Mitsui’s Social Contributions

Mitsui, as a *sogo shosha*, is looked on to give full consideration to its economic role and its social raison d’être. Mitsui is also expected to create value for society not only through its business activities but also to go beyond its main business activities and help to address some of the many issues society confronts. Mitsui’s Operational Guidelines for its Social Contribution Policy specifies three areas for focus based on its strengths, know-how, and understanding. These are international exchange, education, and environment.

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.

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

Mitsui has been carefully preserving and nurturing forests for over 100 years. Everyone receives a wealth of benefits from forests. We try to cultivate our forests based on sustainable forestry operations so as to pass on to the next generation forests rich in natural benefits.

**International Exchange and Education Initiatives**

In order to foster international exchange and help solve various social issues, Mitsui is also actively involved in multicultural coexistence and collaboration activities. For example, since 2005 Mitsui has been assisting Brazilian children of Japanese descent, and is currently providing scholarships to approximately 300 children. We are also supporting Distance Learning courses for Brazilian Educators working at Brazilian schools in Japan and NPOs that help Brazilian residents of Japan. Furthermore, through the Mitsui Bussan do Brasil Foundation, Mitsui is implementing initiatives to expand education and exchange programs in Brazil. Additionally, as part of its initiatives to develop human resources possessing international perspectives, Mitsui has established Mitsui-endowed lecture programs at Peking University and Saint Petersburg State University among others, and has also been assisting Indonesian students in Japan through the Mitsui Bussan Scholarship Program for Indonesia.
**Mitsui & Co., Ltd. Environment Fund**

In July 2005, with the goal of helping achieve a sustainable society, Mitsui launched the Mitsui & Co., Ltd. Environment Fund, which aims to support activities and research that will contribute to solving global environmental problems by providing funding to NPOs, universities, and other institutions. The Fund’s financial resources are provided primarily by Mitsui, but contributions from its executives, employees, and retirees are also accepted. Executives, employees, and retirees are also encouraged to submit project ideas and participate as volunteers in the activities of the projects selected for grants.

Every year, Mitsui holds a Grant Recipient Interchange Meeting to encourage exchange between the grant recipients of the Fund. In January 2011, part of the meeting was opened to the public as “Special Symposium - Keep Up the Good Work, NPOs! Passionate Earthlings.”

**Mitsui’s Forests**

Activities in the year ended March 31, 2011

**Mitsui’s Forests**

Mitsui has company-owned forests in 73 locations throughout Japan, from Hokkaido to Kyushu, covering a total area of approximately 440km² (44,000 hectares). Mitsui is maintaining these forests both to preserve the environment and to be commercially viable, and was awarded FSC™ (Forestry Stewardship Council) Certification, which is an internationally unified forest certification for adequate forest management, for all its forests.

**Preservation of Forest Ecosystem**

Through its forests, Mitsui is working to preserve the forest ecosystem. For example, Mitsui designates approximately 10% of areas that are considered important in terms of biodiversity as Biodiversity Conservation Forests, which are further classified into four categories for protection: “Special Conservation Forests,” “Environmental Conservation Forests,” “Water and Soil Conservation Forests,” and “Cultural Conservation Forests.” In an example of the last category that links forest preservation to the preservation of local cultures and traditions, Mitsui concluded agreements with the Biratori Branch of the Hokkaido Ainu Association and the town of Biratori to protect and foster the culture of the indigenous Ainu people who have made use of the Saru Forest for many generations.

**New Initiatives in Forestry**

To ensure healthy forests in Japan, it is important to continuously repeat the forest-management cycle of planting - cultivating - harvesting - usage. In the usage phase, Mitsui does not stop at distributing approximately 50,000 m³ a year of domestically grown lumber in the market. It also advocates a method that makes use of the entire tree, seen in techniques such as the utilization of unused wood fiber from harvested trees as a biomass fuel.

