

# CSR Management Platform

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# Corporate Governance

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## 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 13 Headquarters business units and 3 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 2015, there were 14 directors, five of whom were external directors. We have five corporate auditors, two full-time and three external, and we have established a Corporate Auditor Div. 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 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 two times during the fiscal year ended March 31, 2015, and promotes company-wide CSR management, builds our internal CSR-related systems, and works Corporate Governance: Corporate Governance and Internal Controls Corporate governance and internal control: Systems and implementation Corporate governance framework Business execution and internal control system to heighten the awareness of CSR among employees, the Power and Energy Strategy Committee, which carries out medium- and long-term macro analysis of the environment, electricity, and energy segments and discusses strategic approach in those segments, and the Business Innovation Committee, which promotes initiatives for next-generation innovation business. Moreover, we have formed the Information Strategy Committee, which formulates policies related to company-wide information and IT strategies and prepares major policies related to promoting the enhancement of the management platform and information strategy and monitors the implementation of those policies, and the Diversity Promotion Committee, which analyzes and addresses current issues to realize a full mobilization of our diverse workforce.

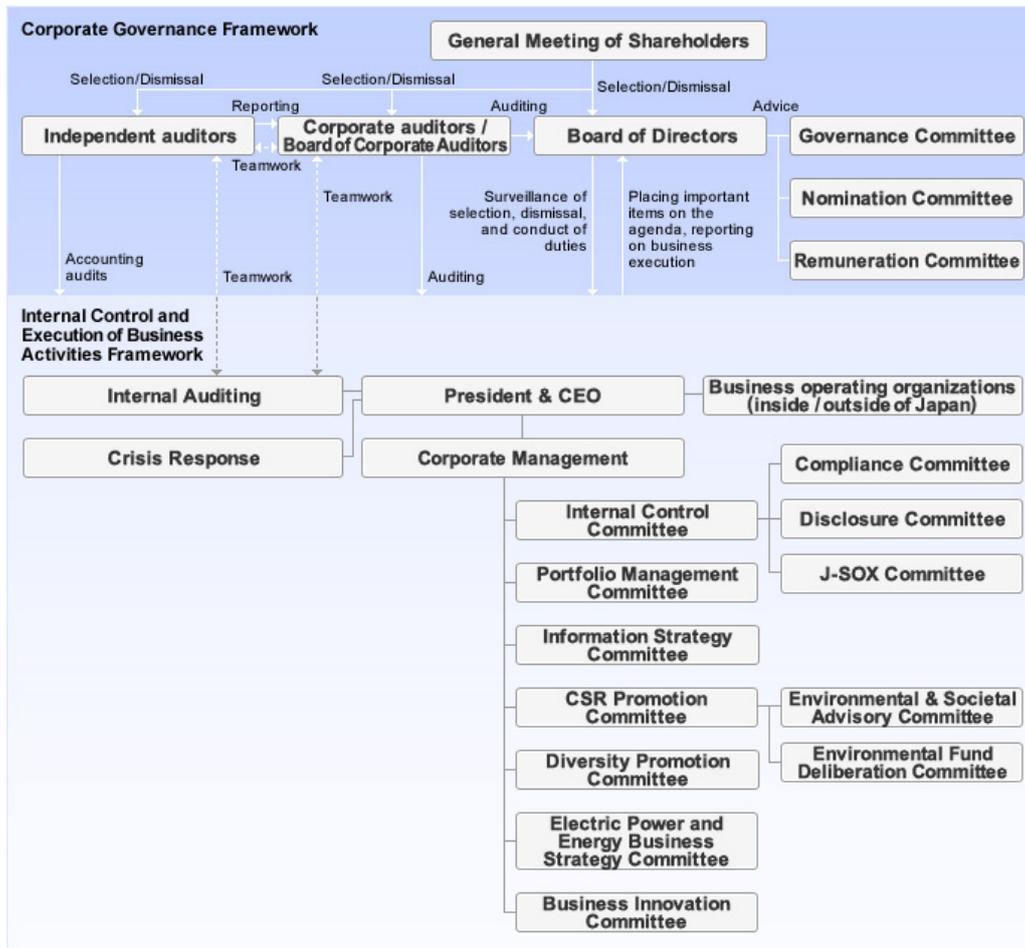
#### ■ Current status of the internal auditing structure

The Internal Auditing Div., which reports directly to the president and has a staff of about 60, 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 Div. 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 US Securities and Exchange Commission (SEC), the current fiscal year is the fourth year that we have adopted the J-SOX standards as the basis for the evaluation of our internal control systems. As with last year, we took great care to maintain the same high level of transparency, information disclosure and internal control discipline as under the US 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 are 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: June 2015)

# Compliance

## 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,

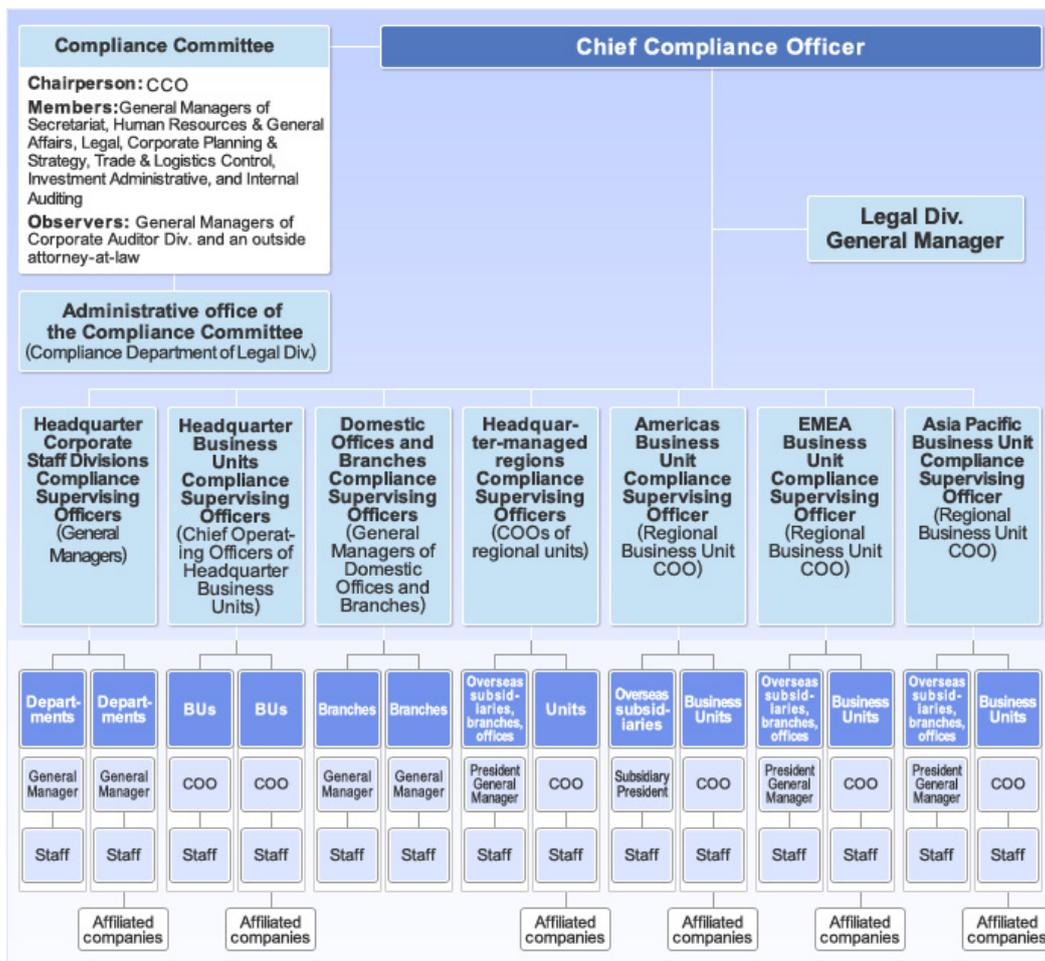
and corporate ethics. The Business Conduct Guidelines help us fulfill our corporate social responsibility (CSR) and win the trust of our stakeholders. They have been revised from time to time since their enactment in February 2001, to reflect changes in the law and best practices.

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.

### Business Conduct Guidelines for Employees and Officers

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|--|---|
| 1. Compliance with the Law and Respect for Human Rights    | 7. Compliance with Procedures for Export and Import and Other Applicable Laws |
| 2. Office Environment and Sexual Harassment                | 8. Company Fund and Financial Reporting                                       |
| 3. Compliance with Antitrust Law                           | 9. Political Donations and Other Contributions                                |
| 4. Conflicts of Interest between Employees and the Company | 10. Social Contributions  |
| 5. Gifts and Favors  | 11. Protection of the Environment   |
| 6. Treatment of Company Information                        | 12. Action against Corporate Racketeering and Industrial Espionage            |
|  | 13. Reporting and Sanctions   |

The Business Conduct Guidelines booklet also covers management philosophy, report submission and consultation with others, the compliance program, the U.N. Global Compact, basic CSR policy, environmental policy, and social contribution policy.



