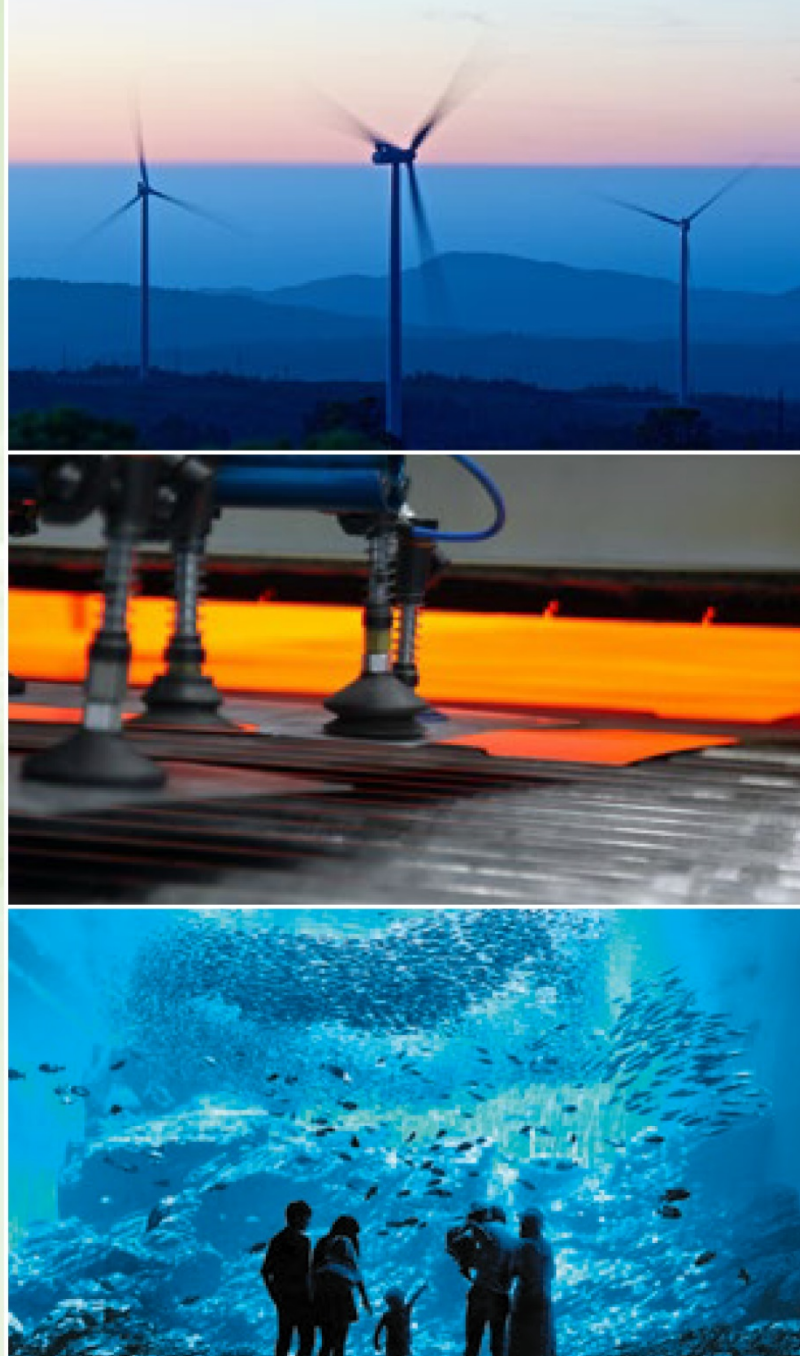


Doing Business for
a better world



Sustainability Report

2015



mitsui & co.

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Editorial Policy

What We Aim to Communicate in This Report

Mitsui & Co. defines practice of CSR as contribution to the development of a sustainable society by creating new value through business activities that lead to the solution of various issues confronting contemporary society.

In the year ended March 2015, we identified five CSR material issues. For a better understanding of the Mitsui approach to CSR, our Sustainability Report 2015 provides numerous specific examples of activities addressing these material issues in the seven Key Strategic Domains defined under the New Medium-term Management Plan ("Challenge & Innovation for 2020—Demonstrating Mitsui Premium").

