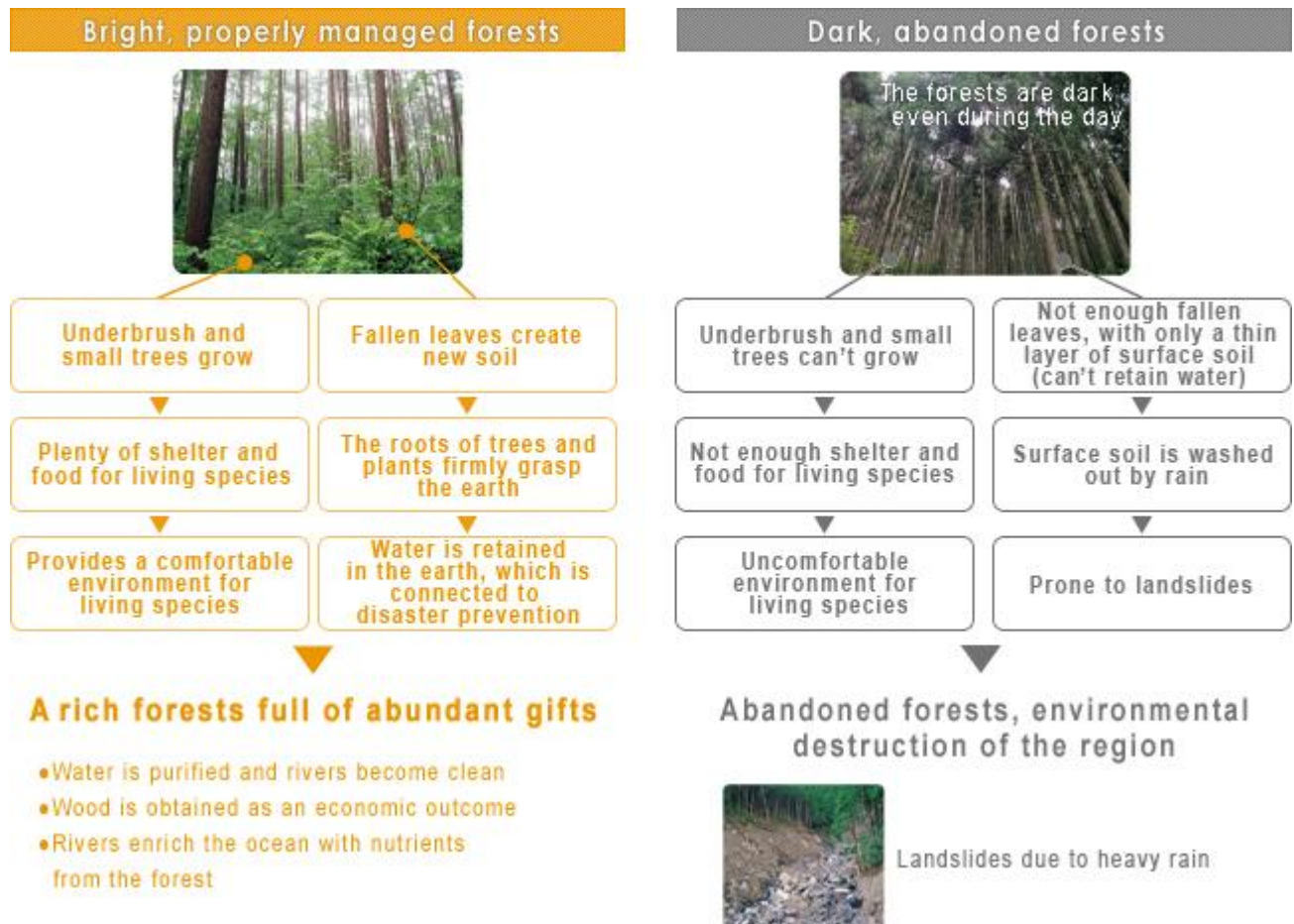
For Brighter Forests

Approximately 70% of Japan's land area is covered by forests, 40% of which are Forests for Regeneration and Harvest, or forests created and tended by human hands. When considering the benefits of forests in Japan, working out how to maximize the benefits of Forests for Regeneration and Harvest is important.

Forests for Regeneration and Harvest need to be constantly tended by human hands. Forests for Regeneration and Harvest when not managed properly become dark and overgrown. When managed well, Forests for Regeneration and Harvest are bright and open to sunlight.