## ■ 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 & Co. 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, 2015, 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, 2015, Mitsui completely revised the Compliance Handbook which explains the contents of the "Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd.", provided lessons involving the Compliance Handbook for Mitsui employees and also conducted online testing to ensure that about 5,300 employees in Japan understood the 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 overseas 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, 2016, 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 was established in September 2009 in order to proceed with the measures to protect and enhance consumer benefits and deliver a society where every consumer can enjoy a safe, secure and prosperous life. Likewise, Mitsui & Co. is also well aware of 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 specialty subcommittee 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 & Societal 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 & Societal 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, 2015, 32 projects were individually assessed under the Specially Designated Business Management System. By business domain, 4 of these projects were environmentrelated businesses, 3 were the Medical/healthcare/bioethics-related business, 19 were the businesses that are eligible for direct or indirect subsidies from Japanese government or other governments, and 6 was the businesses with a high public profile and/or a potentiality of extraordinary reputation risk.

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
	<p><b>Applicable to All Four Business Domains</b></p> <ul style="list-style-type: none"> <li>● Significance and social value of the business itself</li> <li>● Significance of Mitsui engaging in respective business</li> </ul>
<p><b>1 Environment-related business</b></p> <p>All businesses that have serious influences on the environment            Examples: Clean development mechanism (CDM) business, business using biomass, coal fired power plant business, etc.</p>	<ul style="list-style-type: none"> <li>● Contribution of such business to the environment and society</li> <li>● Measures to mitigate environmental impact, and safety assurance</li> <li>● For development business, appropriate consideration and understanding of local residents and other related parties</li> <li>● Compliance with environmental laws, regulations and guidelines, etc.</li> </ul>
<p><b>2 Medical/healthcare/bioethics-related business</b></p> <p>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 (a dialysis, pharmaceutical drug sales business), development of new drugs using genetic analysis technology, etc.</p>	<ul style="list-style-type: none"> <li>● Ethical screening based on guidelines of three Japanese ministries (Ethical Guidelines for Human Genome and Genetic Sequencing Research: MEXT, MHLW, METI)</li> <li>● Approval by the ethics committee of the research institute, acquisition of informed consent, checking of processes, etc.</li> </ul>
<p><b>3 Businesses receiving subsidies</b></p> <p>Example: Businesses that are eligible for direct or indirect subsidies from Japanese government or other governments</p>	<ul style="list-style-type: none"> <li>● Evaluation in light of Mitsui's management philosophy (MVV)</li> <li>● Social impact and ensuring accountability and process transparency</li> <li>● Determination of interests of stakeholders, and resultant considerations and responses</li> <li>● Responsibility and capability over the medium-to-long term acting as the operator of a business with a high public profile</li> </ul>
<p><b>4 Businesses with a high public profile and/or a potentiality of extraordinary reputation risk</b></p> <p>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.), etc.</p>	<ul style="list-style-type: none"> <li>● Evaluation in light of Mitsui's management philosophy (MVV)</li> <li>● Social impact and ensuring accountability and process transparency</li> <li>● Determination of interests of stakeholders, and resultant considerations and responses</li> <li>● Responsibility and capability over the medium-to-long term acting as the operator of a business with a high public profile</li> </ul>

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# Human Rights Initiatives

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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's Basic CSR Policy states "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.

## Support of and Management Systems for International Standards

### 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.

#### ■ ILO Core Labour Standards

The International Labour Organization (ILO) was founded in 1919 as an international organization responsible for drawing up and overseeing international labor 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 labor 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 are 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 Parketãjê people to foster mutual respect.

In Japan, Mitsui has entered into agreements with the town of Biratori in Hokkaido, where part of Mitsui's forests is located, and the Biratori Ainu Association to cooperate in activities to protect and pass on Ainu traditional culture through the conservation of 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 the awareness of management and employees on human rights and labor issues at its 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? 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 an organization that materially lacks an understanding of the UN Global Compact, we will take measures, such as to provide additional training seminars. In addition, we continue to hold in-house seminars to remind employees of the importance of addressing and managing risks related to human rights and labor problems in the supply chain. We also continue initiatives to grasp and improve problems in supply chains by conducting questionnaire-based surveys and also on-site surveys. Moreover, through our participation in working groups of UN GC Network Japan, such as the Human Rights Education Working Group, the HRDD Working Group, and the Supply Chain Working Group, we learn about international trends related to human rights and make use of the information we gain from other companies to enhance our CSR promotion activities.

We continue to deepen our awareness of human rights and labor issues in reference to the UN's Guiding Principles on Business and Human Rights, in part, by inviting outside experts to hold seminars .

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# Environmental Initiatives

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## 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, sustainable food supply, and conservation of biodiversity, which will require efforts across multiple generations.

As the seriousness of all these issues has deepened, our role in helping resolve environmental issues is also markedly growing, because our goal of sustainable growth for Mitsui & Co. is intrinsically connected with global environmental conservation.



Mitsui's management is committed to addressing environmental issues, and it is driving environmental initiatives on a global basis throughout the Mitsui & Co. Group, while actively communicating with our stakeholders. We are dedicated to helping realize a sustainable society by contributing to the creation of opportunities to solve issues through our business operations, not only through the development of specific environmental business, but also through comprehensive measures to reduce environmental risks and burdens across the entire spectrum of our business activities.

Masayuki Kinoshita

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

## Environmental Policy

Revised April 2011

### 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**

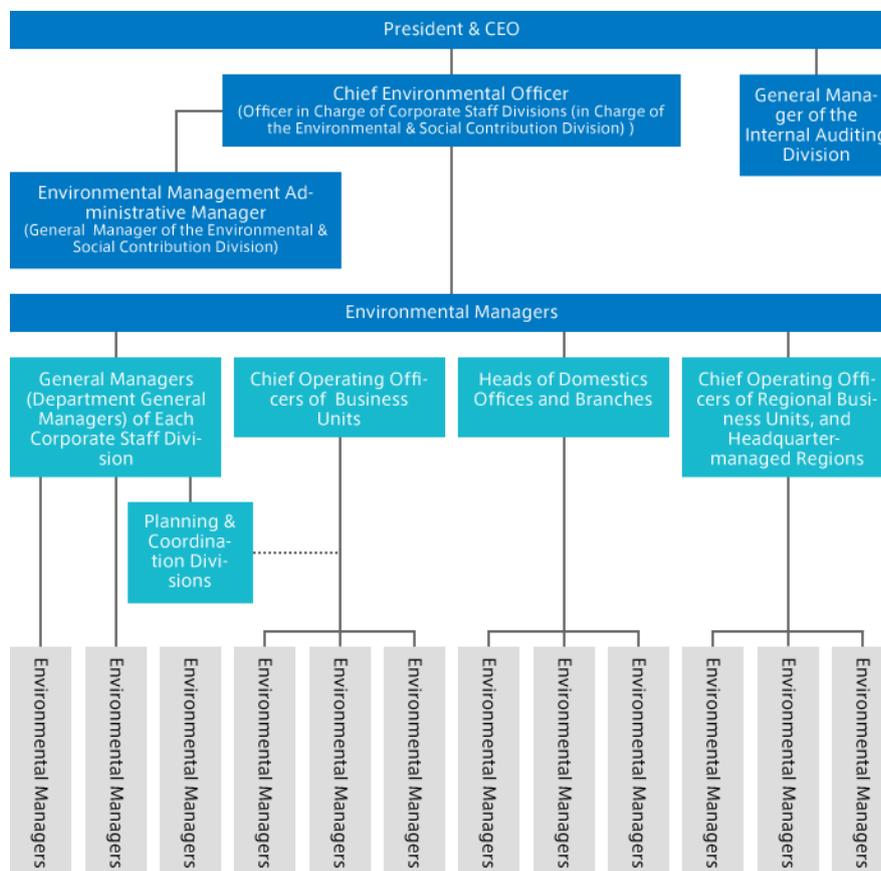
We will engage in business activities with the goal of providing rational and permanent industrial solutions, and contribute to the realization of "sustainable development" by exploiting our individual abilities and the collective strengths of our organization in cooperation with our global partners.

