



MITSUI & CO.



Challenge & Innovation

Mitsui & Co., Ltd.
Sustainability Report 2014

CONTENTS

Contents

Editorial Policy	2
Message from Our CEO	3
CSR at Mitsui & Co.	4
Declarations to Society	12
Business Activities and Corporate Social Responsibility	13
Tasks, Accomplishments, and Goals	24
CSR Management Platform	31
“Mitsui is People” Human Resources to Translate into Assets	43
Our Response to the Great East Japan Earthquake	49
Mitsui’s Social Contributions	53
Environmental Initiatives	67
Environment-Related Business	84
About Mitsui’s Forests	90
Evaluation by Society	101
Company Profile	103
Independent Practitioner’s Assurance Report	104

Editorial Policy

What We Aim to Communicate in This Report

We believe that Mitsui should put its CSR commitment into practice by identifying a wide range of challenges, by providing value through core business activities, and by contributing to the development of a sustainable society.

Details of specific initiatives and achievements based on this philosophy can be found on the Mitsui website. This report is published annually in PDF form as a comprehensive overview of information provided on the website. Some of the information is also included in the Annual Report to assist stakeholders in understanding our company-wide initiatives in conjunction with financial data.

We hope that these communication tools will help to foster a broader understanding of Mitsui's CSR philosophy and activities, and that they will also facilitate dialog with stakeholders.

Please submit your views and impressions using the Sustainability Report Questionnaire on the Mitsui website. We will apply lessons learned from your input as we work to realize a better society through our future business activities.

Scope of Coverage in the Sustainability Report:

Mitsui & Co., Ltd., and major consolidated subsidiaries and associated companies.

The scope of coverage for numerical data is provided individually in appended notes.

Period Covered:

Mainly the fiscal year from April 1, 2013 to March 31, 2014

Publication Date:

August 2014

(previous publication date: August 2013; next publication scheduled for August 2015)

Reference Guidelines

Global Reporting Initiative (GRI) Sustainability Reporting Guidelines Version 3.

For a comparison of the GRI guidelines and the content of Mitsui's report, please visit the following website:

(www.mitsui.com/jp/en/csr/gri_index/)

Environmental Accounting Guidelines (2005 version) established by the Ministry of the Environment of Japan
ISO 26000 (Guidance on Social Responsibility)

Published by:

CSR Promotion Committee, Mitsui & Co., Ltd.

Contact:

Corporate Planning & Strategy Division, Mitsui & Co., Ltd.
2-1, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-0004, Japan

E-mail : Csr@mitsui.com

T e l : +81 (3) 3285-1111

F a x : +81 (3) 3285-9906

W e b s i t e : www.mitsui.com/jp/en/csr/

*As of November 25, 2014, the location of our head office will change to the following address

• 1-3, Marunouchi 1-chome, Chiyoda-ku,
Tokyo 100-8631, Japan

Nippon Life Marunouchi Garden Tower
(registered head office location)

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

*A Cautionary Note on Forward-Looking Statements

This Sustainability Report contains statements (including figures) regarding Mitsui & Co., Ltd. ("Mitsui," "Mitsui & Co.," "Company")'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 important risk factors could lead to outcomes that differ materially from those presented in such forward-looking statements. These include, but are not limited to: (i) changes in economic conditions that may lead to unforeseen developments in markets for products handled by Mitsui, (ii) fluctuations in currency exchange rates that may cause unexpected deterioration in the value of transactions, (iii) adverse political developments that may create unavoidable delays or postponement of transactions and projects, (iv) changes in laws, regulations or policies in any of the countries where Mitsui conducts its operations that may affect Mitsui's ability to fulfill its commitments, and (v) significant changes in the competitive environment. In the course of its operations, Mitsui adopts measures to control these and other types of risks, but this does not constitute a guarantee that such measures will be effective.

Message from Our CEO



Mitsui & Co.'s corporate mission

When we look at the world around us, we can see that with steady population growth and spreading affluence there is an increasing need for a stable supply of life essentials. These essentials include energy, food, and water, the development of power, transport, and communication infrastructures, and also core community services such as medical care and education. At Mitsui, our corporate vision is to meet these needs and contribute to addressing associated social issues, in order to create a future where *the aspirations of people can be fulfilled*. We are working to realize our vision by using our uniquely comprehensive capabilities to develop new business from new connections—between countries and customers, people and products, and between projects and ideas. In May 2014, we announced Mitsui's New Medium-term Management Plan, "Challenge & Innovation for 2020 – Demonstrating Mitsui Premium." Based on our view of diverse needs around the world, and with a view toward the Mitsui of 2020, *Challenge & Innovation for 2020* covers Mitsui's development plans for the three years to March 2017. Our aim is to create added value by capitalizing on what Mitsui does best—making connections—in areas we have identified as Key Strategic Domains, and in doing so deliver "Mitsui Premium" to all of our stakeholders.

Human resource development

At Mitsui we have always believed that people are our greatest assets, with human resource development embedded in our corporate culture as a core value. We believe that when using our comprehensive strengths and connectivity to develop business globally, our people need not only business knowledge and expertise, but also the ability to earn the trust of people with a wide range of values. To build trust, Mitsui needs people who possess a balanced sense of integrity, ambition, and humility. In fact, we believe the driving force of our company is the development of individuals who have the ability to perform meaningful work around the world.

Toward a sustainable society

Mitsui is working harder than ever to help address key social issues and meet the needs of our global customers. In doing so, we aim to contribute to the economy and society of the countries where we do business, and earn recognition as a trustworthy partner. Reflecting this aim, in October 2004 Mitsui pledged to support the United Nations Global Compact, a set of autonomous principles for corporations regarding human rights, labor, environmental, and anti-corruption practices, and these principles now form part of our corporate guidelines. Also in 2004 we established Basic CSR Policy, followed in 2007 by our Supply Chain CSR Policy. We comply our operations with both sets of policies, and review our approach regularly to ensure alignment with a changing world. Volunteering is another type of activity supported by Mitsui, and we have been expanding the scope of employee volunteerism throughout the global group, including at affiliated companies. Mitsui also provides a wide range of scholarships and engages in other social contribution activities such as the Mitsui & Co., Ltd. Environment Fund. Through all of the initiatives outlined here, Mitsui is striving to address challenges in society and contribute to sustainable solutions—helping protect our planet's precious environment while building a future filled with aspirations.



Masami Iijima

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

Message from Our CEO

CSR at Mitsui & Co.



Contribution to Society

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

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

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

Core Values: Originating in the former Mitsui's Founding Philosophy



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

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

* The current Mitsui & Co., Ltd. was established through mergers of the various new companies that had been established after the disbandment of the former Mitsui by the order of GHQ, so legally speaking, there has been no continuation between the former Mitsui & Co. and the current Mitsui & Co.

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

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

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



Takashi Masuda

Mitsui's Management Philosophy

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

Mission, Vision and Values (MVV)

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.

CSR at
Mitsui & Co.

Contributing to Society through Our Core Business and Mitsui's CSR

If a society is not sustainable, the companies in that society will not be sustainable. Similarly, if a company is not sustainable, it cannot fulfill its social responsibilities. Through Mitsui's many years of development as a company, we have constantly sought to anticipate how society will evolve and to consider how the Company should wield its potential as well as further advance its functions and capabilities. By staying highly attuned to our environment and society, and by striving to make progress for Japan and for the world, Mitsui is constantly searching for ways to contribute towards a better future. Our aim is to build a sustainable society and provide value through our core business. That is why we pursue *Yoi-Shigoto* (good quality work) in everything we do—day after day, year after year. *Yoi-shigoto* means work that is: (1) beneficial to society; (2) useful and value-creating for our customers and partners; and (3) a worthwhile challenge for each employee.

Mitsui CSR Policy and Philosophy

Mitsui's "Basic CSR Policy (formulated in 2003, amended in 2013)" is built upon the foundation of our business activities: our management philosophy of "Mission", "Vision" and "Values."

We strive to continue building a congenial relationship with our stakeholders through dialogue, and create value for society by actively contributing to the creation of a future where *the aspirations of the people can be fulfilled*.

In addition, our "Long-Term Management Vision" for the Mitsui of 2020 upholds our goal of providing industrial solutions to meet the changing needs of the times. To make this vision a reality, we will continue to practice our Basic CSR policy, which is essential for realizing Mitsui's New Medium-Term Management Plan, "Challenge & Innovation for 2020 – Demonstrating Mitsui Premium."

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.

Developing the CSR Promotion Framework

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

As a measure to facilitate planning and promotion of the CSR activities, such as practicing CSR management and raising CSR awareness in the organization, together with the staffs in the workplaces of each unit, we appoint CSR Promotion Officers in each of the corporate staff divisions, business units, overseas regional business units, and domestic offices and are building our internal CSR network. We also hold a CSR Promotion Officers Meeting every quarter as a place for officers to share information.

In the fiscal year ended March 31, 2014, CSR Promotion Officers organized programs tailored to employees at each workplace, such as CSR seminars, workshops and lectures by outside experts and business partners.

CSR Promotion Framework



CSR at
Mitsui & Co.

CSR Promotion Committee

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

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

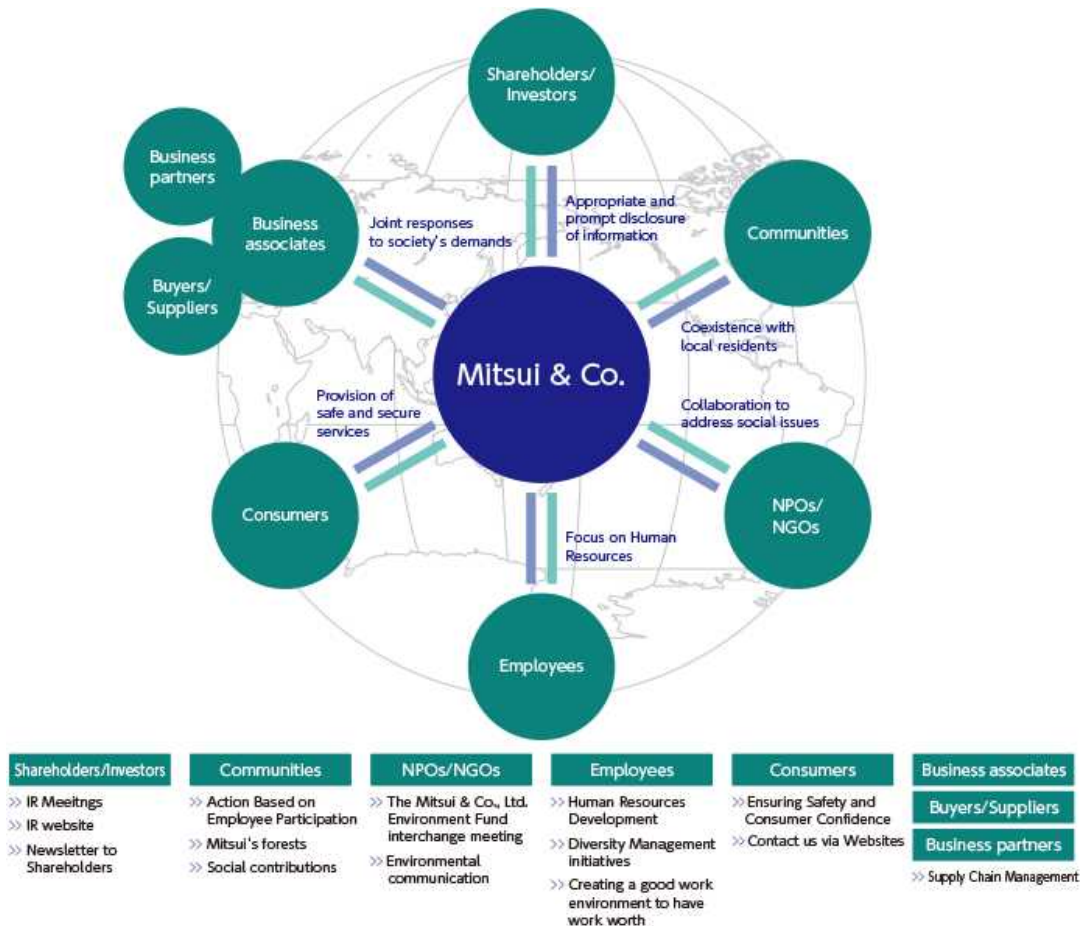
1. Develop fundamental policies on the management of the Company's CSR and fundamental plans for activities promoting CSR
2. Configure and establish an internal corporate structure for the management of the Company's CSR
3. Determine the key issues to focus on each year for activities to promote the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

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

Mitsui's Stakeholders

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

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



Stakeholder Engagement

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

Activities in FY Ended March 31, 2014

- December 2013: Workshop on CSR at Mitsui & Co. and "Yoi-Shigoto"
- October 2013: Seminar on "Revitalization of Regional Economy"
- September 2013: The United Nations Global Compact Leaders Summit
- September 2013: Japan Forum of Business and Society (JFBS) Joint Conference
- September 2013: Conference on CSR and Risk Management
- May 2013: Exhibition "design the future: business with social innovation in 2030"

December 2013: Workshop on CSR at Mitsui & Co. and “Yoi-Shigoto”

We conducted a workshop with Associate Professor Yukiko Suzuki and 22 seminar students at the Kinuta Campus of the Nihon University College of Commerce on December 13, 2013. To begin, Mitsui gave a brief lecture on “CSR at Mitsui” and “Yoi-Shigoto,” followed by small group discussions on student’s thoughts about CSR, the roles of business, and Mitsui’s initiatives. The various questions and frank opinions from students provided new insights from a variety of perspectives and made the workshop a meaningful event.



October 2013: Seminar on “Revitalization of Regional Economy”

Mitsui organized a “Revitalization of Regional Economy Seminar” on October 15 and 16, 2013 at the Toshi Center Hotel with the aim of contributing to Japanese local governments for their efforts to revitalize the regional economies and to develop their human resources. This was the 2nd seminar event following the first one held in 2012. Mitsui took up as the main theme of the seminar “revitalization of local economy through developing agriculture, forestry and fishery industries”, and presented its own business cases in these business fields, followed by group work on the theme. Approximately 30 personnel participated in the seminar from local governments who had active discussions that were joined by staff of Mitsui’s domestic branch offices, leading to an very productive seminar.



CSR at
Mitsui & Co.

September 2013: Participated in the United Nations Global Compact Leaders Summit

Mitsui participated in the United Nations Global Compact Leaders Summit held in New York on September 19 and 20, 2013. The Leaders Summit, held once every three years since 2004, serves as the general assembly for the United Nations Global Compact. The fourth summit was attended by 145 countries and a total of 1,200 participants, from 145 countries including officers from various international organizations and agencies affiliated with the United Nations, governments, top executives from private companies, and NGOs/NPOs. This is the second time that Mitsui has participated since the 2010 Summit. The two-day program was comprised of a general meeting among all participants and individual sessions, and wide-ranging discussion was conducted on various initiatives and action targets for achieving “Architects of a Better World” based on a post-Millennium Development Goals perspective. The summit reaffirmed the understanding that, rather than actions by individual companies, responses under a large-scale framework such as corporate alliances that include companies in the same industries will be essential.

September 2013: Participated in Japan Forum of Business and Society Joint Conference

Mitsui participated in a joint conference held by the Japan Forum of Business and Society (JFBS) and Humboldt University of Germany on “CSR & Corporate Governance” at Waseda University on September 19 and 20, 2013. The JFBS is an academic body that conducts academic research and discussion on various issues confronting companies and society from theoretical and practical perspectives. The conference was attended by a total of about 200 professors and students from universities around the world and personnel from corporate members. At the conference, Senior Executive Managing Officer (at the time) and chairman of the CSR Promotion Committee Masayuki Kinoshita gave a presentation on “Mitsui’s CSR and corporate governance.” He explained about our wide-ranging business activities that solve social issues through our core business based on a solid management foundation, social contribution activities, and forest initiatives, followed by an active exchange of opinions with other participants.



September 2013: Participated in Conference on CSR and Risk Management

Mitsui participated in the “Conference on CSR and Risk Management” organized by the Caux Round Table–Japan and the United Nations Working Group on the issue of human rights and transnational corporations and other business enterprises held in the Tokyo International Forum on September 5, 2013. In the group work session, information sharing of best practices for corporate human rights due diligence from the perspective of risk management and intensive discussions on CSR risks that should form the basis of human rights due diligence were conducted with various stakeholders, including the United Nations and NGOs.

May 2013: Exhibition “design the future: business with social innovation in 2030”

Mitsui exhibited at the “design the future: business with social innovation in 2030” held at Tokyo Midtown from May 16 to June 11, 2013. The event was organized by the Nippon Foundation and supported by the Ministry of Foreign Affairs of Japan, the Embassy of the United States, JICA, and other organizations. Nineteen companies exhibited design elements of their measures for solving social issues. Mitsui presented its measures supporting national development and the development of future generations through a major LNG project in Mozambique, Africa. One month prior to the exhibit, the Nippon Foundation, university students, and Mitsui employees from the Mozambique Business Division held a workshop on their “dreams” apart from their day-to-day work for the future of Mozambique. “Light Up Mozambique” was Mitsui’s design conveying the concept of a bright Mozambique in the future and our desire to contribute to Mozambique’s national development. The exhibit was an important event for increasing understanding of the CSR through core business that Mitsui aims to achieve.



January 2013: *Yoi-Shigoto* Roundtable

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



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

Participants:

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

Facilitator:

- Tatsuo Yasunaga General Manager of the Corporate Planning and Strategy Division (at the time)



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



CSR at
Mitsui & Co.

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

Participants:

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

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

Declarations to Society



United Nations Global Compact

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

What is the United Nations Global Compact?

The United Nations Global Compact is a set of voluntary action principles for corporations proposed by the former U.N. Secretary-General Kofi Annan at the World Economic Forum held in Davos, Switzerland in January 1999. He proposed a means to harness the creative powers of the private sector to fulfill the wishes of underprivileged people and meet the needs of future generations. It is neither a regulatory means nor a legally binding code of conduct, but rather a strategic policy initiative that encourages corporations to come together as global citizens to solve the various problems that could arise as a result of economic globalization. Participating corporations are asked to support and put into practice ten universally accepted principles in the areas of human rights, labor standards, environment, and anti-corruption. As of April 2014, over 10,000 corporations, labor unions, and civil society organizations from around the world are participating in the Global Compact.



Ten Principles of the Global Compact

Human Rights

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

Labour

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

Environment

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

Anti-Corruption

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

Attaining U.N. Millennium Development Goals (MDGs)

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

Please refer to p.57.



Business Activities and Corporate Social Responsibility

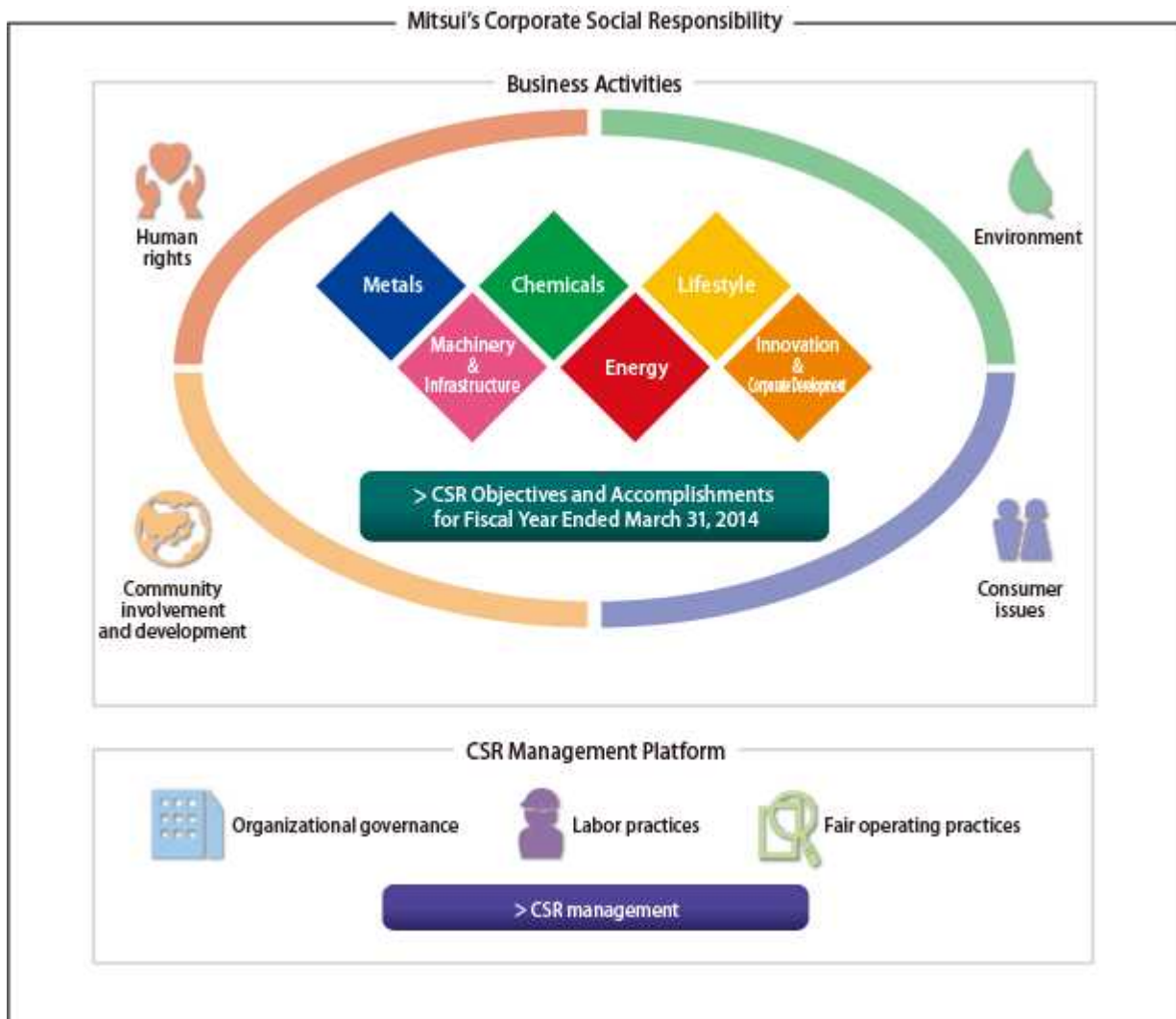


Mitsui's business activities include the following six areas: Metals, Machinery & Infrastructure, Chemicals, Energy, Lifestyle, and Innovation & Corporate Development.