**Supporting restoration following the Great East Japan Earthquake**

Since the Great East Japan Earthquake struck on March 11, 2011, Mitsui has been sending relief funds on a global Group basis, donating goods such as the solar-powered LED lanterns to Minamisanriku-cho, Miyagi prefecture, food supplies and supporting the volunteer activities of our company executives and employees. Furthermore, through the Mitsui & Co., Ltd. Environment Fund, Mitsui is helping with restoration by providing grants to activities and research efforts related to restoration and reconstruction of sustainable towns and regions, restoration of energy-efficient and environment-friendly farming, and environmentally sound disposal and recycling of waste materials. Utilizing the comprehensive strength of its core business operations to carry out locally tailored restoration efforts, Mitsui is committed to continue helping restore local economies and creating employment opportunities.
Mitsui Global Initiatives

1
The Mitsui USA Foundation

The Mitsui USA Foundation was established in New York in 1987 to make the social contributions appropriate to a good corporate citizen in US communities where Mitsui USA does business. Historically, the foundation has placed emphasis on higher education and employee participation. More recently, it has enhanced its giving to include the disabled community. Today, the foundation devotes its energies to education, community and disabled welfare, arts and culture, action based on employee participation and corporate matching, and other activities bearing the Mitsui USA name.

Every year, the foundation supports approximately 50 projects across the United States. Half of this budget is devoted to education-related activities, most of which bear the name of Mitsui USA. Chief among these are scholarships to university students and support for overseas study, study workshops, fellowships in the field of international relations, and international exchange among high-school students.

2
Mitsui Bussan do Brasil Foundation

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

3
Australia: Study Program Supported by Mitsui Educational Foundation

Mitsui & Co (Australia) Ltd. established the Mitsui Educational Foundation in 1971 with the aim of promoting mutual understanding and friendship between Japan and Australia. Every
Mitsui established the Mitsui Bussan Scholarship Program for Indonesia as a charitable trust in 1992 to contribute to cultural exchange with Japan and to foster human resources able to support the country’s development.

High-school pupils selected locally in Indonesia come to Japan to attend Japanese-language school for a year and a half and university for four years, receiving tuition fees and living expenses for this total five-year period. The scholars do not only receive financial support: every month they are called together for advice sessions covering all aspects of their lives from how to prepare for university entrance examinations through to emotional support. This generous and comprehensive support is characteristic of the program. Up to March 2011, 28 students, including graduates, had benefited from the program. Six of them have acquired doctoral degrees, indicating the program’s contribution to creating outstanding human resources.

Thailand: Library Donation Project

This social contribution initiative was launched in 2006 to commemorate the centenary of our business activities in Thailand and is run by the staff of Mitsui & Co. (Thailand) Ltd. Schools in rural areas with limited educational facilities are selected to receive donations of libraries, books, data-processing terminals, and equipment. Ten schools received assistance in the three years from 2006. In 2008 it was decided to expand the program by selecting an additional two schools. The intention is to add one more school each year from now on to assist the development of elementary education in Thailand.

In 2009, four companies responded to an appeal made to Mitsui Thailand Group companies. Metal roofs for the schools were donated and installed by Thailand Iron Works, while books were received from Mitsiam Motors, which sells Hino Motors trucks and buses, and BAF (Thailand) which provides sales finance for Yamaha motorcycles. One of the successes of the project was that it helped to spread initiatives to Group companies.
Grant Project of Mitsui & Co., Ltd Environment Fund (Paraguay)

Regeneration of Old Growth Forests Near Lago del Rio Yguazú
Asociación Japonesa de Yguazú (Paraguay NGO)
(Nominated by the Mitsui & Co. Americas Business Unit)
• Grant year: FY2010 Activity Grants
• Grant term: Three years (October 2010 - September 2013)
• Grant amount: 17,111,915 yen
• Activity area: Near Lago del Rio Yguazú, Paraguay

Japanese immigrants to Paraguay assisted in the country’s agricultural development by introducing modern equipment and clearing old growth forests in the area near the artificial Lago del Rio Yguazú lake. As a result, the area became Paraguay’s leading grain growing region and contributed to its economy. However, excessive clearing of the forests has led to problems such as decreased rainfall, soil erosion caused by torrential rains, and soil degradation, which have hindered agricultural production.

