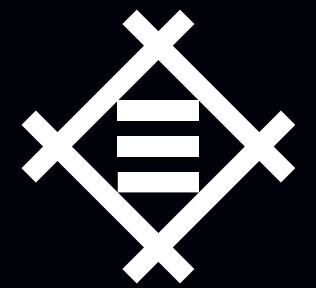




# 2019

Sustainability Report



MITSUI & CO.

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Link to website

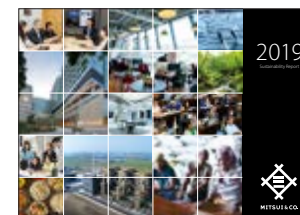


Link to related information

## Cover Photo:

Mitsui & Co. has defined Mitsui's material issues ("Materiality") for the company to focus on, with the aim of meeting the expectations of a variety of stakeholders and contributing to the creation of a future where the aspirations of the people can be fulfilled, as set out in our corporate mission.

The images shown on the cover mainly represent the Mitsui's Materiality outlined in the Our Stories pages of this year's Report.

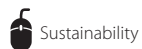


# Editorial Policy

We publish our Sustainability Report with the aim of delivering an explicit message to our stakeholders that Mitsui & Co. commits to creating new values through a wide range of business activities, and contributes to societal and corporate sustainability.

As an annual report that complements the Integrated Report, our Sustainability Report 2019 emphasizes comprehensiveness and continuity, and provides detailed environmental, social, and governance (ESG) information. Furthermore, in accordance with Mitsui & Co.'s Materiality, which was newly identified in April 2019, we associated such ESG information with the 17 goals and 169 targets of the United Nations Sustainable Development Goals (SDGs) and reported our activities in line with the ESG factors. We also introduced actual examples of how we are generating new value that provides solutions to societal issues for each Materiality in the "Our Stories" pages.

On our websites, we focus on ensuring convenient browsability and searchability of information related to sustainability, and have posted our ESG policies and data, as well as a GRI standards comparison chart. Our websites also provide details of our social contribution activities to complement the information contained in the Sustainability Report 2019.



## A Cautionary Note on Forward-Looking Statements

This material contains statements (including figures) regarding Mitsui & Co., Ltd. ("Mitsui")'s corporate strategies, objectives, and views of future developments that are forward-looking in nature and are not simply reiterations of historical facts. These statements are presented to inform stakeholders of the views of Mitsui's management but should not be relied on solely in making investment and other decisions. You should be aware that a number of known or unknown risks, uncertainties and other factors could lead to outcomes that differ materially from those presented in such forward-looking statements.

These risks, uncertainties and other factors referred to above include, but are not limited to, those contained in Mitsui's latest Annual Securities Report and Quarterly Securities Report, and Mitsui undertakes no obligation to publicly update or revise any forward-looking statements.

## Scope of Coverage in the Sustainability Report:

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

## Covered Period:

The Sustainability Report 2019 mainly covers our initiatives carried out in the period from April 2018 to March 2019 (the fiscal year ended March 2019), as well as part of our policy and action plans for the fiscal year ending March 2020.

## Independent Practitioner's Assurance

The "★" logo indicates that the sustainability information concerned has been given limited assurance, for the purpose of increasing its reliability, by Deloitte Tohmatsu Sustainability Co., Ltd. in its independent practitioner's assurance report.

## Publication Date:

August 2019 (Previous publication date: August 2018; next publication scheduled for August 2020)

## Guidelines

Our Sustainability Report has been prepared in accordance with the Core option of the GRI Sustainability Reporting Standards.



GRI Standards Comparison Chart

Environmental Accounting Guidelines (2005 version) established by the Ministry of the Environment of Japan ISO26000 (Guidance on Social Responsibility)

## Published by:

Sustainability Committee, Mitsui & Co., Ltd.

## Contact:

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: [www.mitsui.com/jp/en/sustainability/](http://www.mitsui.com/jp/en/sustainability/)

# Company

## Corporate Profile (As of March 31, 2019)

### • Company Name

MITSUI & CO., LTD.

### • Date of Establishment

July 25, 1947

### • Head Office

1-3, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8631, Japan (registered head office location)

Nippon Life Marunouchi Garden Tower

3-1, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-8631, Japan

JA Building

### • Representative

Tatsuo Yasunaga, President and Chief Executive Officer

### • Common Stock

¥341,481,648,946

### • Number of Employees

5,772

Consolidated 43,993

### • Number of Offices and Overseas Trading Affiliates

139 offices in 66 countries/regions

Offices in Japan: 12 (Head Office: 1 Offices: 6 Branches: 5)

Overseas Trading Affiliates: 95 (Head Offices: 34, Others: 61)

Overseas Offices: 32 (Branch: 2, Others: 30)

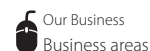
(As of April 1, 2019)



Worldwide Network

### • Major Business Areas

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, Mobility, Chemicals, Energy, Food, Food & Retail Management, Healthcare & Service, IT & Communication Business, Corporate Development Business.



### • Number of Affiliated Companies for Consolidation

Subsidiaries: Japan 70 Overseas 208

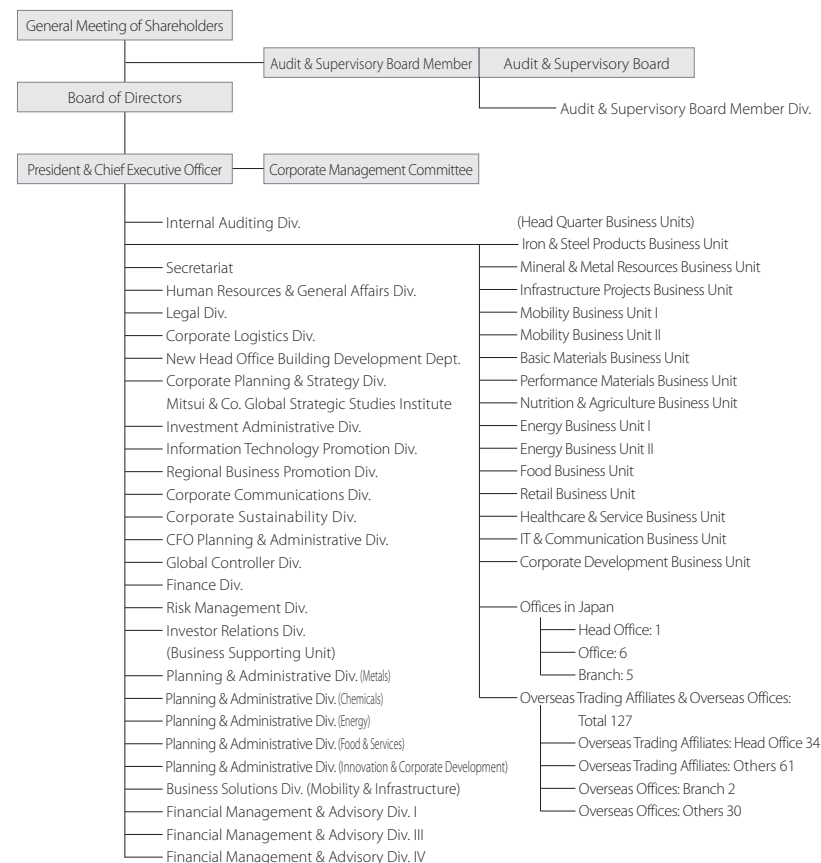
Equity Accounted Investees: Japan 45 Overseas 168

<b>Total Assets</b>	¥11.95 trillion
<b>Total equity*1</b>	¥4.26 trillion
<b>Revenue</b>	¥6.96 trillion
<b>Profit for the Year*1</b>	¥414.2 billion
<b>Core Operating Cash Flow*2</b>	¥570.5 billion

\*1 Attributable to owners of the parent

\*2 "Cash flows from operating activities" - "changes in operating assets and liabilities"

### • Organization Chart (As of April 1, 2019)



## Message From the Chairperson of the Sustainability Committee

Toward the realization of a sustainable society,  
Mitsui & Co. will contribute to  
a brighter future filled with aspirations.

Shinsuke Fujii

Representative Director, Executive Vice President  
Chief Administrative Officer,  
Chief Information Officer,  
Chief Privacy Officer



Takashi Masuda, the first president of the former Mitsui & Co.\*, stated, "Let not short term gains tempt your mind, seek only enduring prosperity by embracing grand aspirations." We have inherited these values of looking toward the future and the commitment to societal and corporate sustainability. Those values constitute an unshakeable foundation for the Mitsui of today.

The realization of a sustainable society has become an urgent global priority, as evidenced by the adoption of the Sustainable Development Goals (SDGs) for 2030 by the United Nations, and the growing importance of environmental, social, and governance (ESG) aspects to various stakeholders. We are told that, in order to prevent climate change from having a severe impact on the Earth, and on people's lives, we need to limit the increase in temperature compared with the level before the Industrial Revolution to 1.5-2°C. International efforts are now accelerating, including calls for the achievement of greenhouse gas emission reduction targets under the multilateral framework of the Paris Agreement.

With the aim of contributing to solving such problems, in July 2018, Mitsui announced that it would no longer accumulate new thermal coal assets for coal business that discharges a large amount of greenhouse gas. We also set the target of increasing the portion of our renewable energy based power generation capacity to 30% by 2030. In December 2018, we expressed our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which was established under the auspices of the Financial Stability Board.

In addition to the growing international importance of sustainability, we are also aware of the continual change in megatrends with the potential to affect our business activities. In response to these changes, we decided to review the Materiality (material management issues) that we identified in March

2015. While taking into consideration international frameworks such as the SDGs, as well as the perspectives of both a wide range of stakeholders and the potential impact on our business activities, we also engaged in active discussions within and beyond Mitsui. This process culminated in the announcement of our new Materiality in April 2019.

The newly identified five material issues are: "Secure sustainable supply of essential products," "Enhance quality of life," "Create an eco-friendly society," "Develop talent leading to value creation," and "Build an organization with integrity." These constitute the basis for conducting all of Mitsui's business activities and promoting sustainability management with a focus on social and corporate sustainability.

Furthermore, we enhanced the functions of the Sustainability Committee established under the Corporate Management Committee, and in order to accelerate sustainability management initiatives on a global group basis, we created the Corporate Sustainability Division that plays the role of promoting and driving sustainability management on a company-wide basis.

The corporate mission of Mitsui is to "Strive to contribute to the creation of a future where the aspirations of the people can be fulfilled." Under that mission, we will continue to respond to the trust and expectations of all stakeholders, including our customers, business partners, the countries and regions in which we engage in business activities, and our shareholders. Moreover, through a wide range of business activities, we will contribute to sustainable economic and social development on a global scale, as well as to finding solutions to global issues, such as climate change.

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

# Corporate Mission Vision Values

In 2004 Mitsui systematically and clearly set forth in written form the implicit values we share and issued our Mission, Vision and Values. 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.

---

## Mission Vision Values

### Mission

Strive to contribute to the creation of a future where the aspirations of the people can be fulfilled.

### Vision

Aim to become a global business enabler that can meet the needs of our customers throughout the world.

### Values

- Build trust with fairness and humility.
- Aspire to set high standards and to contribute to society.
- Embrace the challenge of continuous innovation.
- Foster a culture of open-mindedness.
- Strive to develop others and oneself to achieve full potential.

## Mitsui & Co's Core Values

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 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, and are reflected in our stance toward our work. The principles of Mitsui's approach to sustainability as social responsibility have always reflected its founder's values, a way of thinking unchanged to this day.

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

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"Let not short term gains tempt your mind, seek only enduring prosperity by embracing grand aspirations."

"I started Mitsui 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, the first president of the former Mitsui

# Sustainability at Mitsui & Co. and the Management Framework

## Mitsui & Co.'s Value Creation

---

Companies can only be sustainable if the societies they operate in are sustainable, and unsustainable companies cannot fulfill their social responsibilities. At Mitsui & Co., we try to anticipate changes in society with each era. We reflect on how we should advance our capabilities and ceaselessly challenge ourselves to express our potential in ways that bring the most benefit to society.

We believe that we must continually improve the way we engage with environmental and societal issues, listen closely to our stakeholders, and ensure that we have a clear understanding of key concerns, issues, and expectations. It is then our responsibility to contribute to addressing issues and meeting expectations in the most effective way possible.

We continue to ensure that all of our employees share our management philosophy, as expressed in our Mission, Vision, and Values, and to strengthen our robust management platform, including our governance and risk management systems. At the same time, working alongside our stakeholders, our aim is to pursue business in a manner expressed in our "360° business innovation." slogan. In doing so, we place a strong focus on five material issues of Mitsui's new Materiality, which we have revised in April 2019 as important management priorities in achieving a sustainable development of society and Mitsui. The newly identified material issues are: "Secure sustainable supply of essential products," "Enhance quality of life," "Create an eco-friendly society," "Develop talent leading to value creation," and "Build an organization with integrity."

The slogan noted above and our Materiality reflect the fact that one of our greatest strengths is our ability to connect ideas, information, customers, and business partners to create new value around the world so as to strive to contribute to the creation of a future where the aspirations of the people can be fulfilled. This is what Mitsui is expected to do and how Mitsui strives to create new value in pursuit of social sustainability.

## Basic CSR Policy

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Mitsui's Basic CSR Policy, which is built upon our management philosophy of Mission, Vision and Values serving as the foundation of our business activities, was formulated in 2004 and reviewed in 2013 to reflect input from society and our stakeholders. In our CSR policies, our approach to sustainability as our social responsibility is clearly incorporated, and we earnestly continue to strive for its realization.

### 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.
-

## Sustainability Management Framework

In the fiscal year ended March 2005, Mitsui & Co. established the CSR Promotion Committee (currently the Sustainability Committee) under the Corporate Management Committee to develop Mitsui's internal framework with respect to sustainability, and to work to raise sustainability awareness among employees.

Reflecting the growing interest in the UN Sustainable Development Goals (SDGs) and ESG in recent years, we established the Sustainability Committee on May 1, 2017, in order to further clarify our unchanging stance toward creating new value for society through business activities and to pursue further mutual sustainability between society and the company.

With the Sustainability Committee playing a central role, Mitsui promotes sustainability-related activities based on cross-organizational collaboration to meet the needs and expectations of society in relation to companies' social values and initiatives.

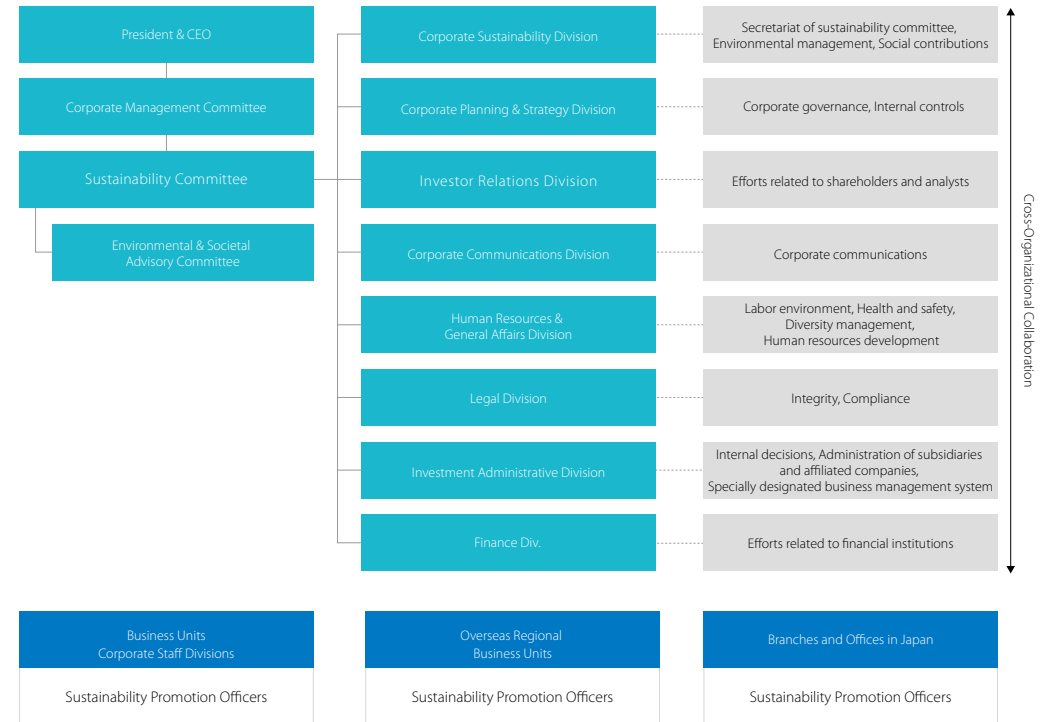
On April 1, 2019, we established the Corporate Sustainability Division, whose role is to promote and drive company-wide sustainability management and to accelerate various initiatives on a global group basis. The Corporate Sustainability Division will strive to raise sustainability awareness and share values at the Mitsui & Co. global group level, with the aim of contributing to the achievement of sustainable social and economic development in various countries and regions around the world, while also contributing to solving global environmental problems such as climate change issues.

We also appoint Sustainability Promotion Officers in each of the corporate staff divisions, headquarters business units, overseas regional business units, and branches and offices in Japan, developing our internal network to facilitate planning and promotion of sustainability activities together with the frontline staff, including provision of support for implementing sustainability management and awareness-raising activities at each unit.

In the fiscal year ended March 2019, we held a Sustainability Promotion Officers meeting on a quarterly basis, where we explained new policies relating to our sustainability initiatives and other important information discussed and formulated by the Sustainability Committee, and shared reports on surveys and measures related to supply chain management.

Moreover, the Sustainability Promotion Officers in business units and corporate divisions and offices in Japan have taken the initiative in organizing various sustainability awareness-raising programs, such as in-house sustainability seminars and lectures by speakers from partner companies and external experts, as well as workshops regarding sustainability within the actual business.

We also held a lecture during Mitsui Sustainability Month, and lectures on Mitsui's sustainability management in the New Hire Induction Training. In this way, we are urging employees to consider sustainability issues from the perspective of their everyday business.





## Sustainability Committee

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As an organization under the Corporate Management Committee, the Sustainability Committee aims to promote management with a greater awareness of the sustainability of both society and Mitsui, and provides advice to management on management policy and business activities from a sustainability standpoint.

The Sustainability Committee consists of the CAO (the Committee Chair), CCO and CFO (the Vice Chairs), and the GMs of the corporate staff units, including the Corporate Sustainability Division, Corporate Planning & Strategy Division, Investor Relations Division, Corporate Communication Division, Human Resources & General Affairs Division, Legal Division, Investment Administrative Division and Finance Division. The committee has the following duties:

1. Develop basic policies on the company's sustainability management and fundamental plans for activities to promote sustainability and CSR.
2. Review and make proposals on the company's management policies, as well as policies and strategies of the business units and corporate divisions from the perspective of sustainability.
3. Present proposals on company-wide environmental policies.
4. Make proposals on sustainability-focused business activities (understanding risks and opportunities involved in business).
5. Deliberate and establish the basic policy of the effective disclosure of information to stakeholders.
6. Consider and present proposals relating to progress reviews and monitoring required for management.
7. Configure and establish the internal structure for promoting sustainability management of the company.
8. Identify the material issues to focus on each year for promoting sustainability and CSR activities of the company and ensure progress on these.
9. Respond to issues related to sustainability and CSR, both internal and external to the company.
10. Decide and report whether to support individual proposals which qualify under the matters of Specially Designated Business, and indicate the necessary cautions for projects that will be supported.
11. Approve important matters (basic policies, business plans, etc.) relating to the Mitsui & Co. Environment Fund.
12. Select proposals from internal applicants for the Environment Fund grants.
13. Select proposals from external applicants for the Environment Fund grants.
14. Decide and report whether to support an exceptional acquisition of forests or the disposal of company owned forests, which is out of the scope of the guidelines on the acquisition of a new forest and disposal of company owned forests, based on Rules on the Management of Company Owned Forests.

Furthermore, the Environmental & Societal Advisory Committee has been established as the advisory body to the Sustainability Committee. The committee members are selected mainly among external experts who are familiar with a broad range of fields — including climate change, environmental policy with respect to water and energy, etc., technology trends, human rights and other matters — as well as attorneys and other knowledgeable individuals.

### Sustainability Committee Meetings in FY 2019

#### Meeting 1 (May 16, 2018)

- Deliberations on our response to climate change issues
- Report on the concepts underpinning Integrated Report

#### Meeting 2 (October 9, 2018)

- Deliberations on the revision of Mitsui's Materiality
- Report on trends in climate change issues, and a report on the assessment results for DJSI 2018 selection

#### Meeting 3 (December 21, 2018)

- Continued deliberations on the revision of Mitsui's Materiality
- Report on participation in COP24 in connection with response to climate change issues, and approval for support for the TCFD recommendations

#### Meeting 4 (March 7, 2019)

- Continued deliberations on the revision of Mitsui's Materiality
- Report on the results of our response to climate change issues, report on sustainability promotion activities and environmental and social contribution activities for the fiscal year ended March 2019, as well as action plans for the fiscal year ending March 2020

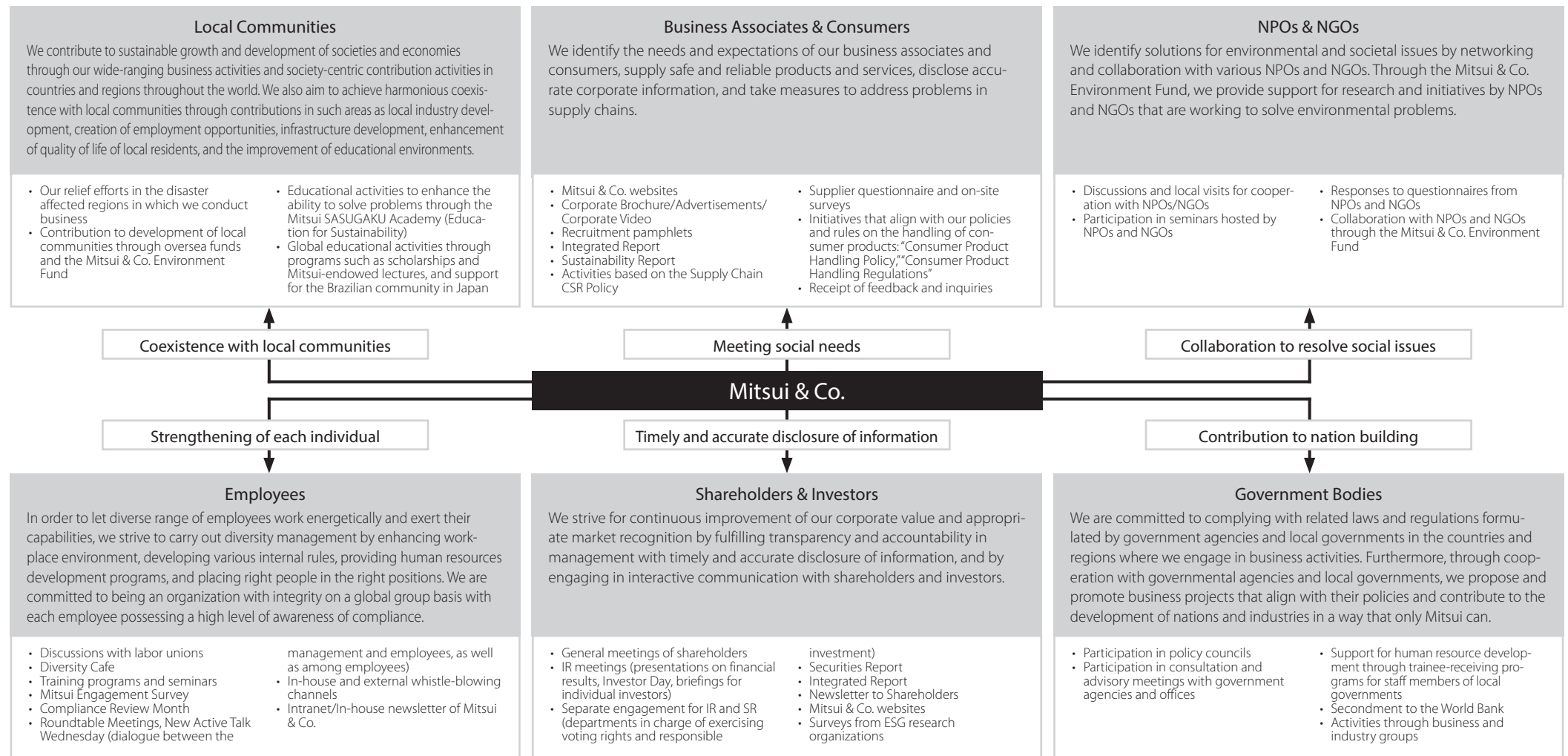
# Interactive Communication with Mitsui & Co.'s Stakeholders

Mitsui & Co. places emphasis on interacting with and having dialogue with society. For this reason, we closely assess the effects of its diverse and global business activities on society, identify and acknowledge stakeholders of particular interest.

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

disclosures and continual communication with our stakeholders.

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



## Initiatives in the Fiscal Year Ended March 2019

### Local Communities

Mitsui aims to contribute to local communities, and to the solution of local and global societal issues, from the perspectives of both business strategy and social contribution. We have participated in the TOMODACHI Initiative, which is a public-private partnership led by the United States government and the U.S.-Japan Council, and the TOMODACHI-Mitsui & Co. Leadership Program was launched in 2013. In the fiscal year ended March 2019, ten young professionals were selected from Japan and ten from the United States to visit each other's countries; the American delegation visited prefectures in the Tohoku region that had been affected by the Great East Japan Earthquake. Through activities such as these, we have been supporting recovery efforts in the Tohoku region by creating new human networks and tackling various issues such as post-earthquake reconstruction and regional revitalization. Mitsui has also been providing various forms of support to deepen mutual understanding between the peoples of Japan and Brazil, and to find solutions to problems facing the Brazilian community in Japan. In the fiscal year ended March 2019, we provided scholarships to Brazilian children living in Japan (447 children at 26 schools), as well as activity grants to NPOs and other organizations (14 organizations in total) that are working to foster the development of a multicultural society for Brazilians in Japan. Furthermore, in July 2018, we ran the Mitsui SASUGAKU Academy course, as a program of education for sustainable development, for 29 elementary school children, with the aim of helping participants to develop the ability to build a sustainable future. Under the theme "What will a healthy life be in the future?", participants discussed health-related issues and approaches to the solution of those issues.

The Mitsui & Co. Environment Fund has supported 56 projects including a social development project based on the use of renewable energy in a community in West Java, Indonesia, and a sustainable development project focused on youth capacity building activities at the Ifugao rice terraces in the Philippines.

Mitsui also has been providing support to disaster-affected communities in Japan and overseas. In the fiscal year ended March 2019, we provided donations in relation to an earthquake in northern Osaka, a torrential rain disaster in Western Japan, an earthquake in eastern Iburi, Hokkaido, and an earthquake on Sulawesi Island, Indonesia.

 **P.66** Social Contribution Activities

### Business Associates & Consumers

Mitsui conducts supplier on-site surveys each year under our Supply Chain CSR Policy. Any issues identified through site visits or exchanges of views are used to improve our business operations.

In the fiscal year ended March 2019, an on-site survey was carried out on a Chilean salmon farming, processing, and sales company, Salmenes Multiexport S.A., and on a feed company.

 **P.117** Supplier On-Site surveys

A sustainability-focused procurement code, including specific standards for palm oil, has been formulated for the Olympic and Paralympic Games to be held in Tokyo in 2020. In connection with this, Mitsui representatives participated in a mission to Malaysia and Indonesia, organized by an oil and fat industry association, to verify progress on initiatives related to the Roundtable on Sustainable Palm Oil, of which Mitsui is a member, and activities under the Malaysia Sustainable Palm Oil (MSPO) and Indonesia Sustainable Palm Oil (ISPO) systems.

### NPOs & NGOs

In order to contribute to finding solutions for intricately interrelated environmental and societal problems, we place great importance on dialogue and collaboration with NPOs and NGOs, which possess highly specialized knowledge and experience. Similarly, in our business activities, we also draw on dialogue with local NPOs and NGOs to identify various environmental and societal issues and take on the challenge of creating solutions to these issues. By doing so, we are contributing to the realization of a sustainable society based on harmony between the economy and the environment. An example of this process is our integrated approach to forest conservation in Cambodia. In cooperation with local NPOs and NGOs, we are working to prevent illegal logging of tropical rainforests, and also helping local communities to build sustainable livelihoods that do not rely on logging.

 **P.56** Biodiversity Conservation Activities in Cooperation with NGOs

## Employees

We create various opportunities for dialogue with employees with the aim of creating an environment in which individual employees can enjoy motivating work and continue to achieve growth together with the company. In the fiscal year ended March 2019, after consultation with the union, we partially amended our human resource management system to allow talented young employees to achieve early promotion and to be appointed to higher positions. We also amended the labor-management agreement pursuant to Article 36 of the Labor Standards Act to reflect changes to the Labor Standards Act effective from April 2019. Mitsui actively provides forums for exchange of views between employees and senior management and organization heads concerning management strategies, human resource development, and other matters. In the fiscal year ended March 2019, there were a total of 16 such dialogues.

In addition to face-to-face dialogues, we also implemented the Mitsui Engagement Survey in November 2018. The aim of this comprehensive survey, which covered employees in the Head Office and branches and offices in Japan, employees working overseas, and regionally hired employees, was to gather data about the attitudes of individual employees and motivational working environments. The feedback from the survey has been shared with the relevant organizations and regions for use in measures and improvement activities that reflect actual workplace conditions.

 **P.90** Joint Efforts with Labor Unions

 **P.88** Mitsui Engagement Survey

In November 2018, Mitsui formulated and published the “Mitsui & Co. Group Conduct Guidelines—With Integrity” as part of our efforts to build an integrity-based organization at the global group level. We also conducted various training activities and programs throughout the year, including Compliance Review Month, and a compliance awareness survey to assess the compliance awareness among officers and employees.

 **P.107** Compliance Program

## Shareholders & Investors

Recently, there has been growing interest in the United Nations Sustainable Development Goals (SDGs) and ESG investment. In this environment, we have believed it was important to clearly convey the sustainable nature of Mitsui's businesses and the potential for corporate value growth over the medium to long term through explanations of the business risks and opportunities we identified as well as the strategies and initiatives we were pursuing to address them. To this end, we have decided to turn our conventional annual report into an integrated report in the fiscal year ended March 2019. Moreover, as we did in the fiscal year ended March 2018, we held an Investor Day, and explained our company-wide medium- to long-term strategies. Our external directors attended a panel discussion, and explained strengthening corporate governance (such as enhancing the effectiveness of the Board of Directors), and exchanged opinions about what measures or information are required to implement or disclose, through more fine-tuned communication with the market and from ESG perspectives. Mitsui will continue to enhance its communications with investors through high-quality information disclosure that is both accurate and timely.

 Mitsui & Co. Investor Day

## Government Agencies

Local governments transfer their employees temporarily to private sector companies as a way of training highly skilled people capable of adapting to economic and social changes and globalization. Mitsui has received a total of 157 trainees since its first participation in this program in April 1987. In the fiscal year ended March 2019, we received 11 trainees in the areas of machinery and infrastructure, chemicals, energy, and lifestyle industries.

# Participation in Initiatives

## United Nations Global Compact

The United Nations Global Compact is a set of voluntary action principles for corporations proposed by former UN 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, environment, and anti-corruption. As of July 2019, over 13,600 corporations, labor unions, and civil society organizations from around the world are participating in the UN Global Compact.

Mitsui & Co. signed and pledged its support for the UN Global Compact in October 2004, and has been participating as a member of the Global Compact Network Japan (GCNJ), complying with the principles as part of its own corporate guidelines. Since then, Mitsui has been conducting a companywide survey every other year in order to check compliance with the UN Global Compact principles, and is working to comply with and practice the principles, as well as to pursue SDGs on a global group basis.



## Ten Principles of the UN 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.

### Labor

3. Businesses should uphold the freedom of association and effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labor;
5. the effective abolition of child labor; 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.

## Sustainable Development Goals (SDGs)

The United Nations Sustainable Development Goals (SDGs) are a clear statement of global priorities and visions that need to be realized so that poverty can be eliminated and all people can enjoy dignity and equality of opportunity, with consideration given to balancing sustainable growth and the limits of the Earth.

As a general trading company, Mitsui conducts a diverse range of business across nations and regions. We believe that this allows us to make a wide-ranging contribution to the achievement of all the 17 goals set out under the SDGs. We will continue to raise awareness of the SDGs on a global group basis, to reflect the SDGs in our business strategies, and to ensure that our business activities are constantly guided by a determination to contribute to the achievement of the SDGs.

In this report, we also explain the themes set out under Mitsui's Materiality and SDGs, and how we have linked these to the SDGs to focus our efforts on tackling the SDGs' 17 goals and 169 targets, while introducing some of the specific activities that we have implemented.

## SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD



### Mitsui SASUGAKU: Hosting of a sustainability workshop for increasing awareness of the SDGs – “Thinking about Business in 2030”

In December 2018, we hosted a workshop using the workshop-style methods used in “SASUGAKU”\*\* entitled “Mitsui SASUGAKU – Thinking about Business in 2030,” with the aim of increasing the understanding of the SDGs.

There were 35 participants on the day of the workshop, mostly Sustainability Promotion Officers. Sustainability Promotion Officers assigned to each organizational unit are responsible for supporting the implementation of sustainability management through our business activities. The workshop was conducted, focusing on risks and opportunities for Mitsui’s business, and on the creation of new value through business. In doing so, the “SASUGAKU Compass for Creating the Future” and “Future Chronology,” which are the main teaching materials of the SASUGAKU, social issues to be solved by 2030 as stated in the SDGs, and the “Future Forecasting Materials,” created based on disclosure data were referred. Each group chose one of three themes—water, healthcare/wellness, and mobility—and explored business ideas by linking various elements from the aforementioned materials. The workshop made participants realize that all of the ideas reflected the linkage between the SDGs and Mitsui’s Materiality.

We will continue to work toward deepening our understanding of the SDGs, and will engage in initiatives leading to solving many of the challenges that society will face through our business activities.

\* SASUGAKU (meaning “Sustainability Learning”) was designed with the goal of developing recognition among people that the many challenges facing the society in which we live are issues that affect us all directly, and of finding the best ways of overcoming these challenges. Since 2014, Mitsui has offered new learning opportunities for upper-grade elementary school children, who will create the future, in the form of the Mitsui “SASUGAKU” Academy.



### TCFD (Task Force on Climate-related Financial Disclosures)

In December 2018, Mitsui declared its support for the TCFD (Task Force on Climate-related Financial Disclosures) recommendations, which aim to facilitate companies to recognize financial impacts arising from the risks and opportunities associated with climate change and to disclose such climate-related information.

### World Economic Forum

The World Economic Forum is an independent international organization that engages leaders from the worlds of business, politics, academia, and other sectors of society to shape global, regional, and industry agendas in the spirit of global citizenship, through cooperation between the public and private sectors, for the improvement of the world situation.

As a partner company, Mitsui attends the annual meeting of the World Economic Forum held in Davos, Switzerland every January, as well as the regional meetings.

### Japan Business Federation (Keidanren): Committee on Corporate Behavior & Social Responsibility, Committee on Gender Diversity, Committee on Environment and Safety, Committee on Nature Conservation

Mitsui is a member of Keidanren’s Committee on Responsible Business Conduct & SDGs Promotion, which works to ensure ethical behavior by businesses, promote CSR, and expand and encourage social contribution activities by businesses and businesspeople, including support for disaster recovery efforts. We are also a member company of the Committee on Gender Diversity, which implements the Action Plan on Women’s Active Participation in the Workforce, urges employers to promote women to managerial and executive positions, and promotes initiatives for realizing a society in which a diverse range of human resources, including LGBT people, are able to take on active roles.

In addition, we are member of the Committee on Environment and Safety, which works toward the implementation of environmental policies designed to be compatible with economic activities, including the promotion of voluntary action plans and countermeasures relating to global warming, waste, recycling, and environmental risks. We also joined in the Task Force on Business and Human Rights and engaged in activities directed towards realizing a sustainable society (the aim of said Keidanren Committee) through participation. Moreover, since 2012, a Mitsui employee has been seconded to Keidanren’s Committee on Nature Conservation, a committee dedicated to conserving biodiversity and protecting the natural environment, to a) support nature conservation activities of NGOs, b) promote interchange between corporations and NGOs, and c) encourage corporations to act towards nature conservation and biodiversity.

### Japan Foreign Trade Council: Global Environment Committee, CSR Study Committee

As a member of the Global Environment Committee of the Japan Foreign Trade Council Inc., Mitsui monitors energy use for all trading companies and promotes reduce/reuse/recycle (“3R”) activities. We also gather information about new energy technology through our business activities, and contribute to the development of the trading company sector’s voluntary action plan for environmental initiatives for a low-carbon, recycling-oriented society.

Mitsui also engages in activities as a member of the Japan Foreign Trade Council’s CSR Study Committee, which studies CSR-related issues and conducts surveys and research about trends in Japan and overseas.

### **Council for Better Corporate Citizenship (CBCC)**

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As a member of the Council for Better Corporate Citizenship (CBCC), which was established by Keidanren, Mitsui engages in activities that help Japanese companies to be accepted as good corporate citizens by the countries and regions in which they conduct business, in accordance with the purpose of CBCC. Mitsui works to ascertain the views of various stakeholders, including overseas CSR-related organizations, by participating in presentations, seminars and business dialogue on CSR-related themes.

### **Japan Forum of Business and Society (JFBS)**

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As a member of the Japan Forum of Business and Society (JFBS), Mitsui is engaged in connecting theory and practice in the business world concerning issues relating to sustainable growth, which affect the relationship between businesses and society, through wide-ranging collaboration and cooperation with academia, industry, government, labor, and NPOs/NGOs. We are engaged in academic research and discussions on corporate governance, environmental management, social contribution, labor, human rights and other aspects, as well as in human resources development that embodies sustainability education.

In a panel discussion under the theme of “communications with consumers” during the JFBS Annual Conference in August 2018, a Mitsui representative spoke about our sustainability initiatives and the role of trading companies in the achievement of value chain sustainability.

### **Japan Business and Biodiversity Partnership**

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The Japan Business and Biodiversity Partnership was established through a collaborative initiative by Keidanren, the Japan Chamber of Commerce and Industry, and Keizai Doyukai (Japan Association of Corporate Executives) with the aim of promoting private-sector initiatives on biodiversity. As a member company, Mitsui promotes biodiversity conservation initiatives in partnership with NPOs, NGOs, research institutions, and other related entities in Japan and overseas. Furthermore, Mitsui contributes to conservation of biodiversity in its supply chains by promoting a sound resource-cycle policy in its business management focusing on the lifecycles of products and services.

### **Forest Stewardship Council® (FSC®)**

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The Forest Stewardship Council® (FSC®) is an international non-profit organization that promotes environmentally appropriate, socially beneficial, and economically viable management of the world’s forests.

Mitsui has obtained FSC® forest management (FM) certification at all 74 of its forests, which in total approximately 44,000 hectares, while Mitsui Bussan Forest Co., Ltd., a Mitsui subsidiary, has obtained Chain of Custody (CoC) certification for the processing and distribution of cut lumber (FSC®-C031328). As the biggest supplier of Japanese-grown lumber with FSC® certification, Mitsui is helping to promote the FSC® in Japan and to discuss and draft the Japanese version of principles, standards, and risk assessments. Mitsui has obtained FSC® certification for its forest resources business as well, and promotes responsible management of forest resources.

### **Roundtable on Sustainable Palm Oil (RSPO)**

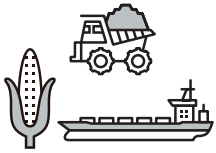
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The Roundtable on Sustainable Palm Oil (RSPO) is a non-profit organization established to promote the sustainable production and utilization of palm oil through the conservation of tropical rain forests and biodiversity. Mitsui supports the RSPO’s philosophy of contributing to sustainability through industry, and has been collaborating on various business-based initiatives since joining the organization in 2008.

# Mitsui & Co's Materiality

Mitsui & Co. prioritizes and focuses on sustainability in its corporate management. We have identified Mitsui's material issues ("Materiality") for the company to focus on, with the aim of meeting the expectations and trust of a variety of stakeholders and contributing to the creation of a future where the aspirations of the people can be fulfilled, as set out in our corporate mission. In April 2019, we identified new Mitsui & Co. Materiality, in which we recognize societal issues related to our business activities in each material issue category, verify significant risks and opportunities for Mitsui in terms of the impact of societal issues, and disclose our approach toward each material issue.

We explain the themes set out under each material issue of Mitsui's Materiality, and how we have linked these to the SDGs, to focus our efforts on tackling the SDGs' 17 goals and 169 targets.



## Secure sustainable supply of essential products

Ensure the sustainable and stable supply of resources, materials, food and manufactured products that are vital for the development of society.



## Enhance quality of life

Contribute to the betterment of living standards and the development of local industries to realize sustainable societies globally.



## Create an eco-friendly society

Accelerate initiatives towards environmental issues, such as responding to climate change and water resource problems, and contributing to a circular economy.



## Develop talent leading to value creation

Respect diversity and develop human resources with the competence to create innovation and new value.



## Build an organization with integrity

Strengthen our governance and compliance as a corporate group trusted by society.

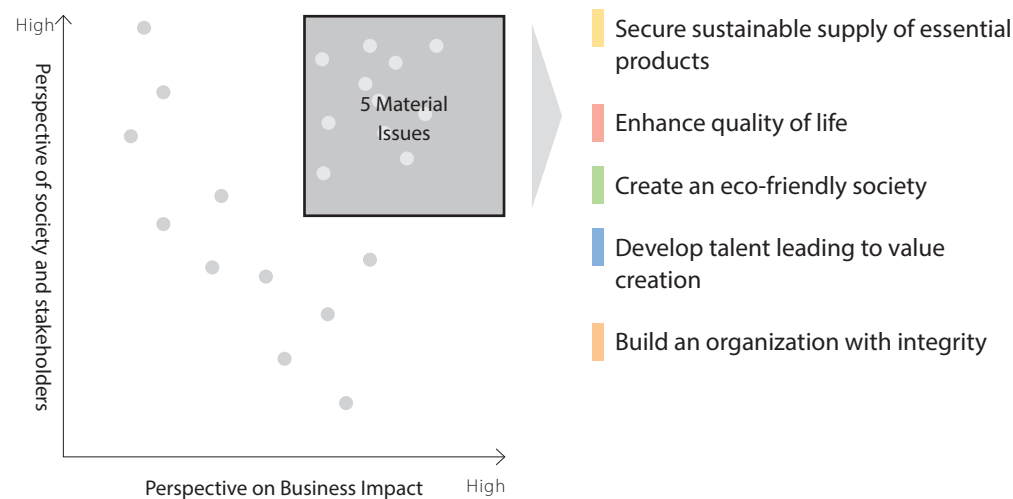




## Identification and Review of Materiality

In 2015, Mitsui & Co. identified its Materiality, which consists of five key material issues in areas that are important for our stakeholders and have significant implications for our business management. As the importance of sustainability has been growing globally as expressed in the environmental, social, and governance (ESG) aspects and the United Nations Sustainable Development Goals (SDGs), and mega-trends with the potential to impact on our business activities are changing rapidly, we have reviewed our Materiality and identified five new material issues in April 2019.

In carrying out this revision, we took into account both the perspectives of various stakeholders in relation to the SDGs, the United Nations Global Compact, ISO26000, GRI Standards, other international frameworks and ESG investment evaluations, as well as the impact on our business activities. In addition, we carried out questionnaire surveys of officers and employees on a global group basis and exchanged views with our external directors, outside experts and through the meetings of the Sustainability Committee, and interviews with the Sustainability Promotion Officers. After having such active discussions within and beyond Mitsui, we obtained approvals from the Corporate Management Committee and the Board of Directors, and finalized the new Materiality.



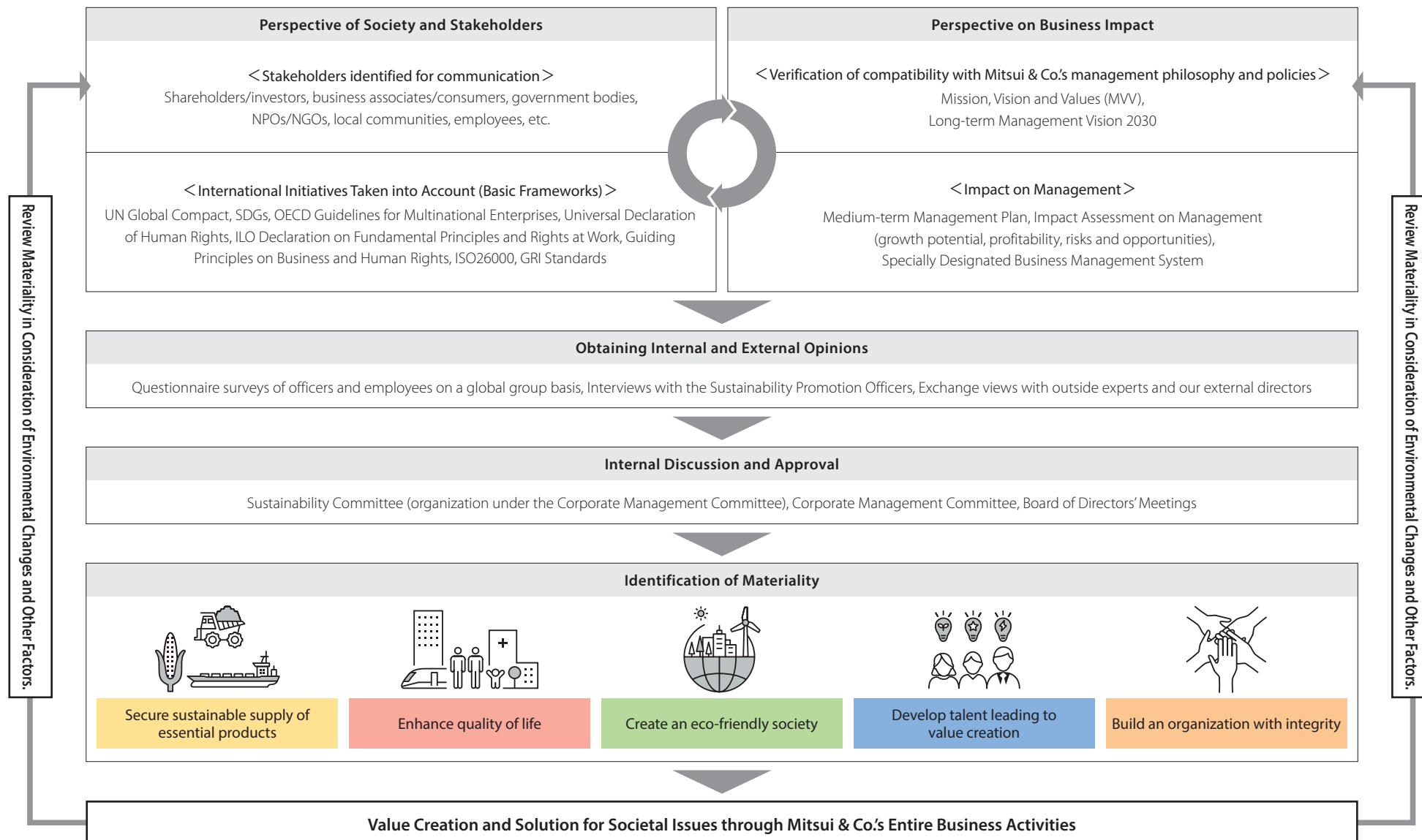
The new Materiality encompasses material issues that could become risks or opportunities in the context of our medium- to long-term business strategies, and will serve as a ground on which we engage in our each business activity. By positioning the new Materiality as a medium- to long-term key management priority, all officers and employees of Mitsui will work together to ensure the Materiality is reflected in our business activities. Mitsui will commit itself to sustainability management and strive through its diverse global business activities to contribute to both sustainable economic and social development in various countries and regions, and the solution of global issues including climate change, and also pursue both of them in a well-balanced long-term perspective.

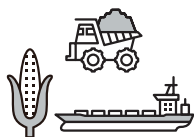
Toward 2030, with a greater focus on evolution from “connecting” to “creating,” which is called for in our Long-term Management Vision 2030 that we have formulated as our future image, we will identify challenges, set targets, and find solutions to achieve the goals. Furthermore, we will create changes, trends, and new value.

In order to respond to social challenges, needs, and expectations in line with changes in the times, and also incorporate, in our sustainability management, changes in impact on the economy, environment, and society in formulating a new Medium-term Management Plan, we will review our Materiality and specific themes to work on every 3-5 years in consideration of environmental changes and other factors.

As a management approach in line with the GRI Standards, we have defined specific themes to work on each material issue, and clearly indicated relevant policies and set targets accordingly. While promoting such activities to work on the material issues, we have also identified material aspects as indicated by GRI Standards, and have been making reports in accordance with the GRI Standards.

Flowchart for Identification and Review of Materiality





## Secure sustainable supply of essential products

Ensure the sustainable and stable supply of resources, materials, food and manufactured products that are vital for the development of society.

### Recognition of Societal Issues

As population continues to expand, especially in emerging countries, the sustainable supply of resources, energy, raw materials, food, manufactured products, and other items essential for social development and the achievement of greater prosperity will become an increasingly important priority. Also essential is the development of sustainable, stable supply structures capable of responding to the effects of climate change.

- Population growth and expanding demand for resources, energy, raw materials, food, manufactured products, etc.
- Improvement of production and supply capacity to respond to the climate change
- Safety and security of food and manufactured products

### Major Risks and Opportunities

#### Risks

- Climate change-related supply failures affecting resources, energy, raw materials, food, manufactured products, etc
- Reputational damage resulting from safety and health problems affecting the final consumers of food and manufactured products

#### Opportunities

- Ensuring sustainable supplies of resources, energy, raw materials, food, manufactured products, etc.
- Improvement of production and supply capacity to respond to the effects of climate change
- Enhancement of competitiveness through the establishment of traceability, responsible marketing leading to demand expansion, etc.

### Mitsui & Co's Approach

#### [Targets]

- Improvement of access to nutrition through the stable supply of food

Theme	Related SDGs	Initiatives by Mitsui & Co.	Related policies and guidelines	Identifying material topics in GRI
Sustainable Supply of Resources, Energy, Materials, Food and Products		Mitsui has been building optimal supply chains from upstream to downstream levels, including procurement, production, and logistics, and contributing to the stable supply of resources, raw materials, and manufactured products (such as metals, chemicals, energy, and food). In the food business, Mitsui works to ensure supply stability and efficiency while also implementing countermeasures against climate change, abnormal weather events, and other disasters.		Indirect Economic Impacts Local Communities
Supplying Food and Products with Ensured Safety and Security		Mitsui regards safety and security as vital prerequisites for business operations. We have formulated guidelines and rules for consumer products, while our relevant business units have adopted their own detailed rules governing the handling of these products. We have made traceability management a priority in the food business area, and are working to manage safety and security risks by holding regular food safety seminars. In the healthcare field, we provide pharmaceutical manufacturers and healthcare institutions with information to ensure the proper use of medical products as part of our responsible pharmaceutical marketing activities.	<ul style="list-style-type: none"> <li>• Consumer Product Handling Policy</li> <li>• Consumer Product Handling Regulations</li> </ul>	Indirect Economic Impacts Local Communities Customer Health and Safety

## Our Stories: Secure sustainable supply of essential products

# Enhancing Agricultural Productivity in Africa through the Provision of Farming Guidance and Materials



**Yuichi Narita**

Senior Project Manager, ETG Business Team, Nutrition & Agriculture Business Unit



1.1, 1.2

Contribute to raising income levels for people in the East Africa region by working through ETG to boost agricultural productivity and increase the value-added of agricultural products.



2.1, 2.3, 2.4, 2.a

Provide support to help people in the East Africa region gain access to nutritious food, by undertaking the establishment of sustainable food production systems.

In Africa, more than half of the working population is employed in the agricultural sector, therefore boosting agricultural productivity is very important for achieving economic growth. Rapid population growth in Africa since the 1960s has led to growing demand for food, but Africa's self-sufficiency in staple food production such as grains is limited, and in many African countries there is a significant problem with food production being unable to keep pace with population growth. At the same time, the unsatisfactory state of infrastructure and distribution networks in many African nations creates problems on the sales side, with farmers unable to access markets easily. In May 2018, Mitsui & Co. began investing in and collaborating with ETC Group Ltd. (ETG), a conglomerate that is engaged in a wide range of business areas, including agricultural products trading, sale of agricultural supplies, and manufacturing and sale of everyday household goods. ETG is an enterprise which has business operations in 45 countries, mainly in Sub-Saharan Africa and the Indian Ocean Rim region, and which ranks number one in the East Africa region in terms of the quantity of fertilizer and miscellaneous beans\* that it handles, as well as being one of the largest sesame trader in the region. Having been operating in Africa for over 50 years, ETG contributes towards the growth of the agricultural sector which is a key foundation for national development, by providing a product purchasing/sales platform that links together producer regions with other regions where there is demand for their products. Such contribution embodies the company's philosophy of supporting farmers and growing together. Mitsui is helping to improve the quality of life of the region's inhabitants by contributing, through ETG, towards the stable supply of agricultural materials, the building of the agricultural products value chain, and the enhancement of value-addition.