The Sustainability Report is an important communication tool for informing stakeholders about our CSR policy and activities. We look forward to receiving opinions and comments from readers via the Sustainability Report "Questionnaire" on our website. We will use your feedback as a reference for continuous improvement of our initiatives toward the realization of a better society.

CSR information on our website is updated on a timely basis, and it is also published in PDF format as our annual Sustainability Report, gathering together the wide-range of CSR information on our website's CSR pages. Part of this CSR information is also included in our Annual Report so that you can understand our overall activities as well as our financial information.

Scope of Coverage in the Sustainability Report:

Mitsui & Co., Ltd., and major consolidated subsidiaries and associated companies.
The scope of coverage for numerical data is provided individually in appended notes.

Period Covered:

Mainly the fiscal year from April 1, 2014 to March 31, 2015

Publication Date:

August 2015
(previous publication date: August 2014; next publication scheduled for August 2016)

Reference Guidelines

Global Reporting Initiative (GRI) Sustainability Reporting Guidelines Version 3.
For a comparison of the GRI guidelines and the content of Mitsui's report, please visit the following website:
(www.mitsui.com/jp/en/csr/gri_index/)
Environmental Accounting Guidelines (2005 version) established by the Ministry of the Environment of Japan
ISO 26000 (Guidance on Social Responsibility)

Published by:

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A Cautionary Note on Forward-Looking Statements

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

Message from our CEO

Message from our CEO

Addressing key social issues through meaningful business

Societies around the world today face a wide range of pressing needs in nearly every aspect of life. Our environment is challenged by problems such as global warming and loss of biodiversity, human rights violations are still too common, and the increasing global population is straining our energy, water and food resources. At the same time there is growing demand for power, transportation and communications infrastructure, along with fundamental community services such as education and healthcare.

Our business at Mitsui & Co. spans the world, and through our daily interaction with stakeholders we are able to understand the real needs of the societies in which they live and work. Our aim is always to undertake worthwhile business that draws on this understanding and helps addressing core societal issues.

In every business domain, we are driven by the sense of challenge expressed in our corporate slogan '*360° business innovation.*', seeking to build a track record of service in Japan and worldwide as a company that is valued by society and contributes to a better, more sustainable *future where the aspirations of people can be fulfilled.*

This is what we call Mitsui & Co. CSR, and we believe that one important aspect of CSR is to provide all our stakeholders with useful and easy-to-understand information about our CSR activities through CSR reports and other communication tools.



Cultivating Human Resources and Business Innovation

People are our most valuable resource and the driving force of everything Mitsui & Co. does as a company. In our global business development we seek to draw on our comprehensive strengths and our ability to make connections, and to be successful in this we cannot rely only on business knowledge or the expertise of specialists. We need people who combine business drive with humanity and humility; people who can earn the trust of business partners and customers with diverse values; people who are strong individuals but who can work together as a tight-knit group. This is why, since the founding of the company, Mitsui & Co. has placed a premium on the development and training of our human resources.

My aim is to ensure that we cultivate people who can take on the challenges continually thrown up by a fast-changing world—people who, with free-thinking creativity, can work together to turn challenges into opportunities.

Contributing to a Sustainable Society

In October 2004, Mitsui & Co. announced its support for the UN Global Compact, a charter of voluntary principles for businesses and institutions concerning human rights, labor standards, the environment, and anti-corruption. Since then we have been working to realize this aims of the compact. We drew up our Basic CSR Policy in the same year and our Supply Chain CSR Policy in December 2007 and since then, while adapting to changes in social norms, we have been working to ensure compliance with these policies throughout our group.

In 2014, after careful consideration of core concerns and expectations expressed by our stakeholders, we defined Five Material Issues related to CSR to be used as important management guidelines throughout the company. This year we implemented concrete measures aimed at addressing these issues in each of the seven key strategic domains outlined in the New Medium-Term Management Plan that we announced last year.

Mitsui & Co. will continue to be forthright in addressing environmental and social issues, and by making use of our unique business capabilities, we will contribute to the development of a sustainable society.

Tatsuo Yasunaga

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

CSR at Mitsui & Co.

CSR at Mitsui & Co.

Contribution to Society

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

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

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

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

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

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

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

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

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

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

Takashi Masuda, the first president of the former Mitsui & Co.