## Environmental Management System

### Environmental Management System

To facilitate effective environmental management, Mitsui & Co. has implemented a Environmental Management framework on global base 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 conduct 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 headquarter-managed regions area unit leaders. This organizational framework enables environmental management on a Group-wide basis. (Environmental Management System information as of April 2015)



## Improvement of the effectiveness with specialist personnel

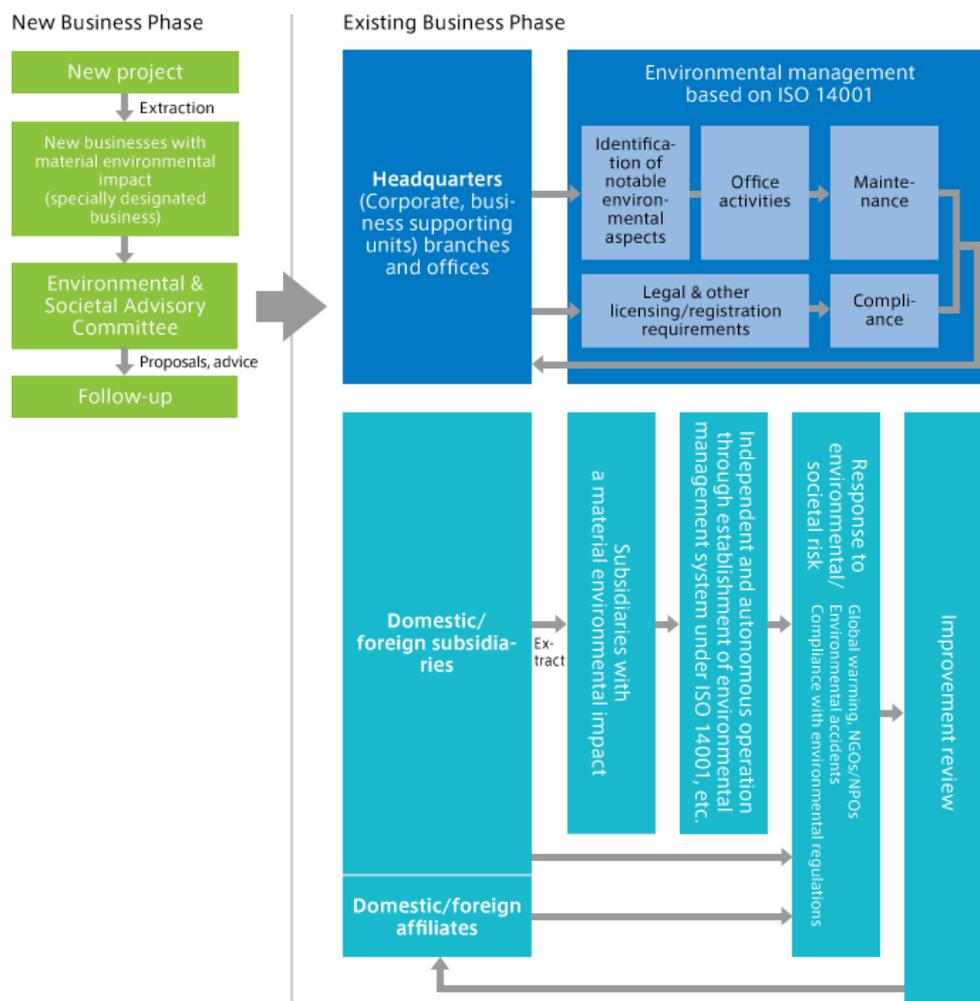
Mitsui has network with Standing Environmental Experts in the area of environmental/social risk management. We are also supporting personnel at global environmental department in their efforts to qualify as ISO14001 Environmental Provisional Auditors.

And also 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 in our businesses

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

As part of our efforts to ensure effective identification and management of environmental risks relating to our various business activities, we encourage subsidiaries with high environmental risks to develop environmental management systems based on ISO14001 or an equivalent, and to carry out their own independent and autonomous environmental management. At the same time, we have established structures to prevent recurrences of environmental accidents through follow-up measures based on reporting of such problems.



## Environmental Management for New business

### ■ Specially designated business management systems and Environmental & Societal 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 & Societal Advisory Committee, with final approval coming from the representative directors through Ringi approval. Members of the Environmental & Societal 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

For existing business, we introduce ISO14001 as the environmental management, and “Relevant Important Management for Environment” under which we precede the substantial reduction of our environmental burden and risk through continuous improvement in environmental management.

### ■ Environmental management for Mitsui

We introduce 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. We primarily apply it to office activities involving paper, garbage and energy saving. In fiscal year 2014, we made “Spread of IC Attestation” “Reducing Paper in office” as environmental goal, and achieved this by establishing objectives appropriate for each department and branch.



### ■ Environmental management for Subsidiaries

Domestic subsidiaries with high environmental burden and risk are recommended to gain ISO14001 certification, and please refer the list of “Subsidiaries with ISO14001 certification (24 companies in total)”. Overseas subsidiaries with high environmental burden and risk are also making progress in obtaining ISO14001 or equivalent local environmental management system certification, and more than 20 completed thus far.

Every year, we held ISO14001 training for internal auditor of ISO standards, which helps to improve understanding on the application of environmental management systems and to raise knowledge of the problem extraction in the environmental management system use. In addition, our Business Units observe and participate in subsidiaries' ISO14001 internal audits and external audits, enabling us to understand the status of their environmental management and provide accurate guidance and support.

## Subsidiaries with ISO14001 certification (24 companies in total)

Seikei Steel Pipe Corporation, MSS Stainless Steel Center Co., Ltd., Shin Sanko Koukan Corporation, Toyo Wire Ltd., Mitsui Bussan Kozai Hanbai Co., Ltd., Mitsui Bussan Metals Co., Ltd., 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 & Co., Plastics Ltd., Mitsui Knowledge Industry Co., Ltd., MKI Technologies Co., Ltd., Mitsui Electronics Inc.

### Onsite Environmental Consultation

Environmental Coordinators from the Global Environment Department of the Environmental · Social Contribution Div. visit business sites to conduct environmental consultations and technical discussions about the reduction of environmental burden and the prevention of pollution. In fiscal 2014, we conducted consultation of 1 overseas business locations.

### Example: Erdos Electrical Power & Metallurgical Company Limited, China

A visit was made to Erdos Electrical Power & Metallurgical Company Limited, China (“EPMC”) in Erdos City, Inner Mongolia Autonomous Region. EPMC is engaged in five core industries—coal mining, power generation, metallurgy, chemicals, and infrastructure. As a model resources recycling company, it is working to maximize resource utilization efficiency and to reduce emissions of exhaust gases, wastewater, and solid waste to zero through collaborative efforts among its coal mine, coal dressing plant, power station, chemical plant, and cement plant. The environmental consultation was an opportunity to check various aspects of environmental management, including the state of environmental facilities, the utilization of waste between plants, and 5-S house-keeping campaign. There was an active exchange of technical information about ways to apply the PDCA cycle more effectively to environmental activities.



An on-site power generation facility

### Responding to Environmental Accidents

During the fiscal year ended March 31, 2015, there were no environmental-related incidents at the parent company. There was, however, small environmental-related incident reported by three of our subsidiaries. This incident was quickly addressed, and as a result, all related corrective and preventive measures have been completed. Mitsui & Co. employs various measures to prevent recurrences of environmental accidents, including the use of collections of case studies to raise employee awareness. Any accident is promptly reported, and comprehensive steps are taken to prevent a recurrence, beginning with the identification of the true cause of the accident and an assessment for 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.

## 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, not only establish way of workings to ensure the relevant compliance through environment management system, but also 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.

### Compliance with environmental regulations

We and our subsidiaries with high environmental burden are placed with ISO14001 or an equivalent, and proper ways of working though environment management system, in line with those attestations, to ensure environmental-related compliance.

## Training seminars on environmental laws and regulations

We hold seminars for Mitsui, subsidiaries and affiliated company employees on environmental laws and regulations. From fiscal year 2013, we began co-hosting these seminars with other trading firm (in Tokyo, and Osaka) ensuing actions toward the environmental-related compliance. In fiscal year 2014, about 100 people participated from Mitsui & Co. group companies. We also conduct a separate training seminar on the Waste Management and Public Cleansing Act, are convene with subject to classroom training focused on precautions in complying with the Act, as well as the training included procedures for on-site checks at waste disposal facilities and actually visiting the facilities.



## 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 624 million ton-kilometers\*<sup>1</sup> of domestic freight annually. About 85% is carried by ship, about 15% 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.