In such forests, which are bright because they are well-managed, underbrush grows, animals thrive, and new soil is created. The new soil means that water is purified and nutrients are carried to the sea. They also store water, thus preventing floods and other natural disasters. The economic benefit of this is that trees grow well and provide lumber.

When forests are not properly managed and therefore are dark, they not only fail to provide these benefits but end up actively contributing to regional environmental degradation.





Cultivating Different Types of Forests: Forest Management Zoning

Mitsui's forests are divided into Forests for Regeneration and Harvest (approximately 40%) and Natural Forests and Naturally Regenerated Forests (approximately 60%).

Forests for Regeneration and Harvest are forests that have been planted and cultivated by human hands, and follow a repeated cycle of planting, cultivating, harvesting, and utilization for the production and supply of lumber resources.

Natural Forest are forests that have been cultivated through natural action, while Naturally Regenerated Forests are forests that have grown back mainly through natural action following deforestation due for instance to a natural disaster or tree-harvesting. Forests in these categories are maintained in their natural state.

Areas within these forests which are particularly important from the viewpoint of biodiversity are designated as Biodiversity Conservation Forests (approximately 10% of all Mitsui's forests). Appropriate management is applied to each different category of forest.



Cultivating Forests for Social, Economic, and Environmental Benefits

Protecting and nurturing forests require the investment of large amounts of time, financial resources, and human resources. Because of this, it is important for the forest industry to create a structure which can secure profitability. This can be seen as the key to deciding the future of Japanese forests.

If Forests for Regeneration and Harvest can be made economically viable, the profits generated could also be used for the preservation of Natural Forests and Naturally Regenerated Forests and help to facilitate appropriate management. Natural Forests and Naturally Regenerated Forests likewise cannot simply be left to look after themselves; human intervention is required to recreate the original conditions matching the distinctive character of the region. We believe that initiatives of this kind will increase the level of biodiversity of our forests as a whole. To ensure appropriate management on a continuous basis, it is also important to build up a good relationship with local communities.

To cultivate healthy forests, it is important to maintain a balance between the interests of society, the economy, and the environment, and for these to form an ongoing virtuous circle. The way we cultivate forests at Mitsui is based on these insights.





Mitsui has obtained FSC™ (Forest Stewardship Council) Certification for adequate management of its 74 forestlands, which constitute the largest holding by a private corporation in Japan.

What Forest Certification Means

Forest certification is given based on assessments regarding whether fixed criteria are met concerning forest management methods. The spread of such certification prevents unregulated deforestation, preserves healthy forests, and helps protect the global environment. There are several certification systems, but the acquisition of FSC Certification based on international criteria verifies that forest management is conducted at an internationally high level.



The Aim of FSC Certification

The FSC certification is a type of certification established by the Forest Stewardship Council (FSC), an international NGO with a membership system that operates an international forest certification system. The goal of FSC is to promote forest management that is appropriate from the standpoint of environmental conservation, co-existing with society, and economic sustainability. Various stakeholders participate in FSC to impartially reflect the views of both advanced and developing countries.

Certification criteria focus not only on whether the forest manager is carrying out appropriate management from an economic standpoint, but also look at consideration for the environment, maintaining favorable relationships with regional communities near the forest and other factors. When Mitsui completed the certification procedures, a survey was given to a total of 330 stakeholders in our 74 forestlands across Japan. This survey confirmed that Mitsui and Mitsui Bussan Forest Co., Ltd., which manages the forestlands, have built a favorable relationship with all regional communities.

Mitsui's Forests and FSC Certification

Among the different types of FSC certification, Mitsui has received Forest Management (FM) certification. At the same time, our subsidiary Mitsui Bussan Forest received Chain of Custody (CoC) certification for the processing and distribution of cut lumber. Mitsui is also the largest Japanese supplier of domestic FSC-certified wood, which has led to a large supply of FSC-certified wood from the forests of Mitsui being distributed throughout Japan.

●The commercialization process of FSC-certified lumber



The Forest Industry and the Economy



Present Situation of Japan's Forest Industry

A survey by the Forestry Agency in FY2009 found that Japanese forest industry was in a depressed situation, with total demand for lumber at less than 70 million m³ a year, of which only around 28% was supplied from domestic sources.

In response to this finding, the Japanese government introduced a strategy to regenerate the Japanese forest industry. This consisted of stimulation of downstream demand combined with measures to improve upstream efficiency, such as the 2010 Act for the Promotion of the Use of Wood in Public Buildings and measures to promote the use of biomass. Progressing alongside these reform measures is a policy aimed at increasing the forestry industry workforce, which has fallen to fewer than 50,000 nationwide and is also affected by the problem of aging. To regenerate Japanese forests requires above all the regeneration of the forest industry; to that end there is an urgent need for the private and public sectors to work together in wide-ranging action.

