

CSR at Mitsui & Co.

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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 business activities. 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 & Co.'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, the first president of the former Mitsui & Co.

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.

Creating value with CSR at Mitsui & Co.

Companies can only be sustainable if the societies they operate in are sustainable. And unsustainable companies cannot fulfill their social responsibilities.

At Mitsui & Co., we try to anticipate changes in society with each era. We reflect on how we should progress our capabilities, and challenge ourselves to express our potential in ways that bring the most benefit to society.

We believe that we must continually improve the way we engage with environmental and social issues, listen closely to our stakeholders, and ensure we have a clear understanding of key concerns, issues and expectations. It is then our responsibility to contribute to addressing issues and meeting expectations in the most effective way possible. Working alongside our stakeholders and operating from a robust management foundation that includes our Mission, Vision & Values, our governance and risk management systems, our human resources development and other core aspects of our organization, our aim is to pursue business in a manner expressed in our “360° business innovation.” slogan.

One of our greatest strengths is our ability to connect ideas, information, customers and business partners to create new value around the world, and we believe that in doing so we can both meet our corporate social responsibilities and contribute to *a future where the aspirations of people can be fulfilled*.



Mitsui CSR Policy and Philosophy

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

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

In addition, our "Long-Term Management Vision(formulated in 2009)" 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 CSR policy, which is essential for realizing Mitsui's New Medium-Term Management Plan, "Challenge & Innovation for 2020 – Demonstrating Mitsui Premium(formulated in 2014)."

CSR Policy and the CSR Promotion

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

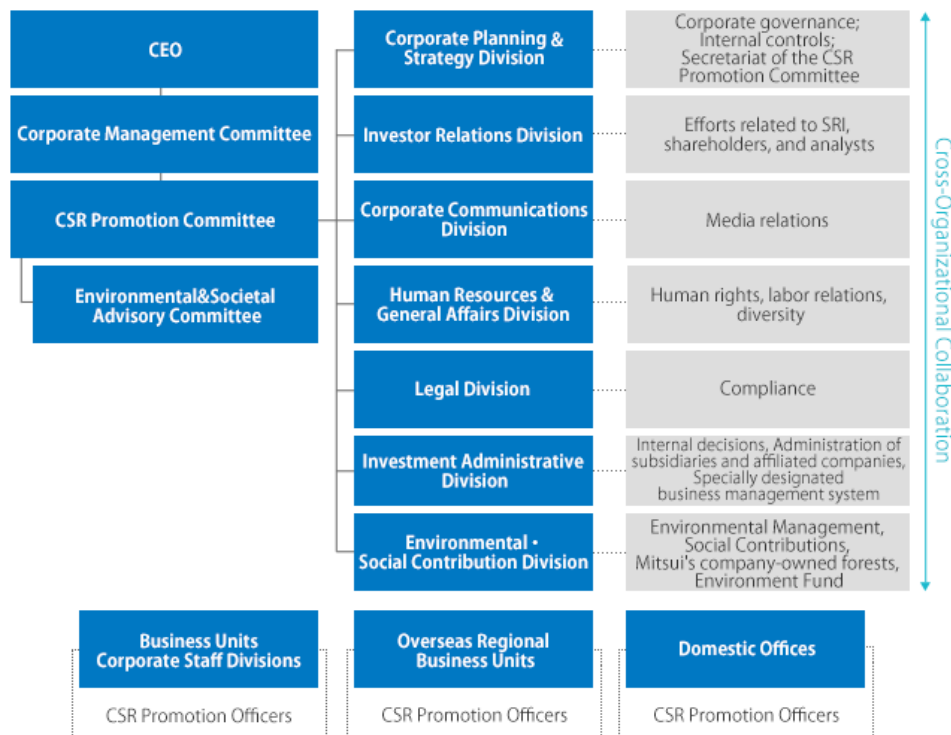
In 2004, Mitsui formed the CSR Promotion Committee as an organization under the Corporate Management Committee to develop Mitsui's internal framework with respect to CSR and work to raise CSR awareness among employees. Mitsui also promotes CSR-related activities based on cross-organizational collaboration 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, 2015, CSR promotion officers meetings were held quarterly, where we shared various information on CSR issues such as policies relating to CSR initiatives formulated by the CSR Promotion

Committee, supplier survey results and initiatives relating to supply chain CSR management, and also deliberated on issues such as our CSR material issues. Moreover, Mitsui CSR promotion officers took initiative in organizing various CSR awareness raising programs such as in-house CSR seminars, lectures by the people from partner companies and outside experts, and workshops on how to implement CSR through day-to-day business activities.