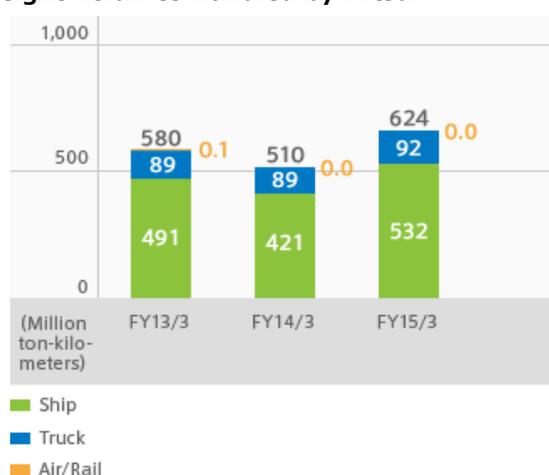
In each of our business units, we collaborate with our logistics partners and promote economical driving practices and other fuel saving techniques. We also work to raise efficiency by using larger transport vehicles, introducing cargo consolidation arrangements, and reviewing transport routes. We implement 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\*<sup>2</sup>. 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

<b>Selection of transportation method</b>	Use of railways, shipping (modal shift) Use of sophisticated freight services
<b>Measures to improve transportation efficiency</b>	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
<b>Alliances between transportation service providers and users</b>	Review of distribution frequencies Adoption of coordinated logistics planning
<b>Measures to increase fuel efficiency</b>	Eco-drive driving techniques Installation of fuel-saving equipment

## Result for Fiscal Year Ended March 31, 2015\*3 ★

<b>Specific consumption</b> *4	19.8
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\*3 Results are as provided to the Kanto Bureau of Economy, Trade and Industry in June 2015

\*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.

Concerning the data marked with a ★, an independent practitioner's assurance report prepared in accordance with the international standard ISAE 3000 and 3410 was given by Deloitte Tohmatsu Evaluation and Certification Organization Co., Ltd.

### ■ 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.

## Environmental Communication

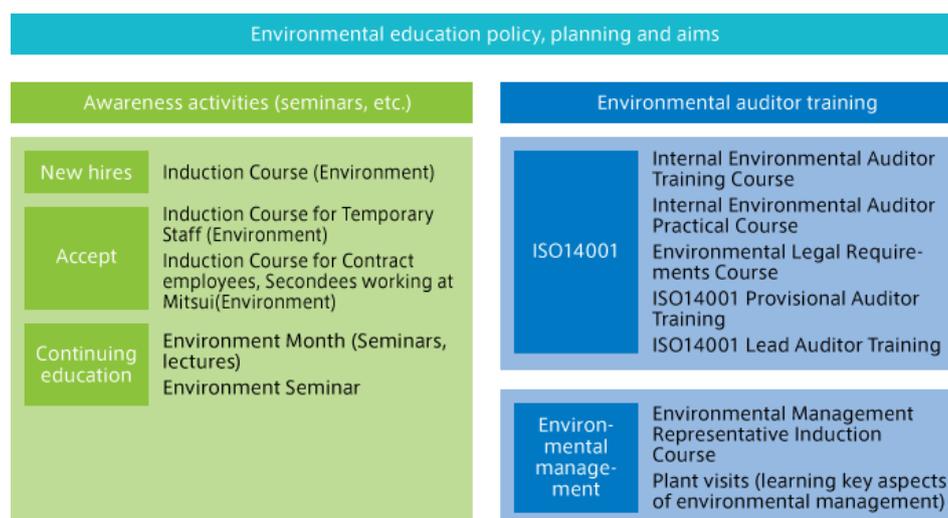
In order to realize the goal of creating a sustainable society in which the economy and the environment are both considered in harmony, there must be cooperation between government, NGO/NPOs, individuals, and companies. Mitsui strives to communicate its messages to a wide spectrum of stakeholders. We 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.

### ■ 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 2014

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.
Internal environmental auditor training (ISO14001)	2	Mitsui, subsidiaries and affiliated company employees	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
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

## Mitsui Environment Month

Events during Mitsui Environment Month 2014, which was held in June 2014, included a lecture by the Minister of Agriculture, Forestry and Fisheries, Mr. Yoshimasa Hayashi, and a lecture and film screening about projects selected for grants from the Mitsui & Co. Environment Fund.

### Special lecture: “Building a Sustainable Society through Agriculture, Forestry and Fisheries”

The Minister of Agriculture, Forestry and Fisheries, Mr. Yoshimasa Hayashi, who is a former employee of Mitsui & Co., was invited to present a lecture on the theme of “Building a Sustainable Society.” The event was attended by approximately 160 officers and employees of Mitsui & Co. and its affiliated companies. Comments from participants in a questionnaire survey conducted after the lecture were the following.

“I learned about both the positive and negative environmental effects of agriculture, forestry and fisheries.”

“It was a very informative speech. I learned that in addition to its role in relation to agriculture, the Ministry of Agriculture, Forestry and Fisheries also develops measures relating to the conservation of ecosystems, living environments and the land. I also became aware of the importance of harmonious coexistence with the natural environment.”



### Introduction to Projects Supported by Grants from the Mitsui & Co. Environment Fund

#### Lecture: “Building a Brighter Future for an Island through Your Eco-Journey”

#### Films: “Community-Building on Ojika Island, Nagasaki Prefecture” “Echigo-Tsumari Art Field, Tokamachi City, Niigata Prefecture”

Mr. Tatsushi Takasago was invited to present a lecture on the theme of “Building a Brighter Future for an Island through Your Eco-Journey.” The aim of the event was to foster understanding about the activities of the Mitsui & Co. Environment Fund among officers and employees of Mitsui & Co. and its affiliated companies. A week before the lecture, films entitled “Community-Building on Ojika Island, Nagasaki Prefecture” and “Echigo-Tsumari Art Field, Tokamachi City, Niigata Prefecture” were screened. A total of 130 people attended. Among the responses to a questionnaire survey conducted after the lectures and film screening were the following.

“I gained a clearer understanding about the activities for which funding from the Mitsui & Co. Environment Fund is used.”

“I have a renewed understanding of the need for and the importance of revitalizing local communities. To that effect, earning profits from business activities is important, and I felt that an economic approach such as the Environment Fund can play an important role.”



## Building a network with NGOs and NPOs

We work on social problems through various networks constructed with NGOs (Non-Governmental Organizations) and NPOs (Non-Profit Organizations), the key stakeholders of Mitsui.

Since July 2005, Mitsui & Co. has supported the activities and research of NGOs and NPOs through the Mitsui & Co., Ltd. Environment Fund, which was established with the aim of contributing to the creation of a sustainable society and solving environmental problems.

We also assist, through the officers and employees participation programs to network and to foster better understanding of activities among the NGOs and NPOs grant recipients of the Environment Fund.

## 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. In fiscal year 2014, the members of 14 trading firms and 1 institutions visited a major electronic manufacturer to review the environmental program at production site.

### ■ 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 global environmental problems and solutions, and biodiversity conservation protection of the natural environment. 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.

## Response to environmental issues

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 one key programs for preserving biodiversity.

## 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 such partner, but not limited to, as 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.

As of end of March 2015, the total forested area, both solely possessed as well as jointly owned and operated with those partners including Nippon Paper Industries Co., Ltd. was approximately 300 km<sup>2</sup>, equivalent to an area of Las Vegas. Since tree planting commenced in 1996, current areas are in their second rotation after first rotation forestation had been logged, with full consideration for the environment over the long term.

These tree-planting areas have all acquired FSC (Forest Stewardship Council) certification, an international certification, or the international Program for the Endorsement of Forest Certification (PEFC), in order to promote sustainable forest management. With periodically certified by those audit, those items, which include followings, are observed in respect with criteria set by the relevant Certifications and workings are undertaken with biodiversity conservatory into consideration.

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.100.

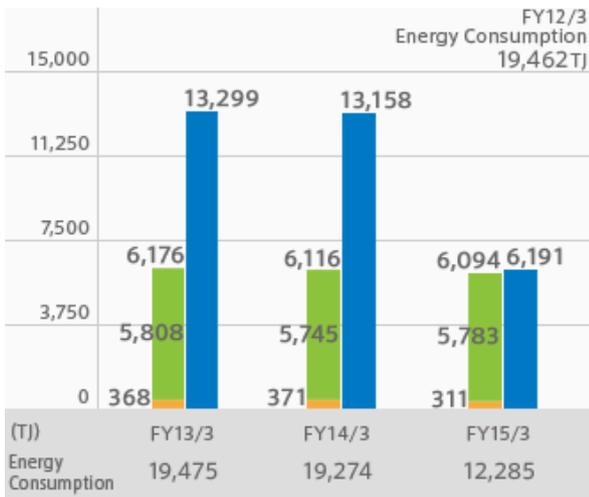
## Environmental Data

Concerning the data marked with a ★, an independent practitioner's assurance report prepared in accordance with the international standard ISAE 3000 and 3410 was given by Deloitte Tohmatsu Evaluation and Certification Organization Co., Ltd.