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

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

Business Activities and Corporate Social Responsibility



Business Activities and Corporate Social Responsibility

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

Mitsui's Business Activities 1



The Challenge of Building a City Where 3 Million People Can Live with Peace of Mind

- Creating a Metropolis that Focuses on CO₂ Emissions 10 Years in the Future
- Building a Smart City that is also Economically Efficient
- Evolution of Environmentally-Friendly Cities in Line with Population Growth
- Building a City Where Everyone Can Feel Safe
- Regional Development that Enhances Appeal and Value
- Aiming to Be an International City that Respects Diverse Values

Mitsui's Business Activities 2



Providing High-Quality Products with Accurate Profiles to the Customers

- Procuring Safe and High-Quality Materials by Partnering with Excellent Tea Producers
- Establishing a Value Chain to Achieve "High-Quality Products with Accurate Profiles"
- Providing Delicious Flavor Maintained by Tea Tasters
- Research on Food Function Expands the Potentialities of Tea from Food to Pharmaceuticals
- Food Production Systems in Harmony with the Environment
- Active Promotion of Tea Leaf Residue Recycling
- Supporting Japan's Tea Culture

Mitsui's Business Activities 3



Providing Greater Convenience in Emerging Markets through New Payment and Money Remittance Services

- Suvidhaa's Services Available to All People
- Offering the Unbanked the Opportunity for Money Remittance
- Offering Services by Using Mobile Phones in Regions Where Electric Power is Unstable
- Constantly Improving Services in Response to Customer Needs and Voices
- Facilitating and Developing the Regional Economy
- Providing the Benefits of Electronic Payment to Consumers in other Emerging Countries
- Suvidhaa's Service Model Reduces Environmental Burden

The Challenge of Building a City Where 3 Million People Can Live with Peace of Mind

Society's Expectations

When Will Smart Cities Become a Reality?

Mitsui's Ability to Get Things Done

Mitsui is participating in a Malaysian project to develop a sustainable and environmentally-conscious city (a smart city) that will be home to 3 million people in 2025.



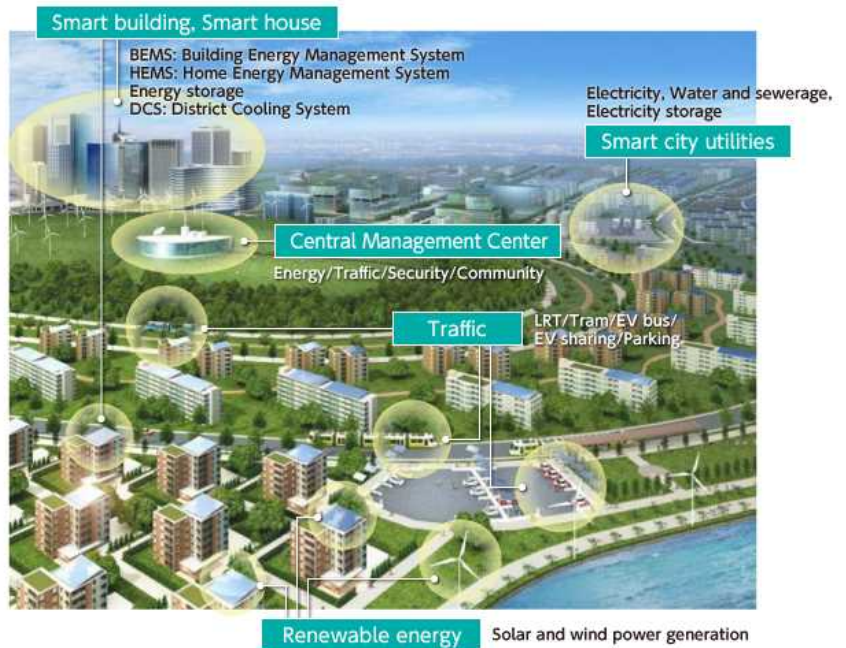
Business Activities and Corporate Social Responsibility

Environmental Initiatives

Creating a Metropolis that Focuses on CO₂ Emissions 10 Years in the Future

The Iskandar region is located at the southern tip of the Malay Peninsula and occupies the same amount of land area as Tokyo. It is the site of a comprehensive regional development project designed by the Malaysian government to achieve growth as an economic zone representative of Southeast Asia, and to enhance Malaysia's national prestige.

The project is seeking not just economic growth, but also environmentally-conscious urban development that can serve as a model for a low-carbon society. If current economic development continues on its present course, it is projected that carbon dioxide emissions in the region will grow to about 31.3 million tons by 2025 (approximately three times more than 2005). As a result, the Malaysian government is undertaking development with the high goal of cutting greenhouse gas emissions by approximately 40% compared to a business as usual (BaU) basis.



Elements of the smart city to be created in the Medini district (artist's impression)

In response to a request from Khazanah Nasional Berhad, the Malaysian government's strategic investment company, Mitsui joined the Iskandar Development Project in 2013. We are working in collaboration with the Malaysian government to undertake the challenges of sustainable urban development as the master developer* for the Medini district, which is known as the Heart of Iskandar. The urban development plan is almost complete and we plan to create a comfortable urban environment that is also friendly to the global environment through comprehensive measures encompassing all urban functions. These include (1) Information and communications technologies (ICT) based highly convenient lifestyle-support services that provide security and comfort to residents, (2) introduction of efficient energy management systems (EMS) employing smart grids and other technology, and (3) development of environmentally-friendly transport systems.

* Mitsui is participating in the management through an investment in Medini Iskandar Malaysia Sdn Berhad (MIM), the master developer for the Medini district, which is undertaking the overall provision of urban functions, including infrastructure.

Building a Smart City that is also Economically Efficient

Mitsui has participated in a variety of smart city demonstration projects including construction of an energy management system that equalizes electricity consumption, and supporting autonomous community development by the use of solar power. Through these projects, we have accumulated considerable knowledge and expertise.

For example, as a smart grid demonstration project, we made it possible for each household to identify wasteful energy consumption (energy consumption visualization) and raised awareness of energy saving by residents, resulting in clear reductions in electricity consumption. In addition, we reduced power consumption by introducing demand response,** leading to substantial capital investment cost savings by eliminating the need for operation or ownership of reserve power plants that are used only during peak electricity demand times (a few hours of the total 8,760 hours in a year).

Creating a smart city does not mean simply gathering state-of-the-art technology without regard to cost. It is essential to build a city that is also economically efficient and supports continuity as a business enterprise and offers prices for service that will be accepted by consumers. Numerous smart city demonstration projects have been conducted around the world, but there have been very few undertakings as commercial projects that incorporate economic efficiency. We plan to make this project into a model for sustainable smart city development and provide our knowledge and expertise to the world.

** A mechanism for setting electricity charges at high levels during peak times to curtail power consumption and maintain the balance between electricity supply and demand.

Evolution of Environmentally-Friendly Cities in Line with Population Growth

One of the most serious problems that Malaysian cities currently face is traffic congestion. For this reason, as a part of the Iskandar Development Project, the Malaysian government is implementing measures in collaboration with the government of Singapore, which lies immediately across the channel from the development region, to enhance economic accessibility between the two countries, including the construction of a high-speed railway link and simplifying immigration procedures.

In tandem with these national projects, environmentally-conscious transport systems will be developed in the Medini district.

Construction of highly convenient public transport systems such as electric buses, trams, and monorails, and the introduction of electric vehicle sharing and other mechanisms, are being investigated with the aim of reducing the use of private cars to alleviate traffic congestion.

Even if all of these services are introduced from the start, if there is no demand for them, they will not be economically sustainable. For that reason, phased evolution of public transport systems in line with the city's population growth is planned. Thus, electric buses will be introduced at the initial stage. If the population grows and the buses are unable to accommodate demand, trams will be introduced, and if the population grows further, monorails will be introduced.

Initiatives for Consumer Issues

Building a City Where Everyone Can Feel Safe

In terms of lifestyle-support services, there will be development in all areas of life, including security, healthcare, shopping, and education to create a comfortable city where people can live with peace of mind.

It is expected that the Iskandar region will develop into an economic zone that is integrated with nearby Singapore. Supporting the infrastructure of such a city will require the creation of advanced security systems with an awareness not only of the city's residents, but also travelers from other countries.

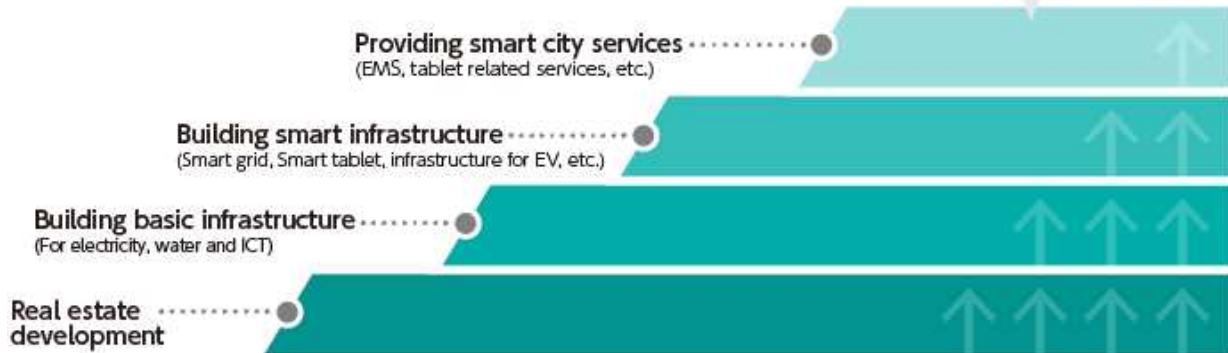
It is planned to provide advanced lifestyle-support services that integrate ICT networks and energy management systems with security. For example, security cameras will be installed throughout the city and a system will be created to respond to emergency situations while conducting integrated security management at a central management center. Another system will use the power consumption status of electric products to quickly detect if a senior citizen has collapsed in their home, and emergency services can be then be quickly dispatched.

Mitsui's approach to building up safety and security as an "business innovation project" .*

* Mitsui created the "business innovation project" system to screen projects from perspectives that differ from those adopted for conventional business investment projects as a means of creating next-generation business. The objective is to have a long-term perspective for creating business that will lead to the creation of next-generation value. The Iskandar Project is the second such project.

Developing new applications and services

Residents, workers, and tourists gather



Initiatives for Community Relations and Development

Regional Development that Enhances Appeal and Value

For the Medini district to remain an appealing city long into the future, it will be necessary to collaborate with the municipal government and implement forward-looking city management. In the United States, there have been cases reported of new public services initiatives leading to higher urban value. For example, improving the quality of public services through privatization of garbage collection and disposal to foster the image of a clean city has resulted in inflows of residents from neighboring regions and rising land prices.

In the Medini district too, the municipal government and private businesses will work together to create new public services that can efficiently provide services adapted to the needs of residents. This will stimulate the regional economy and lead to the creation of new jobs.

Human Rights Initiatives

Aiming to Be an International City that Respects Diverse Values

As the aim is for the Medini district to become a city that is open to the world, entry of foreign capital has been eased. The urban development will allow all companies and people of all nationalities to freely and comfortably conduct business and live. This is the premise that sets Medini aside from other areas within Malaysia. In addition, MIM has decided to donate funds for a mosque within Medini. An international city accommodating diverse values will be created while respecting the cultural rights of the Malaysian people, whose national religion is Islam.

Providing High-Quality Products with Accurate Profiles to the Customers

Society's Expectations

Mitsui's Meticulous Attention to Food Safety

Mitsui's Ability to Get Things Done

Mitsui Norin Co., Ltd., which engages in the tea material and product manufacturing business within Mitsui's food business, seeks "quality with accurate profiles" in order to build solid trust in its food products.



Human Rights Initiatives



Procuring Safe and High-Quality Materials by Partnering with Excellent Tea Producers

Mitsui Norin markets "Nittoh Black Tea," a brand very familiar in Japan. The company procures tea leaves, the main material for tea, from approximately 450 tea producers in nine countries including India, Sri Lanka, Kenya, and Indonesia. It gives preference to and purchases tea leaves from tea producers that take the environment into consideration such as through acquiring Rain Forest Alliance certification or engaging in fair trade, HACCP, or organic cultivation and that take measures to improve quality and safety.

In the Darjeeling district of India, for example, one producer makes various efforts to improve the working environment of employees and profitability such as introducing a small hydroelectric generator on the farm and entrusting its management and operation to the workers, growing and selling organic ginger, oranges, and honey, raising cows on the farm to provide milk to children and use the manure as fertilizer for organic cultivation. Mitsui Norin values suppliers that take measures such as these to maintain an appropriate work environment and purchases raw materials from them.



Staff involved in Mitsui, Mitsui Norin and the factory of tea producer

Initiatives for Consumer Issues



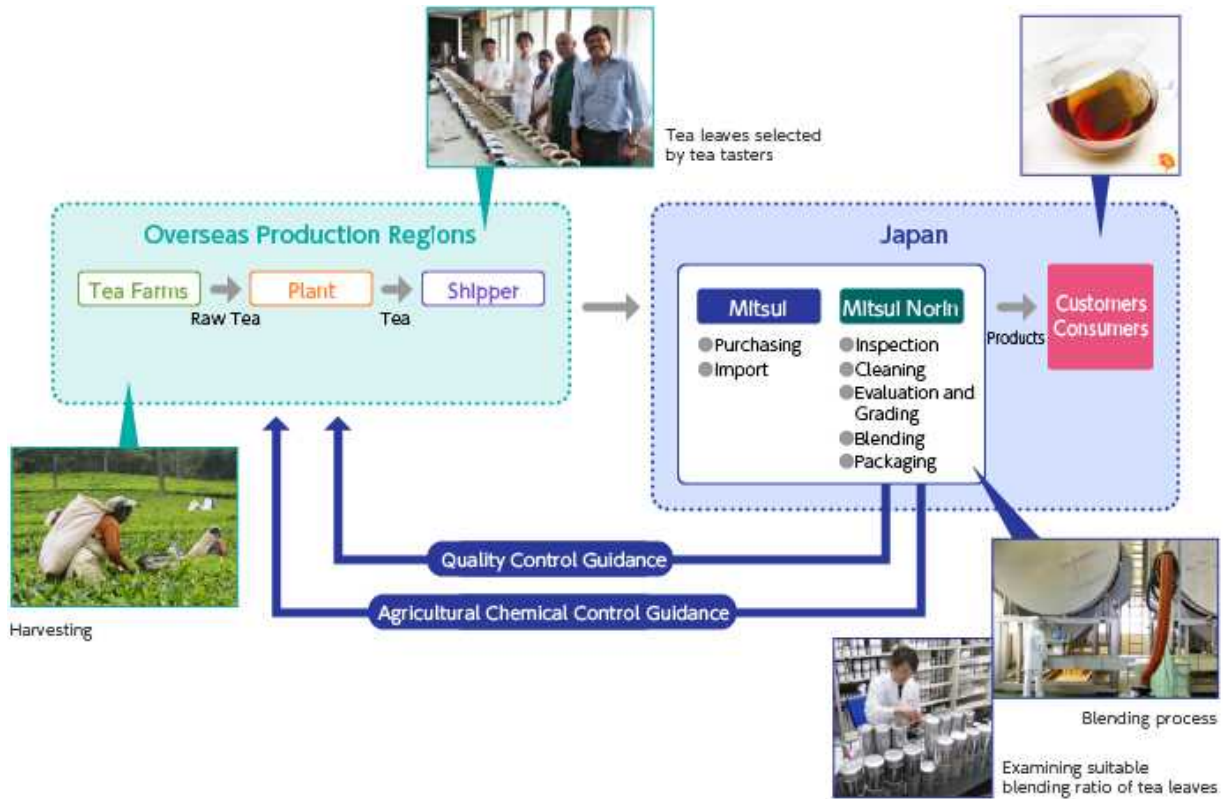
Establishing a Value Chain to Achieve "High-Quality Products with Accurate Profiles"

To maintain confidence in its food products, Mitsui and Mitsui Norin undertake comprehensive quality control in all phases of the value chain. To ensure complete traceability in all product stages from procurement of raw materials to manufacturing, inspection, shipment, and delivery, Mitsui Norin created an original traceability system. In tea producing regions, visits are made to tea farms to confirm production conditions, and periodic checks are made of growing environments, quality control, and agricultural chemical controls. State-of-the-art facilities and advanced quality control technologies have been introduced to production processes, and various product formats that respond to changing lifestyles and diversifying customer needs,



The Fujieda Plant and Food Research Laboratories

such as loose leaf teas, tea bags, powdered teas, liquid teas, and concentrated extracts, are produced on lines that integrate all processes from blending raw tea leaves to shipment. In addition, international standards have been adopted, including the acquisition by the head office and plants of ISO 9001 quality management system certification, and the acquisition by the Fujieda Plant (for manufacture of tea for commercial use) and Sutama Plant of FSSC 22000 food safety management system certification, ensuring the provision of quality and services that meet customer expectations. In this way, not only can tea leaves be traced to a particular country and farm and the time of harvest be determined, but also purchasing, import, blending, packaging, and shipment are all traced, providing safe and reliable products with accurate profiles.



Tea Manufacturing and Sales Business Value Chain

Business
Activities and
Corporate
Social
Responsibility

Providing Delicious Flavor Maintained by Tea Tasters

At Mitsui Norin, tea tasters with high-level skills appraise tea leaves sent from tea producing countries around the world and select only the finest leaves that meet certain standards for purchase. Even after shipment to plants, the tea leaves are strictly selected, and 10 to 20 different types of tea leaves are carefully blended to produce balanced teas with rich flavor, pleasing infusion color, and abundant aroma.

The tea tasters ensure stable supplies of reliably high-quality tea products, playing an important role within Mitsui Norin. Consequently, the company is taking active measures to ensure human resource development and the handing down of their experience and expertise to future generations.

Mitsui Norin also developed the world's first "Black Tea Character Wheel," a product development tool that classifies and systematizes the characteristics of black teas. The characteristics of tea can vary greatly depending on factors such as the origin, grade, and processing method, and more complex flavors and aromas can be produced through blending. As a result, flavor blending is in not a simple matter. To address this challenge, Mitsui Norin developed a communications tool that categorizes and systematizes aroma, flavor, and infusion color to accurately express in words the various elements of a complex tea that anyone can understand. The character wheel is used to accurately identify customer needs and support rapid and precise development of new products.



Research on Food Function Expands the Potentialities of Tea from Food to Pharmaceuticals

The Mitsui Norin Food Research Laboratories develops new products, conducts research on the effects of tea, and disseminates the results of its research to society. Tea catechin, known to have bioactive functions, was discovered during fundamental research conducted at Food Research Laboratories in collaboration with research institutes throughout the world. Tea catechin has various health benefits including superior antioxidant and antibacterial effects, and opening doors for applications in the development of products in various fields. For example, Polyphenon E, a super high-purity catechin extract developed by Mitsui Norin, is the active ingredient in medicated ointments received approval from the United States Food and Drug Administration (FDA) in October 2006. Clinical trials of Polyphenon E for prevention and treatment of cancer, including cancers of the colon and prostate, are underway overseas, and investigations concerning the development of new pharmaceuticals are being conducted.



Green tea polyphenol “Green Tea Catechin”

Environmental Initiatives



Food Production Systems in Harmony with the Environment

Mitsui Norin pursues food safety, safety of worker, high quality products, environmental preservation, and high productivity while working to build production systems that are friendly to the environment by saving energy and reducing waste. The Fujieda Plant, Mitsui Norin’s core plant, received ISO 14001 environmental management system certification in 2007 and has introduced high energy-saving production facilities and an electric power consumption management system to create a production system with high environmental performance.



Active Promotion of Tea Leaf Residue Recycling

Rather than discarding tea leaf residue generated as waste from production processes, Mitsui Norin recycles it as compost. The Sutama Plant, for example, uses two different methods to recycle the more than 1,000 tons of tea leaf residue generated each year from production processes. One method is the provision of residue to more than 20 local farmers for use as compost, contributing to the cultivation of fruit. The other method is the production of special fertilizer at its own plant using tea leaf residue and poultry manure, which has been conducted under agreements with poultry farms since 1995. Full-ripe compost is odorless and has abundant nutrients, providing significant benefits to agricultural producers.

Initiatives for Community Relations and Development



Supporting Japan’s Tea Culture

Mitsui Norin, the first seller of a black tea brand produced in Japan, actively disseminates information on the delicious flavor of black tea and ways to enjoy it at home, building the foundations of a Japanese black tea culture and contributing to its development. It continues to engage in various activities, such as the holding of seminars and other tea classes on fundamental tea knowledge and how to make delicious tea by employees with tea instructor certification from the Japan Tea Association. Mitsui Norin also works to disseminate knowledge and educate all stakeholders on the appeal and value of black tea.



A pamphlet explaining the fundamentals of tea and how to make delicious black tea

Providing Greater Convenience in Emerging Markets through New Payment and Money Remittance Services

Expectations from the Society

How to reduce the disparities among the cities and rural villages?

Mitsui's Ability to Get Things Done

The online payment services, which Mitsui operates through Suvidhaa Infoserve, offer all consumers the means to access to essential services for life.



Human Rights Initiatives

Suvidhaa's Services Available to All People

India's presence in the global economy is steadily increasing. At the same time, however, we see some regions and people which lag in terms of development, and the disparity is becoming a significant social issue.

People living in rural villages without access to banking service, for example, must take a day off from the work, travel several kilometers away, and wait in a long queue at the counter just to pay their utility bills.

The online payment business provided by Suvidhaa, a company in which Mitsui holds an equity stake, contributes to improve these inconvenient conditions. Consumers can easily pay utility bills, book railway, bus, and air tickets, or send money to their family in their home villages, simply by visiting the nearest Suvidhaa's retail outlets.

There are currently about 75,000 Suvidhaa retail outlets, and payments can be made to more than 300 service providers. The retail outlet network expands across India, and Suvidhaa offers the means to access to essential services for life easily.