CSR Promotion Framework



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 (overseeing the Corporate Planning & Strategy Division), and its deputy-chairman is the executive officer in charge of corporate staff divisions (overseeing 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:

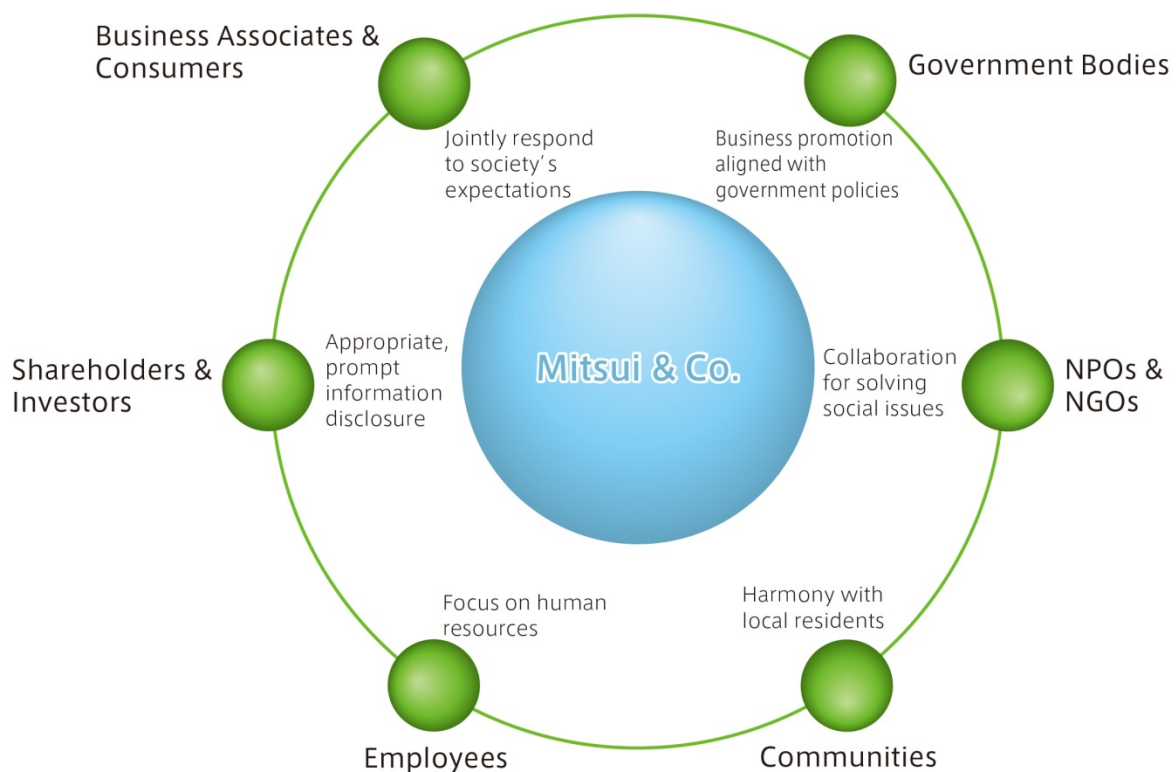
1. Develop fundamental policies on the management of the Company's CSR and fundamental plans for activities promoting CSR
2. Configure and establish an internal corporate structure for the management of the Company's CSR
3. Determine the key issues to focus on each year for activities to promote the 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
6. Approve important matters pertaining to the Mitsui & Co. Ltd. Environmental Fund

Furthermore, the Environmental & Societal 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 stakeholders of particular interest.