Balancing Environmental Preservation with the Forest Industry

In the Forests for Regeneration and Harvest at Mitsui's forests, we combine the appropriate cyclical operation of harvest, use, planting, and cultivating with attention to biodiversity, at the same time introducing measures that promote the preservation of the surface soil and increased absorption of carbon dioxide absorbed. At present, with the aim of balancing environmental preservation with the forest industry, we are working to build an economically viable structure so that the profits generated are not only used in the cyclical management of Forests for Regeneration and Harvest, but can also be plowed back into cultivating Natural Forests and Naturally Regenerated Forests.

Mitsui is not only committed to efficient cyclical forestry operations in its Forests for Regeneration and Harvest, but also considers it important to increase the use of domestic timber resources by developing applications for lumber, and is working on relevant new initiatives.



Promoting Wood Biomass and Using the J-VER System

An urgent priority for the forestry and lumber industry is to make sure that lumber is used for a wide range of applications so that no material goes to waste. As part of its efforts to develop uses in areas other than construction, furniture, and paper manufacture, Mitsui has begun working to promote the use of wood biomass as an alternative to fossil fuel. An example of this is collecting branches and other parts of the tree that are left in the forest and cannot be used as lumber and converting them to wood chips as an auxiliary fuel for thermal power generation or to pellets for use as boiler and stove fuel.

Meanwhile, a Mitsui's forest-thinning project in Hokkaido has been registered under the Ministry of the Environment's J-VER system, resulting in the award of certification for the amount of carbon dioxide absorbed fixing achieved by the appropriate management of Mitsui's Hokkaido forests.



Remaining materials in the forest to wood chips

In March 2011, Mitsui was granted an offset credit for approximately 5,000 tons of carbon dioxide absorbed, which is now being sold. In this way, we are taking active steps to include environmental value in the monetary cycle in the form of profits from the forest industry.

Mitsui has been engaged in the forest industry for over 100 years. Going forward, we will work in concert with Mitsui Bussan Forest Co., Ltd., to which we outsource practical forestry and upkeep operations, to manage our forests in a way that contributes to the regeneration of Japanese forest industry, an important step toward addressing environmental issues.

Growing Forest to Protect Biodiversity



Biodiversity means rich diversity and variety at the respective levels of gene, species, and ecosystem. If an area retains the original rich variety of its indigenous animals, plants, insects, microorganisms, and so on, and provides the physical requirements for their existence, it can be said to have high biodiversity.

But today, many animals and plants around the world are dwindling in number or gradually becoming extinct. With the habitats of a wide range of living organisms rapidly disappearing, businesses today need to take initiatives for the preservation of the biodiversity which is the foundation of our survival. Through appropriate management of its forests, Mitsui is committed to making the social contribution of nurturing biodiversity and passing on a rich forest environment to the future generations.



Growing Forest to Protect Life

Mitsui's forests are made up of approximately 40% Forests for Regeneration and Harvest and approximately 60% Natural Forests and Naturally Regenerated Forests. These forests are divided into the following categories: Harvest – oriented Sustainable Cycle Forests; Natural Restoration Forests; Biodiversity Conservation Forests; Productive Naturally Regenerated Forests; General Naturally Regenerated Forests; and Other Naturally Regenerated Forests. Each category has its own set of management policies. Biodiversity Conservation Forests – areas particularly important from the viewpoint of biodiversity – form a new category created in 2009 and account for approximately 10% of Mitsui's forests.

Biodiversity Conservation Forests are further divided into the following four categories: Special Conservation Forests; Environmental Conservation Forests; Water and Soil Conservation Forests; and Cultural Conservation Forests. By conducting management appropriate to the special characteristics of each category, we aim to grow forests that are more strongly oriented toward the preservation of biodiversity.