## Management of Greenhouse Gas (GHG) Emissions

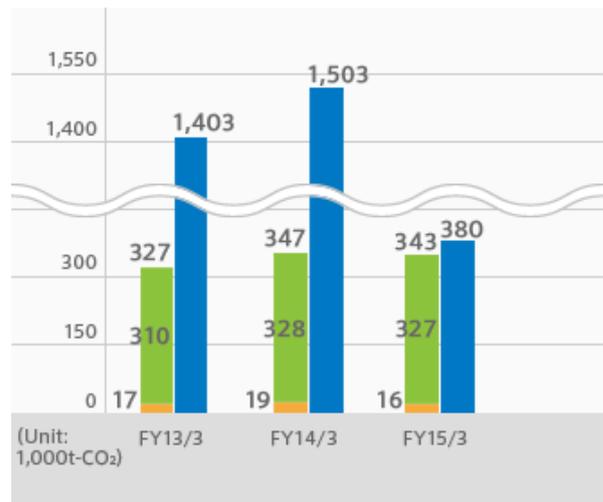
Mitsui is carrying out initiatives for the reduction of greenhouse gas (GHG) emissions on a global Group basis. From the fiscal year ended March 31, 2006, Mitsui has continually surveyed its domestic GHG emissions in order to understand its fixed quantity of emissions year by year. Mitsui has also announced 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.

■ Energy Consumption★



■ Domestic locations  
■ Subsidiaries and associated companies in Japan  
■ Overseas subsidiaries and affiliated

■ CO<sub>2</sub> Emissions★

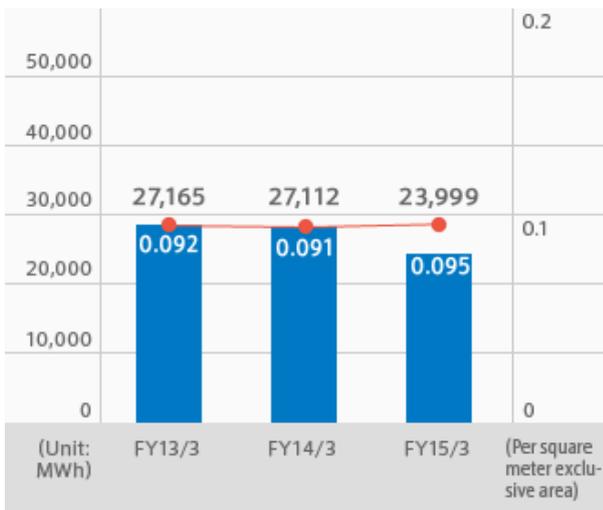


■ Domestic locations  
■ Subsidiaries and associated companies in Japan  
■ Overseas subsidiaries and affiliated

(Unit: 1,000t-CO<sub>2</sub>)

	FY2013	FY2014	FY2015
SCOPE 1	1,364	1,460	382
SCOPE 2	366	390	341
Total	1,730	1,850	723

■ Electricity Consumption★



■ Electricity Consumption  
● Per square meter exclusive area

< Scope of coverage >

1 Figures for Energy Consumption and CO<sub>2</sub> 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.

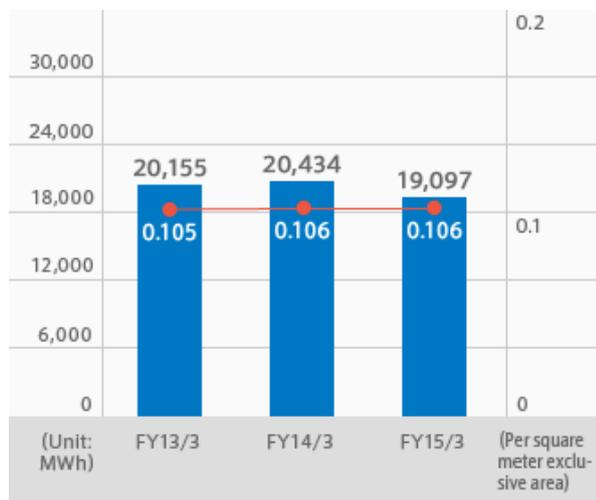
\* Overseas subsidiaries and affiliated companies are overseas subsidiaries included within the scope of consolidation. Estimates are based on the computation criteria stipulated in the World Business Council for Sustainable Development (WBCSD) and GHG protocols (2004).

2 Figures for Electricity Consumption: 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.

## Reducing the Environmental Impact of Offices

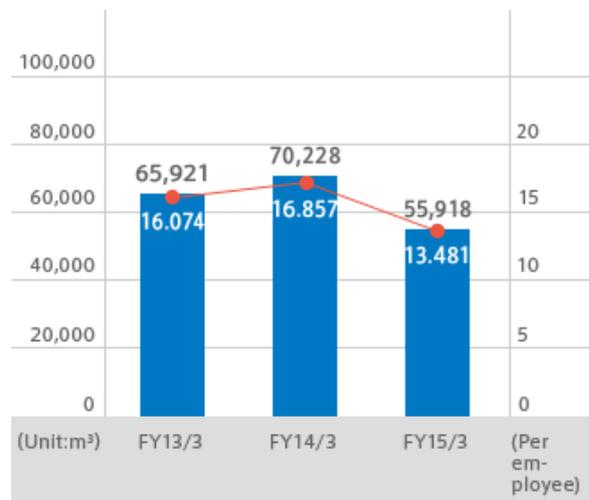
All employees at Mitsui strive to reduce the burden on the environment not only when conducting business, but also in their office activities through the efficient utilization of energy resources, as well as the reduction, reuse, and recycling of waste and its proper disposal.

### ■ Electricity Consumption★



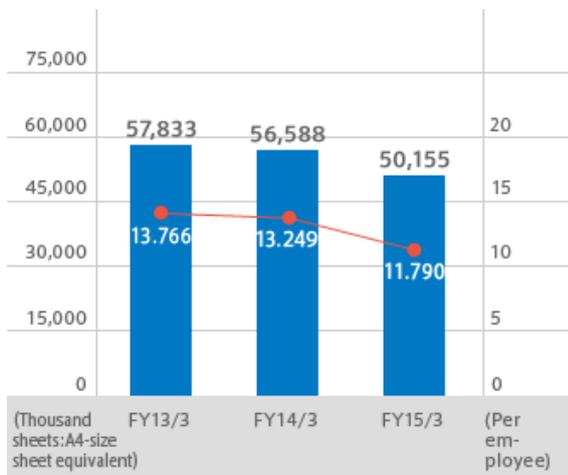
■ Electricity Consumption  
● Per square meter exclusive area

### ■ Water Consumption★



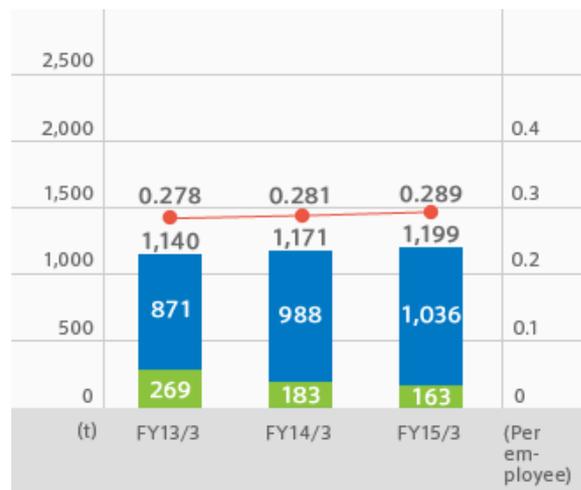
■ Water Consumption  
● Per employee

### ■ Paper Consumption★



■ Paper Consumption  
● Per employee

### ■ Waste★



■ Amount of final disposal  
■ Amount recycled  
● Per employee

	FY13/3	FY14/3	FY15/3
Recycling rate(%)	76.4	84.4	86.4

\* 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 are for the following Mitsui-owned buildings: (Mitsui & Co. Head Office Building (Tokyo), Osaka and Nagoya, On November 25, 2014, Mitsui & Co. Head Office operations were relocated to two nearby rental buildings from own buildings, so figures of was excluded after that).

## 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, 2015 is outlined below.

(Unit:1,000JPY)

Category	Investments	Expenses
Business areas costs	673,196	586,112
Upstream/downstream costs	0	60,259
Administration costs	3,018	592,293
Social activity costs	0	1,015,400
<b>Total</b>	<b>676,214</b>	<b>2,254,064</b>

\* 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, 2014 - March 31, 2015

### ■ 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, 2015 are shown below.

	Environmental preservation effects	Economic effects (Unit:1,000JPY)
Paper consumption	6,433 Thousand sheets	1,878
Electricity consumption	4,077 MWh	47,636
Waste	△28t	442

\* 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.

