Mitsui’s Human Resource Development

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

Key Elements of Mitsui’s Human Resource System

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

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

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

2. Development of Human Resources

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

3. Appropriate Appointment and Allocation of Personnel

We appoint and allocate human resources appropriately from a company-wide perspective, based on the sharing of personnel information among departments.

Mitsui & Co.’s View on Human Resource Development

Mitsui & Co. includes focusing on human resources in its management philosophy and regards developing talented human resources as a priority mission. As the phrase “the individual builds the business, and the business cultivates the individual” implies, the venue for developing such human resources sustainably is our employees’ work sites. The two cornerstones of our human resource development are all employees approaching their work proactively and responsibly on a daily basis, striving to embody Mitsui & Co’s management philosophy (MVV), and on-the-job training (OJT) comprised of guidance and development by supervisors and experienced staff with an awareness of “open-mindedness,” a key company value.

To support and supplement human resource development through OJT, the Human Resources & General Affairs Division as well as corporate staff divisions and business units design and implement off-the-job training, such as our system to dispatch employees to business education programs and various other forms of training.

Human Resource Development Program

Mitsui holds about 60 sessions a year to prepare personnel for management positions, and more than 80 one-day training sessions a year to enable employees to improve their professional skills. Mitsui also offers approximately 25 training courses covering a variety of technical and professional subjects. Our diverse global training system includes an overseas business training program that has evolved continually since 1891 as well as other diverse opportunities for training personnel who can be effective as international businesspeople, such as attending courses at universities in Japan and overseas, business school training, overseas language study, and management workshops involving personnel exchange with other industries. Participants in the principal training activities on an annual basis include about 3,000 personnel on an accumulated basis, with more than 2,500 attending the one-day professional training courses and about 1,500 attending the longer training courses. To encourage employees to actively avail themselves of these programs, information on Mitsui’s policy regarding human resource development and outlines of the various programs are provided on the Company intranet.

Appraisal

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

**Development of Human Resources for Management on a Global Group Basis**

We believe that the development of human resources at our group companies is essential for supporting our consolidated global management. Based on this philosophy, we provide the necessary training at each company and level. Moreover, we have made arrangements for group company staff to participate in in-house training courses, such as those provided at Bussan Academy and our Financial Accounting Course. In addition, through our management training and leadership training courses, we offer support for the development of human resources to assist and create personnel networks.

Mitsui & Co.’s Head Office also concentrates on training Non-Headquarter-hired Staff, with the objective of promoting global group management. Since 2007, approximately 50 staff members from overseas regional business units have been dispatched to the Head Office for medium- and long-term training lasting more than one year. Also, approximately 400 staff members have attended our short-term training programs of up to one year, which began on a full-scale basis in 2002. Similarly, for the training of future leaders for overseas operations who will be responsible for consolidated global management, we began the Global Managers Program during the fiscal year ended March 31, 2008.

**Human Resource Development Program**

**Employment Information**

**Mitsui Employees by Gender**

- Female: 1,553 (25.3%)
- Male: 4,979 (74.7%)

- The average annual personnel turnover over the past five years was 4.12%.

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY07/03</td>
<td>89</td>
<td>17</td>
</tr>
<tr>
<td>FY08/03</td>
<td>122</td>
<td>35</td>
</tr>
<tr>
<td>FY09/03</td>
<td>104</td>
<td>16</td>
</tr>
<tr>
<td>FY10/03</td>
<td>96</td>
<td>6</td>
</tr>
<tr>
<td>FY11/03</td>
<td>45</td>
<td>2</td>
</tr>
</tbody>
</table>

**Mitsui’s Mid-Career Hires**

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY07/03</td>
<td>10</td>
<td>17</td>
</tr>
<tr>
<td>FY08/03</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>FY09/03</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>FY10/03</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>

**Employees of Regional Business Units**

<table>
<thead>
<tr>
<th>Region</th>
<th>Headquarter-hired Staff (HS)</th>
<th>Non-Headquarter-hired Staff (NS)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas Business Unit</td>
<td>209</td>
<td>546</td>
<td>755</td>
</tr>
<tr>
<td>EMEA Business Unit</td>
<td>196</td>
<td>854</td>
<td>1,040</td>
</tr>
<tr>
<td>Asia Pacific Business Unit</td>
<td>342</td>
<td>1,736</td>
<td>2,078</td>
</tr>
<tr>
<td>Total</td>
<td>737</td>
<td>3,136</td>
<td>3,873</td>
</tr>
</tbody>
</table>

**Notes:**
1. The figures above are the number of employees of overseas affiliated companies, branches, and offices.
2. Personnel seconded to other locations are included in their unit of origin.

**NS Dispatched to the Head Office**

<table>
<thead>
<tr>
<th>Program</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>JAPAN Training</td>
<td>11</td>
<td>88</td>
</tr>
<tr>
<td>JAPAN Language &amp; Business Program Training</td>
<td>10</td>
<td>65</td>
</tr>
<tr>
<td>Intra-company transfers</td>
<td>4</td>
<td>34</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>162</td>
</tr>
</tbody>
</table>

**Programs and Courses**

- Business Administration Skills Building
- Foreign Language & Business Culture Training
- Executive Program Dispatch
- Business Culture Training
- Business School Dispatch
- New-Hire Induction Training
- New-Hire Mentorship Training
- New-Hire Induction Program
Diversity Management Initiatives

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

Promoting Globalization of Human Resources

To expand our activity domains to the global growth market and develop deep-rooted businesses around the world, it is essential to draw on the capabilities of personnel who are thoroughly familiar with each country and region. In addition, to respond appropriately to the continuously changing management environment and continue to generate Yoi-Shigoto, we must draw on the combined capabilities of a diverse range of human resources. We are also working to create a corporate culture and systems where top-quality personnel from throughout the world can be active on a continuing basis.