Forest Management Zoning

Mitsui's approximately 440 km² (44,000 hectares) of forests at 73 locations nationwide is managed according to the following categories:

	Category		Definition	Area (km ²)
Forests for Regeneration and Harvest	Harvest-oriented Sustainable Forests		Forests for the production and supply of lumber resources through the repeated cycle of harvesting, planting, and cultivating.	8,500
	Natural Restoration Forests		Forests to be restored as Naturally Regenerated Forests consisting of coniferous and broad-leaved trees.	9,100
Forests for Regeneration and Harvest, Natural Forests and Naturally Regenerated Forests	Biodiversity Conservation Forests	Special Conservation Forests	Forests judged to have irreplaceable biodiversity value at the regional and national level and requiring stringent protection.	324
		Environmental Conservation Forests	Forests confirmed to support a large number of rare creatures whose habitat requires protection.	876
		Water and Soil Conservation Forests	Forests with plentiful water stocks that form a water resource, reduce the risk of natural disasters, or have other major socially beneficial functions which contribute to the safeguarding of the water supply and the preservation of ecosystems.	3,163
		Cultural Conservation Forests	Forests requiring protection due to the particularly high value of their "cultural services" – functions that nurture traditions and culture and form part of the "ecosystem services" that are dependent on biodiversity.	117
Naturally Regenerated Forests	Productive Naturally Regenerated Forests		Forests to be cultivated for tree species useful as a source of lumber.	1,400
	General Naturally Regenerated Forests		Forests not composed of productive species but to be cultivated for increased social value.	18,713
	Other Naturally Regenerated Forests		Naturally Regenerated Forests other than in the above categories.	1,900

(as of March 31, 2010)

Biodiversity Conservation Forests



Four Biodiversity Conservation Forests

Areas with high significance from a biodiversity perspective are designated as Biodiversity Conservation Forests (which account for about 10% of Mitsui's forests) and further classified into four categories: "Special Conservation Forests," "Environmental Conservation Forests," "Water and Soil Conservation Forests," and "Cultural Conservation Forests."

This category classification allows for the more appropriate and carefully tailored conservation of biodiversity in specific forest areas.

Special Conservation Forests

Forests deemed to possess invaluable biodiversity at a regional and national level and will be closely protected.



Tashiro Forest, Fukushima Prefecture: This forest is part of Mt. Tashiro, which is located in Minamiaizu Town. It contains high-altitude moorlands in the mountain summit regions which have great academic value, and a portion of the forest including the wetlands is designated as part of Oze National Park.

Environmental Conservation Forests

Forests where biological value is concentrated, i.e., rare species, are identified. The habitat of these rare species is protected.



Soya Forest, Hokkaido: Mitsui's most northerly forest containing extensive stands of the Yezo spruce, one of Hokkaido's commonest coniferous trees, and home to the Ito fish, Japan's largest freshwater fish.

Water and Soil Conservation Forests

Forests with plentiful water stocks that form a water resource, reduce the risk of natural disasters, or have other major socially beneficial functions which contribute to the safeguarding of the water supply and the preservation of ecosystems. The 21st century has been referred to as the Water Century, indicating the increasing concern regarding the world's water resources. Recognizing the need to nurture forests that provide rich sources of water, Mitsui has designated 31.63 km² (3,163 hectares) of its holdings as Water and Soil Conservation Forest, which is managed with attention to protecting water supplies.



Nanba Forest, Niigata Prefecture: The gateway to the Myoko Mountain Range, located in the municipality of Joetsu. With extensive beech woods that store water, the forest serves as a water resource that provides water to the region.

Cultural Conservation Forests

These forests are deemed to have high traditional or cultural significance to a region as a result of the ecosystem services from biodiversity. Mitsui will continue to take measures to protect these forests and to make the most use of them.



Saru Forest, Hokkaido: This forest is located in the Hokkaido municipality of Biratori, which legend holds to be the birthplace of the indigenous Ainu culture. Mitsui has concluded an agreement with the Biratori Branch of the Hokkaido Ainu Association to protect and foster the Ainu culture.



Kiyotaki Forest, Kyoto Prefecture: This forest is located in Saga, Kyoto City. To allow the Kyoto Modelforest Association to undertake action to protect and nurture Kyoto's forests, Mitsui has concluded an agreement with the association and Kyoto Prefecture under which part of the forest is made available free of charge for a ten-year period from 2008. The forest will provide wood needed for torches and other materials used in traditional festivities such as the Daimonji Bonfire and the Kurama Fire Festival.

Scientific Evaluation



The Convention on Biological Diversity stressed the importance of addressing the preservation of biological diversity by undertaking quantitative evaluation of the level of attainment on the basis of scientific findings and principles. Mitsui carries out quantitative evaluation of biodiversity in model forests.