\*"Miscellaneous beans" is a general term for all types of beans except soybeans and peanuts. They are a major source of protein in India and in Southwest Asia.

## Our Stories: Secure sustainable supply of essential products

### Providing agricultural supplies and sales opportunities for around 2 million farm households

ETG has around 430 "Farm Gate" transaction centers (with warehouses attached), mainly located in East African nations, which serve as direct contact points linking ETG with approximately 2 million small farm households. By adopting a bi-directional business model, in which the Farm Gate centers purchase the crops that farmers bring while also selling the fertilizers, pesticides etc. that the farmers need for agricultural production, ETG provides farmers with a stable supply of agricultural materials and also opportunities to sell their crops.

Besides distributing and selling the collected crops within Africa, ETG also processes crops to enhance their value-addition for export sale outside the Africa region, and imports raw materials from outside Africa for manufacturing fertilizer which it sells to local farmers. To support this distribution model, ETG has established a logistics network that links each Farm Gate center with major ports, utilizing over 600 vehicles to overcome the under-developed infrastructure in Africa. This logistics network has become a major source of strength for ETG. However, the business of importing raw materials and exporting goods to overseas markets can involve long waits for capital recovery, necessitating large amounts of working capital. With this in mind, Mitsui has prioritized strengthening ETG's financial fundamentals, providing support to help ETG make improvements in existing business areas, for example by optimizing logistics and realizing operation that is not burdened by excessively high inventory levels, and to strengthen the company's financial infrastructure through adjustments to fund-raising, etc.



### Boosting farmers' revenue is the key to business growth

On the basis of several visits to Africa to determine the current situation for the farmers who are both ETG's customers and its suppliers, it became clear that farmers' incomes were too low for them to be able to purchase adequate amounts of fertilizer. By increasing farmers' incomes, it would be possible to create a "virtuous circle" in which farmers are able to purchase agricultural supplies, which will generate a further increase in farmers' revenues, enabling them to make further investments in farming equipment. Raising farmers' income levels is a vital precondition for ETG to achieve business growth.

The main reason for low agricultural productivity in Africa is the slow pace of adoption of irrigation and of new types of agricultural equipment. However, even when attempts are made to provide farmers with better products and new technology, it is not always easy to accept a change for those who have been farming in the same place for many years. Thorough communication is important to gain the farmers' understanding and for them to make their own choice, and this is exactly what ETG has been doing for 50 years, enabling ETG to build trust and grow its business. In order to further develop this framework, Mitsui and ETG have decided to encourage a change in the farmers' mindset from "producing, and then selling" to "producing to sell," by adopting the Smallholder Horticulture Empowerment and Promotion (SHEP) approach developed by the Japan International Cooperation Agency (JICA), which has already achieved significant results in Africa. In May 2018, a Memorandum of Understanding (MoU) was signed between JICA, ETG and Mitsui; the provision of support began shortly afterwards, initially focusing on Malawi. This kind of project cannot be expected to bear fruit immediately, and we plan to maintain a long-term view.

### Providing support to enhance corporate value from multiple perspectives, through a coordinated effort involving several business units

The ETG Business Team to which I belong represents a first for Mitsui, embodying an unprecedented collaboration between four different business units: EMEA Business Unit (Europe, the Middle East and Africa), the Food Business Unit, the Infrastructure Projects Business

“When doing business in Africa, persistence is vitally important. By adopting initiatives that embody real commitment, we aim to establish a significant presence in the African market.”

Unit, and the Nutrition & Agriculture Business Unit. The main mission of the ETG Business Team is to provide support to enhance ETG's corporate value from a long-term perspective. Since the establishment of the Team in January 2018, I have been providing overall coordination, liaising on an ongoing basis with Mitsui staff who are on assignment to ETG and with specialist local staff, and coordinating the activities of the different business units, with the aim of promoting and supporting projects based on careful evaluation of the optimal overall outcome.

When promoting projects, we come to realize that it takes unimaginably long time to bridge the gap between the ideal situation and reality. ETG's founder and chairman has commented that, in order to put down firm roots in Africa and develop business, patience is vitally important. While the members of our Team recognize the need for steadfast determination, the fact remains that every day is a continuing struggle. Having said that, with a reasonable timeline and an appropriate level of cost-effectiveness in mind, we intend to implement measures such as expanding infrastructure improvement including electricity generating facilities, and growing sales channels, by further utilizing Mitsui's integrated capabilities as a major trading company in order to establish a sizeable footprint in Africa through close collaboration with ETG..

My over 20-year business experience in Mitsui makes me realize that no other industry will develop without the growth of food sector that has direct linkage to social issues, and agriculture sector which underpins food production. Our role may seem small, but I firmly believe that, by making effective use of the platform that ETG provides, we can contribute to the achievement of sustainable growth in Africa through the development of food production and agriculture.



## Enhance quality of life

Contribute to the betterment of living standards and the development of local industries to realize sustainable societies globally.

### Recognition of Societal Issues

Mitsui recognizes the importance of creating a global sustainable society through our contributions to the improvement of living standards, community development, sustainable infrastructure development, the transition to a sharing economy, the improvement of educational environments, and the creation of employment opportunities in the countries and regions where we engage in business. We also place great importance on the creation of society in which people can enjoy healthy and psychologically fulfilling lives. Furthermore, as a company that has built diverse value chains in countries and regions throughout the world, we recognize respect for human rights under international standards as the foundation for sustainability management.

- Infrastructure development in developing and emerging countries
- Aging infrastructure in developed countries
- Transition to the sharing economy
- Health maintenance, provision of healthcare, nursing, and welfare services, consideration for indigenous peoples in relation to resource development and other activities

### Major Risks and Opportunities

#### Risks





- Reputational damage resulting from safety and health problems affecting infrastructure users
- Decline in competitiveness due to the diversification of information dissemination methods and fund procurement means
- Decline in service standards and other issues due to a shortage of healthcare personnel

#### Opportunities

- Development of sustainable infrastructure for improvement of living standards in developing and emerging countries
- Business expansion through the development of the sharing economy and healthcare eco-systems
- The creation of social infrastructure development markets based on ICT use in response to the trend toward smart cities
- Development of new business based on the utilization of alternative financing methods, such as crowd funding and block chain systems
- Service improvement through the securing of healthcare human resources
- Market expansion by meeting diversifying consumer needs

### Mitsui & Co's Approach

Theme	Related SDGs	Initiatives by Mitsui & Co.	Related policies and guidelines	Identifying material topics in GRI
Enhancement of Quality of Life and Social Infrastructure	 	As a company engaging in business operations in various countries and regions worldwide, we continue contributing to the enhancement of quality of life through the development of local and social infrastructures that are essential for sustainable growth and development, promotion of various projects in relation to, in particular, electric power, water treatment, water supply and sewerage, logistics, railroads, communications, and a shift to a sharing economy.		Indirect Economic Impacts Local Communities

Theme	Related SDGs	Initiatives by Mitsui & Co.	Related policies and guidelines	Identifying material topics in GRI
Responding to Health Needs and the Needs of an Aging Society		<p>Mitsui has responded to the global trend towards the aging of the population by developing senior housing business and providing basic healthcare and other services geared toward a changing disease structure. In Asia, where healthcare demand is expected to expand rapidly due to population growth, economic expansion, and demographic aging, we are strengthening our business base centered on hospitals, which we see as core elements in the healthcare eco-system. Other priority areas include building up of hospital ancillary service business, an area with strong growth potential, and development of new business, such as prevention, disease management, remote healthcare and personalized medicine through digital transformation and introduction of innovative technologies. We will contribute to the advancement of healthcare from the perspectives of accessibility, quality and efficiency.</p>		<p>Indirect Economic Impacts</p> <hr/> <p>Local Communities</p>
Responding to Increasingly Diverse Consumer Demand		<p>With new needs and markets emerging along with a growing population and diversification of life styles, and global, diverse consumers gaining more power and their way of thinking being personalized in various ways, we are providing products and services that meet diverse consumer needs.</p>		<p>Indirect Economic Impacts</p> <hr/> <p>Local Communities</p>
Social Contribution Activities		<p>In partnership with local communities, we promote initiatives that are aimed at local community revitalization.</p> <p>We strive to build better mutual understanding between Mitsui and the young people who will lead the next generation in various countries and regions where Mitsui operates its business by providing Mitsui-endowed lecture programs at universities and training programs in Japan, as well as through provision of scholarships. In addition, we engage in activities to allow these young people to broaden their horizons and knowledge as next-generation global leaders, and to build various networks.</p> <p>In Mitsui's forests at 74 locations (approximately 44,000 hectares) throughout Japan, we implement multifaceted initiatives under our Forest Management Policy.</p> <p>Furthermore, we operate the Mitsui &amp; Co. Environment Fund to support university research, and NPO/ NGO activities targeted toward solving environmental problems.</p>	<ul style="list-style-type: none"> <li>· Social Contributions Policy</li> <li>· Forest Management Policy</li> </ul>	<p>Economic Performance</p> <hr/> <p>Biodiversity</p> <hr/> <p>Local Communities</p> <hr/> <p>Public Policy</p>
Respect for Human Rights		<p>As a company engaging in business activities in many countries and regions around the world, we set our basic CSR policy as "to strive to understand the culture, traditions, and customs in each country and region and respect human rights based on international standards."</p> <p>As an example of our initiatives regarding indigenous peoples, in Japan we have signed an agreement in relation to Mitsui's Forests with the Biratori Ainu Association and the town of Biratori in Hokkaido, providing for cooperation in protection and fostering of Ainu traditional culture for future generations. To raise the awareness of the management and employees regarding respect for human rights, we conduct e-learning and seminars, and implement measures to spread understanding of the UN Global Compact throughout the organization.</p>	<ul style="list-style-type: none"> <li>· Basic CSR Policy</li> </ul>	<p>Security Practices</p> <hr/> <p>Rights of Indigenous Peoples</p> <hr/> <p>Human Rights Assessment</p>

## Our Stories: Enhance quality of life

## Contribution to Addressing a Variety of Different Medical Problems through the Building of a Healthcare Ecosystem



3.4, 3.8

Working through IHH to make it possible to provide high-quality healthcare services that include advanced, leading-edge medical treatment, at the most reasonable possible prices.

## Taiki Hayashi

Deputy General Manager, Healthcare Business 1st Dept.,  
Healthcare Business Div., Healthcare & Service Business Unit

\* Title as of the time of interview.

According to population estimates compiled by the United Nations, the world's population will rise to around 9.7 billion people by the year 2050. The Asia region in particular will see a dramatic increase in healthcare costs, mainly because of the population growth and aging of the population structure resulting from rapid economic growth and increased average lifespan, as well as the impact of changing disease patterns. At the same time, there are many regions in Asia where there is a shortage of hospitals, and the number of hospitals where the level of medical treatment provided is up to international standards is still too low.

Mitsui & Co. established a Medical & Healthcare Division in 2008 to consolidate its medical and healthcare-related businesses and units. Today, Mitsui is involved in building new hospitals in regions where there is a shortage of medical facilities, using these hospitals as centers for developing related businesses such as specialist clinic operation, etc., undertaking the manufacturing and sales of pharmaceuticals and developing new drugs, providing medical talent referral services, and operating healthcare facility management and hospital catering businesses, and so on. By linking these different businesses together, Mitsui is building a healthcare ecosystem that contributes towards addressing a variety of different medical problems. Playing a core role in this healthcare ecosystem is IHH Healthcare Bhd. (IHH), Asia's largest private hospital group with around 15,000 hospital beds in 12 countries. Mitsui first began investing in IHH and participating in its operations in 2011, and became IHH's largest shareholder in 2019.

By realizing easier access to healthcare in different countries and regions, and by enhancing the quality and efficiency of medical treatment provision, Mitsui is contributing towards the building of a society in which optimal healthcare is delivered to the places where it is most needed.



## Our Stories: Enhance quality of life

### Operating Asia's largest private hospital business to help solve healthcare problems

When Mitsui first began to develop its healthcare business, there was a serious imbalance in supply and demand in the healthcare sector in Asia; while living standards had risen thanks to rapid economic growth, and the incidence of infectious diseases had declined, lifestyle diseases were becoming more common. With the aging of the population and the increase in the size of the middle class, demand for medical services was growing rapidly. However, despite the need for advanced medical treatment, by comparison with the situation in the advanced nations the number of hospital beds was inadequate, and many hospital environments were unsatisfactory from a quality perspective, creating a situation where it was not possible to deliver appropriate services to people in need of treatment.

IHH provided high-quality healthcare services that included high-end, advanced medical treatment; it was one of the few private hospital groups in the Asia region that operated in multiple countries, and held very high market share in Singapore and Malaysia. In addition to its high market share, IHH's first-class medical environment and medical technology made it a respected company with a strong brand which patients trusted, and such strong brand also enabled IHH to attract and retain first-rate medical professionals that are in short supply in the Asia region. Given that IHH had the potential to realize a significant quantitative and qualitative enhancement of medical service provision, Mitsui chose to work through IHH to address the problem of the disparity between supply and demand in medical services, and decided to invest and participate in IHH management.

Following on from the initial investment in 2011, Mitsui has been



contributing to IHH's management from the inside by having seats on IHH's board, and by assigning Mitsui staff to work at IHH. Besides providing support for stock market listing and for the establishment or purchase of new hospitals, etc., Mitsui also took a proactive stance towards providing introductions to potential local partners—particularly in India and China—to help IHH further expand the geographical scope of its operations. Such support being one of the reasons, the number of beds in IHH hospitals has grown approximately four-fold, and IHH's valuation has risen around three-fold since 2011. Building on Mitsui's experience in the healthcare business—including with IHH—Mitsui decided to increase its investment in IHH in 2019, and is taking a more proactive role in IHH's management.

Of the challenges that IHH faces in the future, priority is being given to enhancing the value of the existing hospitals and implementing horizontal improvements across the company. The aim is to provide more efficient healthcare, by boosting sales through the development of higher-level services, optimizing the cost structure through centralized purchasing of pharmaceuticals, undertaking M&A activity and increasing the number of beds in existing hospitals, and so on.

In addition, by sharing information and cases across countries—for example, by sharing knowhow and best practice between hospitals—we aim to increase the opportunities to provide more advanced, more efficient medical services in countries throughout Asia.

### Utilizing Big Data to provide each patient with optimal medical treatment

Mitsui's goal is to build, strengthen, and expand a healthcare ecosystem. In a world where there are a wide variety of healthcare service providers, each playing an important role in their own specialist field, Mitsui is endeavoring to build large-scale medical infrastructure that links together the five key elements of locations, people, equipment, services and information, with hospitals playing the central role. The most important aspect is data utilization. IHH alone serves over 6 million outpatients and around 600,000 inpatients per year; if it were possible to effectively use not just this huge quantity of patient data, but also the data from the entire healthcare system, including ancillary businesses,

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Our healthcare ecosystem project is a business for realizing sustainable healthcare development. We aim to provide the best possible medical treatment for as many people as possible.  
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then this should lead to the creation of immense value.

By proceeding with the building of an appropriate data platform, patient records and other data can be used as a basis for providing medical services that are tailored to meet patients' needs such as disease management, remote diagnosis, and personalized medicine. In working towards the creation of these services, the first priority is to build the infrastructure needed for data acquisition, safeguarding and utilization, while also ensuring the anonymity of the data and strengthening data security. Once this has been achieved, we can proceed with measures to utilize data effectively and efficiently, while also identifying medical needs precisely. The ultimate goal is to provide more advanced medical services by integrating the collected data referred above with ancillary businesses, and to put the services on a sound commercial footing. We will be working steadily to realize the type of medical services that we are aiming at, over a 5–10 year time-frame.

### Providing the world with sustainable medical services

Demand for medical and healthcare services in the Asia region continues to outstrip supply, and the key factors in the provision of medical services including hospitals, medical practitioners, medical information and so on are not always integrated in an efficient manner. We hope to efficiently re-allocate the unevenly distributed resources through the building of a healthcare ecosystem, aiming to eliminate the gap between supply and demand in this sector, and make medical service and healthcare provision sustainable. We believe that this will contribute to the enhancement and growth of society as a whole. Looking ahead to the future, Mitsui hopes to expand this kind of medical service provision on a global scale, cultivating the development of a business that will enhance access to healthcare for people all over the world.



## Create an eco-friendly society

Accelerate initiatives towards environmental issues, such as responding to climate change and water resource problems, and contributing to a circular economy.

### Recognition of Societal Issues

As a company with business operations in countries and regions worldwide, Mitsui & Co. recognizes that climate change and other impacts on the global environment could cause significant risks to the sustainable growth of society and Mitsui itself. In recent years, the response of business corporations to climate change has become increasingly important in terms of the sustainability of society, especially since the adoption of the Paris Agreement by the United Nations. We also recognize that the response to climate change will create new business opportunities due to the accelerating shift to energy conservation, renewable energy, EV/new technologies/new materials/multi-materials in the mobility field, and innovative services based on digital technology. Other priorities for Mitsui include the effective utilization of water resources, the management of forest resources, biodiversity, resource recycling, and the circular economy.

- Global warming, climate change
- Water resource shortages
- Resource recycling, the circular economy
- Environmental pollution
- Loss of biodiversity

### Major Risks and Opportunities

#### Risks

- Impact of tighter policies and regulations as part of the transition to a low-carbon society
- Impact of new technologies and the creation of new markets on supply and demand in existing business areas
- Disruption of business operations due to the impact of cyclones, hurricanes, and other events linked to climate change
- Impacts on the natural environment, such as the large-scale use of water in business operations
- Impact of leakage of hazardous chemicals
- Increase of environmental costs due to the destruction/deterioration of eco-systems























#### Opportunities

- Accelerating market changes in the mobility area resulting from rising environmental awareness and the tightening of regulations
- Expansion of markets for environment-related business areas, such as renewable energy
- Demand for high-efficiency power plants
- Creation of new business models based on resource recycling and the circular economy
- Expansion of business areas, such as energy conservation and renewable energy, resulting from energy diversification
- Handling of products and services that contribute to the creation of a low-carbon society by conserving energy and reducing greenhouse gas emissions

### Mitsui & Co's Approach

#### [Targets]

- Increase in the percentage of renewable energy (including hydropower) in Mitsui's equity-based electricity generation capacity to 30% by 2030
- Increase in the ratio of sustainable certified palm oil including RSPO-certified procured to 100% by 2030
- Reduction in energy consumption intensity by 1% or higher on average per year for Mitsui and its subsidiaries in Japan
- Improvement of the recycling rate in Head Office and corporate buildings in Osaka and Nagoya to at least 85% by 2020
- Reduction of the use of resources (paper) in Head Office and all offices in Japan

Theme	Related SDGs	Initiatives by Mitsui & Co.	Related policies and guidelines	Identifying material topics in GRI
Promoting the Environmental Management	     	We implement environmental management systems based on ISO14001 and various international guidelines to support an active response to environmental and social problems on a global group basis. As part of our commitment to consideration for the environment in our business activities, we also actively obtain environment-related certification.	·Environmental Policy	Economic Performance Indirect Economic Impacts Environmental Compliance Local Communities Marketing and Labeling
Responding to Climate Change	     	As a company engaged in diverse business activities, Mitsui continually reviews its portfolios to minimize climate change risks. We also flexibly take up new business challenges made possible by our wide-ranging business development activities, based on long-term perspectives covering at least ten years. To our renewable energy business and our efforts to promote modal shifts, we are also implementing initiatives that contribute to the improvement of energy consumption efficiency and the reduction of CO <sub>2</sub> emissions.	·Environmental Policy	Economic Performance Indirect Economic Impacts Energy*
Responding to Water Resource Problems	 	In response to rising global concerns about water resources, we are working through our water business to conserve water resources and promote sustainable use.		Indirect Economic Impacts Water*
Resource Recycling Initiatives		Efficient utilization of resources and energy is a key part of Mitsui's environmental policy. Under our comprehensive energy and environmental strategy, we engage in resource recycling (ground resources). We are also working to provide industrial solutions to environmental problems through the effective utilization of waste products and by-products.	·Environmental Policy	Indirect Economic Impacts Effluents and Waste*
Initiatives against Environmental Pollution	   	Mitsui bases its environmental policy on compliance with environment-related laws and regulations. In particular, we engage in initiatives that lead to the reduction of water and soil contamination and the reduction of the quantity of chemical substances released into the atmosphere, with the aim of reducing and preventing pollution.	·Environmental Policy	Indirect Economic Impacts Emissions* Effluents and Waste*
Reducing Impact on Biodiversity and Promoting the Conservation and Recovery of Ecosystems	  	Mitsui has been promoting hydropower generation business and forest resource business that take into account biodiversity, as well as production and sale of rice produced through farming methods that encourage biodiversity. In addition, in company-owned Mitsui's Forests at 74 locations (approx. 44,000 hectares) throughout Japan, we have designated 10% of the forests as "biodiversity conservation forests" and maintain and manage these forests accordingly.	·Environmental Policy	Biodiversity Local Communities

## Our Stories: Create an eco-friendly society

## Aiming to Establish a Low-Carbon Society, and Using New Technology to Blaze a Trail to the Future



Junichi Katsuki

Deputy General Manager, NexGen Energy Dept I, Energy &amp; Innovation Div., Energy Business Unit I\*

\* Title as of the time of interview.



The world's first factory capable of manufacturing fuel from off-gas

The Paris Agreement on Climate Change, which came into effect in 2016, represents a commitment by both the advanced nations and the developing nations to collaborate on addressing the issue of climate change. However, despite the efforts by individual countries and regions to reduce CO<sub>2</sub> emissions, total global CO<sub>2</sub> emissions actually increased in 2017, for the first time in four years. According to a report compiled by the United Nations Environment Programme (UNEP), the main reason for this increase was organic economic growth; therefore it is necessary to find ways of realizing CO<sub>2</sub> emission reductions without negatively impacting sustainable economic growth.

In March 2014, prior to the Paris Agreement coming into effect, Mitsui invested in LanzaTech (LT), a U.S.-headquartered start-up founded in New Zealand. LT has developed proprietary microbes for innovative gas fermentation technology that converts industrial off-gas, including carbon monoxide (CO) and carbon dioxide (CO<sub>2</sub>), into fuels and chemicals such as ethanol and isopropanol; this is the only technology of its kind in the world. One of the key advantages of this technology is that it can produce fuels and chemicals without competing with food production by large-scale utilization of off-gas from steel mills, oil refineries, etc. Mitsui is working with LT as its strategic partner; by combining Mitsui's functions and expertise with LT's technology, we are creating new businesses that can help to mitigate the impact of climate change, and contribute towards the establishing of a low-carbon society.



3.9

Cleaning PM2.5 particulate matter from off-gas, to reduce industry-derived atmospheric pollution



7.1, 7.2, 7.b

Helping to spread awareness of and promote widespread adoption of LT's new technology, thereby expanding renewable energy's share of total global energy production



9.4

Enhancing the sustainability of industry through the Circular Economy



11.6

Cleaning PM2.5 particulate matter from off-gas, to reduce health problems in urban areas caused by atmospheric pollution



13.2

Contributing to the expanded utilization of fuel ethanol the production of which does not compete with food production

## Our Stories: Create an eco-friendly society

### Addressing industry's challenges and realizing diversified environmental benefits

In May 2018, the first commercial plant using LT's technology to produce fuel ethanol from the off-gas from a steel mill commenced operation in Hebei Province in China. With annual production capacity of 45,000 tons of fuel ethanol, this facility is the largest fuel ethanol producer in Hebei. This plant has met all milestones and shown stable production of ethanol.

In 2017, the Chinese government announced the new "E10 Policy," the aim of which is to ensure that, by 2020, all automotive gasoline sold in China is blended with up to 10% ethanol; the announcement of this goal has caused demand for ethanol in China to skyrocket. The current situation is that demand for ethanol far exceeds supply, and 99% of ethanol production in China relies on raw materials derived from food crops. In the future, Mitsui is aiming to realize the establishment of multiple plants similar to the one in Hebei throughout China, and to promote the widespread adoption of ethanol produced using LT's technology, which does not compete with food and thus provides greater environmental benefits.

Another serious problem affecting China is air pollution. The steel industry has a higher level of PM2.5 particulate matter emissions than any other sector except electric power generation, and China's steel industry accounts for around half of total global crude steel production. Since plants using LT's technology can substantially reduce emissions of both CO<sub>2</sub> and PM2.5 particulate matter, they can contribute to solving the problems of atmospheric pollution and global warming. It is anticipated that promoting the widespread implementation of projects that use LT's technology will also help to improve air pollution in China.

### Mitsui had faith in LT's technology, which is the only technology of its kind in the world, and provided consistent support

Following Mitsui's investment in LT in 2014, changes in the global market environment made it difficult for Mitsui to maintain support for its investment in the company; however, because Mitsui was convinced that LT's technology had the potential to change the world, we decided that we would continue to provide strategic support. As a result of this commitment, today, many business enterprises are expressing interest in LT's technology and are considering adopting it, and we are experiencing

for ourselves a moment in which the world starts to change.

Currently, Mitsui is providing support for LT in three main areas: developing new business with Mitsui's business partners, providing logistics functions for the projects adopting LT's technology, and introducing companies with which LT can collaborate on R&D as technical development partners. In particular, we are focusing on developing new business; our mission is to use LT's technology to create next-generation fuels, and then to increase the revenue and profit that this business generates. By explaining the appeal of LT's technology and its strengths, and the advantages of adopting LT's technology, to Mitsui's business partners throughout the world, we are exploring potential leads for new business development.

As regards plans for future global expansion, besides expanding the scope of projects in China, we will also be exploring opportunities to move into other countries and regions where there is high demand for ethanol. Mitsui's Food Business Unit is the largest ethanol importer in Japan, and the chemicals division of Mitsui & Co. Deutschland GmbH is the largest ethanol importer in Germany. By developing synergies in this area, we believe that we can develop even more attractive businesses that are more closely tailored to Mitsui's strengths.

At the same time, in the aviation sector, sustainable aviation fuel that uses ethanol as the raw material is starting to be commercialized. In



We are accelerating the implementing of new initiatives in collaboration with ANA (©ANA)

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We believe that the world can be changed, and that is why we are working to commercialize revolutionary new technologies.

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October 2018, Virgin Atlantic Airways Limited made its first successful commercial flight using LT's sustainable aviation fuel, and in June 2019 All Nippon Airways Co., Ltd. (ANA) signed an offtake agreement for sustainable aviation fuel; a memorandum of understanding (MoU) has been signed between ANA, LT and Mitsui to undertake joint development aimed at realizing the commercial production of bio-jet fuel in the future. Starting from 2021, new International Civil Aviation Organization (ICAO) regulations governing CO<sub>2</sub> emissions will come into effect, which are expected to provide further stimulus for sustainable aviation fuel adoption.

### Taking the "4Cs" as the foundation and working to realize the commercialization of new forms of energy

Mitsui's Energy & Innovation Division to which I belong has as its vision the establishing of a low-carbon society, and has set itself the mission of building the foundations for new energy businesses in sectors that include next-generation fuels, energy management, carbon credit trading, etc. Using an evaluation framework that emphasizes the "4Cs"—Cleaner energy, no Competition with food, Circular economy, and Carbon emission reduction—we are constantly working to generate new projects that have been evaluated both qualitatively and quantitatively.

Unless both Mitsui and society as a whole can operate in a sustainable manner, then there can be no development in any meaningful sense. In order to realize this sustainability, I hope that we will be able to leverage Mitsui's capabilities to the maximum extent in providing the world with new business models and new technologies which, when they become widely adopted as standard, will help to create a world in which our families and friends, and millions of people that we have never met, will be able to enjoy blue skies, clean oceans, security and peace of mind.



## Develop talent leading to value creation

Respect diversity and develop human resources with the competence to create innovation and new value.

### Recognition of Societal Issues

We recognize that, in order to create innovations and new value for society through our business activities in a sustainable manner, it is essential to develop the human resources who are key to all business activities, and at the same time, prepare the environment in which every individual can achieve their full potential with strong motivation. We also recognize the need to recruit and foster diverse people on a global scale and improve their creativity through workstyle innovation, as well as through the promotion of “diversity & inclusion” as the basis for the creation of new value through reciprocal stimulation among people with diverse backgrounds such as nationality, gender, and values.

- Diversity & inclusion
- Improvement on creativity through workstyle innovation and career development for diverse human resources
- Innovation platforms

### Major Risks and Opportunities

#### Risks

- Decline in the quality and competitiveness of human resources due to market and environmental changes
- Outflows of employees due to the loss of career development opportunities for diverse human resources





#### Opportunities

- Improvements in productivity, efficiency, and motivation along with accelerating workstyle innovation
- Recruitment of competitive people through selection processes centering on abilities and personal qualities, and fair and diverse recruitment activities
- Fine-tuned human resources development with an increased emphasis on diversity
- Appropriate appointment and deployment of personnel on a global consolidated basis
- Improvement of corporate competitiveness by creating innovations through diversity management promotion
- New value creation initiatives

### Mitsui & Co's Approach

Theme	Related SDGs	Initiatives by Mitsui & Co.	Related policies and guidelines	Identifying material topics in GRI
Recruitment of Human Resources		Our commitment to recruiting diverse people who can succeed in a global environment is reflected in our basic policy, which calls for fair recruitment without limitations based on age, gender, nationality, university background, or other attributes. We provide opportunities to apply for positions in Japan and overseas. In our selection processes, we do not take into account attributes that have no bearing on an individual's abilities and aptitude, such as country of origin and religion, but focus on the individual's ability and personality.	• Mitsui Global Business Management Guidelines	Employment*
Human Resources Development		Our goal is to foster diverse and strong individuals who can contribute to the management of our global group and create new value. Centered on the OJT programs for gaining practical experience at workplaces, we also provide wide-ranging off-the-job training with various training courses.		Training and Education
Appropriate Appointment and Allocation of Personnel		We pursue appropriate allocation of human resources in order for our diverse professionals to achieve their full potential, and to maximize our strategic potential as an organization. We aim to create a cycle in which our employees achieve personal growth through a wide range of experience, deepen diverse personal networks, and create themselves opportunities for further positive experiences.		Training and Education

\* P.100 Data of Personnel Affairs

Theme	Related SDGs	Initiatives by Mitsui & Co.	Related policies and guidelines	Identifying material topics in GRI
Promoting Diversity & Inclusion		We promote diversity management, in which reciprocal stimulation among people with diverse backgrounds, such as nationality, gender, and values, drives creation of innovations. We are working to raise awareness and develop an environment for cultivating a corporate climate and culture of "diversity & inclusion."	<ul style="list-style-type: none"> <li>Action plan for the Act of Promotion of Women's Participation and Advancement in Workplace</li> <li>Voluntary action plans on promotion of women to managerial and board position</li> </ul>	Training and Education Diversity and Equal Opportunity
Creating an Environment in which Every Individual Can Achieve Their Full Potential		We aim to strengthen our overall competitiveness as a company by creating environments in which individual employees can enhance their efficiency and productivity and reach their full potential. Through our workstyle innovation initiatives, we are modifying traditional approaches to work and introducing flexible, diversified workstyles that are not confined in terms of time or location. In addition, we promote initiatives to create an environment in which individual employees can work in diverse ways with a sense of high motivation, including support for people to manage both work and childcare or family care obligations.	<ul style="list-style-type: none"> <li>Work Style Innovation Action Plans</li> <li>Mitsui &amp; Co. action plans under the Act on Advancement of Measures to Support Raising Next-Generation Children</li> </ul>	Employment* Freedom of Association and Collective Bargaining
Health Management, Occupational Health and Safety Initiatives		Our awareness that employee health is a vital asset for the company is reflected in our ongoing initiatives to create safe and healthy working environments in which our employees can achieve their full potential and continue strengthening our corporate competitiveness. In addition to measures required under laws and regulations in the countries and regions where we have business operations, we have established systems to ensure an effective response to emergencies, such as accidents and disasters, and promote various initiatives to maintain and enhance health of the employees.	<ul style="list-style-type: none"> <li>Health Declaration</li> <li>Mental Health Promotion Plan</li> <li>Health Performance Index</li> </ul>	Occupational Health and Safety
Creating New Value		Mitsui aims to achieve sustainable growth by exerting its comprehensive strengths, its capabilities to connect, to create, and to realize business that is meaningful for society. Traditionally, the main strength and roles of a general trading company was to create value by connecting various industries, companies, products, and other elements. Going forward, we will work to evolve beyond those roles and functions into an entity capable of taking the lead in creating business.		

\*  P.100 Data of Personnel Affairs

## Our Stories: Develop talent leading to value creation

## The Moon Platform—Realizing the Shift from “Connecting” to “Creating”



Anna Hiraoka

Entrepreneur in Residence (on assignment), Moon Creative Lab Inc.

Mitsui & Co. has formulated a long-term business vision that outlines where Mitsui envisions being in the future. This positions Mitsui's future path as changing from “connecting” to “creating.” In the past, Mitsui's main function as a general trading company was to generate value by connecting enterprises together across a wide range of industries and sectors; however, Mitsui is now evolving to become a company that proactively creates its own businesses. Moon Creative Lab Inc. (Moon) performs the R&D function for Mitsui as a whole, and constitutes a platform that embodies the change from “connecting” to “creating.” Moon was established as an independent company in August 2018, consolidating the operations of Karugamo Works, which had previously been created by Mitsui as part of its strategy to generate new businesses, and Mitsui's intrapreneurship system. Moon has offices in Silicon Valley, in the U.S., and in Tokyo.

Moon welcomes business ideas that have the potential to help solve social problems and give Mitsui a major presence in future markets gathered from the Mitsui Group's 44,000 employees, who have an in-depth understanding of a wide range of industries and products. Working together with the idea owners, Moon sets about creating unique, brand-new products and services. By building up experience through numerous projects of this kind, Moon is developing extraordinary capable business development teams.



4.4

Provide opportunities and a suitable environment for business creation, so that employees' business ideas can contribute to the building of a sustainable society



8.3

Use Moon to promote the building of a corporate culture conducive to new business development and innovation



## Our Stories: Develop talent leading to value creation

### Reducing the amount of unhappiness in the world through a new business that makes effective use of AI

Moon is an innovation lab that goes beyond the scope of a conventional trading company by generating completely new businesses. Moon has made it possible for me to be an entrepreneur-in-residence (intrapreneur) and start getting a business off the ground while continuing to be a Mitsui employee. Since there are just two of us in the team—the project leader and myself—there are a lot of things that I can do, and also a lot of responsibilities. Day by day, I am learning what it is like to start a business from scratch.

At the moment, we are working on the development of a platform for disease diagnosis services that make effective use of artificial intelligence (AI). Through this project, I believe that we can help to save many lives around the world, by providing faster, less painful, more precise diagnosis.

The AI technology side is being handled by a Mitsui-invested firm that has cutting-edge knowhow in this field; Mitsui is handling the market development and business design, with the aim of rolling out the platform on a global scale, and Moon is playing the role of designing and enhancing the user experience. In starting this business from scratch, we are also receiving support from world-leading design consulting firm IDEO, and through their approach called Design Thinking, I have been able to undertake research interviews with doctors, patients and others, brainstorming sessions to come up with various service concepts reflecting such interviews, and prototyping



through active materialization of ideas followed by improvements based on user tests.

Through my research, I heard from a patient's family about how hard it was to recover from the pain of losing someone who they loved, and I couldn't help but feel the tears welling up in my eyes. The most vital aspect of user experience design is trust; being involved in this project has really brought home to me just how important it is for services to be empathetic.

Healthcare services are a type of service that is directly linked to people's emotions. I believe that, by using this project to provide empathetic services, we can make at least a small contribution towards reducing the amount of pain and misery in the world.

### Even for someone who has only been with the company for two years, it is possible to create a business from nothing

I was assigned to Moon two years after joining Mitsui, because of my background in biology and cancer research experience. At Moon, being young and having limited work experience is not a drawback; at the same time, you can't use these factors as an excuse, either. The biggest difference compared to working as part of a large team is that your commitment and judgement are challenged to an even greater extent. You are constantly having to formulate proposals in terms of "What to focus on, what do we want users to experience, what problems are we trying to solve, and how should we go about doing this?", and then implement them. I am constantly aware of the fact that, without strong willpower, the project you are working on will not make any forward progress, and you will then be unable to successfully create a business that can generate new value for the world. As I see it, that is what building a new business from scratch involves.

### By continuing to realize my dream, I hope to inspire other employees

I have three dreams that I want to make come true. The first is to

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To create a new business, you need to come up with creative business ideas and make them come to life. This is what is meant by starting a business from scratch.

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succeed in my current project of building a business that uses AI effectively for disease diagnosis. I hope that this will provide stimulus for other young employees at Mitsui, who will think "If she can do it, then I should be able to do it too," so that other people will continue to take on the same kind of challenge. Secondly, I want to support Mitsui to develop, to an even greater extent than at present, a corporate culture and environment that enables individual employees to exercise their creativity. Finally, I want to develop, within Moon, more new businesses in the fields of education and healthcare that I have developed the idea for, starting from scratch.

At Moon, and within Mitsui as a whole, there are many people with diverse backgrounds, creating a network that gives you access to different viewpoints and different kinds of support. I feel that if I continue to grow and develop entrepreneurship at Moon, there are no dreams that I cannot make come true.



## Build an organization with integrity

Strengthen our governance and compliance as a corporate group trusted by society.

### Recognition of Societal Issues

Mitsui aims to achieve sustainable growth as a company that is trusted by society by continually contributing through the realization of business that has value for society. To achieve this goal, we recognize that it is vital to raise awareness of integrity among all officers and employees (including ensuring compliance), as well as the enhancement of corporate governance structures and reinforcement of internal control.

In supply chain management, we recognize the growing importance of consideration for human rights and labor, safety and health, business ethics, environmental management, and other aspects, to ensure the sustainability of procurement, production, logistics, sales, and consumption.

- Raising integrity awareness, including ensuring compliance among all officers and employees
- Reinforcement of corporate governance and internal control
- Expanding responsibility in supply chains in terms of the environment and society
- Increasing importance of consideration for human rights in supply chains (e.g. labor practices, and impact on local communities)

### Major Risks and Opportunities

#### Risks

- Compliance violations, including anti-competitive actions, corruption, and bribery, resulting from a lack of integrity awareness on the part of officers and employees
- Business stagnation, scandals, and other situations resulting from dysfunctional corporate governance and internal control, leading to a failure to take appropriate management decisions, and the loss of stakeholder confidence as a consequence of such situations
- Reputational damage resulting from human rights violations and environmental loads in supply chains





#### Opportunities

- Organizational revitalization and improvement in the company's reputation through initiatives to raise the integrity awareness of officers and employees, including measures to ensure compliance
- Sustainable improvement of corporate value through achievement of highly effective corporate governance and the continuous review
- Improvement of value and reliability across entire value chains through consideration for the environment, human rights, labor, and local communities in the entire supply chains

### Mitsui & Co's Approach

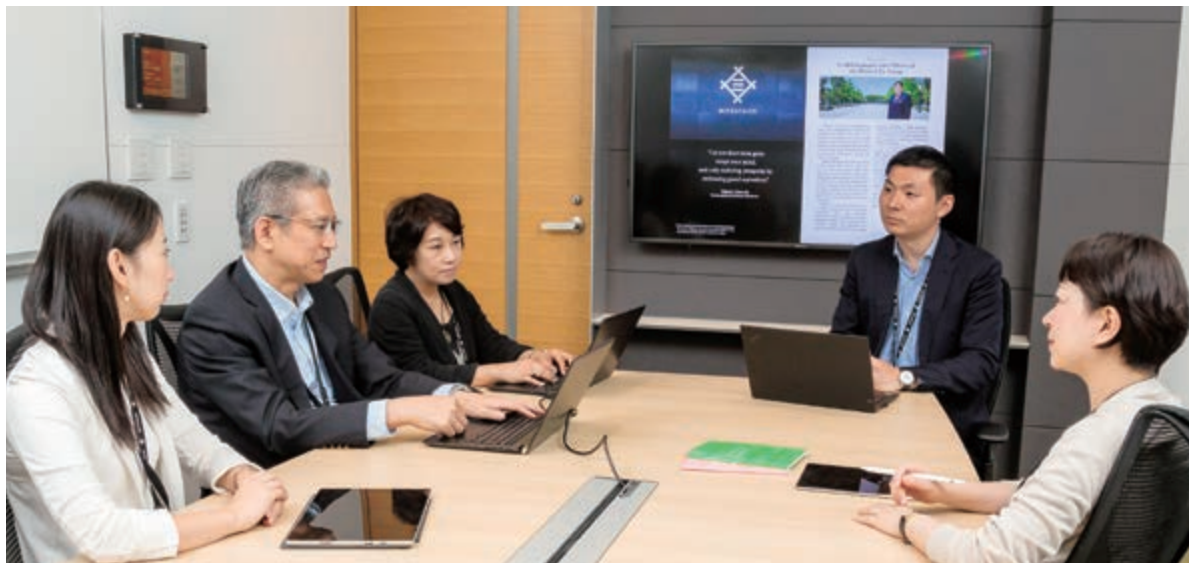
#### [Targets]

- Achievement of 100% awareness of our Supply Chain CSR Policy among new suppliers

Theme	Related SDGs	Initiatives by Mitsui & Co.	Related policies and guidelines	Identifying material topics in GRI
Integrity and Compliance		<p>To maintain its reputation as a company that is truly trusted by society, the Mitsui &amp; Co. group is working at the global group level to ensure the compliance awareness of its employees and build an organization with integrity.</p>	<ul style="list-style-type: none"> <li>• Mitsui &amp; Co. Group Conduct Guidelines "With Integrity"</li> <li>• Business Conduct Guidelines for Employees and Officers of Mitsui &amp; Co., Ltd.</li> <li>• Code of Conduct in relation to the Prevention of Cartels</li> <li>• Mitsui &amp; Co., Ltd. Anti-Corruption Policy</li> <li>• Global Tax Management Policy</li> </ul>	<ul style="list-style-type: none"> <li>Anti-corruption</li> <li>Anti-competitive Behavior</li> <li>Socioeconomic Compliance</li> </ul>
Corporate Governance & Internal Controls		<p>In structuring the corporate governance framework, Mitsui &amp; Co. places emphasis on "improved transparency and accountability" and "clarification of the division of roles between management oversight and execution." In the construction of internal control processes, various systems are implemented in accordance with the basic framework of the internal control indicated by the Business Accounting Council, an advisory body to the Financial Services Agency of Japan.</p>	<ul style="list-style-type: none"> <li>• Mitsui &amp; Co., Ltd. Corporate Governance and Internal Control Principles</li> </ul>	<ul style="list-style-type: none"> <li>Economic Performance</li> </ul>
Risks Management		<p>Business areas affected by high qualitative risks relating to the environment, society, governance, and other aspects are classified as "specially designated businesses," and business initiatives in these areas are implemented under the specially designated business management system.</p>	<ul style="list-style-type: none"> <li>• Specially Designated Business Management System</li> </ul>	<ul style="list-style-type: none"> <li>Economic Performance</li> <li>Human Rights Assessment</li> <li>Local Communities</li> <li>Customer Health and Safety</li> </ul>
		<p>Information is a vital business asset. Mitsui recognizes the importance of appropriate information management and implements measures to protect personal information and cyber-security measures.</p>	<ul style="list-style-type: none"> <li>• Rules on Information Management</li> <li>• Rules on Information System Management</li> <li>• Rules on IT Security</li> <li>• Information Security Policy</li> <li>• Personal Information Protection Guidelines</li> <li>• Rules on the Protection of Personal Information</li> </ul>	
		<p>We regard business continuity in the event of disasters as an important priority. Under our business continuity management (BCM) system, we formulate and regularly review a business continuity plan (BCP) to ensure that we will be able to maintain effective management structures.</p>	<ul style="list-style-type: none"> <li>• Business Continuity Management Policy</li> <li>• Rules on Emergency Business Continuity Management</li> </ul>	
Promotion of Supply Chain Management		<p>Mitsui has built diverse supply chains throughout the world to provide a wide range of functions and services. In order to find solutions to various issues in supply chains, we place focus on complying with laws, respecting human rights, maintaining safe and sanitary working conditions, reducing environmental load, and ensuring consumer safety and confidence in relation to products and services. Together with our business partners, we endeavor to meet society's expectations. Specifically, we conduct supplier surveys based on our Supply Chain CSR Policy every year to monitor the status of our suppliers' sustainability measures, and conduct on-site surveys with certain suppliers.</p>	<ul style="list-style-type: none"> <li>• Supply Chain CSR Policy</li> </ul>	<ul style="list-style-type: none"> <li>Anti-corruption</li> <li>Supplier Environmental Assessment</li> <li>Freedom of Association and Collective Bargaining</li> <li>Child Labor</li> <li>Forced or Compulsory Labor</li> <li>Human Rights Assessment</li> <li>Supplier Social Assessment</li> </ul>

Our Stories: Build an organization with integrity

# Sharing Values by Promoting the Concept of Integrity



**Motoki Yasue**

Deputy General Manager, Compliance Department, Legal Division

\* Title as of the time of interview.

Mitsui & Co. believes that, in business, trust is most important. In order to maintain and enhance trust, besides compliance with laws, regulations and rules, it is also vital for employees to be aware of the need for integrity, in terms of one's own conscience and dignity.

To ensure that values relating to integrity and compliance are shared throughout the Mitsui & Co. group, we put together the Mitsui & Co. Group Conduct Guidelines "With Integrity" in November 2018.

In order for the Mitsui & Co. group to continue to be a corporate group that is genuinely trusted by society, we are taking steps on a global group basis to build an organization with integrity, in which individual employees will act with integrity.



5.5

Respecting the individuality and diversity of each employee, and maintaining and cultivating a corporate culture that is open-minded and accepting of others



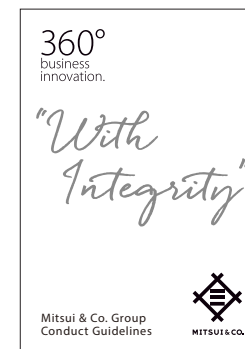
10.2, 10.3

Cultivating a corporate culture that fosters the empowerment of every individual employee and promotes equal opportunity



16.5

Specifying the need to comply with anti-bribery legislation and striving to heighten awareness among our employees



## Our Stories: Build an organization with integrity

### Encouraging employees to think about what integrity is

The Compliance Department of Mitsui's Legal Division is responsible for liaising with the managers overseeing compliance in each unit, for putting in place the overall compliance framework and compliance programs, and for responding to compliance issues when they occur. One of our most important missions is to promote the concept of integrity throughout the Mitsui & Co. group.

Mitsui has been actively using the term "integrity" in its efforts to enhance employees' compliance awareness since April 2017. However, some employees were unsure as to what "integrity" (a word which has come into Japanese from English) actually meant. Integrity is inherently difficult to define, and difficult to find an exact Japanese equivalent for; we realized that there was a need to explain in an easy-to-understand way, Mitsui's intention in adopting the concept of integrity, and how it differs from compliance. With this in mind, we have put together "With Integrity," working in collaboration with many others in the company.

"With Integrity" defines integrity, in the sense in which it is used by the Mitsui & Co. group, as thinking for oneself about what is right, in light of one's own conscience and dignity, and then acting accordingly. Actual examples of integrity would include, besides the obvious example of compliance with laws and regulations, respect for human rights and diversity, the elimination of discrimination, the cultivation of an open-minded corporate culture, and above all, acting honestly in accordance with the highest ethical standards.

Whereas compliance, which involves complying with laws, regulations and rules, has a heteronomous (i.e. imposed from outside) aspect to it, integrity could be considered as constituting a more autonomous approach. When viewing things only from the compliance perspective, there can be a rather "passive" stance of focusing only on complying with relevant laws, regulations and rules; this tends to lead to uncertainty when faced with situations that are not clearly addressed by the rules, and there is a risk that people may think that, because something is not explicitly prohibited by rules, it is acceptable to do it. At Mitsui, our recommendation is that, when dealing with this kind of situation, employees should think for themselves about what they should do

in light of the principle of integrity, and then take appropriate action. "With Integrity" specifies three questions that can be useful when thinking about this type of issue: "Is it right?", "Is it honest?" and "Is it ethical?" The important thing is to verify the appropriateness of our words and actions in light of our sense of integrity, and to consider what the right thing to do is.

In the past, compliance-related awareness-raising activities have tended to focus on asking employees to comply with laws, regulations and rules. By contrast, integrity has a more autonomous aspect to it; it is not something that the company forces employees to implement. For this reason, when promoting the concept of integrity, we have been rolling out programs that are deliberately designed to create opportunities for getting employees to think by themselves, and to discuss issues together with their colleagues. One example of this approach is sending out messages from senior management. On the blog of the Chief Compliance Officer (CCO) on Mitsui's intranet, besides blog posts that are directly related to compliance operations, the CCO also posts about aspects of daily life that have a bearing on integrity. Sent out to all employees twice a month or so, these blog posts act as a catalyst for getting employees to think about integrity. We have often seen employees discussing the content of these blog posts among themselves, and employees who have read the blog sometimes contact the CCO directly with messages outlining what they think integrity means. In the future, we would like to continue to roll out initiatives that, rather than positioning integrity as something that is forced on employees by the company, instead help employees to think more deeply about integrity by getting them to think about the concept themselves and discuss it with others. Also, if while reading "With Integrity" an employee thinks "I don't agree with this part," then we hope that they will share their views with other employees. It is only through this kind of process that the concept of integrity as used at Mitsui can take on content that strikes a chord with everyone working for the company.

“Integrity can be thought of as thinking for oneself about what is right, in light of one's own conscience and dignity, and then acting accordingly.”

### Speaking up is also an aspect of integrity

"Speak Up" is another concept that we are working to promote in parallel with integrity. The "Speak Up" initiative aims to foster the development of a corporate culture in which employees who feel that something is wrong will speak up about it, and make effective use of the company's internal whistleblowing system. There is a tendency for people to have reservations about internal whistleblowing systems, and to be embarrassed about using them. However, at Mitsui we see the internal whistleblowing system as constituting a very effective means for identifying problems at an early stage so that we can nip them in the bud; we actively encourage employees to report problems, rather than pretending that they haven't noticed them. Possibly as a result of the "Speak Up" initiative, there has been an increase in the number of reports submitted via the company's internal whistleblowing system, and we are in the process of developing a more open internal environment in which employees feel comfortable about using the system. When employees speak up about problems that in the past they would have tended to ignore or adopt a laissez-faire attitude towards, this can be a first step towards solving those problems.

### Employees' integrity can enhance the level of trust that people have in the company

If a company is not trusted by society, then that company will not be able to achieve sustainable growth. Building this trust depends on the trustworthiness of individual employees, in terms of compliance and integrity. We believe that, if every one of us always acts with integrity, and speaks up without hesitation when we feel that something is wrong, then we can build an even better company.

## CCO Interview



### Hirotatsu Fujiwara

Representative Director,  
Senior Executive Managing Officer

Chief Compliance Officer (CCO);  
Corporate Staff Unit (Human Resources &  
General Affairs Division, Legal Division, and  
others)

#### —What do you consider important for developing and utilizing human resources?

People are the most important asset for Mitsui & Co. We have a history of diverse individuals not only continually taking on the challenge of creating new value but also creating various business under the corporate philosophy of “Focus on Human Resources,” “Open-Mindedness,” and “Challenge and Innovation.”

The environment surrounding our business is going through a constant change. Diversity and Inclusion, which makes it possible for our employees throughout the world who possess a wide range of backgrounds with diverse values, to respect each other, stimulates each other to exert their capabilities to the fullest, is extremely important for Mitsui to continue to create new value as a corporate group.

#### —One issue included in new Materiality is “Develop talent leading to value creation.” What efforts are being undertaken to create value through talent?

Throughout the world, we are moving forward with efforts to promote the active participation of diverse talent regardless of where they are hired. It would probably be difficult for the Mitsui & Co. global group, which conducts business around the world, to generate sustainable growth if our global business were primarily conducted only by employees hired in Japan. Based on this concern, in 2018, we launched the Change Leader Program to bring talent from overseas offices to the Head Office for a certain length of time and to train them to become leaders who can actively and boldly push forward reforms necessary to create business. During its long history, Mitsui’s values and corporate culture have come to be referred to as “Mitsui is People,” which we will spread globally and accelerate the training of talent who can create

new value in countries and regions throughout the world and achieve “Global reach for Local depth, Local depth for Global reach.”

In Japan, we plan to move into the new Head Office in February 2020. We are examining various measures so that we can use that as an opportunity to create new work styles at the Head Office. We call this Workplace Experience (Work-X). We are evolving the idea about positioning of the workplace environment and making it possible for employees to flexibly choose where they do their work depending on the operations and project they are involved in. Consideration is also being given to creating a communication area where employees from anywhere within the company can freely gather in order to generate many new ideas through chance encounters. We will create an extremely appealing office to stimulate the entrepreneurial spirit of our diverse employees and start an intellectual “chemical reaction” to create businesses.