Suvidhaa's business model has been praised not only in India, but overseas as well. Suvidhaa won the "Inclusive Business Leader Award" from the International Finance Corporation (IFC) of the World Bank Group in 2011 and was also nominated for the FT/IFC Sustainable Finance Awards 2012 in the category "Technology in Sustainable Finance".

Initiatives for Consumer Issues

Offering the Unbanked the Opportunity for Money Remittance

It is generally said that India's rural villages are given less priority as business targets, but Suvidhaa is actively developing retail outlet network in regions where there are no or less bank penetration. The number of workers in cities or industrial regions, who send money to his/her family in their home village, has been increasing, and low income villages are important contact points for the receipt of the money.

Until now, unbanked consumers had few options for the safe and quick money remittance service to their families, but Suvidhaa's domestic remittance service is opening a path even for unbanked customers in such areas.



Suvidhaa's Business Concept

Offering Services by Using Mobile Phones in Regions Where Electric Power is Unstable

With PC and internet connection, Suvidhaa's outlet can easily establish and begin payment collection services, but in some areas, retail outlet might not have PC or electric power supplies are unstable, which cause interruption of the services. Therefore, in 2013, Suvidhaa has developed online recharging system through mobile phones, instead of PCs, enabling retail outlet to offer its services even in rural areas where electricity and internet access are limited.

Constantly Improving Services in Response to Customer Needs and Voices

Suvidhaa continuously develops and creates new services in response to consumer needs. Sales & Marketing staff, visiting at retail outlets on a daily basis and CRM staffs gather comments and opinions from consumers, and try to grasp the issues to be improved in quality, and meet market needs. Suvidhaa's outlets now play the role as banking agent like ATM and "convenience stores" in developed countries.

Initiatives for Community Relations and Development

Facilitating and Developing the Regional Economy

Even in unbanked areas, we see small private shops, selling sundries and other daily goods. By establishing retail outlet network to consumers, Suvidhaa brings convenience, and to such small private shops, Suvidhaa brings opportunities to provide new goods & services and create new additional revenue, through payment collection services. Partnered distributors and agents, who are familiar with local circumstances, are taking care of development of local retail outlets. They actively support retail outlets in their regions, providing operational support and training when new services are introduced, thereby establishing/ensuring services connected with its community. Moreover, it is no longer necessary for workers to take time off from work to make payments or send money, resulting in higher productivity at companies and plants, contributing to regional economic invigoration and development.



Consumers lined up at payment and transfer counter



Providing the Benefits of Electronic Payment to Consumers in other Emerging Countries

In addition to developing its own service network, Suvidhaa is actively pursuing alliances with the companies who have close connection with governmental authorities, and companies who provide financial services to low-income individuals. The service network, created through such wide range of partnerships, is becoming essential infrastructure for people's lives. Prior to investment into Suvidhaa in India, Mitsui has invested in QIWI in Russia and has been working to increase company value. Mitsui had been working to provide the benefits of online payment and money transfer services not just in India and Russia, but in other emerging markets as well, and hopes to contribute to solve the various challenges that these regions and their common citizens are facing.

Environmental Initiatives



Suvidhaa's Service Model Reduces Environmental Burden

The services provided by Suvidhaa, create a low-environmental impact value chain without any physical logistics. In addition, consumers can make payments at neighbourhood locations, which eliminate travel long distances, and SMS notification is sent out when payment is completed, and reduces paper usage.



Business
Activities and
Corporate
Social
Responsibility

Tasks, Accomplishments, and Goals

Based on our management philosophy comprising Mitsui's Mission, Vision and Values (MVV), we are working to maintain the trust and respond to the expectations of our various stakeholders, and actively pursuing a management approach that emphasizes CSR. Furthermore, we view raising overall corporate value from various aspects —economic, environmental, and social— as our management objective, and we aim to ensure the sustainable development of both the Company and society, while earning social trust through our business operations and through activities that transcend our business and make broad social contributions. This section will describe Mitsui's principle accomplishments of the fiscal year ended March 31, 2014 and look at priorities and objectives for the next fiscal year.

CSR Management Accomplishments and Goals

<Degree of achievement of goal by self-evaluation>



: Implemented and results attained



: Implemented and further results attainment necessary



: Not implemented

Governance

Environment

Society

CSR Management

Review of FY Ended March 31, 2014

- Promoted initiatives to disclose information in a highly transparent manner, to maintain the disciplines for internal control on a global group basis, and to enhance crisis management system through holding drills for emergency response headquarters
- Continued to maintain and raise compliance awareness using various methods, such as training ,including e-learning.

Corporate Governance

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Raise awareness of Mitsui & Co., Ltd.'s Corporate Governance and Internal Control Principles on a consolidated basis		Raise awareness of Mitsui & Co., Ltd.'s Corporate Governance and Internal Control Principles on a consolidated basis
Ensure management transparency and continue to improve effectiveness of corporate governance		Ensure management transparency and continue to improve effectiveness of corporate governance

Internal Controls

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Further improve effectiveness and efficiency of internal control on a global group basis		Further improve effectiveness and efficiency of internal control on a global group basis

Compliance

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Further enhance compliance activities on a global group basis		Further enhance compliance activities on a global group basis
Continue with training and education based on the situation in society to maintain and improve compliance awareness and facilitate the acquisition of practical knowledge of compliance		Continue with training and education based on the situation in society to maintain and improve compliance awareness and facilitate the acquisition of practical knowledge of compliance





Risk Management Structure

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Re-examine internal systems designed to strengthen crisis management and emergency response		Re-examine internal systems designed to strengthen crisis management and emergency response

Review of FY Ended March 31, 2014



- Enhanced environmental management systems through raising environmental awareness by continuing to implement the Mitsui Environmental Month Program, implementing Mitsui's own Environmental Impact Assessment and respecting the environmental laws.
- Utilized company-owned forests by holding various forest environmental programs to convey the importance of forests, forestry business and utilizing wood products, widely disseminating the forest through the media and exhibitions and utilizing wood chips in various ways.

Strengthening Environmental Management Systems

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Raise environmental awareness among employees by continuing to implement the Mitsui Environment Month Program		Raise environmental awareness among employees by continuing to implement the Mitsui Environment Month Program
Reduce the risk of environmental accidents by improving ISO 14001 monitoring and reporting systems		Reduce the risk of environmental accidents by improving ISO 14001 monitoring and reporting systems
Reduce environmental impact created by Japanese and overseas subsidiaries and affiliated companies by using Mitsui's own Environmental Impact Assessment system		Improve the effectiveness and efficiency of environmental impact assessment systems and encourage concentrated management by subsidiaries and affiliated companies
Improve effectiveness of environmental risk management for new projects		Improve effectiveness of environmental risk management for new projects

Tasks,
Accomplish-
ments, and
Goals




Initiatives to Combat Global Warming

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
<p><For the Mitsui Group in Japan> On a group basis in Japan, companies with large CO₂ emissions are designated as companies that intensively manage greenhouse gas, as Mitsui aims for annual reduction in energy consumption rate of at least 1% on average</p> <p><For the Mitsui Group worldwide> Mitsui will monitor changes in CO₂ emissions over the year, seeking areas where cuts can be made</p>		<p><For the Mitsui Group in Japan> On a group basis in Japan, companies with large CO₂ emissions are designated as companies that intensively manage greenhouse gas, as Mitsui aims for annual reduction in energy consumption rate of at least 1% on average</p> <p><For the Mitsui Group worldwide> Mitsui will monitor changes in CO₂ emissions over the year, seeking areas where cuts can be made</p>
Strengthen compliance with environmental laws by subsidiaries and affiliated companies in Japan and overseas		Continue to strengthen compliance with environmental laws by subsidiaries and affiliated companies in Japan and overseas

Pursuing Environmental Businesses

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Promote environmental and energy businesses throughout the Company		Promote the electric power and energy businesses, including renewable energy, company-wide






Utilizing Company-Owned Forests

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Continue to hold forest environmental programs that convey the importance of forests, forestry business, and utilization of wooden products		Continue to hold environmental lectures on request and forest environmental programs that convey the importance of forests, forestry business, and utilization of wooden products
Widely improve awareness through communication activities covering all of the company-owned forest activities		Widely improve awareness through communication activities covering all of the company-owned forest activities
Continue diverse efforts through activities such as development of applications for woody biomass		Continue diverse efforts through activities such as development of applications for woody biomass

Review of FY Ended March 31, 2014

- Promoted various social contributing programs that responds to the needs and issues in the society including mid- to long-term initiatives to support the recovery from the Great East Japan Earthquake and supporting education for Brazilian children in Japan.
- Reviewed the Supply Chain CSR Policy in November 2013 to ensure robust supply chain management.
- Executed stable operation for establishment of HR management system revised on July 1, 2013 and continued energy-saving initiatives including energy-saving measures during the summer and requests to save energy during the winter.





Relations with Society

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Steadily implement, on a global group basis, social contributions (volunteer activities etc.) with the participation of both management and employees		Continuously implement, on a global group basis, social contribution activities (volunteer activities, etc.) with the participation of both management and employees
Conduct environmental contribution activities meeting the needs of society through the Mitsui Environment Fund		Conduct environmental contribution activities meeting the needs of society through the Mitsui Environment Fund
Promote employee participation in activities of the Mitsui Environment Fund		Promote employee participation in activities of the Mitsui Environment Fund
Promote Mitsui's core proposals for social contributions that strive to effectively and sustainably provide value to society based around the three vital areas of international exchange, education, and the environment, and that address the important themes of each area (initiatives for culturally diverse living, education of international and next generation human resources, United Nation MDGs, etc.)		Strategically plan and carry out social contribution activities with a focus on three priority areas—international exchange, education, and the environment—based on social issues and real needs
Strengthen Mitsui's abilities to disperse information through communication with various stakeholders		Comprehensively disseminate information on social contribution activities by reinforcing relationships with various stakeholders and continuously improving communication tools

Relations with Business Partners

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Consider third-party inspections of suppliers in high-risk fields in accordance with the Supply Chain CSR Policy		Continue dissemination of the Supply Chain CSR Policy within and outside the company





Relations with Employees

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Implement an HR system that allows participation of diverse personnel, and achieves stable operation		Stable operation and entrenchment of an HR system that allows participation by diverse personnel
Accelerate the training and utilization of diverse personnel throughout the Mitsui Group worldwide		Accelerate the training and utilization of diverse personnel throughout the Mitsui Group worldwide
Strengthen the HR and general affairs platform to achieve the growth of the company and employees (efforts to support compliance, labor management, and disaster response throughout the Mitsui Group worldwide, and create pleasant working environments which contribute to the higher labor productivity.)		Strengthen the HR and general affairs platform to achieve the growth of the company and employees (efforts to support compliance, labor management, and disaster response throughout the Mitsui Group worldwide, and create pleasant working environments which contribute to the higher labor productivity.)
Implement policies and initiatives similar to those from the previous fiscal year to cope with restrictions to electricity supply in the summer		Implement policies and initiatives similar to those from the previous fiscal year to cope with restrictions to electricity supply in the summer

Review of FY Ended March 31, 2014

- Raised awareness of Basic CSR Policy that was revised in April 2013, promoted CSR activities at each unit, and disseminated the management of Specially Designated Business by the newly established Business Supporting Unit to the workplace.
- Executed stakeholder engagement through participating in international forums and exhibitions, publishing integrated report and actively holding IR activities.

CSR Promotion Framework



Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Continue initiatives to globalize and optimize the CSR promotion framework		Optimize various CSR initiatives and activities on a global group basis
Initiate activities to promote autonomous CSR management and reinforce company support at the working level		Promote autonomous CSR activities at each unit
Surveys and continuous improvement of compliance with the UN Global Compact		Continue initiatives to comply with the UN Global Compact
Implement efforts to deepen the support of human rights		Promote further human rights awareness

Tasks,
Accomplish-
ments, and
Goals

Risk Management

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Aim for comprehensive and flexible risk management from an early stage of formation of Specially Designated Business by utilizing the newly established Business Supporting Unit		Continue comprehensive and balanced risk management from the early stages of formation with the collaboration of the Investment Administrative Division and Business Supporting Unit

Stakeholder Communication

Tasks and Objectives for FY Ended March 31, 2014	Degree of Achievement of Goal	Tasks and Objectives for FY Ending March 31, 2015
Create further unity between financial and non-financial information in the integrated report Carry out stakeholder engagement		Promote further integration of financial and non-financial information in the annual report Execute stakeholder engagement
Maintain and enhance the transparency and accountability of Mitsui's management through strategic information disclosure Conduct management that takes the capital markets and provide feedback to locations in the field		Continue to increase corporate value and realize a fair market evaluation through synergy of two-way communication between the company and the capital market <Capital market> Maintain and enhance the transparency and accountability of Mitsui's management through strategic information disclosure <Internal> Engagement towards improving management and corporate value through feeding back views and opinions from the capital market

CSR Objectives and Accomplishments for Fiscal Year Ended March 31, 2014 by Business Area

Mitsui's 12 business units within its Headquarters Business units are engaged in a wide range of businesses that respond to the needs of society. They are constantly aware of such key questions as, "Is this work benefiting society?" "Is this work adding value for clients?" and "Do we believe this work is worthwhile?" In this section, we present some of the initiatives of the business units that we believe have economic, environmental, and social impacts.

Metals Business

Headquarter	CSR Priorities	Measures for FY Ended March 31, 2014 (April 1, 2013 to March 31, 2014)
Iron & Steel Products Business Unit	Reduce load on environment	<ul style="list-style-type: none"> ● Supplied materials that contribute to solar power generation, reduction of vehicle weights, and cutting of emissions ● Sold rails for the development of railroads, which greatly reduces CO2 in developing countries
	Make social investments in emerging economies	<ul style="list-style-type: none"> ● Provided stable supplies of materials necessary for infrastructure development in developing countries ● Promoted the electric furnace business and the steel business, including creation of a steel processing center network
	Contribute to the stable supply of energy	Provided safe and stable supplies of materials to oil, LNG, and other energy project facilities
Mineral & Metal Resources Business Unit	Find solutions to production issues with a view to attaining a low-carbon society	<ul style="list-style-type: none"> ● Promoted the automobile recycling business in China through the introduction of Japanese recycling technology and operational expertise in anticipation of an increase in the number of scrapped vehicles ● Contracted by the Ministry of the Environment to operate a trial recycling system for small waste electrical and electronic equipment in the fiscal year ended March 31, 2014 and collaborated closely with the government ● Certified by the government as a used small home appliance recycler and launched a small home appliance recycling business as a part of industrial responses to various domestic recycling laws
	Use mineral resources in a sustainable manner	Proposed new suppliers to users, contributing to stable supplies of lithium, rare earths, and tungsten as raw materials for rechargeable batteries and magnets used in environmentally-friendly eco-cars and carbide tools for automobile manufacturing

Machinery & Infrastructure Business

Headquarter	CSR Priorities	Measures for FY Ended March 31, 2014 (April 1, 2013 to March 31, 2014)
Infrastructure Projects Business Unit	Contribute to basic infrastructure building	Built and/or operated basic infrastructure, including water, sewerage and ports around the world. The following are the major activities. <ul style="list-style-type: none"> ● Received and executed a construction order for an effluent treatment facility in Mexico. ● Participated in a smart city development project in Malaysia. ● Acquired a port terminal in Latvia
	Reduce the environmental burden	Built and/or operated more than 2 GW (net generating capacity) of renewable energy power plants and promoted energy saving business worldwide. The following are the major activities. <ul style="list-style-type: none"> ● Participated in mega-solar development projects in Japan (Kumamoto-Arao, Izumiotsu, etc.). ● Acquired a wind power project in Mexico. ● Participated in Jirau run-of-the-river hydropower project in Brazil. ● Promoted an EMS demonstration project on Miyako Island in Japan.
	Contribute to the safe and stable energy supply	Developed and/or operated energy-related infrastructure such as power generation, gas pipelines, and gas and power distribution across the world. The following are the major activities. <ul style="list-style-type: none"> ● Acquired power projects in South Africa and the USA. ● Participated in power generation and power/gas retail business in Australia. ● Invested in a natural gas pipeline project in Arizona, USA.
Integrated Transportation Systems Business Unit	Support safety	The business unit's safety promotion committee continued to implement case studies and to share information on safety initiatives at subsidiaries and affiliated companies; based on the activities of the committee, held regular road safety classes and further strengthened OJT employee training at logistics companies (Transfreight Group), finance companies (BAF Group), and sales companies
	Improve living convenience in emerging economies	<ul style="list-style-type: none"> ● Provided means of transport for public and contributed to improve living standards through the automobile and motorcycle sales business (including provision of financing services) ● Contributed to improvement and enhancement of logistics that would support people's lives through truck and bus sales and services
	Coexist with regional communities	Continued implementation of measures designed to maintain harmony

		between affiliates and local communities
	Promote stable supply of clean energy	Contributed to stable supply of LNG through operation of LNG carriers (approximately 20 vessels) in which Mitsui has its shares
	Provide air-transport for disaster prevention/relief and medical support	Delivered goods to Kochi and Saga Prefectures and secured orders for Tottori and Yamagata Prefectures
	Respond to environmental issues	<ul style="list-style-type: none"> Continued promotion of railway infrastructure development projects with the aim of reducing emissions through modal shifts Decided to penetrate into railway transportation business in Brazil

◆ Chemicals Business

Headquarter	CSR Priorities	Measures for FY Ended March 31, 2014 (April 1, 2013 to March 31, 2014)
Basic Chemicals Business Unit/ Performance Chemicals Business Unit	Use resources in a sustainable manner	<ul style="list-style-type: none"> Promoted business of biochemicals made from sugar cane in Brazil Further developed business of oleochemicals made from palm oil in Malaysia.
	Contribute to the stable supply of food	Promoted businesses centered on the three pillars of fertilizer materials, feed additives, and agrochemicals to increase food production and stable food supply
	Ensure compliance with domestic and overseas laws and regulations	Held seminars on domestic and overseas laws and regulations in relation to chemicals (such as Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc., Poisonous and Deleterious Substances Control Act, High Pressure Gas Safety Act, etc.)

◆ Energy Business

Headquarter	CSR Priorities	Measures for FY Ended March 31, 2014 (April 1, 2013 to March 31, 2014)
Energy Business Unit I/ Energy Business Unit II	Supply safe and stable energy	<ul style="list-style-type: none"> Provided stable and safe delivery, supply, and management of energy including crude oil, petroleum products, and LNG in collaboration with our projects and approach in Japan and overseas Diversified the supply of LNG through development and launching of new LNG projects (Mozambique, Cameron, Browse, and others)
	Respond to environmental issues	<ul style="list-style-type: none"> Invested in LanzaTech, a U.S. venture that is developing fermentation gas technology using microorganisms Investigated the feasibility of next-generation emissions reduction businesses through new international framework

Tasks,
Accomplish-
ments, and
Goals

◆ Lifestyle Business

Headquarter	CSR Priorities	Measures for FY Ended March 31, 2014 (April 1, 2013 to March 31, 2014)
Food Resources Business Unit/ Food Products & Services Business Unit	Strengthen food safety management framework	<ul style="list-style-type: none"> Shared information on examples of causes of food sanitation law violations, and measures to prevent recurrences, at monthly food sanitation management committee meetings to raise the level of food safety management Raised awareness and understanding of food safety by holding monthly food safety seminars where a food safety consultant and participants can exchange information Enhanced traceability using a food safety management database
	Promote and support agricultural business with respect for human rights and the environment	<ul style="list-style-type: none"> Through our subsidiary Toho Bussan Kaisha, supported the production and sale of environmentally-sound rice grown in harmony with nature and without pesticides, including branded rice named "bring up storks" from Toyooka City in Hyogo Prefecture and certified rice "Building village for living with Japanese Ibis" from Sado Island in Niigata Prefecture, based on the concept of sustainable development of local economies through harmony with rice cultivation and nature Promoted support of sales of palm oil certified by the Roundtable on Sustainable Palm Oil (RSPO)
	Promote development and exchange of human resource through foods	<ul style="list-style-type: none"> Continued for the 35th year to sponsor Future Farmers of America (FFA)—a U.S. agricultural organization of high school and university students—and to support study visits to Japan, contributing to the development of future farmers (six student representatives and two administrators were accepted for study in Japan in FY 2013) Continued to support children's dietary education through the Kids Kitchen Association
Consumer Service Business Unit	Respect human rights (promote CSR procurement)	Continued to implement awareness-raising activities to deepen understanding of the Supply Chain CSR Policy among new suppliers of our subsidiary Mitsui Bussan Inter Fashion by distributing written copies of the policy and seeking agreements on them; obtained agreements in FY 2013 from 302 suppliers in Japan and 58 suppliers overseas, bringing the global total to 3,321 suppliers since 2008
Consumer Service	Respond to environmental issues	<ul style="list-style-type: none"> Acquired FSC certification for approximately 1 million ha forest concession held by our affiliate BLK and acquired FSC CoC certification

Business Unit		<p>concerning BLK's processing and shipping procedures, contributing to the development of a sustainable forestry supply chain</p> <ul style="list-style-type: none"> ● Sold solar power systems to more than 1,000 homes through our affiliate Sumisho & Mitsubussan Kenzai Co., Ltd. ● Produced and aired TV programs for children at our subsidiary Kids Station, and documentary programs about support for the recovery from the Great East Japan Earthquake at our subsidiary World Hi-Vision Channel, enhancing the environmental awareness. ● Installed rooftop solar panels with a maximum output of 350 kW at the distribution center of our affiliate QVC Japan, which started full-scale operation in April 2013
	Respond to consumer issues (Aim to enhance the QOL(quality of life))	Opened a clinic specialized in liver diseases and living-donor liver transplants at Mount Elizabeth Novena Hospital in Singapore, which is under the umbrella of IHH Healthcare Bhd. (Malaysia), with the aim of contributing to the provision of advanced medical care in Asia and globalization of the Japanese healthcare industry

Innovation & Corporate Development Business

Headquarter	CSR Priorities	Measures for FY Ended March 31, 2014 (April 1, 2013 to March 31, 2014)
Innovation & Corporate Development Business	Reduce the environmental burden	<ul style="list-style-type: none"> ● Provided power optimization services and contributed to the stabilization of power grids using demand response technologies in the US through Viridity (U.S.) ● Promoted the spread of lithium-ion battery E-Bikes in China and supported EV development with Chinese auto manufacturers through Tianjin EN Energies (China)
	Promote investment in environment related businesses	<ul style="list-style-type: none"> ● Supported overseas business development through investment in Nihon Itomic Co., Ltd., which develops and manufactures electric hot water dispensers and heat pump water heaters ● Supported the planning and development of integrated environmental cities in the U.K. through MASP, a joint venture with the British company ARUP, an international comprehensive engineering firm ● Conducted the smart community business through Future City Solutions Limited (FCTS), a joint venture with Fujitsu; continued planning and development of the Urayasu Eco-City Smart Community Center in cooperation with Urayasu City and other parties
	Offer optimal logistics	<ul style="list-style-type: none"> ● Through our subsidiaries Tri-net Group, executed equipment transportation and other logistics in conjunction with overseas expansion (building factories, etc.) by regional companies, contributing to the overseas development of their businesses; successfully shortened transportation routes in Japan by building a new transportation scheme utilizing nearby ports ● Provided distribution processing services to procured goods from Japan and overseas such as apparel and health foods to retail shops and consumers, and built an efficient delivery system suited to the sales strategies of our customers through our subsidiary, Tri-net Logistics Co., Ltd.