Mitsui's Management Philosophy

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

Mission, Vision and Values (MVV)

- Mission** Strive to contribute to the creation of a future where the aspirations of the people can be fulfilled.
- Vision** Aim to become a global business enabler that can meet the needs of our customers throughout the world.
- Values**
- Build trust with fairness and humility.
 - Aspire to set high standards and to contribute to society.
 - Embrace the challenge of continuous innovation.
 - Foster a culture of open-mindedness.
 - Strive to develop others and oneself to achieve full potential.

Creating value with CSR at Mitsui & Co.

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

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

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

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



Mitsui CSR Policy and Philosophy

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

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

In addition, our "Long-Term Management Vision(formulated in 2009)" for the Mitsui of 2020 upholds our goal of providing industrial solutions to meet the changing needs of the times. To make this vision a reality, we will continue to practice our CSR policy, which is essential for realizing Mitsui's New Medium-Term Management Plan, "Challenge & Innovation for 2020 – Demonstrating Mitsui Premium(formulated in 2014)."

CSR Policy and the CSR Promotion

Basic CSR Policy

1. We will conduct our business activities with honesty and integrity, make prudent efforts to understand the culture, traditions and customs of countries and regions around the world, and reinforce the importance of CSR with each of our employees. Based on our conscientious management, we will strive to enhance corporate value to stakeholders and to produce value to society.
2. We will make every effort to actively contribute to the achievement of a sustainable society through the promotion of sustainable development as well as maintaining a strong awareness of the importance of preserving the global environment. We will also emphasize the importance of interactive communication with stakeholders to understand their concerns and fulfill our accountability for our CSR activities.
3. We recognize the significance and importance of the human rights contained in the general principles of international standards such as the Universal Declaration of Human Rights. Throughout all occasions of our entire business activities, we will give due consideration to basic labor rights.
4. As a global company with operations throughout the world, we will support Mitsui & Co's group companies in the practice and implementation of our CSR policies, and will sincerely seek our business counterparties' understanding and cooperation to support this initiative.

Developing the CSR Promotion Framework

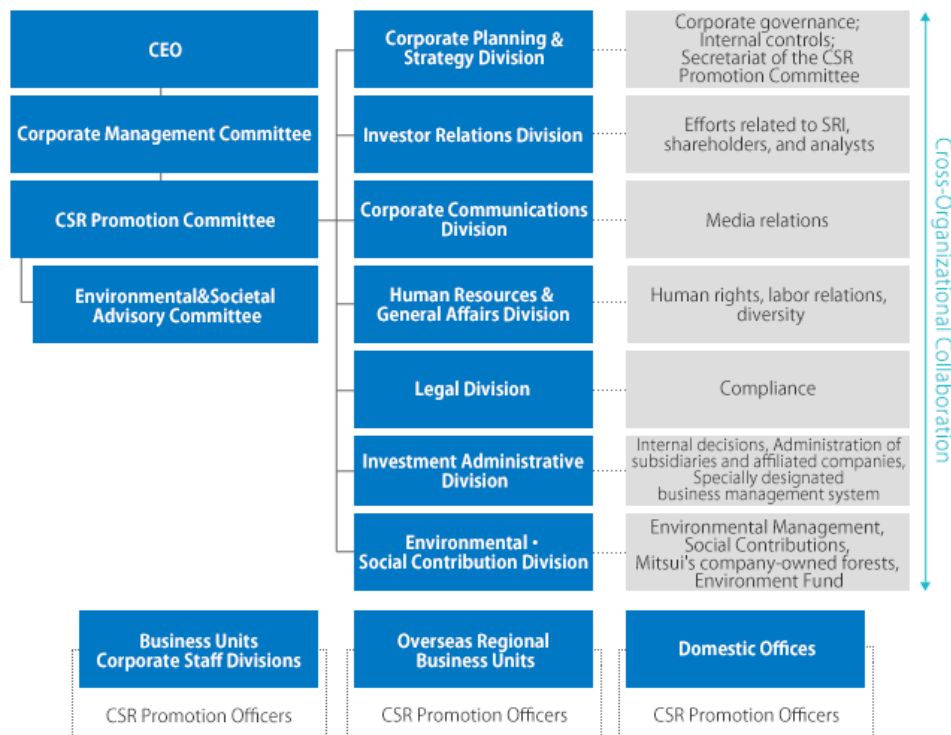
In 2004, Mitsui formed the CSR Promotion Committee as an organization under the Corporate Management Committee to develop Mitsui's internal framework with respect to CSR and work to raise CSR awareness among employees. Mitsui also promotes CSR-related activities based on cross-organizational collaboration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