#### —What is the Mitsui & Co. global group striving to become through its efforts toward integrity?

It is our view that compliance is necessary to build and maintain trust, the foundation of our business. “Without compliance, there will be no work and no company” is an understanding that is widely shared throughout the company. Even so, the world is growing more complex, and it is important for us to not only follow rules but also verify the appropriateness of our words and actions against our sense of integrity. We formulated the Mitsui & Co. Group Conduct Guidelines “With Integrity” in November 2018 in order to share our approach towards integrity on a global group basis and to demonstrate what Mitsui considers integrity to be.

The subtitle “With Integrity” reflects our strong commitment that the Mitsui & Co. global group will strive to do everything with integrity. I am sure that everyone may struggle at times during their day-to-day work with judgments, but if people ask themselves whether their judgment is guided by integrity, I think that the path they should follow will naturally become clear.

I hope that people working in the Mitsui & Co. global group would identify with the key principles and spirit of “With Integrity” and embody that through their daily words and actions. Mitsui will continue to respond faithfully and sincerely to the trust placed in us by even more extensively promoting “With Integrity” and each of us working in the group putting its spirit into practice.

# Environment

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# Promoting the Environmental Management



## Environmental Policy

Policy

### 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

- |   |  |
|---|--|
| <p>1. <b>Compliance with relevant environmental laws and regulations</b></p>                                  | <p>We will comply with various relevant environmental laws and regulations, as well as all agreements signed by the company for promoting business activities.</p>   |
| <p>2. <b>Efficient utilization of resources and energy*</b></p>   | <p>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.</p>   |
| <p>3. <b>Environmental care for products and services offered, as well as existing and new businesses</b></p> | <p>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.</p> |
| <p>4. <b>Contribution to providing industrial solutions to environmental issues</b></p>                       | <p>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.</p>   |

\* This includes improvements in efficiency and reduction of the use of such resources and energy.

## Environmental Management System

System

### Environmental Management Philosophy

Mitsui & Co. maintains environmental management systems based on ISO14001 and various international guidelines as the basis for an active response to environmental and societal problems through the business activities of its global group. We acquired ISO14001 certification in 1999. Since the year ended March 2017, we have been working to strengthen our compliance with ISO14001: 2015, including integration with business processes, initiatives in response to business risks and opportunities, and an increased emphasis on stakeholder perspectives.



#### 【Standards Covered】

ISO14001, ISO26000, the GRI Standards the Equator Principles, the World Bank Procurement Policies and Guidelines, and the IUCN Guidelines

### Environmental Management System

We have appointed an executive officer (Representative Director, Executive Vice President) who is responsible for overall environmental management, while the General Manager of the Corporate Sustainability Division supervises the operation of the Environmental Management system, including response to climate related risks including climate change. Under the oversight of the Board, other organizations, such as business units, each have their own environmental management structures established by the divisional/departmental general managers.

We set company-wide targets, and are continually improving our environmental and societal risk management framework by means of periodic reviews, including the Sustainability Committee meetings.

### Environmental Management System (As of April 2019)





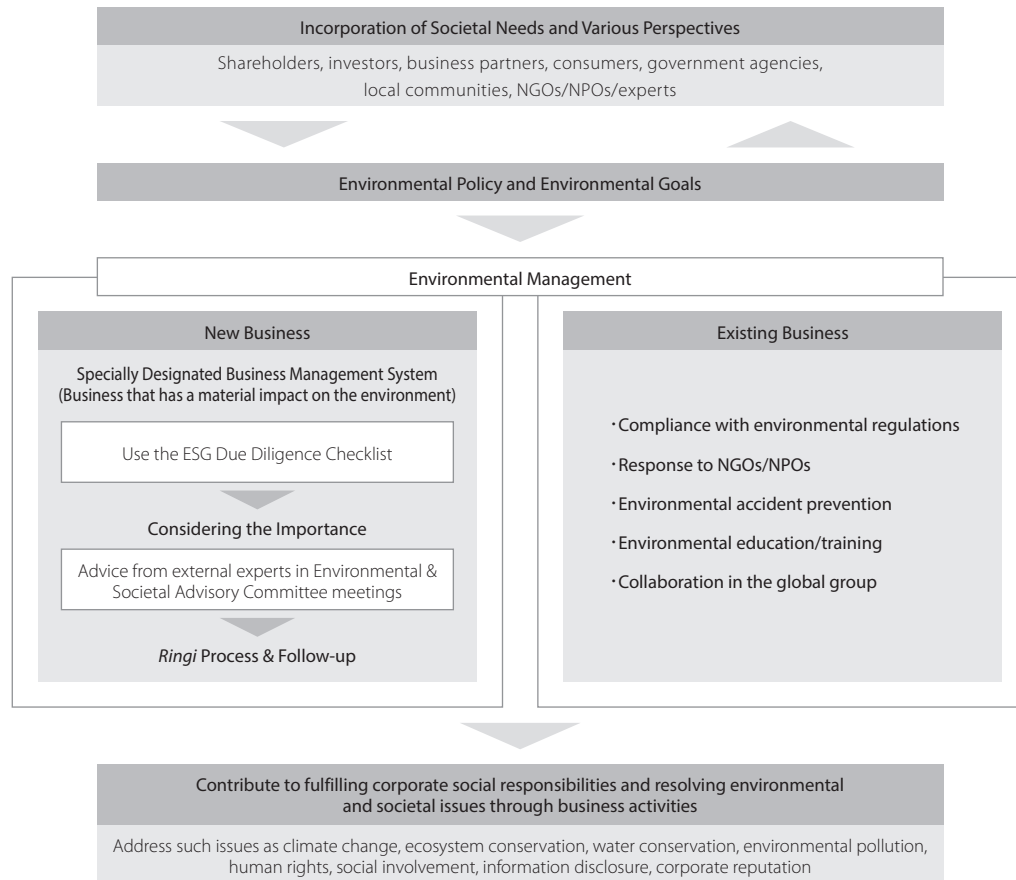
Promoting the Environmental Management

**Management of Environmental and Societal Risks**

System

In conducting business, Mitsui has put in place company-wide system for ensuring, both at the stage of launching business as well as for projects that are already in operation, that the utmost consideration is given to the environment and society. As for the environmental and social risks, such as climate related risks, we discuss our policies and countermeasures at the Sustainability Committee, and report them to the Corporate Management Committee and the Board of Directors. After receiving approvals, the policies and countermeasures are implemented.

**Responding to Environmental and Social Risks** (as of April 2019)



**Environmental Management for New Business**

System

Activity

When we embark on new business investment projects, business divisions subject them to environmental, social, and governance (ESG) impact assessments, using ESG due diligence checklists that consider environmental and societal risks based on international standards. Aspects covered by these assessments include pollution prevention, climate change, ecosystems, water stress\*, and human rights.

Projects that are found to have significant environmental implications then undergo internal screening under the Specially Designated Business Management System. If necessary, a meeting of the Environmental & Societal Advisory Committee will be convened, as well as a meeting of the Sustainability Committee if the project needs to be considered in relation to corporate policies on the environment. Recommendations about whether or not to proceed with projects and any improvements that may be needed are then submitted to the Board of Representative Directors, where the final decisions are made through a *ringi* deliberation process.

\* The state where the annual water availability per capita is less than 1,700 tons and where people feel inconvenience in their daily life.

**P.113** Specially Designated Business Management System and Environmental & Societal Advisory Committee

**Environmental Management for Existing Business**

System

Activity

Mitsui ensures effective monitoring and management of environmental and societal risks for existing business operations based on the international environmental management standard, ISO14001 at the non-consolidated level. We also encourage subsidiaries engaged in activities with the potential to cause significant environmental impacts to establish their own environmental management systems based on ISO14001 or other international guidelines for environmental and social considerations. In addition, we have established comprehensive systems to ensure prompt reporting of the effects of any environmental accidents or violations of laws, regulations, or ordinances. As part of our interactions with stakeholders, we also identify business risks and opportunities through dialogue with NPOs, NGOs, academic organizations, and government agencies and consider appropriate responses.

**Management of Subsidiaries**

We select subsidiaries in Japan and overseas that need environmental priority management based on comprehensive assessments that take into account such factors as the type of industry, environmental and ecosystem impacts. We promote these companies to introduce environmental management systems based on ISO14001, or on international guidelines, and we help them to build robust management systems.

As of the end of March 2019, out of the target companies, 15 subsidiaries have acquired ISO14001.

## Promoting the Environmental Management

**Response to Environmental Accidents**

During the fiscal year ended March 2019, there was one environment-related incident at Mitsui and its subsidiaries.

We employ various measures to prevent recurrences of environmental accidents, including the use of collections of case studies to raise employee awareness. Any accident is promptly reported to the relevant units, and comprehensive steps are taken to prevent recurrence, beginning with the identification of the actual cause of the accident and an assessment to determine appropriate corrective and preventive measures.

**Compliance with Environment-Related Laws and Regulations**

System

Our efforts to meet our corporate social responsibilities and keep pace with the expansion of those responsibilities include the creation of compliance assurance mechanisms based on our environmental management system. We also use training and other methods to ensure that staff in Japan and overseas understand and comply with various environmental laws and regulations.

At the start of each fiscal year, Environmental Management Officers in each department identify environment-related laws and regulations that are relevant to the operations of their units. They also assess compliance every half-year. In addition, an internal environmental audit or environmental self-check process is carried out every year to confirm that environmental management systems are being applied effectively. Mitsui itself, as well as any subsidiaries whose activities could have significant environmental impacts, acquires certification under ISO14001 or equivalent standards. We have established effective environmental law compliance mechanisms. Furthermore, we utilize environmental law compliance checking tools to easily confirm our legal compliance.

**Energy Saving Laws and Regulations**

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 we are promoting energy conservation in office and energy usage improvement related to transportations, thereby developing environmentally friendly business activities.

**Waste Disposal Laws**

Mitsui operates in compliance with the Waste Disposal and Public Cleansing Law (also referred to as "Waste Disposal Law" or "Waste Law"). In order to properly manage disposal of industrial waste generated through logistics operations and general waste from business activities, we have formulated a workflow in connection with the handling of industrial waste and general waste from business activities and prepared FAQ documents. Such tools and documents have been utilized by relevant divisions and departments.

We also hold periodic seminars within the company to increase awareness and understanding of proper waste disposal practices, covering such matters as the selection of waste management subcontractors and manifest compilation and management.

**Other Applicable Environmental Laws and Regulations**

In promoting business activities, we comply with various environmental laws and regulations.

Act on Special Measures Concerning Promotion of Proper Treatment of PCB Wastes/Act on Rational Use and Proper Management of Fluorocarbons/Water Pollution Prevention Act/Soil Contamination Countermeasures Act/Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging/Act on Promotion of Recycling and Related Activities for Treatment of Cyclical Food Resources/Air Pollution Control Act/Offensive Odor Control Law/Chemical Substances Control Law/Pollutant Release and Transfer Register Law/Poisonous and Deleterious Substances Control Act/Fire Service Act/Industrial Safety and Health Act/REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulations

**Acquisition of Environment-Related Certification**

System

Activity

SDGs : 7.3, 8.7, 12.2, 12.8, 13.3, 14.2, 14.7, 15.1, 15.2, 15.4

Mitsui promotes sustainable procurement in partnership with suppliers throughout the world. We work actively to achieve environment-related certification in Japan and overseas, recognizing the importance of natural actual capital. We also develop procurement mechanisms that take into account the need to address global warming and conserve biodiversity. Furthermore, at properties we own that have acquired certifications (such as DBJ Green Building certification) through listed REITs operated by asset management companies, we are working to reduce our environmental impact by promoting energy savings and more efficient energy use.

**Company-Owned Forests "Mitsui's Forests" (Japan)**

Mitsui has obtained forest certification for all 74 locations of Mitsui's Forests (approximately 44,000 hectares) throughout Japan under two international standards: FSC® certification\*1 (FSC®-C057355) and SGEC certification\*2 (Certificate no. SGEC/31-21-1101). Forest certification is based on objective third party assessments of whether forest management methods meet economic, environmental, and social requirements (i.e. principles and standards). Currently, Mitsui is the only private company with large-scale forest holdings in Japan covering over 10,000 hectares that has obtained certification under both of these systems. With respect to both FSC® certification and SGEC certification, Mitsui has received Forest Management (FM) certification, while Mitsui Bussan Forest, a subsidiary, has received Chain of Custody (CoC) certification for the processing and distribution of cut lumber; Mitsui & Co. Group has thereby established a thoroughly inclusive chain of certifications that covers the entire supply chain. Notably, Mitsui is the largest supplier of domestic FSC®-certified wood in Japan.



Promoting the Environmental Management

\*1 FSC® certification is based on international standards established by the Forest Stewardship Council®, a non-profit committee-type organization that administers an international forest certification system.

\*2 This certification system was developed by the Sustainable Green Ecosystem Council, a general incorporated foundation, by adapting the sustainable forest management philosophy promoted globally as the "Montreal Process" to the situation in Japan. In 2016, it became possible to distribute SGEC certified timber as timber certified under another international forest certification, the Program for the Endorsement of Forest Certification Schemes (PEFC), following reciprocal recognition between the two systems.

**Forest Resources Business (Australia)**

Along with business partners, Mitsui is involved in plantation business in Australia with a scale of approximately 23,000 hectares. The goal is to ensure stable procurement of paper manufacturing resources. The business has acquired FSC®/CoC certification (Forest Resources Marketing Dept., Living & Environmental Business Div., Mitsui & Co.: FSC®-C104107, Mitsui Bussan Woodchip Oceania Pty. Ltd.: FSC®-C107463), as well as PEFC/CoC certification. This allows us to promote the responsible management and handling of forest resources. Moreover, our subsidiary Mitsui Bussan Packaging Co., Ltd. holds FSC®/CoC certification (FSC®-C009939). This allows us to link certified paper supply chains and further promote responsible management of forest resources.

**Feed Business (Japan)**

Our affiliated company, Feed One Co., Ltd., manufactures and sells organic animal feed products produced using methods designed to minimize the environmental load, in compliance with the Japan Agricultural Standards (Notification 1607 of the Ministry of Agriculture, Forestry and Fisheries).



**Palm Oil Import Business (Malaysia)**

Mitsui and our investee, Wangsa Mujur Sdn. Bhd. have acquired certification from the Roundtable on Sustainable Palm Oil (RSPO), \*3 a nonprofit organization that promotes the production and use of sustainable palm oil. The RSPO stipulates the legal, economic, environmental, and social conditions required for sustainable palm oil production in 8 principles and 43 criteria, and both Mitsui and Wangsa Mujur operate in accordance with its policy. In the fiscal year ended March 2019, RSPO-certified palm oil accounted for 3.6% of palm oil handled by Mitsui, and we aim to increase the ratio of sustainable certified palm oil including RSPO-certified, that we procure to 100% by 2030.



\*3 RSPO certification aims to advance the production, procurement, and use of sustainable palm oil, and lessen the impact and load on the environment of producing countries and neighboring communities.

**Mitsui's Handling Volume of RSPO-Certified Palm Oil and Its Ratio to Total Handling Volume**

	FY2018	FY2019
Handling volume of certified palm oil	14,500t	21,500t
Total handling volume of produced/used/processed palm oil	520,000t	600,000t
Ratio	2.8%	3.6%

**Salmon Farming Business (Chile)**

Mitsui is a shareholder and participant in the business operations of Salmenes Multiexport S.A. ("Salmex"), a major salmon farming, processing, and sales company in Chile. This company has obtained certification as a sustainable aquaculture business under the Best Aquaculture Practices (BAP) ® system\*4, which focuses on the five key areas of environmental conservation, social responsibility, animal welfare, food safety, and traceability. Salmenes Multiexport also achieved Aquaculture Stewardship Council (ASC) certification\*5 for two of its sites in 2017, and is now preparing to obtain certification for additional locations. Of the total amount of fishery product sales of Salmex in the fiscal year ended March 2019, products that have acquired BAP certification accounted for 93%.



\*4 This certification system is planned and administered by the Global Aquaculture Alliance (GAA), a US-based NGO dedicated to the establishment and spread of responsible aquaculture. The system certifies each component of the aquaculture value chain including hatchery, feed mill, farm, and processing plant. The program, which is represented by the BAP eco-label, is supported by numerous retailers and commercial food suppliers, especially in North America.

\*5 The aim of the ASC certification system is to ensure that markets and consumers are supplied with responsibly produced aquaculture products, by certifying aquaculture businesses that show consideration for local communities and do not impose a major load on the environment. Qualifying products are instantly recognizable thanks to the use of eco-labels.

**Salmex's Handling Volume of BAP-Certified Salmon and Its Ratio to Total Handling Volume**

	FY2019
Handling volume of BAP-certified salmon	84,283t
Total handling volume of fish and seafood produced/used/processed	90,626t
Ratio	93%

Promoting the Environmental Management

**Food Importation and Sales (U.S.)**

Our subsidiary, Mitsui Foods, Inc. (MFI), imports and sells canned tuna certified under the Marine Stewardship Council (MSC) system\*6, the aim of which is to ensure the sustainable supply of seafood over the long-term future. MFI has also obtained MSC Chain of Custody certification, thanks to its careful management at the distribution stage.



\*6 The aim of this system is to ensure the sustainable utilization of marine resources. Certification is limited to marine products that are harvested appropriately in terms of catch size, timing, methods, etc., and that are processed and distributed appropriately. The MSC label (Marine Ecolabel, MSC Ecolabel) indicates that products have been produced responsibly from the perspective of marine resources and the ocean environment.

**Shrimp Exporting Business (Vietnam)**

As a shareholder, Mitsui participates in the management of Minh Phu Seafood Joint Stock Company, a Vietnamese company engaged in shrimp processing and exporting. The company has obtained environment-related certification, under the ASC, BAP and Global Good Agricultural Practice (GAP) systems\*7, to meet the needs of buyers and consumers seeking products that have been produced responsibly with care for the environment.



\*7 Certification under these aquaculture systems indicates that a company has met global standards for food safety and sustainable production management. The full production chain is verified from broodstock, farming, feed and processing. Currently there are 35 countries implementing this standard for 30 species of finfish, crustaceans and mollusk worldwide.

**Green Buildings (Japan)**

Listed REIT Japan Logistics Fund, Inc. is operated by Mitsui & Co. subsidiary Mitsui & Co., Logistics Partners Ltd. It has acquired DBJ Green Building certification\*8 at twelve of its owned properties, including some with five-star certification, which is the highest certification class in Japan. MIRAI Corporation is a listed REIT operated by Mitsui Bussan & Idera Partners Co., Ltd., which is a Mitsui associated company. It has also acquired DBJ Green Building certification at one of its properties and LEED® certification\*9 at another of its properties. Owning these types of properties helps us to promote measures to reduce our impact on the environment, and contributes to reduced energy usage and CO<sub>2</sub> emissions.



\*8 DBJ Green Building is a certification system for assessing real estate that takes the environment and society into consideration. In addition to assessing buildings' environmental performance, it provides an overall assessment of how buildings meet the needs of a variety of stakeholders, including matters such as disaster prevention and consideration for the local community. It provides assessments and certifications for real estate that meet the needs of both society and the economy.

\*9 LEED® has been developed and operated by the U.S. Green Building Council® (USGBC®) as a certification system for assessing the environmental performance of buildings and the use of premises. The LEED® certification system has multiple assessment categories for assessing the environmental performance of buildings and the use of premises from a variety of different perspectives. LEED®, and its related logo, is a trademark owned by the U.S. Green Building Council® and is used with permission.

**Japan Logistics Fund, Inc.**

Certifications received	Rank	Property
DBJ Green Building Certification	2016★★★★★	M-24 Shin-Koyasu Logistics Center
	2018★★★★★	M-6 Funabashi Nishiura Logistics Center
	2016★★★★★	M-11 Yachiyo Logistics Center
	2018★★★★★	M-12 Yokohama Fukuura Logistics Center
	2018★★★★★	M-13 Yachiyo Logistics Center II
	2018★★★★★	M-19 Souka Logistics Center
	2018★★★★★	M-26 Sagamiara Logistics Center
	2018★★★★★	M-31 ShinKiba Logistics Center II
	2018★★★★★	M-32 Yokohama Machida Logistics Center
	2016★★★★★	T-8 Tajimi Logistics Center
	2018★★★★	M-5 Urayasu Chidori Logistics Center
	2018★★★★	M-22 Musashimurayama Logistics Center

**MIRAI Corporation**

Certifications received	Rank	Property
DBJ Green Building Certification	2018★★★★	Shinagawa Seaside Parktower
LEED® Certification	Silver Class	MIUMIU Kobe

**Environment-Related Training**

System	Activity
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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**

We work to raise awareness of environmental issues among officers and employees of Mitsui and its subsidiaries and affiliated companies through regular seminars, environmental law training sessions, and ISO14001 training programs. We also regularly publish in-house environmental and social newsletters through the intranet.

Promoting the Environmental Management

	Awareness activities (seminars, etc.)	Environmental auditor training	
At time of induction	Induction Course (Environment) for Temporary Staff Induction Course (Environment) for Contract Employees/Second-ees working at Mitsui	ISO14001	ISO14001 Provisional Auditor Training ISO14001 Lead Auditor Training
Continuing education	Environment Month (Seminars, lectures, etc.) Environment Seminar Environment-related Newsletter	Environmental Management	Environmental Management Officers Induction Course Training Seminars on Environmental Laws and Regulations Lectures on industrial waste and field trips to waste processing facilities

**Training Seminars on Environmental Laws and Regulations**

We continually hold seminars regarding environmental laws and regulations for officers and employees of Mitsui and its subsidiaries and affiliated companies regarding environmental laws and regulations. In the fiscal year ended March 2019, approximately 160 people participated from Mitsui & Co. group companies. We also conducted a separate training seminar on Japan's Waste Management and Public Cleansing Law, providing classroom training focused on precautions in regard to complying with the Law, as well as training that covered procedures for on-site checks at waste disposal facilities and actual visits to such facilities.



Employees attend lectures about industrial waste and visit disposal facilities and plants

**Lecture and Training Sessions Held in FY 2019**

Title	Number of times per year	Target audience	Outline
Environmental Laws and Regulations	Held twice approx. 160 participants	Mainly officers and employees of Mitsui and its affiliated companies	Basic knowledge on environmental laws and regulations, recent trends, key law amendments, etc.
Lecture on Environmental Waste and Tour of Processing Facility	Held twice approx. 90 participants	Officers and employees of Mitsui and its affiliated companies	Lecture on the responsibilities of Generator (waste-disposing parties) and precautions related to industrial waste. The tour of the processing facility aims to promote understanding of the importance and efficacy of on-site verification.
Temporary Staff Induction Training (Environment)	Held 8 times approx. 30 participants	Temporary employees	The programs include explanations on the environmental policy of Mitsui as a part of introductory training provided by the Human Resources and General Affairs Division to inform newly hired employees about Mitsui's management philosophy (MVV) and rules and regulations, the importance of compliance, and other matters.
Induction Training (Environment) for General/Seconded Contract Staff	Held 4 times approx. 100 participants	General and seconded contract employees	

**Mitsui Environment Month**

As part of the environmental education activities for officers and employees of Mitsui and its affiliated companies, a variety of programs are offered during Mitsui Environment Month, which is held each year. The following seminar took place during Mitsui Environment Month 2018.

**Mitsui Environment Month Program "We borrow the Earth from our descendants."**  
**Speaker: Mr. Soh Kuramoto, playwright. (attended by approximately 200 people)**

For Mitsui Environment Month Program in the fiscal year ended March 2019, Mitsui invited Mr. Soh Kuramoto as a speaker, who implements an environmental education program in Furano City, Hokkaido, and for many years has called for action on environmental problems as issues that directly affect everyone. Presentation, which ran beyond the allotted time, Mr. Kuramoto covered various perspectives, including the significance of forest logging, the history heading toward oil depletion, the impact of fossil fuel resource and food wastage on humanity, and the importance of air and water to people. There were comments from the audience including the following: "Fossil fuels are finite resources. We really need to think about what we can do and take action amid the trend toward mass-consumption of energy." "When we think about our future work, we should never forget to be thankful to the Earth." "The speech was entitled 'We borrow the Earth from our descendants.' That's a novel perspective. Usually we tend to think that something is important because we inherited it from our ancestors. I was deeply impressed by the idea that we must leave the Earth in good condition for the future." "I was surprised to hear about the amount of fossil fuels remaining on the Earth. Food waste has become the focus of concern. In that context, I was very interested in the story about the basic living needs of members at the Furanojuku (environmental education program ran by Mr. Kuramoto) in the old days."



# Responding to Climate Change



## Our Approach to Climate Change Risks and Opportunities

Policy

In December 2018, Mitsui & Co. declared its support for the Task Force on Climate-related Financial Disclosures as part of our response to the growing importance of business sector action on climate change for the sustainability of society, as evidenced by the adoption of the Sustainable Development Goals (SDGs) and the Paris Agreement by the United Nations.

One of the priorities defined as part of Mitsui's Materiality is the creation of an eco-friendly society. We recognize global environmental impacts, including climate change, as risks that could threaten the sustainable growth of society and Mitsui. On the other hand, response to climate change will also bring new business opportunities in such areas as low-carbon energy, environment-friendly infrastructure and products, and innovative services based on digital technology. We regard both economic development and action on climate change as essential to sustainable social growth, and we will continue to make maximum use of Mitsui global group integrated strengths toward the achievement of the goal through our business activities in cooperation with various stakeholders.

As part of this commitment, in July 2018, Mitsui announced that it would no longer accumulate new thermal coal assets out of coal business that discharges a large amount of greenhouse gas. We also set the target of increasing the portion of our renewable energy based power generation capacity to 30% by 2030. Furthermore, we identify risks and opportunities in the business environments of each of our business units and formulate sustainable growth strategies. From the perspective of each of our following Materiality, "secure sustainable supply of essential products," "enhance quality of life," and "create an eco-friendly society," Mitsui will continue to work toward the achievement of both economic development and the creation of a low-carbon society by improving the efficiency of existing business operations, and promoting initiatives based on innovative technologies and business models.

We also actively participate in climate change sectional meetings hosted by the government ministries and agencies concerned, as well as related study groups and working groups to facilitate the recognition of issues on a global level and deepen discussions with member companies. We reflect what we have learned through these activities in our business initiatives.

## Accelerating our Response to Climate Change

System

Mitsui established the Sustainability Committee as a subsidiary organization of the Corporate Management Committee to gather information about the sustainability of our business activities, carry out monitoring, and provide advice to the Corporate Management Committee. In relation to climate change, the Sustainability Committee works with business units to identify risks and opportunities and monitor frontline responses. The committee is also working to ensure that it can appropriately respond to requests from external stakeholders for information disclosure. The content of deliberations by the Sustainability Committee is regularly reported to the Corporate Management Committee and the Board of Directors, and is reflected in the discussions of Mitsui's management policies.

P.7 Sustainability Framework

## Building Risk Resilience and Capturing New Growth Opportunities

System

Activity

SDGs: 13.3

Under the Specially Designated Business Management System, business projects with significant environmental implications are screened according to various criteria, including countermeasures against associated environmental loads, and compliance with environmental laws and guidelines, as part of our efforts to minimize risks from the project formation stage. To aid our efforts to optimize projects from objective and specialized perspectives, we have also established the Environmental & Societal Advisory Committee, with members consist of experts and attorneys from outside of the company, to advise the Sustainability Committee.

We analyze potential impacts on the business projects that we promote and operate, with reference to climate change scenarios developed by internationally recognized organizations, such as the International Energy Agency (IEA). Because Mitsui has business operations in many countries and regions worldwide, the profitability and sustainability of our activities can be significantly impacted by climate change-related policies in those countries and regions. Using the global networks that we have built through our business activities over many years, we monitor, in a timely manner, policies in various countries and regions, and trends relating to the stakeholders who influence those policies. Such information is reflected in our decision-making processes.

As a company engaged in diverse business activities, Mitsui continually reviews its portfolios to minimize climate change risks. We also flexibly take up new business challenges made possible by our wide-ranging business development activities, based on long-term perspectives covering at least ten years.

### Major Climate Change Risks and Their Implications for Our Activities

We are preparing for anticipated climate-related risks that could affect our business activities, as listed below, by restructuring our portfolios in each area to enhance climate change resilience, by monitoring policies, laws, and regulations in each country and region, and by developing new goods and services that are suitable for a low-carbon society.

Transition risks	Policy and legal risks	Reduction of demand for fossil fuels and impairment of the value of our existing interests due to the shift to low-carbon energy Impact on earnings and our assets due to changes in the energy and power source mix affected by shifts in national and regional policies and the introduction of new laws and regulations, etc.
	Technology risks	Impact on supply and demand in markets for existing commodities and services due to the introduction of new technologies geared toward climate change
	Market risks	Business financing risks due to the adoption of de-carbonization policies by financial institutions and insurance companies
Physical risks		Interruption of the operations of project companies in Australia and the United States, etc., due to cyclones and hurricanes

P.51 Environmental Performance Data

## Responding to Climate Change

## Environment-Related Business

Policy

Our environmental policy calls for action on global warming and other aspects of climate change issues. Our business activities are directed toward both economic development and response to climate change issues.

## Renewable Energy Projects

Activity

SDGs : 7.2

We are developing our renewable energy business and expanding our capacity in this area as part of our electric power generation business. As of March 31, 2019, renewable energy, including hydroelectric power, accounted for approximately 15% of Mitsui's total power generating capacity of 10.4GW, and we are aiming to increase the share held by renewable energy to 30% by 2030.

Type	Project name	Country	Generation capacity/scale	
Solar power generation	Haneda Solar Power Co., Ltd.	Japan	2MW	
	Tottori Yonago Solar Park	Japan	43MW	
	Izumiotu Solar Park	Japan	20MW	
	Tomatoh Abira Solar Park	Japan	111MW	
	Kumamoto Arao Solar Park	Japan	22MW	
	Omuta Miike Port Solar Park	Japan	20MW	
	Hamamatsu Solar Park	Japan	43MW	
	Tahara Solar-Wind Joint Project	Japan	50MW	
	Nishi-Sendai (Rich Solar)	Japan	19MW	
	Brockville Solar	Canada	10MW	
	Beckwith Solar	Canada	10MW	
	Kua Solar	China	13MW	
	METRO Jinan	China	1MW	
	Metro Cixi	China	1MW	
	Bohui-2	China	12MW	
	Bangkhenchai	Thailand	8MW	
	Chiangrai	Thailand	8MW	
	Nakorn	Thailand	6MW	
	Solar thermal power generation	Guzman Energia	Spain	50MW
		Juneda Solar	Spain	1MW
Wind power generation	NS Wind Power Hibiki	Japan	15MW	
	Tahara Solar-Wind Joint Project	Japan	6MW	
	Wind Farm Hamada	Japan	48MW	
	Canunda	Australia	46MW	
	Willogoleche	Australia	97MW	

Type	Project name	Country	Generation capacity/scale
Wind power generation	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
	Eoliatec del Istmo	Mexico	164MW
	Eoliatec del Pacifico	Mexico	160MW
	Zajaczkowo Windfarm	Poland	48MW
Los Hercules	Argentina	97MW	
Biomass power generation	Green Power Ichihara	Japan	50MW
	Tomakomai Biomass Power Generation Co., Ltd.	Japan	6MW
	Hokkaido Biomass Energy Co., Ltd.	Japan	2MW
Run-of-river hydroelectric power generation	Energia Sustentavel do Brasil	Brazil	3,750MW
	Spanish Hydro	Spain	84MW
Hydropower generation	Nam Ngum 2	Laos	615MW
	Xayaburi	Laos	1,285MW
Geothermal power generation	Iwate Geothermal Power Co., Ltd.	Japan	7MW

## Modal Shift

Activity

SDGs : 3.9, 11.6, 13.3

In addition to the railway leasing business that we have been engaging in over many years, we have also been actively launching and operating various railway projects, thereby developing and improving social infrastructure while promoting modal shifts to contribute to green logistics. Of the rail networks in whose operation Mitsui was participating as of March 31, 2019, the freight railroad network had a total route length of 10,700 kilometers, and the passenger network had a total route length of 1,922 kilometers.

Business investment (Company name)	Main business	Country	Quantitative effects/project size
MRC (Mitsui Rail Capital, LLC)	Freight wagon leasing business	U.S.	Four global bases
MRC-LA (Mitsui Rail Capital Participações)	Freight wagon leasing business	Brazil	(US, Brazil, Europe, Russia)
MRCE (Mitsui Rail Capital Europe B.V.)	Locomotive leasing business	Europe	Freight wagons: approx. 15,000
MRC1520 (MRC1520 LLC)	Freight wagon leasing business	Russia	Locomotives: approx. 340

Responding to Climate Change

Business investment (Company name)	Main business	Country	Quantitative effects/project size
VLI S.A.	Freight transportation business	Brazil	Operating a railway network of approx. 10,700 km, and port terminals
SuperVia (Supervia Concessionária de Transporte Ferroviário S.A)	Passenger railway transportation business Rio de Janeiro suburban railway)	Brazil	Transportation record: Approx. 550,000 passengers per day (December 2018)
Carioca (Concessionária do VLT Carioca S.A)	Passenger railway transportation business (Rio de Janeiro Light Rail Train)	Brazil	Transportation record: Approx. 80,000 passengers per day (December 2018)
Via Quatro (Concessionária da Linha 4 do Metrô de São Paulo S.A.)	Passenger railway transportation business (São Paulo metro line no. 4)	Brazil	Transportation record: Approx. 710,000 passengers per day (December 2018)
Abellio Transport Group Ltd.	Passenger railway transportation business (East Anglia)	U.K.	Transportation record: Approx. 350,000 passengers per day (December 2018)
	Passenger railway transportation business (West Midlands)		Transportation record: Approx. 200,000 passengers per day (December 2018)
Car Club Private Ltd.	Car sharing business	Singapore	Fleet of cars: Approx. 230

Other Business Initiatives for Responding to Climate Change Issues

Activity

SDGs : 7.1, 7.2, 7.3, 7.a, 9.4, 11.6, 11.7, 15.2

In response to climate change issues, we are also actively engaging in various other business initiatives that could lead to improvement in energy consumption efficiency, such as the mini-grid business for stably supplying electric power using renewable energy, and the reduction of CO<sub>2</sub> emissions.

Business	Description
Solar power generation monitoring service	Mitsui Knowledge Industry Co., a consolidated subsidiary, offers cloud-based remote monitoring services to check the operation status of solar power generation facilities and detect any irregular behavior or malfunction.
Key parts for wind-power equipment	Through our investment and participation in the Spanish company GRI Renewable Industries, the biggest wind-power flange manufacturer in the world, we are supplying major wind-power generation equipment manufacturers with the steel towers used to support wind turbines, and large-scale flanges which are key components of those towers.
Flare gas reduction	Mitsui is implementing a project to reduce flare gas emissions in the LNG business in which it participates. Through this project, we have modified LNG production equipment to reduce the amount of flare gas produced during LNG production.
Demonstration project for oxyfuel and CCS technologies	Mitsui participated in the Callide Oxyfuel Project, a public-private initiative by Japan and Australia with the objective to realize zero-emission electricity generation at coal-fired power stations. The project uses carbon capture and storage (CCS) technology called oxyfuel technology for recovering CO <sub>2</sub> from coal-fired power stations and storing it underground. This demonstration project was completed successfully, and we are now exploring the potential for commercial utilization.
Distributed power generation	Through our equity participation in OMC Power, a leading company in the mini-grid business, we are contributing to the stable supply of electric power in un-electrified regions in India, primarily using renewable energy, thereby reducing CO <sub>2</sub> emissions.
	Through our equity participation in the solar home system business of M-KOPA Solar, we have reduced the use of kerosene, which is a fossil fuel, by supplying electric power to un-electrified regions in Africa, contributing to the mitigation of the environmental load.
	Through our equity participation in Ecogen Brasil Soluções Energéticas, a specialist provider of energy services in Brazil, we are providing distributed power sources and energy management services to commercial and industrial power users.

Distributed power generation	We are expanding our distributed solar power development activities and promoting next-generation energy management services using storage batteries, especially in the United States.
Electric power system control solutions	Through our investment participation in PXiSE Energy Solutions which provides software used to control storage batteries and electric power systems, we are maximizing power supply ratio, including those based on solar and wind energy and other renewable energy, thereby ensuring the stable and efficient supply of energy.
Smart cities	We are implementing an energy-efficient smart city project in Malaysia.
Shinbashi Tamura-cho district redevelopment	Our subsidiary Mitsui & Co. Real Estate is participating in the Shinbashi Tamura-cho district redevelopment project. Innovative technologies planned for introduction include the installation of solar panels, rooftop greening, and the use of paving materials designed to reduce heat absorption.
Cloud-based energy conservation services	Our subsidiary Mitsui Knowledge Industry Co. has been providing cloud-based energy management systems, including automated remote control of air conditioning systems through utilization of IT, mainly to commercial facilities (introduced at 610 locations in Japan).
Air conditioning remote monitoring and control services	Through Air as a Service (AaaS), which we established jointly with Daikin Air Techno, we provide remote management of air conditioning, realizing an approximately 20% reduction in electric power consumption (the reduction varies depending on the type of building).
Industrial data management	Through the U.S. company OSIsoft, which develops and sells IoT data management software to industrial users, we are supporting the improvement of energy efficiency by visualizing facility operating data in a wide range of industries, including electric power and oil & gas.
Introduction of BEMS	In Bussan Building (a rental office building in Nishi-Shimbashi, Minato-ku, Tokyo) owned by our subsidiary Mitsui & Co. Real Estate we have improved energy conservation performance by installing insulation in exterior walls by using double-glazing and introducing building energy management system (BEMS) technology to realize a system for controlling the electric power used for air conditioning, lighting, and other purposes and visualizing the energy consumption.
Local energy production for local consumption	In November 2017, we concluded an agreement with Arao City and Global Engineering Co. (GL) concerning urban development, with particular emphasis on the effective utilization of district energy systems. In December 2017, we established Ariake Energy Co. as a 50-50 joint venture with GL. In May 2018, Ariake Energy completed its registration as a retail electric power supplier and began to retail electric power to public facilities and local businesses in Arao City from September 2018.
Automotive parts (multi-material products) with enhanced environmental performance	Through our equity participation in the Spanish company Gestamp Automoción, we are supplying, on a global scale, automotive parts that can contribute to reducing fuel consumption through vehicle weight reduction.
	Through our equity participation in Mitsui Prime Advanced Composites Europe B.V., we are supplying European customers with PP compounds for use in bumpers and other parts, thereby contributing to vehicle weight reduction.
Supply of parts for electric vehicles (EVs)	We are developing an integrated business for EVs, encompassing all stages from the handling and processing of electrical steel sheet for use in motors, to the manufacture and sales of motor cores and motors.
Electric power services using electric vehicles (EVs)	Through our equity participation in The Mobility House, we are developing an innovative business model in which EV batteries are used to stabilize the power transmission grid, providing an additional source of income for EV owners.
Secondary battery materials	We have built a stable production and supply platform for secondary battery materials, especially for lithium-ion batteries.
Battery systems	Equity participation in French company Forsee Power, which manufactures and sells battery packs
Development and production of electric and fuel cell-powered buses	Through our equity participation in Portuguese electric bus manufacturer CaetanoBus, we are promoting the development and production of electrical and fuel cell-powered buses that have a reduced environmental load.
Tanks for natural gas- and fuel cell-powered automobiles	We are engaged in the importation and sales of vehicle tanks for natural gas and fuel cell-powered vehicles, tanks for compressed hydrogen transport vehicles, and accumulators for compressed hydrogen stations.
Hydrogen supply chain	We are promoting an international hydrogen supply chain on a trial basis in partnership with Chiyoda Corporation, Mitsubishi Corporation, and NYK Line. In 2020, hydrogen sourced in Brunei will be shipped to Japan in liquid form under normal temperature and pressure conditions, which will then be returned to gaseous form at a coastal location in Kawasaki City, from where a maximum of 210 tons per year (sufficient to fill 40,000 fuel cell vehicles) will be supplied to the users.



Responding to Climate Change

Business	Description
Marine transportation matching platform	We are contributing to energy conservation and the reduction of GHG emissions and ballast voyages through efficient vessel deployment made possible by maruFreight platform that optimally matches tramp vessels with bulk cargoes worldwide.
Engineering services	We are investing and participating in AZAPA with the aim of exploring initiatives leading to the provision of the functions needed by Japanese manufacturing industries in new fields of technology, such as EVs and autonomous driving.
Fuel efficiency improvement	In addition to the sale, ownership, and operation of highly fuel-efficient eco-ships, we are also supporting the development and introduction of fuel-efficient aircraft and engines.
Development of microbial gas fermentation technology	Through our equity participation in LanzaTech, which is developing technology to produce fuels and chemicals through the microbial fermentation of CO, CO <sub>2</sub> , and other gases, we are building global business that will contribute to the reduction of GHG emissions and the creation of a circular economy. From May 2018, a fuel ethanol plant utilizing technology of LanzaTech commenced commercial operations in Hebei Province, China, using waste gas from steel works as its raw material.
Green chemicals	We are developing green chemicals business in the field of oleochemicals, using natural fats and oils as raw materials.
Solar marine salt production	Through Shark Bay Salt Pty., we own and operate two salt fields at Shark Bay and Onslow in Australia. Over a period of 2-3 years, they produce solar marine salt from water taken from the nearby ocean, using the natural power of the sun and wind, with almost zero emission of CO <sub>2</sub> .
Carbon credits	Through our equity participation in the Jirau hydropower project in northern Brazil, we have acquired emission rights for 6 million tons of CO <sub>2</sub> per year. We have completed registration of a J-Credit project involving the installation of a biomass cogeneration system by Konan Utility Co. (Kobe City, Hyogo Prefecture). Over an eight-year period starting in 2020, we will acquire J-Credits for 36,000 tons of CO <sub>2</sub> per year. We will also create and sell J-Credits procured through the installation of energy-efficient equipment and other activities. We are working with the JCM bilateral credit mechanism to implement a Cambodian REDD+ project (a mechanism to provide economic incentives, including carbon credits, for a reduction in GHG emissions achieved through initiatives to prevent forest depletion and deterioration in developing countries). Invests in New Forests Pty. which maximizes the value of its sustainable forestry asset through a combination of timber harvest and carbon-offset sales, which as a result contributes to the prevention of global warming.
Solar power funds	Our subsidiary Mitsui & Co. Alternative Investments is contributing to the nationwide spread of solar power through providing investment funds focusing on solar power to Japanese investors.

Mitsui's Forests Accumulate and Absorb 560,000 tons of Carbon Dioxide Annually

It is estimated that Mitsui's Forests currently accumulate and absorb approximately 560,000 tons\* of carbon dioxide per year. We contribute to the mitigation of climate change risk through sustainable forest management.

\*This estimation is based on "IPCC Guideline for National Greenhouse Gas Inventories" Tier 1.



Our Stories: Create an eco-friendly society

**P.27** Aiming to Establish a Low-Carbon Society, and Using New Technology to Blaze a Trail to the Future

SDGs: 3.9, 7.1, 7.2, 7.b, 9.4, 11.6, 13.2



Responding to Water Resource Problems



Reflecting the growing interest from a global perspective in the water-related problems, Mitsui & Co. is engaging in a water project which promotes the conservation and the sustainable use of water resources. In addition, we conduct investigations with experts for new business investment projects that are likely to have a significant impact on the environment. For risk assessments in water-stressed areas, in particular, we use the portal site Aqueduct from the World Resource Institute (WRI) to monitor and analyze water risks, not only for new business but also for our existing business, with the aim of reducing water stress.

Water Supply Business in Thailand—Ensuring a Reliable Supply of Safe Water to Over One Million People

Activity

SDGs: 6.1

Mitsui is participating in a water supply business to serve the northern and western suburbs of Bangkok through the company TTW PCL ("TTW"), in which Mitsui invested jointly with the CH Karnchang Group, a major Thai construction firm. Using water taken from the Tha Chin River and the Chao Phraya River, TTW's water purification plants have total capacity for the production of approximately one million cubic meters of clean water per day, and reliably supply safe water to over one million people.



TTW's water purification plant

Contribution to Safeguarding the Water Supply and Preventing Floods through Mitsui's Forests SDGs: 15.1

Approximately 130 km<sup>2</sup> (13,000 hectares) of Mitsui's Forests (74 locations in Japan, approx. 44,000 hectares in total) are officially designated as Water Conservation and Water Safety Forests, important for safeguarding the water supply and preventing floods and landslides. Leaf soil reduces the occurrence of floods by storing rainwater, and also plays a role in saving water resources, purifying water, and regulating water volume.



Tashiro forests designated as water conservation and water safety forests



# Resource Recycling Initiatives

Efficient utilization of resources and energy is a key part of Mitsui & Co's environmental policy. Under our comprehensive energy and environmental strategy, we engage in resource recycling (ground resources). We are also working to provide industrial solutions to environmental problems through the effective utilization of waste products and by-products.

## Mitsui & Co's Business Initiatives Relating to Resource Recycling

Activity

SDGs : 12.2, 12.5

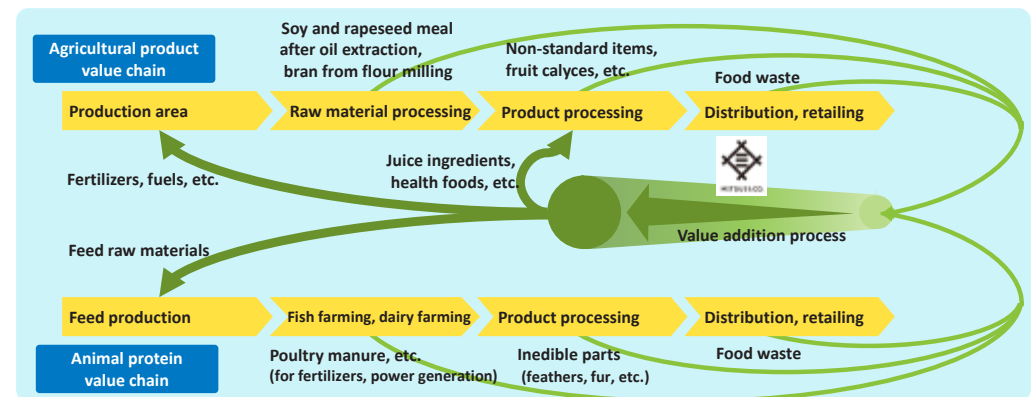
Activities	Country	Scale
Reduce/sharing economy	Japan	Over 70 mil. downloads in Japan (100 mil. in Japan and the U.S. combined) Gross transactions: ¥500 billion (Apr. 2018-Mar. 2019)
Reuse	Japan	Waste reduction: 920.4 t/year (FY2019)
Reuse	Japan	Waste reduction: 13 t/year (FY2019)
Reuse/recycle	Japan	Waste reduction: 71,000t/year (FY2019)
Reuse/recycle	Europe	
Recycle	Japan	Metal products handled: 7 mil. t/year
	Japan	Processing capacity: 33,000 t/year

Recycle	Recovery and sales of non-ferrous scrap (aluminum, copper, lead, rare metals, etc.) and waste circuit boards and plastics from the demolition of buildings, and disassembled automobiles and electrical goods, etc., by our subsidiary Mitsui Bussan Metals	Japan	Non-ferrous scrap metals handled: 250,000 t/year
	Recycling of metals and electronic equipment and processing of general waste from New York City by our investee Sims Metal Management, which is one of the world's leading recyclers	N. America, Europe, Australia, New Zealand, etc.	Scrap metal, etc.: 8.7 mil. t/year

## Formation of Cyclical Systems for the Effective Utilization of Food Industry By-products

System

Mitsui's Food Business Unit has developed systems to support the effective utilization of by-products created through the production of processed agricultural products and fisheries products through the establishment of value chains for agricultural products and animal protein. Examples include the effective utilization of soy meal, wheat bran, and fish meal to produce livestock and fish feeds, the extraction of lecithin from soy meal for use in health foods, and the refining of fruit material attached to calyces (sepals) cut from strawberries to produce juice.



# Initiatives against Environmental Pollution



Mitsui & Co. bases its environmental policy on compliance with environment-related laws and regulations. In particular, we engage in initiatives that lead to the reduction of water and soil contamination and the reduction of the quantity of chemical substances released into the atmosphere, with the aim of reducing or preventing pollution.

## Initiatives by Mitsui & Co.

Activity

SDGs: 3.9, 6.3, 12.4, 14.1

Aim	Initiatives
Prevention of atmospheric pollution through the detoxification of exhaust gas	As a distributor, Mitsui & Co. Plastics, one of our consolidated subsidiaries, is building and expanding a nationwide network of sales and logistics locations and infrastructure for AdBlue®, which converts the nitrogen oxides contained in exhaust gases from trucks and buses into harmless water and nitrogen.
Water treatment	Proper treatment of water used at mining operations has been effectively carried out.
Reduction of atmospheric pollution from transportation vessels	We are updating our fleet, including increased orders for vessels with substantially lower SOx and NOx emissions.
Reduction of soil pollution through the optimization of fertilizer usage quantities	We are stabilizing soil quality and reducing soil pollution by using digital technology to ensure the appropriate application of fertilizers. Examples include the use of satellite images to analyze vegetation and monitor farmland topography, the use of yield trends and soil analysis results in digital mapping and fertility analysis, automatic fertilizer application from tractors, and timely system-based monitoring of fertilizer applications.

### Participation in Ocean Pollution Prevention Initiatives, Clean Ocean Material Alliance (CLOMA)

CLOMA was established in January 2019 to find solutions to the emerging global challenge of marine plastic debris through the sustainable use of plastic products, the development and introduction of alternative materials, and the acceleration of innovation. Mitsui is one of the 26 secretary companies. As of August 9, 2019, 250 companies and organizations have joined CLOMA, including Mitsui's consolidated subsidiaries namely Mitsui & Co. Plastics Ltd., Mitsui Bussan Chemicals Co., Ltd., and Mitsui Bussan Packaging Co., Ltd.

### Participation in a Circular Economy for Flexible Packaging (Ceflex)

Ceflex is the collaborative initiative of a European consortium to develop and apply robust design guidelines for implementing a circular economy for flexible packaging and measures for collecting, sorting and recycling. Mitsui is one of more than 120 companies participating in the consortium, where the companies represent the entire value chain of flexible packaging.

### Initiatives to Reduce and Prevent Pollution—Actions Relating to Radioactive Substances

A wholly owned subsidiary of Mitsui in the United States purchases and sells uranium concentrate. However, the scale of business is extremely limited in terms of value and quantities handled when seen in the context of Mitsui's overall business operations, and furthermore, the materials are not physically relocated and do not leave the storage facility. The storage contractor to which the materials are entrusted has been licensed by the U.S. Nuclear Regulatory Commission (NRC) to handle radioactive materials and ensures that the employees in its storage facility maintain strict compliance with NRC standards concerning the management of radioactive materials and the risk of exposure. The storage contractor also undergoes regular inspections by the NRC. On this basis, we believe that the risk that uranium concentrate owned by Mitsui's subsidiary will damage the local environment or cause exposure is quite limited. All of the uranium concentrate handled is intended solely for peaceful, civilian purposes such as power generation, and is compliant with all NRC regulation. It should be noted that Mitsui and its subsidiary rigorously ensure compliance with NRC management standards (including those for nuclear waste) in handling the materials, but no nuclear waste is handled whatsoever.

# Environmental Performance Data

The data marked with "★" (FY2019) are assured by Deloitte Tohmatsu Sustainability Co., Ltd., an external assurance provider based on International Standard on Assurance Engagements (ISAE) 3000 and ISAE3410.

 P.124 Independent Practitioner's Assurance Report

## Energy Consumption

Activity

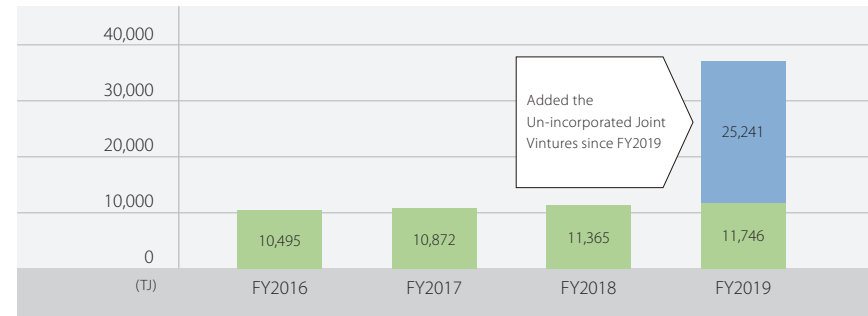
SDGs: 7.3

Mitsui & Co. has set a goal of "reducing energy consumption intensity by 1% or higher on average per year" for Mitsui and its subsidiaries in Japan.

We aim to achieve our goals through a variety of measures, including the group-wide effort to improve energy efficiency.

From the fiscal year ending March 2019, the scope of coverage has been expanded to a joint control business (Un-incorporated Joint Ventures). We will continue to monitor energy consumption and explore new initiatives to reduce energy consumption on a global group basis.