CSR Management Platform



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

Corporate Governance: Corporate Governance and Internal Controls

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

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

Corporate governance and internal control: Systems and implementation

Corporate governance framework

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

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

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

At the time of the General Meeting of Shareholders in June 2014, there were 13 directors, four of whom were external directors.

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

Business execution and internal control system

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

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

Furthermore, to respond to the increasingly diverse kinds of risks associated with our business, we have established the Portfolio Management Committee, which met a total of 28 times during the fiscal year ended March 31, 2014, monitors the Company’s entire portfolio, makes proposals on the Company’s overall portfolio strategy, and conducts individual discussions on important projects. In addition, we have formed the Crisis Response Headquarters, an ad-hoc body reporting directly to the president, which exercises swift, precise decision making when there is a need for a swift response, and the CSR Promotion Committee, which met a total of three times during the fiscal year and promotes company-wide CSR management, builds our internal CSR-related systems, and works to heighten the awareness of CSR among employees. Moreover, we have formed the Information Strategy Committee, which formulates policies related to company-wide information and IT strategy and prepares and monitors the implementation of major policies related to promoting the enhancement of the management base and information strategy.

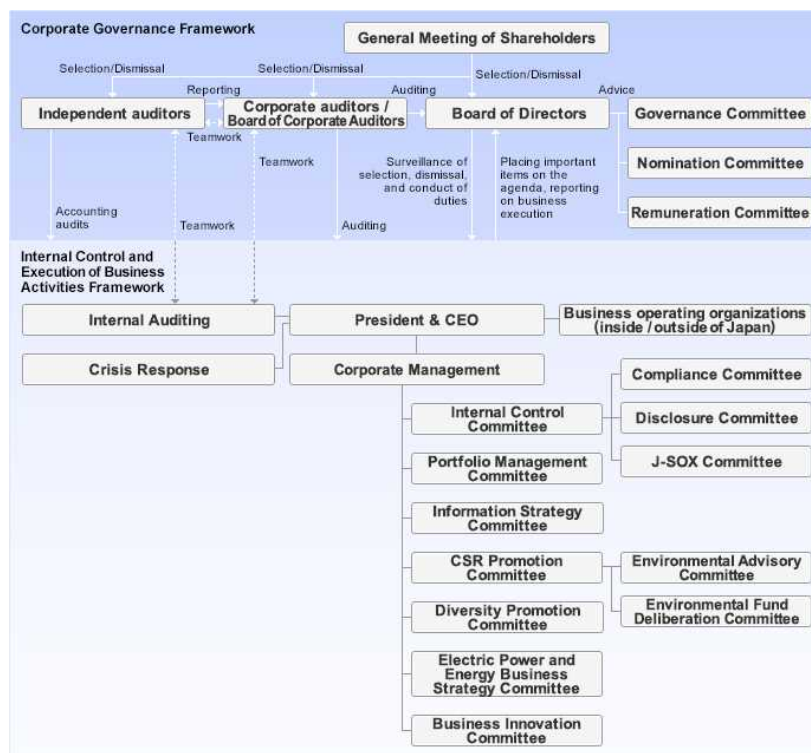
Current status of the internal auditing structure

The Internal Auditing Division, which reports directly to the president and has a staff of about 80, conducts regular audits, including audits of subsidiaries inside and outside Japan. Internal auditors make independent and objective evaluations of such areas as management and operational effectiveness, compliance, and the reliability of financial reporting. The audit results are reported to the president, and follow-up reports from the audited department are requested on items where improvement is deemed necessary.

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

Initiatives to enhance corporate governance over the last fiscal year

As we have terminated our registration with the U.S. Securities and Exchange Commission (SEC), the current fiscal year is the 3rd year that we adopted the J-SOX standards as the basis for the evaluation of our internal control systems. The same as last year, we took great care to maintain the same high level of transparency, information disclosure and internal control discipline as under the U.S. standards. We recognize that institutional investors, including those based in other countries, have taken an increasing interest in corporate governance in recent years, and we have therefore started and continuing to provide direct briefings to shareholders and others concerning our corporate governance systems.



Corporate Governance and Internal Control Principles

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

Corporate Governance: Compliance and Risk Management

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

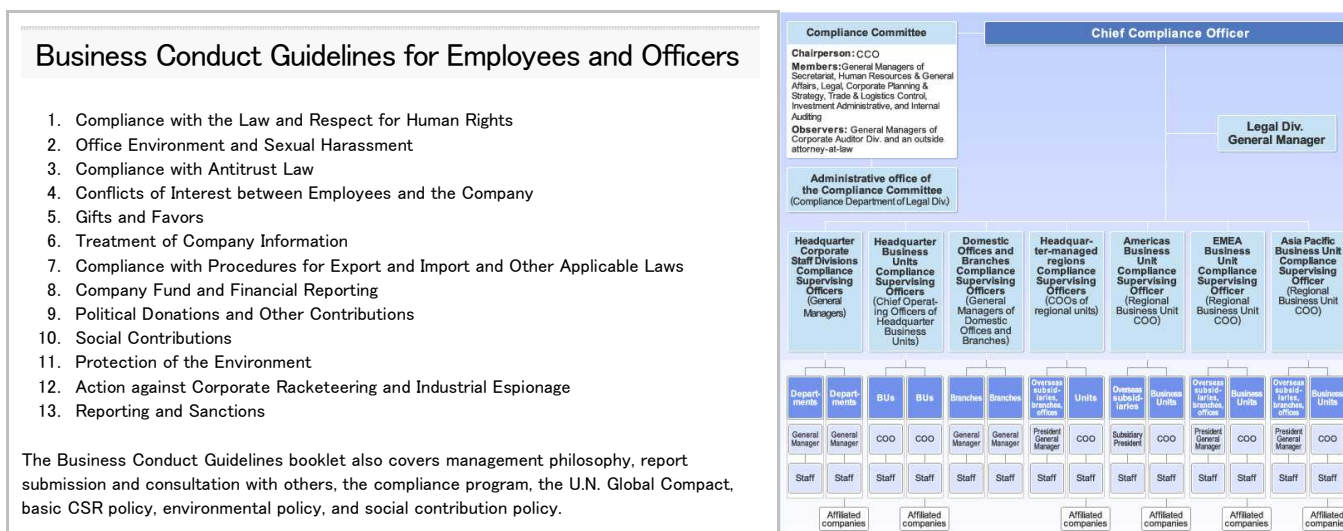
To that end, we are working to heighten awareness among all management and staff of the importance of upholding high ethical standards and are accordingly striving to build a global compliance framework that advances best business practices.

Building a Better Compliance Framework

Business Conduct Guidelines for Employees and Officers

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

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



CSR
Management
Platform

The Compliance Program

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

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

Facilitating Communication and Improving the Internal Whistleblowing System

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

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

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

Effective Education and Training

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

In the fiscal year ended March 31, 2014, we provided such training for employees at all levels, including new employees, line managers, operations staff, and administrative staff, as well as for Mitsui employees moving overseas or being seconded to Group companies. Mitsui also provides an extensive program of compliance training for executives and employees of Group companies.

In addition, during the fiscal year ended March 31, 2014, Mitsui provided lessons involving the Compliance Handbook for Mitsui employees in Japan and also conducted online testing to ensure that employees understood handbook content. Through such activities, we are working to ensure that all management and employees have adequate knowledge related to compliance that they need to conduct of day-to-day business activities.

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

Compliance Awareness Survey

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

Other Initiatives

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

Throughout the fiscal year ending March 31, 2015, we will continue initiatives that call for even better communication needed to support more effective and more fully-instilled compliance program design and implementation in order to further make compliance an integral part of daily Group-wide operations.

Protecting Personal Information

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

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

As a general trading company, we, our subsidiaries, and our associated companies handle a wide range of products. In our B-to-C (business to consumer) consumer goods business fields we handle particularly large volumes of personal information and must exercise extreme care to ensure that this data is protected. Accordingly, we have set up management teams to respond in the event that an

incident involving the leakage of information should arise, and we also appoint Personal Information Management Officers in each company division who monitor the status of information management so that we can avoid such incidents in the first place.

Ensuring Safety and Consumer Confidence

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

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

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

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

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

The Consumer Product Handling Policy

Placing More Emphasis on the Consumer and Ensuring Product Safety

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

Developing and Operating a Risk Management System

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

Information Risk Management

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

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

We have further safeguarded sensitive information physically as follows;

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

CSR-Related Risk Management

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

In the fiscal year ended March 31, 2014, 56 projects were individually assessed under the Specially Designated Business Management System. By business domain, 12 of these projects were environment-related businesses, 5 were the Medical/healthcare/bioethics-related business, 38 were the businesses that are eligible for direct or indirect subsidies from Japanese government or other governments, and 1 was the businesses with a high public profile.

In this fiscal year, we continue to conduct a more comprehensive and well balanced management of risks on specially designated business at the earlier stage of business development process with support from those units.

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

Business Domains Subject to Specially Designated Business Management System

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

Human Rights Initiatives

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

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

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

International Standards

Supporting the Universal Declaration of Human Rights

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

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

CSR
Management
Platform

ILO Core Labour Standards

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

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

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

Respecting Indigenous Peoples

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

Guidelines for appointing a security firm

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

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

Management system for human rights and labor

Internal Survey on Compliance with UN Global Compact

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

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

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

Holding of Business and Human Rights Seminar

Mitsui held a seminar on “Business and Human Rights” for CSR Promotion Officers in October 25, 2013.

Emi Sugawara, a special researcher in the Osaka School of International Public Policy of Osaka University, gave a lecture on the concept of human rights and recent trends concerning business and human rights, and also conducted some basic exercises. One participant commented, “I realized that many matters that I thought are unrelated to human rights are actually linked to human rights.” Another participant said, “I came to understand the historical background and system of human rights,” while another explained, “I can see now that the perspective of what the rights are and for whose benefit they exist is important.” The seminar was an important opportunity for the participants to deepen their understanding of business and human rights.

Participation in Conference on CSR and Risk Management

The relationship between business and human rights has come under closer scrutiny in international society in recent years, and it is becoming increasingly important for companies to address human rights issues. Mitsui participated in “Conference on CSR and Risk Management”(organized by Caux Round Table-Japan and the United Nations Working Group on the issue of human rights and transnational corporations and other business enterprises) held at the Tokyo International Forum on September 5, 2013, followed by group work session. Information was shared on best practices for corporate human rights due diligence from the perspective of risk management, and intensive discussions on CSR risks that should form the basis of human rights due diligence were conducted with various stakeholders, including the United Nations and NGOs. Mitsui’s concept of achieving growth with suppliers was praised by UN members.

Mitsui will continue cooperation with suppliers and other stakeholders.



Supply Chain Initiatives

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

Supply Chain Management

Because Mitsui has built diverse value chains throughout the world and provides a wide range of functions and services, we have gone beyond environmentally friendly green procurement and are striving to comply with laws, respect human rights, maintain safe and sanitary working conditions, and ensure the safety and security of the products and services we provide. In order to correctly assess and solve CSR-related supply chain issues, Mitsui formulated its Supply Chain CSR Policy in December 2007, and has since worked to ensure that all of its business partners fully understand this policy and cooperate in its implementation. We are working to ensure compliance with and implementation of the policy while conducting reviews based on changes in society's expectations and demands, and we revised the policy in September 2011 and November 2013. We are making every effort to enhance our supply chain management by identifying potential problems in our supply chains and extracting key issues based on the characteristics of each supply mode, country, and industry.

Supply Chain CSR Policy

1. Mitsui & Co., Ltd. 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., Ltd. 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 violation.
 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, leaves of absence and prohibit unlawful excessive work.
 6. To prevent forced labor, child labor, unlawfully-cheap labor, physical discipline, and physical, sexual and other forms of harassment.
 7. To ensure a safe and sanitary work environment.
 8. To reduce and mitigate business impact on the global environment.
 9. To ensure the safety and reliability of products and services.
 10. To disclose adequate and timely information relevant to the above.

Current State of Implementation of Supply Chain CSR Policy

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

1. Company-wide uniform supplier communication forms

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

2. Individualized Handling

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

In the fiscal year ended March 31, 2014, Mitsui personnel and outside experts visited two apparel manufacturers in China that serve as suppliers to its subsidiary in order to conduct on-site inspections focusing on local human rights and labor practices. The inspections did not find any significant problems.

Future Actions

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

To increase the sensitivity of all employees to human rights, labor, and other such issues in our supply chains and to prevent problems, we will continue to heighten awareness and provide training seminars (participants in the fiscal year ended March 31, 2014: 268) including but not limited to newly-hired employees and managers. Furthermore, we will endeavor to assess any actual business situations that do or may conflict with our Supply Chain CSR Policy, and ensure that suppliers embrace the policy and improve such situations.

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

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

Examples: Assessing and Solving Supply Chain Issues

Initiatives to Ensure Stable Supply of Raw Coffee Beans



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

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

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

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

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

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

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

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



The Fukuda family, owners of the Bau Farm

Initiatives in Lumber Procurement

Ensuring Complete Legal Compliance and Improving Reliability

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



Woodchip production plant
(Bunbury Harbour in Western Australia)

Initiatives in Apparel Operations

Implementation of the Supply Chain CSR Policy

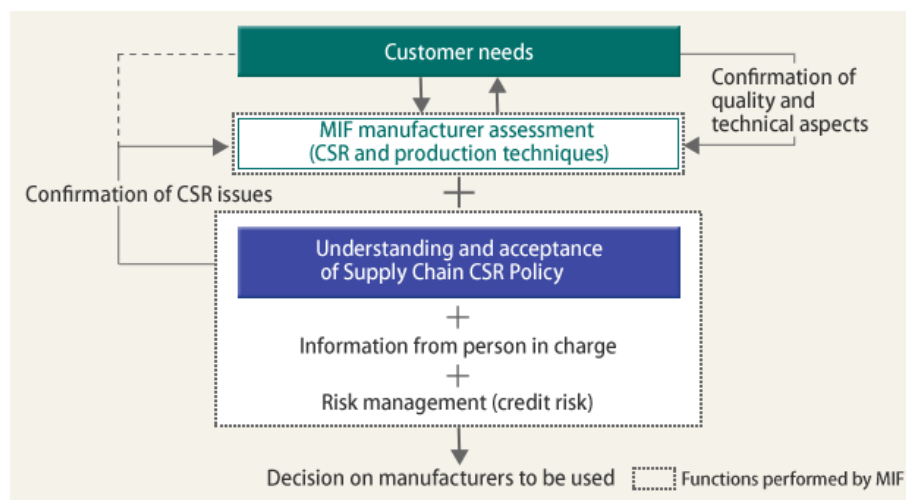
Mitsui Bussan Inter-Fashion Ltd. (MIF)—a Mitsui subsidiary that handles the production and procurement of apparel and fashion goods—outsources the production of goods for apparel companies to subcontracted suppliers in Japan and overseas.

MIF has formulated a Supply Chain CSR Policy and has corresponded with all suppliers, including subcontracted manufacturers inside and outside Japan, requesting their understanding of the policy. By securing agreement from suppliers regarding this policy, MIF seeks to improve understanding of the policy and ensure that it becomes entrenched among suppliers. As of March 2014, consent to the policy has been obtained from a cumulative total of 2,665 Japanese companies and 656 foreign companies.

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

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

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



MIF and Mitsui conducted inspections by outside expert for two subcontracted manufacturing plants in China in November 2013. The on-site inspections focused mainly on labor health and safety conditions, working environments, including interviews with management and plant workers. The self-assessment and the report from the experts confirmed that there were no particular problems, and this result was shared at the Mitsui CSR Promotion Officers Meeting. In addition, in January 2014, MIF organized a CSR seminars by outside expert on supply chain management for management people of 24 domestic suppliers to deepen their understanding of the importance of supply chain management through an lecture on latest international developments in supply chain CSR management and the state of on-site inspections for overseas production plants.



On-site inspection of subcontracted manufacturing plants in China



Interviewing of plant manager

MIF will continue listening to comments from worksites, while emphasizing daily communication and the provision of feedback, in order to support the development of appropriate working environments of the plants in Japan and overseas, leading to achieve sustainability.

"Mitsui is People" Human Resources to Translate into Assets



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

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



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

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

* The current Mitsui & Co., Ltd. was established through mergers of the various new companies that had been established after the disbandment of the former Mitsui by the order of GHQ, so legally speaking, there has been no continuation between the former Mitsui & Co. and the current Mitsui & Co.

"Mitsui is
People" Human
Resources to
Translate into
Assets

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

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

- 1. Dissemination of Mitsui's Management Philosophy Comprising Its Mission, Vision and Values (MVV)**
Through introducing an appraisal standard that does not focus simply on short-term quantifiable performance, but places importance on how an employee's work contributes to achieving our management philosophy over the medium-to-long term in the personnel system, we will ensure thorough dissemination and sharing of our MVV broadly among employees.
- 2. Development of Human Resources**
We will develop human resources who can take the leadership in implementing our management philosophy.
- 3. Appropriate Appointment and Allocation of Personnel**
We appoint and allocate human resources effectively from a company-wide perspective, based on appropriate human resources management.

Human Resource Development

Mitsui & Co.'s View on Human Resource Development

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

Human resource development program

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

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

* The current Mitsui & Co., Ltd. was established through mergers of the various new companies that had been established after the disbandment of the former Mitsui by the order of GHQ, so legally speaking, there has been no continuation between the former Mitsui & Co. and the current Mitsui & Co.

Appraisal

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

Development of Human Resources for Management on a Global Group Basis

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

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

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

Human resource development program

compulsory	Business Staff M1 Band	Business Staff M2 Band	Business Staff M3 Band	Business Staff SF Grade	Business Staff Grade 2	Business Staff Grade 1
	BU COO Workshop Management Tr (M1 Tr)	Newly Appointed Line Managers Tr (M2 Tr)	Leadership Tr (M3 Tr)	Managerial Staff Preparation Tr (SF Tr)	Business Staff 2 Tr	3rd Year Tr 2nd Year Follow-up Tr
Optional / by invitation	Corporate Strategy Program		Project Manager Development Academy	Project Manager Development Workshop	Mitsui Open College(MOC)	3rd Year Basic Management Skill Tr 2nd Year Basic Management Skill Tr Basic Business Administration Case Study Basic Business Administration Tr New Hire Induction Tr
	Executive Education	Mitsui HBS Global Management Academy (GMA)	Business School Dispatch	Overseas Developmental Dispatch	Foreign Language & Business Culture Tr	Contract Employees & Contract Employees on Secondment Induction Tr Mid-Career Hire Induction Tr
	CFO Personnel Development Program					
	Cross-industrial Exchange Program					
	Group Company Officer Tr					
	Group Company Pre-secondment Tr					
	Overseas Expatriates Pre-posting Tr					
	Overseas Expatriate Spouses Orientation					
	Overseas Expatriates Pre-posting Language Tr					
	Mitsui Global Communication Training(MGCT)					
HS Business Staff / Administrative Staff	Bussan Seminar					
	Career Design Tr. I					
	Career Design Tr. II					
	M/M Leader Tr					
HS Business Staff / Administrative Staff / Administrative Assistant	[Management Skills] Marketing, Management Strategy, Finance, Human Resources Management, Organizational Behavior		[Human Skills] Logical Thinking, Mindset, Communication	[Liberal Arts] Philosophy, Thought, Character, Japanese History, Japanese Cultural History, Classics, Cross-cultural Understanding (Communication/ Religion/Others)	[Administrative Tasks, Others] Trading Business Practice	Institutional Accounting Course Management Accounting Course Bookkeeping & Accounting Course
	Bussan Academy					
compulsory	Administrative Staff Overseas Developmental Dispatch					
	Retirement Life Plan Seminar					
compulsory	Administrative Staff P Band	Administrative Staff L Band	Administrative Staff Grade 4	Administrative Staff Grade 3	Administrative Staff Grade 2	Administrative Staff Grade 1
	Administrative Staff P Band Tr	Administrative Staff L Band Tr	Administrative Staff Grade 4 Tr		Administrative Staff Grade 2 Tr	2nd Year Follow-up Tr Basic Business Administration Tr New Hire Induction Tr
Head Office Sponsored NS	Business Staff M1 Band equivalent	Business Staff M2 Band equivalent	Business Staff M3 Band equivalent	Business Staff SF Grade equivalent	Business Staff Grade 2 equivalent	
	Global Leadership Program (GLP)		Global Managers Program (GMP)	Japan Trainee Program (JTP)	Japanese Language e-Learning Course	Mitsui Fundamentals e-Learning Course (Basic Business Administration Tr.)
Group Company	Management			Mid-level Employees	Junior Employees	New Hires
	Division General Manager Tr (former Management Tr)			Mid-level Employee Tr	Junior Employee Tr	New Hires Follow-up Tr New Hires Tr
Others	Department Manager Tr (former Leadership Tr)			M/M Leader Tr		
	Management Follow-up Tr					
Others	Customized Tr Program					
	[Management Skills] Marketing, Management Strategy, Finance, Human Resources Management, Organizational Behavior		[Human Skills] Logical Thinking, Mindset, Communication	[Liberal Arts] Philosophy, Thought, Character, Japanese History, Japanese Cultural History, Classics, Cross-cultural Understanding (Communication/ Religion/Others)	[Administrative Tasks, Others] Trading Business Practice	Institutional Accounting Course Management Accounting Course Bookkeeping & Accounting Course

"Mitsui is People" Human Resources to Translate into Assets

Diversity Management Initiatives

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

Promoting globalization of human resources

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

Helping our female employees realize their full potential

About 27% of all of Mitsui's personnel are women, and Mitsui assigns these individuals to positions and activities that are suited to their duties, abilities, and aptitudes irrespective of gender. Mitsui has employed female employees in mainstream career path from 1992. We have created an environment characterized by job rotation and workplace exchange, along with training and other programs, where women can be more active. The number of female employees taking an active part in our overseas activities is increasing year by year. Currently, there are 60 female employees dispatched from Japan and stationed in Mitsui's overseas operations (including foreign language and business culture trainees and overseas trainees, as of April 1, 2014). In addition, re-employment system was introduced in 2007, which enables employees who had to resign from Mitsui due to the transfer of their spouse to become re-employed.