Through interactive communication with its stakeholders, each of Mitsui's employees and officers is endeavoring to acquire a firm understanding of what society expects from and requires of Mitsui. Based on this understanding Mitsui strives to respond to changes in market environments, constantly evolves, and, through its business activities and by exercising its unique capabilities, creates new value that is useful to society.



Communication with Stakeholders

Mitsui places great importance on interactive communication with stakeholders in all its business activities. We are committed to the development of relationships based on mutual trust with all stakeholders, including local communities, NPOs/NGOs, government bodies, business associates such as partners and consumers, shareholders/investors, and employees through continual communications, and to information disclosure.

Relationships with Stakeholders, Main Modes of Communication

- Activities through the Mitsui & Co., Ltd. Environment Fund
- Activities through Mitsui's forests
- Activities through scholarships, Mitsui endowed lectures, and Japan studies programs
- Activities through various funds in overseas
- Support for Brazilians residents in Japan
- Employment participation in the Mitsui Global Volunteer Program (MGVP)
- Training program for local government employees

- Activities through the Mitsui & Co., Ltd. Environment Fund

- Participation in policy council
- Participation in consultation and advisory meetings with government agencies and offices
- Training program for local government bodies
- Activities through business and industry groups

Communities

We contribute to growth and prosperity through our wide-ranging business activities in countries and regions throughout the world. We also aim to achieve harmonious coexistence with local communities through contributions in such areas as local industry development, creation of employment opportunities, and the improvement of educational environments.

NPOs & NGOs

We find solutions for environmental and social issues by networking and collaboration with various NPOs and NGOs. Through the Mitsui & Co., Ltd. Environment Fund, we provide support for research and initiatives by NPOs, NGOs that are working to solve environmental problems.

Government Bodies

We are committed to compliance with related laws and regulations formulated by government agencies and local governments in the countries where we engage in business activities. Furthermore, through cooperation with governmental agencies and local governments, we propose and promote business projects that align with their policies and deliver the unique value that Mitsui can offer.

Mitsui & Co.

Business Associates & Consumers

We contribute to the development of a sustainable society through our efforts to grasp the needs and expectations of our business partners and consumers, supply safe and reliable products and services, and disclose accurate corporate information, and through initiatives to address problems in supply chains.

Shareholders & Investors

We achieve sustainable improvement in our corporate value and appropriate market recognition by fulfilling transparency and accountability with timely and accurate disclosure of information, and by engaging in interactive communication with shareholders and investors.

Employees

Employees are our most important assets. We are continually striving to create comfortable and motivating workplace environments, and enhance human resources development programs, personnel systems, and diversity management.

- Mitsui & Co. websites
- Corporate Brochure
- Advertisement
- TV commercials
- Recruitment pamphlets
- Annual reports
- Activities based on the Supply Chain CSR Policy
- Supplier surveys and on-site inspections
- Initiatives that align with our policies and rules on handling of Consumer Products.; "Consumer Product Handling Policy", "Consumer Product Handling Regulation"

- Mitsui & Co. websites
- Annual reports
- Newsletter to Shareholders
- IR meetings (presentations on financial results and projects, briefings for individual investors)
- General meetings of shareholders
- Responses to CSR surveys from SRI index research organizations

- Intranet
- In-house newsletter of Mitsui & Co.
- Employee roundtable meetings
- Training programs and seminars
- In-house and external whistle blowing channels
- Discussions with labor unions

Five Material Issues

Mitsui & Co. prioritizes corporate social responsibility (CSR) in its corporate management. We have identified “five material issues in the CSR field” for the company to focus on, with the aim of meeting the expectations of a variety of stakeholders and contributing to the creation of a future where the aspirations of the people can be fulfilled, as set out in our corporate mission.

■ Five Material Issues in the CSR Field at Mitsui & Co.