### Energy Consumption



■ Mitsui and Subsidiaries  
■ Un-incorporated JV

Category		Scope of coverage	Unit	FY2017	FY2018	FY2019	External Assurance
<b>Energy Consumption</b>							
	Non-consolidated	Head Office and all offices in Japan	GJ	220,370	207,259	205,182	★
	Consolidated	Subsidiaries and Un-incorporated JVs		10,651,544	11,157,784	36,781,584	★
	<b>Total</b>			<b>10,871,914</b>	<b>11,365,043</b>	<b>36,986,766</b>	★
(Breakdown)							
	Fuels			5,061,035	5,617,840	27,003,028	
	Electricity			4,949,825	4,923,641	8,722,166	
	Steam			860,942	823,561	1,261,572	
Intensity	Non-consolidated	Head Office and all offices in Japan (per square meter)	MWh/m <sup>2</sup>	0.123	0.121	0.120	★

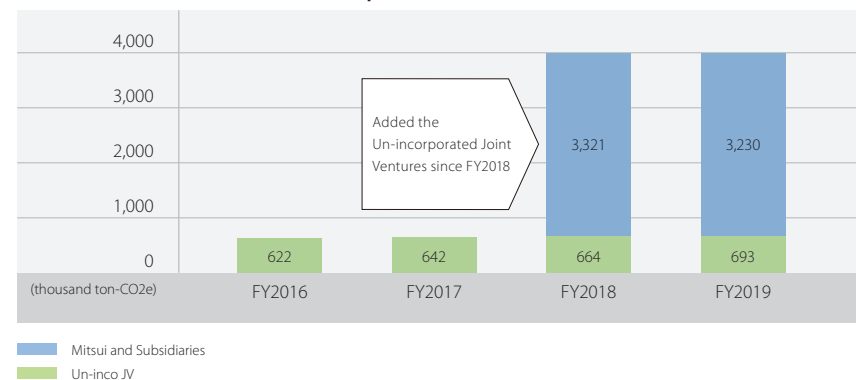
## Greenhouse Gas (GHG)

Activity

SDGs: 7.3

Mitsui is carrying out initiatives for the reduction of greenhouse gas (GHG) emissions from energy sources on a global group basis. From the fiscal year ended March 2006, Mitsui has continually surveyed its domestic GHG emissions in order to understand the amount of its emissions year by year. In addition, we have begun surveying the GHG emissions of its overseas subsidiaries since the fiscal year ended March 2009 and from the fiscal year ended March 2018 onward, the scope of coverage has been expanded to a joint control business (Un-incorporated Joint Ventures). We will continue to monitor the GHG emission amount and explore new initiatives to reduce GHG on a global group basis.

## Green House Gas (GHG) Emissions Scope 1+2



Category		Scope of coverage	Unit	FY2017	FY2018	FY2019	External Assurance
<b>Greenhouse Gas (GHG) Emissions</b>							
Scope 1	Non-consolidated	Head Office and all offices in Japan	ton-CO2e	1,025	1,083	1,036	★
	Consolidated	Subsidiaries and Un-incorporated JVs		313,370	3,447,872	3,332,140	★
	<b>Total</b>			<b>314,395</b>	<b>3,448,955</b>	<b>3,333,176</b>	★
Scope 2	Non-consolidated	Head Office and all offices in Japan		10,238	9,542	8,915	★
	Consolidated	Subsidiaries and Un-incorporated JVs		317,571	526,483	581,196	★
	<b>Total</b>			<b>327,809</b>	<b>536,025</b>	<b>590,111</b>	★
Scope 1+2	<b>Total</b>			<b>642,204</b>	<b>3,984,980</b>	<b>3,923,287</b>	★
Scope 3	Transportation	Domestic consignment transportation with Mitsui as the shipper		29,387	27,399	31,295	★
	Commuting	Head Office		980	949	928	
	Business trips	Head Office		<b>9,654</b>	<b>10,049</b>	<b>9,699</b>	
	<b>Total</b>		40,020	38,397	41,922		
Scope 1 By GHG type	CO <sub>2</sub>	Carbon dioxide	—	1,652,011	2,305,572		
	CH <sub>4</sub>	Methane	—	1,796,280	1,024,738		
	N <sub>2</sub> O	Carbon monoxide	—	664	2,723		
	HFCs	Hydrofluorocarbon	—	0	0		
	PFCs	Perfluorocarbon	—	0	0		
	SF <sub>6</sub>	Sulfur hexafluoride	—	0	143		
	NF <sub>3</sub>	Nitrogen trifluoride	—	0	0		

[ Calculation standard ] Act on Rationalizing Energy Use, GHG Protocol "Emission-Factors-from-Cross-Sector-Tools (March2017)," International Energy Agency (IEA) Emissions Factors 2018, IPCC 2006 Guidelines for National greenhouse Gas Inventories, Law Regarding the Rationalization of Energy Use

## Water Consumption

Activity

SDGs: 6.4

Mitsui started surveying water intake and drainage data by water source from the fiscal year ended March 2019. We will continue to monitor water risk and explore new initiatives to reduce water consumption on a global group basis. At the Head Office, we use 100% recycled drainage water for toilet flushing in order to promote reduction in water consumption.

Category	Scope of coverage	Unit	FY2017	FY2018	FY2019	External Assurance
<b>Water Intake</b>						
Non-consolidated	Head Office and Mitsui-owned buildings	thousand m <sup>3</sup>	66	65	64	★
Consolidated	Subsidiaries and Un-incorporated JVs		—	—	330,867	
<b>Total</b>			<b>66</b>	<b>65</b>	<b>330,931</b>	
(Breakdown)						
Industrial water, water utility			—	—	10,923	
Pumped groundwater			—	—	18,147	
Rivers, lakes			—	—	24,577	
Sea		—	—	273,085		
Rainwater		—	—	3,661		
Others		—	—	538		
Intensity	Non-consolidated	m <sup>3</sup> /employee	16.11	16.36	16.10	★
<b>Drainage Water</b>						
Non-consolidated	Head Office and Mitsui-owned buildings	thousand m <sup>3</sup>	66	65	64	
Consolidated	Subsidiaries and Un-incorporated JVs		—	—	57,232	
<b>Total</b>			<b>66</b>	<b>65</b>	<b>57,296</b>	
(Breakdown)						
External disposal facilities (sewers)			—	—	2,830	
Groundwater			—	—	760	
Rivers, lakes			—	—	6,651	
Sea		—	—	18,081		
Others		—	—	28,974		

\* Drainage water is assumed to be equal to intake water quantity in case there is no drainage data.

## Environmental Performance Data

## Waste and Paper Consumption

Activity

SDGs: 12.5

Mitsui has set a goal of “recycling rate of 85% or higher” for Head Office and corporate buildings in Osaka and Nagoya and promote reducing waste, reuse, recycling and appropriate dispose. We are working to reduce paper consumption for Head Office and all offices in Japan by introducing various IT tools and promoting paperless meetings.

Category	Scope of coverage	Unit	FY2017	FY2018	FY2019	External Assurance
<b>Waste</b>						
Waste amount	Head Office and Mitsui-owned buildings	ton	1,279	1,259	1,220	★
Recycling rate		%	84.2	83.4	81.9	★
Intensity	(per employee)	ton/employee	0.312	0.316	0.309	★
Hazardous waste	Specially-controlled industrial waste	ton	1.2	1.3	1.1	
<b>Paper Consumption</b>						
Paper consumption	Head Office and all offices in Japan	thousand sheets (A4-size sheet equivalent)	48,529	45,894	38,614	★
Intensity	(thousand sheets per employee)	thousand sheets/employee	11.53	11.20	9.51	★

## Environmentally-Friendly Logistics

Activity

In collaboration with our logistics partners, we implement energy saving measures including promotion of economical driving practices and other fuel-saving techniques, improvement in transportation efficiency by using larger transport vehicles, introducing cargo consolidation arrangements, reviewing transport routes and modal shifts using rail and ship transport.

Category	Scope of coverage	Unit	FY2017	FY2018	FY2019	External Assurance
<b>Environmentally-Friendly Logistics</b>						
Freight volumes in Japan with Mitsui as the shipper	Consigned logistics in Japan with Mitsui as the shipper	Million ton-kilo-meter	767	705	769	★
(Breakdown)						
Ship			684	624	677	★
Truck			83	81	92	★
Air/Rail			0	0	0	★
Intensity	(fuels per thousand ton-kilo-meters)	kl/thousand ton-kilo-meters	0.014	0.014	0.015	★

### Initiatives toward Environmentally-Friendly Logistics

Improvement of Land Transport Efficiency	We will use more energy efficient transportation method. <ul style="list-style-type: none"> <li>• Using consolidated cargo</li> <li>• Using larger transport vehicles to increase loading rate</li> <li>• Reviewing transport routes and methods</li> </ul>
Improvement of Sea Transport Efficiency	We will continue to provide the following guidance for vessels chartered and/or operated by our affiliated companies. <ul style="list-style-type: none"> <li>• Increasing ship loading rate</li> <li>• Economic cruise speed operation</li> </ul>

### Environmental Conservation/Economic Effects

Activity

Mitsui's environmental conservation and economic effects in the areas of paper consumption and energy consumption during the fiscal year ended March 2019 are shown below.

Category	Scope of coverage	Environmental conservation effects	Economic effects
<b>Environmental Conservation/Economic Effects</b>			
Paper consumption	Head Office and all offices in Japan	7,280 K Sheets	4,219 K JPY
Electricity consumption	Head Office and Mitsui-owned buildings	115MWh	-13,459 K JPY

### Assessment of Environmental Liabilities

Activity

Currently, corporate management is strongly required to proactively deal with environmental issues. In addition to complying with legal requirements, we are working to monitor environmental risks of tangible fixed assets through self driven surveys such as land and buildings of Mitsui subsidiaries in Japan, especially asbestos, PCB and soil pollution, and make prompt decisions on management policies

### Environment-Related Fines or Penalties

Activity

Mitsui did not incur any environment-related fines or penalties in the fiscal year ended March 2019.



# Reducing Impacts on Biodiversity, and Promoting the Conservation and Recovery of Ecosystems



In Mitsui & Co.'s forest resources business, we have acquired FSC® certification to promote responsible forest resource management, and give consideration to biodiversity. Mitsui also promotes our food resources business using farming methods that encourage biodiversity. In our hydropower business, we have implemented an environmental program that aims to promote operations in a way that gives maximum consideration to the environment. This includes the conservation of plants and animals, including fish species and mammals. In addition, we have obtained FSC® and SGEN certifications for all of our company-owned forests, "Mitsui's Forests," which we own in 74 locations throughout Japan (approx. 44,000 hectares). Approximately 10% of the forest areas under our management have been designated as "biodiversity conservation forests," and we maintain and manage these forests accordingly.

## Initiatives by Mitsui & Co.

Activity

SDGs: 8.7, 15.1, 15.2, 15.4

Business	Description
Hydroelectric Power Plant Business	The Madeira River is a tributary of the Amazon River and forms part of the Amazon Basin, a region that is known for its rich biodiversity but which is also under serious threat from forest depletion. Located on the Madeira River in northern Brazil, the Jirau Hydroelectric Power Plant has been closely watched by many parties, including local communities and NGOs because of its location, and every possible step is being taken to ensure that the plant is operated in an environmentally responsible way. As part of an approximately ¥60 billion environmental program, we conducted preliminary surveys to identify every possible impact that could affect the local environment and local communities. We then built hospitals, schools, and new housing to improve the local living environment. Other initiatives include measures to protect flora and fauna, such as fish and mammals.
Forest Resources Business	Along with business partners, Mitsui is carrying out a plantation business in Australia (as of March 31, 2019, the project area was approximately 23,000 hectares), with the aim of ensuring the stable provision of wood chips, the raw material for paper. The business has acquired FSC® (FSC®-C104107/FSC®-C107463) as well as PEFC certification, and manages forest resources responsibly. It also carries out measures in consideration of biodiversity protection.
Production and sale of rice	Toho Bussan, a consolidated subsidiary, supports the production and sales of rice using farming methods that encourage biodiversity, such as the minimum use of agricultural chemicals and chemical fertilizers.

## Biodiversity Conservation Activities at Mitsui's Forests

Activity

SDGs: 15.1, 15.2, 15.4, 15.5

Mitsui owns forests in 74 locations in Japan, from Hokkaido in the north to Kyushu in the south. Mitsui's Forests cover a total area of approximately 44,000 hectares, which is equivalent to about 70% of the area of Tokyo's 23 wards, or 0.1% of Japan's territory. Mitsui's Forests are divided into "Forests for Regeneration and Harvest" (approximately 40% of the total) and "Natural Forests and Naturally Regenerated Forests" (approximately 60%). Furthermore, especially important areas from the viewpoint of biodiversity are designated as "Biodiversity Conservation Forests" (approximately 10% of all Mitsui's Forests) and are managed with care given to conserving the living environments of rare species.

## Biodiversity Conservation Activities in Cooperation with NGOs

Activity

SDGs: 13.3, 13.6, 15.1, 15.2, 15.4, 15.5

### Conserving the Prey Lang Forest in Cambodia (REDD+\*)

Prey Lang, located in the northeast of Cambodia along the west bank of the Mekong River, is the largest tropical lowland evergreen forest in Indochina. It is inhabited by many wild animals, including endangered species, and is also an important source of water for Cambodia. However, illegal logging, along with reclamation of land for farming by local communities, has resulted in progressive deforestation, loss of wildlife habitats, and an increase in greenhouse gas emissions that would normally be concentrated in the forests.

In partnership with Conservation International, an international NGO, Mitsui has been using the REDD+ mechanism established under the Paris Agreement in cooperation with the Cambodian Ministry of Environment to reinforce forest patrols to prevent illegal logging in the Prey Lang Forest. Moreover, Mitsui has been engaging in dialogue with local communities to provide alternative sources of livelihood that do not rely on logging, with the aim of contributing to forest and biodiversity conservation.



Tropical lowland evergreen forest in Prey Lang ©Jeremy Holden

\* REDD+ (Reducing Emissions from Deforestation and forest Degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries); A scheme which provides economic incentives such as carbon credits through the mitigation of deforestation and degradation of forests in developing countries.

## Supporting Research Aimed at Restoration of Ecological Systems

Activity

SDGs: 15.1, 15.2, 15.4

In the forest of Shiretoko, the Graduate School of Environment and Information Sciences of Yokohama National University conducts research in order to forecast changes to forest dynamics over the next 200 years, using a method called the "process base model." The model is designed based on findings acquired by the quantification of plant biodiversity and soil biodiversity, and various functionalities, such as decomposition of organic matter and retention of nutrients in the soil. Building on this research, the group aims to propose a comprehensive recovery method.

Mitsui was impressed by the fact that this study focuses on the multi-functionality of ecosystems, a type of research that has not been conducted so far, and have decided to support the research as one of the grant projects under the Mitsui & Co., Ltd. Environmental Fund.



Shiretoko Forest Research conducted in the area managed by the Shiretoko 100 Square-Meter Movement Trust and surrounding research areas

# Social

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# Sustainable Supply of Resources, Energy, Materials, Food and Products



Mitsui & Co. has built optimal supply chains, spanning all stages from upstream to downstream, including procurement, production and logistics etc., and contributes to the sustainable supply of metals, chemicals, energy, food and other resources, raw materials, and manufactured products.

As part of its efforts, Mitsui engages in investment and trading business in such areas as oil and natural gas/LNG, to secure and supply the energy resources essential for social development. In particular, we participate in natural gas/LNG development projects in various parts of the world to ensure stable supplies of gas-derived energy, which has a relatively low environmental load compared to other fossil fuels. Our extensive involvement covers the entire value chain, from production to marketing. In addition, looking ahead toward the realization of the low-carbon society, we are engaging in the field of next-generation energy, for example, the commercialization of renewable energy technologies such as bio-fuels, and the creation of business models for hydrogen transportation and storage.

Mitsui actively participates in the development of iron and steel raw materials and non-ferrous metals resources. We endeavor to ensure stable supplies of mineral and metal resources such as iron ore and copper, for Japan and for other markets around the world. We are also building a metal scrap supply network in preparation for the global recycling society of the future. With iron and steel products, we are building supply structures for infrastructure projects to meet buoyant demand in rapidly growing emerging economies. At the same time, we procure and supply iron steel products, including high-environmental-performance parts, for a wide range of industrial sectors such as the motor vehicle industry and the energy sector.

In the automotive sector, we not only export vehicles, but also conduct local logistics business in various regions, and have built a stable global chain extending from production to finance. As regards our rail transport business, in addition to the export of freight cars and related equipment, we also engage in leasing business and other services to meet a variety of needs across the railroad value chain.

In our chemical business, Mitsui is also deepening its engagement in the agricultural sector, including the manufacture of the nutritional element methionine, as well as the development of phosphate rock fertilizer resources, and global trading of fertilizer raw materials, such as sulfur and sulfates. We are also developing our chemicals business through wide-ranging transactions and investments that contribute to various industries, including new initiatives focused on carbon fiber and “green” chemicals.

In our food business, we pursue our goal of enhancing nutritional access through the stable supply of food. Against the backdrop of world population growth widening the gap between food supply and demand, and expanding regional imbalances in supply capacity, we strive to ensure the stable and efficient supply of safe, reliable food resources with our food-related business. In addition, we promote the establishment of an optimal supply chain, and engage in projects that contribute to enhancing adaptability to climate change, abnormal weather, and other disasters.

## Supplying Diverse Food Ingredients in Southeast Asia

Activity

SDGs: 2.1

Southeast Asia has a large population and a high dependency on imported food ingredients, and Mitsui sees the region as an important market. In Indonesia, where economic growth is expanding the middle-income class bracket, growing demand is expected for high-value-added food. In order to meet these needs, Mitsui has strengthened its business in the field of food processing by investing and participating in FKS Food & Agri Pte Ltd. (“FKSFA”). FKSFA has developed a wide range of businesses, mostly in Indonesia, including grain imports and sales, food processing business, such as sugar refining, flour-milling and starch manufacturing, and port facility operations.

We aim to provide a stable supply of diverse food products with carefully-chosen raw materials and ingredients to Indonesia and other Southeast Asian market by linking the business developed by FKSFA with business in Mitsui’s grain producing areas and our wide network, and by building an optimal supply chain from producing areas through to consuming areas.



FKSFA's grain import facility

## Initiatives to Improve Access to Nutrition through Our Sugar Business

Activity

SDGs: 2.1, 2.2, 2.4

The global sugar market is expected to maintain steady annual growth averaging 2%. Asia continues to grow economically, and it is the world’s largest sugar market accounting for 40% of global demand. Accordingly, there is growing demand for safe, reliable, and high-quality sugar. Responding to this demand, Mitsui made the decision to upgrade the facilities of Kaset Phol Sugar Limited, a sugar manufacturing company that we operate jointly with Mitsui Sugar Co., Ltd. in Thailand, which is a major sugar supply region, and is also in close proximity to a region with high demand. The aim is to increase the company’s production capacity and achieve quality improvements, and the full-scale work for the upgrade began in June 2018.

Sugar is particularly important for growing children as it is resolved into glucose in the body to become a source of energy for the body and brain. By supplying high quality sugar to markets such as Asia in particular, we will contribute to better access to nutrition among people living in the region.



A sugarcane field near the Kaset Phol Sugar Factory in Udon Thani Province (Thailand)

### Realizing the Sustainable Supply of Pacific Bluefin Tuna through Wholly-Farmed Aquaculture

Activity

SDGs : 2.1, 12.2, 12.8, 14.7, 15.5

The consumption of tuna has increased in recent years, not just in Japan but also overseas. At the same time, fishing regulations are becoming stricter globally to protect this natural resource. In order to use marine resources sustainably and be able to continue supplying Pacific bluefin tuna in the future, it will be essential to avoid depending on wild young fish, and to realize spawning and the production of young fish from farmed brood stocks. Against this background, Mitsui's associated company Feed One Co., Ltd. succeeded in releasing fish that were farmed entirely from farmed brood stocks into ocean enclosures in 2014. After working in partnership with Kyokuyo Co., Ltd. to establish a value chain from the production of aquaculture stock through to farming and sales, in November 2017 Feed One began shipping wholly-farmed Pacific bluefin tuna under the "Hon Maguro no Kiwami TUNAGU" brand. Feed One has also succeeded in creating a raw mixed feed for use during the fry stage of development prior to releasing into the fish enclosure, which was previously considered to be a difficult challenge in the farming of Pacific bluefin tuna. In 2018, it launched general sales of its mixed feed. Looking to the future, we will continue working hard to reduce the environmental impact on fish farming environments by developing special fishery feeds and by making our business more efficient. We aim to provide steady supply of safe, reliable, and high-quality Pacific bluefin tuna.



Entirely aquacultured Pacific bluefin tuna

### Policy on Mine Closure and Treatment of Tailings and Mine Closure Initiatives

Policy

Activity

SDGs : 15.1

Under our policy, we take proper procedures for mine closure and tailings treatment in line with operating and closure plans to minimize impacts on the environment and society, while promoting development for the surrounding local communities. Mine closure plans are formulated and implemented while assessing environmental impacts at the initial stages of feasibility studies and also during the operational period.

In our mining activities, we formulate business plans which include planning for future mine closures reviewed by the authorities and by relevant experts, to develop surrounding communities and to alleviate any burden on the environment.

For example, Robe River Iron Associates, in which Mitsui has invested, has developed closure plans for iron ore mine in Australia including rehabilitation initiatives, not only to comply with local regulations but also aiming to minimize societal and environmental impact on the surrounding communities.

#### Our Stories: Secure sustainable supply of essential products

**P.19** Enhancing Agricultural Productivity in Africa through the Provision of Farming Guidance and Materials

SDGs: 1.1, 1.2, 2.1, 2.3, 2.4, 2.a



# Supplying Food and Products with Ensured Safety and Security



## Ensuring Safety and Consumer Confidence

Mitsui is well aware that consumer safety, confidence and security are of major importance in conducting its business.

With such concerns in mind, we have established the Consumer Product Handling Policy and Consumer Product Handling Regulations, and each relevant business unit has also established detailed rules to ensure the appropriate handling of consumer products.

Moreover, in the foods area, Mitsui works to secure food products for supply to Japan, which has the lowest food self-sufficiency rate among the industrialized countries. The Food Business Unit and the Food & Retail Management Business Unit place maximum priority on food safety and security, and, accordingly, have established internal rules and internal committees for food sanitation and developed a food-safety database, which includes overseas production processes.

To manage risks associated with food safety and security, we have been implementing food safety seminars about once a month since October 2002 for Mitsui employees, as well as for our affiliated companies, in order to reinforce compliance with relevant laws and regulations and ensure appropriate labeling. The number of such seminars adds up to 189 as of March 2019.

In the fiscal year ended March 2019, Hazard Analysis and Critical Control Points (HACCP)\* became compulsory under the amended Food Sanitation Act. Accordingly, Mitsui has hosted seminars in which 345 employees, including employees from our affiliated companies, have participated. The seminars have covered a variety of themes including “Examining the causes of food product claims using examples of food product recalls,” which gave participants the chance to consider whether it would have been possible to predict in advance that a food product claim would arise, the approach and actions that should have been adopted when the claims did arise, and what the legal responsibilities were, as well as “Learning from real examples of increasingly strict food labeling inspections by the authorities,” which used actual examples of food labeling incidents as teaching materials, as a way of looking at labeling violations under the Food Labeling Act.

Furthermore, Mitsui is a member of the Japan Processed Foods Wholesalers Association (a general incorporated association), and in the field of distribution we contribute to the safe and secure supply of processed food products.

Mitsui puts consumer safety and security first for all items it handles, not just consumer products and food.

Mitsui also gives priority to marketing with the aim of supplying drugs that physicians and pharmacists can choose and supply to consumers with confidence.

\* HACCP is a hygiene management method that seeks to control particularly important processes and ensure the safety of products. The goal is for the food product manufacturer itself to identify hazards, such as contamination with food poisoning bacteria or foreign bodies, and to eliminate or reduce these hazards in all processes, from receipt of raw materials to shipment of the product. This method was released by the Codex Alimentarius Commission, which is a joint body of the UN Food and Agriculture Organization (FAO) and the World Health Organization (WHO). HACCP's use has been recommended in numerous countries and regions, and it has come to be widely recognized internationally.

## 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).

### 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.

## Initiatives in Promoting Responsible Marketing of Pharmaceutical Products

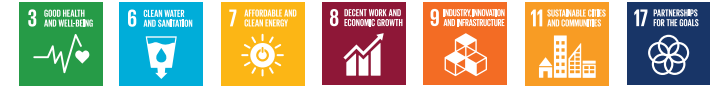
Activity

SDGs: 3.8

Mitsui has invested in TriNetX, Inc., which develops healthcare data services business with a focus on pharmaceutical companies. TriNetX has built a database of electronic records collected from hospitals across its network of 17 countries, particularly the United States. It provides pharmaceutical companies and other companies with services that support clinical trial efficiency and marketing. Mitsui uses TriNetX's platform to provide pharmaceutical companies and medical organizations with various types of data that contribute to better and more appropriate utilization of pharmaceutical products.



## Enhancement of Quality of Life and Social Infrastructure



Mitsui & Co. continues to contribute to the enhancement of people's quality of life through its business activities in such areas as electric power, water treatment, water supply and sewerage systems, logistics, railroads, and communications, by developing infrastructure that is essential for the growth and advancement of countries around the world and of local communities.

In the area of electric power and renewable energy, while we engage in power generation and gas distribution, we recognize the importance of reducing of greenhouse gas emissions as a material issue and we are reinforcing our environmental business, such as solar photovoltaic and solar thermal power projects, wind power projects, and biomass related plant projects, with a focus on local production for local consumption.

There is a growing need for improvements in convenience and safety, against the backdrop of growing population, rising living standards, and changing lifestyles. Mitsui is responding to that need by developing and operating sewage and water supply systems and wastewater treatment facilities, and by engaging in urban development projects, such as the development of logistics and industrial facilities, especially seaport and airport projects, as well as smart city development projects, to respond to changing societal needs.

With regard to the shipping business in the mobility domain, Mitsui is focusing on vessel ownership and operation and the LNG carrier business, so as to adapt to tighter environmental regulations and the growth of and change in maritime cargo traffic. As regards railroads, which form a major artery for land transportation, we export freight cars and related facilities and undertake rail transportation infrastructure projects using Japanese institutional finance. Other business activities in this area include rail leasing, general freight business, and passenger transportation. In the area of infrastructure-building, our business includes digitalized engineering processes, which not only improve the accuracy, productivity, and safety of construction work, including operational assistance for general construction machinery, but also allow even relatively inexperienced construction machinery operators to carry out precise construction.

Mitsui also promotes the utilization of ICT in such areas as high-speed communications, electronic settlements and other communications and service platform businesses, especially in emerging countries, aiming for the enhancement of quality of life and social infrastructure. At the same time, in our effort to build new social systems, we strive to create new business, including medical and healthcare services, agriculture, and energy management.

Furthermore, in terms of both the application of our business strategy and our contribution to society, besides making efforts to contribute to local communities and revitalize regional economies, we also promote community investments with the aims of encouraging investment and regional development, and creating employment at the regional level.

### Helping to Improve People's Lives by Supplying Electricity to Non-electrified Regions

Activity

SDGs : 7.1, 7.2, 9.1, 9.4

Mitsui works to improve the lives of people living in non-electrified areas through the construction of power grids and the development of home power generation environments.

In India, we are promoting the electrification of rural villages through our investment and participation in OMC Power Private Ltd. ("OMC Power"), which is a leading operator of mini-grids, supplying stable electricity using largely renewable energy. Traditionally, in India's non-electrified regions, fossil fuels such as diesel or kerosene have been consumed as the source of energy. By contrast, OMC Power supplies electricity that is more stable and has a lower environmental impact, at low prices, by combining solar power generation with batteries and other methods. This not only contributes to the development of local economies, but also helps to reduce CO<sub>2</sub> emissions. In the medium term, OMC Power plans to operate 1,000 small solar power generation plants (with total power generation capacity of around 50 MW), and supply electricity to more than one million people living in regions without electricity, thereby contributing to India's growth.

We also help to supply electricity to sub-Saharan Africa through our investment and participation in M-KOPA Holdings Ltd. ("M-KOPA"). M-KOPA runs a business called the Solar Home System ("SHS"), through which solar panels are installed on the roofs of houses or small stores, and solar power generation is used to provide power for lighting, mobile phone chargers, and home appliances (radios and televisions). Up until recently, more than 600 million people living in sub-Saharan Africa have been using kerosene, which is a fossil fuel, for lighting and cooking, because of the delayed development of the power transmission grid. However, thanks to the SHS, there has been a reduction in kerosene use, helping to reduce the environmental load. In Africa, a large increase in demand for electricity is expected as a result of the improved living standards and lifestyle changes that will result from future rapid economic growth. By accelerating efforts to strengthen and expand the services M-KOPA provides, we will support more convenient and comfortable lives for people living in Africa.



Small solar power generator installed in non-electrified areas in India



M-KOPA's SHS kit

## Helping to Create Workplaces Where People Can Continue to Work over the Long Term

Activity

SDGs : 8.8, 17.16

ATOUN Inc. ("ATOUN") is a Mitsui associated company who is working to develop and popularize wearable robotic devices ("powered wear") under its corporate philosophy of realizing a society in which the "power barrier" of muscular strength and stamina (due to aging or gender) can be overcome, and making it possible for anyone to continue working without being constrained by physical capacity.

In February 2019, twenty units of powered wear ATOUN MODEL Y manufactured by ATOUN were introduced by JAL Ground Service Co., Ltd. ("JGS") in its airport ground handling tasks with the aim of promoting work reforms through collaboration between the two companies. The ATOUN MODEL Y is a lower back-supporting wearable robotic device. It is used mostly in the sorting areas that handle customers' luggage in tasks such as loading onto containers from belt conveyors, and handling luggage at freight warehouses known as "sheds." The devices have received highly positive feedback from the staff using them. By collaborating on the development of the next-generation model, which includes features such as the "arm support function," ATOUN and JGS aim to further reduce the workload and realize the creation of workplaces where every employee can be confident of being able to continue to work over the long term.



The "ATOUN MODEL Y" introduced for airport ground handling tasks

## Improving Access to Water for Children in India, and Contributing to the Elimination of Open Defecation

Activity

SDGs : 6.1, 6.2

Mitsui has invested in and participated in TOTO India Industries Private Ltd. ("TOTO India"), which is a joint venture with TOTO Ltd.; TOTO India manufactures sanitary ware at its Gujarat factory. As part of its efforts to contribute to local communities, in which the Gujarat factory is playing a key role, TOTO India is involved in support work for a project entitled "Water Sustainability Project Supporting Indian NGO Deepak for Four Years from 2016." TOTO India has made use of the Water Environment Fund provided by the TOTO Headquarters. This project has helped to improve water usage, mainly through the new installation and refurbishment of irrigation reservoirs, and through planting. Also, under this project, drinking water tanks and children's toilets have been installed at healthcare facilities built in the Indian state of Gujarat to protect children from hunger and malnutrition. As a result, TOTO India has contributed to improving children's access to water and to eliminating open defecation.



Vice President Awashima (seconded from Mitsui & Co.) cutting the tape at the opening ceremony held at a healthcare facility. On the right is the children's toilet installed at the facility.

# Responding to Health Needs and the Needs of an Aging Society



Mitsui & Co. has responded to the global trend towards the aging of the population by developing senior housing business and providing basic healthcare and other services geared toward a changing disease structure. The keys to solving today's healthcare problems are places, people, goods, services, and information. By organically combining these elements, Mitsui is working to improve healthcare access, quality and efficiency and create a "healthcare eco-system."

We also provide solutions encompassing the entire value chain from pharmaceutical development and manufacturing through to sales. We help the pharmaceutical industry, in emerging healthcare markets including developing countries, to develop and manufacture drugs needed by society, and we play an active role in licensing activities as well.

Moreover, in Asia, where healthcare demand is expected to expand rapidly due to population growth, economic expansion, and demographic aging, we are strengthening our business base centered on hospitals, which we see as core elements in the healthcare eco-system. Other priority areas include building up of hospital ancillary service business, an area with strong growth potential, and development of new business, such as prevention, disease management, remote healthcare and personalized medicine through digital transformation and introduction of innovative technologies. By contributing to the advancement of healthcare from the perspectives of accessibility, quality and efficiency, we will help to build a society in which people can enjoy healthy, fulfilling lives.

## Providing Solutions to the Rise in Healthcare Costs Resulting from Population Growth and Demographic Aging

Activity

SDGs : 3.8, 3.d

In recent years, there has been increasing interest in new solutions to the global problem of soaring healthcare costs due to population growth and demographic aging. Those solutions focus on the promotion of health and the reduction in disease risks through preventive medicine. Through its investment and participation in GOQii Inc., Mitsui is introducing presymptomatic and preventive healthcare platforms based on the use of wearable devices and smartphone apps in India. GOQii's platform offers various solutions, including online health data management tools, real-time personal health coaching services, e-commerce stores, regular medical checkup management tools, and the unique "GOQii Cash" program, which provides cash discounts



through health management. Other features include health insurance premium discounts based on health management data. By working with our partners and accelerating the expansion of services, we aim to roll out global programs that will enable more people to enjoy better health and improved lifestyles.

## Reducing Fat While Optimizing Taste through Aromatics

Activity

SDGs : 3.d

Awareness of the importance of healthy life expectancy is reflected in a growing emphasis on the role of diet as a starting point for disease prevention. A low-fat diet is seen as the most effective way to reduce calorie intake, while a shift from animal to vegetable fats is recommended for those wishing to reduce their bad cholesterol levels. However, a major drawback with these diets is their blandness. Consumers want delicious foods that will reduce their intake of animal fat. Soda Aromatic Co., Ltd. ("Soda Aromatic"), a Mitsui associated company, is working to meet this need by developing flavorings.

The "fat flavor" additive developed by Soda Aromatic, which is a flavor made of a kind of lactone, one of the aroma essences, as a principal ingredient, enhances the natural richness, depth, and oiliness of low-fat foods and beverages, such as foods containing reduced butter, and sauces. When foods are produced using vegetable rather than animal fats, the addition of this product allows the fat content to be reduced by about 30% without compromising the taste. From the "virtual water" perspective, this product also has high environmental value because of its contribution to reductions in the use of livestock-derived fat.

Soda Aromatic will continue to contribute to the development of a healthier and more sustainable society by providing flavorings that enhance the taste of food.





Responding to Health Needs and the Needs of an Aging Society

**Improving Nutrition for the Elderly**

Activity

SDGs : 2.2, 3.d

In the healthcare and elderly care industries, there is a growing interest in the potential of nutrition therapy to alleviate economic burdens, including the reduction of hospitalization times, and improve the quality of life (QOL) for inpatients and their families. Nutrition therapy is a method for enhancing natural healing powers through the consumption of appropriate amounts of dietary elements that are lacking, with the aim of preventing diseases or slowing their advance, and alleviating symptoms. However, while nutrition therapy is especially beneficial for the elderly, their ability to maintain an appropriate diet is compromised by other issues, such as the decline of swallowing functions, which can lead to aspiration pneumonia and other conditions. NUTRI Co., Ltd., a Mitsui associated company, has specialized in nutrition therapy since its establishment half-a-century ago. It has focused in particular on nutritional supplements and solutions for dysphagia sufferers. As a leading manufacturer of nutritional and swallowing support products for the elderly, NUTRI is helping to solve an important social issue through the development and supply of processed foods and beverages for use in nutrition therapy and elderly care.



Nutritional support and dysphagia support products developed by NUTRI

**Improving Healthcare Access and Reducing Healthcare Supply-Demand Gaps**

Activity

SDGs : 3.8, 3.b

We have developed manufacturing and sales business for high-quality pharmaceuticals needed by society, particularly in Russia via JSC R-Pharm, which is the country's largest pharmaceuticals company, and in China through Shenzhen Main Luck Pharmaceuticals Inc. We are seeking to improve access to medical treatment and fill in the gaps between supply and demand in the medical field in developing countries. In addition, we are working to improve access to medical treatment in developing countries by ensuring fair price-setting in accordance with each country's pharmaceuticals price-setting system.

**Responding to Global Health Problems**

**— Fighting Infectious Diseases (Malaria, Measles, etc.)**

Activity

SDGs : 3.3

The operation company for the Jirau hydropower generation in Brazil has entered into a public-private partnership agreement with the State of Rondônia and the City of Porto Velho. Under this agreement, the company has been implementing a social contribution and environmental action program since 2009, with the aim of improving the health and sanitary environment for local residents. Particular emphasis is being placed on measures to combat malaria. The company has been working on building hospitals and basic healthcare

facilities to provide residents with access to medical examinations and treatment. It has also been working on providing mobile floating hospitals (vessels) to offer services in isolated upstream communities along the Amazon River. Other initiatives include healthcare education and seminars for local residents, and enhancing anti-malaria measures, among others. As part of its contribution to vector control efforts, the company has donated eradication materials and research equipment and brought scientists, exterminators, and other experts to the region. It has also distributed 10,000 mosquito nets impregnated with long-lasting insecticide (MILDs) and conducted eradication campaigns, including vector propagation monitoring and mist spraying of insecticides. As a result of these comprehensive efforts, the number of malaria cases in the region was reduced by 90% between 2010 and 2017. This has earned considerable international recognition, and in 2015 the State of Rondônia received the "Malaria Champions of the Americas Award" from the World Health Organization (WHO).

In 2017, a nurses' accommodation built with a donation from Mitsui was opened in the Central Region of Ghana. This initiative has further strengthened efforts to respond to serious global health priorities, including measures to combat outbreaks of malaria and measles in the region, and the provision of emergency night-time maternity care.

**Consideration for the Handicapped and Elderly through Building Designs and the Senior Housing Business**

Activity

SDGs : 11.3, 11.7

Through the senior housing business of its U.S. subsidiary, MBK Senior Living LLC, Mitsui is helping to improve the lifestyle infrastructure for an aged society by creating facilities that can be used with confidence by elderly and handicapped people. Also, in Japan, another subsidiary, Mitsui & Co. Real Estate Ltd., is responding to the needs of aged and handicapped people in its development activities for the Shinbashi-Tamura-cho District Redevelopment project by adding special functions from the planning stage. And similarly, in its Ohtemachi OH-1 Project, Mitsui is taking various needs of variety of people into consideration in their planning and construction, including the provision of multi-purpose toilets and elevators with additional functions that meet the needs of aged and handicapped users.



MBK Senior Living's serviced apartments targeting seniors

**Our Stories: Enhance quality of life**

**P.23** Contribution to Addressing a Variety of Different Medical Problems through the Building of a Healthcare Ecosystem

SDGs: 3.4, 3.8



# Responding to Increasingly Diverse Consumer Demand



Mitsui & Co. believes that the continuing provision of value and functions that match consumer expectations will remain an important role for Mitsui as we work to respond to new consumer demand.

For example, world population growth and economic growth are likely to have a major impact on food demand patterns, resulting in increased demand for animal protein in emerging market economies. In response to this need, Mitsui has launched a business for stably supplying chicken meat to the West African market.

At the same time, we are also moving forward with initiatives targeting new needs and markets emerging from the diversification of consumer lifestyles in recent years. In the area of information services, there has been a global rise in the influence of individuals through social network services and other channels, and thought patterns are also becoming more individualized in various ways. Mitsui helps companies to detect needs quickly by providing solutions based on the latest data analysis tools.

By monitoring consumer needs and developing and supplying diverse services and products that embody those needs, we will continue to contribute to the creation of a society in which people can enjoy fulfilling lives.

## Creating a Safe, Reliable Prepared Food Business that Matches the Food Needs of Consumers

SDGs : 2.1

In the United States, population growth is driving the expansion of food markets, while food needs are changing in step with the increasing diversification of lifestyles and other social trends, emphasizing the need for foods that are safe, reliable, and delicious, and can be enjoyed without troublesome preparation. This is reflected in the rapid expansion of the market for prepared foods that can be eaten at home. The market growth rate is currently around 8% per annum.

Mitsui has invested and participated in Hans Kissle Company, LLC ("Hans Kissle"), which since its establishment in 1984 has developed, manufactured, and sold a wide variety of delicatessen entrees, main dishes, desserts, and other items. These products are sold mainly in major food supermarkets along the Northeastern Seaboard of the United States. The company's long track record as a developer and manufacturer of safe, reliable, delicious foods is based on its high-quality control standards, and Hans Kissle is achieving steady business growth in the expanding U.S. market for prepared foods.

By further improving the safety, taste, and healthiness of Hans Kissle's prepared foods, as well as



Hans Kissle supplies safe, reliable, and delicious delicatessen entrees

related services and other aspects of its business, Mitsui is actively responding to changing consumer needs.

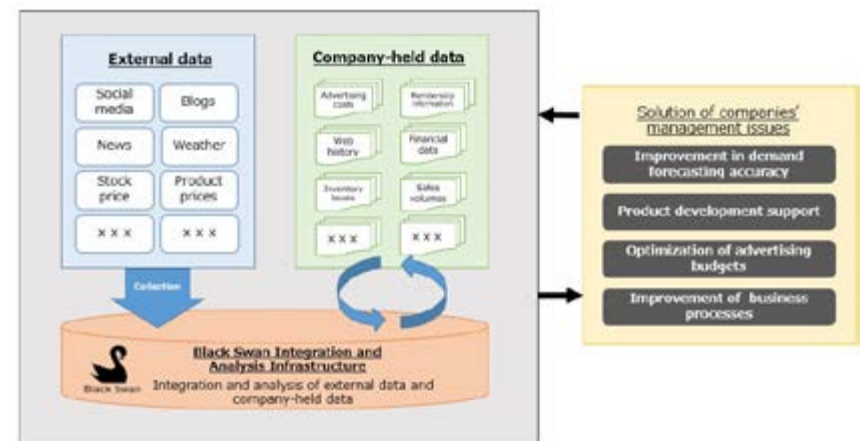
## Service for Forecasting Future Market Trends through the Analysis of Vast Quantities of Consumer Input

SDGs : 12.3

Based on its perception that vast amounts of consumer input can be effectively utilized in marketing to monitor diversifying consumer needs, Mitsui's subsidiary, Mitsui Knowledge Industry Co., Ltd. ("MKI") has started to work with Black Swan Data Limited ("Black Swan"), a provider of big data analysis services.

Black Swan has developed its own infrastructure to enable flexible, integrated analyses of external data, such as SNS messages, weather information and news, as well as internal data held by companies, such as sales and inventory levels, and membership information. It uses this infrastructure to provide big data analysis services. Meanwhile, MKI has actively engaged in research and development activities since 2014, which includes the development and provision of its own analysis and forecasting tools for the distribution and retail industries. By combining Black Swan's solutions with MKI's accumulated analysis know-how, we will be able to roll out new data analysis services in the Japanese market.

Through the provision of highly accurate data analysis services, such as predictions as to which types of consumers will be attracted to which products, as well as the positioning and future growth of these trends, we will help our customers to anticipate future trends in their markets, leading to the effective provision of the services and products needed by society.



Outline of Big Data Analysis Services

# Social Contribution Activities



## Social Contribution Concepts

Policy

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. As we pursue greater convenience and enrichment in our lives, we also face a broad range of issues including environmental problems such as climate change, as well as poverty and educational inequality.

Mitsui & Co. works to contribute to the development of local communities and the finding of solutions to issues faced by local communities and international society, from the perspectives of both relevance to our business strategies and social contribution. Mitsui's Social Contributions Policy specifies three areas of focus: international exchange; education; and environment. Specifically, (1) in the field of international exchange, we promote social contribution activities in many countries and regions; (2) in the area of education, we place emphasis on the fostering of human resources who have an international outlook and who can contribute to finding solutions to societal issues, while providing support for education as part of measures to eliminate poverty, and (3) in the field of environment, we tackle global issues, such as climate change and nature conservation.



Through these initiatives, we are promoting our social contribution activities, with a particular focus on the SDGs 4, 8, and 15.

Specifically, we are promoting community investments that will lead to the improvement of people's quality of life, regional development, and job creation, fostering human resources who have multi-cultural and global perspectives so as to effectively utilize Mitsui's strengths and expertise, and carrying out initiatives related to global environment preservation. Furthermore, we are engaging in dialogue with various stakeholders, including local communities and NPOs/NGOs, and collaborating with them toward finding solutions to societal issues, hoping that our continuous initiatives will be shared with society, create follow-on effects, and lead to solutions to larger-scale societal issues.

In addition, we are planning and promoting volunteer programs in order to build interest in and sensitivity towards societal issues among our officers and employees.

## Social Contributions Policy

### Guiding Principles

We will build a congenial relationship with our stakeholders by striving to create 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 of international and regional society, Mitsui actively promotes social contributions.
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.

**Employee Participation**

System Activity

SDGs: 2.1, 3.d, 4.2, 4.5, 4.6, 8.6, 10.2, 11.4, 11.a

**Mitsui Global Volunteer Program (MGVP) and Volunteer Activity Leave**

We began implementing the Mitsui Global Volunteer Program (MGVP) in October 2009. The aim of the program is to encourage all employees to participate with a sense of unity in various social contribution activities that lead to the solution of societal issues. Under the MGVP, we provide matching donations every year, based on the number of participants in voluntary activities, to NPOs and NGOs dedicated to the solution of a societal issue. In the fiscal year ended March 2019, the total number of participants came to 4,218.

In the fiscal year ended 2018, using the funds donated to Plan International Japan by Mitsui in the fiscal year ended March 2016, a nurses' accommodation was opened in Ghana's Central Region. The support provided by us has helped to enhance public health and medical services in Ghana. Moreover, in the fiscal year ended March 2019, based on the donation Mitsui made in the fiscal year ended March 2017, support activities for providing equipment and teaching materials to a preschool educational institution in Huila Department, Colombia, have been implemented.

Since the establishment of the matching donation program, Mitsui has donated approximately ¥33 million to nine organizations. We have also established a volunteer activity leave system to encourage employee participation in social contribution activities.



The nurses' accommodation in Ghana



Support for providing equipment and teaching materials to preschool educational institutions in Colombia  
Photography by Plan International

**Other Activities**

Table For Two (TFT)/Creation of foreign-language picture books/Home stay program for Chinese students/Kanda Festival/Mitsui & Co. Environment Fund's *Yatsuda* Project



Creation of foreign-language picture books



Kanda Festival

**Social Contributions (Fiscal Year Ended March 2019)**

Activity

The total social contribution expenses for the fiscal year ended March 2019 were ¥1.55 billion. (Charitable Donations 4%, Community Investment 35%, Commercial Initiatives 61%)

\* Figures include cash donations and monetary conversion equivalent to in-kind payments. However, activities such as personal donations by employees and volunteer activities have not been included.

**Political Contributions (Fiscal Year Ended March 2018)**

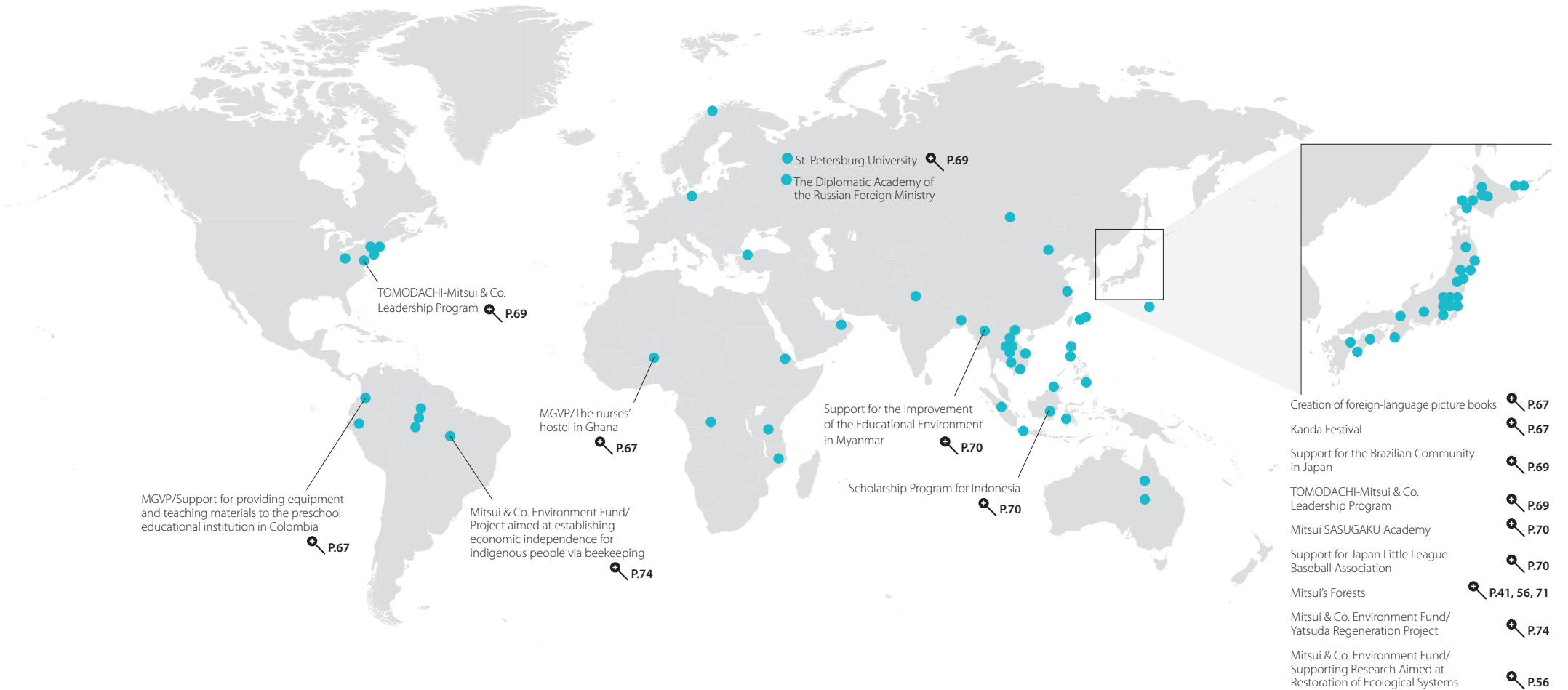
Activity

The total political contribution for the fiscal year ended March 2018 was ¥28 million.

\* This figure was reported in the Japanese government gazette issued on November 30, 2018.

Global Social Contribution Activities (International Exchange, Education and Environment)

Activity



48 organizations

4,218 persons

6 countries/regions 48 universities

710 persons

Partnership with NPOs and NGOs

Employee Volunteers

Mitsui-Endowed Lecture Programs and Support for the University

Scholarship and Training in Japan

## International Exchange

System

Activity

SDGs: 4.2, 4.3, 4.4, 4.6, 4.7, 8.3, 8.5, 8.6, 8.8, 17.17

### Support for the Brazilian Community in Japan

As a company with extensive business operations in Brazil, Mitsui provides various types of support to foster reciprocal understanding between Japan and Brazil and find solutions to issues affecting the Brazilian community in Japan.

### Scholarship Program for Brazilian Schoolchildren in Japan

Since 2009, we have provided scholarships in order to (1) provide educational opportunities to children who have been facing difficulty in continuing their studies for economic reasons, and (2) support adaptation to Japanese society through enhancement of Japanese language education. In the fiscal year ended March 2019, a total of 447 students received scholarships to attend 26 schools. The number of scholarship recipients since the establishment of the program totaled 3,470.

### Extracurricular Classes

Since 2014, we have supported extracurricular classes for children attending Brazilian schools in Japan, in cooperation with the Consulate-General of Brazil in Tokyo. The aim is to foster and support schoolchildren's understanding in terms of the significance of working in society. In the fiscal year ended March 2019, our employees gave six classes and welcomed approximately 180 children.

### Other Support Activities

- We held social gatherings to discuss how to ensure a better future for Brazilian children (Kaeru Project), and nine individual meetings and workshops in five cities with Dr. Kyoko Nakagawa, who was invited from Brazil.
- We provided support for NPOs and other organizations working toward the realization of a multi-cultural society for Brazilian people living in Japan (14 organizations in the fiscal year ended March 2019).



Kaeru Project Workshop (Toyohashi)

### Contributing to Global Human Resource Development through Mitsui-endowed Lecture Programs at Overseas Universities and Training in Japan

We are working to foster reciprocal understanding with young leaders of the future and to contribute to human resource development on a global scale in countries and regions where our company is engaged in business activities.

Mitsui has endowed lecture programs in the United States, China, Myanmar, Vietnam, and Poland. In Russia, since 2015, Mitsui has been conducting a Japan studies program for students of St. Petersburg University and the Diplomatic Academy of the Russian Ministry of Foreign Affairs. In the fiscal year ended March 2019, five students participated in the program, visiting Tohoku, Hiroshima and other locations, and attended a training course about

Japanese society, history, culture, industry, and technology, as well as recovery activities after the 2011 earthquake. Moreover, every year eight university students selected from Australia participate in a three-week study tour of Japan through the Mitsui Educational Foundation, which was established in Australia in 1971. We also provided study tours in Japan for 18 students from Yangon University of Foreign Language, Mandalay University of Foreign Language, and high schools in Myanmar.