Quantitative Evaluation of Biodiversity (HEP)

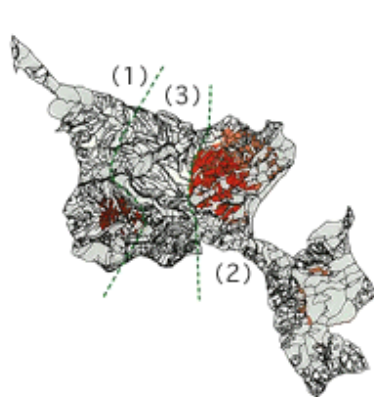
In 2009, a quantitative evaluation of biodiversity was carried out under the Habitat Evaluation Procedures (HEP) by the Ecosystem Conservation Society – Japan at five model forest locations in Mitsui's forests, using animals as an index.

HEP is a method of quantitative evaluation of biodiversity used mainly in the United States. A number of wild animal species to serve as indices are selected in line with the surface area of the target site, the environmental conditions, the geographical location, and the rarity of the species. The level of biodiversity, including the past and future biodiversity, of the target site is then quantified in the form of a numerical value indicating the quality of the habitat for these index species, known as the habitat suitability index (HIS).

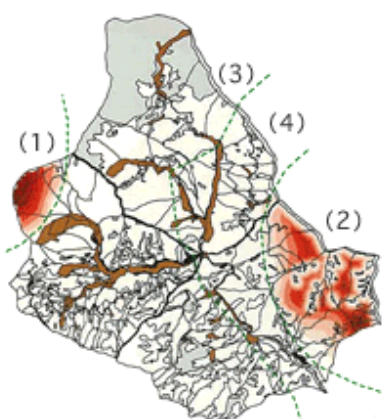
In the survey, the brown bear, Asiatic black bear, mountain hawk eagle, marten, and badger were chosen as index species. A prediction was then made of the change in the level of biodiversity from the past to the future, and a numerical value was assigned.

The results of the survey allowed the level of biodiversity for each model forest to be assessed, and additionally provided basic data for forestry operations contributing to biodiversity, which indicated for instance which areas of Forests for Regeneration and Harvest should be prioritized for restoration as Naturally Regenerated Forests.

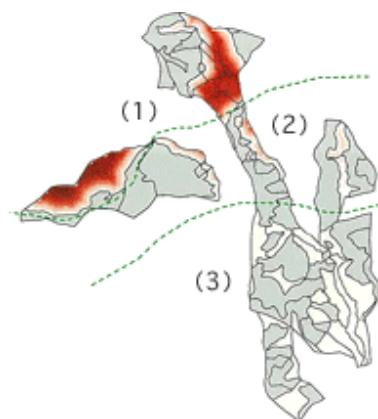
Examples of zoning: (1) (2) (3) (4) indicate zones in order of priority for restoration as Naturally Regenerated Forests. The deeper the red, the higher the priority for restoration as Naturally Regenerated Forests.



Niwan Forest



Sando Forest



Kiyotaki Forest

AA+ Awarded in JHEP Certification

JHEP certification is a certification system established in December 2008 by the Ecosystem Conservation Society – Japan. This certification system makes a quantitative evaluation of the level of biodiversity from the viewpoint of animals and plants in a ten-level ranking system from AAA to D. The evaluation quantifies biodiversity in the 30 years before the base year (the year of acquisition of the land or the year in which the application for evaluation is made) and in the 50 years after the base year and compares the two periods. This allows scientific proof to be given of the contribution of an enterprise or other agent to the preservation and enhancement of biodiversity.

In September 2010, an evaluation was carried out in the Kiyotaki Forest in Kyoto which covered not only the Asiatic black bear and other animals (evaluated species) but also plants. As a result, the second highest ranking possible (AA⁺) was awarded. This represented the first such ranking for a Japanese forest under this certification system and gives scientific proof that in the approximately 30 years of Mitsui's ownership of the Kiyotaki Forest, the level of biodiversity has been raised in keeping with the characteristics of the region. Going forward, we will continue with the management policy implemented so far, preserving the remaining native vegetation of the area and gradually restoring the Forests for Regeneration and Harvest areas of Japanese cedar and Japanese cypress to Naturally Regenerated Forests.



At COP10 (Convention on Biological Diversity), effective and urgent action was called for to halt the loss of biodiversity by 2020. Further, the convention emphasized the importance of quantifying and monitoring the level of biodiversity on the basis of scientific findings and principles. Given this background, we believe that our acquisition of this certification demonstrates the beginning of a new model of forest management for Japan in the future.

Forests and Human Culture



Japan's forests are deeply entwined with Japanese culture. It should be remembered that among the major functions of forests is that of nurturing human culture. Mitsui is actively engaged in ensuring that the preservation of forests also contributes to the preservation of regional cultures and traditions.