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

In the fiscal year ended March 31, 2015, CSR promotion officers meetings were held quarterly, where we shared various information on CSR issues such as policies relating to CSR initiatives formulated by the CSR Promotion

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

CSR Promotion Framework



CSR Promotion Committee

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

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

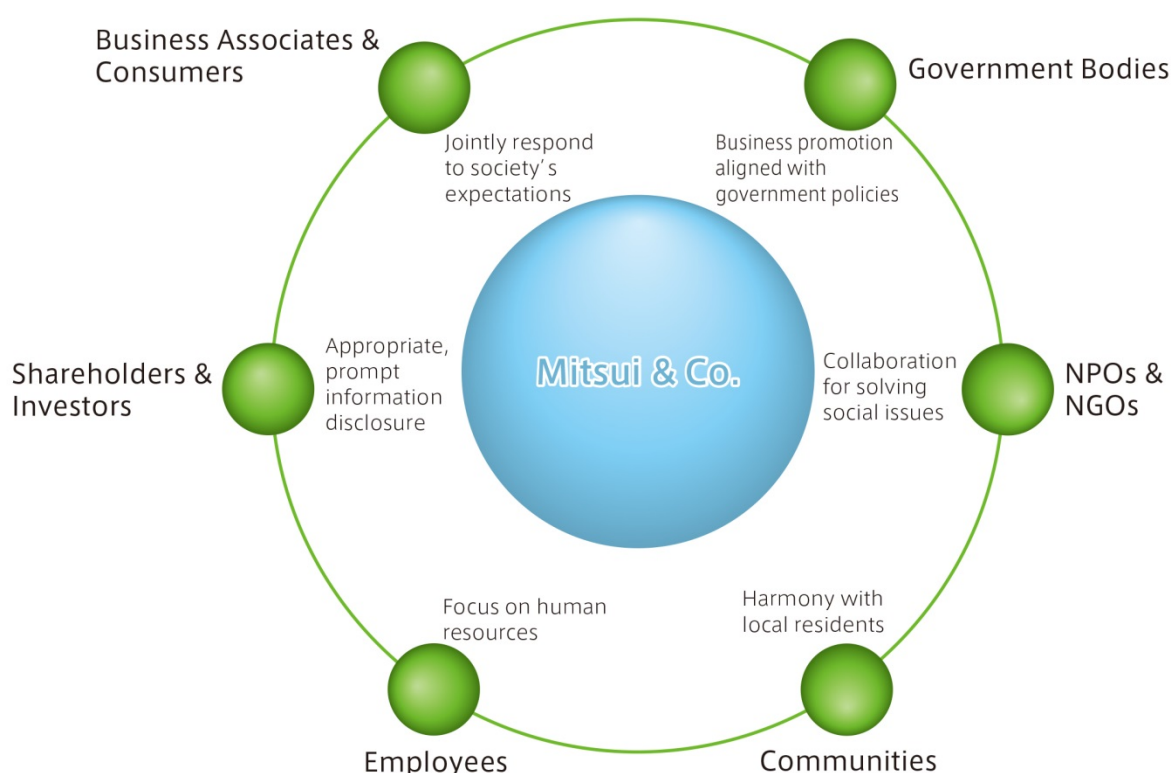
1. Develop fundamental policies on the management of the Company's CSR and fundamental plans for activities promoting CSR
2. Configure and establish an internal corporate structure for the management of the Company's CSR
3. Determine the key issues to focus on each year for activities to promote the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

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

Mitsui's Stakeholders

Mitsui closely monitors the effects of its diverse and global business activities on society and works to identify stakeholders of particular interest.

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



Communication with Stakeholders

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

Relationships with Stakeholders, Main Modes of Communication

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

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

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

Communities

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

NPOs & NGOs

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

Government Bodies

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

Mitsui & Co.