Russian students experience a budo (martial arts) class at Tokai University

### TOMODACHI-Mitsui & Co. Leadership Program

Mitsui has been participating in the TOMODACHI Initiative, a public-private partnership program led by the U.S. government and U.S.-Japan Council to foster the development of young people who will contribute to the strengthening of Japan-U.S. relations in the future, since the foundation of the initiative.

In 2013, we launched the TOMODACHI - Mitsui & Co. Leadership Program. In the fiscal year ended March 2019, 20 selected young leaders working in the industrial, financial, and government sectors in Japan and the United States were given the opportunity to visit each other's countries. With the program themes of leadership, innovation, and the entrepreneurial spirit, participants broadened their perspectives as next-generation global leaders through dialogue with top executives from the government sector and industry, and with young leaders, as well as site visits. The program also helps them to strengthen their activities and initiatives in the development field for supporting production activities, entrepreneurship, creativity, and innovations, and to build diverse human networks. Furthermore, with the aim of developing leaders who can drive the reconstruction process, we encouraged potential leaders in the three prefectures affected by the Great East Japan Earthquake of 2011 to participate in Japanese delegations, and also created opportunities for networking with American delegations visiting the earthquake-affected areas. Through these activities, we aim to foster exchange in relation to disaster reconstruction activities, promote local cultures, and tackle various issues, such as the promotion of inbound tourism and revitalization of industry, and supporting the recovery of earthquake-affected communities. A cumulative total of 119 young leaders have participated in the Japanese and American delegations in the past six years.



Members of the Japanese and American delegations and other representatives for the fiscal year ended March 2019  
Photography by Kerry Rafitis—Keyshots.com K.K.

### Other Activities

Solidarity of International Judo Education/Japan SAMBO Federation

## Education

System    Activity

SDGs: 4.3, 4.5, 4.7, 4.b, 11.c

### Supporting Overseas Students through the Mitsui Bussan Trade Promotion Foundation

In 1989, as an international exchange support program, the Mitsui Bussan Trade Promotion Foundation started providing scholarships for overseas students, and providing lodging facilities for them free of charge, mainly to support international students from Asia. The total number of overseas students that we have supported since then is 373.

### Mitsui Bussan Scholarship Program for Indonesia

Mitsui has built a close relationship with Indonesia through its business. In 1992, we established the Mitsui-Bussan Scholarship Program for Indonesia with the aim of providing talented Indonesian students with an opportunity to receive advanced education in Japan, so as to nurture human resources who can contribute to the development of Indonesia and to the further strengthening of relations between the two countries. In partnership with local organizations, we select two Indonesian high school students each year to receive scholarships for a period of six years until the completion of a four-year university program, which means that we support a total of 12 students continuously every year. A cumulative total of 44 students have been accepted under the program to date, and about half of them are working at Japanese companies, serving as an important bridge between Japan and Indonesia.



Graduation ceremony of the Mitsui Bussan Scholarship Program for Indonesia

### Support for the Improvement of the Educational Environment in Myanmar

We provide seamless support for the improvement of the educational environment in Myanmar at all levels from elementary to higher education, in partnership with various organizations.

- Support for elementary education through participation in elementary school construction by the Myanmar Terakoya Support Team
- Support for the Japan-Myanmar Association's short-term training for high school students in Myanmar
- Agriculture seminar at Yezin Agricultural University
- Scholarship support for Myanmar students at the Tokyo University of Agriculture

We also run scholarship programs to assist university students in Mozambique, as well as scholarship programs through the Mitsui U.S.A. Foundation.



Terakoya school (traditional private school) established by the Myanmar Terakoya Support Team

### Mitsui SASUGAKU Academy

Mitsui launched the "SASUGAKU" course (education for sustainable development), which helps children, who will play a very important role in creating a sustainable future, to develop their capabilities of learning, thinking, and communicating. We designed Mitsui SASUGAKU Academy in 2014, which is a 5-day capacity-building program for about 30 elementary school children in upper grades, and uses our global business activities as teaching materials.

The theme for 2018 was "What will a healthy life be in the future?" Participants thought about issues and solutions relating to health in imaginary future cities with various characteristics, such as a "desert city" and a "space city." During the learning time, experts from the Mitsui & Co. Global Strategic Studies Institute gave a lecture on future medical technologies and systems. In addition, Mitsui employees who are in charge of the respective projects gave presentations on the "NOBORI" medical data service project and the "Etak" antibacterial agent project. Through these activities, children learned the importance of meeting the challenge of addressing societal issues. We also conducted a fieldwork class for studying the relationship between forests and health in Mitsui's Forest in Chiba Prefecture. On the final day, each group presented the results of their activities during the five-day program.

As a result of presentations at academic conferences and other venues, these sustainability education initiatives by Mitsui have attracted considerable attention, and have been lauded as being progressive examples of education for sustainable development (ESD). In the fiscal year ended March 2019, a Mitsui program won the Judging Panel's Incentive Prize in the Corporate Youth Experience Promotion Awards of Japan's Ministry of Education, Culture, Sports, Science and Technology for the third consecutive year.



Children enhance their capacity to solve societal issues through group discussions

### Support for the Japan Little League Baseball Association

Since 1970, we have been supporting the Japan Little League Baseball Association, which aims to instill good citizenship in boys and girls, contributing to their healthy physical and mental development as world citizens through team play in baseball. In a total of 862 teams in 231 under-12 regional leagues throughout Japan, boys and girls between the ages of 4 and 12 practice on weekdays and weekends. Every year, the National Little League Baseball Championship is held, and the winning team competes in the Little League World Series championship.



The All Japan Little League Baseball Championship Tournament (Hokkaido)

Environment

Mitsui's Forests' Manifold Initiatives

Policy	System	Activity
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SDGs: 7.2, 15.1, 15.2, 15.4

Mitsui & Co. owns forests in 74 locations in Japan, from Hokkaido in the north to Kyushu in the south. Mitsui's Forests cover a total area of approximately 44,000 hectares, which is equivalent to about 70% of the area of Tokyo's 23 wards, or 0.1% of land of Japan. We have worked under our Forest Management Policy to protect and nurture these forests and make productive use of the benefits that they provide.

Forest Management Policy

- 1. Guiding Principle** In line with its Management Philosophy, Mitsui will actively contribute to protecting our irreplaceable Earth and fulfilling the dreams of its inhabitants, and we are committed to carefully nurturing our forests to pass them on to the next generation.
- 2. Management Policy** 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 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 may increase the likelihood of natural disasters and develop into a source of other social problems. Aware of the social value that its forests possess, 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 these functions based on the FSC's Forest Management Principles and Criteria, and also SGEN's Forest Management Certification Principles and Indicators.
- 3. Activity 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 wood materials as a reusable natural resource and promoting their utilization as wood biomass

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 Forests 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 to a natural disaster or tree-harvesting for instance. Areas within these forests that are particularly important from the viewpoint of biodiversity are designated as "Biodiversity Conservation Forests" (approximately 10% of all Mitsui's Forests), in which more rigid management is conducted in order to conserve biodiversity.

Mitsui manages Mitsui's Forests in accordance with the forest management zoning categories as shown below. Appropriate management is applied to each forest category.



Tashiro forest whose value in biodiversity has been highly evaluated

Management Zoning Categories of Mitsui's Forests (As of December 31, 2018)

Category	Definition	Area (ha)		
Forests for Regeneration and Harvest	Harvest-oriented Sustainable Cycle Forests	Forests for the production and supply of lumber resources through the repeated cycle of harvesting, planting, and cultivating.	6,876	
	Natural Restoration Forests	Forests to be restored as Naturally Regenerated Forests consisting of coniferous and broad-leaved trees.	10,587	
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.	875
		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 that contribute to the safeguarding of the water supply and the preservation of ecosystems.	3,147
		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.	1,822	
	General Naturally Regenerated Forests	Forests not composed of productive species but to be cultivated for increased social value.	19,386	
	Other Naturally Regenerated Forests	Naturally Regenerated Forests other than in the above categories.	1,271	
Total			44,405	



### Forest Certification (FSC® and SGEC)

Mitsui has acquired forest certification for all of Mitsui's Forests throughout Japan under two international standards: the FSC® (FSC®-C057355), and the SGEC (Certification No. SGEC/31-21-1101).

Forest certification is given based on assessments by an independent institution 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.

Mitsui is currently the only private sector company with large-scale forest holdings in excess of 10,000 hectares in Japan that has obtained both of these certifications. This status allows us to respond to demand for a various type of certified timber. While FSC® certification is a type of certification established by the Forest Stewardship Council (FSC®), an international NGO with a membership system, the SGEC certification system is unique to Japan and was established by the general incorporated association Sustainable Green Ecosystem Council. However, in 2016 following approval of reciprocal certification with PEFC, which is another international certification system, SGEC became an international forest certification system. Both FSC® and SGEC certification provide basic principles, standards, and indicators for conducting appropriate forest management from environmental, social, and economic perspectives. The certifications require forest managers to not only conduct forest management on an economically sustainable basis, but also to give proper consideration to the environment and to develop good relationships with local communities near forests.

### Social Value of Forests

Appropriate forest management is only a part of our commitment. We are also actively engaged in initiatives to utilize forest resources on various levels. As part of our contributions to society and to local communities, we use our forests for environmental education activities. Resources from our forests are also used to support cultural activities and traditional events in surrounding areas, as well as reconstruction in areas affected by the Great East Japan Earthquake of 2011. Mitsui supports the campaign to promote the use of Japanese-grown timber as a way of revitalizing the Japanese forestry industry and providing additional impetus for regional development. For example, we make use of timber from our Mitsui's Forests in our office space, and as a stable supply source of wood biomass fuels for local biomass power generation business. Timber from Mitsui's Forests is supplied to and utilized in various landmark objects and venues, such as FSC®-certified cypress used for a part of the materials in the main table at the summit meetings of the G7 Ise-Shima Summit in May 2016, and SGEC-certified cedar for use in some parts of the roof and eaves of the New National Stadium building to be completed in November 2019 (as of June 1, 2019). It is also planned for use in various parts of the Mitsui's new Head Office building to be completed in 2020.

In the area of environmental education, Mitsui's Forests are used for field studies that teach people about the role of forests, for forestry experience programs, and for various other activities within and beyond the Mitsui organization. In the area of helping to protect culture, we have entered into an agreement with the Biratori Ainu Association concerning the protection and fostering of Ainu culture. In

the fiscal year ended March 2019, we have conducted questionnaire surveys and interviews with six Ainu organizations in Hokkaido on the preservation of Ainu culture and other topics, and exchanged opinions and cooperated with an NPO that engaged in the investigation and preservation of the endangered freshwater fish, Japanese huchen, found in Hokkaido. Through such initiatives and activities, we continuously work toward building good communication with local communities.

In order to contribute to local communities, we have also started to promote the use of wood biomass as an alternative to fossil fuels. For example, we continue to steadily supply timber fuel to a biomass power generation plant in Tomakomai, Hokkaido, in which we have invested (commercial operations started in April 2017), and supply timber fuel reliably also to another biomass generation project, in which Mitsui made an equity participation, at Shimokawa-cho, Hokkaido (operation commenced in May 2019).



Forestry program (tree thinning experience) at company owned Kameyama forests

**Mitsui & Co. Environment Fund**

System    Activity

In July 2005, Mitsui & Co. launched the Mitsui & Co. Environment Fund as a grant program that aims to contribute to the sustainable development of society and address global environmental problems by supporting various activities and research projects pursued by NPOs, universities, and other entities. Since the fiscal year ended March 2012, when the Great East Japan Earthquake of 2011 occurred, Mitsui has also been engaged in recovery efforts aimed at achieving the sustainable development of society through initiatives to mitigate and resolve environmental problems caused by the earthquake and the ensuing tsunami. In addition to its financial support for the activities and research conducted by NPOs, universities, etc., the fund is also encouraging Mitsui's officers, employees, and their families to participate in the activities conducted by the groups or organizations that received our grants, as volunteers. As of the fiscal year ended March 2019, we had awarded grants totaling ¥5.84 billion to 571 projects.

The ongoing projects that have been selected as our grant recipients are contributing to the realization of SDGs 1, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, and 17.

Launched	July 1, 2005
Grant program	Activity Grants are designed for practical activities that contribute to the sustainable development of society and address global environmental problems, and Research Grants are designed for research providing concrete proposals for the aforementioned targets.
Focus fields	A. Global Environment: Activities or research that provide warnings, and necessary actions derived from monitoring changes in nature and the environment. B. Resource Circulation: Activities or research that lead to effective management and utilization of resources. C. Ecosystems and the Symbiotic Society: Activities or research related to the conservation and utilization of ecosystems services, and adjustment of co-existence between ecosystems and humans. D. Relationship between People and Society: Activities or research related to the restructuring of relationships between people and society, based on environmental issues.
Eligible groups or organizations	NPOs, NGOs, general incorporated associations and foundations, public interest incorporated associations and foundations, special civil foundations, universities, and national institutes of technology
Grants schedule	Once a year for both the Activity Grants and Research Grants (In the fiscal year ended March 2019, the application period was from August to October, the 1st-3rd presentation screenings took place from November to April, and final selection of grants projects was carried out between March and April.)



**Selection of Grant Recipients**

The social and economic situation relating to the global environment is changing significantly, including the signing of the Paris Agreement as a response to climate change, the adoption of the SDGs by the United Nations, and the growing interest in ESG investment. In response to these changes in society, the Mitsui & Co. Environment Fund has adopted a stricter screening process than before to select activities and research that will lead to realization of solutions to long-term issues and the creation of a sustainable society, and aims to "create a society for the future."

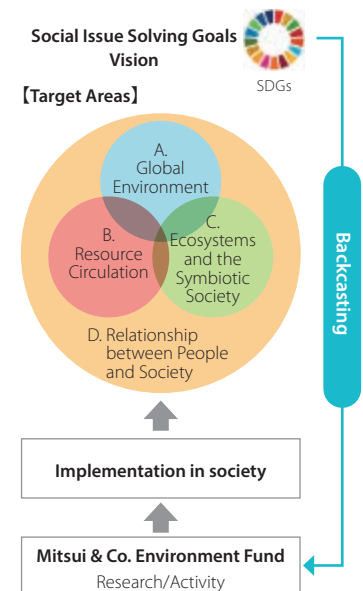
To achieve this goal, we revised the allocation process for the fiscal year ended March 2019, and published key points on which the Mitsui & Co. Environment Fund places particular focus such as relevance to SDGs and whether the project is formulated on a "backcasting" approach from the future vision. We held application briefings, individual consultation meetings and presentation screening sessions to deepen the understanding of the applicants regarding the revised allocation process.

As a result, in the grants selection for the fiscal year ended March 2019, we received a large number of applications from NPOs, universities, and other entities who agreed with our approach. Through our strict, multilevel screening process involving external experts, we selected 11 projects to receive activity grants and 6 projects to receive research grants.



**Key Points**

- The project should aim to find solutions to issues in the four target areas. The relevance to SDGs is particularly important.
- The project should be formulated on a "backcasting" approach, i.e., initiated by thinking about what needs to be done, based on the future vision.
- The project should have a clear roadmap toward implementation in society.
- The project should have a significant, positive impact, such as contribution to finding a solution to a societal issue or the realization of a sustainable society.



**Project Aimed at Establishing Economic Independence for Indigenous People via Beekeeping (Activity Grant)**

SDGs: 10.2, 12.a, 13.b, 15.2

Logging and other factors have caused serious depletion of the Amazon rainforest, in which there is a region where approximately 20,000 indigenous Xingu people live in a self-sufficient manner. Their first encounter with outsiders occurred only about 70 years ago; however, under the impact of development, a money-based system is expected to take root among them within a few years. There have been cases where other ethnic groups in the Amazon rainforest tolerated illegal logging in exchange for money, and an urgent need exists to find ways for people to be able to earn an income without indirectly damaging the forest. Rainforest Foundation Japan, a non-profit organization, recognized the potential of apiculture for this purpose and is working to improve the beekeeping skills of local people and establish a distribution system.



Harvesting honey under the guidance of apiculture expert Wemerson Ballester (Brazil)

The Mitsui & Co. Environment Fund is supporting this initiative by providing grants to Rainforest Foundation Japan.

**Yatsuda Regeneration Project (Employee Participation Program)**

SDGs: 11.a, 15.4

In Japan, *yatsuda* are rice paddies developed in valley wetlands surrounded by *satoyama*, which are natural woodlands tended by village communities. Together with neighboring forests, streams, and other features, these areas form rich ecosystems that provide ideal habitats for diverse flora and fauna. These global treasures need to be restored and conserved.

Mitsui, in cooperation with the Asaza Fund, a Mitsui & Co. Environment Fund grant recipient, has continually grown pesticide-free rice using only organic fertilizers on *yatsuda* paddies that had gradually become abandoned due to the increase in the average age of farmers, among other factors. Mitsui and the Asaza Fund have taken a hands-on approach to the restoration and management of the fields, including clearance, planting, weeding, and harvesting. Over 1,600 employees have been working as volunteers on the *yatsuda* regeneration project since its inception in 2007.

The project produces *Koshihikari* rice and *Gohyakumangoku* sake-brewing rice. After harvesting, the sake-brewing rice is used to produce sake in Ibaraki Prefecture. Mitsui distributes the sake to its customers under the *Yatsuda* label.

**Turning uncultivated wasteland into productive paddy fields**



Before (2007)



After (2018)

**Disaster Relief Assistance**

System Activity

SDGs: 1.5, 4.3, 4.4, 4.5, 8.9, 11.5, 11.a, 11.b, 13.1, 17.16, 17.17

**Disaster Relief Activities**

When disasters occur in Japan and overseas, Mitsui provides various forms of support to minimize the damage and contribute to the earliest possible recovery in the affected areas. Our support includes donations from Mitsui and voluntary donations from our employees, as well as volunteering activities by our employees.

**Mitsui's Disaster Recovery Support Activities in the Fiscal Year Ended March 2019**

Northern Osaka earthquake/2018 Western Japan heavy rain disaster/Hokkaido Eastern Iburi Earthquake/Sulawesi Indonesia earthquake/Cyclone Idai in Mozambique

**Fostering Future Leaders to Drive Reconstruction in the Tohoku Region**

In coordination with the Reconstruction and Revitalization Period designated by the government in its reconstruction plan for areas affected by the Great East Japan Earthquake of 2011, Mitsui is promoting measures to foster the next generation of people who will drive the reconstruction process, in collaboration with government agencies and NPOs. In 2014, we launched the "Textbook for Our Future for Our Children" Visiting Lecture Project, which features a program about disaster reconstruction produced by Mitsui's World Hi-Vision Channel. Cast members visit schools in disaster areas as teachers for a day, and hold classes that encourage children to think about regional revitalization and community contribution through their choice of future careers and occupations. The classes have been held at a total of 28 schools, mostly in Iwate, Miyagi, and Fukushima Prefectures. Approximately 3,800 children have participated.

We have also been supporting a conversational English teaching project for junior and senior high school students at a "Collaborative School," an extracurricular school run by the certified non-profit organization Katariba since 2014 in the town of Onagawa, in Miyagi Prefecture. In order to expand students' interest in and knowledge of the world's different cultures and value systems through English, we support online video lessons in spoken English, short-term study travel within Japan, and the Career Study Program supported by our employees acting as voluntary instructors. To date, 104 junior and senior high school students have participated.



The "Textbook for Our Future for Our Children" Visiting Lecture Project

# Respect for Human Rights



## Human Rights Initiatives

Policy

Conducting business globally in many countries and regions of the world, Mitsui & Co. considers the protection of human rights in accordance with international standards constitute the foundation of its sustainability management. Mitsui's Basic CSR Policy states: "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 international standards."

The "Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd." prescribe and require Mitsui employees and officers to observe: full consciousness of their role as members of international society; understanding of and respect for the cultures, customs, and history of individual nations; protection of human rights; and eschewing any form of discrimination based on race, creed, gender, social status, religion, nationality, age, or physical or mental ability. Moreover, Mitsui employees and officers are required to pledge to comply with the aforementioned Guidelines every year. Regarding measures to prevent any kind of discrimination and sexual harassment, we are raising employee and officer awareness by providing various compliance programs.

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

P.105 Integrity and Compliance

## Promotion of Management for Human Rights

System

Activity

### Management System for Human Rights and Labor Conditions

Mitsui conducts an internal survey in alternate years concerning compliance with the UN Global Compact, to raise the awareness of management and employees regarding human rights and labor issues at its business units, corporate staff divisions, and domestic and overseas organizations (branch offices and consolidated subsidiaries).

### Queries in internal survey

1. Do you fully understand the UN Global Compact?
2. Have there been any violations of the 10 principles of the UN Global Compact? If so, report the details of the violation and the measures taken to handle the situation.

In the event a unit, a division, or an organization that materially lacks an understanding of the UN Global

Compact was found through the survey, we will take necessary measures such as providing additional training seminars.

In addition, we continue to hold e-learning courses and other training activities to remind employees of the importance of addressing and managing risks related to human rights and labor problems in the supply chain.

With regard to our main suppliers, we conduct supplier surveys and on-site visits based on prepared checklist to understand the situation and to work on improvements if needed. In the year ending March 2019, we conducted supplier surveys to 74 suppliers, and were able to confirm all the suppliers who responded to the surveys complied with Supply Chain CSR Policy which covers human rights and labor practices. As for the on-site survey, we visited Salmex in Chile, a salmon farming, processing and sales facility operated by one of our seafood suppliers, and in which Mitsui is also an investee, and a feed company. The survey focused mainly on environmental management, human rights and labor practices, legal compliance, and quality control and traceability. No violations to our Supply Chain CSR Policy were found.

P.117 Supplier On-Site surveys

Moreover, through our participation in working groups of Global Compact Network Japan, such as the Human Rights Due Diligence (HRDD) Working Group, we are able to keep up with international trends related to human rights, and can make use of the information we obtain from other companies to enhance our sustainability promotion activities.

We continue to deepen our awareness of human rights and labor issues by measures such as inviting outside experts to hold seminars.

## Respecting Indigenous Peoples

System

Activity

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 each country or region's 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, the operations of our forest resource business in Australia are guided by respect for the traditional rights of the Aboriginal peoples. We have ensured accountability by obtaining FSC® certification (FSC®-C104107), which requires regular audits by third-party certification bodies. This certification is based on 10 major principles, including respect for the traditional rights of indigenous peoples. There are

## Respect for Human Rights

stringent audits covering such aspects as whether or not Mitsui's management of business operations gives consideration to traditional Aboriginal rights, and whether or not measures are taken to prevent damage to significant cultural sites, etc. In our iron ore mining operation in Brazil, we maintain close communication with the indigenous people living in the Amazon to foster mutual respect.

In Japan, Mitsui has entered into agreements with the Biratori Ainu Association and with the town of Biratori in Hokkaido, where a part of Mitsui's Forests is located, to cooperate in activities to protect, and pass on, Ainu traditional culture through the conservation of forests.

### Guidelines for Appointing a Security Firm

System

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 the police and the military in member countries take on appropriate roles as well as respecting and protecting 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.

In advancing business activities around the world, Mitsui hires security companies to ensure the safety of its employees. Aware of the potential risk of human rights violations, Mitsui complies with local laws and regulations in the countries and regions where it engages in business activities and selects security companies based on the aforementioned international guidelines.

### The UK Modern Slavery Act 2015

Activity

SDGs: 8.7, 8.8, 16.1, 16.2

In 2015, the United Kingdom enacted the Modern Slavery Act, which is designed to eliminate slave labor. The act requires profit-making enterprises that conduct business within the U.K., and which have an annual turnover above a certain threshold, to publish an annual statement confirming that measures are taken to eradicate slavery or human trafficking in their business activities and their supply chains.

In compliance with requirements under Section 54 of the Modern Slavery Act, Mitsui and its affiliated companies issue annual statements affirming that they will prevent forced labor and other forms of modern slavery and human trafficking.



The UK Modern Slavery Act

## Human Resources to Translate into Assets

### Human Resources Approach

Policy

Throughout its long history, Mitsui & Co. has placed great importance on certain values and philosophies, such as a "Focus on Human Resources," "Open-mindedness," and "Challenge and Innovation." In line with these values, we have always placed importance on people and worked to train and develop diverse human resources who can contribute to society.

Our corporate mission is to "strive to contribute to the creation of a future where the aspirations of people can be fulfilled." To achieve this mission, we will increase our efforts to instill our values and organizational culture, which have led people to say that "Mitsui is people," through human resource development activities for the approximately 44,000 employees who work for the Mitsui & Co. global group.

The business environment is changing rapidly, and the future is difficult to predict. In order for the Mitsui & Co. global group to continue to create new value in this environment, we are sharpening the abilities of individual personnel and exerting the high-level capabilities and expertise of Mitsui and its group companies, thereby increasing the comprehensive strengths of the Mitsui & Co. global group. We believe that creating environments in which the diverse people who work for the group can work energetically is key to realizing that goal.

### Key Elements of Human Resources Management System

Policy

Mitsui regards human resources management system as a tool that helps every individual employee to work energetically and leads to the realization of our corporate mission and vision. The basic philosophy stated above is reflected in the following priorities.

- 1. Recruitment of Human Resources**  
 We will recruit people highly motivated to take on new challenges as well-balanced individuals.
- 2. Human Resource Development**  
 We will develop people who share the values of Mitsui & Co. and have leadership skills that enable them to take the initiative in realizing our management philosophy.
- 3. Appropriate Appointment and Deployment of Personnel**  
 We will appoint and promote optimal people from the Mitsui & Co. global group's global human resource pool.
- 4. Promotion of Diversity and Inclusion**  
 We will foster a corporate culture in which employees with diverse backgrounds accept differences and respect one another.
- 5. Developing an Environment that Realizes Employee Potential**  
 We will implement measures to develop an environment in which individuals can perform their tasks energetically at their full potential through diverse work styles.
- 6. Consideration for Employee Wellness, Working Environments, and Health and Safety**  
 We will create healthy and safe working environments in which employees can continue to work with confidence.

Mitsui & Co. global group companies will share the above approaches through the Mitsui Global Business Management Guidelines and by other means. We will formulate human resources management system, and recruit, train and appoint personnel on the basis of said guidelines, according to the particular circumstances of individual companies.



# Recruitment of Human Resources

## Our Approach

Policy

Mitsui & Co. is committed to fair recruitment practices. We select individuals on the basis of their abilities and personal qualities. For example, we offer people to apply for positions without regard to nationality, gender, age, or other attributes, such as the universities from which they graduated. Our selection processes, including entry sheets and interviews, include no questions that are irrelevant to applicants' abilities or suitability, such as religion or registered place of domicile. Furthermore, staff who conduct interviews receive training to ensure fair employment screening processes for applicants. We accept applications both from new graduates and mid-career applicants, regardless of their previous work experience.

## Specific Policies on Employment Screening and Job Advertisements

Activity

SDGs: 8.5, 8.6, 8.b

Since the fiscal year ended March 2018, Mitsui has run a two-day recruitment camp to ensure that selections are based on a proper understanding of the company and its business operations. Seven people were selected under this system in the fiscal year ended March 2018, and in the fiscal year ended March 2019 the number was increased to 17. The system gives applicants opportunities to gain an in-depth understanding of the nature of Mitsui's business, and enables them to gain a clear understanding of the company through communication with employees. It also allows us to make decisions based on a better recognition of each individual's abilities and personal qualities, so that we can assign them to appropriate positions after they join the company.

In addition, we have been providing a wide range of application opportunities as part of our efforts to recruit diverse individuals capable of working successfully in a global arena. We hold corporate information sessions and selection screening programs in the United Kingdom, the United States and France, as well as web seminars so that people throughout the world can learn about our business and company system.

We also actively recruit mid-career workers and recruit 30-40 people in this category each year, which is equivalent to about 20% of total appointments. Various methods, such as round-table meetings with employees, are used to give applicants opportunities to learn more about our business operations.

Moreover, we actively disseminate group recruitment information with the aim of attracting talented people to work for the Mitsui & Co. group by holding joint corporate information sessions with group companies, and through other means.

P.100 Number of Hires by Gender (Non-consolidated) ★

## Career Education Programs

Activity

SDGs: 8.5, 8.6, 8.b

Mitsui offers various career education programs designed to foster career awareness in students and provide work experience opportunities. A particular priority in this category is internship. We accepted 110 interns in the fiscal year ended March 2017, 311 in 2018, and 190 in 2019. In the fiscal year ended March 2019, we launched a three-day residential program and a one-day session, through which participants were able to engage in various activities with employees, including collaboratively creating proposals on new projects.

Throughout the year, we hold "Challenge and Innovation Experience" seminars, in which participants can get a taste of Mitsui's actual business operations through case studies. There are several versions of these seminars covering different aspects of our work, including business investment, trading, and overseas infrastructure projects. We held 27 seminars in various parts of Japan in the fiscal year ended March 2018, and 49 in the fiscal year ended March 2019.

# Human Resources Development



## Our Approach to Human Resources Development

Policy

The main source of competitiveness for the Mitsui & Co. global group is its human resources. The Mitsui & Co. global group respects diverse individuality and aims to foster human resources that will create new value and take on a central role in global group management.

Throughout its long tradition, Mitsui & Co. has always focused on human resources. Our approach to human resources development is represented in the company's saying, "The individual builds the business, and the business cultivates the individual." As the words signify, the company's priority mission is to develop "strong individuals" who can create new value through business activities based on their expertise and broad knowledge. Indeed, it would be no exaggeration to say that this is the company's ultimate *raison d'être*. For this reason, we regard on-the-job training (OJT) as the cornerstone of human resources development. We also implement comprehensive off-the-job-training programs in various forms to support and supplement human resources development through OJT.

## Human Resources Development Programs

System

### Grade-Based Training and Business Skills Training

To achieve the goal of fostering human resources capable of creating new value and taking on a central role in global group management, we have designated necessary qualifications and roles by job grade, from new employees to management-level employees, and have been implementing a wide variety of human resources development programs, including Grade-based training programs, optional programs, and programs for selected individuals. While strengthening these grade-based training programs, we have also provided business skills training programs as well as professional training programs, with the aim of enhancing our employees' knowledge and capabilities in various fields. An introduction to each training program can be found on the company's intranet, along with an explanation and overview of our human resources training policies, and we encourage our self-motivated employees to participate in these programs.



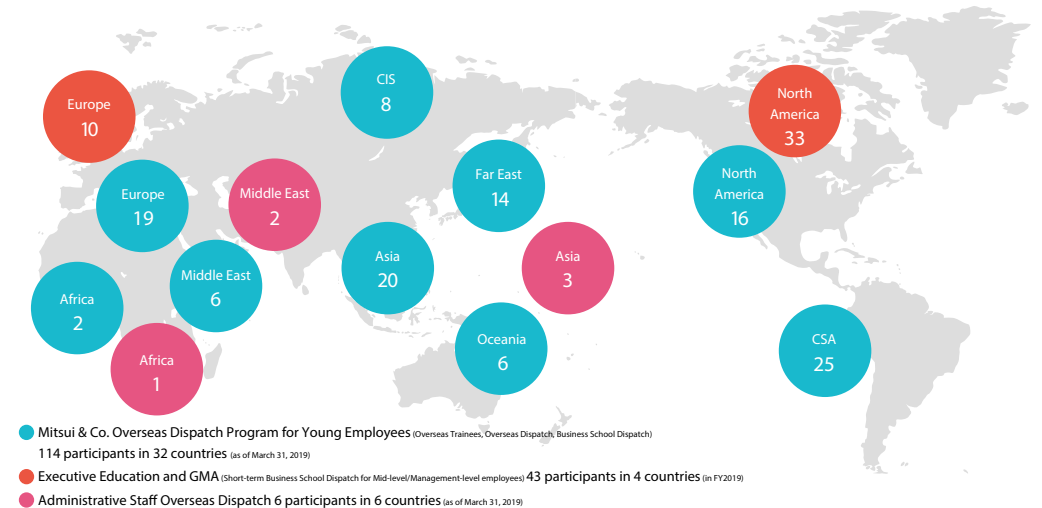
Human Resources Development Program (abridged edition)

## Global Training Programs

The Mitsui & Co. global group has numerous global training programs that are designed to enable employees to manage business on a global basis. These programs include the Mitsui & Co. Overseas Developmental Dispatch Program for Young Employees, which includes the Foreign Language & Business Culture Trainee course (FLBCT) for developing language/regional specialists and Business School Dispatch, as well as Overseas Trainee Dispatch (OTD) designed for enhancing expertise. We also provide the MIT Sloan Fellows Program for mid-level employees, and the Administrative Staff Developmental Dispatch Program for administrative staff.

In addition, with the aim of fostering leaders who will take on a central role in next-generation global business management, we have developed the Harvard Business School Global Management Academy (GMA) in partnership with Harvard Business School. GMA is held with a focus on diversity, and the scope of the participants in this program includes not only Mitsui & Co. global group employees but also employees of our overseas business partners. For management-level employees, we have been implementing Executive Education (EE), which is a short-term MBA program conducted at first-class business schools in Europe and the U.S.

### Number of Participants in the Global Training Programs (in the Fiscal Year Ended March 2019) 163 Trainees in 35 Countries



One Trainee's Story

### Human Resources Training Programs and the Number of Participants/ Dispatched Employees

		System	Activity
<b>SDGs: 4.3, 4.4</b>			
(Unit: persons)			
Category	Training Programs	Outline	Number of participants FY2019
Grade-based Training Programs	Management Training Program, New Line Manager Program, Leadership Program, Administrative Staff Training, Female Business Staff Program, New Hire Induction Training, Mid-career Hire Induction Training	The aim of these programs is to foster human resources capable of global group management. Participants acquire knowledge that includes our management philosophy, business skills, and business mindset.	1,152
Bussan Academy Program	Marketing, Management Strategy, Finance, Logical Thinking, Mindset, Communication, Philosophy, History, Liberal Arts	Professional training programs with the aim of increasing participants' specialist knowledge in various fields.	3,773
Objective-based Programs for Senior Employees	Career Design Program, Retirement Life Plan Program	Training programs for senior employees, which are designed to support them in autonomously devising the direction of their career and to adapt to the change of environment and their roles.	373
Grade or Objective-based Training Programs	Project Manager Development Program, Inter-industry Exchange Training Programs, MOC (Mitsui Open College), Head Office GM 1-on-1 Training	Programs aimed at acquiring specific skills and mindsets, expanding horizons through interactions with other industries, and building personal connections	840
Global Training Programs	Foreign Language & Business Culture Trainee Course, Business School Dispatch, Overseas Trainee Dispatch, GMA, EE, Administrative Staff Overseas Dispatch	Program participants are sent overseas and are surrounded by talented people from around the world, with the aim of developing the mindset and skills needed to become next-generation leaders in global group management.	163

**P.100** Hours/Days of Training for Competency Development and Expenditure on Training (Non-consolidated)

### Development of Human Resources Capable of Global Group Management

System	Activity
<b>SDGs: 4.3, 4.4</b>	

We also focus on the development of human resources capable of taking responsibility for global group management, which is a key pillar of Mitsui's consolidated management.

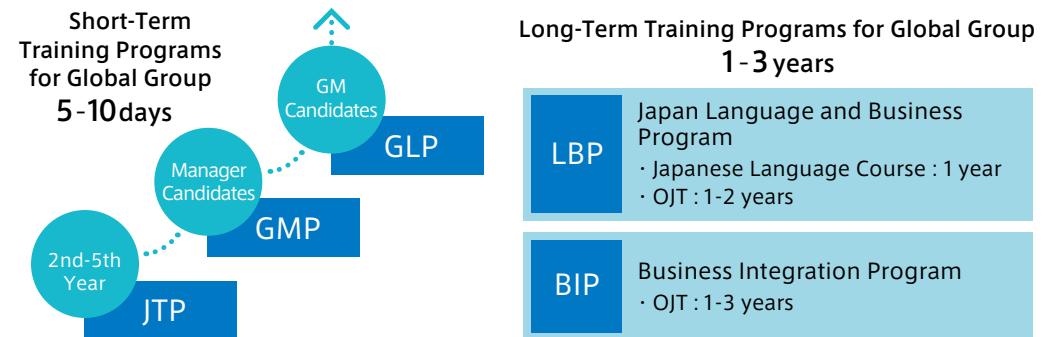
In order to provide support for human resources development at each group company in Japan, and to build human networks, we provide grade-based training through such courses as our General Manager Training Program, Department Manager Training Program, and New Hire



Regionally hired staff engaged in active discussion during GMP training

Induction Training Program, as well as optional training programs, such as the Bussan Academy programs.

In 2002, we started offering employees of our overseas subsidiaries well-developed programs of both short-term and medium- to long-term training at Mitsui Head Office. Short-term programs include JTP (Japan Trainee Program), GMP (Global Managers Program), and GLP (Global Leaders Program), which are offered as milestone training in three stages: the first few years after joining the company; prior to appointment as a general manager; and after appointment as a general manager. Furthermore, we launched the Change Leader Program (CLP) to identify talented staff on a global basis and develop them into leaders who will actively take on challenges and lead the realization of innovations. Medium- to long-term programs are held for a period of one to three years, and include LBP (Japan Language and Business Program), which provides Japanese language lessons and practical business training, and BIP (Business Integration Program), which provides practical business training.



**P.81** Training and Promotion of Regionally Hired Staff

### Appraisal

System
--------

Mitsui and its group companies encourage employees to take on new challenges, help them enhance their individual capabilities, and inspire them to work with a high level of motivation and enthusiasm, through personnel appraisals. The objectives of conducting the appraisal process are not limited to enhancing employee understanding of Mitsui's management philosophy, or to providing input for setting compensation or assigning new positions, but also include promoting talent development through the appraisal process. Appraisal meetings are held periodically between employees and their managers, and employees receive comprehensive feedback on their performance and specific contributions. These meetings create an effective framework for human resources/personal ability development.

The appraisal system for staff hired in Japan consists of three types of appraisal criteria: "Individual



Competency Appraisal," "Contribution Appraisal," and "Organization Performance Evaluation." For the "Individual Competency Appraisal," an appraiser performs comparative assessment of the competency of an employee in relation to other employees in the same appraisal group; this appraisal is used for and reflected in decisions regarding employee promotion, job assignments, salary, and so on, in accordance with the cumulative points in the employee's individual competency appraisals over the most recent three years. Having cumulative points from appraisals for three years, rather than a single-year appraisal result, avoids a one-time effect and enables appropriate appraisals as to how an employee has been developing during the three-year period, and for considering promotions. For the "Contribution Appraisal," setting out appropriate targets is the premise for a fair appraisal. Superiors and subordinates must engage in in-depth discussions in order to share a common understanding of the established targets, so that the targets will be challenging and acceptable to both parties. For the "Contribution Appraisal," an appraiser assesses the value added to, and the degree of contribution made to the company by an employee, as well as the degree to which the employee has taken on challenges to achieve a target. The purpose of the "Organizational Performance Evaluation" is to examine the degree of attainment and the progress made by individual business units on their respective business plans. The results of the Contribution Appraisal and the Organizational Performance Evaluation are reflected in the bonus. In the fiscal year ended March 2019, we revised our benefits and promotion/demotion system to better reflect results and appraisals, with the aim of achieving the further strengthening of individuals. We have changed the system to allow both promotion and demotion in order to facilitate the early promotion of employees who produce outstanding results and demonstrate strong capabilities, and to give them roles with greater responsibility, while also carrying out finely-tuned assessments with the aim of fostering a healthy sense of urgency. Furthermore, we have introduced the President's bonus to reward employees who make a noteworthy contribution to or who produce outstanding results toward strengthening Mitsui's earnings base, or who take on difficult challenges aspiring to new heights.

### Interactive Communications between Supervisors and Subordinates

System

Activity

#### 1-on-1

In order to realize more highly motivated workplaces through support for cultivating a strong relationship of trust among employees and for improving their performance, we have launched the 1-on-1 Program for departmental GMs in the Head Office. Through this program, a supervisor and his or her subordinate take time to communicate, aiming to increase communication time and enhance the quality of communication. As a measure for supporting staff to grow into strong individuals, about 90% of the participants gave positive feedback (the number of participants was 250 in the fiscal year ended March 2019).

### Mitsui Management Review (MMR)

In the fiscal year ended March 2006, we introduced the Mitsui Management Review (MMR) for line managers responsible for handling global consolidated management in Japan and overseas, as well as at affiliated companies, as an opportunity for them to gain insights by reflecting on their own management and leadership capabilities. Currently, the MMR is carried out once every two years. In the fiscal year ended March 2019, the program was held for 1,176 managers. Members of the organization working under each manager rate him or her based on a scoring sheet composed of evaluations of the behavior elements required of Mitsui management staff. This provides an opportunity for the manager to reflect on his or her own performance based on the results, and to implement management style improvements. In addition, workplace meetings are held to give direct feedback to members of the organizations about the insights gained through the MMR. Sharing their understanding with the manager and his or her subordinates allows them to clarify the new challenges they need to tackle in the workplace. Having managers demonstrate an attitude of facing up to reality has stimulated other members of the organization into action and encouraged an attitude of cooperation among others. These efforts have also helped to foster commitment towards the company's corporate vision, and a sense of ownership. As such, the MMR is leading toward the creation of more open and communicative workplaces where discussions contributing to the improvement of management are actively carried out.

### Employee Dormitories

System

Activity

Mitsui provides employee dormitories, primarily for new graduates hired by the company who wish to live in this type of accommodation. The dormitories offer an environment for the basic education useful to new employees of Mitsui and for building wide-ranging personal networks with people who joined the company in different years and work in different units.

At present almost 400 employees, mostly young employees who have been with Mitsui for up to three years, reside in six dormitories located in the suburbs of Tokyo. Inter-dormitory sports competitions and other events help to deepen communication among employees along vertical, horizontal, and diagonal axes.

Because dormitory residents include regionally hired staff who stay in Japan for long periods to participate in training programs at the Tokyo Head Office, the dormitories are also widely used for global networking among employees.

# Appropriate Appointment and Allocation of Personnel



## Policy on Placing the Right People in the Right Positions

Policy

People are the most important assets for the Mitsui & Co. global group. We aim to create a cycle in which our human resources can grow through opportunities for diverse experiences, while deepening their human networks, thereby creating opportunities for even better experiences.

## Deployment of Employees

System

Every year, employees are given the opportunity to have dialogue with their superiors on the basis of the prescribed career development survey sheet. Based on the individual employee's characteristics, expertise and experience, we formulate a plan for the development and utilization of our human resources and implement appropriate and optimized personnel assignments, in order to maximize the potential of our diverse, talented professionals and organizational strengths.

## Swift and Flexible Reallocation of Human Resources

System

### Re-allocation of Human Resources

Human resources are vital but finite management resources. Taking into account the external environment and the balance between our portfolios and profits, we agilely transfer and position our human resources to growth areas that we have defined as targets under our management policies. We are continually implementing human resource re-allocation measures such as the ones listed below to accelerate our business offensives, which has resulted in the promotion of business by diverse, talented professionals.

In the fiscal year ended March 2017, we re-allocated approximately 30 people from resource areas into non-resource growth areas, such as "healthcare" and "nutrition & agriculture," in order to build a structure capable of generating stable profits without being impacted by resource prices.

Since the fiscal year ended March 2018, we have transferred approximately 100 people from administrative units to business units and affiliated companies, with the aim of streamlining administrative units and strengthening business frontline units.

### Personnel Exchanges

At intervals of approximately two years, we exchange personnel among different units. Approximately 300 people have taken part in exchanges since the program was introduced in the fiscal year ended March 2010. The aim is to share and disseminate knowledge and specialist skills held by organizations and employees beyond organizational boundaries, and in so doing enable employees to fully employ the

comprehensive strengths and the networks of the Mitsui & Co. global group, and to develop human resources with broad perspectives.

Young employees with up to four or five years of experience are transferred to domestic branches and offices under our Career Development Program designed to accelerate growth through contacts with customers at the business frontlines.

## Systems to Help Employees Take up Challenges

System

Activity

SDGs: 4.3, 4.4, 8.3

### Human Resources Bulletin Board System

This system allows employees to move from their presently assigned business sector to different business areas of their choice. If an employee wants to use his or her capabilities, skills and specialist knowledge in a business area other than the one to which he or she is currently assigned, and if it is judged that the transfer would be beneficial for both the employee concerned and the company, and would enhance the competitiveness of our human resources and organization, then a transfer will be implemented. In the fiscal year ended March 2019, 18 employees were transferred under this system, which gave a cumulative total of approximately 400 employees transferred since the commencement of this system in the fiscal year ended March 2000.

## Development and Promotion of Regionally Hired Staff

System

Activity

SDGs: 10.2, 10.7

### Change Leader Program

The Change Leader Program (CLP) was implemented as an initiative to identify, nurture and develop diverse talent on a global basis and to train them to become leaders who can actively and boldly push forward reforms necessary to create business. A total of 30 participants from around the world joined this program in the fiscal year ended March 2019. Participants received direct advice from top management in the Head Office, and underwent intensive business discussions with their sponsor divisions. Mentors were assigned for each participant to further facilitate their growth, while they set up their own stretch assignments to accomplish. As a measure to foster and retain talented human resources, and to strengthen innovation and initiatives for business creation, we plan to continue this program going forward.

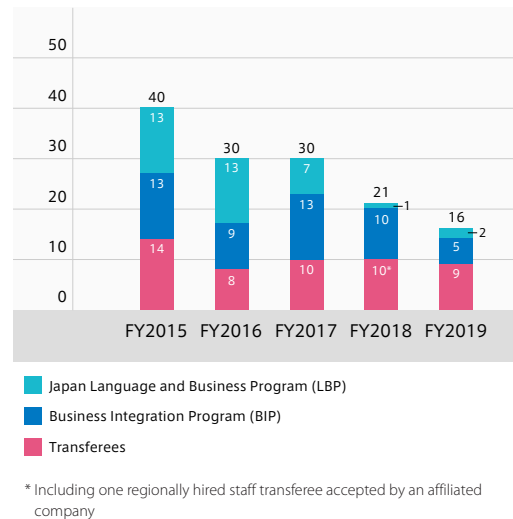


CLP participants

### Training and Transfer to Japan

Regionally hired staff selected for training as next-generation leaders are sent to Japan in various ways. They are given opportunities to study the Japanese language and Japanese business practices and experience Japanese work styles, while learning about other aspects of Japan, such as its culture and history. Their training is targeted toward their development as management personnel who will one day play key roles in Mitsui & Co. global group management. In addition to opportunities to network with people within and beyond Mitsui & Co. global group, the program is also designed to enable participants to build lifelong relationships by inspiring and being inspired by other talented people who are gathered in Japan for the same purpose. The Program to dispatch regionally hired staff to Japan started in early 2000. Since then, a total of 159 people had participated in various training programs in Japan as of March 2014. The Mitsui & Co. global group will continue to implement these programs going forward.

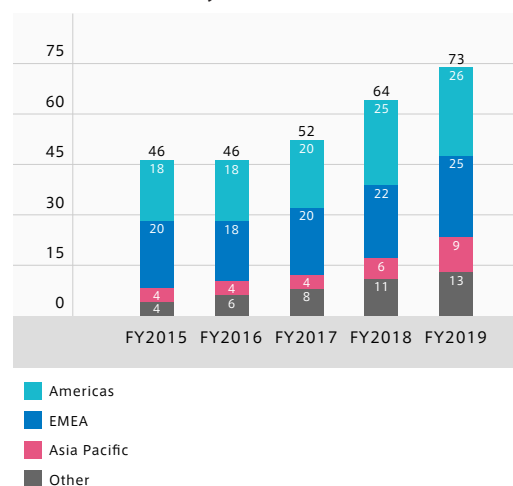
Personnel Sent to Japan (As of March 31 each year)



### Promotions to Executive Positions

An increasing number of talented regionally hired staff are being promoted to managerial positions, in line with our commitment to training regionally hired staff in each region and strengthening our pool of human resources and locally-originated business. In the past, most people appointed to managerial positions as general managers (GMs) in overseas offices were sent out from Japan. As a result of coaching and training regionally hired staff, as well as providing opportunities for assignment to Japan and for global training and other initiatives, the percentage of GM positions held by regionally hired staff has reached 31% in the Americas, 24% in EMEA (Europe, the Middle East and Africa), and 8% in the Asia Pacific region (as of

Number of GM Positions Held by Regionally Hired Staff (As of March 31 each year)

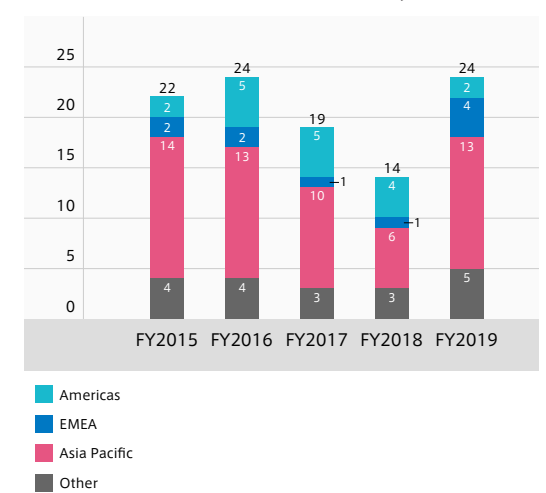


March 2018). We will continue to strengthen our efforts to achieve optimal personnel allocation, including Headquarters-hired staff, as part of the continuing globalization of human resources in the Mitsui & Co. global group. The number of general manager positions held by regionally hired staff is expected to exceed 100 by the fiscal year ending March 2020.

### Transfers between Overseas Countries

Appointing personnel with a thorough knowledge of each country and region is essential to developing business with deep local roots, in order to capture every business opportunity while adapting flexibly to ever-changing business environments. We are driving further diversification forward to ensure that the right people can work in the right place on a global basis, regardless of nationality or location of recruitment. We are increasingly providing employees with opportunities not only for training in Japan, but also for transferring to other overseas offices, in addition to offices in other countries in the same region. Recent examples include the transfer of staff from India and South Korea to Dubai in the Middle East. We will continue to support the globalization of human resources in the Mitsui & Co. global group, while verifying the effectiveness and advantages of this policy.

Number of Regionally Hired Staff Transferred between Overseas Countries (As of March 31 each year)



# Promoting Diversity & Inclusion



## Diversity & Inclusion Concept

Policy

Faced with the many changes taking place in today's increasingly volatile global business environment, it is important that we secure a wide range of human resources with diverse values so that we can respond to the various changes and transform risks into business opportunities. Based on this concept, the Mitsui & Co. group is promoting the career development of human resources who come from a wide variety of backgrounds in terms of nationality, gender, values, and other attributes.

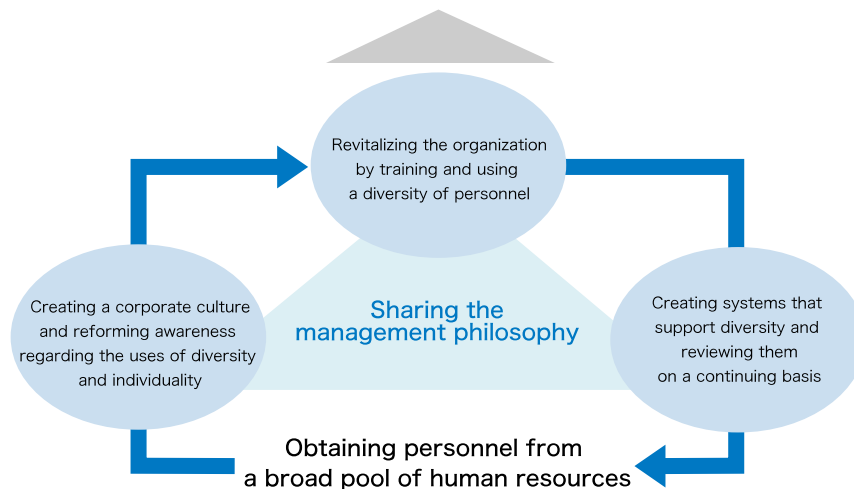
We implement "diversity management," under which each and every member of our diverse human resources recognizes and respects each other, stimulates each other to exert their capabilities to the fullest, brings new value to our business, and creates innovation. This allows us to enhance the competitiveness of the Mitsui & Co. global group.

While developing systems and measures for supporting the growth of diverse human resources, we have also been focusing on cultivating a corporate climate and culture that fosters "diversity & inclusion," in which where diversity is accepted and respected.