Using the Forest to Protect Ainu Culture

The Saru Forest, which is Mitsui's second largest forest, is located near Nibutani, a locality in the Hokkaido municipality of Biratori which legend holds to be the birthplace of Ainu culture. Ainu people have inhabited and made use of the forest for many generations. In April 2010, Mitsui concluded an agreement with the Biratori Branch of the Hokkaido Ainu Association under which action is being taken to stimulate the preservation of the culture of the Ainu people, who are the original inhabitants of the Saru Forest.

Specifically, because of a declining trend in the Manchurian elm, which provides the material for the attus, the traditional dress of the Ainu people made of tree bark, it has been decided to plant and nurture Manchurian elm in the Saru Forest.

Meanwhile, to restore the chise, which is the traditional Ainu dwelling, the lumber needed to build it is to be supplied from the Saru Forest. A further major aspect of the agreement is the protection of Ainu places of worship located in the Saru Forest and cooperation in surveys of cultural relics.

In September 2010, a further agreement was concluded with the municipality of Biratori under which Mitsui will cooperate in a municipal project to recreate an iwor (traditional Ainu living territory) and will collaborate in measures to stimulate industry.



The attus, a garment made of tree bark



Manchurian elm



The chise, the traditional Ainu dwelling

Using a Forest to Protect Kyoto Traditions

The Kiyotaki Forest, situated at Saga in the north of the city of Kyoto, is in a much-visited area famous for its colorful foliage in autumn and its beautiful cherry blossom in spring.

To allow the Kyoto Modelforest Association to engage in action to protect and nurture Kyoto's forest, Mitsui concluded an agreement in 2008 with the association and Kyoto Prefecture under which part of the Kiyotaki Forest is made available for a ten-year period free of charge. As part of the agreement, Mitsui supports two traditional Kyoto festivities, the Daimonji Gozan Okuribi (Daimonji Bonfire) and Kurama no Hi-Matsuri (Kurama Fire Festival), by providing firewood and supplying Japanese red pine and azalea to make torches. Mitsui will also make a site available for the Forestry Experience Workshops organized by the association for the benefit of the regional community.

As part of the Forestry Experience Workshops, members of the association participate in forest maintenance for cultivation of the Japanese red pine and azalea, while members of the Daimonji Preservation Committee and the Kurama Fire Festival Preservation Society, which are affiliates of the association, volunteer in the felling of deciduous trees and Japanese red pine. Thanks to these activities, in 2010, materials from the Kiyotaki Forest supplied all the pine needles and one-tenth of the firewood needed for the Daimonji Bonfire and one-tenth of the torches used in the Kurama Fire Festival.



Daimonji Gozan Okuribi (Daimonji Bonfire)



Japanese red pine to make torches with



Kurama no Hi-Matsuri
(Kurama Fire Festival)

Evaluation by Society



What is socially responsible investment (SRI)?

Socially responsible investment involves the selection of investment targets through the evaluation of corporations based on conventional financial analyses and investment standards, as well as on how well they fulfill their social and environmental responsibilities. Mitsui has been selected for inclusion in two global SRI indexes — the FTSE4Good Global Index and the Dow Jones Sustainability World Index (DJSI World).

FTSE4Good Global Index



FTSE4Good

The FTSE4Good Global Index is a stock index developed by FTSE, which is a solely owned subsidiary of the London Stock Exchange. FTSE investigates the social, environmental, and ethical aspects of approximately 2,400 major corporations from various countries around the world, including the labor standards applied throughout their supply chains, and evaluates their corporate sustainability. Based on such investigations, FTSE selects only those companies that satisfy its standards. So far, 721 companies have been selected globally, with 179 Japanese companies including Mitsui (as of May 23, 2013).

Dow Jones Sustainability World Index



The Dow Jones Sustainability World Index is a global stock index developed jointly by Dow Jones & Company in the U.S. and RobecoSAM in Switzerland. It evaluates the corporate social responsibility of approximately 2,500 major corporations from different countries around the world in terms of their social, environmental, and economic performance, selecting the top 10% of these corporations for inclusion.

Globally, 340 companies have so far been selected, with 20 Japanese companies including Mitsui.

In addition, particularly outstanding companies are rated as gold, silver, or bronze. Mitsui is certified as one of the bronze class rated companies (as of March 31, 2013).