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# Human Resources to Translate into Assets

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We regard our employees as one of our most important stakeholders. Our human resources are Mitsui's most important asset. We have developed a variety of human resources development programs with the aim of training highly creative people not only with business skills and know-how but also with essential qualities such as integrity, ambition, humility, gratitude, and diligence to contribute to a better society. We are also promoting diversity further, including expanding opportunities for female employees.

Our goal is to create an environment in which all employees are motivated to work with vitality and achieve growth as the company grows.

## Basic Policy

Mitsui & Co., with its long history and traditions, has held the belief that human resources are its greatest asset and has always 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 management philosophy and to realize one of its mission statements, "We're building a better future for people and planet", Mitsui considers it most important to continue to raise the quality of individual personnel through human resource training and development activities.

### Key elements of Mitsui & Co.'s human resource system

Mitsui & Co. has long maintained its belief that "human resources are our greatest asset" (focusing on human resources) and embraced the values of "Human Resources", "Open-mindedness", and "Challenge and Innovation." Mitsui & Co.'s human resource system emphasizes such philosophy and values 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 & Co.'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.

### Respect for Human Rights

Mitsui & Co. is always doing business with the common sense applicable to the international community. Needless to say, Mitsui definitely follows the guideline for the world peace and human right that have been developed through the long history of the world. In this regards, Mitsui participated in the UN Global Compact and would pursue the sustainable growth of the world as one of the planet citizen.

# Human Resource Development

## Mitsui & Co.'s View on Human Resource Development

At Mitsui & Co. there is a saying, "The individual builds the business, and the business cultivates the individual". As the words signify, the company's priority mission is to develop talented human resources by encouraging each individual create business. Indeed, it would be no exaggeration to say that this is the company's ultimate raison d'etre. For this reason, the cornerstone of our human resource development is on-the-job training (OJT). We also implement comprehensive off-the-job-training by various forms of training to support and supplement human resource development through OJT.

## Human resource development programs

We have built a human resources development program for every job grade and band, from fundamental training for new employees through to leadership level employees. The aim is to foster human resources capable of global group management. Training includes milestone training, optional training, and training by invitation. In addition to enhancing these training programs, we have also developed our professional training programs with the goal of raising the level of specialist skills in each field. An introduction of each training program can be found on the company's intranet, along with an explanation and overview of our human resources training philosophy. We also encourage our employees' self-motivated participation.

We have introduced the Mitsui Global Leadership Program (MGLP), which is designed for employees to conduct business on a global basis. Programs include overseas dispatch programs such as the Overseas Trainee Dispatch, Foreign Language & Business Culture Training, Business School Dispatch, and Overseas Developmental Dispatch, through one of which all business staff shall be dispatched overseas within six years of joining the company. We also offer programs that foster next-generation leaders with the capacity for global management, such as the Mitsui-HBS Global Management Academy (GMA) and Executive Education (EE).

## Main human resources training programs and the number of participants/dispatched employees

Category	Training Programs	Outline	Number of participation FY15/3
Compulsory training	Management Tr, Leadership Tr, Managerial Staff Preparation Tr, Administrative Staff Tr, New Hire Induction Tr	The aim is to foster global group management resources. Participants acquire the management approach, business skills, and mindset required for each milestone, such as new grades and bands.	1,018
Bussan Academy	Marketing, Management Strategy, Finance, Logical Thinking, Mindset, Communication, Philosophy, History	Professional training with the aim of improving self-development and specialist knowledge. This is optional training that can be taken as needed from options in a broad range of fields.	1,404
Optional/ by invitation training	Cross-industrial Exchange Program, Career Design Tr, etc. Approximately 60 training programs	A variety of training programs, including a cross-industrial exchange program (which aims to promote understanding of different corporate cultures, expand horizons, and build human networks) and life plan training (which promotes understanding of the social environment and offers various systems for senior employees).	5,246
Mitsui Global Leadership Program	Overseas Trainee Dispatch, Foreign Language & Business Culture Tr, Business School Dispatch, Overseas Developmental Dispatch, GMA, EE	This is a practical program operated on an invitation/optional basis. Program participants are sent overseas and are surrounded by talented people from around the world with the aim of developing the mindset and skills needed to become next-generation leaders in global group management.	159

## Development of Human Resources Capable of Taking Responsibility for Global Group Management

We also focus on the development of human resources capable of taking responsibility for global group management, which is a key pillar of Mitsui & Co.'s consolidated management.

Since 2002, we have offered a well-developed program of both short-term and medium to long-term training at the Mitsui & Co. Headquarters for the employees of our overseas trading subsidiaries. Short-term programs include JTP (Japan Trainee Program), GMP (Global Managers Program), and GLP (Global Leaders Program), which are offered as milestone training in three stages: the first few years after joining the company; prior to appointment as a manager; and after appointment as a manager. Medium to long-term programs are held for a period of one to three years, and include LBP (Japan Language and Business Program), which provides Japanese language lessons and practical business training, and BIP (Business Integration Program), which provides strictly practical business training.

In order to support human resources development and the building of human networks at each group company, Japanese group employees are given milestone training, such as Division General Manager Training, Department Manager Training, and New Hire Induction Training, in addition to the optional training offered through the Bussan Academy as described above.

Since 2011, in partnership with the Harvard Business School, we have held the Mitsui-HBS Global Management Academy (GMA) described above, with the goal of integrating the employees of the Headquarters, overseas bases, and group companies, and a diverse program has been implemented.

Participants have included global group employees, as well as the employees of overseas partner companies.

# Human resource development program (FY16/3)

	Business Staff					
	Business Staff M1 Band	Business Staff M2 Band	Business Staff M3 Band	Business Staff SF Grade	Business Staff Grade 2	Business Staff Grade 1
HS Business Staff	compulsory					
	BU COO Workshop Management Tr (M1 Tr)	Newly Appointed Appraiser Tr (M2 Tr) Headquarters Dept. GM Tr	Leadership Tr (M3 Tr)	Managerial Staff Preparation Tr (SF Tr) SF Grade Basic Management Skill Tr	Business Staff 2 Tr	3rd Year Tr 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
	Mitsui Global Leadership Program (MGLP)	Executive Education	Mitsui HBS Global Management Academy (GMA)	Business School Dispatch	Overseas Developmental Dispatch	Foreign Language & Business Culture Tr Overseas Trainee Dispatch
	Cross-industrial Exchange Program					
	Group Company Officer Pre-secondment Tr					
	Group Company Pre-secondment Tr					
	Overseas Expatriates Pre-posting Tr					
	Overseas Expatriate Spouses Pre-relocation Orientation					
	Overseas Expatriates Pre-posting Language Tr					
	Career Design Tr I (Business Staff ages 48-50) Career Design Tr II (Business Staff ages 55-57)					
HS Business Staff / Administrative Staff	Optional / by invitation					
	MM Leader Tr					
	Group Company Pre-secondment Tr					
HS Administrative Staff / Administrative Assistant	[Bussan Academy] (Management Skills) Marketing Management Strategy Finance Human Resources Management Organizational Behavior					
	[Human Skills] Logical Thinking, Mindset Communication					
	[Liberal Arts] Philosophy, History, Classic Literature, Religion, and Globalization					
HS Administrative Staff / Administrative Assistant	[Accounting Courses] Management Accounting Course, Institutional Accounting Course, Bookkeeping & Accounting Course					
	[Trading and Logistics Skill Enhancing Program] Basics, Practical Applications					
	Administrative Staff Overseas Developmental Dispatch					
HS Administrative Staff / Administrative Assistant	Retirement Life Plan Seminar (Administrative Staff ages 50 and above)					
	Administrative Staff Grade 4 Tr					
	compulsory					
Head Office Sponsored NS	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 2 Tr	Basic Business Administration Tr New Hire Induction Tr
	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	
Group Company	Global Leaders Program (GLP)		Global Managers Program (GMP)	Japan Trainee Program (JTP)	Japanese Language e-Learning Course	
	Mitsui HBS Global Management Academy (GMA)		Language and Business Program (LBP)		Mitsui Fundamentals e-Learning Course (Basic Business Administration Tr)	
			Business Integration Program (BIP)			
Group Company	Management			Mid-level Employees	Junior Employees	New Hires
	Division General Manager Tr			Mid-level Employee Tr	Junior Employee Tr	New Hires Follow-up Tr
	Department Manager Tr					New Hires Tr
Group Company	MM Leader Tr					
	Customized Tr Program					
	[Bussan Academy] (Management Skills) Marketing Management Strategy Finance Human Resources Management Organizational Behavior					
Group Company	[Human Skills] Logical Thinking, Mindset Communication					
	[Liberal Arts] Philosophy, History, Classic Literature, Religion, and Globalization					
	[Accounting Courses] Management Accounting Course, Institutional Accounting Course, Bookkeeping & Accounting Course					
Group Company	[Trading and Logistics Skill Enhancing Program] Basics, Practical Applications					
	Basic Business Administration Tr					

## One Trainee's Story

### Overseas Language Trainee (CIS/ Russian language) Reo Goto, Service Business Division, Consumer Service Business Unit

I spent two years in Russia as a CIS trainee from July 2012. I spent the first year in Saint Petersburg on a language program and the second year undergoing practical business training at Mitsui & Co. Moscow LLC. The overseas trainee system has a long history. This has provided the trainees with opportunities to learn foreign languages, acquire regional knowledge, and hone their skills as independent people. I began my training with no language skills, knowledge of life in Russia, or human networks. However, by interacting with local people every day and sharing their point of view, I acquired a three-dimensional understanding of the country and the people who live there. During my practical business training, I took on a variety of projects in cooperation with local staff, and through hands-on experience I learned how Russian business is carried out and how to negotiate. It goes without saying that I accumulated knowledge of politics and economics, but at the same time I got a real sense that the key to promoting business can be found in an instinct that we cannot acquire from books or from statistical data. In a way befitting of Mitsui, my life as a language trainee was a series of challenges. I believe that the two years I spent immersed in a foreign culture helped me to grow, both as a businessman and as a person.