### The Diversity Management that Mitsui Is Aiming For

**Increasing Competitiveness by Combining the Capabilities of Diverse Human Resources**

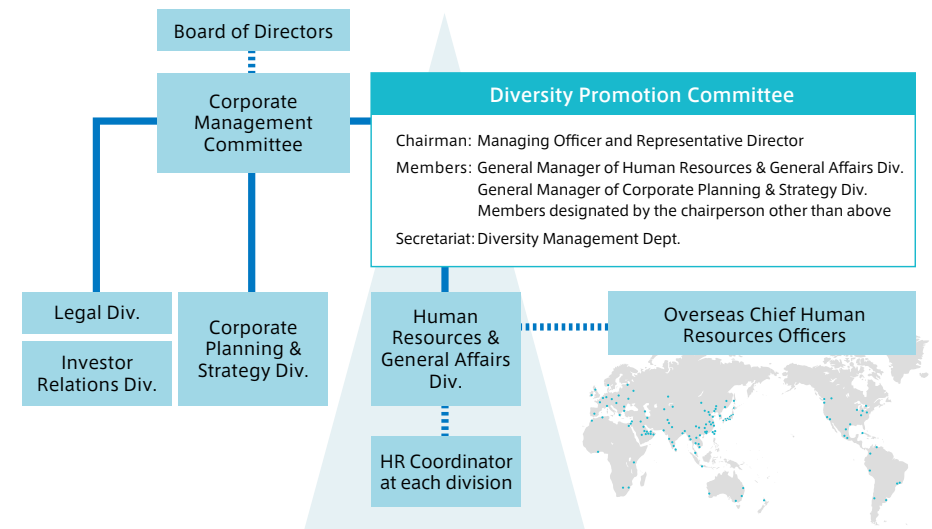
- Development of personnel who promotes innovation with strong capabilities for flexibly adapting to and coping with change in an environment characterized by the globalization of business activities and expansion of business domains.
- To be a company that can attract human resources, draw out the individuality, and maximize potential of each and every staff member.



## Diversity Management Promotion Framework

System

Officer in charge	Hirotsu Fujiwara, Representative Director, Senior Executive Managing Officer
Deliberation body (advisory committee to the Corporate Management Committee)	Diversity Promotion Committee Established in April 2006. Regularly carries out deliberations and makes decisions in relation to policies and measures for the promotion of diversity management at Mitsui.
Secretariat	Diversity Management Department, Human Resources & General Affairs Division. In October 2005 the Diversity Management Promotion Department (since renamed the Diversity Management Department) was set up in the Human Resources & General Affairs Division. It has been leading efforts to promote diversity management.



**Cultivation of a Corporate Climate and Culture of "Diversity & Inclusion": Seminar on Innovation Driven by Diversity & Inclusion**

In order to further facilitate understanding of and raising awareness of diversity & inclusion," we hold a diversity and inclusion promotion seminar annually. For the event held in the fiscal year ended March 2019, we invited as a speaker Ms. Vicky Binns, Vice President Marketing Minerals of BHP Group Limited, which is the world largest integrated resource company and an important partner for us. The theme was "How we can connect diversity and inclusion to business creation," and lively panel discussions took place after the lecture.

## Career Development Initiatives for Women

Policy

As one of our key initiatives to promote the careers of diverse human resources at Mitsui, we have been promoting human resources development, environment improvements, and mindset changes to support female staff members (both business staff and administrative staff) in building and continuing their careers.

## Action Plans Related to Career Development Initiatives for Women

Policy

Mitsui has formulated "Voluntary Action Plan on Promotion of Women to Managerial and Board Positions" and "Action Plan Related to the Promotion of Women's Empowerment" to promote women's empowerment, and is implementing related initiatives.

Our goal of "more than tripling the number of female staffs at managerial positions as of June 2014 (which was 67) by around 2020," which was noted in both of the aforementioned plans, was achieved in July 2018 two years ahead of the original plan.

### Voluntary Action Plan on Promotion of Women to Managerial and Board Positions

Our voluntary action plan was posted on the Keidanren website in December 2014.

As of July 1, 2019, Mitsui has 3 female officers (2 Directors and 1 Audit & Supervisory Board Member) and the ratio of female officers to the total number of officers is 15.8%.



Keidanren (Japanese only)

### Action Plan Related to the Promotion of Women's Empowerment (from April 1, 2016 to March 31, 2021)

The plan describes our targets for the period up to the end of the fiscal year ending March 2020 under the Act on Promotion of Women's Participation and Advancement in the Workplace.



**P.101** Performance Data Related to Diversity

**P.122** Evaluation by Society

## Initiatives to Support Continuous Career Development

System

Activity

SDGs: 5.4, 5.5, 5.c

### Training for Female Business Staff (Career-Vision Training)

This training is provided for young female business staff. The most important aim of the training is to help participants prepare for their future long-term career paths. The training helps employees to develop concrete ideas about the growing range of choices that they will face, along with life events and other factors, through dialogue with senior colleagues and discussions with staff members working in the same environment.

### Female Mentor System

The female mentor system has been introduced to provide opportunities for female employees to learn about the significance of working for Mitsui and discover new ideas about career development through communication with more experienced female coworkers. The system provides a way to seek advice about matters ranging from minor problems in day-to-day activities through to career planning. A wide range of female employees are selected as mentors from among those who have worked overseas, experienced various life events, or are active in the frontline at the business divisions or as secondees. Employees can choose their mentor depending on the type of advice they need. Mitsui has also established mentor systems for non-Japanese employees and young employees.

### Diversity Cafe

Along with changes in the social milieu, such as a greater diversity in people's sense of values, the rising number of dual income households where husbands and wives both hold jobs, and the 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 private lives. We host Diversity Cafe to allow employees of all ages and roles 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. Last year, we organized the first Diversity Cafe for male employees since we started this initiative in 2009. In an amicable atmosphere, the participants had discussions on such themes as "advice for male employees who consider taking child care leave of male employees" and "work-life management for dual income households."



The 24th session of the Diversity Cafe in progress

### Support for Employees Who Are Citizens of Countries Other Than Japan

System

Mitsui & Co. group has excellent human resources belonging to a variety of nationalities and resident in different countries and regions around the world, and encourages them to play an active role in developing business that is closely connected with individual region. In order to boost global group management, Mitsui brings employees from its group companies to Japan on job transfers and training, and supports human resources development and the establishment of human networks within the group. Moreover, Mitsui has built a support framework for non-Japanese employees who are hired by the Tokyo Head Office, such as a mentor system aiming to provide comprehensive support for the career development and independence, and provision of support for administrative procedures, such as updating or changing visa status.

### Promoting Understanding of LGBT<sup>(\*)</sup>

System

While views about LGBT issues vary from country to country, Mitsui believes that gaining a proper understanding of LGBT and issues surrounding LGBT is an important part of building relationships of trust with the people we meet in our work. Accordingly, we have implemented measures such as providing an internal consultation service, holding internal seminars in Japan, and posting the LGBT Guidebook on the company intranet. In addition, we cover the topic of LGBT as part of Overseas Pre-posting Training for employees being posted overseas, supporting employees' understanding before their posting. In terms of facilities, multi-purpose restrooms have been installed in the Tokyo Head Office.

\* LGBT is an abbreviation of L = Lesbian, G = Gay, B = Bisexual, T = Transsexual. In this report, "LGBT" is also used to refer to all sexual minorities, addition to LGBT.

### Hiring of People with Disabilities

System

In order to fulfill its corporate social responsibilities, and as part of its efforts to promote diversity and inclusion, Mitsui is working to expand the quantity and quality of employment opportunities for people with various types of disabilities. In this area, we work closely with Mitsui & Co. Business Partners Ltd., which was established in 1981 as a trailblazing special-purpose subsidiary.

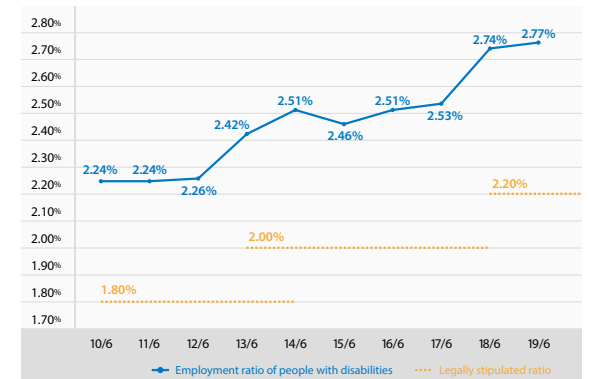
For over 20 years, Mitsui has exceeded the statutory rate for the employment of people with disabilities, and as of June 2019 our rate stood at 2.77%. We remain committed to the sustainable expansion of employment opportunities. We have set a target of 3.0% for 2023, when the statutory rate is expected to be revised, and we will continue to implement various initiatives with the aim of achieving this target.

From the perspective of qualitative improvement, we do not limit the types of work that people do according to whether or not they have disabilities. Instead, we strive to create working environments in which people can work with passion and motivation and learn to recognize each other's contributions by handling tasks that match their individual abilities, and in which they can take up new challenges and achieve continuous growth while creating wide-ranging value. In fact, people with disabilities are employed in an extremely broad range of work, especially in the areas of human resource management and general administration, such as operations relating to HR matters, wages, welfare, business travel arrangements, printing, mail processing, expense reimbursement, data processing, and office layout management. We will continue to develop and expand the fields of work, in order to provide opportunities for people with various disabilities to contribute and grow.

We also help to facilitate employment for people with disabilities in our affiliated companies by holding an annual seminar and information-sharing meeting each year. The 2018 meeting took the form of a panel discussion, which was attended by 29 people from 20 companies.

We will continue to promote employment for people with disabilities from both the qualitative and quantitative perspectives across the entire Mitsui & Co. group, as part of our commitment to removing barriers to social participation.

**Trends in the percentage of people with disabilities in Mitsui's work force (as of June 1)**



## Promoting Diversity &amp; Inclusion

## Supporting the Active Participation of Senior Personnel

System

We have established a unit within the Human Resources and General Affairs Division that is fully dedicated to supporting our senior (older) personnel. We provide various training opportunities, such as Career Design Training, as well as holding individual interviews to support senior personnel aged over 50 to help them actively engage in business, etc. and to independently design their own career development path.

Mitsui has introduced a “re-employment system” that provides employees who wish to continue working after reaching the mandatory retirement age of 60 with the opportunity to continue working up to the maximum age of 65. We strive to build an environment that enables active participation by senior personnel by continuing to make use of their work experience, knowledge, and skills even after they reach the mandatory retirement age.

Furthermore, we provide support to employees for their new careers outside the company, in line with their choice of career paths.

## Initiatives to Support the Careers of Senior Employees so as to Play Active Roles within and outside the Company

Provision of information	<ul style="list-style-type: none"> <li>Interviews for senior personnel Individual interviews for employees aged 50 and above who wish to have an interview. Information and advice are provided on various individual themes, such as the employee's future career, the company's retirement benefits and pension system, the retiree support system, the re-employment system, current conditions in the rehiring market for senior employees, and planning and preparation for life after retirement. (Approximately 200 interviews are held per year.)</li> <li>Re-employment system seminars The seminars are held to explain the system to employees seven months before mandatory retirement age. (Held four times per year for a total of approximately 140 employees.)</li> <li>Interview to confirm intentions regarding re-employment Interviews are given to employees who did not attend the re-employment system seminars or any other employees who wish to have an interview.</li> </ul>
Training	<ul style="list-style-type: none"> <li>Career design training Two-day training held twice in total for business staff aged 48 to 51 and 54 to 58. It provides an opportunity for participants to understand public systems and internal systems, review their values, strengths and weaknesses, and think about choices of working styles. (Held 11 times in FY March 2019, with 273 participants.)</li> <li>Career Design Follow-up Training An evening course for employees who have already received career design training and would like follow-up training. (Held 3 times in FY March 2019, with 65 participants.)</li> <li>Life plan training One-day training program for administrative staff aged 50 and above. (Held 2 times in FY March 2019, for 38 participants.)</li> </ul>
Support for active participation within the company	<ul style="list-style-type: none"> <li>Discussions are held by the Re-employment Committee, which is composed of executive officers and division GMs, about the specific activities of each senior employee. Support is given for a diverse range of opportunities both in Japan, and at overseas offices and affiliated companies.</li> <li>We have developed the Overseas Fringe Benefits System to support overseas activities.</li> <li>As of March 31, 2019, there were 129 re-employment contract employees (including 8 employees working overseas). In the fiscal year ended March 2019, 46% of employees aged 60 accepted a re-employment offer.</li> </ul>
Support for activities outside the company	<ul style="list-style-type: none"> <li>The retiree support system is for employees aged 50 or above who wish to look for re-employment outside the company. We provide support for job-seeking employees through companies specialized in that area, and we post re-employment information via the intranet. In the fiscal year ended March 2019, 41 employees aged 50 or above found their next career outside the company utilizing the support directly or indirectly provided by the company.</li> </ul>

## Creating an Environment in Which Every Individual Can Achieve Their Full Potential



Mitsui & Co. aims to strengthen its overall competitiveness as a company by creating environments in which individual employees can enhance their efficiency and productivity and use their abilities to the full. We are implementing a variety of initiatives to create environments that allow every employee to work energetically and enthusiastically and achieve personal growth in step with the company's growth.

## Work Style Innovation

Policy

Since 2015, Mitsui has been promoting “work style innovation” to review existing ways of working and realize flexible and priority-focused work styles that are unconstrained by spatial or temporal restrictions.

## Work Style Innovation Action Plans

Specific KPIs and action plans for work style innovation have been formulated from three perspectives: (1) the elimination of excessive working hours, (2) encouraging employees to take annual leave, and (3) promotion of flexible work styles. These have also been posted on the Japan Business Federation (Keidanren) website.

## (1) Elimination of excessive working hours (KPI)

We will reduce the number of employees working more than 620 hours of overtime per year (statutory calculation) to zero by the fiscal year ending March 2021 by improving productivity and efficiency through individual employees' work style innovation in a priority-focused manner. This KPI was achieved three years earlier than planned in the fiscal year ending March 2018 (72.3%)

## (2) Encouraging employees to take annual leave

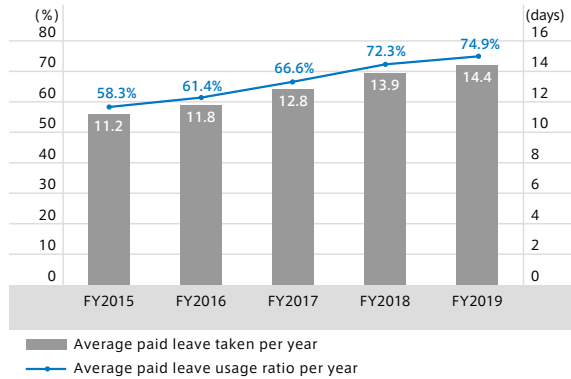
We will increase the percentage of annual leave taken (including leave taken in half-day and hourly units) to 70% by the fiscal year ending March 2021 by improving productivity and efficiency through individual employees' work style innovation in a priority-focused manner. The percentage of annual leave taken had increased to 72.3% as of the fiscal year ending March 2018, achieving the KPI ahead of the original plan.

## (3) Promotion of flexible work styles (KPI)

We will increase the percentage of employees giving positive answers to questions on work styles in in-houses surveys, such as whether the workplace environment is suitable for the maximization of productivity, and whether there are no obstacles to work in the workplace, to 60-70% of all employees by the fiscal year ending March 2024. Note: This KPI was revised to the current figure in the fiscal year ended March 2019 and will be followed up in future Mitsui Engagement Surveys.

Creating an Environment in Which Every Individual Can Achieve Their Full Potential

**Paid Leave Days Taken and Usage Ratio (Non-consolidated) ★**



Employees at Tokyo Head Office and branches in Japan (excluding contract employees)

**Reference: Results from Mitsui & Co.'s "Employee Opinion Survey on Work Styles," and "Mitsui Engagement Survey"**  
(Coverage: Mitsui & Co. employees working in Japan)

	1 <sup>st</sup> (FY2016)	2 <sup>nd</sup> (FY2017)	3 <sup>rd</sup> (FY2018)	Engagement Survey (FY2019)
Realization of priority-based work styles	54.5%	39.7%	47.8%	52%
Employee satisfaction *1	72.6%	76.0%	77.6%	77%*2

\*1 Averages for "work motivation," "sense of growth," and "satisfaction with having chosen to work at the company"

\*2 Based on the calculation method used up to FY2018.



Work style reform action plan (Keidanren)

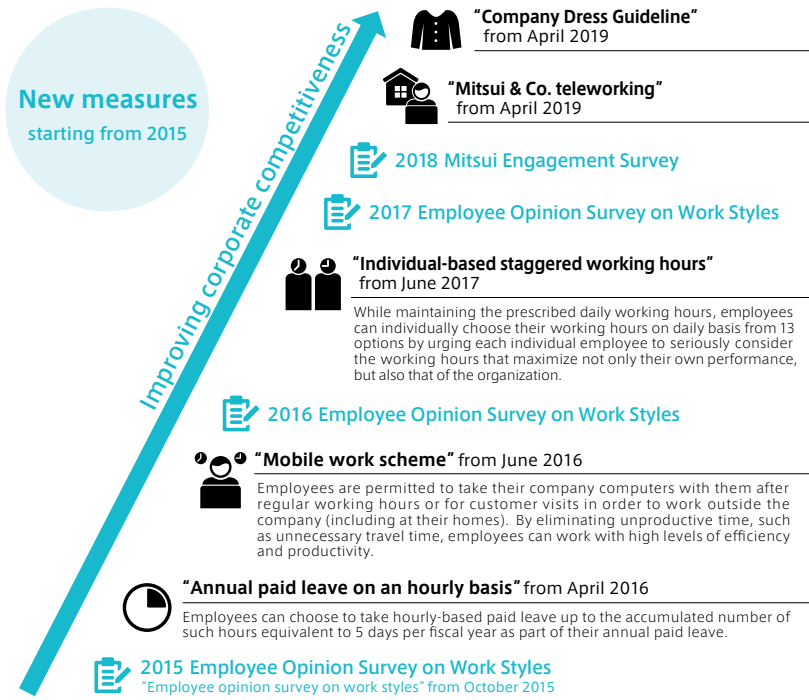
**Work Style Innovation Measures**

As measures for realizing work style innovation, we introduced systems for enabling the taking of annual paid leave in hourly units (since April 2016), mobile work (since June 2016), and selecting staggered working hours for individuals (since June 2017). In April 2019, we launched Mitsui & Co. teleworking (working from home) on a company-wide basis and implemented major changes to the dress guidelines, in expectation of further improvements in productivity and output quality, as well as stimulation of free flow of ideas.

Measures	Date introduced	Description	Benefits, aims, etc.
Being able to take paid annual leave in hourly units	April 2016	Employees can take up to the equivalent of five days (which is a regulatory cap) of their annual paid leave in hourly units. (The same applies to full annual leave for nursing care and family care [10 days each per year]).	This measure supports a more prioritized approach to work style innovation by giving employees reliable access to the leave when they need it, so that they can concentrate on their work at other times. Since the introduction of this measure in 2016, it has been utilized by almost 80% of employees.
Mobile work scheme	June 2016	This system allows employees to work outside of the office (including at home), using computers borrowed from the company, outside of regular working hours or in free time before and after customer visits.	By eliminating unproductive time, such as travel time, this scheme allows employees to work more efficiently and productively. Almost 70% of those using the scheme experienced improvements in their efficiency and productivity (based on the results obtained in the 3 <sup>rd</sup> "Employee Survey on Work Styles" conducted in October 2017).
Staggered working hours for individuals	June 2017	This system allows individual workers to stagger the start of their working day within 90 minutes before or after the normal start time, provided that the required number of working hours is maintained.	The aim of this system is to maximize organizational performance and maintain a healthy sense of focus, by encouraging individual employees to think seriously about the allocation of working hours within each day to maximize benefits for the individual and the organization. Results from a survey conducted after its introduction showed that 95% of respondents thought that the system would contribute to the company's competitiveness (based on the result of a survey on staggered working hours conducted in February 2018).
Mitsui & Co. teleworking (trial)	July-September 2017 (trial involving 600 employees), June-September 2018 (trial involving 1,900 employees)	This measure expanded the scope of the mobile work system described above (by adding the option of working at home or at a satellite office during working hours).	The purpose of the trial was to verify that this system would help to enhance the company's competitiveness, which is the aim of work style innovation, by improving the work efficiency and productivity of individuals and organizations through increased flexibility concerning the location of work.
Mitsui & Co. teleworking	April 2019 (for all employees)	This measure expanded the scope of the trial carried out in FY2018 and FY2019 to include all employees (in addition to working at home during normal working hours, the system also provides for working at home in the event of disasters).	While maintaining the basic emphasis on face-to-face communication in the office, this system is designed to improve productivity and efficiency through a focus on results achieved in task-oriented times and spaces.
Modification of dress guidelines	April 2019	This measure allows individual business units to establish their own dress guidelines to reflect industry-related needs and business practices, which vary according to the organization.	When the system was introduced on a trial basis in March 2018, 65% of organizations experienced improvements in productivity. The system respects the self-discipline of employees as professionals, improves work productivity and efficiency, and encourages the free flows of ideas.



Creating an Environment in Which Every Individual Can Achieve Their Full Potential



**Mitsui Engagement Survey**

Activity

SDGs: 5.4, 8.8

Mitsui began to gather accurate data about the attitudes of employees in the Tokyo Head Office and branches and offices in Japan with the implementation of a survey on work styles in October 2015. In November 2018, Mitsui launched the Mitsui Engagement Survey as a new mechanism for gathering comprehensive data about individual employees' awareness of work styles and the types of workplace environments that motivate employees. In order to formulate and implement policies that reflect actual conditions on a global basis, we have expanded the scope of the survey to include employees working or recruited overseas and have provided results from the survey as feedback to each region. We plan to conduct the Mitsui Engagement Survey around every two years.

**Overall results from the Mitsui Engagement Survey 2018 on a global basis\***

Global response rate: 89%

"I am respected as an individual" was selected by <b>80</b> % of employees	"I am motivated toward my work" was selected by <b>74</b> % of employees	"I can learn and grow" was selected by <b>76</b> % of employees
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\* Mitsui & Co. employees in Japan and overseas branches and offices (including regionally hired staff)

**Work-Life Management**

Policy

Mitsui supports "work-life management" so that every employee is able to fully meet life responsibilities, while pursuing career development by displaying their potential in the workplace to the full. As part of these efforts, we have introduced various systems above the required statutory standards to support our employees in both work and childcare/family care. These systems are made available not just for female employees but also for male employees, encouraging male employees to take part in childcare and family care.

**Initiatives to Support Childcare and Family Care**

System Activity

SDGs: 5.4

**Pre-leave and Pre-return Consultations (Childcare/Family Care)**

For the employees planning to take childcare, pre-leave consultations have been offered for those who desire, and to all employees planning to take childcare, and pre-return consultations have been held for all employees planning to return to work after a period of leave. In order to provide further support for the planning for the leave period and preparation for realizing an optimum work-life management balance at an earlier stage, we have introduced a pre-leave orientation program from the fiscal year ending March 2020. The employee who will be taking childcare leave, their supervisor, and a staff member in charge of human resources in the unit to which the employee belongs, participate in the orientation. The employee receives advice to gain deep understanding of the various work-life support systems, as well as advice on self-motivated career-building in the future, while the supervisor and human resources manager learn the importance of continuing to carry out thorough communication, having high expectations of the employee, giving them opportunities, and supporting their growth. Through the introduction of this system and other activities, we are working to create an environment that provides support for future career-building and work-life management.

For employees who will be taking family care leave, we continue to provide pre-leave and pre-return consultations, if the employee wishes, and for employees who have concerns regarding work-life balance, in particular, we provide opportunities for individual meetings at an earlier stage, in cooperation with the human resources manager in the corresponding unit.

### Utilization of Work Style Innovations Systems (Childcare/Family Care)

The staggered working hours system for childcare and family care was previously only available to employees involved directly in childcare or family care. In the fiscal year ended March 2018, as part of our Work Style Innovation initiatives, we included this system in the individual-based staggered working hours scheme, which is applicable to all employees (although limited to staff working in Japan, and excluding secondees). At the same time, we made it possible to use this scheme and the childcare and family care working hours system (shortened working hours system) in a combined manner. Furthermore, we also started to offer a variety of choices for flexible work styles, including annual paid leave on an hourly basis, and the opportunity to obtain nursing care leave and family care leave in hourly units. By introducing these various systems, we are developing an environment in which even employees with time restrictions can display maximum performance in a more efficient way.

### Measures Supporting Work alongside Childcare

We have been offering support to help employees return to work smoothly, including contracting with external childcare facilities near to our offices in order to secure places for our employees and provision of subsidies to cover part of the costs for babysitters. Additionally, in the fiscal year ended March 2018, we have started to subsidize part of the costs of childcare, and extended childcare and a housekeeping service costs for employees who return to work early from childcare leave, and part of the costs of a housekeeping service. While respecting the best work-life management for each individual employee, we are developing various support measures.

### Measures Supporting Work alongside Family Care

To help employees prepare for a sudden need to give family care, we have published the “Handbook for Assisting Work alongside Family Care” on the intranet, and are also holding explanatory sessions on family care systems and family care seminars during lunch breaks, providing relevant information to support employees.

Furthermore, to develop the working environment for supporting work alongside family care, we hold seminars for managers in charge of human resources. In addition, we have concluded a contract with an external NPO and provide our employees with opportunities to have individual consultations with external family care experts once a month at a conference room, providing a venue for alleviating employees’ concerns and uneasiness on an individual basis. We also provide opportunities to have consultations with external experts via email or telephone.

For employees who do not meet the criteria for obtaining family care leave despite having a family member who has a disability and needs a certain level of assistance, we have established a special support leave system.

 **P.102** Employees Taking Childcare or Family Care Support (Non-consolidated) ★

## Work-Life Management Support Systems

System

As of April 2019

	Name of System
Pregnancy	Pregnancy Leave Late arrival at work or early departure from work Exemption from overtime work Re-assignment to other job duties that are less strenuous
Childbirth	Maternity Leave Childbirth Attendance Leave
Childcare	Childcare Leave Nursing Care for Child Leave (a full-day basis, a half-day basis, an hourly basis) Short-time working for childcare Exemption from overtime work Restrictions on overtime work Exemption from late night work
Family Care	Family Care Leave Nursing Care for Family Leave (a full-day basis, a half-day basis, an hourly basis) <sup>(*)</sup> Short-time working for family care Exemption from overtime work Restrictions on overtime work Exemption from late night work
Career Support	Re-employment system for ex-employees who had to resign due to the transfer of their spouse
Others	Long-term leave for self-development Volunteer Activity Leave Jury Duty Leave Special Support Leave ( a full-day basis, a half-day basis, an hourly basis) (From April 2017) Mobile work Individual-based staggered working hours (From June 2017)

\* After taking the family care leave, employees shall be able to apply for the use of his/her long-term medical leave.

Creating an Environment in Which Every Individual Can Achieve Their Full Potential

**Recognition from Society for Our Work-Life Management**

Activity

SDGs: 5.4

As a result of implementing a series of measures to promote work-life management, Mitsui has been recognized three times (in 2008, 2011, and 2015) by Japan's Ministry of Health, Labour and Welfare as a company that is actively providing childcare support to help our employees care for children, and has acquired the next generation certification logo (Kurumin). We will continue to formulate and promote action plans (6<sup>th</sup> period – from April 2019 to March 2021) under the Act on Advancement of Measures to Support Raising Next-Generation Children.

**Kurumin Logo**

The "Kurumin" logo may be placed on the products of a business that has been officially recognized by Japan's Ministry of Health, Labour and Welfare as actively providing childcare support. The logo shows an infant safe and sound, wrapped in a protective blanket, which represents the concern and care of the workplace and society.



 Mitsui & Co. Action Plans under the Act on Advancement of Measures to Support Raising Next-Generation Children (Japanese only)

**Contracted Childcare Facilities**

System



Poppins Nursery School Marunouchi



Kids Square, Marunouchi Eiraku Building

**Re-employment System for Employees Who Had to Resign Due to the Transfer of Their Spouse**

System

A re-employment system was introduced in 2007 that enables employees who had to resign from Mitsui due to the transfer of their spouse to become re-employed. In order for such an employee to work for Mitsui in the future, the Human Resources & General Affairs Div. provides consultation for the employee before their resignation, so that the employee may consider relevant matters such as how they might spend their time after their resignation.

 **P.102** Re-employment System for Employees Who Had to Resign Due to the Transfer of Their Spouse (Non-consolidated)

**Joint Efforts with Labor Unions**

Policy

**Basic Policy**

We respect the right to collective bargaining and freedom of association. Mitsui & Co. and the Mitsui Labor Union, which was established in 1962, hold a shared understanding of the societal mission of Mitsui. Both parties respect each other's positions, and work toward the sound development of the company and society and toward the improvement of the social, economic, and cultural status of union members. Accordingly in May 2015, a union shop agreement was concluded. As of March 31, 2019, the number of union members stood at 4,553 (representing an 85.0% participation ratio).

**Discussions with the Labor Union**

We share various issues with the Labor Union and actively engage in discussions, with the aim of creating an environment in which every employee can continue working with energy and motivation, and in which both employees and the company achieve continual growth. In the fiscal year ended March 2019, Mitsui engaged in multi-layered discussions with the union on various levels and on a wide range of topics, including human resource management systems, salaries and bonuses, work style innovation, training, and occupational health and safety. We introduce those systems and measures on the basis of labor-management agreement. In determining salaries and bonuses, we comply with the laws and regulations of each country/region where we engage in business, secure a living wage that exceeds the minimum wage, and promote creation of a good working environment for every employee. In the fiscal year ended March 2019, in particular, in response to a proposal by the Labor Union, expanded working team-level negotiations were conducted, and human resource management systems were partially revised to allow capable young employees to be promoted earlier or appointed to managerial positions. In addition, collective bargaining sessions were held regarding the agreement on overtime and holiday work (the so-called "36 Agreement") that needs to be addressed in relation to the revisions to be made to the Labor Standards Act from April 2019, and the targeted overtime hour limit that is compliant with the revised act and maximum overtime hour limit based on the special clause for extension were revised. We have also stepped up our efforts towards thorough working hour management to ensure consistent implementation of target limits on overtime hours, as set by labor and management, by sharing data about employee working hours with union officials.

FY2017	September: Collective bargaining (introduction of the Union's newly appointed executives) January: Collective bargaining (revisions to human resource management systems) February: Expanded working team-level negotiations (revisions to compensation systems)
FY2018	June: Expanded working team-level negotiations (union proposals for training systems) September: Collective bargaining (introduction of the Union's newly appointed executives) April/November: Working team-level negotiations (discussions about the working environment in the new Head Office building)
FY2019	April: Collective bargaining (salary negotiation for the fiscal year ended March 2019) June: Expanded working team-level negotiations (revisions to human resource management systems) December: Collective bargaining (revision on the agreement on overtime and holiday work) February: Expanded working team-level negotiations (the bonus formula for the fiscal year ending March 2020, and partial revisions to human resource management systems)

## Creating an Environment in Which Every Individual Can Achieve Their Full Potential

### Dialogue between Management Executives and the Labor Union

We are working to maintain healthy relationships and to deal with various issues through labor-management cooperation. For example, we actively create opportunities within each unit for dialogue with management executives and discussions with COO and General Manager of each unit regarding business overviews and policies, the administration of human resource management systems, and human resource development (in total 16 such meetings were held in the fiscal year ended March 2019).

May 2018	COOs of Energy Business Unit I and Unit II
June 2018	COO of Food & Retail Management Business Unit, COO of Iron & Steel Products Business Unit, COOs of Mobility Business Unit I and Unit II, COO of IT & Communication Business Unit, COO of Mineral & Metal Resources Business Unit, COO of Food Business Unit, COO of Infrastructure Projects Business Unit, GM of CFO Planning & Administrative Division, COO of Consumer Business Unit, COO of Corporate Development Business Unit
July 2018	President, COO of Nutrition & Agriculture Business Unit, COO of Healthcare & Service Business Unit

### Promoting Internal Communication

Activity

With the aim of making Mitsui an even more vibrant, dynamic, and vigorous company, we actively create opportunities for dialogue among employees and between the management and employees. For some time, we have been holding so-called Active Talk Wednesday (ATW) sessions as employee gatherings on a regular basis, with the aim of stimulating internal communication. In the fiscal year ended March 2019, three seated-style ATW sessions were held for small groups with a focus on stimulating communication between management and employees. Four buffet-style ATW sessions were also held with the aim of strengthening networking among employees. At the offices in Japan, a total of 13 ATW dialogue sessions were held, involving employees from affiliated companies as well. Furthermore, in the fiscal year ended March 2019, "The Kurumaza" (roundtable meetings), where the president meets with employees for open discussions, was held on 26 occasions at the Tokyo Head Office, 4 times at branches and offices in Japan, and 64 times at overseas offices. By sharing management's thoughts and ideas from a variety of perspectives and bringing together the opinions and thoughts of employees through face-to-face meetings, we will endeavor to create an organization with an atmosphere of openness. As we continue to promote work style innovation, and prepare for the planned move to the new Head Office building in 2020, in the fiscal year ending March 2020 we will advance various new initiatives aimed at further promoting communication within the company.



Seated-style ATW sessions at the Head Office

## Health Management, Occupational Health and Safety Initiatives



### Our Approach towards Health Management/Occupational Health and Safety

Policy

The Mitsui & Co. global group aims to develop safe, healthy working environments in which every individual employee can work with peace of mind. We see this as essential to enabling each employee to work at his or her full potential, and to continuing to strengthen the competitiveness of the entire Mitsui & Co. global group. In addition to measures in accordance with the laws and regulations in each country where we engage in business, we have established structures to ensure that we properly respond to emergencies, such as accidents and disasters. We also implement various health management and promotion measures.

### Health Declaration

Policy

Recognizing that the good health of employees is one of Mitsui & Co.'s greatest assets, we formulated the Health Declaration on September 2017 as below.

#### Health Declaration

Employees are irreplaceable assets for Mitsui & Co. We regard health management for our valued employees as a vital management priority, and we will implement the following initiatives with the aim of helping our employees to maintain and improve their health.

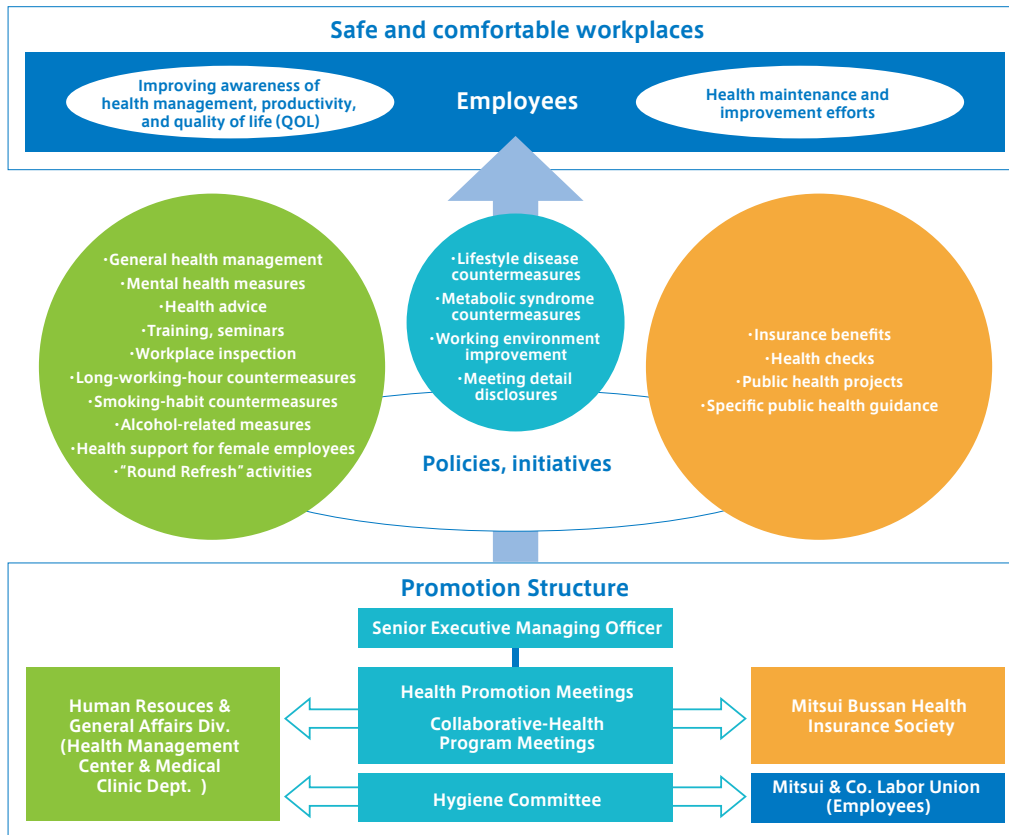
1. We will create safe and comfortable workplaces in which employees can work energetically and in good health.
2. We will help our employees to work in the spirit of "challenge and innovation" by supporting their health management and sustainably enhance our corporate value.
3. We will help employees to raise their awareness of the need to maintain their own health and to take the initiative in maintaining and improving their mental and physical health.

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

## Health Management Promotion Framework

System

Under the leadership of the Senior Executive Managing Officer serving as the Chief Health and Safety Supervisor, we have created the following framework for promoting employees' health maintenance, including the establishment of the Health Promotion Committee, and have been promoting health management throughout the company.



## Health Promotion Committee

In February 2017, Mitsui established the Health Promotion Committee under the basic policy of (1) promoting "Health and Productivity Management," which regards health management as a management priority, and (2) maintaining and enhancing employees' health through implementation of "Health and Productivity Management" and improving the company's productivity. Committee meetings are held on a quarterly basis, and the minutes of each meeting are uploaded on the company's intranet for the purpose of sharing the information among all employees.

As part of our "collaborative health" program, through which we aim to implement effective measures for enhancing employees' health under a partnership between the health insurance union and the company (with company representatives including the Senior Executive Managing Officer in charge, the General Manager of the Human Resources & General Affairs Division, the head of the Health Management Center & Medical Clinic Dept. of Human Resources & General Affairs Division, occupational physicians and other healthcare professionals), Mitsui and Mitsui Bussan Health Insurance Society will work together to plan and decide on policies aimed at maintaining and enhancing employees' health, and to execute these policies.

## Hygiene Committee

The Hygiene Committee headed by the Company's Chief Health and Safety Supervisor (a position held concurrently by the Senior Executive Managing Director in charge), consists of occupational physicians, health officers, employees recommended by management, and employees recommended by the Labor union. The committee holds monthly meetings and discusses ways to improve working environments, ways to develop an appropriate framework, and other related matters based on the advice provided by qualified occupational physicians and health officers.

Topics discussed by the committee include the results of workplace inspections, countermeasures based on those results, regular reports on long overtime hours, as well as implementation of regular health checks and stress checks, and influenza vaccination programs. The committee has members' opinions reflected in safety and health measures to ensure employees' health and workplace safety. They also communicate with employees by posting the minutes of the committee's monthly meetings on the intranet.

## Health Performance Index

- Percentage of employees undergoing health checks: 100% by the fiscal year ending March 2021
- Medical questionnaire response rate: 100% by the fiscal year ending March 2021
- Percentage of employees undergoing stress checks: 90% or higher by the fiscal year ending March 2021
- Smoking rate: Reduction by 0.5% compared to the previous fiscal year

## Certified Health & Productivity Management Organization Recognition Program "White 500"

The Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi jointly implement excellent health management. Mitsui has been recognized as one of the Health & Productivity Management Outstanding Organizations under the initiative "White 500" for three consecutive years.

P.122 Evaluation by Society

**Employee Health Management**

System	Activity
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SDGs: 3.4, 3.d

**In-house Medical Clinic**

We have established a clinic in our Tokyo Head Office and a medical treatment room in the Osaka Office. The clinic in the Tokyo Head Office covers a diverse range of specialist areas, including internal medicine, surgery, ophthalmology, E.N.T. and radiology, and is equipped to provide medical consultations for employees. It also provides comprehensive medical examinations and medical check-ups for employees who are about to travel overseas or have returned from overseas assignments, as well as inoculations. Consultant physicians are assigned to each office in Japan to provide health management for employees working in those locations.

**Examinations at the Tokyo Head Office Medical Clinic**

(Unit: persons)

	FY2015	FY2016	FY2017	FY2018	FY2019
Examinations (total number of people examined)	24,380	24,173	21,421	18,200	13,979

**Medical Examinations**

We provide multiple regular in-house medical examination opportunities per year, and employees are able to view the results of their own examinations on the intranet. Mitsui and the Mitsui Bussan Health Insurance Society are also working collaboratively toward the prevention and early detection of lifestyle diseases and other conditions, and the provision of enhanced health advisory services, through the formulation and implementation of the following measures.

- Provision of opportunities for employees aged 35 and over to undergo comprehensive health examinations at external medical institutions, and subsidies for the cost of the examinations
- Provision of subsidies for employees aged 35 and over who undergo brain checkups, lung cancer screening, gastroscopic examinations, and colorectal cancer screening
- Provision of specific health advisory services for employees aged 40 and over
- Provision of subsidies for cervical cancer screening for female employees aged 34 and under
- Provision of subsidies for breast cancer (mammography and ultrasonography) and uterine cancer screening for female employees aged 35 and over
- Provision of opportunities for new hires to undergo a pylori infection test at the medical check before employment

**Percentage of Employees Undergoing Health Checks**

	FY2015	FY2016	FY2017	FY2018	FY2019
Undergoing health checks	87.5%	87.7%	90.0%	97.3%	99.8%

**Medical Support System (Mutual Aid Association)**

This system supports association members and their families in Japan and overseas by covering medical expenses that are not covered by health insurance in the event of illness or injury.

**Health Advice/Health Maintenance Promotion Measures**

System	Activity
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SDGs: 3.4, 3.5, 3.a, 3.d

**Health Guidance**

We implement the following health promotion measures to help employees avoid lifestyle diseases and metabolic syndrome.

Measures	Target Group	Guidance Provider
Designated health guidance (active support, motivational support)	People aged over 40 Current or potential metabolic syndrome sufferers	Mitsui Bussan Health Insurance Society
Individual health guidance (weight loss support), recommendations to undergo medical examinations	People aged 39 or under* Potential metabolic syndrome sufferers	Public health nurses from the Health Management Center & Medical Clinic Dept.
Dietary advice	People affected by obesity, lifestyle diseases, or metabolic syndrome	Registered dietitians
Individual health guidance	Underweight female aged 39 or under	Public health nurses from the Health Management Center & Medical Clinic Dept.

\* Results of and benefits from individual health guidance (weight loss support) for potential metabolic syndrome sufferers aged 39 or younger in the fiscal year ended March 2019  
Health advice recipients: 48  
Final number of interviewees: 10 (implementation rate: 20.8%)  
Average weight loss: 1.01 kg, maximum weight loss: 7.8 kg Percentage of participants achieving weight loss: 50%  
Average BMI reduction: 0.4, maximum BMI reduction: 2.6 Percentage of participants achieving BMI reduction: 50%

**Provision of Healthy Menus in the Employee Cafeteria, Trial Introduction of Healthy Cafeteria App**

Menus in the employee cafeteria provide information about calories and the protein, carbohydrate, fat, and salt content of each meal. Other options include healthy meals with the emphasis on dietary balance, and vegan lunch boxes.

In 2018, we trialed the Healthy Cafeteria app, a smartphone dietary management app, at the company cafeteria. The Healthy Cafeteria app has been jointly developed by our associated company AIM Services Co., Ltd., and the healthcare technology company Oishi Kenko Inc., which is developing healthcare technology business. It suggests optimal meal choices based on health data stored by the user, and uses meal records to analyze dietary excesses and deficits and provide advice. It also records other health-related information, such as step counts and alcohol consumption. The aim is to enhance employees' awareness of health from the perspective of lifestyle habits, and help them to change aspects of their lifestyle that are



The Healthy Cafeteria app

affecting their health. We also have provided the Healthy Diet Coaching Program, through which employees can seek advice from registered dietitians etc. for losing weight or changing their dietary lifestyles. A survey conducted after the trial showed that 89% of participants had become more health-conscious, while 79% had changed their lifestyles. Moreover, participants in the Healthy Diet Coaching Program achieved significant improvements in weight loss, BMI, waist measurements, triglyceride levels, and other areas.

**Use of Outside Fitness Gyms, Exercise at Work**

Mitsui's lineup of optional welfare services includes attendance services for employees to use outside fitness gyms at corporate rates. Furthermore, we have also introduced the "Round Refresh" program, under which trainers visit workplaces once a week during working hours to lead employees in stretching exercises. By standing up at their desks and performing light exercises, employees can relax their muscles, and alleviate shoulder stiffness and back pain. This not only helps to restore their concentration and creativity, but also improves the workplace atmosphere by providing a chance for communication. Employees feel mentally and physically refreshed and are able to reduce stress.



Employees participating in a "Round Refresh" session.

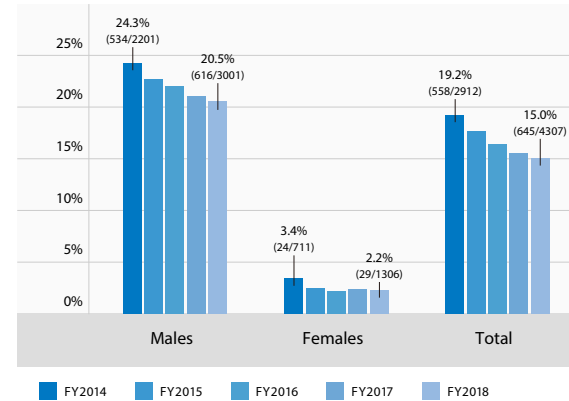
**Smoking Reduction Measures**

In 2020, we will relocate to a new Head Office building. All spaces used exclusively by Mitsui will be smoke-free, and there will be no smoking rooms. We are implementing the following measures to help employees to quit smoking ahead of the move to the new building in 2020. The target is a year-on-year reduction of 0.5% in the percentage of smokers.

- Provision of a counseling room for those wishing to quit smoking
- Establishment of a smoking cessation support page on the intranet
- Provision of seminars on passive smoking and smoking cessation
- Supply of smoking cessation aids, such as apps and patches
- Phased limitation of access to smoking rooms in the temporary Head Office buildings

As part of measures to reduce cancer, lifestyle diseases, and other health problems, Mitsui, in cooperation with the Mitsui Bussan Health Insurance Society, pays subsidies to employees who successfully quit smoking through smoking cessation therapies provided under the health insurance scheme.

**Smoking Rates at Mitsui**



(Unit: persons)

	Males	Females	Total
FY2014	534 (24.3%)	24 (3.4%)	558 (19.2%)
FY2015	512 (22.7%)	19 (2.5%)	531 (17.6%)
FY2016	645 (20.0%)	25 (2.1%)	670 (16.3%)
FY2017	578 (21.0%)	27 (2.4%)	605 (15.6%)
FY2018	616 (20.5%)	29 (2.2%)	645 (15.0%)

### Alcohol-Related Measures

Since the fiscal year ended March 2017, we have been running health seminars that include testing for alcoholism susceptibility genes.

The results of a survey conducted in the fiscal year ended March 2019 following genetic testing for current employees indicated that people gained a new awareness of appropriate drinking behavior and were motivated to make improvements after they learned about their genetic susceptibility for alcoholism.

#### Results of FY 2019 Questionnaire after Genetic Testing for Alcoholism Susceptibility

Reduction in frequency of drinking	44%
Reduction of amount consumed each time	52%
Change to beverages with lower alcohol content	26%

### Health Support for Female Employees

System

To provide support for female employees, we established a consultation desk to offer advice on women's health and maternal health through individual consultations with female physicians. Useful health-related information is provided via the intranet, together with notices on the availability of various types of health advice.

During Women's Health Week, we hold seminars for female employees on topics relating to female health, including gynecological diseases and their prevention, and the achievement of hormonal balance. In the fiscal year ending March 2020, we will also introduce health guidance for underweight women aged 39 and under.

We also provide subsidies for cervical cancer screening for female employees aged 34 and under, and breast cancer (mammography and ultrasonography) and uterine cancer screening for those aged 35 and over.

### Health Management for Employees Working Overseas

System

We regard health management for employees working overseas and their families as an important priority and have established systems to ensure that advice is available at any time if employees or family members suffer physical or mental illness. Specifically, in cooperation with each business unit, occupational physicians at the Tokyo Head Office provide support for employees assigned overseas via email, telephone, interviews using a videophone system, and direct interviews with the physicians.

Vaccinations and health checks are provided for employees assigned overseas and their families. They also receive overseas health management training covering physical and mental health and other aspects, as well as information about how to obtain medical information and access support systems while overseas. We also provide health management support for employees working overseas and their families in partnership with emergency medical service contractors.

### Countermeasures against Infectious Diseases

System

Activity


SDGs: 3.3

As a company with numerous overseas offices and branches, Mitsui recognizes the importance of responding to global health issues, such as tuberculosis, malaria, and HIV/AIDS. In addition to taking steps to protect employees working in locations where there is a high risk of infection, Mitsui also works actively to contribute to local communities, and provide periodic programs for them.

Specifically, we run an in-house program that provides influenza vaccinations, for which approximately 2,000 employees apply every year. We also provide mouthwash and antiseptic solutions in every workplace as part of our efforts to prevent the occurrence and spreading of infections. In addition, we promote awareness-raising activities to make sure that employees can obtain in-depth knowledge of preventive methods for tuberculosis, malaria, HIV/AIDS, and dengue fever through providing related training and seminar programs.

We also maintain a framework at the company level to ensure timely action through cooperation between workplaces and public health clinics, the Security Management Department, clinics, and industrial health staff, based on risk assessments and monitoring of the occurrence of infectious diseases while obtaining information about infectious diseases from overseas medical assistance firms and public health clinics.

In collaboration with the Mitsui Bussan Health Insurance Society, we subsidize the cost of vaccinating children aged 13 and under against influenza, as children in this age group are regarded as having a high infection rate and the potential to develop serious diseases.

 **P.64** Responding to Global Health Problems—Fighting Infectious Diseases (Malaria, Measles, etc.)



## Mental Health

Policy

System

### Mental Health Promotion Plan (formulated on May 1, 2016)

Mitsui recognizes that the mental health of its employees is an important priority issue in order to promote happy lives for its employees and their family members, to increase productivity at the company, and to develop lively workplaces. Accordingly, we will promote mental health initiatives, not only in terms of dealing with mental health problems, but also in a broader sense, including measures to revitalize workplace communication, etc.

We have set the following targets to be achieved in the five-year period up to the fiscal year ending March 2021.

1. All employees, including managers, shall understand mental health issues, and become able to fill his or her own role in promoting mental health.
2. Fully establish and permeate the stress check system.
3. Achieve a 100% response rate in the regular medical questionnaire.

Under Mitsui's Mental Health Promotion Plan, employees are able to obtain advice easily and at any time via a dedicated consultation service. Through consultations with health nurses and occupational physicians, employees can receive support that meets their individual needs. Employees also have access to counseling by specialists at the company clinic. In addition, we have established external advice lines through which not only employees, but also their family members can seek advice anonymously via telephone and email, or arrange consultations.

Even when an employee takes temporary absence from work, occupational physicians and health nurses continue to provide highly attentive care. To ensure that employees can feel confident about returning to work, they go through a preparatory process that includes multiple interviews. After their return to work, they receive follow-up care, including health monitoring and measures to prevent recurrences, based on collaboration among occupational physicians, health nurses, company doctors, and other personnel.

Mitsui also implements stress checks. In addition, we carry out stress checks with the following aims: (1) measuring the level of employees' stress in order to raise employees' awareness of their own stress levels, (2) linking this to improvements in the workplace environment, and (3) preventing mental health problems (primary prevention). We provide employees suffering from high stress with opportunities to have interviews with occupational physicians, and give feedback pertaining to the group analysis results to the workplace, for the purpose of improving the working environment.

### Percentage and Number of Employees Undergoing Stress Checks

Stress checks	FY2017	FY2018	FY2019
Percentage of employees	79.1%	77.2%	85.4%
Number of employees	3,861	3,721	4,090

## Training and Seminars on Health and Safety

System

Activity

SDGs: 3.3, 3.4, 3.5, 3.d

In addition to mental health training and labor management training for line managers, training for health and safety management overseas and health management training for new-graduate employees, we also hold other health and safety seminars as part of our efforts to build an organization with a high level of health literacy.

### Results of Training Activities in FY 2019

(Unit: persons)

Training Program	Participants
Training before overseas assignments: Overseas risk management (overseas health and safety management)	388
Training for new M2/line managers: Mental health for line managers, Labor Management for line managers	88
Introductory training for new employees: Health management for workers	160
"Enjoying Alcohol Sensibly" seminar for current employees Genetic testing for alcoholism susceptibility	198
"Enjoying Alcohol Sensibly" seminar for employees in charge of supporting new employees Genetic testing for alcoholism susceptibility	174
"Passive Smoking" seminar	69
Health Management Program for working women: "Protect your health yourself"	78
Total	1,155

In addition to the above seminars and programs, we aim to raise awareness of health among employees by regularly uploading on the intranet lectures by occupational physicians and health nurses at the Hygiene Committee and the "Messages from Occupational Physicians" and "Health Nurse Column," enabling all employees to obtain health information.

Health Management, Occupational Health and Safety Initiatives

Healthy Working Environment

System Activity

SDGs: 8.8

We have implemented the following measures to develop a safe working environment for employees.