Under this project, organizations will be set up in collaboration with local agricultural cooperatives, local governments, and other groups to carry out tree planting in the deforested area near the lake to regenerate old growth forests. Specifically, 250,000 native tree seedlings will be produced annually and potential planting sites will be examined and prepared. Fifty hectares (0.5 km²) of trees will be planted in the first year with a further 75 hectares (0.75 km²) being planted from the second year. In addition, the planting of trees by residents of the community will be encouraged by providing seedlings for fast-growing trees to be used as firewood. Environmental education will also be carried out through the tree planting.

Grant Project of Mitsui & Co., Ltd Environment Fund (Thailand)

Integrating Biodiversity Values into National Resource Management Practices in Thailand
Seub Nakhasathien Foundation (Thai NGO)
(Nominated by the Mitsui & Co. Asia Pacific Business Unit)
• Grant year: FY2010 Activity Grants
• Grant term: One year (October 2010 - September 2011)
• Grant amount: 7,584,246 yen
• Activity area: Thailand

In Thailand, considerable efforts are being made to avoid a loss in biodiversity; however, based on the results of assessments that have been made to date, it is predicted that such losses will continue for some time into the future.

In conjunction with the International Union for the Conservation of Nature (IUCN), five IUCN member organizations, including the
Seub Nakhathien Foundation, have taken up biodiversity issues within Thailand and have introduced biodiversity principles into Thai national resource management practices. To improve public awareness, they have also carried out the following activities:

1. Evaluating biodiversity conditions and the state of biodiversity management of ecosystems in mountain forests, cities, agricultural land, and inland waters, and proposing measures to resolve management issues.
2. Improving public awareness of the importance of biodiversity and threatened losses of biodiversity by holding forums in seven regions, and presenting model practices for biodiversity management in nationwide seminars.
3. Using training and workshops to improve the management capabilities of local government organizations, as well as supporting biodiversity pilot projects.
4. Supporting the preparation of books, reports, press releases, and other materials, and raising the awareness of local residents and stakeholders.

Progress Toward the United Nations Millennium Development Goals

Around the world, one in every five people lives on less than one dollar a day. Such people face many problems as a result: for instance, their children cannot go to school and they do not have access to adequate medical care.

In October 2004, Mitsui pledged its support for the Global Compact, which is championed by the United Nations. The Global Compact is a set of principles that private companies agree to accept as guidelines for action, focused especially in the areas of human rights, labour, environment and anti-corruption, and Mitsui is working to abide by and put these principles into practice.

One aim of the Global Compact is to achieve the United Nations Millennium Development goals for the reduction of poverty. In May 2008, in response to a call from the then British prime minister Gordon Brown, Mitsui signed a Business Call to Action declaration committing to corporate action aimed at attaining the Millennium Development goals by the target year of 2015 set by the United Nations. Mitsui is now collaborating toward that goal through a range of relevant initiatives.

Contributing to Local Communities in Mozambique

In cooperation with the United Nations Development Programme (UNDP), Mitsui is donating a solar power-operated pumping facility for irrigation water to a farming community in Mozambique, Africa. In September, 2010, an agreement providing for the commencement of construction was signed between Mitsui and UNDP.

This program, in which UNDP and Mitsui gather their respective knowledge and strengths toward the achievement of the Millennium Development goal of reducing poverty, is an example of action to support development based on a public-private partnership. Providing the village (in the Millennium Village at Chibuto, in the province of Gaza) with the infrastructure to supply irrigation water will improve agricultural productivity and help the community to become self-sufficient and sustainable.

With a forecast total budget of approximately 2.0 million US dollars, we will continue our work on the project to bring the pump into operation at the earliest possible date.