Hiring of disabled persons

In 1981, in accordance with the then Law for the Employment Promotion of the Disabled, we established Mitsui Bussan Business Partners Co., Ltd. (formerly Bussan Service Co., Ltd.), a trailblazing special-purpose subsidiary for the employment of people with disabilities. A large number of disabled persons are currently employed in a variety of personnel and administrative capacities including printing, mailing, various kinds of data processing, business travel arrangement and settlement, personnel, payroll and benefits administration and office layout management and for over 20 years we have exceeded the statutory employment rate for people with disabilities. As of March 2014, 2.46% of Mitsui's employees were disabled.



Diversity Cafe

Accompanying changes in the social milieu, such as a greater diversity in people's sense of values, the number of husbands and wives both holding jobs and the demographic aging of the population, there has been an increase in the number of employees seeking new kinds of career paths and wanting to maintain a balance between their work and their private lives. We sometimes provide venues such as the Diversity Café for employees to come together and have the opportunity to learn from each other's experiences and to discuss and share information on matters of common interest. The theme for discussion in 2013, mainly for our female employees, was "The experience of Administrative Overseas Trainees".



The 16th session of Diversity Cafe in progress

Creating a good work environment to have work worth

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

Addressing the issue of long working hours

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

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

Childcare and family care support

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



Kurumin logo

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

Occupational hygiene initiatives

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

Health checks

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

Mental health care

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

Joint efforts with labor unions

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

Data of personnel affairs

Data of personnel affairs about Mitsui's Human Resource Development

Employment Information

Mitsui Employees by Gender (as of March 31, 2014)

Male:4,446
(72.9%)

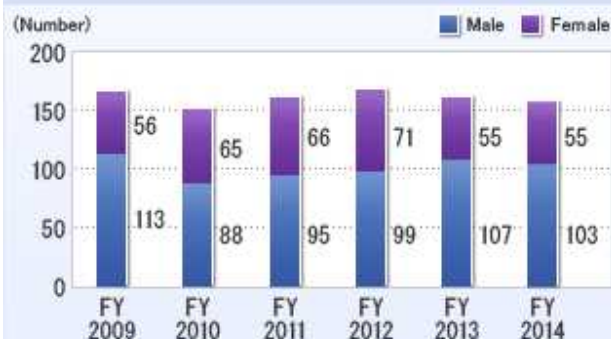
Female:1,651
(27.1%)

The number of employees on a non-consolidated basis as of March 31, 2014, was 6,097.
(Male: 4,446 Female: 1,651)

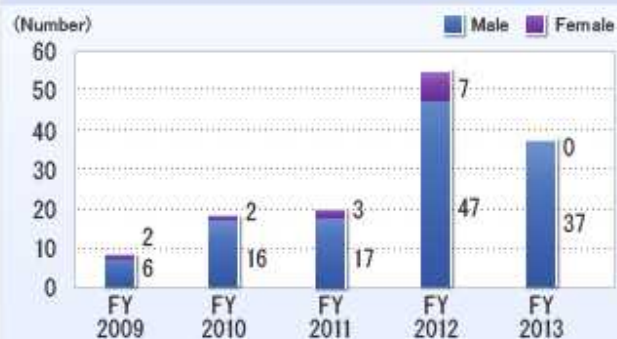
* Not including those in administrative staff positions and contract employees.

* Average personnel turnover (Over the last three years) 3.59%

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



Mitsui's Mid-Career Hires



Foreign Geographic Areas (As of March 31, 2014)

	Headquarter-hired Staff (HS)	Non-Headquarter-hired Staff (NS)
Americas	321	623
Europe, the Middle East and Africa	232	765
Asia Pacific	532	1,773
Other (overseas trainees)	158	-
Total	1,243	3,161

NS Dispatched to the Head Office (As of March 31, 2014)

Japan Business Integration Program trainees	13
Japan Language & Business Program trainees	13
Intra-company transferees	12
Total	38

Employees Taking Childcare or Family Care Leave

		FY2008	FY2009	FY2010	FY2011	FY2012	FY2013
Childcare leave	Male	5	1	3	6	4	3
	Female	40	38	37	40	34	46
Family care leave	Male	0	0	1	0	2	0
	Female	2	0	2	1	4	1

Our Response to the Great East Japan Earthquake



Having experienced the Great East Japan Earthquake, which struck on March 11, 2011, Mitsui formulated a basic policy on disaster recovery, comprising a host of activities through which the Company is providing necessary support to the affected region.

Basic Policy on Disaster Recovery

To ensure effective and swift assistance for the stricken region, we recognized the importance of understanding how the needs of the region would change over time as the situation evolved. We also understood the need to put in place a Companywide organization to consider and implement concrete support measures. Plotting our activities along a time axis, we segmented them into “emergency response” and “medium- to long-term response” efforts, the former focused on assisting restoration and the latter on supporting via sustainable businesses implemented by leveraging Mitsui’s capabilities. With the aim of administering effective support, we created plans and proposals for responses in each category, centered on Companywide organizations.

Emergency Response

Immediately following the disaster, a quick response was needed to procure relief supplies, fuel, and other items. Based on the Guidelines for Disaster Relief, on the day following the disaster—March 12—we resolved to contribute monetary donations. On March 23, we established the Disaster Relief Study Group and the Great East Japan Earthquake Recovery Support Team, operating under the council’s supervision. These bodies promptly decided to organize volunteer and support activities extending beyond the scope of our core business activities. We backed up this assistance by simultaneously conducting aid that falls within the realm of our core business, such as providing urgent imports of fuel and offering support to devastated companies.



Our Response to the Great East Japan Earthquake

Medium- to Long-Term Response

To achieve reconstruction of the stricken area, Mitsui considered it necessary to create a business that dovetails with its core business and takes community needs into consideration. In June 2011, we set up a Domestic Business Development Department within our Corporate Planning & Strategy Division, which will utilize the Tohoku Office as its response center when striving to provide sustainable support and pursuing coordination with relevant headquarter business units.

- Proposals and support will be offered to the municipal governments in affected regions working to revive agriculture or processed marine product industries or stimulate community development and tourism.
- Smart community proposals will be offered to cities looking to make themselves more earthquake resilient, more elderly friendly, or more environmentally sound.
- Biomass, mega solar, and other renewable energy ventures will be pursued.
- Initiatives such as constructing temporary housing or developing car sharing programs will be conducted in conjunction with municipal governments, regional companies, and NPOs.

With the aim of supporting the post-earthquake reconstruction effort through our business, we will conduct the following region-based, region-invigorating ventures into the medium-term to long-term.

Support Projects

Medium- to long-term response

Mitsui & Co., Ltd. Environment Fund

Our support for reconstruction assistance activities and research that took into consideration global environmental issues, which had been carried out under the rubric of a “restoration grant” in fiscal 2011 and fiscal 2012, has been carried out within the framework of a general grant since fiscal 2013. This is what we aimed to support on an ongoing basis as an important issue, along with the particular fields of activity and research, which is the subject of environment fund efforts for reconstruction that require support over the medium to long term. We have contributed to restoration in a wide range of fields, such as building a mechanism for the realization of a sustainable community and recovery of reconstruction and autonomous features of life in the affected areas, technical assistance for drip hydroponics with low environmental impact, and construction of the base of supply stability of locally produced seedlings for greening in the affected areas.



Mega-solar power generation business – Verification Tests of remotely-operated LED streetlights

Since August 2013, a 3.6-megawatt solar power generation plant build by Mitsui has been in operation within ‘the Okumatsushima “Kizuna” Solar Park’, an area designated by Higashimatsushima City as a “Future City”, a model environmentally-sound city of the future. In the public parking lot, which is designated as a disaster-preparedness base, carport solar power generators, which can be used to provide emergency power in the event of a disaster, are installed. In the summer of 2014, additional solar power generation plants will become operational in Natori City, Miyagi Prefecture and Koriyama City, Fukushima Prefecture. Moreover, 36 LED street lamps have been installed at Takagi Woods Athletic Park and verification tests are being conducted by remotely operating the 36 LED street lamps with energy saving control.



The Mega – solar power generation plant in Higashimatsushima city



Kesenuma marine food Processing Industrial Area

Marine food processing, a core industry in Kesenuma City, Miyagi Prefecture, suffered devastating damage as a result of the tsunami and widespread fires triggered by the March 11 earthquake. Mitsui, in cooperation with Sumitomo Corporation, is working to contribute to the early recovery of the industry through creative initiatives in collaboration with the Miyagi Prefectural Government, Kesenuma City and local chambers of commerce. The aim is to create a marine food processing area to spur job creation and the development of new business by providing support to the Kesenuma Shishiori Processing Cooperative, which was launched in the summer of 2012 by local marine food processors, through initiatives that include the establishment of a joint business to provide the functions necessary for the modernization of the industry, and the reestablishment of sales routes severed by the disaster.

Sendai Aquarium (provisional name)

Mitsui, together with Kamei Corporation, Yokohama Hakkeijima Inc., Yurtec Corporation, Kahoku Shimpo Publishing Co., Sendai Mitsukoshi Ltd. and Organization for Promoting Urban Development, has commenced construction of the Sendai Aquarium (provisional name). Located in Takasago Central Park in the hinterland of Sendai Port, the new facility will be one of the largest aquariums in the Tohoku region. Visitors will be able to enjoy a relaxing encounter with the Tohoku marine environment and marine creatures in approximately 100 display tanks. The aim of the project is contribute to the revitalization to the regional economy by creating a new symbol of recovery, a venue for gatherings of local people, and tourism resource for the Tohoku region.



An image of the large-scaled tank that will be installed in Sendai Aquarium (provisional name)

Documentary "Textbook for our Future – For Our Children" of the Recovery Assistance Media Team broadcast on BS channel 12

Mitsui is supporting the production and broadcasts of the documentary series "Textbook for Our Future – For Our Children" broadcasted weekly on BS12ch TwellV, a television broadcaster operated by a Mitsui subsidiary. The episodes, which feature residents of disaster-stricken areas speaking about their day-to-day lives, convey how individuals are working together in an effort to overcome hardships ensuing in the aftermath of the devastating 3.11 earthquake and tsunami. Through the documentary series, the program continues to inform viewers about the current state of affairs in the disaster zone, while providing a means of communicating the strength and goodness of the Japanese people to future generations.



Donation to scholarship fund for orphans of fallen firefighters

Mitsui will contribute a total of ¥100 million over the five years from 2012 to 2016 to a scholarship fund, established by Shoubou Ikueikai, a public interest incorporated foundation, for orphaned children of firefighters killed while responding to the Great East Japan Earthquake. Countless emergency responders affiliated with fire departments lost their lives in the line of duty while engaging in relief and rescue operations in the disaster zone in the immediate aftermath of the calamity, with many leaving behind children. This scholarship provides support for those children to help them achieve their dreams for the future and expand their potential.



Participation in the TOMODACHI Initiative

Mitsui is participating in the TOMODACHI Initiative which seeks to provide education to the younger generation geared at encouraging them to work toward strengthening the Japan-U.S. relationship well into the future. The initiative is spearheaded by a public-private partnership involving the U.S. Government and the U.S.-Japan Council, a public interest corporation, while drawing its inspiration from the spirit of cooperation and friendship between Japan and the U.S. in Operation TOMODACHI, launched after the Great East Japan Earthquake to provide assistance in devastated areas through joint efforts of the U.S. military and the Japan Self-Defense Forces. For three years beginning in 2013, Mitsui contributions amounting to US\$1 million will be used in implementing the TOMODACHI-Mitsui & Co. Leadership Program, intended to facilitate exchanges among young professionals from Japan and the U.S.

The program provides ten American and ten Japanese outstanding young professionals from the business and government sectors with an opportunity to participate in a unique delegation exchange that broadens their perspectives in their professional fields, through meeting with young leaders and business entrepreneurs.

In 2013, the American delegation came to Hiroshima and Tokyo, and the Japanese delegation visited Seattle and Washington D.C.

For more details please see the TOMODACHI initiative website:



Our Response
to the Great
East Japan
Earthquake

LED streetlights donated to temporary housing complexes in the town of Minamisanriku

Whereas temporary housing complexes have been built in newly-cleared woodlands on high ground to provide safety from future tsunamis, many such developments still do not have streetlights to light roadways enabling access to the facilities and their surroundings. The lack of the lights is posing significant dangers to pedestrians and drivers after dark. Alerted to the situation by the Minamisanriku Volunteer Center, Mitsui has contributed 20 solar LED streetlight units to the town, in the hope of helping to ensure the safety and security of those living in the housing complexes.



Minamiaizu Midori no Tohoku Genki Camp for children held in Mitsui's forests in Fukushima Prefecture

In August 2012 and July 2013, a total of 115 children took part in the "Minamiaizu Midori no Tohoku Genki Camp" in "Tashiro Forest" in Fukushima Prefecture, which is one of Mitsui's forests. Three four-day, three-night camps were held to provide psychological support to children in Fukushima impacted by the Great East Japan Earthquake and Tsunami, and were staffed by 30 employee volunteers from Mitsui and Mitsui Bussan Forest. A team of psychological and medical professionals along with a team of camp counselors specializing in outdoor activities planned the camp itinerary, which was geared toward assisting with the restoration of disaster-afflicted areas in Fukushima Prefecture. Meanwhile, Tokyo Gakugei University Professor Masayuki Kobayashi, a clinical psychology education specialist, acted as the chair of the camp's planning committee. Mitsui intends to continue making the best use of its forests toward lending support in regions hit by disaster.



Donation of wooden meeting house to the Kesen Carpenter Architectural Research Association in Rikuzentakata City

On March 2013, Mitsui donated a meeting house constructed from cedar harvested in the local Kesen region to the Kesen Carpenter Architectural Research Association in Rikuzentakata City in Iwate Prefecture.

"Kesen carpenters" comes from the Kesen region of Iwate Prefecture, highly regarded across Japan for their skills at building structures such as shrines, temples and houses, as well as woodworking. Mitsui offered its support toward building the association a new meeting house, to help with passing on the traditional techniques of these carpenters to future generations, by replacing the previous facility which was damaged in the Great East Japan Earthquake and Tsunami. Mitsui intends to continue providing support in this realm going forward, in the hope that Kesen Carpenter initiatives will revitalize the local forest products and industry that may also increase the local employment which will lead to the revival from the disaster.



Concepts about Social Contributions



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

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

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



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

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

Social Contributions Policy

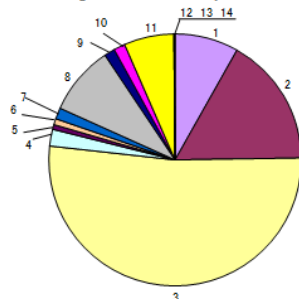
Guiding Principles

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

Action Guidelines

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

Social Contributions (Fiscal Year Ended March 31, 2014)
The breakdown of social contribution expenses, which totaled 1,552 million on 430 activities, is shown below. Percentage are based on monetary amounts.

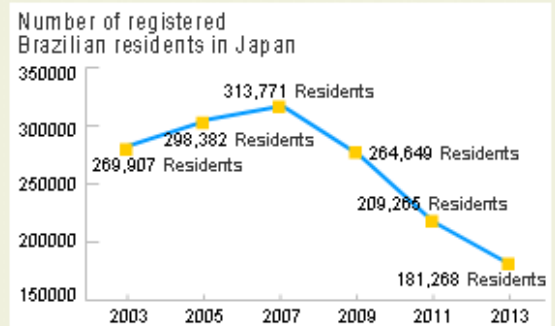


Activity Category	Percentage (Monetary Amounts)	Number of Activities
1 International exchange and cooperation	8%	52
2 Education, social education	17%	80
3 Environmental protection	52%	37
4 Social welfare	2%	56
5 Health and medicine	1%	16
6 Sports	1%	20
7 Academic activities, research	1%	15
8 Arts and culture	9%	49
9 Archeology, preservation of traditional culture	1%	1
10 Local community involvement	1%	72
11 Assistance to disaster-stricken communities	6%	24
12 Assistance for disaster-prevention community work	0%	0
13 Human rights	0%	3
14 NPO infrastructure-building work	0%	5
Total	100%	430



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

There are many Brazilians living in Japan, next to the Chinese, South and North Korean and Philippine people. Although the figure decreased after the economic crisis caused by the collapse of Lehman Brothers in the autumn of 2008, and the Great East Japan Earthquake of March 2011 has effected more decrement, there are still approximately 181,268 Brazilian people living in Japan as of the end of December, 2013. There is a high concentration of Brazilian residents living with their families in areas with a large number of factories serving the automotive and consumer-electronics industries. Their children attend Japanese public schools or Brazilian schools, but there are also some children who do not go to school at all.



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

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



Scholarships for Brazilian Children in Japan

From 2005 till 2008, Mitsui donated education-related materials to 30 Brazilian schools. Watching the children enjoying lessons as they use the new experimental equipment and personal computers makes us vividly realize the significance of these donations. However, after September 2008, many Brazilians in Japan lost their jobs because of the recession. As a consequence, many families returned to Brazil, and the number of families that can afford to send their children to the relatively expensive Brazilian schools in Japan drastically decreased. This resulted in a decline in the number of pupils and the closure of many schools. In view of this situation, from 2009, Mitsui shifted the focus of its activities "from providing things to providing support for people" by awarding scholarships to Brazilian pupils through the schools to cover monthly tuition fees. As of the end of March 2014, 385 children were attending school thanks to this scholarship program. The children who receive the scholarships have sent grateful letters saying for instance 'Thanks to Mitsui's scholarship we can go to school and talk with our friends' and 'our lessons are fun.' In these and other activities, Mitsui has benefited from the cooperation and advice of the NPO Action for a Better International Community, an affiliate of the Japan Foreign Trade Council, Inc.





Conference for a future of the Children (used to be Kaeru Project Seminar)

The Kaeru Project, implemented in the Brazilian city of São Paulo, helps children returning home from Japan to make a smooth transition to life in Brazil. Children returning from Japan face a range of serious difficulties including differences in lifestyle and language. Starting in 2009, to alert parents still in Japan and the people involved to these educational difficulties, Mitsui invites the therapists of Conference for a future of the Children (used to be Kaeru Project Seminar) from Brazil to Japan as speakers for seminars in cities with a high concentration of Brazilian residents such as Toyota (Aichi Prefecture) and Hamamatsu (Shizuoka Prefecture). In 2013, these seminars were held twenty times and were attended by a total of around 1,000 people.



Providing Support for NPOs that Assist Brazilian Residents in Japan

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

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

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



Other Forms of Support

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

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

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



Mitsui-Endowed Lecture Program at the University of São Paulo



Activities in Brazil (Mitsui Bussan do Brasil Foundation)

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

•Kaeru Project

In a project led by the psychologist Dr. Kyoko Nakagawa to assist their adaptation to Brazilian school and society, children who have returned from Japan are supported emotionally, academically, and through support to their environment. The program is administered by Instituto de Solidariedade Educacional e Cultural.

PIPA Project

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

Mitsui-Endowed Lecture Program at the University of São Paulo

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

NEOJIBA Program

NEOJIBA (State Youth and Children's Orchestra Centers of Bahia) is a priority program for the State of Bahia in northeastern Brazil. Participation in its various orchestras is open to children from poor families, and it provides musical instruments and education. It promotes the expansion of opportunities for self-realization of children through its activities. We support the program through AOJIN, the administration organization. <http://www.neojiba.org/en/>

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



Progress Toward the United Nations Millennium Development Goals

Mitsui endorses the achievement by 2015 of the eight Millennium Development Goals of the United Nations, which include eradicating extreme poverty and hunger. As part of its concrete actions aimed at achieving these goals, Mitsui is working with the United Nations Development Programme to construct a solar powered irrigation water pumping facility for a farming community in Mozambique. Providing the Chibuto Millennium Village in Gaza Province with the infrastructure to supply irrigation water will improve agricultural productivity, thereby increasing incomes and helping the community become self-sufficient and sustainable.





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



Scholarship Programs

Mitsui-Bussan Scholarship Program for Indonesia

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

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

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

The scholarship program has thus far seen 23 former recipients to graduation, and currently provides support to 10 individuals. We remain committed to this and similar initiatives even beyond Japan and Indonesia that pursue educational opportunities for individuals who are poised to play a role on the global stage.



Other Scholarship Programs

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



Mitsui-Endowed Lecture Programs



Peking University

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

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

Saint Petersburg State University

Since 2007, Mitsui & Co. has hosted two Mitsui-endowed lectures annually at Saint Petersburg State University, a prestigious university in Russia whose alumni have included many prominent politicians and academics since its founding in the early 18th century. Through the program, we aim to encourage a deeper understanding of Japanese society and its culture, and to inspire individuals to help build amicable relations between Japan and Russia and to facilitate greater interaction between the two nations. The program invites lecturers from many fields, including business, politics, education and sports. They speak at the university on the subject of “innovation”, drawing from their own unique experiences, knowledge and philosophies, and convey to their audiences of student youth the importance of embracing dreams and aspirations. In addition to the Mitsui-endowed lectures, Mitsui also contributes to the university by providing scholarships to its students for international study in Japan and donating Japanese-language books and DVDs to the university to be used as teaching materials by SPSU’s Faculty of Oriental Studies.