Safe working environment initiatives	Description of Initiatives
Ergonomic workplace	<ul style="list-style-type: none"> <li>We aim to improve operating productivity in the Head Office by applying universal design principles and a back-to-back desk layout system, in order to stimulate communication within the organization, while also allowing seating positions to be changed flexibly.</li> <li>Twice a month, occupational physicians, health nurses, and other medical personnel visit each workplace to examine whether a safe working environment for employees is being maintained, and to identify and respond to safety and health problems in order to ensure a healthy work environment.</li> </ul>
Illumination	We have installed illuminance sensors, which automatically detect motion and provide constant brightness control at the target illuminance level (750 lux). To reduce power consumption, window blinds are automatically controlled according to the intensity and angle of sunlight.
Noise	External noise has been reduced significantly through the use of multiple-glazing in the building's windows. Walls in visitor meeting rooms have soundproof structures that prevent sound from being audible outside of the rooms.
Indoor air quality	Effective air-conditioning is provided by a system with outside air intakes. These lower the CO <sub>2</sub> level while reducing the air-conditioning load. The environment within the building is monitored regularly.
Humidity/ Temperature	<ul style="list-style-type: none"> <li>We maintain internal humidity at an appropriate and comfortable level above 40%, even during winter when the air tends to be drier, by introducing water vapor through use of heat pump desiccant humidity controllers and a community cooling and heating system.</li> <li>We maintain a comfortable working environment by setting the air-conditioning at 26°C in summer and 24-25°C in other seasons. Introducing the "Cool Biz" system has allowed a comfortable workplace environment to be maintained in the summer months, while also reducing the air-conditioning load.</li> <li>In the offices, we have installed clocks capable of measuring temperature and humidity, allowing temperature and humidity to be maintained or monitored for a comfortable workplace environment.</li> </ul>

Working Hours Management Policy

Policy System Activity

SDGs: 8.8

We are committed to the appropriate management of working hours, and implement the following measures in order to develop a workplace environment in which our employees can continue to work healthily and safely, and with peace of mind, without falling into chronic overwork.

- Company-wide efforts to raise employees' awareness of appropriate management of working hours through regular messages from management
- Education activities for employees, including the formulation of the Working Hours Handbook and a manual about attendance management systems, and the compilation of FAQs, to provide clear information about laws, regulations, and corporate systems relating to working hours; the posting of this information on the intranet

- Regular monitoring by the Human Resources & General Affairs Division, using working hours data from attendance management systems, building entry/exit times, and PC usage histories
- Continual compilation and distribution of information about overtime hours worked and annual paid leave taken in each unit
- Training and other occasions to help managers to maintain comprehensive knowledge about proper labor management
- Creation and monitoring of KPIs under the Work Style Innovation Action Plan

In addition, based on the Industrial Safety and Health Law and the Industrial Safety and Health Law, we urge employees who have worked overtime in excess of certain standards to consult with our occupational physicians, and suggest to them measures for preventing health problems and reducing total working hours, as well as reducing excessive working hours.

From the perspective of consolidated management, we have been preparing standards for labor management at our affiliated companies to suit the business models of the respective companies. Under these circumstances, we have implemented the following measures at our affiliated companies in Japan with the aims of promoting the understanding of laws applicable across all Japanese companies, and ways of responding accordingly, as well as developing appropriate labor management systems by sharing approaches and know-how in relation to working hours.

- We hold regular meetings with the aim of exchanging information and strengthening relationships between the personnel staff at our affiliated companies. At these occasions, we share Mitsui's policies in relation to work style innovations, and give updates on the details of any legal amendments.
- We have created a checklist of 53 items related to labor management in general, including working hours management. We make use of the checklist when developing labor management systems at affiliated companies as part of governance by the supervisory divisions.

Regarding overseas branches, working hours are properly managed so as to comply with related laws and regulations in each country.

- 🔍 P.103 Paid Leave Days Taken and Usage Ratio (Non-consolidated) ★
- 🔍 P.86 Work Style Innovation Action Plans
- 🔍 P.103 Annual Average Actual Working Hours (Non-consolidated) ★
- 🔍 P.103 Monthly Average Overtime Working Hours (Non-consolidated) ★

## Health Management, Occupational Health and Safety Initiatives

## Occupational Safety

System Activity


SDGs: 8.8

Mitsui takes various steps to protect its employees from workplace accidents, including periodic inspections by occupational physicians. We have established mechanisms to ensure that any accidents are promptly reported to the Human Resources & General Affairs Division. When accidents occur at Mitsui or its affiliated companies, the immediate submission of reports in accordance with our compliance-related procedures and appropriate actions are ensured by these mechanisms, and at the same time we strive to prevent recurrences.

## Targets for FY 2020

Zero Workplace Accidents

Zero Fatal Accidents

 P.103 Occupational Health and Safety Data (Non-consolidated)★

## Security Management

System Activity

SDGs: 8.8

Mitsui promotes various kinds of businesses through its 139 points of global operations (as of April 1, 2019), and a large number of employees go on business trips to many parts of the world almost every day. Ensuring the security of employees and their families is one of the most important tasks for the company.

In cooperation with relevant domestic and foreign offices and security companies, Mitsui obtains and analyzes the latest information on the political situation, security situation and so on, and shares such information with the related staff in order for the employees to be able to raise their safety awareness.

Mitsui has also prepared systems for situations such as accidents, injuries, and diseases, in cooperation with emergency health care service companies.

For employees who will be dispatched overseas and for their accompanying family members, the company has programs for security measures.

## Creating New Value



Mitsui & Co. has created the Long-term Management Vision (“LTMV”) to define a clear picture of its future. In the LTMV, the evolution of Mitsui’s role from “connecting” to “creating” is positioned at the core of the company’s pursuits. Essentially, Mitsui has its roots in the work of creating new business and business models. That said, in the past, our functions and roles as a general trading company have often centered on the creation of value through “connecting” companies, products, and other elements. The LTMV sets out our determination to evolve beyond that pattern into a company that proactively “creates” business.

We see our relocation to our new Head Office building not simply as a change in our working environment, but as an important opportunity to accelerate the changes that will allow us to realize our envisioned goals as set forth in the LTMV.

## Moon

System Activity

SDGs: 4.4, 8.2, 8.3

In August 2018, we established Moon Creative Lab Inc. (“Moon”) to develop and incubate new business for the Mitsui & Co. global group. Moon’s Palo Alto headquarters is located at the world epicenter of innovation, in America’s Silicon Valley. Its base in Japan is the WeWork shared office space in Meiji Jingumae, where it offers next-generation work styles and office environments.

Moon’s mission is to create a future vision for Mitsui by building new business from the ground up. Moon provides an environment and functional capabilities for this “0→1” process, i.e. the process of forming totally new business that provides solutions to specific social issues, thereby accelerating our evolution.

Moon seeks business ideas from the 44,000 Mitsui & Co. global group employees. Ideas contributed from the frontline of business around the world are enhanced through dialogue with Moon’s operating teams. The criteria for the selection of ideas take the form of questions posed to the employees who submit the ideas. For example, “Will your idea result in business that creates new value for society?” “Will your idea alleviate problems affecting large numbers of people and contribute to well-being?” “How will your idea solve a social issue?” “Does the business that you have presented have a vision for the future and a scenario for the achievement of that vision?” “Is there a project leader with the ability, commitment, and passion to thoroughly carry out your project?” Questions such as these clearly reflect the values of Mitsui. The final selection of projects for which commercial implementation will be initiated is made by the Moon Committee, which also includes external partners who are professional business designers.

## Our Stories: Develop talent leading to value creation

P.31 The Moon Platform—Realizing the Shift from “Connecting” to “Creating”

SDGs: 4.4, 8.3



## Digital Transformation

System Activity

SDGs: 4.4, 8.2, 8.3

Mitsui has identified the reinforcement of innovation capabilities as one of the functions that drives the realization of its Medium-term Management Plan. We aim to achieve full digital transformation, whereby we digitize various information and data that exist in the business frontline and in society, and use digital power, including artificial intelligence, to classify, analyze, and control this information so that it can be utilized for the benefit of business and society. One of the steps taken to realize our digital transformation was the establishment of the DT Team within the Corporate Planning & Strategy Division in 2016 to accelerate the commercial development of new value by making full use of digital technology. In 2017, Mitsui, ahead of any other general trading company, appointed a Chief Digital Officer (CDO). The DT Team was formed by transferring around 15 people from the Information Technology Promotion Division, the IT & Communication Business Unit, and other business units into the Corporate Planning & Strategy Division. The DT Team’s task is to work with business units to drive business innovation through digital technology.

Through the DT Team, Mitsui is working to reduce costs and increase sales via efficiency improvements and optimization, to enhance the quality of existing business, and at the same time to create new business models. Examples include the use of AI for such purposes as medical diagnosis, logistics route optimization, ticket price adjustment, and food demand forecasting.

We are also implementing DT initiatives within the company with the aim of achieving major improvements in the efficiency of day-to-day operations, energizing communication, and facilitating knowledge sharing and utilization. The first organizational structures to make the transition to fully paperless meetings using IT tools were the Board of Directors and the Corporate Management Committee. Various units have since enhanced the utilization of IT tools and shifted toward paperless operations. By January 2019, these efforts had resulted in a 26% year-on-year reduction in the amount of paper used to produce documents on copiers.

## Work-X

Activity

SDGs: 4.4, 8.2, 8.3

Mitsui is planning to move into its new Head Office building, which is scheduled to be completed in February 2020. Under a project called “Workplace Experience” (“Work-X”), we are considering a vision for workplace experiences in the new building, and the mechanisms needed to turn that vision into reality.

For example, one concept under consideration for the new building is the introduction of the group address system to support the flexible and mobile formation of teams according to operational and project requirements. Under the group address system, while specific areas are allocated to each organizational unit, employees can choose any desk or spot within those areas. This will allow employees to follow a task-oriented approach to work by selecting the locations in which they work according to their individual objectives. To encourage face-to-face communication, we are also considering the creation of inner stairwells connecting all office floors, and the establishment of communication zones where people naturally gather and ideas are actively generated. These measures and ideas will result in chance encounters within each floor and activate casual communication, thereby fostering a sense of unity among employees and triggering “intellectual chemical reactions.”

Mitsui has defined the new Head Office building as an environment where Mitsui’s diverse individuals produce a stir of “intellectual chemical reactions” with colleagues and partners inside and outside the company, generate a wave of changes, and create the future of Mitsui. We see the relocation to the new building not simply as a change of address, but as an opportunity to accelerate innovation that contributes toward the realization of our LTMV.

### Group Address Trial

We are currently conducting a trial of the group address system in order to verify the effects, including both benefits and issues, of introducing the system in the new Head Office building. Part of the existing furniture and equipment used in the office spaces of a number of units have been replaced with items suitable for the group address system. The results of this verification process are being shared within the company as information for use in the formulation of policies by organizations within the company.



# Data of Personnel Affairs

## Data Concerning Employees (As of March 31, 2019) ★

	Consolidated	Non-consolidated								
	Total employees (persons)	Total employees (persons)			Average age of employees (years old)			Average number of years of service (years)		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
2015	47,118	4,385	1,621	6,006	42.7	40.7	42.2	19.1	17.8	18.8
2016	43,611	4,292	1,613	5,905	42.6	40.7	42.1	18.9	17.8	18.6
2017	42,316	4,238	1,615	5,853	42.5	40.6	42.0	18.8	17.6	18.5
2018	42,304	4,217	1,642	5,859	42.7	40.6	42.1	18.9	17.5	18.5
2019	43,993*	4,141	1,631	5,772	42.7	40.7	42.2	18.9	17.6	18.5

Employees hired directly by Mitsui & Co. and by consolidated companies, without a fixed contract period.

\* Percentage of female employees in the global workforce: 33.7% (as of March 31, 2019)

## Number of Employees by Operating Segments (As of March 31, 2019)

	(Unit: persons)	
	Non-consolidated	Consolidated
Iron & Steel Products	328	1,518
Mineral & Metal Resources	291	619
Machinery & Infrastructure	844	15,264
Chemicals	676	5,276
Energy	392	843
Lifestyle	971	13,298
Innovation & Corporate Development	419	3,694
Others	1,851	3,481
Total	5,772	43,993

## Number of Employees by Region (As of March 31, 2019) ★

	(Unit: persons)	
	Staff Hired in Japan	Regionally Hired Staff
Japan	4,561	-
Americas	330	560
Europe, the Middle East and Africa	241	615
Asia Pacific	498	1,482
Others	142	-
Total	5,772	2,657

## Number of Hires by Gender (Non-consolidated) ★

	New graduates			Mid-career			Total
	Male	Female	Total	Male	Female	Total	
	FY2015	103	55	158	24	5	29
FY2016	94	57	151	35	6	41	192
FY2017	113	78	191	29	1	30	221
FY2018	103	80	183	38	4	42	225
FY2019	104	56	160	22	4	26	186
FY2020*1	96	80	176*2	-	-	-	176

\*1 Figures as of April 1, 2019

\*2 Includes employees who will join us on October 1, 2019 (Male: 1, Female: 1)

## Hours/Days of Training for Competency Development and Expenditure on Training (Non-consolidated)

	Total hours of training per year	Average hours of training per employee per year	Average days of training per employee per year	Average training expenditure per employee per year
FY2019	91,871 hours	15.92 hours	3.47 days	JPY 349,544

Training programs organized by the Human Resources & General Affairs Division

## Average Hours of Training by Gender Per Year (Non-consolidated)

		Male	Female
		FY2019	Business staff
	Administrative staff	-	10.37 hours

 P.78 Human Resources Development Programs

## Average Personnel Turnover & Voluntary Turnover Rate of Full Time Employees (Non-consolidated)

	Average personnel turnover rate			Voluntary turnover rate		
	Male	Female	All	Male	Female	All
FY2017	4.20%	4.21%	4.21%	1.08%	2.31%	1.42%
FY2018	3.17%	3.98%	3.40%	1.22%	2.22%	1.50%
FY2019	5.04%	4.62%	4.93%	1.31%	2.57%	1.66%

Performance Data Related to Diversity

Proportion of Female Permanent Staff and Managers (Non-consolidated) (As of July 1)★ (Unit: persons)

	Permanent staff			Managerial staff			Business staff			Administrative staff
	Total	Female	Female staff as % of all staff	Total	Female	Female staff as % of all staff	Total	Female	Female staff as % of all staff	Total
2015	6,021	1,648	27.4%	3,353	126	3.8%	4,841	468	9.7%	1,180
2016	5,952	1,653	27.8%	3,472	168	4.8%	4,791	492	10.3%	1,161
2017	5,917	1,674	28.3%	3,514	200	5.7%	4,748	505	10.6%	1,169
2018	5,880	1,662	28.3%	3,551	221	6.2%	4,727	509	10.8%	1,153
2019	5,793	1,667	28.8%	3,483	240*	6.9%	4,648	523	11.3%	1,145

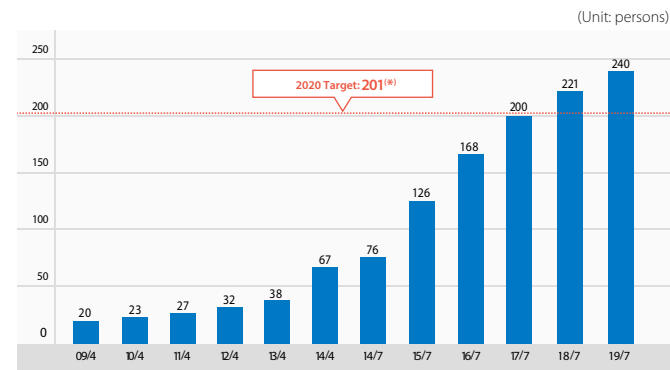
\* Includes 3 female General Managers (M1).

Proportion of Female and Foreign Corporate Officers (Non-consolidated) (As of July 1)★ (Unit: persons)

	Directors					Corporate Auditors		
	Total	Female	Female directors as % of all directors	Non-resident	Non-resident directors as % of all directors	Total	Female	Female directors as % of all directors
2015	14	2	14.3%	1	7.1%	5	1	20.0%
2016	14	2	14.3%	1	7.1%	5	1	20.0%
2017	14	2	14.3%	2	14.3%	5	1	20.0%
2018	14	2	14.3%	2	14.3%	5	1	20.0%
2019	14	2	14.3%	2	14.3%	5	1	20.0%

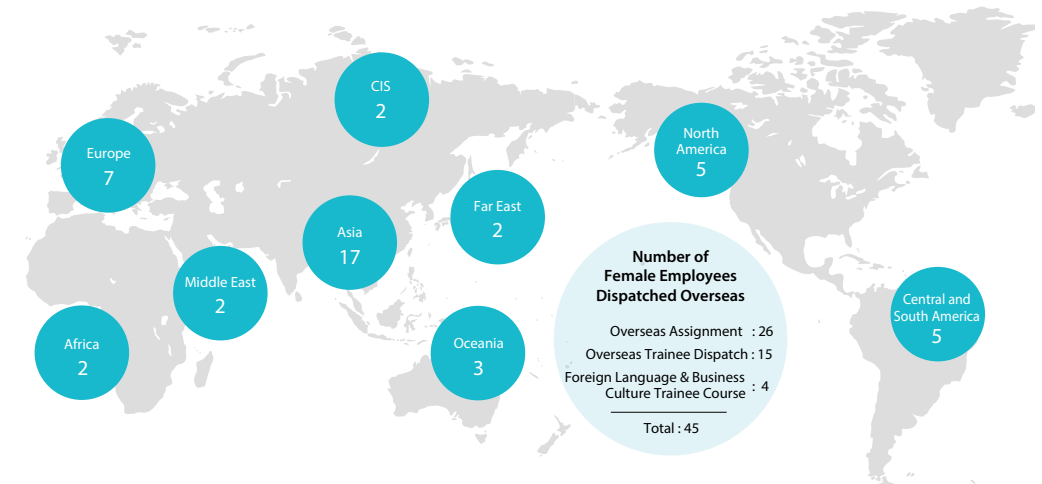
Actual Status of Promoting Career Advancement for Female Employees (Non-consolidated)

Female managerial staff



\* Targeted number of female staff in managerial positions by 2020 (more than triple the number of female staff as of June 2014, which was 67).

Number of Female Employees Dispatched Overseas (As of April 1, 2019)



Region name	Number of people	Cities
North America	5	New York
Central and South America	5	Sao Paulo, Florianópolis, Lima
Europe	7	London, Maarsen, Hamburg, Milan
Middle East	2	Dubai, Tehran
Africa	2	Johannesburg, Maputo
Asia	17	Singapore, Bangkok, Yogyakarta, Yangon, Ho Chi Minh City, New Delhi, Kuala Lumpur, Santa Rosa
Oceania	3	Sydney, Perth
Far East	2	Seoul, Taipei
CIS	2	Moscow, Vladivostok

## Data of Personnel Affairs

**Employees Taking Childcare or Family Care Support (Non-consolidated)★****Child Care**

(Unit: persons)

		Childcare Leave	Nursing Care for Child Leave	Short-time working for childcare	Staggered working hours for childcare	Childbirth Attendance Leave
FY2015	Male	12	47	13	4	91
	Female	40	111	135	1	–
	Total	52	158	148	5	91
FY2016	Male	13	42	11	7	93
	Female	49	107	137	1	–
	Total	62	149	148	8	93
FY2017	Male	13	64	7	5	102
	Female	50	138	162	0	–
	Total	63	202	169	5	102
FY2018	Male	23	97	0	0	90
	Female	64	182	150	0	–
	Total	87	279	150	0*	90
FY2019	Male	29	120	0	NA	85
	Female	45	186	127	NA	–
	Total	74	306	127	NA	85

\* We included the staggered working hours system for childcare and family care in the individual-based staggered working hours scheme from June 2017.

**Return Rate and Retention Rate after Childcare Leave**

		Male	Female
FY2019	Return rate after childcare leave*1	100%	96.4 %*3
	Retention rate after childcare leave*2	100%	97.8 %*3

\*1 Percentage of employees who returned to work as compared to the number of employees who reached the end of childcare leave in FY2019

\*2 Percentage of employees who are enrolled as of April 1, 2018, out of those returned to work during FY2018

\*3 Number of retirees does not include registrants of the re-employment system associated with the transfer of their spouse

**Family Care**

(Unit: persons)

		Family Care Leave	Nursing Care for Family Leave	Short-time working for family care	Staggered working hours for family care
FY2015	Male	0	31	0	0
	Female	1	52	0	0
	Total	1	83	0	0
FY2016	Male	1	42	0	0
	Female	0	59	0	0
	Total	1	101	0	0
FY2017	Male	1	50	0	0
	Female	0	74	0	0
	Total	1	124	0	0
FY2018	Male	0	36	0	0
	Female	0	60	0	0
	Total	0	96	0	0*
FY2019	Male	2	44	0	NA
	Female	2	66	2	NA
	Total	4	110	2	NA

\* We included the staggered working hours system for childcare and family care in the individual-based staggered working hours scheme from June 2017.

**Re-employment System for Employees Who Had to Resign Due to the Transfer of Their Spouse (Non-consolidated)**

(Unit: persons)

	Year of Retirement/Registration	FY2015	FY2016	FY2017	FY2018	FY2019
Number of Registered Ex-employees	Business staff	3	7	5	8	4
	Administrative staff	16	11	11	6	11
	Total	19	18	16	14	15

## Data of Personnel Affairs

**Annual Average Actual Working Hours (Non-consolidated)★**

(Unit: hours/year)

	FY2016	FY2017	FY2018	FY2019
Annual average actual working hours (hours)	1,911.24	1,941.03	1,920.72	1,957.72

Employees at Tokyo Head Office and branches in Japan (including contract employees).

**Monthly Average Overtime Working Hours (Non-consolidated)★**

(Unit: hours/year)

	FY2017	FY2018	FY2019
Monthly average overtime working hours (hours)	19.1	18.9	19.0

- Employees at Tokyo Head Office and branches in Japan (non-managerial staff) (excluding contract employees)
- Calculated on the basis of prescribed working hours

**Paid Leave Days Taken and Usage Ratio (Non-consolidated)★**

	FY2015	FY2016	FY2017	FY2018	FY2019
Average paid leave taken per year (days)	11.2	11.8	12.8	13.9	14.4
Average paid leave usage ratio per year (%)	58.3	61.4	66.6	72.3	74.9

Employees at Tokyo Head Office and branches in Japan (excluding contract employees)

**Occupational Health and Safety Data (Non-consolidated)★**

	Target	FY2017		FY2018		FY2019	
		Employees	Contractors	Employees	Contractors	Employees	Contractors
Number of lost time injuries	0	1	0	4	0	1	0
Number of fatalities	0	0	0	0	0	0	0
Lost time injuries frequency rate	0	0.13	0	0.53	0	0.14	0
Lost time injuries severity rate	0	0	0	0	0	0.03	0
Occupational illness frequency rate	0	0	0	0.13	0	0	0

- Employees: Employees at Tokyo Head Office and branches in Japan, Contractors: Contract employees
- Calculated based on the standards of the Japanese Ministry of Health, Labour and Welfare.

**Comparison with Industry Average (for Wholesalers and Retailers with a Business Scale of 100 Employees or More)**

	FY2017	FY2018	FY2019
Lost time injuries frequency rate	1.74	1.94	2.08
Lost time injuries severity rate	0.03	0.10	0.10

(Reference) Japanese Ministry of Health, Labour and Welfare's "Survey on Industrial Accidents in 2018"

**Average Annual Salary of Employees (Non-consolidated)**

(Unit: yen)

	Average annual salary
FY2019	14,299,878

\* Employees at Tokyo Head Office and branches in Japan.

**Participation Rate of Labor Union Membership (Non-consolidated)** (As of March 31)

	Participation Rate
2019	85.0%

Concerning the data marked with ★(FY2019 and 2019), an independent practitioner's assurance report prepared in accordance with the ISAE 3000 international standard was given by Deloitte Tohmatsu Sustainability Co., Ltd. Please refer to the independent practitioner's assurance report at the link below for details.

 [P.124 Independent Practitioner's Assurance Report](#)



# Governance

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# Integrity and Compliance



## Our Approach towards Integrity and Compliance

Policy

Mitsui & Co. considers a sound reputation to be the foundation of business, and recognizes that it is only through a strong compliance culture that we can maintain our reputation and the trust of society. In our pursuit of compliance, we recognize that it is essential not only to comply with laws and regulations but also to behave and act with integrity.

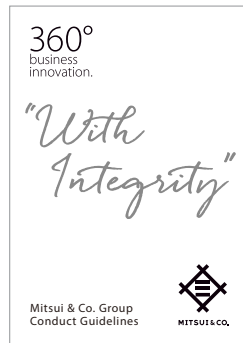
In order for the Mitsui & Co. global group to continue to be a truly trustworthy corporate group for society, we make serious efforts to heighten awareness among all officers and employees of the importance of upholding integrity and to maintain our status as an organization with integrity on a global-group basis.

## Mitsui & Co. Group Conduct Guidelines and Business Conduct Guidelines for Employees and Officers


Policy

### Mitsui & Co. Group Conduct Guidelines "With Integrity"

Each of the Mitsui & Co. group companies has individually established its own business conduct guidelines based on its specific business activities. In November 2018, we drew up the Mitsui & Co. Group Conduct Guidelines "With Integrity" to further clarify our basic approach towards integrity and compliance that has been shared on a global group basis. By each of us putting these guidelines into practice in our day-to-day work with the Five Key Principles as guideline core elements, the Mitsui & Co. group will be able to continue to respond to the trust placed in us by society with good faith and sincerity.



## Our Stories: Build an organization with integrity

 P.35 Sharing Values by Promoting the Concept of Integrity

SDGs : 5.5, 10.2, 10.3, 16.5



## Mitsui & Co. Group Conduct Guidelines "With Integrity"

### Five Key Principles

1. We will comply with laws and regulations, and act to the highest ethical standards. We will respect human rights and never engage in discrimination of any kind.
2. We will respect the individuality and diversity of every employee, and foster a culture of open-mindedness.
3. We will engage in fair business practices, and respond to the trust placed in us by society with good faith and sincerity.
4. We will place value on the global environment, and contribute to the realization of prosperity and a high quality of life for society.
5. We will speak up with courage when we have doubts or feel that something is wrong, for the good of the company.



Mitsui & Co. Group Conduct Guidelines "With Integrity"

## Business Conduct Guidelines for Employees and Officers

The "Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd." ("Business Conduct Guidelines") specify how every Mitsui employee and officer should act in his/her daily activities, from the perspective of compliance with laws and regulations, internal rules, and corporate ethics. The Business Conduct Guidelines help us fulfill our corporate social responsibility and gain the trust of our stakeholders. They have been revised from time to time since their establishment in February 2001, to reflect changing times.

To ensure that all our employees develop a proper understanding of the Business Conduct Guidelines and to review the effectiveness of these guidelines, we implement training and e-learning courses on a regular basis under the supervision of the Board of Directors, and at the same time, we require that all employees make a pledge to comply with the Business Conduct Guidelines every year.

Likewise, each of our group companies has formulated and implemented its own individual business conduct guidelines, based on the Business Conduct Guidelines, in the way best suited to its specific business activities. In addition, we have put in place business conduct guidelines in our overseas business locations, reflecting the local laws and regulations, and customary practices, of the countries in each region.

## Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd.

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

## Compliance Framework

System

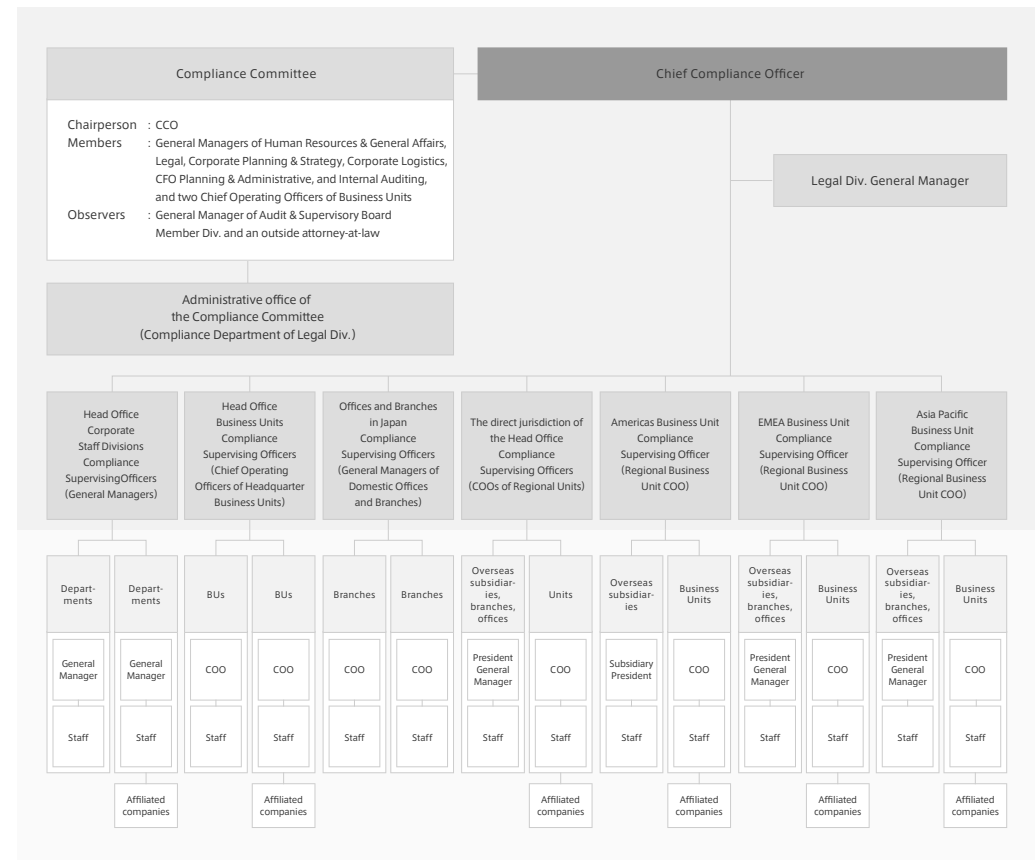
The Compliance Department of the Legal Division leads compliance-related initiatives on a global group basis under the direction and supervision of the Chief Compliance Officer (CCO) and in collaboration with the Compliance Supervising Officers appointed in each of Mitsui's business units, and branches and offices in Japan and overseas. The objectives of these efforts implemented on a Mitsui & Co. global group basis are to: (i) heighten compliance awareness, (ii) improve and strengthen compliance programs, and (iii) respond to specific compliance-related matters as they arise.

In addition, the Compliance Committee has been established as a forum for discussing topics relating to compliance. As the development of a compliance framework is becoming ever more important, we have increased the number of the Compliance Committee meetings since the fiscal year ended March 2019. We also reviewed the composition of committee members, and added two business unit COOs as committee members to facilitate discussions that reflect business frontline aspects. With the participation of external attorneys, the Compliance Committee discusses action plans for improving the compliance framework based on various compliance-related matters that have been reported. The minutes of the committee meetings are released on the company intranet.

The Board of Directors has a function of supervising the operation and other related matters of the compliance framework on a global group basis, and, in principle, the CCO reports to the Board of Directors twice a year on the operational status of the compliance framework, as well as the results of deliberations at the Compliance Committee meetings. The Board of Directors actively discuss key measures to be taken going forward. In formulating the Mitsui & Co. Group Conduct Guidelines "With Integrity," external directors and Audit & Supervisory Board members made specific suggestions and comments in relation to the content of the guidelines and awareness-raising activities, and those suggestions and comments have been reflected in the guidelines.

In addition, Mitsui & Co. group CCO meetings, in which CCOs of Mitsui and its affiliated companies in Japan participate, and overseas office CCO meetings, are held regularly in order to actively exchange information and opinions about optimum initiatives and other related matters, thereby strengthening the compliance framework on a global group basis.

In the event of a compliance violation, or a risk of a compliance violation, the corresponding Compliance Supervising Officer such as the COO of business unit, will take the lead in responding to the situation, identifying the causes and formulating recurrence prevention measures, and then report to the CCO. In some cases, the Compliance Department of the Legal Division will take actions under the leadership and supervision of the CCO. Procedures have been stipulated in advance for the establishment of Crisis Response Headquarters under the direct supervision of the President & CEO to ensure timely and appropriate decision-making on crisis response measures.



## Compliance Program

Policy System Activity

SDGs : 16.5

We believe that even if a detailed, fine-tuned compliance program is formulated, the effectiveness of the compliance framework cannot be reinforced without management executives taking the lead in compliance related initiatives. For this reason, the President & CEO, CCO, and other executives are proactively engaging in awareness-raising activities and sending messages to employees continuously and repeatedly on the importance of integrity and compliance.

Specific measures include the promotion of integrity awareness using the Mitsui & Co. Group Conduct Guidelines "With Integrity," the CCO Blog and other media, and the fostering of a Speak Up culture in which people do not hesitate to speak up when they feel that something is going wrong. We also steadily implement compliance awareness surveys, share information about compliance violations, and take steps to prevent recurrences. Other initiatives focus on thorough management in the business frontline, the reinforcement of control over operational processes, and the promotion of human resource mobility. In addition, we provide various types of training and e-learning programs.

Mitsui aims to achieve continual improvement by remaining focused on society's expectations. We also recognize the importance of continually assessing risks relating to our business activities and reviewing our compliance-related measures based on the results of those assessments. Each year, we verify the effectiveness of measures implemented in the previous fiscal year and identify issues based on the results of compliance awareness surveys, the content of discussions by the Compliance Committee and the Board of Directors, exchanges of views with compliance liaison managers in each organization, and feedback from outside assessment bodies. Findings from this process are used in the formulation of activity plans for the next fiscal year.

### Compliance Education and Training

Mitsui implements a variety of compliance education and training programs to deepen employees' compliance awareness and disseminate essential knowledge and information about compliance.

In the fiscal year ended March 2019, we provided compliance training for employees at all levels from new entrants to managers, training for employees about to be transferred overseas or to group companies, and seminars, e-learning, and other programs on important laws and regulations in Japan and overseas. We also implemented harassment-related training based on case studies, especially for employees in managerial positions, as part of our efforts to prevent such situations. This training also includes explanations about the procedures that staff should follow when they receive reports or requests for advice about harassment, with the aim of creating an organization in which employees feel safe to speak up about such issues.

In November 2018, we expanded the existing Compliance Review Week program into the Compliance Review



Panel discussion by management executives

Month. Messages were disseminated by the President & CEO, the CCO, and other senior officers, and the CCO, CAO and others presented a panel discussion on the theme of Integrity. The program also included lectures by external speakers. In addition to these company-wide initiatives, individual organizational units also ran active programs that included seminars, information-sharing sessions, and discussions.

In the fiscal year ended March 2019, we ran a course based on a compliance handbook explaining Business Conduct Guidelines for Employees and Officers of Mitsui & Co. for those who had been unable to take the course in the previous fiscal year; we also ran an on-line test to check their level of understanding. The purpose of these activities was to promote assimilation of basic compliance knowledge that officers and employees of Mitsui should possess in order to perform their day-to-day tasks.

Mitsui also maintains an active program of compliance training for officers and employees of group companies. We distributed the Mitsui & Co. Group Compliance Handbook in response to requests from subsidiaries and group companies in Japan. We also provided an e-learning platform to allow the distribution of our own teaching materials and the implementation of an on-line test similar to that used for Mitsui's employees. Overseas offices and group companies also implement compliance education and training programs that reflect local regional characteristics.

### Efforts to Ensure Compliance with Applicable Competition Laws

We regard compliance with the competition laws in the applicable jurisdictions as an important issue for our corporate management, and we provide various manuals and hold regular seminars to ensure that all officers and employees are informed of, and comply with, the applicable competition laws. In particular, with respect to the prevention of cartels, we established and enacted the "Code of Conduct in relation to the Prevention of Cartels," as a sub-standard of the Business Conduct Guidelines for Employees and Officers of Mitsui & Co. in November 2018. By presenting a specific code of conduct in relation to the prevention of cartels, we have clarified our stance on ensuring compliance with the applicable competition laws and raise awareness among all of our officers and employees of the compliance requirements. In addition, we also work to ensure that compliance with the applicable competition laws is achieved on a global group basis by each of the Mitsui & Co. group companies, by carrying out education and training on the applicable competition laws while taking into account the characteristics of each respective region.

### Initiatives to Prevent Corruption

We also regard compliance with anti-corruption laws in the applicable jurisdictions as an important issue for our corporate management, and have published the Mitsui & Co., Ltd. Anti-Corruption Policy in December 2016 in relation to Mitsui's comprehensive anti-corruption framework and initiatives. When examining new business projects, due diligence is carried out based on this policy, in particular, for projects that are deemed to have a high risk of corruption. In addition, in order to ensure that all officers and employees comply with anti-corruption laws, we have established rules on the management of business entertainment for public officials, as well as rules on the appointment of sales agents, and have also been conducting various kinds of education and training. Furthermore, we have been implementing education and training related to anti-corruption laws at Mitsui's affiliated companies in Japan and overseas as well, promoting the development and operation of an anti-corruption framework which conforms to Mitsui's own framework.

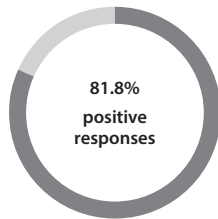
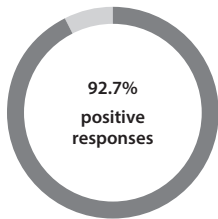
The Board of Directors oversees the administration of the compliance framework on a global group basis, including compliance with the Mitsui & Co., Ltd. Anti-corruption Policy.



**Compliance Awareness Survey**

Each year we conduct a Compliance Awareness Survey to ascertain the level of compliance awareness of officers and employees in Head Office and branches and offices in Japan. Surveys are also conducted at overseas offices and group companies as required. The results are used in the formulation and implementation of various policies.

- ① Do you think that there is good workplace communication, and that you can easily talk about compliance with your superiors, colleagues, and subordinates?
- ② Do you think that the company is serious about promoting the use of the whistleblowing system?
- ③ If you became aware of a compliance issue, would you use the whistleblowing system to report the matter or seek advice?



In relation to the third question, we are working to make the whistleblowing system easier to use for officers and employees by implementing various measures.

**Other Initiatives**

We identify lessons from compliance-related matters occurring within the Mitsui & Co. group and develop recurrence prevention measures. Information about such matters that could be useful as reference for the development of compliance systems is shared with other organizations.

As in the previous fiscal year, we held the Mitsui & Co. group CCO meeting, attended by the CCOs of Mitsui and its affiliated companies in Japan, which included seminars and group discussions about the whistleblowing system. In addition, we work to ensure consistent compliance at the group level through visits to key affiliated companies in order



Group CCO meeting

to identify issues affecting each company, and to provide advice about the development and administration of autonomous, self-sufficient compliance programs.

In the fiscal year ending March 2020, we will continue our efforts to deepen information sharing and support the effective development and administration of compliance programs at group companies. Our aim is to ensure that all of our officers and employees always put emphasis on compliance on a global group basis.

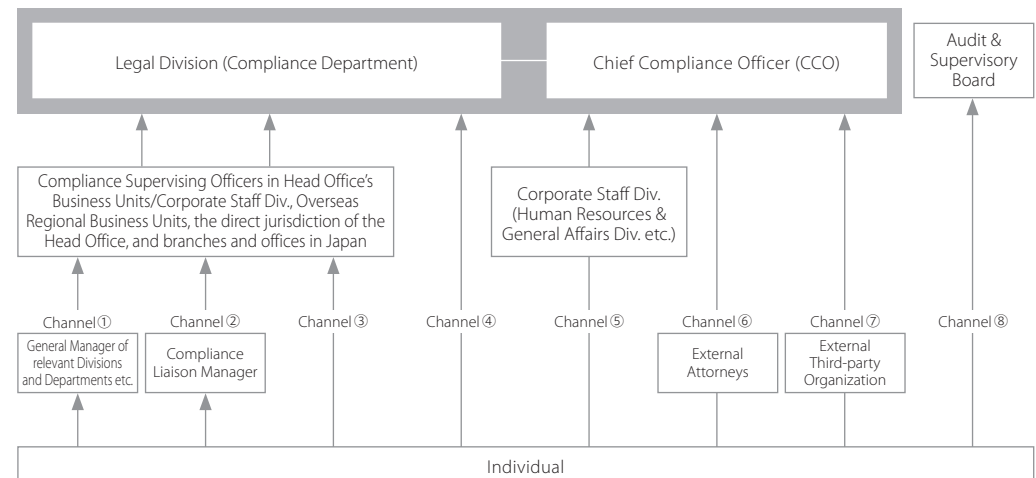
**Facilitating Communication and Fostering a “Speak Up” Culture**

System Activity

We believe that the essence of compliance lies in the development of an open working environment that reflects our management philosophy and values, so that problems can be prevented through smooth communication. Should problems occur, a report must be immediately made to superiors or to those in charge, so that appropriate action can be taken in a timely manner. Mitsui recognizes the importance of discovering problems at an early stage, and we are actively fostering a culture in which people speak up when they become aware of issues. Management executives continually disseminate the message that we can improve the company by speaking up about issues.

We have established eight channels for reporting compliance-related matters within or outside of the administrative chain of command, including anonymous access to attorneys and independent organizations outside of the company.

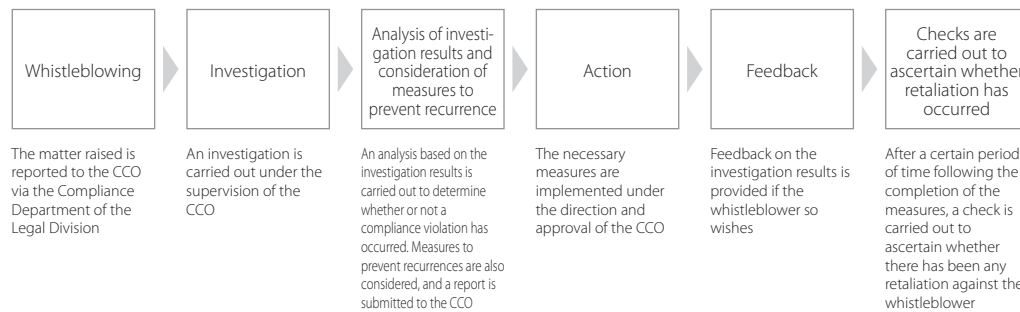
**Channels for Reporting Compliance-Related Matters**



The most important way to ensure that the whistleblowing system is used effectively is to prevent any form of retaliation against or disadvantageous treatment of whistleblowers. The rules for the whistleblowing system already prohibited such actions against whistleblowers, but in July 2018 we specifically stipulated that any person engaging in retaliation against or disadvantageous treatment of a whistleblower could become subject to disciplinary action. Other measures to encourage people to speak up include a specific provision in the whistleblowing system rules that if a person who is involved in a compliance violation reports the matter to the company himself/herself, such action will be taken into account when disciplinary actions are considered.

In November 2018, we further enhanced the transparency of whistleblowing processes and confidence in the system by posting a video entitled "Speak up when you think something is wrong!" on the intranet for officers and employees. This video explains the various routes for reporting issues and the investigation process after an issue is reported.

**Response after Whistleblowing**



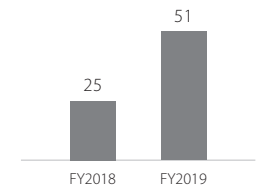
For our group companies in Japan, we have created a process for ensuring that employees feel that it is safe to report issues, by (1) making available the use of external law firms and third-party organizations designated by Mitsui as external reporting channels, and (2) monitoring the actions of group companies and providing guidance to ensure that whistleblowing systems are properly established and administered. As regards overseas offices and group companies, regional Compliance Supervising Officers are leading the development of whistleblowing channels, while also ensuring that these systems reflect local laws and regulations, as well as specific local customary practices in each country.

Furthermore, Mitsui has introduced the Global Group Hotline, a special whistleblowing hotline for reporting and seeking advice regarding cases that breach the laws of Japan or another country in relation to anti-trust (monopoly) laws or anti-corruption laws, or cases that give rise to suspicion of such breaches. Under the system that is being put in place, the Compliance Department of the Legal Division of Head Office becomes a unified channel by which to receive whistleblowing reports from overseas trading affiliates, and other subsidiaries in Japan and overseas.

Officers and employees of group companies are also able to seek advice directly through Mitsui's whistleblowing system when the issues are related to officers and employees of Mitsui or when the issues could have a serious impact on the Mitsui & Co. group.

**Number of Whistleblowing Reports**

A total of 51 whistleblowing reports were submitted directly to the Compliance Department of the Legal Division or through external channels in the fiscal year ended March 2019. This is a substantial increase over the previous year's total and reflects our efforts to foster a Speak Up culture. Around 70% of the reports were related to harassment or similar matters, while 20% concerned labor issues.



**Status of Compliance Reports**

Activity

We believe that if employees report compliance-related matters at an early stage, we can take action to mitigate problems, ultimately leading to the prevention of compliance violations. We therefore encourage officers and employees to report potential issues early, even if they are not certain that compliance violations have occurred.

In the fiscal year ended March 2019, 945 reports were made in relation to compliance at Head Office, offices in Japan and overseas, and affiliated companies. None of these matters had a material effect on the business of Mitsui or its affiliated companies. Furthermore, there were no cases where Mitsui received any legal sanctions or paid any fines or financial penalties due to violations of anti-bribery laws or anti-competition laws.

**Global Tax Management Policy**

Policy

We are committed to complying with our tax obligations and simultaneously managing our global tax costs. Our Global Tax Management Policy is available below.





# Corporate Governance and Internal Controls

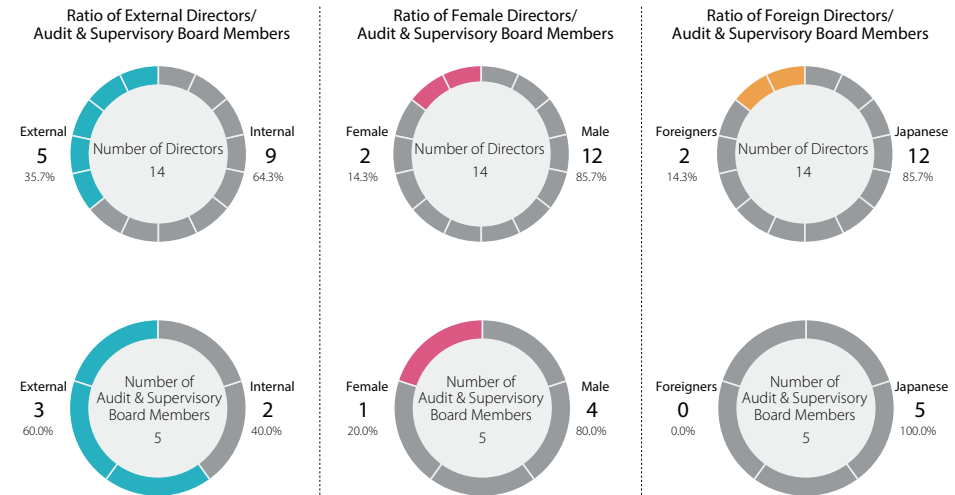
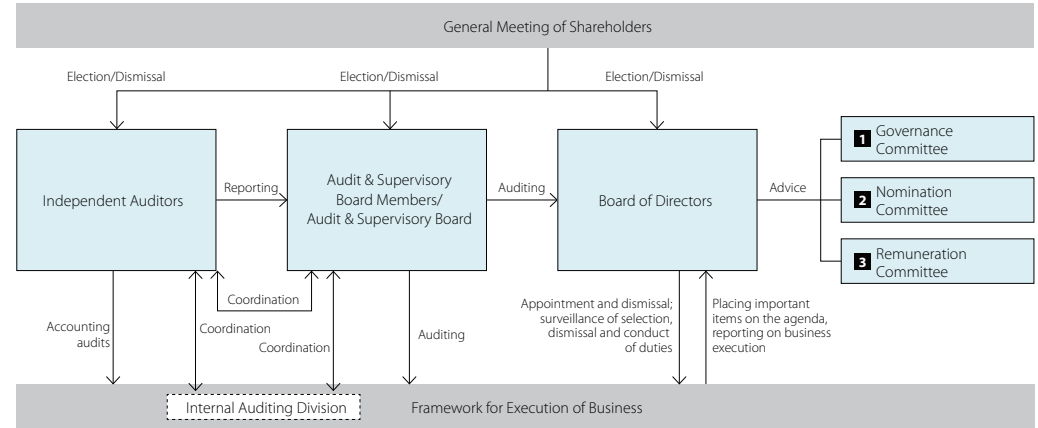
## Basic Corporate Governance Policy

Policy System

In structuring the corporate governance framework, Mitsui & Co. places emphasis on “improved transparency and accountability” and “clarification of the division of roles between management oversight and execution.” For the “improved transparency and accountability,” Mitsui ensures sound supervision and monitoring of management with the view point of External Directors and External Audit & Supervisory Board Members (hereinafter referred to as the “External Members”). Mitsui has also established an internal control system for disclosure so that all officers and employees fulfill their accountability to stakeholders under the principle of fair disclosure. For “clarification of the division of roles between management oversight and execution,” Mitsui delegates execution of business to Managing Officers substantially while the Board of Directors retains a supervisory role over Managing Officers’ business activities. Chief Operating Officers of 15 business units within Head Office and 3 overseas regional business units serve concurrently as Managing Officers and engage in business operation for the consolidated group in a responsive and flexible manner.

While Mitsui believes that management by internal Directors who are familiar with our business practices and operations is essential to a general trading company, we place importance on increasing the effectiveness of supervisory functions by having Audit & Supervisory Board Members as a company implementing corporate governance under an Audit & Supervisory Board system. Moreover, by adopting a Committee System, in which the External Members participate, Mitsui achieves highly effective corporate governance to secure “improved transparency and accountability” and “clarification of the division of roles between management oversight and execution.”

## Corporate Governance Framework



**Board of Directors**

Activity

SDGs : 16.7

The Board of Directors is the highest authority for execution of business and supervision. The tenure of Directors is one year, and can be reappointed. The Chairman is authorized to call for a meeting of the Board of Directors and to chair the meeting. The role of Mitsui's Chairman chiefly involves carrying out supervision of management. The Chairman does not concurrently serve as an executive officer and is not involved in the execution of day-to-day business operations.

As advisory committees to the Board of Directors, Mitsui also has in place the Governance Committee, the Nomination Committee and the Remuneration Committee, in which External Members participate as members.

In accordance with the rules of the Board of Directors regarding resolutions and matters to be reported, the Board of Directors passes resolutions of fundamental policies on management of Mitsui, matters of important business operation, matters mandated by a resolution of the General Meeting of Shareholders and issues prescribed in laws and regulations and in the Articles of Incorporation. The Board of Directors also receives reports on issues prescribed in laws and regulations and the status of important business operations. A meeting of the Board of Directors generally takes place one a month, and when needed.

**Reports Made to the Board in FY 2019 regarding Sustainability/  
Internal Control Systems/Risk Management and Related Matters**

Agenda of the Board	Time of Meeting	Matters Reported	Relevant Risk Management Structures/Systems
Review of status of internal control systems	Mar 2019	• Overview of internal control system	• Authority delegation system, <i>ringi</i> system, oversight and support by corporate staff divisions • Prior setting of position limits, monitoring by specialist units • Internal Control Committee, Portfolio Management Committee
Sustainability	Apr 2018	• Overview of sustainability activities • Approach to coal-related business	• Sustainability Committee
	Jun 2018	• Responding to climate change	
Compliance structures/operational status	Mar 2019 Oct 2018	• Compliance risks	• Compliance Committee • Establishment of and compliance with the Business Conduct Guidelines for Employees and Officers of Mitsui & Co. • Development of internal whistle-blowing system • Training and other awareness-raising activities
Assessment of internal control system in accordance with Financial Instruments and Exchange Act	Jun 2018	• Internal control systems for financial reporting	• J-SOX Committee • Self-assessment of the effectiveness of internal control systems by units subject to assessment and testing by independent units
Internal audit results	Aug 2018	• Results of internal audit	• Internal audit structure centering on the Internal Audit Div.
Mitsui's risk exposures and management	Sep 2018	• Credit risks (commercial claims, external loans/guarantees, term deposits) • Market risks (commodity/forex long and short positions, inventories) • Business risks (business assets, loans/guarantees to related parties, external investments) • Country risk	• Examination of credit lines and <i>ringi</i> applications and monitoring • <i>Ringi</i> screening of commodity/forex long and short positions, on-site inspection of inventories, etc. • Screening through <i>ringi</i> processes, realization of returns from investment projects and their optimization • Collection and analysis of country risk information, position monitoring of individual countries, designation of business-suspended countries and restricted countries, formulation of country-specific response policies
Cybersecurity	Dec 2018	• Cybersecurity	• Technological countermeasures, human countermeasures (including activities to raise awareness of security), countermeasures targeting affiliated companies

**Audit & Supervisory Board**

Activity

SDGs : 16.7

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

Audit & Supervisory Board meetings are held periodically and precede meetings of the Board of Directors. Moreover, additional meetings are held on an as-needed basis. The Audit & Supervisory Board Members attend meetings of the Board of Directors to monitor how the proceedings of the meetings are managed and the content of the decisions made. These members also actively express their opinions. Auditing by the Audit & Supervisory Board Members covers a variety of areas, among which are execution of duties by Directors, decision-making processes at the meetings of the Board of Directors and others, status of construction and operation of the internal control system, independence of the Independent Auditors, system of financial reporting, accounting policies and processing of financial information, tax policies and tax processing.