Awards received in the past five years

Fiscal Year Ended March 31, 2012	Received the Award of Excellence (The Third Prize) in the Sustainability Reporting Award category of Toyo Keizai Inc.'s 15th Green Reporting Award and Sustainability Reporting Awards Received the Award of Excellence in the 2012 Key Firm of Integrity Award by Integrex Inc.
Fiscal Year Ended March 31, 2011	Received the Disclosure Award from Tokyo Stock Exchange
Fiscal Year Ended March 31, 2009	Received the Best IR Award from the Japan Investor Relations Association

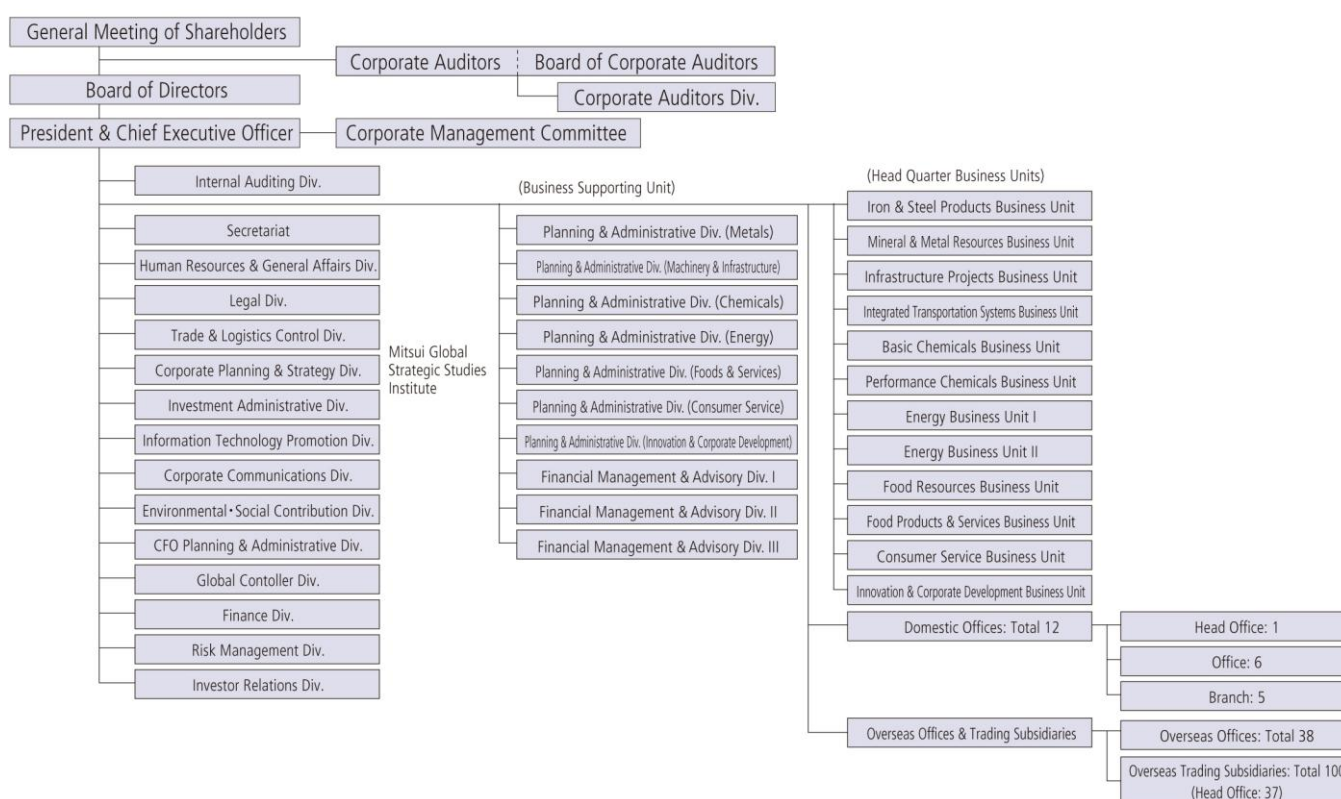
Company Profile

Corporate Profile

Name	MITSUI & CO., LTD.
Date of Establishment	Jul. 25, 1947
Head Office	2-1 Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-0004, Japan
Representative	Masami Iijima, President and Chief Executive Officer
Common Stock	¥341,482 million (As of March 31, 2013)
Number of Employees	6,167 Consolidated 45,148 (As of March 31, 2013)
Number of Offices	150 (as of June 1, 2013) In Japan: 12 offices (Head Office : 1, Offices : 6, Branches : 5) Overseas: 138 offices (Overseas offices : 38, Overseas trading Subsidiaries 100 (Head Offices : 37))