Dartmouth College, Mitsui Endowed Professorship Fund

In September 2011, the Mitsui Endowed Professorship Fund was established at Dartmouth College, located in the state of New Hampshire in the United States. A member of the Ivy League, Dartmouth was established in 1769. Mitsui has been sending staff to Dartmouth over the past 50 years, and the college has deep historic ties with Mitsui. Since January 2013, Mr. Yusaku Horiuchi, who was selected as the Mitsui Endowed Professor, has been offering courses related to the politics of modern Japan. Through efforts with the college, Mitsui aims at the development of students who have a deep understanding of Japan and who can contribute to the enhancement of the relationship between the United States and Japan and actively engage in the global arena.



Other Mitsui-Endowed Lectures

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

Japan Studies



Mitsui Educational Foundation

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

homestay families where the students are able to experience Japanese lifestyles firsthand, and chances for them to spend two days with university students who are bound for careers at Mitsui.

As of 2013, the Mitsui Educational Foundation program has welcomed 329 students to Japan over the 42 years since it was first established. The foundation will continue to make it possible for students from Australia to gain a better understanding of Japan so that they may forge connections between Japan and Australia for years to come.

Other Japan Studies Programs

- National Future Farmers of America

Overseas Internships

Support for Overseas Internship Program

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

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

41 students have gained internship experience at 16 companies outside of Japan in fiscal 2013.





The Mitsui USA Foundation

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



(1) Education

Education is also a key area of activity for the Mitsui USA Foundation, as part of which it organizes Mitsui-Endowed Lecture Programs. John Carroll University: begun in 1993, the Mitsui USA Distinguished Lecture series at John Carroll University in Cleveland, Ohio, is held at the opening of the university's East Asian Studies Program. This high-level lecture series hosts expert speakers on Japan and other Asian countries in areas including politics, economics, culture, and history. Baruch College, The City University of New York: begun in 1994, the Mitsui USA Lunch Time Forum is held six times a year and hosts speakers from academia and the business world. The panel discussions on global issues have been well received and the program has proved very popular, attracting an audience of almost 200 including not only leading members of the university faculty, but also New York City employees and business people. Columbia University: inaugurated in 2000, the CJEB/Mitsui USA Symposium is held once a year and sees speakers and panelists engage with graduate students and experts in animated question and answer sessions on a wide range of subjects, from analysis of the global economy to cutting-edge hedge fund techniques.

Including a reception, the event provides a forum for effective interaction.

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

(2) Community and Disabled Welfare

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



(3) Arts & Culture

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

(4) Employee Voluntary Activities

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

For more details visit The Mitsui USA Foundation website at:

Mitsui Bussan do Brasil Foundation

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

The Kaeru Project

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

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

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



PIPA Project

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

Mitsui-Endowed Lecture Program at the University of São Paulo

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

NEOJIBA Project

NEOJIBA (State Youth and Children's Orchestra Centers of Bahia) is a priority program for the State of Bahia in northeastern Brazil. Participation in its various orchestras is open to children from poor families, and it provides musical instruments and education. It promotes the expansion of opportunities for self-realization of children through its activities. We support the program through AOJIN, the administration organization.

The Mitsui Canada Foundation



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



Action Based on Employee Participation



Mitsui Global Volunteer Program (MGVP) Employees acting together

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

1. Try it V-1000

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

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

The number of employees participating in the Try it V-1000 program of 2013 (October 1, 2012, to September 30, 2013) was 2,849, and the amount donated was 2,849,000 yen. This year the Americas Business Unit selected American Littoral Society Northeast Chapter (ALSNEC) as the recipient of those funds.

ALSNEC is committed to rebirth of the largest intact estuarine ecosystem in New York City, the Jamaica Bay Wildlife Refuge. The Bay is a natural habitat for finfish and butterflies, and breeding and, wintering grounds for bird species. Its salt marshes provide protection from storm surges and improve the water quality of New York City.

The rebirth of the salt marshes, restoring their extensive wetlands, and the re-planting of oyster-reef or eelgrass, is actually a fight against destruction of the tidal salt marsh with a dramatic decline of at least 40 acres per year occurring since the early 2000s. The impact of Storm Sandy was devastating for the entire Bay by Storm Sandy in October 2012.

So ALSNEC measures spartina growth, monitors wildlife, clears debris, repairs fencing, and performs re-plantings in an ongoing process. Mitsui USA's New York Office will launch an employee volunteer program to help them plant in 2014.



2. Volunteer Month

With the aim of bringing employees together through volunteer activities, November each year is declared Global Volunteer Month, during which each donation through the Try it V-1000 program is automatically doubled and various activities, talks, and other events are planned and staged. In November 2013, approximately 400 employees from across Mitsui participated in volunteer activities.



3. MGVP Volunteer Work Report

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



TABLE FOR TWO For the Health of People around the World

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

Mitsui introduced the program from August 2008 in the staff cafeteria at the Tokyo Head Office, and has received a total of some 24,000 donations (as of March

2011). When employees select the relevant lunch option at the Mitsui cafeteria, the employee pays an extra 20 yen and the company matches it with a similar donation in what is known as a matching gift arrangement, so that TFT receives a donation of 40 yen for each meal. The price of a school meal in a developing country is said to be 20 yen, so that by selecting the TFT lunch option the employee provides enough for two school meals in Malawi, Uganda, or another country through TFT.

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

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



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

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



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

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



Point card system



Point card (front)



Point card (back)

About the Mitsui & Co., Ltd. Environment Fund



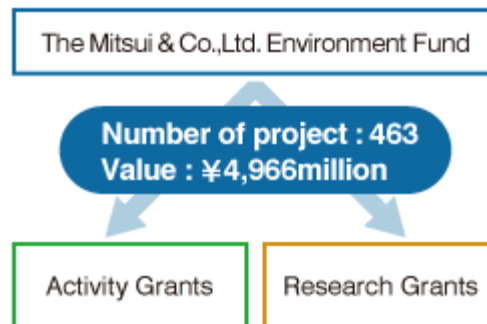
In July 2005, Mitsui launched the Mitsui & Co., Ltd., Environment Fund as a grant program which aims to realize sustainable development by supporting various activities and research projects that contribute to solving global environmental problems.

The fund is operated by Mitsui itself and is supported mainly by finance from Mitsui, but also receives donations from company officers and employees, including retirees.

Its grant programs consist of Activity Grants, which support activities by NPOs and other organizations to contribute to the environment, and Research Grants, which support environmental research by universities, research institutions, and other organizations.

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

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



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

Launched	July 1, 2005
Management System	CSR Promotion Committee, Project Deliberation Panels, Project Selection Meeting (composed of outside experts, Mitsui management, and staff).
Activity Grants	Grants for earthquake restoration support activities and environmental contribution activities by NPOs, General Incorporated Associations & Foundations, Public Interest Incorporated Associations & Foundations, Special Civil Foundation, and Universities
Research Grants	Grants for research related to earthquake restoration and research in the environmental field by Universities, Public Research Organizations, NPOs, General Incorporated Associations & Foundations, Public Interest Incorporated Associations & Foundations, Special Civil Foundation,

Trends in Number and Value of Grants Provided

(Unit: number of project / ¥ million)

	Activity Grants		Research Grants		Total	
	Number	Value	Number	Value	Number	Value
FY2005	15	117	-	-	15	117
FY2006	18	217	-	-	18	217
FY2007	48	437	23	456	71	893
FY2008	51	523	24	368	75	891
FY2009	34	311	17	213	51	524
FY2010	28	244	22	285	50	529
FY2011	52(43)	528(463)	46(34)	603(481)	98(77)	1,131(944)
FY2012	36(22)	237(157)	14(2)	112(13)	50(24)	349(170)
FY2013	20(9)	165(69)	15(2)	150(9)	35(11)	315(78)
Total	302(74)	2,779(689)	161(38)	2,187(503)	463(112)	4,966(1,192)

※Since FY2013, we have continued to support restoration projects within the frame work of general grants, without providing special framework in separate

※Number in brackets shows Restoration grants



Contact

Mitsui & Co., Ltd.
Forestry Management & Environment Fund Dept.
Environment – Social Contribution Div.
2-1, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-0004, Japan
TEL:+81-3-3285-3563

*As of November 25, 2014, the location of our head office will change to the following address

- 1-3, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8631, Japan
Nippon Life Marunouchi Garden Tower (registered head office location)
- 3-1, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-8631, Japan
JA Building

Environmental Initiatives

Mitsui and Co. is promoting environmental management towards realizing sustainable development on a global Group basis.



Mitsui's Forests Niwan Forest

A Message from Mitsui's Environmental General Manager

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

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

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



Mitsui & Co.
Representative Director, Executive Vice President, Environmental General Manager
Masayuki Kinoshita



Guiding Principles

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

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

Action Guidelines

1. Compliance with relevant environmental laws and regulations

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

2. Efficient utilization of resources and energy

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

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

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

4. Contribution to providing industrial solutions to environmental issues

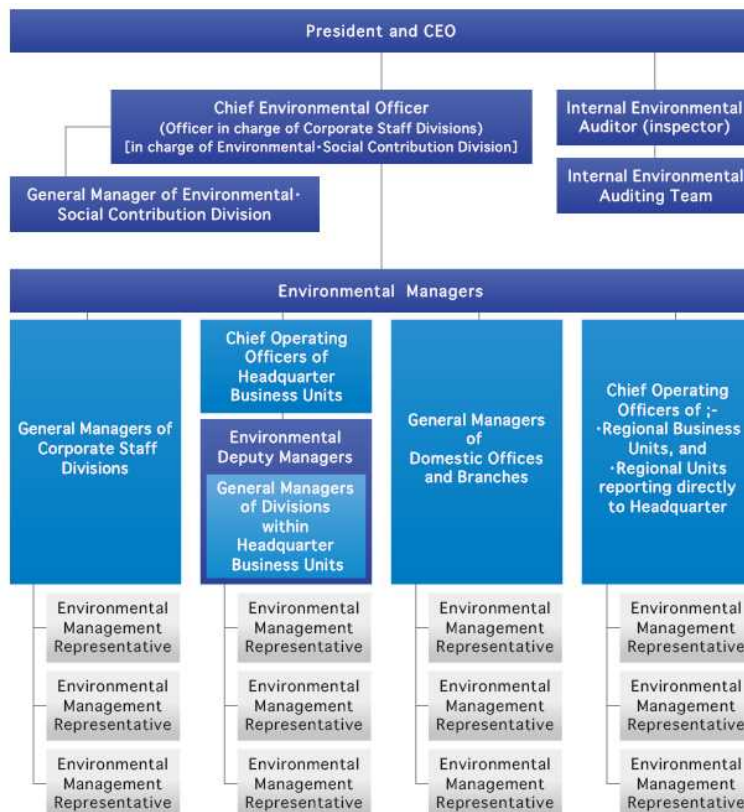
We will engage in business activities with the goal of providing rational and permanent industrial solutions, and contribute to the realization of "sustainable development" by exploiting our individual abilities and the collective strengths of our organization in cooperation with our global partners.



Environmental Management System

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

A Chief Environmental Officer has been appointed to assist the President with his management responsibilities in relation to environmental issues, and the general manager of the Environmental-Social Contribution Division has been appointed to execute environmental management. In addition, a number of environmental managers have been appointed, including the Chief Operating Officers of each business unit, the general managers of each corporate staff division, the general managers of each branch and office in Japan, the chief operating officers of overseas regional business units and Chokkatsu (directly managed) area unit leaders. This organizational framework enables environmental management on a Group-wide basis. (Environmental Management System information as of April 2014)



Improvement of the effectiveness with specialist personnel

Mitsui has appointed Standing Environmental Experts in the area of environmental/social risk management.

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

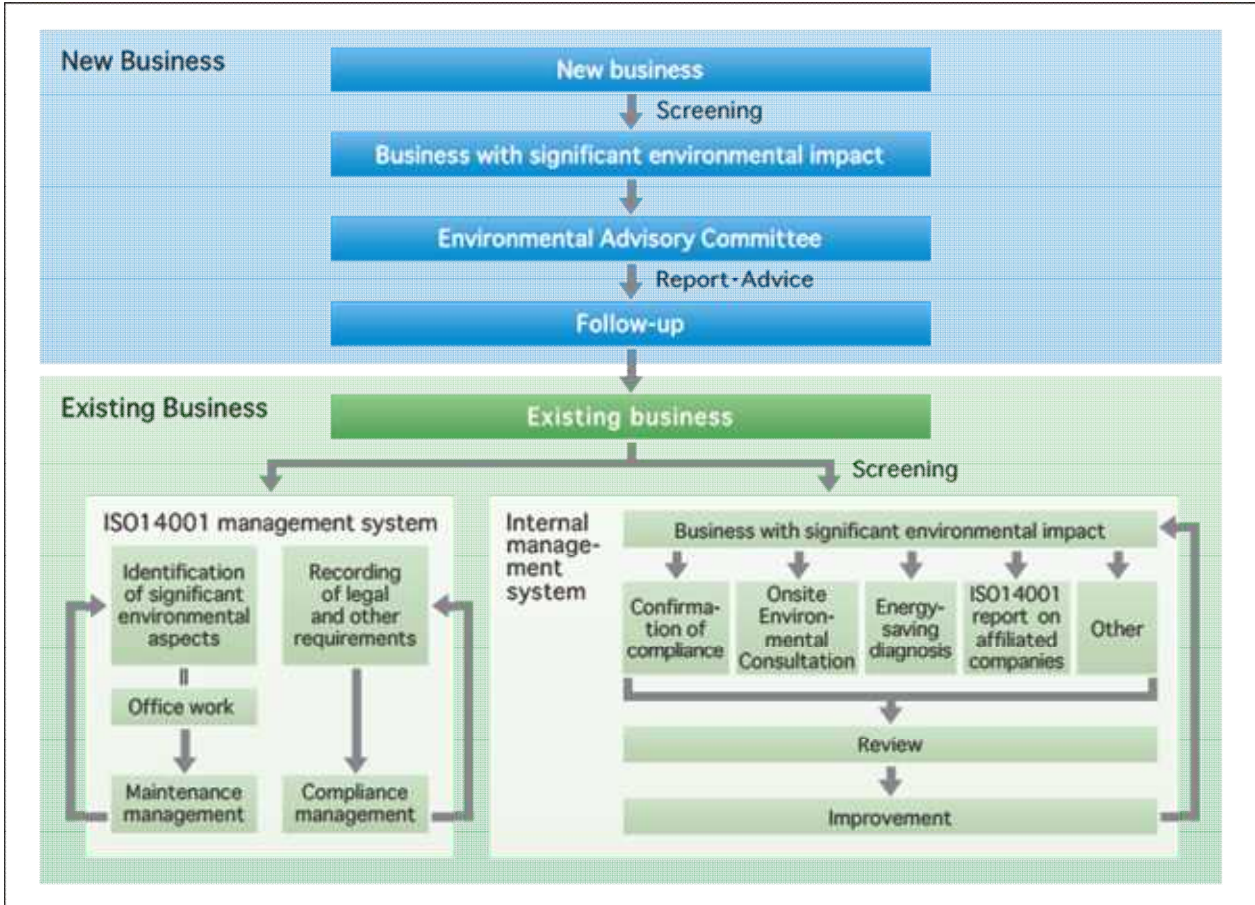
In order to provide our subsidiaries with specialist advice and guidance on environmental risk management, we are going forward with personnel to become certified ISO14001 Environmental Lead Auditors. To date, three personnel have acquired this qualification. Personnel with the Environmental Provisional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

Consideration for the environment within our businesses



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

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



Environmental Management for New business

Specially designated business management systems and Environmental Advisory Committee

New projects are examined internally, and must receive approval prior to their implementation. Reports will be made on an ad-hoc basis by the CSR Promotion Committee and the Environmental Advisory Committee, with final approval coming from the representative directors through Ringi approval. Members of the Environmental Advisory Committee will primarily be selected from external experts, lawyers, and others who possess a broad range of perspectives on measures in global warming, environmental restoration, ambient water and air pollution, soil contamination, environment impact assessment as well as stakeholders' concern.

Environmental Management for Existing business

Environmental management through Mitsui's original system

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

Deciding on targets for management

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

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

Onsite Environmental Consultation

Based primarily on the environmental impact evaluations of Business Sites of Importance in Environmental Themes, Mitsui's Global Environmental Department staff and Environmental Coordinator, together with environmental consultants from third party organizations, travel to the corresponding business sites. They conduct onsite environmental consultation for implementing specific improvement plans for observing environmental laws, reducing burden on the environment and preventing environmental pollution. In fiscal year 2013, we conducted consultations of 2 domestic and 3 overseas business locations. From the start of environmental consultations in 2001 through fiscal 2013, we have consulted over 200 companies in Japan and overseas.

Example 1: ITOMIC KANKYO SYSTEM Co., Ltd. (Mitsui affiliated company)

We implemented an environmental survey on ITOMIC KANKYO SYSTEM, a manufacturer of heat pumps that use carbon dioxide as a refrigerant. Compared with our previous visit, we confirmed that there have been marked improvements in the 4 S's—standing for *Seiri* (orderliness), *Seiton* (neatness & tidiness), *Seiketsu* (cleanliness) and *Seiso* (cleaning)—in both the environmental facilities and inside and outside the buildings for daily management. An environmental management standard has been established, and with good communication between the top management and employees, employee proposals have been adopted, marking improvement in the area of the environment. The company's products have received strong recognition for their environmental performances, winning the "Heat Pump and Thermal Storage Technology Center of Japan's award" in two consecutive years, 2012 and 2013, thus garnering strong social recognition for a focus on the environment.



A Well-Organized Workplace



Nihon Itomic's Systems Heat Pump

Example 2: COMPANIA DE OPERACION Y MANTIMIENTO VALLADOLID, S. DE R.L.DE C.V. (COMV) (Mitsui affiliated company)

COMPANIA DE GENERACION VALLADOLID, S. DE R.L.DE C.V. (CGV), in which Mitsui holds a stake, engages in long-term electric power wholesales to the CFE (Comisión Federal de Electricidad) in Mexico. We conducted an environmental survey on COMV, which runs and manages the natural gas combined cycle Valladolid III Power Station (525 MW) owned by CGV. This project received ISO14001 environmental management system certification in February 2013 by the regular audit and is incorporating environmental management practices in its power business. From the standpoint of on-site management, an operations procedure is in place to properly measure emissions and waste water, manage wastes, and control hazardous substances, such as nitrogen oxides, to maintain clean air and water as much as possible. Furthermore, through its stable supply of electricity, CGV and COMV have earned the trust of the nation and the local region as an electricity provider that supports Mexico's rapid industrial growth. Our environmental survey verified that it is also active in helping preserve the flora and fauna of the surrounding forests from the viewpoint of biodiversity conservation, thus doing all it can not only to preserve the status quo, but to carry out the best environmental management possible.



Combined Cycle Valladolid III Power Station, which is operated and managed ecologically

Environmental accident response

During the fiscal year ended March 31, 2014, there were no environmental-related incidents at the parent company. There was, however, small environmental-related incident reported by one of our subsidiaries. This incident was quickly addressed, and, as a result, all related corrective and preventive measures have been completed. When a major environmental incident occurs, the Environmental Incident Response Committee convenes to identify the causes and consider appropriate corrective and preventive measures.

Analysis of Greenhouse Gas (GHG) Emissions

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

ISO14001 (Environmental management through ISO14001)

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

Mitsui's Head Office, domestic branches and offices have retained ISO14001 certification since it was first granted in 1999. In fiscal year 2012 and 2013, we made increasing managers' environmental consciousness an environmental goal, and achieved this by establishing objectives appropriate for each department and branch.

Domestic subsidiaries with high environmental burden and risk are recommended to gain ISO14001 certification, and 27 completed the procedure thus far. In order to maximize the efficacy of ISO14001 among subsidiaries and affiliates, we hold seminars providing information on next revisions of ISO standards and the latest environmental technology and equipment. We also held an ISO14001 study group for practical explanation of ISO standards. The study group helps to improve understanding by answering questions on the application of environmental management systems and audits. In addition, our Business Units observe and participate in subsidiaries and affiliates' ISO14001 internal audits and external audits, enabling us to understand the status of their environmental management and provide accurate guidance and support. The Business Units receive and verify the ISO14001 inspection reports, and are running an Subsidiaries and Affiliated Company ISO14001 Monitoring System that recommends improvements and examinations on matters judged to be important environmental themes.

Subsidiaries with ISO14001 certification (27 companies in total)

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

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

Complying with environmental-related laws and regulations

Mitsui & Co. seriously strives to comply with environmental-related laws and regulations in conducting its business. As a global group, we conduct diverse training, research and site verification activities for our employees to gain full awareness of various environmental-related laws and regulations in domestic and international settings to ensure compliance with the laws and regulations.

Training seminars on environmental laws and regulations

We hold seminars for employees at Mitsui & Co. and at domestic affiliated companies annually on environmental laws and regulations, including the latest amendments to laws, for them to have a deeper understanding of the subject. From fiscal year 2013, we began co-hosting these seminars with other *sogo-soshas*. In addition to Tokyo, a seminar was held in Osaka, with 103 participants from Mitsui & Co. group companies. We also conduct a separate training seminar on the Waste Management and Public Cleansing Act, as a majority of the affiliated companies are subject to the law. In addition to classroom training focused on precautions in complying with the Waste Management and Public Cleansing Act, as well as case studies on law violation incidents, the training included procedures for on-site checks at waste disposal facilities and actually visiting the facilities. The participants expressed their appreciation for the on-site visit as a valuable learning experience.



Compliance status survey concerning environmental laws and regulations

We conduct surveys on the compliance status of our domestic subsidiaries regarding environmental laws and regulations. We work very seriously to achieve legal compliance by implementing measures in a number of ways. One example is creating checklists that include the latest amendments to the environmental-related laws and having subsidiaries answer each checklist question. Not only do we check for breaches of laws and regulations, we also aim to have the officers and employees of subsidiaries gain a deeper understanding of environmental regulations.

In the fiscal year 2013, we provided support to subsidiaries individually in building environmental management system to extend our legal and regulatory management horizontally between the subsidiaries.

Confirming status of compliance with laws and regulations through onsite environmental surveys

We conduct onsite environmental surveys focused on business with a significant environmental impact. Through the environmental surveys, we check whether or not the operations comply with the environmental laws and regulations of the country and region where the business site is located. Please refer to “Onsite Environmental Survey” on the “Consideration for the environment within our businesses” page (p.71).