Business Associates & Consumers

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

Shareholders & Investors

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

Employees

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

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

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

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

Five Material Issues

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

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

Protection of
the global
environment



Respect for
human rights



Enhancement of local
industrial bases &
quality of life



Stable supply of
resources &
materials





Corporate governance &
human resource
development



Management Approach

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

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

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



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

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



Material issue: Stable supply of resources & materials

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



Material issue: Corporate governance & human resource development

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

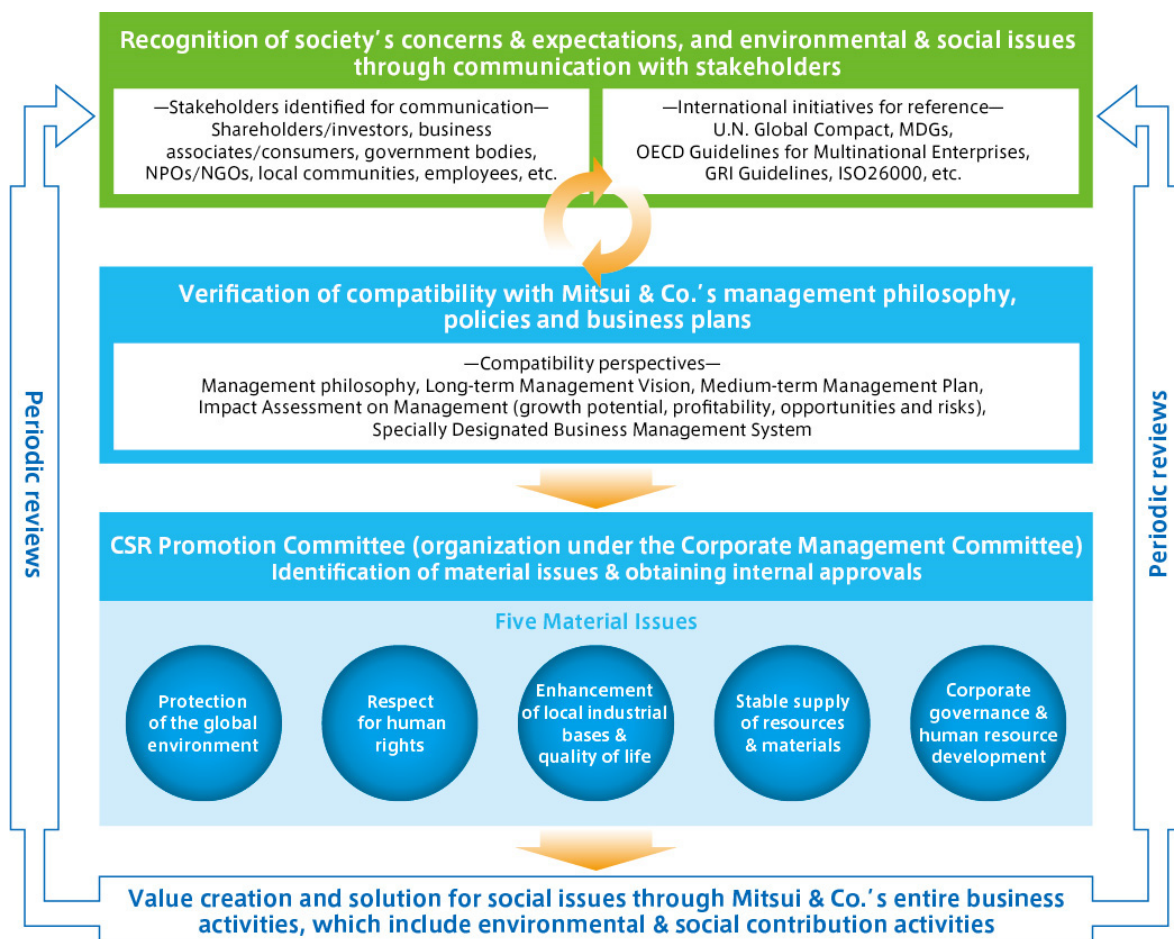
Please see below for details of our performance in each of the material issues categories
 < Tasks and Accomplishments , p31 >

Identification and Review Processes for Material Issues

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

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

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



Declarations to Society

United Nations Global Compact

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

What is the United Nations Global Compact?