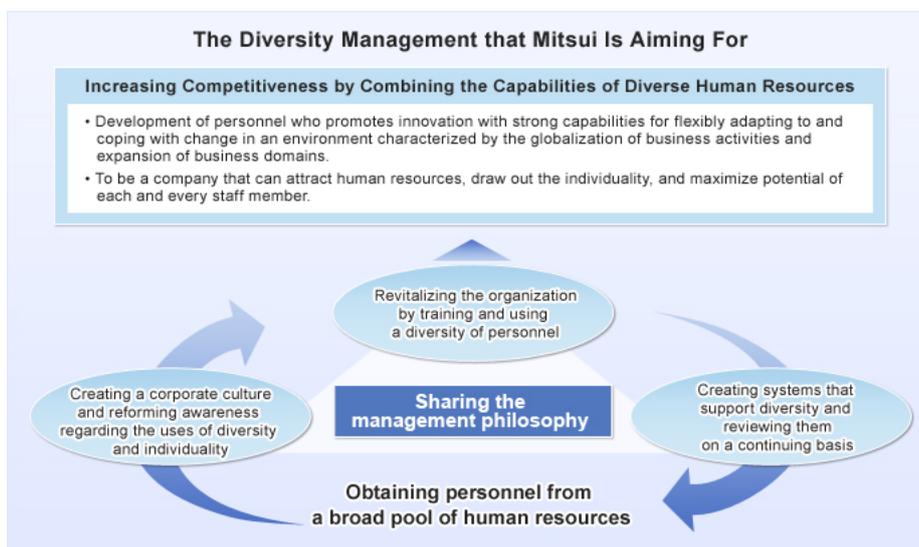
Giving a piano concert to say thank you to the people who helped me in Saint Petersburg

## Appraisal

Mitsui & Co. 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.

## Diversity Management Initiatives

Mitsui & Co. 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 relevant systems where highly qualified personnel throughout the world can be active on a various fields.

## Promoting Career Advancement for Women

While our policies encompass many aspects of diversity, we regard the creation of career opportunities for women as an urgent priority and as a benchmark. We are working to create workplace environments and provide training and opportunities so that women can succeed regardless of their backgrounds.

### ■ Promoting Career Advancement for Women

About 27% 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 positions since 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, 54 female employees have been dispatched from Japan and are stationed in Mitsui's overseas operations (including foreign language and business culture trainees and overseas trainees, as of April 1, 2015).

## Employment Information (as of July 1st 2015)

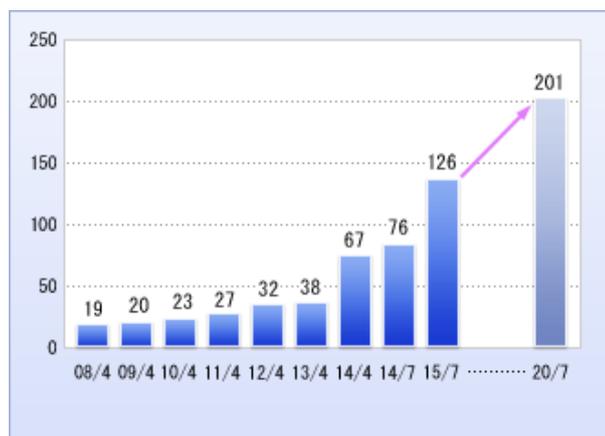
Permanent Staff	6,021
Business staff	4,841
Female business staff	468
Percentage of female business staff	9.7%

Female business staff	468
Female managerial staff	126
Percentage of Female managerial staff	26.9%

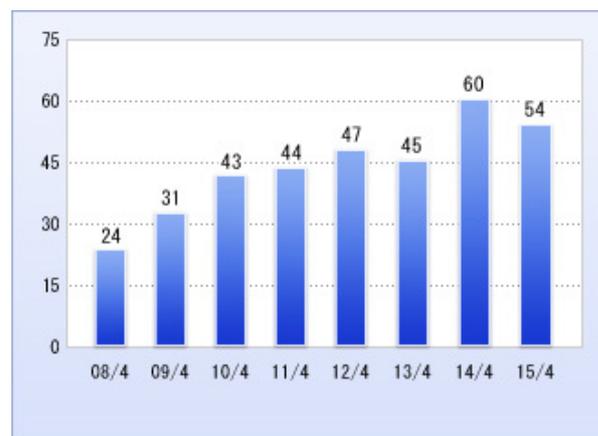
Managerial staff	3,353
Female managerial staff	126
Percentage of Female managerial staff	3.8%

	Average age			Average length of service (yy-mm)		
	Male	Female	Total	Male	Female	Total
<b>2005</b>	41.6	39.9	41.3	18-7	18-10	18-7
<b>2006</b>	41.8	40.5	41.6	18-10	19-5	18-10
<b>2007</b>	42.1	41.2	41.9	19-1	19-11	19-4
<b>2008</b>	41.8	41.2	41.7	18-7	19-8	18-10
<b>2009</b>	42.5	41.9	42.4	19-4	20-3	19-7
<b>2010</b>	42.7	40.0	42.0	19-6	17-8	19-4
<b>2011</b>	42.8	40.0	42.1	19-7	17-8	19-1
<b>2012</b>	43.0	40.1	42.2	19-9	17-7	19-2
<b>2013</b>	42.9	40.3	42.2	19-7	17-9	19-1
<b>2014</b>	42.7	40.5	42.2	19-4	17-11	18-11
<b>2015</b>	42.6	40.6	42.1	19-2	17-10	18-9

■ Female managerial staff



■ Female employees dispatched overseas



■ Female directors (as of July 1st 2015)

<b>Female director</b>	2 (among 14 directors)
<b>Female corporate auditor</b>	1 (among 5 corporate auditors)

**Re-employment system for ex-employees who had to resign due to the transfer of their spouse**

A re-employment system was introduced in 2007 that enables employees who had to resign from Mitsui due to the transfer of their spouse to become re-employed.

## Diversity Cafe

Accompanying changes in the social milieu, such as a greater diversity in people's sense of values, the number of dual income households where husbands and wives both hold 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 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 2014, mainly for our female employees, was "The experience of Administrative Overseas Trainees".



The 16th session of Diversity Cafe in progress

## 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 and staggered working hours in addition to its leave system. From 2007, we started to provide 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 childcare support.



### 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 childcare support. The logo shows an infant safe and sound, wrapped in a protective blanket, which represents the concern and care of the workplace and society.

## Employees Taking Childcare or Family Care Leave

	Child Care Leave		Nursing Care for Child Leave		Childbirth Attendance Leave
	Male	Female	Male	Female	
<b>FY06/3</b>	0	23	13	68	50
<b>FY07/3</b>	0	24	15	63	46
<b>FY08/3</b>	3	32	18	64	88
<b>FY09/3</b>	5	40	21	66	90
<b>FY10/3</b>	1	35	19	90	91
<b>FY11/3</b>	3	36	30	83	96
<b>FY12/3</b>	6	40	46	96	98
<b>FY13/3</b>	4	34	35	101	69
<b>FY14/3</b>	3	46	35	106	74
<b>FY15/3</b>	12	40	47	111	91

## 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 specialpurpose subsidiary for the employment of people with disabilities. A large number of disabled persons are currently employed and posted in accordance with the "normalization" policy, co-working with non-handicapped persons 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. For over 20 years we have exceeded the statutory employment rate for people with disabilities. As of March 2015, 2.51% of Mitsui's employees were disabled.