Helping Our Female Employees to Realize Their Full Potential

About 25% of all of Mitsui’s personnel are women, and Mitsui assigns these individuals to positions and activities that are suited to their duties, abilities, and aptitudes irrespective of gender. Since 1992, when hiring new employees, Mitsui has employed women in mainstream career paths. We have created an environment characterized by job rotation and workplace exchange, along with training and other programs, where women can be more active.

In addition, the number of female employees taking an active part in our overseas activities is increasing year by year. Currently, there are 43 female employees dispatched from Japan and stationed in Mitsui’s overseas operations (as of April 1, 2010, including foreign language and business culture trainees and overseas trainees).

Hiring of Disabled Persons

In accordance with the then Law for the Employment Promotion of the Disabled, in 1981, we established Mitsui Bussan Business Support Co., Ltd., a trailblazing special-purpose subsidiary for the employment of people with disabilities. We have expanded the scope of operations from printing and mailing to include systems development, data entry and processing, and travel agency services, and for over 20 years have exceeded the statutory ratio for employment of people with disabilities. As of April 2009, our employment ratio was 2.21%.

Diversity Café

Along with changes in the social milieu, such as a greater diversity in people’s sense of values, the number of husbands and wives both holding jobs, the demographic aging of the population, and the number of employees seeking new kinds of career paths as well as wanting to work and maintain their private lives at the same time are all increasing. To provide a venue for employees to come together and have the opportunity to talk with other persons who have experience in these areas as well as discuss and share information on matters of common interest, we established our “Diversity Café” in 2008. For the venue, we use Mitsui’s Reunion Room, which has been set aside as a place for internal exchange and communication. The Diversity Café features panel discussions and other opportunities for exchanging views, such as sessions on “exchanging views directly with management, including Ms. Nobuko Matsubara, one of Mitsui’s external directors for female managers,” “how to maintain one’s career while also marrying and raising a family,” and “the experience of Administrative Overseas Trainees,” mainly for female employees.

Creating a Good Work Environment

We consider it very important to improve the work environment to enable all employees—the leaders in our efforts to generate Yoi-Shigoto (good quality work)—to achieve a work-life balance and work with a sense of job satisfaction and peace of mind. Mitsui employees and their families perform indispensable roles, as employees, and as members of families and society, depending on their various life stages and circumstances in their families and homes. We are developing systems and providing information to employees through the company intranet and employee magazine, with the aim of creating workplaces where it is possible to maintain a balance between our work and the various requirements and challenges in our lives.
Addressing the Issue of Long Working Hours
At Mitsui & Co., Ltd., we have established a Labor-Management Committee to address the issue of employees’ long working hours of overtime from perspectives that include health management and to determine and improve the situation. To ensure appropriate time management, we have created materials to enable the understanding of the actual situation with respect to overtime in each division and an in-house manual related to overtime, while also publicizing and providing guidance on laws and regulations that should be complied with throughout the Company. Such measures have been beneficial in addressing the issue of long working hours. We are encouraging employees to take their annual paid leave and use the planned leave system to reduce total working hours and prevent health problems. We also provide access to on-site medical advisors for our domestic employees who work long hours, and develop proposals for improving the situation, based on the Occupational Health and Safety Law of Japan.

Childcare and Family Care Support
To provide support for childcare and family care, Mitsui has introduced a system for taking leaves for these purposes, working shorter hours, and providing for flexibility in working hours. The changes made in related systems have included making childcare leave partially paid and relaxing the eligibility requirements to allow employees to take childcare leave even if their spouse is a full-time housewife or househusband, and it has encouraged male employees to take childcare leave.

Furthermore, to support a smooth return to work, we have established a company nursery, the Karugamo Family Nursery, within the Company’s Head Office in Tokyo. As a result of this series of policies and initiatives, we have been recognized by Japan’s Minister of Health, Labour and Welfare as a company that is actively providing support for child raising.

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

Health Examinations
Mitsui provides the opportunity for employees to have convenient periodic health checkups on Company premises. Also, for personnel 35 years of age and older, Mitsui recommends more-extensive health examinations, which employees may take on Company premises or at external clinics. These activities help employees to prevent various health problems, including those arising from their lifestyles, to detect such problems at an early stage, and to take corrective action based on medical guidance. In addition, for employees 40 years of age and older, in collaboration with the health insurance union, Mitsui offers specific guidance for health maintenance.

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

Joint Efforts with Labor Unions
To create an even better workplace environment, we discuss various issues with the Mitsui & Co. Labor Union. During the fiscal year ended March 31, 2010, in response to changes in legal regulations, labor and management negotiations resulted in a number of changes in labor-related matters. These included a revision of the retirement system, the introduction of a re-employment system, changes in the overtime pay allowance ratio, and revisions in the systems that provide special time off for employees raising children and taking care of elderly parents and others. In addition to these negotiations, Mitsui held a labor and management personnel discussion meeting, provided a venue for exchanging views and discussion related to the topics that would be discussed at the meeting, and took initiatives regarding other matters aimed at maintaining sound labor and management relationships. (The Mitsui & Co. Labor Union has 4,580 members, and the union membership rate is 78.9%).