Major issues associated with managing environmental-related laws and regulations

Energy saving laws and regulations – work in environmental logistics

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

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

We handle a total of 510 million ton-kilometers*¹ of domestic freight annually. About 83% is carried by ship, about 17% by truck, and the remainder by rail or airplane. Since we handle more than 30 million gross ton-kilometers of domestic freight annually, Mitsui is classified as a

Specified Consigner. We therefore calculate the total amount of freight based on Mitsui-owned cargo as well as freight arranged for transportation in Japan. When Mitsui became a Specified Consigner, to meet the requirements of the Energy Saving Act we began to carry out an array of company-wide initiatives to promote efficient energy use in our logistics business. These initiatives included making improvements to our operating systems and arranging seminars and other information events.

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

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

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

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

Freight Volumes Handled by Mitsui



Energy Reduction Policy

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

Result for Fiscal Year Ended March 31, 2014*³

Specific consumption*⁴	19.9
--	------

*³ Results are as provided to the Kanto Bureau of Economy, Trade and Industry in June 2014.

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

Compliance with Waste Disposal laws

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

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

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

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



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

Mitsui strives to communicate its messages to a wide spectrum of stakeholders. We introduce our environmental initiatives on our website, support the development of environmental awareness and interest among our employees, and build networks. We also join assorted business parties etc. and are continuing opinion exchange or discussion for environmental issue with them.

Internal environmental communication

As we work to accelerate environmental initiatives across the global Group it is vital that we raise the environmental awareness of each of our employees at all levels. We conduct seminars and training sessions to promote these messages internally. We also join assorted business parties etc. and are continuing opinion exchange or discussion for environmental issue with them.

Regular seminars and training sessions

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



Seminars and training sessions held in fiscal 2013

Title	Number of Times per year	Target audience	Outline
Environmental law training (half-day course, 1-day course)	4	Mainly Mitsui, subsidiaries and affiliated company employees	Management methods based on ISO14001, recent environmental law trends, basic knowledge, and key law amendments, etc.
New environmental manager training	2	New environmental managers	An explanation of Mitsui Group's global environmental management system, environmental managers and their role, etc.
Internal environmental auditor training (ISO14001)	3	Mitsui, subsidiaries and affiliated company employees pursuing Internal environmental auditor certification	For the purpose of improving the Company's environmental management and support systems based on ISO14001
Internal environmental auditor practical training (ISO14001)	2	Internal environmental auditors, department representatives in charge of self checks	Roll-play based training which aims to improve the efficiency of internal audits and self checks
Plant visits	2	Mitsui, subsidiaries and affiliated company employees	A visit to the plant of a company leading the way in environmental management, to improve awareness among environmental managers, and improve management capabilities
Environment seminar "Lecture on Environmental Waste and Tour of Processing facility"	2	Officers and employees of Mitsui & Co. 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
ISO14001 study session	8	Mitsui, subsidiaries and affiliated company employees	Accurate explanations of ISO regulations

Mitsui Environment Month(2013/06)	Target audience	Outline
Lecture: "Sharing the Light of Life" Screening: "The Future as Seen by Asahiyama Zoo-Save Borneo Elephant in the forest from the crisis of the extinction"	Officers and Employees of Mitsui & Co. and its affiliated companies	A lecture on the importance of preserving biodiversity with specific examples based on experience in zoo operations Documentary: "The Reality of Environmental Destruction and the Asahiyama Zoo's Efforts to Protect Borneo Elephant, Which Is on the Border of Extinction after Being Hunted as a Destructive Animal Devastating Fields"
Lecture: "Protecting Water and the Future of Life on Earth with Natural Water Sanctuaries (Suntory)"	Officers and Employees of Mitsui & Co. and its affiliated companies	Lecture on the importance of water as an indispensable resource and environmental preservation through Suntory's activities known as "Bringing Water to Life"

Mitsui Environment Month

At Mitsui, every June is known as Environment Month, during which a number of programs are held for officers and employees of Mitsui and its affiliated companies. During Mitsui Environment Month 2013, we presented a lecture and held a screening on the importance of preserving biodiversity, as well as a lecture on the importance of water an indispensable resource.

Lecture: “Sharing the Light of Life”

Screening: “The Future as Seen by Asahiyama Zoo—Save Borneo Elephant in the forest from the crisis of the extinction”

We invited the director of Asahiyama Zoo, Gen Bando, to give a lecture entitled “Sharing the Light of Life,” which was attended by about 150 officers and employees from Mitsui & Co. and its affiliated companies. A week before the lecture, we held a screening on the reality of environmental destruction in Borneo, the home of the zoo’s popular orangutans, as well as Asahiyama Zoo’s challenge to preserve Borneo Elephant, which is on the brink of extinction. Around 120 officers and employees attended the screening. Opinions in the questionnaire following the screening included: “Seeing the reality that human achievement is built on the sacrifice of a great number of animals was an important realization for me” and “It is important for each one of us to do everything we can to be considerate of and be able to coexist in the natural environment.”



Lecture: “Protecting Water and the Future of Life on Earth with Natural Water Sanctuaries (Suntory)”

It was the UN International Year of Water Cooperation in 2013. Suntory Holdings’ Environmental Sustainability Strategy Division Chief Specialist Takeshi Yamada was invited to give a lecture on the theme of “Protecting Water and the Future of Life on Earth with Natural Water Sanctuaries (Suntory).” Around 120 officers and employees from Mitsui & Co. and its affiliated companies attended the lecture. Opinions in the questionnaire following the lecture included: “I was interested in the fact that efforts to create forests connect to areas such as biodiversity and human resource development” and “I learned that it takes a long time to create fresh water and about what should be done about the state of the forests.”



Building a network with NGOs and NPOs

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

Since July 2005, Mitsui & Co. has supported the activities and research of NGOs and NPOs through the Mitsui & Co., Ltd. Environmental Fund, which was established with the aim of contributing to the creation of a sustainable society and solving environmental problems. We also assist to interchange and to make networking through the gathering among the grant recipients.

Initiatives conducted through financial circles

Japan Foreign Trade Council: Global Environment Committee

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

Japan Business Federation: Committee on Nature Conservation, Committee on Environment and Safety

As a member of Nippon Keidanren (Japan Business Federation) Committee on Nature Conservation and Committee on Environment and Safety, Mitsui actively works on biodiversity conservation protection of the natural environment, and global environmental problems and solutions. We have seconded one Mitsui employee to this committee. We are also a participant in “Japan Business and Biodiversity Partnership”, through which we work together with various organizations including business associations, NGOs and research organizations, and public institutions, and share information and experiences for the promotion of biodiversity, with the ultimate goal of creating a sustainable society which considers both the economy and the environment.



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

Initiatives for preserving biodiversity

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

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

Mitsui's joint tree planting program with Nippon Paper Industries is being carried out in four areas throughout Australia. As of December 2013, the total forested area was approximately 180 km², equivalent to an area slightly larger than Washington DC. Tree planting commenced at two of these four areas in 1996, and these two areas are currently in their second rotation. For more than ten years now, each project has been managed with full consideration for the environment over the long term.

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

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

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

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

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

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



Tree-Planting areas in Australia



Sheep that contribute to preventing the spread of fires

Activities to Conserve Biodiversity through Mitsui's Forests

With the habits of a wide range of living organisms rapidly disappearing, businesses today need to take initiatives for the preservation of the biodiversity which is the foundation of our survival. Through appropriate management of its forests, Mitsui is committed to making the social contribution of nurturing biodiversity and passing on a rich forest environment to the future generations. For more information, Please refer to "Growing Forest to Protect Biodiversity", at p.96.

Initiatives for a low carbon society

Power saving measures at Tokyo head office

In the spring of 2011, Mitsui installed solar panels across an area of approximately 2,000 square meters on the roof of its head office building in Ohtemachi, Tokyo. The reduction in CO₂ emissions as a result of this initiative is equivalent to the amount that would be absorbed by 11.3 hectares of forest. Our efforts to reduce electricity consumption following the Great East Japan Earthquake resulted in a 20% reduction in the amount of electricity used in 2012 compared to 2011. The solar panels accounted for 1.5% of this saving. The amount of power being generated by these panels is presented in real time on a display in the head office building's first floor lobby. We will continue to pursue other steps to improve the environmental performance of our offices, including the installation of high-efficiency lighting, motion sensors and the use of inverter-type air conditioning equipment. We achieved to reduce 1.8% of electric consumption compared with the year before by these steps.



Solar panels installed on the roof of the head office building



Power savings are visible on a display in the lobby

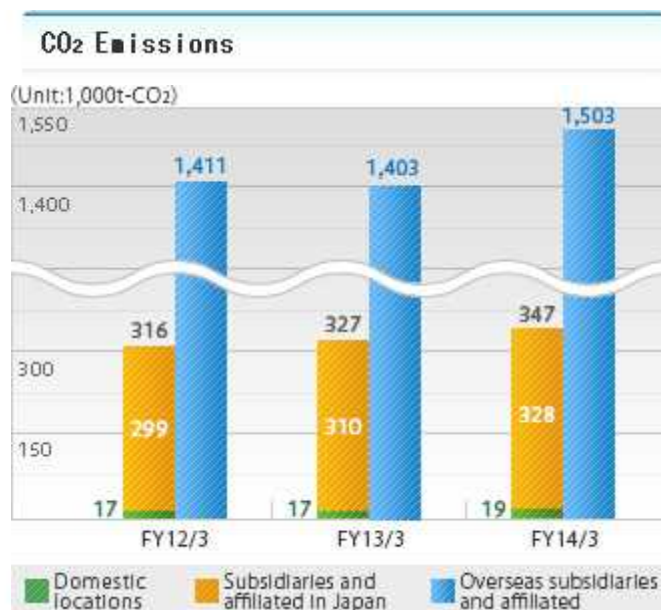
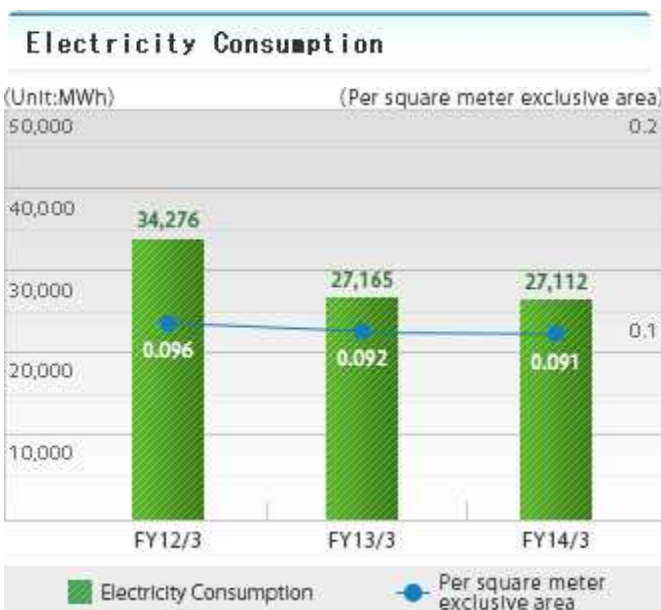


Workspace with high-efficiency lighting and motion sensors installed



Management of Greenhouse Gas (GHG) Emissions

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



<Scope of coverage>

1 Estimates of electric power usage: It is based on the computation criteria stipulated in the Revised Act on the Rational Use of Energy. The scope includes not only Mitsui's Head Office, subsidiaries, and branches, but also buildings owned in Mitsui's name in Japan as well as rental buildings, offices, and training centers.

2 The volume of CO₂ emissions:

* Domestic locations are based on the computation criteria stipulated in the Revised Act on the Rational Use of Energy. The scope includes not only Mitsui's Head Office, subsidiaries, and branches, but also buildings owned in Mitsui's name in Japan as well as rental buildings, offices, and training centers.

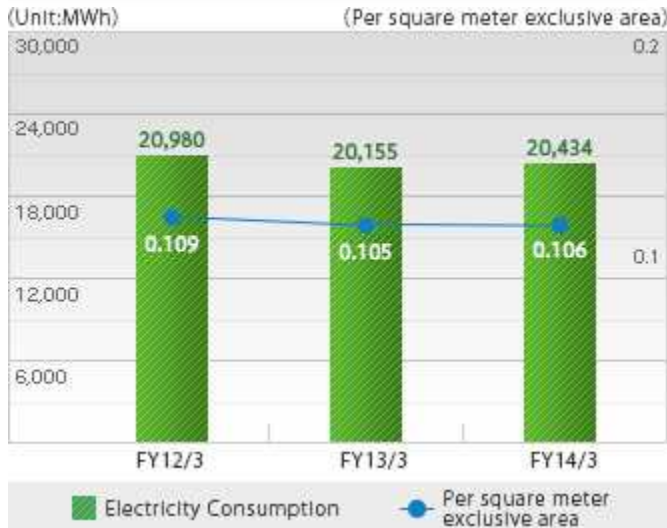
* Subsidiaries and affiliated companies in Japan are domestic subsidiaries as specified in the Financial Instruments and Exchange Law. Estimates are based on the computation criteria stipulated in the Revised Act on the Rational Use of Energy. Also we reviewed the data in FY12/3 in accordance with surveying in FY13/3.

* Overseas subsidiaries and affiliated companies are overseas subsidiaries included within the scope of consolidation. Estimates are based on the computation criteria stipulated in the World Business Council for Sustainable Development (WBCSD) and GHG protocols (2004).

Reducing the Environmental Impact of Offices

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

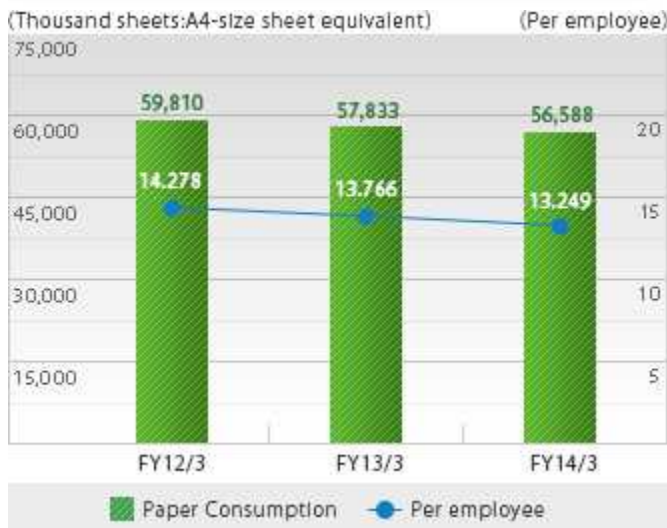
Electricity Consumption



Water Consumption



Paper Consumption



Waste



	FY12/3	FY13/3	FY14/3
Recycling rate(%)	73.7	76.4	84.4

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

* Figures for Water Consumption and Waste recycling are for the following Mitsui-owned buildings: (Mitsui & Co. Head Office Building; Nagoya Building (Chubu Office); and Osaka Building (Kansai Office)).

Environmental Accounting/ Environmental Liabilities

Environmental Conservation Costs

The cost of environmental conservation for all of Mitsui's domestic Offices during the fiscal year ended March 31, 2014 is outlined below.

(Unit:1,000JPY)

Category	Investments	Expenses
Business areas costs	893,631	1,054,293
Upstream/downstream costs	0	142,336
Administration costs	29,922	627,681
Social activity costs	0	910,051
Total	923,553	2,734,361

* Based on the Environmental Accounting Guidelines (2005 version) published by the Ministry of the Environment of Japan
 Scope of coverage: All offices in Japan
 Target period: April 1, 2013 – March 31, 2014

Environmental Conservation Benefit

Mitsui's environmental conservation and economic benefits for paper consumption, energy consumption, and waste output during the fiscal year ended March 31, 2014 are shown below.

	Environmental preservation effects	Economic effects (Unit:1,000JPY)
Paper consumption	1,246sheets	695
Electricity consumption	△281Wh	△41,069
Waste recycling	△31 t	△1,096

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

Scope of coverage:

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

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

Assessment of Environmental Liabilities

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

Environment-Related Business



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

Renewable Energy

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

Project	Company name	Country	Generating capacity/Scale
Solar power generation business	IPM Eagle Desarrollos Espana	Spain	1.5MW
	ISAB Energy Solare	Italy	1MW
	Haneda Solar Power Co., Ltd.	Japan	2MW
	SoftBank / Tottori-Yonago Solar Park	Japan	42.9MW
	SoftBank / Izumiotsu Solar Park	Japan	19.6MW (Under Construction)
	SoftBank / Tomatou Abira Solar Park	Japan	111MW (Under Construction)
	SoftBank / Kumamoto Arao Solar Park	Japan	22.4MW (Under Construction)
	SoftBank / Omuta Miikeko Solar Park	Japan	19.6MW (Under Construction)
	Tahara Solar-Wind Joint Project	Japan	50MW (Under Construction)
	Okumatsushima "Kizuna" Solar Park (Higashimatsushima City reconstruction project)	Japan	3.9MW (Under Construction)
	Brockville Solar	Canada	10MW
	Beckwith Solar	Canada	10MW
Solar thermal power generation business	Guzman Energia S.L.	Spain	50MW
Wind power generation business	Brazos Wind, LP	U.S.A.	160MW
	Bald Hills Wind Farm Pty Ltd	Australia	106.6MW (Under Construction)
	Zajaczkowo Windfarm Sp.	Poland	48MW
	NS Wind Power Hibiki Co., Ltd.	Japan	15MW
	Tahara Solar-Wind Joint Project	Japan	6MW (Under Construction)
	Wind Farm Hamada	Japan	48MW (Under Construction)
	Norway Wind	Canada	9MW
	SOP Wind	Canada	40MW
	West Cape Wind	Canada	99MW
	Caribou Wind	Canada	99MW
	Harrow Wind	Canada	40MW
	PAR Wind	Canada	49MW
	Plateau Wind	Canada	27MW
	ELSC Wind	Canada	99MW
	Erieau Wind	Canada	99MW
	Cape Scott Wind	Canada	99MW
	Eoliatic del Istmo S.A.P.I. de C.V.	Mexico	164MW
Eoliatic del Pacifico S.A.P.I. de C.V.	Mexico	160MW	

Biomass power generation business	Green Power Ichihara Co., Ltd.	Japan	50MW
Run-of-river hydroelectric power generation business	Energia Sustentavel do Brasil S.A.	Brasil	3,750MW
	Spanish Hydro	Spain	84MW

Example: Japan, Okumatsushima “Kizuna” Solar Park (Higashimatsushima City reconstruction project)

A 3.9 MW solar park was installed on the coast of Higashimatsushima City in Miyagi Prefecture, which incurred damage from the Great East Japan Earthquake, and began operating and selling power in August 2013. Also, carport solar power facilities that can operate independently were installed as emergency power supplies for use during disasters in parking areas of three public facilities in the city that serve as disaster response bases, and began commercial operation in March 2013.



Okumatsushima “Kizuna” Solar Park
(Higashimatsushima City reconstruction project)

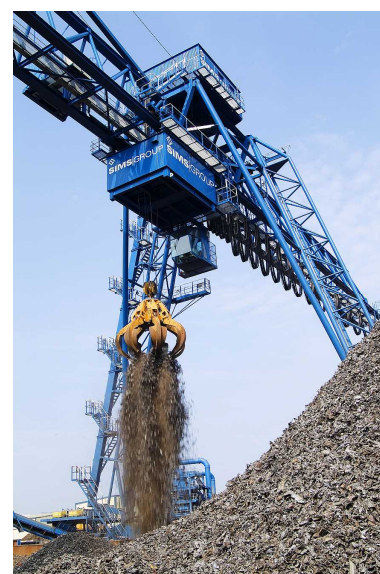
Recycling

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

Business investment (Company name)	Main business	Country	Scale
Sims Metal Management Ltd.	General recycling business (metal scrap and home appliances recycling, etc.)	North America, Europe, Australia, New Zealand, and elsewhere	Handles 13 million tons/year of metal scrap, etc.
Mitsui & Co. Steel Ltd.	Trading of ferrous/non-ferrous metal scrap and provision of environmental solutions	Japan	Handles 4.5 million tons/year of metal scrap
Kyoei Recycling Co., Ltd.	Industrial waste processing and gas production	Japan	Processing capacity of 27,000 Mt/year, 140,000 Nm ³ /day

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

Mitsui invested in Sims Metal Management, the world’s largest recycler of ferrous and non-ferrous metal as well as electronics, in June 2007, and, as of March 31, 2014, Mitsui had become the largest shareholder with a 17.7% ownership. Today, Sims Metal Management has more than 270 locations on five continents with a focus on North America, and more than 6,100 employees. In addition to metal scrap business, the company also operates the world’s largest electrical and electronics recovery and recycling business as well as New York City municipal waste processing business. Sims Metal Management is, therefore, continuing to grow as a total recycling enterprise.



Sims scrap yard (U.S.)