## 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 the company intranet.

## 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.

## Occupational Safety and Health Initiatives

Employee health is the most important asset for Mitsui & Co. We implement the following activities in accordance with our basic policies to ensure that our employees can continue to work with confidence in any social and business environment.

### Basic Policy on Health Management

1. We promote health and productivity management. We place great importance on the maintenance and enhancement of employee health, and position health management as a management priority. By putting this commitment into practice, we aim to maintain and enhance employee health and improve corporate productivity.
2. We create workplace environments in which employees can work safely, healthily, and energetically.
3. We build an organization with high health literacy, in which individual employees are aware of the need to protect their own health themselves, and take the initiative to maintain and enhance their own mental and physical health.
4. We ensure that personal health information is handled in compliance with the laws and regulations and appropriately used and managed.

## ■ Employee Health Management

We have established a clinic in our Tokyo Head Office and a medical treatment room in the Osaka Office. The clinic in the Tokyo Head Office covers a diverse range of specialist areas, including internal medicine, surgery, ophthalmology, E.N.T. and radiology, and is equipped to provide medical consultations for employees. It also provides Ningen Dock (a comprehensive medical examination), and medical check-ups for employees who are about to travel overseas or have returned from overseas assignments, as well as inoculations. In addition, managerial dietitians help employees to avoid lifestyle diseases and metabolic syndrome by providing nutritional guidance. We have also enhanced support for female employees through the establishment of women's and motherhood health advisory service allowing access to individual consultation with female doctors.

We provide useful health-related information as well as guidance on access to various types of health advice via the intranet. Employees can also view their own health check histories.

## ■ Mental Health

Employees are able to obtain advice easily and at any time via a dedicated consultation service. Through consultations with health nurses and industrial physicians, employees can receive support that meets their individual needs. Employees also have access to counseling by specialists at the company clinic. In addition, we have established outside advice lines through which not only employees, but also their families can seek advice anonymously via telephone and email, or arrange consultations.

We also provide mental health training for managerial staff and other training programs for employees, including managerial staff, in order to prevent either the supervisors or their subordinates from suffering mental health problems.

\* Since 2012, we have held mental health seminars for managerial staff in each unit. As of March 2015, a total of 26 seminars had been held, including eight in the fiscal year ended March 2015. In September 2014, a self-care health seminar was held.

## ■ Medical Examinations

Regular medical examinations are implemented in-house at multiple times to make it easier for employees to take such medical examinations. We are working to ensure the prevention or early discovery of lifestyle diseases and other conditions, and to provide enhanced advisory services through a fine-tuned approach that includes Ningen Dock at outside medical institutions for employees aged 35 and older under a program operated collaboratively with Mitsui Bussan Health Insurance Society. Also in collaboration with Mitsui Bussan Health Insurance Society, we provide special health maintenance advice to employees aged 40 and older. In the fiscal year ended March 2015, almost 100% of employees underwent medical examinations.

## ■ Health Management for Employees Working Overseas

We also place great importance on health management for both employees stationed overseas and their families. Consultation services are available at any time if employees on overseas assignment or members of their family experience physical or mental health issues.

Inoculations and medical check-ups are provided for employees and their families before they leave for overseas assignments. They also participate in training programs about health management while overseas, including the prevention of infectious diseases and the maintenance of physical and mental health. These programs are designed to raise each individual's awareness of health management, and to provide information about access to medical services and support systems while overseas.

We also support health management for employees working overseas, and their families, in partnership with emergency health care service companies.

## 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, 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 Branches and each Business Unit (in total seven times in 2014), with the aim of maintaining a healthy and cooperative relationship between management and labor.

## Security Management

Mitsui & Co. promotes various kinds of businesses through its 140 points of global operations, and a large number of employees go on a business trip to many parts of the world almost every day. It is one of the most important tasks for the company to ensure the security of employees and families home and abroad.

In cooperation with domestic and foreign offices, and security companies concerned, Mitsui obtains and analyzes the latest situation about politics, the peace and order of each place changing every day, and shares such information with the related staff, in order for the employees to raise awareness of the security.

Mitsui has also prepared the system corresponding to the situations such as accidents, injuries, and diseases, in cooperation with emergency health care service companies.

For the employees, as well as families, who will be dispatched to the overseas, the company has the programs for security measures.

Assuming a large-scale disaster, Mitsui regularly performs trainings for Business Continue Plan placing human life as a first priority, and the company makes efforts to raise the crisis response capabilities by solving problems extracted through the training.

## Data of personnel affairs

### Figures concerning employees (As of March 31)

	Non-consolidated				
	Total employees	Male	Female	Average age of employees	Average number of years of service
2013	6,212	4,545	1,667	42.5	19.1
2014	6,160	4,503	1,657	42.4	19.0
★2015	6,085	4,447	1,638	42.4	19.0

### Number of employees by operating segments (As of March 31, 2015)

(Unit: persons)

	Non consolidated	Consolidated
Iron & Steel Products	333	1,624
Mineral & Metal Resources	252	446
Machinery & Infrastructure	780	18,868
Chemicals	596	2,343
Energy	434	784
Lifestyle	851	9,781
Innovation & Corporate Development	361	3,466
Americas	216	4,315
Europe, the Middle East and Africa	147	862
Asia Pacific	227	1,441
Others	1,888	3,188
<b>Total</b>	<b>6,085</b>	<b>47,118</b>

## Number of Employees by Region (As of March 31,2015)

(Unit: persons)

	★Headquarter-hired Staff (HS)	Non-Headquarter-hired Staff(NS)
Japan	4,873	-
Americas	328	627
Europe, the Middle East and Africa	219	773
Asia Pacific	516	1,771
Others	149	-
<b>Total</b>	<b>6,085</b>	<b>3,171</b>

## Number of New-Graduate Hires by Gender

(Unit: persons)

	New-graduates		
	Male	Female	Total
<b>2013 (FY14/3)</b>	107	55	162
<b>★2014 (FY15/3)</b>	103	55	158
<b>2015 (FY16/3)</b>	94*	57	151

\*Including the employee who will join us on Oct 1st, 2015

## Number of Mid-Career Hires by Gender

(Unit : persons)

	Mid-career		
	Male	Female	Total
<b>2012 (FY13/3)</b>	47	7	54
<b>2013 (FY14/3)</b>	37	0	37
<b>★2014 (FY15/3)</b>	24	5	29

Proportion of female career-track employee, manager, and executive officer (As of July 1)

	Career-track employee		
	Total	Female	Proportion of Female
2013	6,198	1,692	27.3%
★2014	6,122	1,661	27.1%
★2015	6,021	1,648	27.4%

	Manager		
	Total	Female	Proportion of Female
2013	2,883	38	1.3%
★2014	3,299	76	2.3%
★2015	3,353	126	3.8%

	Executive Officer			Corporate Auditor		
	Total	Female	Proportion of Female	Total	Female	Proportion of Female
2013	13	1	7.7%	5	0	0.0%
★2014	13	1	7.7%	5	1	20.0%
★2015	14	2	14.3%	5	1	20.0%

Employees Taking Childcare or Family Care Support

(Unit : persons)

		FY2012 (FY13/3)			FY2013 (FY14/3)			★2014 (FY15/3)		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Child care	Child Care Leave	4	34	38	3	46	49	12	40	52
	Nursing Care for Child Leave	35	101	136	35	106	141	47	111	158
	Short-time working for Child Care	6	114	120	9	117	126	13	135	148
	Staggered working hours for Child	2	0	2	4	0	4	4	1	5
	Childbirth Attendance Leave	69	-	69	74	-	74	91	-	91

<b>Family Care</b>	Family Care Leave	2	4	6	0	1	1	0	1	1
	Nursing Care for Family Leave	30	49	79	36	59	95	31	52	83
	Short-time working for Family Care	0	0	0	1	2	3	0	0	0
	Staggered working hours for Family Care	0	1	1	0	0	0	0	0	0

### NS Dispatched to the Head Office (As of March 31,2015)

(Unit : persons)

<b>Japan Business Integration Program trainees (BIP)</b>	9
<b>Japan Language &amp; Business Program trainees (LBP)</b>	13
<b>Intra-company transferees</b>	8
<b>Total</b>	30

### Employment ratio of people with disabilities (As of June 1)

	<b>Employment ratio of people with disabilities</b>	<b>Legally stipulated ratio</b>
<b>2013</b>	2.41%	1.80%
<b>2014</b>	2.54%	2.00%
<b>2015</b>	2.45%	2.00%

### Average personnel turnover (Over the last three years)

<b>Average personnel turnover</b>	4.27%
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Concerning the data marked with a ★, an independent practitioner's assurance report prepared in accordance with the international standard ISAE 3000 was given by Deloitte Tohmatsu Evaluation and Certification Organization Co., Ltd.