The United Nations Global Compact is a set of voluntary action principles for corporations proposed by the former U.N. Secretary-General Kofi Annan at the World Economic Forum held in Davos, Switzerland in January 1999. He proposed a means to harness the creative powers of the private sector to fulfill the wishes of underprivileged people and meet the needs of future generations. It is neither a regulatory means nor a legally binding code of conduct, but rather a strategic policy initiative that encourages corporations to come together as global citizens to solve the various problems that could arise as a result of economic globalization. Participating corporations are asked to support and put into practice ten universally accepted principles in the areas of human rights, labor standards, environment, and anti-corruption. As of April 2015, over 12,000 corporations, labor unions, and civil society organizations from around the world are participating in the Global Compact.



Ten Principles of the Global Compact

Human Rights

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

Labor

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

Environment

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

Anti-Corruption

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

Attaining U.N. Millennium Development Goals (MDGs)

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

For details, please refer to p.120.



Business Activities and Corporate Social Responsibility

Business Activities and Corporate Social Responsibility

There are a variety of issues in the world in which we live. We believe that solving these issues through our business activities is our social responsibility. Through interactions with our stakeholders, we identified various CSR-related issues and defined five material issues for our company in the fiscal year ended March 2015.

The following are examples of Mitsui's business activities leading to solving the said material issues, which were carried out in the seven "Key Strategic Domains" as established in the New Medium-term Management Plan "Challenge & Innovation for 2020 -Demonstrating Mitsui Premium-".

TOPIC1 Key Strategic Domains : Infrastructure



Contributing to the stable supply of energy on five continents

New "renewable energy & storage cell" scheme



Hydroelectric power generation that consider environmental conservation in Brazil



Contributing to improvements to the local infrastructure and job creation

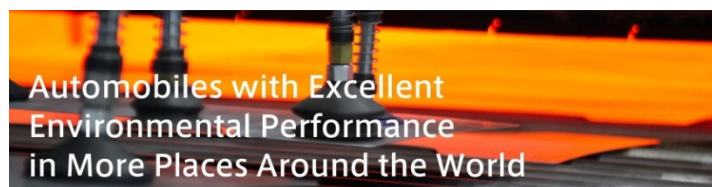


Working together with indigenous people



Training personnel to take on the responsibility of doing business in various communities

TOPIC2 Key Strategic Domains : Mobility



Supporting the stable supply of automotive steel around the world

Initiatives with Gestamp in the Americas



Hot stamping: Exciting new technology

Contributing to the spread of wind power generation



Promoting local employment at new business centers



Utilizing personnel training in relations with international corporations

TOPIC3 Key Strategic Domains : Lifestyle Products and Value-added Services



Creating new appeals for the aquarium through bonds with the local community

Toward a sustainable aquarium business

Using the region's past experiences to create the future



Functioning as a center for the conservation of biodiversity



Accepting 1,500 disaster evacuees



Utilizing this experience in the operation of other public facilities

Key Strategic Domains : Infrastructure

Sustainable Energy for Future Generations

Society's Expectations

Can renewable energy satisfy the power requirements of future generations?

Mitsui's Ability to Accomplish This Goal

Mitsui is taking on the challenge of creating a renewable energy business that can maintain a stable power supply.

Toward the Creation of a Low Carbon Society

Throughout the world, the energy supply environment is undergoing major changes. As electrical power consumption around the world increases due to increasing populations and the economic development of emerging nations, we are working to make the use of renewable energy, which has less of an impact on the environment, more widespread and putting more of our energy into working to create a low carbon infrastructure. However, in comparison to the existing energy supply system, forms of energy such as wind power and solar power, which depend upon the climate and other factors in the natural environment, still have problems related to their stability, efficiency and economy. Currently, there are many examples in which the development of these forms of energy are overly dependent upon national and local government policies and subsidies. In order to increase the percentage of energy consumption that comes from renewable energy sources in the future and in order to overcome their current disadvantages, we need to establish the business sustainability in these fields. From this perspective, Mitsui continues to meet challenges in the fields of hydroelectric power and renewable energy in order to contribute to the energy self-sufficiency and stable energy supply based on the nation and local communities.