Protection of
the global
environment



Respect for
human rights



Enhancement of local
industrial bases &
quality of life



Stable supply of
resources &
materials





Corporate governance &
human resource
development



Management Approach

Mitsui & Co. works to address the five material issues that have been identified. These efforts are being implemented under an organizational structure that is in line with the company’s management philosophy and Basic CSR Policy. The company’s recognition of and approach to each of the issues has been set out as follows, and specific measures aimed at addressing each of the issues for the fiscal year ended March 2015 are disclosed.

|  Material issue: Protection of the global environment | |
|--|---|
| Recognition of the issue | Mitsui & Co.’s approach |
| The development of business activities must be guided by careful thought about the purpose and role of business corporations, and by consideration for the global environment. | We will comply with environment-related laws, regulations and treaties. We will work to prevent environmental pollution and curb greenhouse gas emissions, and to maintain biodiversity. We will be aware of environmental impacts and work to mitigate those impacts. We will use our integrated strengths and work in cooperation with our partners to achieve rational, long-term industrial solutions to environmental problems. We will continue to provide grants through the Mitsui & Co., Ltd. Environment Fund for research and activities by NPOs and universities, etc., relating to the solution of environmental problems, efficient resource utilization, and harmonious coexistence between ecosystems and human beings. |

|  Material issue: Respect for human rights | |
|--|---|
| Recognition of the issue | Mitsui & Co.’s approach |
| As a company with global business activities in many countries and regions, we regard respect for human rights based on international standards as the foundation of CSR management. | Being aware of our role as a member of the international community, we will work to understand the culture, traditions, and practices of each country and region. We will also work to ensure that human rights are respected in the supply chain, and that there is no discrimination based on race, beliefs, gender, social status, religion, nationality, age, or mental or physical disabilities. We will take action to rectify labor practices that violate human rights, such as forced labor and child labor. |



Material issue: Enhancement of local industrial bases & quality of life

| Recognition of the issue | Mitsui & Co.'s approach |
|---|--|
| The importance of contributing to the development of the educational environment of people living in the countries and regions where we do business, as well as the creation of employment opportunities, the improvement of living standards, and the development of local industries. | Through our business activities, we will work to develop the infrastructure needed for growth and prosperity in countries worldwide, including electric power, transportation and communications. We will also strive to improve basic services, such as healthcare and care for the aged, and to develop local industries and create employment. We will also contribute to human resource development and improvements to the educational environment through the hosting of endowed lecture programs at major universities and through a variety of education funds and scholarships. |



Material issue: Stable supply of resources & materials

| Recognition of the issue | Mitsui & Co.'s approach |
|---|--|
| The establishment of supply sources for resources, such as energy, metals, water, food resources, and chemicals, and materials, as well as the stable supply of these resources and materials have become important social priorities because of demand expansion driven by population growth and the desire for a better standard of living, especially in emerging countries. | We will work with suppliers, users, and business partners in Japan and overseas to engage in resource development, production, product distribution, processing, and recycling initiatives in various parts of the world. We will also build optimized supply chains through the improvement of infrastructure and logistics, including the development of railroad transportation and port facilities. At the same time, we will work to identify CSR priorities and achieve comprehensive improvements and solutions across the supply chain as a whole. |



Material issue: Corporate governance & human resource development

| Recognition of the issue | Mitsui & Co.'s approach |
|---|---|
| Corporate governance is the foundation for our efforts to make a continuing contribution to society through our business activities and maintain our status as a company trusted by society. We regard the enhancement of corporate governance and internal controls as key priorities, in addition to the fostering of human resources who support these efforts and constitute the foundation for all of our company's business activities. | In order to maintain our status as a company trusted by society, we will work to ensure fair business practices and prevent corruption. Moreover, to demonstrate our integrated strengths and our ability to connect at an even greater magnitude, and to develop people with the capacity to create useful and meaningful business for local communities, we will implement various human resources development programs, in addition to OJT, to strengthen the driving force that supports Mitsui & Co. |