Environment-
Related
Business

Modal Shift

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

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

Example: Railway Rolling Stock Leasing

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

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



Bombardier made electric locomotive hauling the freight wagons

Tree Plantations

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

Example: Tree Farming in Australia

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



Tree Farming in Western Australia

Other Environment-Related Business

Project	Main businesses
Water treatment business in Mexico	Through subsidiary Atlatec which is a water treatment engineering company headquartered in Mexico, Mitsui has participated jointly with Mitsui & Co. (U.S.A.) in the sewage processing business in the state of Queretaro de Arteaga in that country and in the effluent processing business for projects of PEMEX, Mexico's national oil company. In addition, in December 2008 and again in September 2009, an order was received for a sewage processing project from the water utility of the state of Jalisco in Mexico. Also, in January 2010, an order was obtained from Mexico's water utility for a sewage processing facility that, on completion, will be the largest single plant of its kind in the world. One facility was completed and commenced operation in May 2012 and the other two facilities are currently under construction
Water treatment business in China	In August 2010, Mitsui and Hyflux Ltd., a leading provider of integrated water management solutions based in Singapore, established Galaxy NewSpring Pte. Ltd, with each company investing an equal amount. Subsequently, Galaxy NewSpring completed acquisition of 22 assets of drinking water, sewage, and water recycling businesses in China by the end of December 2010 and commenced joint business operations. Two additional assets were acquired in December 2012, and, in the future, the two parent companies plan to expand Galaxy NewSpring's business operations to help mitigate China's water environmental problems
Water and sewer concession business in the Czech Republic	In September 2013, Mitsui and FCC Aqualia, a leading water management company in Spain, entered water concession business in Ostrava, Czech Republic. The business is currently supplying drinking water, including bulk water, and waste water treatment service for approximately 1.3 million users
Photovoltaic modules, parts, and materials	Structuring systems for the stable production and supply of equipment for photovoltaic modules and their principal materials (including silicon materials and products)
Materials for secondary battery use	Structuring systems for the stable production and supply of secondary battery materials, including principally those used in lithium-ion batteries
Investment in the clean-tech field	Glycos Biotechnologies Inc. (U.S.): Development and manufacture of chemicals produced from biomass including mainly isoprene Proterra, Inc. (U.S.): Manufacture and sales of EV buses and rapid electrical chargers for bus companies BioAmber, Inc. (Canada): Development and manufacture of bio-succinic acid and its derivatives Inventys Thermal Technologies, Inc. (Canada): Development of technologies that separate and capture CO ₂ from flue gas Nihon Itomic Co., Ltd. (Japan): Development and manufacture of electric hot water dispensers and heat pump water heaters
High-pressurized tank for NGVs and FCVs	Import and sale of tanks for installation on vehicles powered by natural gas and fuel cells
Rooftop gardening, green wall building, and greening at educational institutions	Proposal sales of greening (landscape)-related materials and development of sales business for greenery to improve the environment through Mitsui Bussan Agro Business Co., Ltd. (Japan)
Building energy conservation engineering business in China	Participation in an affiliate joint venture established jointly by Taigo Co., Ltd., of China, and Panasonic Corporation, which is engaged in promoting the automation of buildings and energy-conserving engineering
Car-sharing business	Operation of a car-sharing business that utilizes high fuel-efficiency, low-pollution vehicles
Environmental electronics business in Asia	Please refer to p.88
High-grade urea solution AdBlue® business	Please refer to p.88
The Callide Oxyfuel Project – Demonstration for zero-emission electricity generation with coal	Please refer to p.88
Investment in development of gas fermentation technology using microorganisms	Please refer to p.88
Electric buses on routes demonstration project in the UK	Please refer to p.89
Solar power generation monitoring service	Please refer to p.89
Cloud-based energy-saving service	Please refer to p.89

Example: Environmental electronics business in Asia

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

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



Tianjin EV Energies factory construction

Example: High-grade urea solution AdBlue® business

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

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



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

Example The Callide Oxyfuel Project – Demonstration for zero-emission electricity generation with coal

Mitsui is continuing to jointly advance the Callide Oxyfuel Project in Australia which is supported by both the Japanese and Australian governments. The project has been demonstrating the new technology to capture carbon dioxide through coal-fired boiler operations for zero-emission electricity generation at the Callide A Coal-Fired Power Station in Queensland. This is world's first to "bolt-on" the oxyfuel technology to an existing commercial-operated power station and on a large scale. The project also aims to demonstrate the storage of the carbon dioxide captured in the underground.



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

Example: Investment in LanzaTech, a venture company which is developing gas fermentation technology using microorganisms

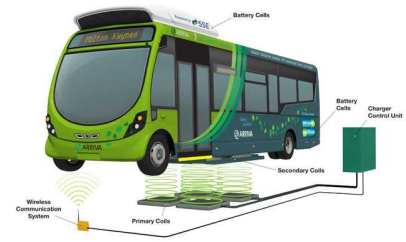
Mitsui invested in a venture company that is developing microorganism gas fermentation technology which converts carbon monoxide (CO) and carbon dioxide (CO₂) into fuel and chemicals such as ethanol and butadiene. We aim to develop businesses that can tackle global warming by commercializing technology that converts emissions containing carbon dioxide into energy.



Demonstration project with Shougang Steel in China

Example: Demonstration Project for Use of Electric Buses on Routes in the UK

Milton Keynes, a medium-sized city in the United Kingdom, is turning its attention to switching public transportation to electricity, which is expected to reduce urban greenhouse gas emissions. In particular, it is focusing on electric buses on regularly-scheduled routes, which will likely be the first segment where electricity is widely used, and has replaced all eight buses used on one of its busiest routes with electric vehicles. The buses will recharge their batteries at the start and end of each trip (incremental charging). Recharging will not use a cable connection, and instead will employ contactless recharging that can be started with the push of a button (inductive power transmission). Incremental charging makes it possible to reduce the battery capacity, and the project will confirm whether the bus prices and capacity can reach economical levels. Data from operations on the actual bus route will be collected and analyzed. It will then be used in simulations to determine the optimal battery capacity and number of charging facilities when electric buses are deployed on other routes, with the aim of providing a one-stop solution from planning to application.



Inductive power transmission for contactless charging of electric vehicle buses

Example: Solar Power Generation Monitoring Service

Solar power facilities are said to be maintenance free, but in fact, panels can be damaged or contaminated, equipment failures can occur, and facilities deteriorate with age, making systems to rapidly detect these irregularities is essential. Mitsui Knowledge Industry Co., Ltd., a consolidated subsidiary, uses its abilities in integration of information and communication technologies to provide cloud services for remote monitoring of solar power generation facilities.



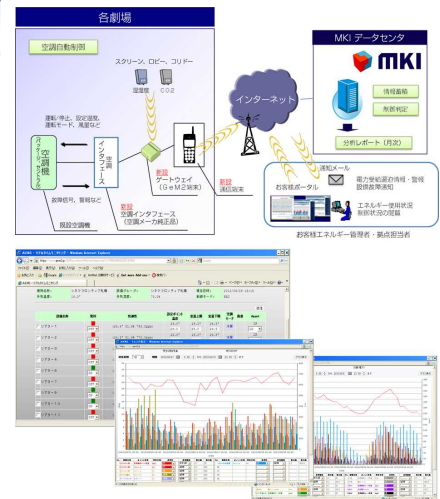
Conceptual image of solar power generation facilities and a remote monitoring screen

Example: Cloud-Based Energy Saving Services

Mitsui Knowledge Industry Co., Ltd., a consolidated subsidiary, uses information technology to provide energy saving services to commercial facilities, enabling customers to easily save energy while maintaining a comfortable environment.

Features of Energy Saving Services

- Automated remote control of air conditioning to eliminate wasteful energy consumption and cut costs
- Effective use of existing air conditioning facilities without dependence on a specific manufacturer or energy source (electricity or gas).
- Fast and inexpensive installation
- Real-time automated operation based on measured values
- Control areas can be precisely divided for individual control of each area
- Flexible control, even in environments susceptible to temperature changes, for efficient energy use without waste



System overview and control screen

Environment-Related Business



About Mitsui's Forests

Forest Management Policy



Forest Management Policy

Adopted July 17, 2009

1. Guiding Principle

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

2. Management Policy

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

3. Policy

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

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



Outline of Mitsui's Forests

Location of Our Forests

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

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



Social Value of Forests

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

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

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

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

Preserving and Utilizing Forests to Benefit the Future

Not content with merely managing our forests appropriately, we have begun initiatives to utilize them for a range of beneficial purposes. As part of our activities to contribute to society and local communities, we utilize our forests as the environmental education. We also take advantage of our forests to support aspects of the culture and traditions of the surrounding area that make use of forest resources.

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



About Mitsui's Forests

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

How We Cultivate Forests at Mitsui



For Brighter Forests

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

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

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

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





Cultivating Different Types of Forests: Forest Management Zoning

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

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

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

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



Cultivating Forests for Social, Economic, and Environmental Benefits

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

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

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





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

What Forest Certification Means

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



The Aim of FSC Certification

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

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

Mitsui's Forests and FSC Certification

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

• The commercialization process of FSC-certified lumber



FM certification

Mitsui



CoC certification

Mitsui Bussan Forest



Final products made by manufacturing and processing businesses with CoC certification

The Forest Industry and the Economy



Present Situation of Japan's Forest Industry

A survey by the Forestry Agency in FY2011 found that Japanese forest industry was in a depressed situation, with total demand for lumber at less than 74 million m³ a year, of which only around 27% was supplied from domestic sources.

In response to this finding, the Japanese government introduced a strategy to regenerate the Japanese forest industry. This consisted of stimulation of downstream demand combined with measures to improve upstream efficiency, such as the 2010 Act for the Promotion of the Use of Wood in Public Buildings and measures to promote the use of biomass. Progressing alongside these reform measures is a policy aimed at increasing the forestry industry workforce, which has fallen to fewer than 70,000 nationwide and is also affected by the problem of aging. To regenerate Japanese forests requires above all the regeneration of the forest industry; to that end there is an urgent need for the private and public sectors to work together in wide-ranging action.

Balancing Environmental Preservation with the Forest Industry

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

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



Promoting Wood Biomass and Using the J-VER System

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

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



Remaining materials in the forest to wood chips

Mitsui's Hokkaido and Mie-prefecture forests. Mitsui was granted an offset credit for approximately 6,600 tons from Hokkaido in March 2011, and approximately 1,330 tons from Mie-prefecture in January 2012 of carbon dioxide absorbed, which is now being sold. In this way, we are taking active steps to include environmental value in the monetary cycle in the form of profits from the forest industry. Going forward, Mitsui will work in concert with Mitsui Bussan Forest Co., Ltd., to which we outsource practical forestry and upkeep operations, to manage our forests in a way that contributes to the regeneration of Japanese forest industry, an important step toward addressing environmental issues.

Growing Forest to Protect Biodiversity



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



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

Growing Forest to Protect Life

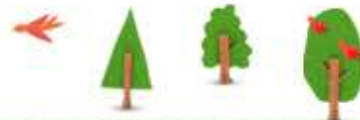
Mitsui's forests are made up of approximately 40% Forests for Regeneration and Harvest and approximately 60% Natural Forests and Naturally Regenerated Forests. These forests are divided into the following categories: Harvest – oriented Sustainable Cycle Forests; Natural Restoration Forests; Biodiversity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

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

Forest Management Zoning

Mitsui's approximately 440 km² (44,000 hectares) of forests at 74 locations nationwide is managed according to the following categories:

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



Four Biodiversity Conservation Forests

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

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

Special Conservation Forests

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



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

Environmental Conservation Forests

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



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

Water and Soil Conservation Forests

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



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

Cultural Conservation Forests

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



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



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

Scientific Evaluation



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

Quantitative Evaluation of Biodiversity (HEP)

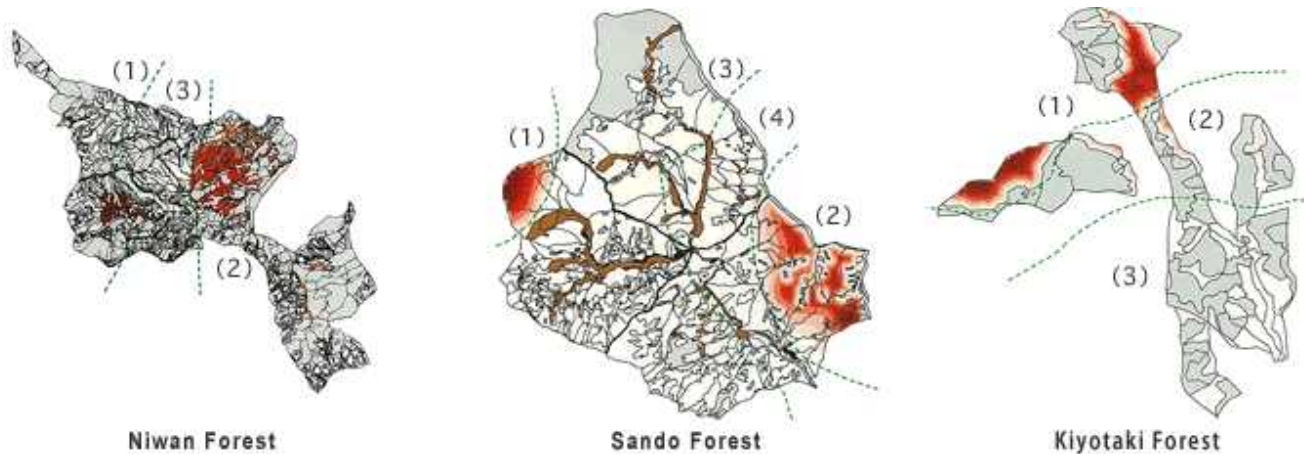
In 2009, a quantitative evaluation of biodiversity was carried out under the Habitat Evaluation Procedures (HEP) by the Ecosystem Conservation Society – Japan at five model forest locations in Mitsui’s forests, using animals as an index.

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

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

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

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



AA+ Awarded in JHEP Certification

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



About Mitsui’s Forests

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

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

Forests and Human Culture



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

Using the Forest to Protect Ainu Culture

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

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

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

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



The attus, a garment made of tree bark



Manchurian elm



The chise, the traditional Ainu dwelling

Using a Forest to Protect Kyoto Traditions

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

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

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



Daimonji Gozan Okuribi (Daimonji Bonfire)



Japanese red pine to make torches with



Kurama no Hi-Matsuri (Kurama Fire Festival)

Evaluation by Society



What is socially responsible investment (SRI)?

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

FTSE4Good Global Index



The FTSE4Good Global Index is a stock index developed by FTSE, which is a wholly owned subsidiary of the London Stock Exchange. FTSE evaluates approximately 2,400 major corporations in the world from aspects of the social, environmental, and ethical performance and corporate sustainability, including the labor standards applied throughout their supply chains. Based on such evaluations, FTSE selects constituent companies of the index that satisfy its standards.

FTSE4Good

Dow Jones Sustainability World Index

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM

The Dow Jones Sustainability World Index is a global stock index developed jointly by Dow Jones & Company in the U.S. and RobecoSAM in Switzerland. It evaluates the corporate social responsibility of 3,300 major corporations in the world in terms of their social, environmental, and economic performance and select the top 10% of these corporations for inclusion.

In 2013, globally, 333 companies have been selected, with 21 Japanese companies including Mitsui.

In addition, particularly outstanding companies are rated by RobecoSAM as gold, silver, or bronze. Mitsui is certified as one of the bronze class rated companies (as of January 21, 2014).



Awards received in the past five years

Fiscal Year Ended March 31, 2014	Received the Award for Special Merit in the 48th Industrial Advertising Award (2013) in the Newspaper Category by Nikkan Kogyo Shimbun Ltd. (Mitsui's Forests) Received the 19th Nikkei BP Advertising Award's National Geographic Japan Advertising Award (2013) by Nikkei Business Publications, Inc. (Mitsui's Forests) Ranked first in the "Toyo Keizai CSR Corporate Ranking" Wholesale Category by Toyo Keizai, Inc. (third consecutive year) Ranked first in the "17th Environmental Management Survey" Trading Company category by Nikkei, Inc. (third consecutive year)
Fiscal Year Ended March 31, 2012	Received the Award of Excellence (The Third Prize) in the Sustainability Reporting Award category of 15th Green Reporting Award and Sustainability Reporting Awards by Toyo Keizai, Inc. Received the Award of Excellence in the 2012 Key Firm of Integrity Award by Integrex Inc.
Fiscal Year Ended March 31, 2011	Received the Disclosure Award from Tokyo Stock Exchange

Company Profile

Corporate Profile

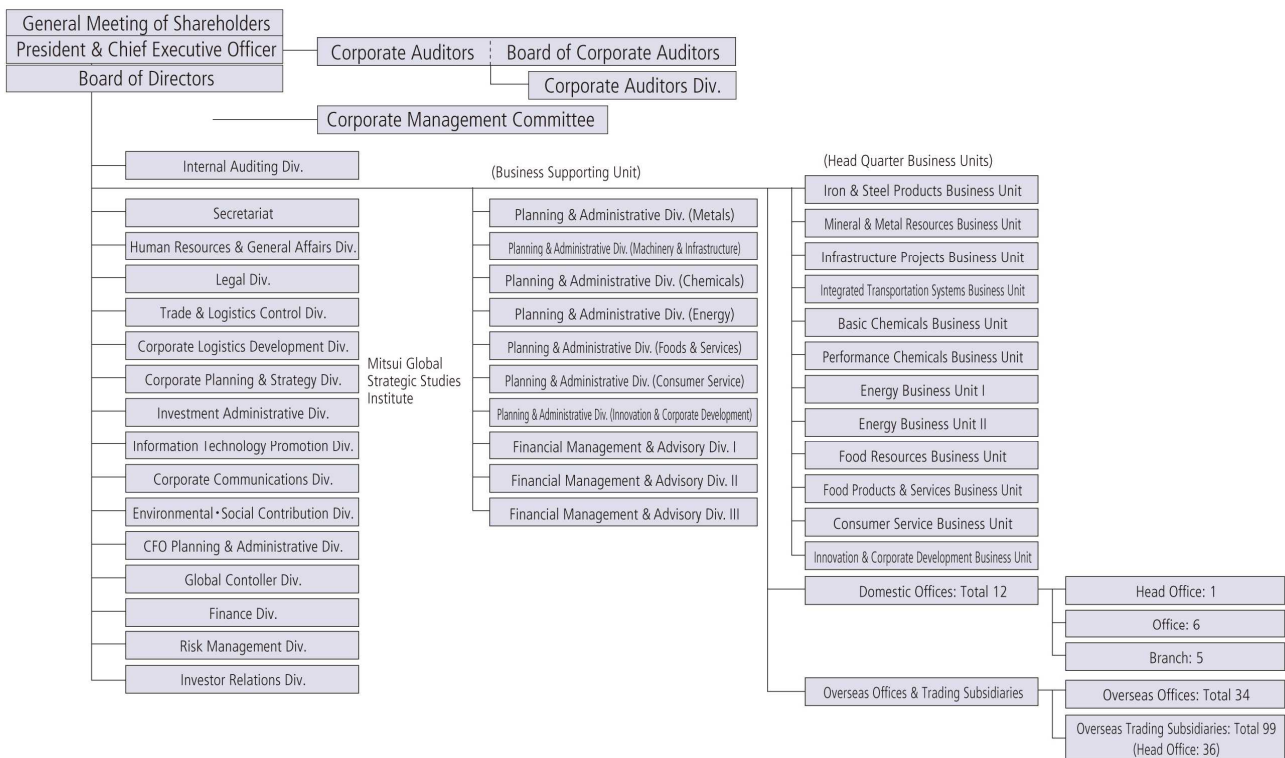
Company Name MITSUI & CO., LTD.
Date of Establishment Jul. 25, 1947
Head Office 2-1, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-0004, Japan
*As of November 25, 2014, the location of our head office will change to the following address

- 1-3, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8631, Japan
Nippon Life Marunouchi Garden Tower (registered head office location)
- 3-1, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-8631, Japan
JA Building

Representative Masami Iijima, President and Chief Executive Officer
Common Stock ¥341,482 million (As of March 31, 2014)
Number of Employees 6,097 Consolidated 48,090 (As of March 31, 2014)

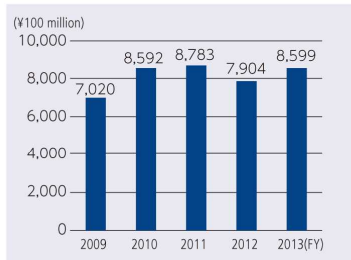
Number of Offices and Overseas 145 (as of June 1, 2014)
 Domestic: 12 offices
 (Head Office : 1, Offices : 6, Branches : 5)
Trading Subsidiaries Overseas: 133 offices
 (Overseas offices : 34, Overseas trading Subsidiaries 99 (Head Offices : 36))
Major Business Areas Utilizing our global operating locations, 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, Integrated Transportation Systems, Chemicals, Energy, Food Resources, Food Products & Services, Consumer Services, Innovation & Corporate Development Businesses.

Organization Chart (as of June 1, 2014)

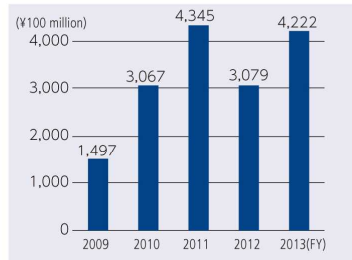


Financial Information (Consolidated)

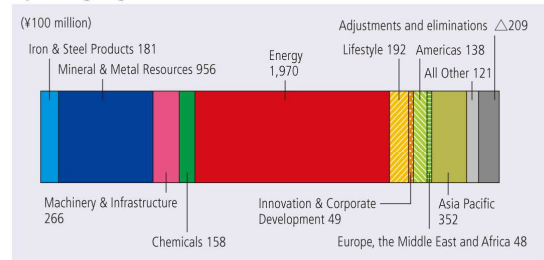
Gross Profit



Net Income



Operating Segment Net Income (FY2013)



(TRANSLATION)

Independent Practitioner's Assurance Report

July 31, 2014

Mr. Masami Iijima,
President and Chief Executive Officer,
Mitsui & Co., Ltd.

Hiroshi Inanaga
Chief Executive Officer
Deloitte Tohmatsu Evaluation and Certification Organization Co., Ltd.
3-3-1, Marunouchi, Chiyoda-ku, Tokyo

We have undertaken a limited assurance engagement of the environmental information (CO₂ emissions in respect of the domestic non-consolidated operations of Mitsui & Co., Ltd. (the "Company") and its subsidiaries and affiliated companies in Japan, and electricity consumption and its consumption per square meter exclusive area, water consumption, paper consumption and those consumptions per employee, waste and its emissions unit values per employee, freight volumes, and specific consumption in transportation operations in respect of the domestic non-consolidated operations of the Company) (the "environmental information") for the year ended March 31, 2014 that included in pp. 74 and 81-82 of the "Mitsui & Co., Ltd. Sustainability Report 2014" of the Company.

The Company's Responsibility

The Company is responsible for the preparation of the environmental information in accordance with the calculation and reporting standard adopted by the Company (indicated with the environmental information included in the Report). CO₂ emissions are subject to inherent uncertainty because of the reasons such as incomplete scientific knowledge used to determine emissions factors and the values needed.

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. The firm applies International Standard on Quality Control 1 and accordingly maintains 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 environmental 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 Review of Historical Financial Information (Revised) issued by the International Auditing and Assurance Standards Board ("IAASB"), and ISAE 3410 Assurance Engagements on Greenhouse Gas Statements issued by IAASB.

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 Company's environmental information is not prepared, in all material respects, in accordance with the calculation and reporting standard adopted by the Company.