Stable supply of resources & materials

Contributing to the stable supply of energy on five continents

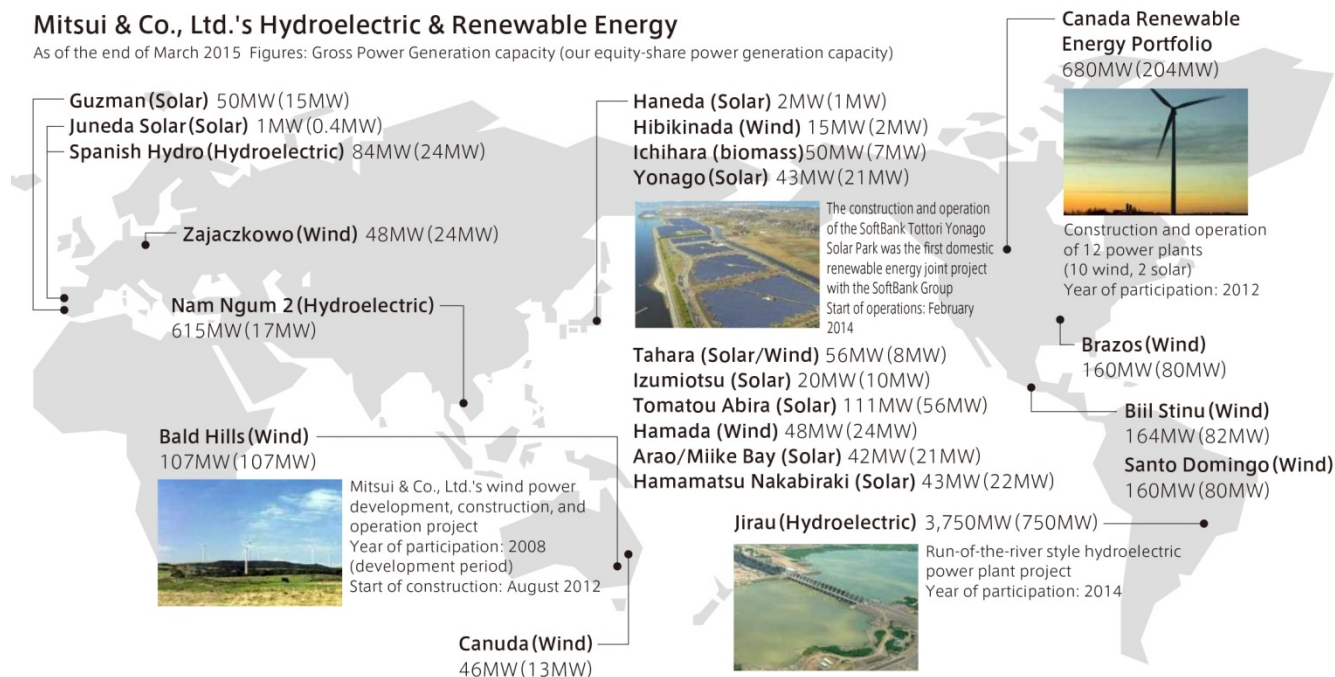
As an independent power producer (IPP), Mitsui conducts business on five continents, developing its power generation business in conformance with local characteristics and the needs of customers. As of the end of December 2014, our gross power generation capacity was 38 GW (our equity-share power generation capacity: 9.6 GW). Hydroelectric power and other forms of renewable energy account for approximately 21% of this total. In 2004, we initiated participation in the wind power business in the United States and Germany and the hydroelectric power business in Spain, and accelerated the development of those businesses following the introduction of FIT (feed-in tariffs) in Europe.

Examples of our company-directed projects include the wind power generation business in Victoria, Australia, where we supply electricity, of which power generation capacity is 107 MW (equivalent of approximately 62,000 average households), to communities in the state of Victoria. We are playing a major role in the Australian federal government's policy objective calling for 20% of all energy consumption to be supplied by clean energy by 2020. As part of our partnership initiatives, we are planning on investing in the renewable energy generation businesses in Canada, Mexico, and Brazil that are being developed and operated by ENGIE (ex-GDF SUEZ), EDF Energies Nouvelles and others.