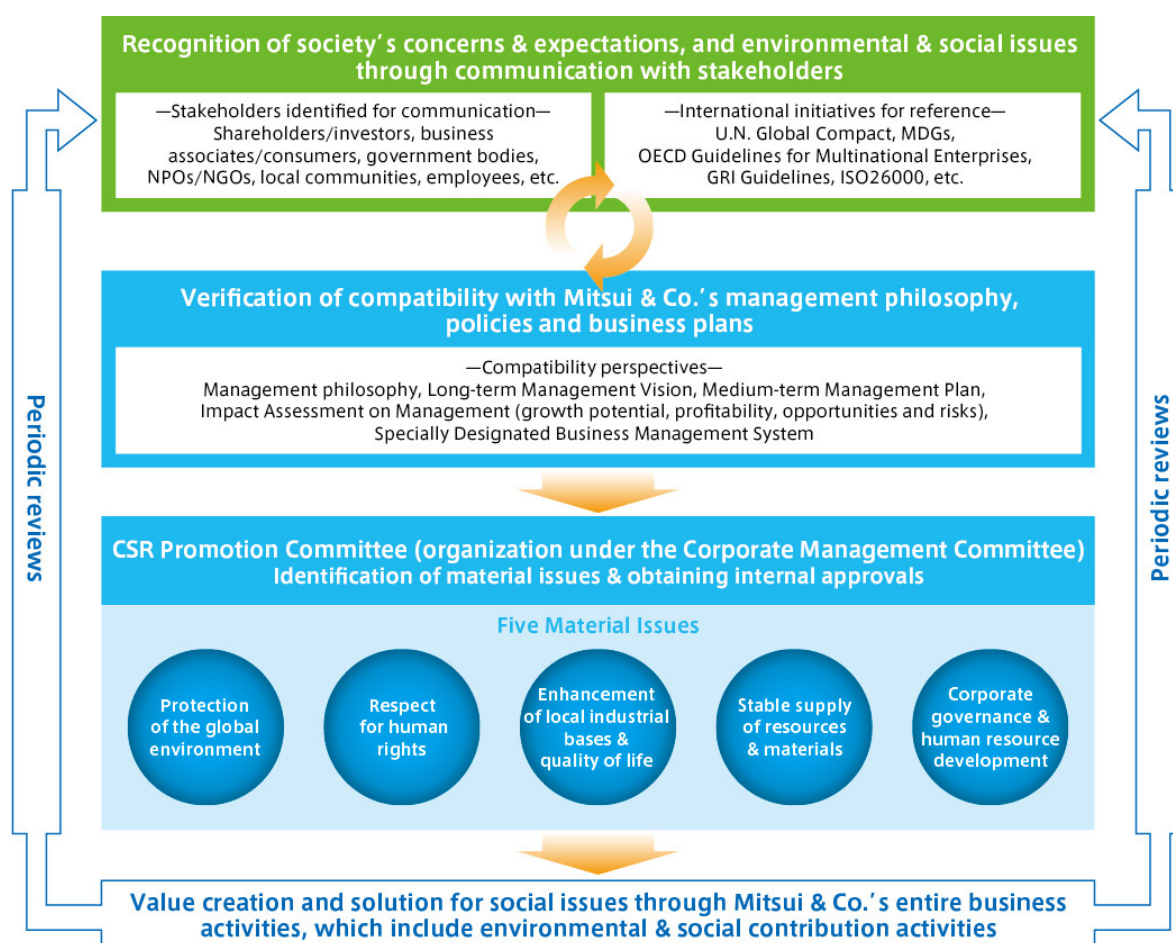
Please see below for details of our performance in each of the material issues categories
 < Tasks and Accomplishments , p31 >

Identification and Review Processes for Material Issues

In our effort to address issues and concerns in the field of CSR, Mitsui & Co. has identified material issues to work on, through communication with our stakeholders, including business associates, NPOs & NGOs, experts, and others. Also, we have verified compatibility with international CSR frameworks, such as the U.N. Global Compact, MDGs, GRI Guidelines, and ISO26000, as well as with Mitsui & Co.'s key corporate initiatives and the strategy for each of the business domains.

Through discussions at the CSR Promotion Officer meetings and CSR Promotion Committee meetings, five material issues in the CSR field were identified as important management indices. These were approved by the Corporate Management Committee in March 2015 and then shared with all officers and employees.

The material issues will be periodically reviewed in order to meet the changing needs and expectations of society. We will strive to resolve social issues through all of its business activities by creating value in a way that is unique to Mitsui & Co., and in doing so contribute to the realization of a sustainable society.



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 Network Japan 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 2015, over 12,000 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. Business should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

Labor

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

Environment

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

Anti-Corruption

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

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 initiatives being undertaken to achieve this goal.

For details, please refer to p.120.

