Third Party Opinion

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Over the past several years, Mitsui & Co. has implemented measures to raise the awareness and understanding of Yoi-Shigoto and its CSR philosophy on a company-wide basis. When applying these concepts to specific situations, I understand that some misunderstandings arose at the working level. Therefore, Mitsui has again taken the initiative to explain its views of CSR and reconfirm these within the Company. Mitsui has stated clearly “This does not mean that there are businesses or projects that are somehow representative of CSR,” “Mitsui creates value through its core business as a general trading company,” and, as a basis, “Each and every member of staff should be aware of what Yoi-Shigoto means at all times.” The important issue lies in how each business unit puts CSR into practice at the working level. At the management level, the point is to watch how each business unit incorporates the content of Mitsui’s Basic CSR Policy into its business plans, how it implements this content, and then how it evaluates the results. Therefore, I believe it is important how each business unit implements the content of the section “CSR Management Accomplishments and Goals” contained on pages 19 and 20 of the CSR Report 2010.

The level of CSR is understood to be how well the Company can move from the “awareness of employees” to “creating value through the core business,” as the PDCA (plan, do, check, and act) cycle is implemented. On the other hand, the section “Activities of Mitsui’s Business Units” on pages 9 and 10 contains information on activities that are closely related to the environment and public interest, and the results of the previous fiscal year are shown. After defining CSR and describing the CSR promotion framework, this list of activities may invite some misunderstanding. Of course, each of these business activities is highly significant, but it appears that the phrase “taking initiatives and creating value through the core business” is to be understood in two senses. Although introducing the training and other activities of the business units as well as their activities that contribute to society, which were included in the previous year’s CSR report, is important, the core issue in CSR management is how management is conducted on a day-to-day basis. The CSR report discloses management issues related to the environment, society, and governance.

In this sense, at the end of the third party opinion that I wrote last year, I stated, “In conclusion, as in previous years, the annual report discloses highlights and strategies by business unit. The CSR report should basically be coordinated with the annual report, and, if it discloses non-financial information on activities over the year under review, I anticipate that this would result in a more easily understandable overall presentation.” I would like to reiterate that point again this year.

In the case of a general trading company, since its business fields are highly diverse and touch upon quite different industries and regions, at the same time that a company-wide policy is needed, we also need a discussion of CSR initiatives, issues, and other related topics by each business unit during the year. These would include issues that are common throughout the Company (such as compliance, internal control, risk management, human resource training and development, investment discipline, and increasing the efficiency of assets), along with such broad issues as those related to the environment, society, and governance. Since the management environment and issues differ widely from one business unit to another, we believe what is needed is to select the major issues for each unit and give a presentation of what was accomplished during the past year, assessments of these results, and the objectives that have been set for the next year.

In conclusion, beginning last fiscal year, the policy for the CSR report has been to disclose non-financial information to various stakeholder groups, especially including investors, survey and research organizations, and other specialists; however, the feeling remains that information disclosure on individual issues is insufficient. Therefore, I am looking forward to the additional information that Mitsui will be posting on its website, which I understand is scheduled to be revised.