 Integrated Report 2019 (P.102 Mitsui's Corporate Governance)

**Execution of Business Activities**

System

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

Based on the basic design of internal controls provided for by the Board of Directors, the management assumes the role and responsibility of maintaining, operating and assessing internal controls at Mitsui. The Internal Auditing Division, the division positioned directly under the President and CEO, is responsible for examining the status of adaptability and implementation of the internal control approved by the management from an independent standpoint.

Mitsui has established major committees pertaining to the execution of business and implementation of internal control, in order to respond to a wide range of risks and forms of businesses, which continue to increase and diversify.



## Internal Control System

System

In the construction of internal control processes, Mitsui implements various systems in accordance with basic framework of the internal control indicated by the Business Accounting Council (an advisory body to the Financial Services Agency of Japan) to achieve "Improvement of effectiveness and efficiency of operations," "Compliance with accounting standards and securing reliability of financial reporting," "Compliance with laws, rules that are equivalent to the laws, and observance of management philosophy and company rules including all codes of conduct which reflect this philosophy," and "The conservation of company assets."

## Risk Management System

Risks arising from Mitsui's business activities are monitored and managed by chief operating officers of business units and regional business units under the oversight of the Board, within the authorization delegated to them from Mitsui's management. The management of quantitative risks include setting of position limits and loss-cut limits as well as monitoring of positions by divisions with relevant expertise, and for the management of qualitative risks, the compliance with related internal regulations is obligated. For the management of risks which exceed the scope of authority granted to chief operating officers of business units and regional business units, it is necessary to obtain approval of the Corporate Management Committee, a Representative Director in charge, or a Senior Managing Officer in charge, depending on the importance of the case, in accordance with the standards of the internal approval system.

Furthermore, with regard to the establishment and maintenance of risk management structures from all company level and the handling of significant risks, organizations such as the Portfolio Management Committee, the Sustainability Committee, and the Crisis Management Headquarters will be in charge. Such organizations are separate from the Audit & Supervisory Board, and the Directors who act as the heads of each committee report to the President and Chief Executive Officer when necessary. With respect to the risks in the fields they are in charge of, each division of the Corporate Staff Units is responsible for monitoring of the whole Company's positions, controlling within the prescribed range of their authority, and supporting the relevant Directors and Managing Officers.

## Systems to Secure Appropriateness of Operations within the Corporate Group

Mitsui established the "Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles" ("Principles"). In light of other laws and regulations and to the extent reasonable, Mitsui requires its subsidiaries to develop and operate internal controls based on these Principles, and for its equity accounted investees, Mitsui coordinates with other equity participants and encourages the equity accounted investees to develop and operate similar internal controls. In addition, from its officers and employees, Mitsui appoints supervising officers for its affiliated companies and has them engage in their duties based on the "Rules on Delegation of Authority for Supervising Officers for Affiliated Companies."



Corporate Governance and Internal Control Principles



Integrated Reports 2019 (P.117 Internal Control System)



P.114 Information Risk Management



P.106 Compliance Framework



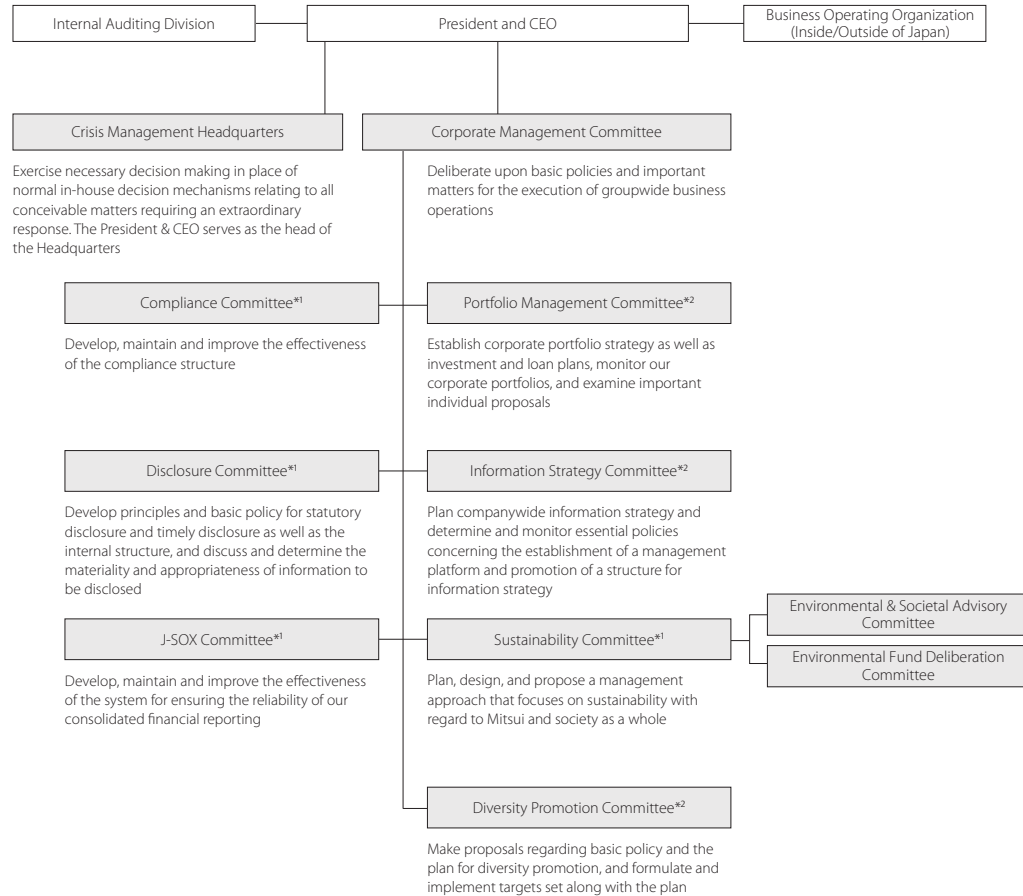
P.113 ESG-Related Risk Management

Corporate Governance and Internal Controls

Risk Management



Framework for Internal Controls and Execution of Business Activities (As of April 2019)



\*1 Sub-committees to the Corporate Management Committee  
 \*2 Advisory bodies to the Corporate Management Committee

ESG-Related Risk Management

System Activity

SDGs: 3.d, 13.3, 16.7

Business opportunities, as well as the risks associated with doing business, have increased and are becoming more diversified due to the impact of economic globalization, progress in information technology, and increasing awareness of the importance of corporate social responsibility. Based on this understanding, Mitsui & Co. recognizes the necessity for comprehensively managing risk from both quantitative and qualitative perspectives, while responding appropriately to changes in social conditions and business models. With this awareness, we have defined the business which have high qualitative risks including risks related to the natural environment, society, and governance as “Specially Designated Business,” and have been endeavoring to develop such businesses with due caution under our Specially Designated Business Management System.

In the promotion and management of each business, we bear in mind the various climate change scenarios that are put forward by internationally recognized organizations, such as the International Energy Agency, and analyze the potential impact of such scenarios on our businesses. We have been reflecting the results of these analysis in our screening processes for investments, loans, and other activities. A shift toward a low carbon society could have an impact on our energy business among others, and in response to that we have been promoting environment-friendly, next generation energy business. Moreover, since Mitsui has been engaging in business in various locations around the world, climate change-related measures implemented by the countries and regions where we operate could have a significant impact on the profitability and sustainability of our business. We monitor the measures adopted in each country and region in a timely manner, and trends relating to stakeholders influencing those measures, by utilizing the global network that we have established through our business activities over many years, and use the information which we obtained in our decision making process.

Specially Designated Business Management System and Environmental & Societal Advisory Committee

When beginning new projects, we conduct internal assessments and, wherever necessary, consult with the Environmental & Societal Advisory Committee, the Sustainability Committee, or other committees for advice as to whether or not to proceed with the proposed projects, and for suggestions on how improvements can be made. Ultimately, the final decision on whether or not to proceed with any given project is made by Corporate Management Committee and the Board of Directors (both of which supervise the ESG risks) and through the *ringi* (circular executive approval) process by representative directors, in accordance with the predetermined qualitative and quantitative standards. The members of the Environmental & Societal Advisory Committee consist mainly of external experts and attorneys who are familiar with a broad range of fields including climate change, environmental restoration, environmental policy with respect to water, energy, etc., technology trends, human rights, and labor issues. The advisory committee members assess the risks related to such matters and provide recommendations where appropriate for improving projects. In the fiscal year ended March 2019, we held the committee in regards to several energy business, our identification of new Materiality, and so on.

Under the Specially Designated Business Management System, we promote project formation based on the

Policy System

results of screening from the perspectives of environment, society, and governance (ESG), and, at the same time, engage in activities for raising awareness of the ESG aspects within the company and deepening the understanding of those personnel at the business frontlines. In the fiscal year ended March 2019, 23 projects were individually assessed under the Specially Designated Business Management System. 15 of these projects were categorized under the environment-related business domain, while 8 were categorized as the projects receiving subsidies, and others. We will continue to conduct comprehensive and well-balanced management of risks associated with Specially Designated Business from the early stages of the business development process up to the follow-up stage, with a focus on the ESG aspects.

**P.40** Management of Environmental and Societal Risks

Furthermore, we have established the Rules on ODA (Official Development Assistance) Business Management for promoting ODA business, which has a high public profile and, therefore, requires highly transparent operational processes. Under this system, Mitsui's ODA Projects Evaluation Committee reviews these projects as necessary and ensures appropriate risk management. In particular, we carry out comprehensive assessment of risks related to bribery and corruption considering the significance of those issues.

**Business Domains Subject to Specially Designated Business Management System**

Business Domain	Key Points for Screening
<p>1 <b>Environment-related business</b> All business that have a large impact on the environment Examples: coal fired power plant business, offshore oil field business, etc.</p>	<p><b>Applicable to All Four Business Domains</b></p> <ul style="list-style-type: none"> <li>• Significance and social value of the business itself</li> <li>• Significance of Mitsui engaging in this business</li> </ul> <p>• Contributions of such business to the environment and society</p> <ul style="list-style-type: none"> <li>• Measures to mitigate environmental load (incl. climate change, biodiversity loss, water risk)</li> <li>• Safety assurance and work environment</li> <li>• For development business, appropriate consideration for and understanding of the human rights of local residents and other related parties, and other related matters</li> <li>• Compliance with environmental laws, regulations and guidelines, etc.</li> </ul>
<p>2 <b>Medical, healthcare and bioethics related business</b> Business related to the fields of medical and healthcare, business related to the development of technologies relating to the human genome, genetic analysis, genetic recombination, and other relevant matters, or business that handles products to which these technologies are applied Examples: Business with a high public profile in the medical and healthcare fields (dialysis, pharmaceutical drug manufacturing business), development of new drugs using genetic analysis technology, etc.</p>	<ul style="list-style-type: none"> <li>• Ethical screening based on the guidelines of three Japanese government ministries (Ethical Guidelines for Human Genome and Genetic Sequencing Research: MEXT, MHLW, METI)</li> <li>• Approval by the ethics committee of the research institute in question, acquisition of informed consent, checking of processes, etc.</li> </ul>
<p>3 <b>Projects receiving subsidies</b> All projects that directly or indirectly receive subsidies from governmental and administrative agencies, or other such entities, both within and outside of Japan</p>	<ul style="list-style-type: none"> <li>• Evaluation in light of Mitsui's management philosophy (MVV)</li> <li>• Social impact and ensuring accountability and process transparency</li> <li>• Determination of the interests of stakeholders, and resultant considerations and responses</li> <li>• Responsibility and capability over the medium-to-long term as the operator of a business with a high public profile</li> </ul>
<p>4 <b>Business harboring other unusual reputation risks</b> Business that may be in conflict with public order and morality, Mitsui's management philosophy, etc. and business with a high public profile Examples: Business involving utilization of sensitive personal information, social infrastructure business, etc.</p>	<ul style="list-style-type: none"> <li>• Evaluation in light of Mitsui's management philosophy (MVV)</li> <li>• Social impact and ensuring accountability and process transparency</li> <li>• Determination of the interests of stakeholders, and resultant considerations and responses</li> <li>• Responsibility and capability over the medium-to-long term as the operator of a business with a high public profile</li> </ul>

**Information Risk Management**

**Information Security Policy**

We regard information as an important business asset, and recognize that it is essential for Mitsui to properly manage information. Based on our Information Security Policy, we have established the Information Risk Management Subcommittee under the Information Strategy Committee, with the Chief Information Officer (CIO) serving as the committee chair. Having developed the Rules on Information Management, Rules on Information System Management, and Rules on IT Security, we are properly managing our information assets (information and IT systems) on a global group basis, and will continue making improvements to information management.



**Protecting Personal Information**

We have appointed a Chief Privacy Officer (CPO) and established a CPO office to work for heightening awareness among all management and staff of the importance of personal information protection, in accordance with the Personal Information Protection Guidelines and Rules on the Protection of Personal Information.

As we have a broad spectrum of involvement in diverse commodities and services, we handle a large amount of personal information, particularly in B-to-C (business-to-consumer) business fields. Accordingly, we take particular care to ensure that all data is protected. From the perspective of accident prevention, in addition to our education and training systems, we appoint a Personal Information Management Officer in each division. These officers regularly review the status of personal information management in the daily course of business and enhance it as needed.

Regarding compliance with the EU GDPR (General Data Protection Regulation) that came into effect in May 2018, Mitsui has established internal rules to ensure proper management systems and operational rules for the handling, at each Business Unit, of personal data that falls within the scope of application of the GDPR. Furthermore, we have provided all officers and employees with information on the GDPR via the intranet, and have been engaging in operational management required by the GDPR such as compliance with the duty of keeping records of information processing activities.

We recognized that a timely response according to global standards towards other overseas laws and regulations related to personal information, in addition to the GDPR, leads to the enhancement of our corporate value.

**Cyber Security**

In line with the advancement of information and communications technology (ICT) and digitalization in the business of Mitsui and its affiliated companies, we established a dedicated unit for formulating and implementing cyber security measures. While utilizing the expert knowledge of cyber security companies, we continue to reinforce our cyber security framework on a global group basis.

## Business Continuity Plan (BCP) and Business Continuity Management (BCM)

Policy

Mitsui regards business continuity in times of disaster as a vital management priority. We have formulated a business continuity plan (BCP) to minimize business risks, such as the loss of customers and damage to our corporate reputation, resulting from the suspension of important business processes in the event that our ability to maintain our business operations is seriously impeded by earthquakes, floods, terrorism, epidemics, power shortages, or other contingencies, or when such a situation is expected to continue for a significant period of time.

Following the compilation of business continuity guidelines for business corporations by the Japanese government (specifically, by the Central Disaster Management Council of the Cabinet Office), Mitsui formulated its Business Continuity Management (BCM) Policy in 2006. Under the BCM framework, we formulated the BCP, and we have regularly reviewed it to ensure that we can maintain an appropriate management structure.

Under this policy, Mitsui has also developed the Rules on Business Continuity Management, which defines rules for activity policies, procedures, organizational structures, and other related matters to ensure business continuity or the early resumption of business activities in the event of disasters, for each of the Tokyo Head Office, branches and offices in Japan, overseas regional business units, and the direct jurisdiction of the Head Office.

### Business Continuity Management Policy

#### Safety of Human Life:

Mitsui & Co. regards the safeguarding of human life as its first priority in relation to business continuity management in the event of disasters.

#### Implementation of Business Continuity Management:

Mitsui recognizes the importance of business continuity management in times of disaster and will maintain a business continuity plan and structures to ensure the appropriate implementation and administration of that plan. We will work to enhance the effectiveness of the business continuity plan by improving the business continuity awareness and capabilities of individual employees, and by engaging in interactive dialogue with stakeholders.

#### Continuous Improvement:

Mitsui will formulate, implement, and administer a business continuity plan for business continuity management and will regularly review and continuously improve this plan.

#### Coexistence with and Contribution to Society:

When formulating and reviewing its business continuity plan, Mitsui will consider not only its economic role, but also its coexistence with society and community reconstruction. We will be aware of and respond appropriately to the roles that we may be called upon to perform from time to time, such as the prevention of secondary disasters, community contribution, and coexistence with communities.

## BCM Framework

System

The Managing Director of the Human Resources & General Affairs Division serves as the BCM officer, who approves and periodically reviews the BCP, and implements the tasks stipulated in the Rules on Emergency Business Continuity Management.

BCM general representative (GM of the Human Resources & General Affairs Div.) is responsible for the planning, management, and administration of the BCP, the formulation, promotion, and implementation of the BCP, the approval of education and training for employees in relation to business continuity, and the compilation of disaster response manuals.

In addition, under the BCP for the entire company, we have developed manuals stipulating actions to be taken by the emergency response headquarters for performing important corporate processes in the event of a disaster, as well as manuals stipulating actions to be taken by individual branches and offices after the occurrence of a disaster.

## BCP Revision, and BCP-Related Training

Activity

Mitsui regularly conducts business continuity drills involving the immediate start-up and operation of the emergency response headquarters. These drills, which give first priority to the safeguarding of human life, are based on scenarios in which a major disaster occurs, such as an earthquake directly beneath the Tokyo area. We continually improve our organizational response capabilities by revising the manuals to reflect any issues identified through these drills.

We have also introduced a system to confirm the whereabouts and safety of business and administrative staff, contract employees (including seconded employees), and temporary staff in Japan. To facilitate the use of this system, we regularly conduct general drills, and provide information on the results of responses in these drills to all employees.

In addition, each branch and office maintains stocks of emergency food and equipment. Under the provisions of the Tokyo Metropolitan Ordinance on Measures for Stranded Persons, we maintain a three-day supply of emergency food and equipment for the Tokyo Head Office employees and employees of affiliated companies based in the Head Office. Emergency kits containing food and other supplies are also available for all the employees at the Tokyo Head Office, and can be taken by employees who are in the urgent necessity to return to their homes.

# Promotion of Supply Chain Management



Policy

Mitsui & Co. has built diverse value chains throughout the world and provides a wide range of functions and services. We are active at every stage of the supply chains, from upstream to downstream, and have as many as 20,000 suppliers. In conducting business globally, we are fully aware of our responsibilities, such as complying with laws, respecting human rights, and maintaining safe and sanitary working conditions, giving comprehensive consideration to reduction of the environmental load, and ensuring safety for products and services and consumer confidence. Together with our suppliers, we endeavor to solve various issues present in our supply chains in order to meet society's demands.

To correctly assess and solve issues in the supply chains, Mitsui formulated its Supply Chain CSR Policy in December 2007, and has since made effort to ensure that all of Mitsui's suppliers fully understand our standards and cooperate in the implementation of the policy. We are working to ensure compliance with and implementation of this policy while continuing to review the policy based on society's changing expectations and demands. We are making every effort to enhance our supply chain management by identifying potential problems in our supply chains and identifying key issues based on the characteristics of each business model, country/region, and industry.

## Supply Chain CSR Policy

1. Mitsui & Co. will strive to contribute to the creation of a sustainable society by understanding and solving issues associated with the supply chains of its businesses, consistent with the wishes of its stakeholders.
2. Mitsui & Co. will strive to support improvements in the supply chains by seeking understanding and implementation of the following principles by its business associates:
  1. To engage in fair trade, prevent corruption, and comply with all applicable laws and regulations
  2. Not to be complicit in human rights abuse and violations
  3. To prevent discrimination with respect to hiring and employment
  4. To respect the rights of employees to associate freely and bargain collectively
  5. To appropriately monitor employees' working hours, holidays, and leaves of absence, and prohibit unlawful excessive work\*1
  6. To prevent forced labor, child labor, unlawfully-cheap labor, physical discipline, and physical, sexual and other forms of harassment\*2
  7. To ensure a safe and sanitary work environment
  8. To reduce and mitigate business impact on the global environment\*3
  9. To ensure the safety and reliability of products and services
  10. To disclose adequate and timely information relevant to the above

\*1 This includes measures to reduce excessively long working hours.

\*2 This includes measures to secure in each country/region where Mitsui engages in business a living wage that exceeds the minimum wage of the country/region.

\*3 This includes measures related to energy usage, climate change issues (including greenhouse gas emissions), water usage, impact on biodiversity, effective use of resources, and waste reduction.

## Current State of Implementation of Supply Chain CSR Policy

System    Activity

SDGs: 8.7, 8.8, 10.2, 12.4, 12.7, 16.5

We attach great importance to interactive communication with suppliers. We also conduct supplier questionnaire surveys and on-site surveys based on our Supply Chain CSR Policy.

### Company-Wide Uniform Supplier Communication Forms

Beginning in the fiscal year ended March 2009, we started sending letters (in Japanese, English, Chinese, French, Spanish, and Portuguese) to all suppliers of Mitsui's business units, overseas offices, and subsidiaries (about 50,000 suppliers in total) requesting their understanding and cooperation in regard to our Supply Chain CSR Policy, in a move to ensure that all Mitsui suppliers are fully aware of this policy. In addition, we conduct internal examinations in alternate years, to verify that the letters were dispatched to the suppliers.

Target period	Number of Supply Chain CSR Policy letters sent to new suppliers
FY2014–FY2015	6,130
FY2016–FY2017	7,130
FY2018–FY2019	4,752

### Supplier Questionnaire Surveys

In promoting compliance with this policy, we consider interactive communication with our suppliers to be very important. We work to build relationships of trust, and strengthen our supply chain management by working jointly on ideas for improvements with our partners, wherever needed.

For this reason, we regularly conduct questionnaire surveys targeting the suppliers of Mitsui and its subsidiaries to confirm the status of their adherence to our Supply Chain CSR Policy, and whether they have their own policies related to such areas as "human rights and labor practices," "health and safety," "business ethics," and "environmental management."

Mitsui started to conduct supplier questionnaire surveys from the fiscal year ended March 2012, and expanded the target to all of Mitsui's business domains from the fiscal year ended March 2015, selecting major suppliers from each domain.

	Number of companies surveyed
FY2015	72
FY2016	39
FY2017	50
FY2018	68
FY2019	74

Promotion of Supply Chain Management

**Supplier On-Site Surveys**

In addition to the abovementioned questionnaire surveys of suppliers, we also conduct interviews with persons in charge and on-site inspections of suppliers' manufacturing facilities using a checklist based on the compliance items in our Supply Chain CSR Policy. Based on our understanding of the actual situation at these sites, if necessary, we provide advice and guidance.

We commenced these surveys in the fiscal year ended March 2015. In the fiscal year ended March 2019, we conducted a survey involving visits to salmon farming, processing and sales company, Salmones Multiexport S. A. (hereinafter referred to as Salmex), which Mitsui has invested in and procured from and a feed company operated by one of our seafood suppliers, which is also our investee. The survey focused mainly on "environmental management," "human rights and labor practices," "legal compliance," and "quality control and traceability." We found no violations of our Supply Chain CSR Policy.

	Survey Target
FY2015	Supplier of food raw materials (coffee beans)
FY2016	Supplier of paper raw materials (wood chips)
FY2017	Supplier of food raw materials (apple juice)
FY2018	Supplier of oleochemical products (oleochemicals)
FY2019	Supplier of seafood (salmon), feed manufacturer

**Implementation of Risk Assessment**

System Activity

SDGs: 8.7, 8.8, 10.2, 12.4, 12.7, 13.3, 15.1, 16.5

When engaging in business with new suppliers, we conduct a survey based on our Supply Chain CSR Policy to assess various risks of social issues beforehand, and to ensure that all suppliers of Mitsui understand the said policy. As for the existing business and relevant suppliers, we also conduct regular supplier surveys based on the policy described above, in order to confirm the actual situation of business operations and identify suppliers with high risks in relation to social issues, such as climate change, biodiversity, environment management, human rights, and working environment.

To increase the sensitivity of all employees with respect to human rights, labor, and other issues in our supply chains, and to prevent problems, we will continue to heighten employee awareness and provide training seminars (120 participants in the fiscal year ended March 2019).

	Number of training participants
FY2017	101
FY2018	35
FY2019	120

**Summary of Supplier On-Site Surveys (Farmed Salmon Procurement)**

System Activity

SDGs: 8.7, 8.8, 10.2, 12.7, 14.4, 16.5

Based on a checklist drawn up in accordance with the requirements of Mitsui's Supply Chain CSR Policy, we have conducted interviews with suppliers' managers and conducted on-site inspections to investigate the state of our sustainability efforts.

In the fiscal year ended March 2019, we visited a Chilean salmon farming, processing and sales company, Salmones Multiexport S. A. (hereinafter referred to as Salmex), which Mitsui has invested in and procured from, visiting a freshwater/seawater farm, a processing plant, and a feed company which is one of the main Salmex suppliers, and conducting a survey of the actual situation. Salmex is engaged, with a vertically-integrated business model, in the farming and sales of salmon, including its mainstay Atlantic salmon, and exports salmon to Brazil, Japan, and other Asian countries, and particularly to the United States, amid growing demand for healthy protein sources.

Farming facilities were visited and inspected, including a hatchery, a sea water farm with a pontoon, feeding control units and a set of net pens. In addition to the processing and packaging lines, automatic quality sensors, smoke facilities, and washing rooms were inspected at the processing plant. Through interviews with managers and employees, surveys were conducted on the aspects of "environmental management," "human rights and labor practices," "legal compliance," and "quality control and traceability." At the feed factory, in addition to the processing facilities, we also inspected storage warehouses, the main control rooms, and the quality control rooms. Through interviews with managers and employees, we confirmed that our environmental, labor, and safety standards, as well as traceability initiatives, were being firmly implemented.

As a result of this survey, we confirmed that all items had been properly addressed and that the items stipulated in the Supply Chain CSR Policy had been satisfactorily implemented.



Salmex headquarters

**Results of Supplier Surveys**

**Environmental management**

- Wastewater: Plant wastewater is treated by a wastewater treatment facility in the plant to filter out organic matter; once it has been confirmed that the wastewater conforms to the wastewater standards, it is discharged into the city sewage system (processing plant).
- Recycling Initiatives: Waste generated from corrugated cardboard/paper, organic processing wastes and plastics, and other residues, are disposed of for recycling/reuse through contracts with third party suppliers.

## Promotion of Supply Chain Management

- Climate Change Response: Measurement of greenhouse gases began in the fiscal year ended March 2018, and the goal for the fiscal year ended March 2021 is to reduce greenhouse gas emissions by 20% compared to the fiscal year ended March 2018. In addition, Salmex is establishing a system that enables monitoring of the energy consumption for each process, and of the diesel consumption in the farming facilities.
- Water usage: A system capable of measuring the amount of water usage per process has been introduced (Aquaculture and processing plants).
- Chemical use: The government and industry are working together to reduce the use of antibiotics, and in cooperation with Monterey Bay Aquarium, the industry as a whole has set a target of realizing a 50% reduction from the 2017 level by 2025. At Salmex, through measures such as vaccination and early selection of strong smolts, in the fiscal year ended December 2018 a reduction of approximately 38% (358 g/ton) was achieved compared to the fiscal year ended December 2016 (company-wide).
- Consideration for biodiversity: The cage conditions are checked periodically to prevent escape through damaged marine aquaculture nets, and the number of escapes from cages has been zero in recent years. In addition, in order to prevent damage due to sea lions, predator nets are installed in order to protect the fishes and the facility from potential attacks. By introducing a remote-controlled automatic feeding system, the optimum feeding amount is monitored from below the sea surface using cameras, and each farming site is making efforts to minimize the feed waste that is lost or accumulated in the seabed. After the end of the farming cycle, a 3-month fallowing period is required by law, and there are strict requirements regarding aerobic conditions in the seabed at the end of this period. If anaerobic conditions are found, producers are not allowed to start farming until conditions turn aerobic. Farming activities are carried out with due consideration for the ecosystem, including suspension. Out of the 106 sea water farming concessions, approximately 40 are currently in use yearly (farms). Resting days are implemented according to legal requirements.



Seawater farm

### Human Rights and Labor Practices

- Working Hours: The aquaculture farm has introduced a two-shift system of 9 hours per shift, and all daily jobs except for special operations (such as vaccination) are done by permanent employees (aquaculture farm).
- Creation of a comfortable working environment (processing factory): A production line that is straight and efficient has been realized, and the floor surfaces are constantly cleaned to maintain a high level of cleanliness and safety.
- Safety and hygiene: When entering the laboratory, special white clothes and masks are worn, and when entering or leaving the laboratory, foreign matter is thoroughly removed and disinfected with adhesive tape (processing plant).

- Occupational Safety: Monthly safety and health committee meetings are held, and decisions are posted and shared on bulletin boards; safety and health experts make weekly rounds to confirm that safety and health practices are being thoroughly implemented. Emergency eye wash kits and tanks are installed at all locations (company-wide).
- Employment: Employees are enrolled in the insurance system, and the same level of medical support is provided to their families (company-wide).



Eyes wash (safety) kit at the smoking processing plant:

### Legal Compliance

- Various certifications relating to environmental, qualitative, occupational safety, and traceability have been acquired, including OHSAS18001\*, ISO14001\*, and ISO9001\*, BRC, IFS, BAPs, Global GAP, MSC, etc. Regional laws and regulations relating to working hours and work, as well as operating licenses, are complied with (company-wide).

\* Certification for farming, plant operation and management

### Quality Control and Traceability

- Quality control: 300 monthly samples are collected from each net pen, to check the growth status (farm). In order to establish an inspection system, thorough quality control has been carried out, including the introduction of a system for acquiring ISO17025 certification and checking the accuracy of inspection equipment, and the introduction of an automated meat color checking system (processing plants, feed plant).
- Traceability: Data such as egg production, fertilization date, and the hatching case number for each farming tank (farm), are managed. For feed, a lot number is assigned to each flexible bag, and a system for managing information such as delivery destination, detailed ingredient data, supplier of raw materials, etc. has been introduced (feed factory).

### Conducting of Supplier Surveys

Since the early 1990's, Chilean salmon aquaculture has been providing either the largest or second largest amount of salmon exports in the world. In the meantime, while establishing a fish-disease and quarantine control system, government and industry have worked together to reduce the use of chemicals. As a result, significant reductions have been achieved, and Salmex will be continuing with its efforts to keep reducing the chemicals consumption in the future. Also, the use of fishmeal and fish oil in feed has been greatly reduced, due to the substitution of raw materials such as soybean meal and vegetable oils. In recent years, fish meal has accounted for less than 10% of feed, and fish oil for less than 7%.

As demand for high-quality, safe and secure protein sources continues to increase worldwide, we and our suppliers will continue to work together, including through partnerships with NGO/NPOs such as Global Aquaculture Alliance and Global Sustainable Seafood Initiative, to develop a sustainable fishery and aquaculture industry that can coexist harmoniously with local communities, local residents, and ecosystems.

## Introduction of Mitsui Activities: Assessing and Solving Supply Chain Issues

### Supply Chain Management in Apparel Operations

Apparel

Mitsui Bussan I-Fashion Ltd. ("MIF"), a Mitsui subsidiary engaged in the trading of textile raw materials, industrial raw materials, and woven and knitted fabrics, as well as the production and procurement of apparel and fashion goods, continuously promotes supply chain CSR activities, encourages business that seek to create environmental value, and pursues initiatives in human rights management, with the aim of becoming a company that is trusted by stakeholders, including customers, suppliers, employees, consumers, and local communities. Through global partnerships, the company makes earnest efforts to find solutions for issues in the supply chain and realize sustainable growth while coexisting harmoniously with society.

#### Supply Chain CSR Initiatives

##### Environmental Value Creation

MIF engages in the development and sale of environmentally-friendly, textile-related products with advanced functionality that are eco-friendly. MIF has also obtained certification and registration under bluesign®\*1 and the Global Recycle Standard (GRS) \*2 and maintains compliance with these standards, which are regarded as among the most stringent in the world.

To obtain bluesign® certification and registration, MIF is required to ensure that its collaborating supply-chain manufacturing facilities in Japan and overseas are taking comprehensive steps to care for not only the environment but also their workers. An applicant company and its supply-chain facilities must meet the standards set out for bluesign® certification, such as the prohibition of child labor, the elimination of forced labor and discrimination, the upholding of freedom of association, and occupational safety and health.

\*1 bluesign® is a holistic system that provides solutions in sustainable processing and manufacturing to industries and brands.

\*2 GRS is an international, voluntary, full product standard that sets out requirements for third-party certification of recycled content, chain of custody, social and environmental practices and chemical restrictions.

##### Safe and Sanitary Working Conditions/Labor Management, and Human Rights Management

To meet the demands of customers both in Japan and overseas, MIF carries out centralized management of its supplying factories and offers them technical guidance, and other support. Since April 2015, with the aim of building the MIF quality control system, it has been strengthening its sustainability measures, including the establishment of a dedicated organization, the quantification of quality control levels, and the addition of the check point "labor management in consideration of human rights" to the check-sheet items for MIF factories. "Occupational health and safety" and "labor management" are important points in audits. For this reason, before customers carry out their CSR audits (regular audits or new audits) MIF carries out preliminary reviews at domestic clothing factories to see if any major issues exist from the customers' standards, and deals with them accordingly, and thereby supporting the factories' acquiring certification (passing audits), when necessary.

In regard to safe and sanitary working conditions, MIF provides support for the introduction of related measures, such as ensuring the appropriate configuration of aisles and emergency exits, providing evacuation routes and evacuation drills, installing firefighting equipment (fire extinguishers and fire hydrants) and safety equipment, managing chemicals, and collecting employees' opinions and providing hotlines. Regarding labor management, MIF provides domestic clothing factories with checks in respect to issues such as child or forced labor, harassment, human rights violations, discrimination, and punishments (fines). It also reviews and offers support for improvements when required regarding other related aspects such as guaranteeing a minimum wage, appropriate working hours (prohibiting working on holidays and long working hours), and the right to organize and carry out collective bargaining. Furthermore, it plans to examine the actual management of foreign trainees at its domestic clothing factories, and provide support for improvements as needed.



Ensuring safe aisles

#### Activities to Contribute to Sustainable Development Goals (SDGs)

In the fiscal year ended March 2019, MIF identified important management priorities (Materiality) in managing the supply chain in consideration of the 17 SDGs in accordance with the SDG Compass.

##### STEP 1: Understanding the SDGs

MIF hosted a seminar conducted by the general incorporated association The Global Alliance for Sustainable Supply Chain ("ASSC") entitled "Initiatives to Contribute to the Sustainable Development Goals."

##### STEP 2: Identifying priorities

From among the 169 targets corresponding to the 17 SDGs, MIF selected business risks that have been recognized from the past up until the present, and the business opportunities it expects to see both now and in the future for each business field.

##### STEP 3: Setting targets

MIF management engaged in discussions to identify material issues.

##### STEP 4: Integrating into management

MIF is currently integrating measures to be taken to address these issues into its management, and working on internal and external disclosure.



**Introduction of Mitsui Activities: Assessing and Solving Supply Chain Issues**

MIF's Materiality	Theme of initiatives	Corresponding SDG
Respecting human rights in the value chain	<ul style="list-style-type: none"> <li>Ensure that human rights are respected at all companies in the value chain</li> <li>Work to strengthen checking functions at supplying factories and undertake the elimination of human rights violations, such as forced labor and child labor</li> <li>Work to respect the human rights of foreign workers</li> </ul>	
Function to "connect" as a trading company	<ul style="list-style-type: none"> <li>Support initiatives to contribute to the Sustainable Development Goals (SDGs) at all companies across countries and regions in the value chain</li> <li>Lead the development, manufacture, and sales of eco-friendly materials and products</li> </ul>	
Water safety and environmental conservation	<ul style="list-style-type: none"> <li>Eliminate the use of harmful dyes, and work to purify factory waste water</li> <li>Adopt dyeing methods that reduce water use by 99%</li> </ul>	
Promoting recycling and reuse	<ul style="list-style-type: none"> <li>Work to reduce the use of fluorine water repellents</li> <li>Reduce harmful waste disposal</li> <li>Develop recycled and sustainable materials</li> </ul>	

**Supply Chain CSR Activities at MIF**

October 2008	MIF established its Supply Chain CSR Policy. The company began sending notices to its suppliers, including contracted manufacturers in Japan and overseas, to request their understanding of and support for MIF's policy, and obtaining their written confirmation.
August 2014	MIF conducted a questionnaire survey of its 93 main suppliers concerning the utilization of the Technical Intern Training Program. MIF started to require its suppliers to understand and comply with its Supply Chain CSR Policy and to obtain written consent from its 26 main suppliers and new suppliers.
January 2015	MIF required the aforementioned 26 suppliers to conduct a CSR self-check concerning their compliance with the policy.
September 2015	MIF asked the 241 suppliers from which it had obtained "written confirmation on understanding the MIF's policy" to replace this expression with "written confirmation on complying with the MIF's policy."
February 2017	The Supply Chain CSR Policy formulated in October 2008 was expanded from 7 items to 10.
July 2018	MIF joined the general incorporated association The Global Alliance for Sustainable Supply Chain ("ASSC") with the aim of changing corporate behavior by solving the environmental and social issues identified in the supply chain.
March 2019	In accordance with the SDG Compass process, MIF identified four material issues as important management priorities among the 17 SDGs. MIF is in the process of disclosing them both internally and externally. MIF had obtained written confirmation on MIF's policy from a total of 5,554 suppliers: 4,226 in Japan, and 1,328 overseas.

**Measures for the Stable Supply of Oleochemical Products**

Procurement of Oleochemical Products

SDGs: 7.2, 8.5, 8.7, 8.8, 10.2, 12.2, 12.5, 12.8, 15.1, 15.2, 15.5

Oleochemicals are natural oil-derived fatty acid products, such as palm oil and palm kernel oil. They are widely used as ingredients for a variety of everyday products, such as detergent and shampoo, as well as industrial products. In order to realize the sustainable procurement of high quality oleochemical products, Mitsui along with a third-party expert in this field, visited a manufacturing company's factory and group-owned plantations, and conducted on-site surveys in accordance with the checklist prepared under our Supply Chain CSR Policy.

At the manufacturing company's factory, we inspected the manufacturing process, the quality control laboratory, the control room, the storage facility, the packaging processes, the wastewater treatment facility, and the employees' canteen. Through interviews with the company's managers and employees, we carried out checks on environmental management, human rights and labor practices, legal compliance, and quality control and traceability. At the palm plantations, we inspected the plantations, the oil mill, and the biomass power plants. Through the interviews, we examined initiatives related to the environment, as well as safety and labor practices, and confirmed that operations and management are being undertaken appropriately.

The supplier whom we visited this time has been a member of the RSPO since its establishment. It is a large company that carries out appropriate management and safe operation in accordance with not only the RSPO standards, but also other standards. At the plantations, by-products are used to generate electricity (thereby reducing greenhouse gas emissions), functions provided by animals and plants are effectively utilized to reduce the use of agrichemicals for pest control, and nesting boxes are installed on the premises of the plantations for the preservation and breeding of a domestic species of barn owl.



Factory of the oleochemicals manufacturing company



Young palm trees that are 4-5 years old. It takes about three years from planting to reach the stage at which harvesting can begin, which lasts until the tree is about 25 years old.

**Introduction of Mitsui Activities: Assessing and Solving Supply Chain Issues**

**Tea Leaves Procurement in Consideration of Quality, Safety, the Environment and Work Conditions**

Food & Beverage Materials

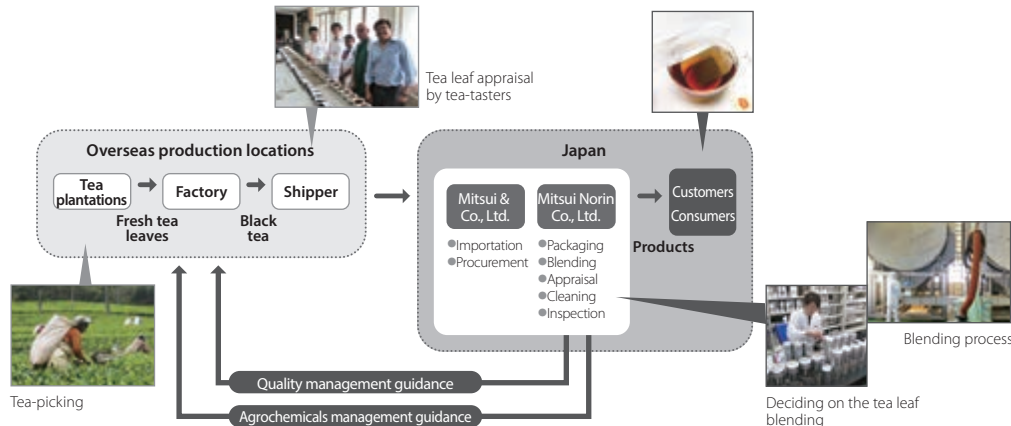
SDGs: 2.2, 3.9, 7.2, 8.5, 8.7, 8.8, 10.2, 12.4, 12.5

Our subsidiary Mitsui Norin Co., Ltd., who markets "Nittoh Black Tea," which is a very familiar brand in Japan, procures tea leaves from tea producers around the world and blends them to develop and manufacture the product. In order to meet a wide range of customer needs, a stable procurement of high-quality tea leaves is essential. At present, it procures tea leaves from approximately 430 tea producers in six countries, including India, Sri Lanka, Kenya, and Indonesia. The tea producers who give appropriate consideration to quality and safety, the environment, and work conditions, such as carrying out controls based on Rainforest Alliance certification\* and Hazard Analysis and Critical Control Point (HACCP) certification, being committed to Fairtrade, and engaging in organic cultivation, etc. are designated as Mitsui Norin's preferred suppliers.

For instance, one tea producer in the Darjeeling district of India has been making various efforts to improve both the work conditions of employees and the profitability of the business through measures such as introduction of a small hydroelectric generator on the farm of which the management and operation are entrusted to the workers, and cultivation of organic ginger and oranges and production of honey. The producer also raises cows on the farm to provide milk to children to enhance the quality of life of the workers and their families, and uses the manure as fertilizer for organic cultivation to contribute to reducing environmental load. In August 2017, Mitsui Norin had the honor of being awarded a Certificate of Appreciation from Sri Lanka's Minister of Plantation Industries for its long-standing commitment to Sri Lankan black tea over seven decades.

Mitsui and Mitsui Norin undertake comprehensive quality control in all phases of the value chain. To

**The Black Tea Manufacturing and Sales Business Value Chain**



ensure complete traceability in all product stages from procurement of raw materials to manufacturing, inspection, shipment, and delivery, both companies worked together to create an original traceability system. In tea-producing regions, Mitsui and Mitsui Norin periodically visit tea plantations to conduct on-site surveys of tea-growing environments, quality control, and agrochemical controls and other aspects. With regard to agrochemical controls, both companies have tests for residue agrochemicals on the tea leaves conducted at a third-party contract institution, in addition to on-site visits and confirmation at the tea plantations.

\* The Rainforest Alliance Certified indicates that a plantation, forest, or tourism enterprise has been audited to meet standards that require environmental, social, and economic sustainability.

**Improving Procurement Reliability Through Legal Compliance and the Forest Certification System**

Forest Resources Business

SDGs: 3.9, 8.5, 8.7, 8.8, 10.2, 12.2, 12.4, 12.8, 13.3, 15.1, 15.2, 15.4, 15.5

Significant deforestation, as well as reduction and degradation of biodiversity and forest ecosystems caused by illegal logging have become major environmental issues globally. 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 as legal logging from 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 forest resources business in Australia, Mitsui implements environmental management and operation procedures based on the two major forest certifications, FSC® (the Forest Stewardship Council (FSC®-C107463) and PEFC (the Programme for the Endorsement of Forest Certification Schemes), and conducts regular checks to ensure that only reputable plantation operators are used, the operations do not result in environmental destruction such as chemical soil contamination, and the obligation to replant logged areas is being fulfilled. In addition to Mitsui's Australian business, in 2014 Trans Pacific Fibre, a forest resources business for pulp and paper manufacturing joint venture company in Chile, obtained both FSC® (FSC®-C124327) and PEFC certification.

Increased awareness of environmental conservation has led to an increased number of companies and consumers who choose wood and paper products with the above-mentioned forest certifications. Mitsui cooperates with its partners and manufacturers to increase the use of FSC® and PEFC certified products in the supply chain, in order to create products that are in accordance with higher awareness of environmental conservation.



Woodchip processing plant (Bunbury Port in Western Australia)

# Evaluation by Society

## External Recognition

Our selection for inclusion in major ESG investment indices in and outside Japan indicates that we are highly evaluated by society.



### Dow Jones Sustainability Indices

The Dow Jones Sustainability Indices is a global stock index developed jointly by Dow Jones & Company in the U.S. and RobecoSAM AG in Switzerland. Major corporations around the world are evaluated in terms of their economic, environmental, and social performance. In the fiscal year ended March 2019, 317 companies (which included 34 Japanese companies) including Mitsui were selected for the World Index.



### RobecoSAM Sustainability Award

RobecoSAM carries out surveys and analyses for the Dow Jones Sustainability Indices. From each industry, it recommends companies that have undertaken outstanding environmental, social, and economic initiatives. A total of 458 companies were selected worldwide for the RobecoSAM Sustainability Awards 2019. In the Trading Companies & Distributors category, Mitsui was selected as one of the companies to be ranked Bronze Class, which is awarded to companies that are within a 10% range of the score of the industry leaders.



### FTSE4Good Index Series

The FTSE4Good Index Series is a stock index developed by FTSE Russell, which is a wholly owned subsidiary of the London Stock Exchange. FTSE Russell evaluates major corporations around the world from the aspects of environmental, social, and governance criteria, including the labor standards applied throughout their supply chains, as well as on the basis of corporate sustainability. It selects companies that satisfy its standards as constituents of the index. Mitsui fulfilled the criteria of the index and was selected in the FTSE4 Good Index Series.



### FTSE Blossom Japan Index

The FTSE Blossom Japan Index is designed to measure the performance of Japanese companies that demonstrate strong environmental, social, and governance (ESG) practices. The index uses FTSE Russell's ESG Ratings data model, which draws on existing international ESG standards such as the UN Sustainable Development Goals (SDGs), and is adopted by the Government Pension Investment Fund (GPIF) of Japan as a core ESG benchmark for its passive investments. Mitsui fulfilled the criteria of the index and was selected in the FTSE Blossom Japan Index.



### MSCI Japan Empowering Women Index (WIN)

Developed by Morgan Stanley Capital Investment (MSCI), the MSCI Japan Empowering Women Index is adopted by GPIF as a tracking benchmark for its passive ESG investment. The index is a selection of Japanese companies from each industry that represent high gender diversity. Mitsui fulfilled the criteria of the index and was selected in the MSCI Japan Empowering Women Index.



### Competitive IT Strategy Company Stock Selection

The Competitive IT Strategy Company Stock Selection is designated by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange (TSE) from among the companies listed on the TSE on the basis of outstanding IT utilization initiatives. Mitsui has been selected for five consecutive years since the launch of the award in 2015. For the selection in 2019, high evaluation was given to: development of IT utilization from Mitsui's wide-ranging business to sport, entertainment, and other various areas, including the initiatives to establish digital twins for improving productivity of large business assets, such as energy facilities, power plants, vessels, and manufacturing lines, and to utilize collected data, as well as the establishment of a dynamic pricing company; and company-wide measures to realize work style innovation through utilization of IT tools.



### Nadeshiko Brand

Since the fiscal year ended March 2013, METI and the TSE have been jointly selecting TSE-listed outstanding enterprises that encourage women's success in the workplace as "Nadeshiko Brands." Since the fiscal year ended March 2015, Mitsui has been selected as a Nadeshiko or Semi-Nadeshiko Brand company for five consecutive years. Nadeshiko Brand selection: Fiscal years ended March 2015, 2016, and 2018  
Semi-Nadeshiko Brand selection: Fiscal years ended March 2017 and 2019



### Eruboshi (L Star)

The Eruboshi system certifies companies that have submitted notifications under the Act on Promotion of Women's Participation and Advancement in the Workplace (Promotion of Women's Career Activities Act) promulgated on April 1, 2016, and that meet the specific standards and are regarded as implementing outstanding initiatives to promote the advancement of women in the workplace. Mitsui was certified as having achieved the second of three levels under the Eruboshi system.



### Kurumin Certification

Kurumin certification is given to "child-raising supporting companies" on an application basis. The certification requires that the company (1) has formulated a general employers action plan under the Act on Advancement of Measures to Support Raising Next-Generation Children and (2) has achieved targets set in the plan while satisfying certain requirements. Mitsui has been certified by the Japan's Ministry of Health, Labour and Welfare as a company actively providing childcare support, three times in 2008, 2011, and 2015, acquiring the next-generation development logo, "Kurumin."



### Certified Health & Productivity Management Organization Recognition Program

Through this program, the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi jointly recognize large companies and small- to medium-sized enterprises that have been implementing excellent health management, based on measures in line with local health problems and the health promotion initiatives pursued by the Nippon Kenko Kaigi. Mitsui has been recognized as one of the Health & Productivity Management Outstanding Organizations under the initiative "White 500" for three consecutive years.

## Awards Received in Past Five Years

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### Fiscal Year Ended March 2019

- Received the “Best IR Award at the IR Awards 2018” by The Japan Investor Relations Association (JIRA)
- Selected for the top award in the commerce industry category and won second place in the disclosure-to-individual investors category (selected out of 28 companies that represent the top 10% of each industry) at the “2018 Award for Excellence in Corporate Disclosure” by the Securities Analysts Association of Japan
- Received the Award for Excellence at the 21st Nikkei Annual Report Awards (2018) by Nikkei, Inc.
- Received Award of merit in the Environmental Report section of the Environmental Communication Awards 2018 by Ministry of the Environment Government
- Judging Panel's Incentive Prize in the Corporate Youth Experience Promotion Awards of the Ministry of Education, Culture, Sports, Science and Technology (Mitsui SASUGAKU Academy)

### Fiscal Year Ended March 2018

- Selected for the top award in the commerce industry category at the “2017 Award for Excellence in Corporate Disclosure” by the Securities Analysts Association of Japan
- Received the Award for Excellence at the 20th Nikkei Annual Report Awards (2017) by Nikkei, Inc.
- Judging Panel's Special Prize in the Corporate Youth Experience Promotion Awards of the Ministry of Education, Culture, Sports, Science and Technology (Mitsui SASUGAKU Academy)

### Fiscal Year Ended March 2017

- Hiroko Koshino Prize and Hiroshi Yagyu Prize in the 22nd National Geographic Japan Advertising Awards (Mitsui & Co. Environment Fund)
- Japan Association for Human and Environmental Symbiosis Award for Environmental Activities (Mitsui SASUGAKU Academy)
- Judging Panel's Incentive Prize in the Corporate Youth Experience Promotion Awards of the Ministry of Education, Culture, Sports, Science and Technology (Mitsui SASUGAKU Academy)

### Fiscal Year Ended March 2016

- Ranked second place in the 18th Nikkei Annual Report Awards (2015) by Nikkei, Inc.

### Fiscal Year Ended March 2015

- Ranked first place in the “Toyo Keizai CSR Ranking” Wholesale Category by Toyo Keizai Inc.
- Ranked first place in the “18th Environmental Management Survey” Trading Company category by Nikkei, Inc.
- Selected for the top award in the commerce industry category at the “2014 Award for Excellence in Corporate Disclosure” by the Securities Analysts Association of Japan
- Received the “2014 IR Special Award” by the Japan Investor Relations Association
- Received the 20th Nikkei BP Advertising Award's Excellent Business Expert Award (2014) by Nikkei Business Publications, Inc. (Mitsui's Forests)

# Independent Practitioner's Assurance Report

**Deloitte.**

デロイト トーマツ

(TRANSLATION)

## Independent Practitioner's Assurance Report

July 31, 2019

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

Masahiko Sugiyama  
Representative Director  
Deloitte Tohmatsu Sustainability Co., Ltd.  
3-2-3, Marunouchi, Chiyoda-ku, Tokyo

We have undertaken a limited assurance engagement of the data indicated with ★ for FY2019 and 2019 (the "Sustainability Information") included in the "Sustainability Report 2019", and "Data of Personnel Affairs" and "Environmental Data" created for the Company's webpage of Mitsui & Co., Ltd. (the "Company").

### The Company's Responsibility

The Company is responsible for the preparation of the Sustainability Information in accordance with the calculation and reporting standard adopted by the Company (indicated with the Sustainability Information). Greenhouse gas quantification is subject to inherent uncertainty for reasons such as incomplete scientific knowledge used to determine emissions factors and numerical data needed to combine emissions of different gases.

### Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. We apply International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board ("IAASB"), ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the IAASB and the *Practical Guideline for the Assurance of Sustainability Information*, issued by the Japanese Association of Assurance Organizations for Sustainability Information.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. These procedures also included the following:

- Evaluating whether the Company's methods for estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or reperforming the estimates.
- Undertaking site visits to assess the completeness of the data, data collection methods, source data and relevant assumptions applicable to the sites.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

### Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information is not prepared, in all material respects, in accordance with the calculation and reporting standard adopted by the Company.

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

Member of  
Deloitte Touche Tohmatsu Limited