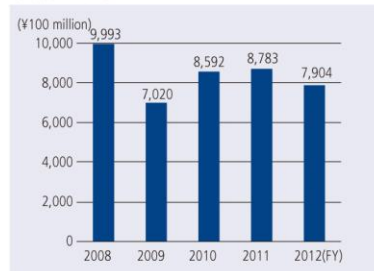
Main Business Utilizing our global operating locations, network and information resources, we are multilaterally pursuing business that ranges from product sales, worldwide logistics and financing, through to the development of major international infrastructure and other projects in the following fields: Iron & Steel Products, Mineral & Metal Resources, Infrastructure Projects, Integrated Transportation Systems, Chemicals, Energy, Food Resources, Food Products & Services, Consumer Services, Innovation & Corporate Development Business.

Organizational Chart (as of June 1, 2013)

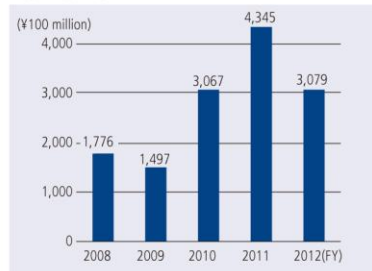


Financial Information (Consolidated)

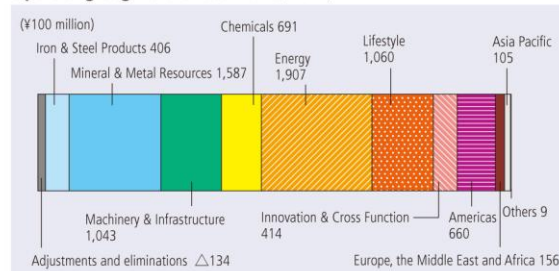
Gross Profit



Net Income



Operating Segment Gross Profit (FY2012)



Independent Practitioner's Review Report

July 31, 2013

Mr. Masami Iijima
President and Chief Executive Officer
MITSUI & CO., LTD.

Hiroshi Inanaga
Chief Executive Officer
Deloitte Tohmatsu Evaluation and Certification Organization Co., Ltd.

1. Scope of the Review

We have reviewed the "Sustainability Full Report 2013" (the "Report") prepared by MITSUI & CO., LTD. (the "Company"). The purpose of our review was to provide limited assurance from an independent practitioner about whether the material quantitative environmental information (electricity consumption and its consumption per square meter exclusive area, water consumption, paper consumption and those consumptions per employee, waste and its emissions unit values per employee, CO2 emissions, freight volumes, and specific consumption in transportation operations) in respect of the domestic non-consolidated operations of the Company for the period from April 1, 2012 to March 31, 2013, included in pp. 64 and 71-72 of the Report was accurately measured and calculated, with reference to the Global Reporting Initiative ("GRI") Sustainability Reporting Guidelines (Version 3), in accordance with the calculation methods adopted by the Company.

2. Responsibility of the Management and Responsibility of the Independent Practitioner

The Report is the responsibility of the Company's management. Our responsibility is to provide our limited assurance with respect to our review performed on the Report as an independent practitioner.

3. Summary of Review

To obtain an adequate and valid basis for providing limited assurance with respect to our conclusions, we performed our review in accordance with the International Standard on Assurance Engagements 3000 (issued by the International Federation of Accountants in December 2003) and the Proposed Environmental Report Review Standard (issued by the Japanese Ministry of Environment in March 2004).

The review procedures performed for the material quantitative environmental information for the period from April 1, 2012 to March 31, 2013, included in pp. 64 and 71-72 of the Report consisted of: 1) agreeing information to summary tables and supporting documents on a sample basis; 2) interviewing the responsible Company's personnel and the persons in charge; 3) reviewing and agreeing information to the relevant Company's minutes, and the Company's regulations, and related documents, etc.; 4) site visits; and 5) comparing information with other available supporting internal and external materials of the Company.

4. Conclusion

On the basis of the review procedures described in the preceding paragraph, nothing has come to our attention that caused us to believe the material quantitative environmental information for the period from April 1, 2012 to March 31, 2013, included in pp. 64 and 71-72 of the Report was not accurately measured or calculated, with reference to the GRI Sustainability Reporting Guidelines (Version 3), in accordance with the calculation methods adopted by the Company.

The above represents a translation, for convenience only, of the original Independent Practitioner's Review Report issued in the Japanese language.