In Japan, we are not only participating in the large-scale solar and wind power business, but also engaged in the spread and development of renewable energy in Japan through our unique perspective and know-how to, for example, develop solar power by diverting business income derived from revenue from sales of electric power into funds that are distributed to investors.

Mitsui & Co., Ltd.'s Hydroelectric & Renewable Energy

As of the end of March 2015 Figures: Gross Power Generation capacity (our equity-share power generation capacity)



New "renewable energy & storage cell" scheme

The worldwide demand for renewable energy is increasing, but before substantive increases in the use of such energy sources can occur, several hurdles will have to be overcome.

One of these is competitive costs. Compared to fossil fuels such as coal, petroleum, and natural gas — fuels that have been our main sources of power for many years — the cost of generating renewable energy is still high, and mainly in developed countries their use is supported by feed-in tariff schemes. In addition, it is still difficult to control the power generation capacity of wind and solar power at times of peak demand because these forms of power are affected by weather conditions.

In order to overcome these problems that are particular to the renewable energy business, Mitsui invested in Stem, Inc., a US company which provides an energy management service utilizing storage cells. If the power generated by both wind and solar power during optimal periods can be stored, then a stable electricity can be supplied in accordance with demand. Stem, Inc. specializes in a next-generation energy management service that combines the use of storage cells with highly-advanced ICT. This service operates as a demand-response service* that reduces the burden on the electric supply system and is designed to reduce customer's power costs. Mitsui is developing this service in regions around the world, especially in Asia that have a vigorous demand for energy. We are at the same time focused on turning this next-generation energy management service into a next-generation electric power business model to operate like a single virtual power plant that stores all the electric power generated by several wind and solar power facilities in storage cells.



Energy management services by Stem, Inc.

*Demand-response service: A system which balances electric power supply and demand by reducing power demand based on instructions from the electricity grid, instead of increasing power supply when power supply and demand is tight.



Protection of the global environment

Hydroelectric power generation that consider environmental conservation in Brazil

Hydroelectric power generation produces very little greenhouse gas emission and is a form of renewable energy. However, when constructing large-scale facilities in natural environments, it is necessary to be fully aware of the effect on the surrounding environment.

The Jirau Hydroelectric Power Plant, which is under construction in the Madeira River in northern Brazil, adopts a "run-of-the-river" type of hydropower, making use of the natural river flow for power generation. In comparison to conventional dam-type hydroelectric power plants, it requires less reservoirs. In addition the facility is constructed and operated along with relocation of existing vegetation and establishing fish transportation system, contributing to the conservation of fish species to help preserve the surrounding biodiversity.

Hydroelectric power generation is a main power source in Brazil that accounts for approximately 90% of all power generation in the country. Mitsui will utilize its participation in this project to continually supply electricity over the long term to approximately 10 million residents in big cities such as Sao Paulo and Rio de Janeiro.



Jirau Hydroelectric Power Plant



Enhancement of local industrial bases & quality of life

Contributing to improvements to the local infrastructure and job creation

Brazil's Jirau Hydroelectric Power Plant is a large-scale project with a total construction cost of approximately 800 billion yen, of which approximately 60 billion yen was used for ecosystem conservation activities, including conservation of the surrounding ecosystems, as well as programs that contribute to the local communities. Specifically, those activities included surveying the impact on rare plants and animals in the area, relocating region's cultural heritage items, establishing public health centers, anti-malaria measures, community development for displaced people, and the construction of homes, schools, hospitals, and other facilities. In these ways, the money was used for environmental concerns and to create an infrastructure for the local residents.



New hospital facilities constructed in local communities



Respect for human rights

Working together with indigenous peoples

The wind power plant in Mexico was constructed and is being operated on land leased from the indigenous peoples. In entering into the lease in accordance with appropriate legal procedures, potential impacts on the living environment of the local people were duly considered. Furthermore, through this business, the local indigenous peoples are provided with opportunities for fair and equal employment.



Corporate governance & human resource development

Training personnel to take on the responsibility of doing business in various communities

Mitsui is creating new jobs throughout the world via its electric power business. We hire a large number of local people and, along with transferring technologies, provide trainings to personnel who will be in charge of the future of the electric power business.

Businesses run by Mitsui are in full compliance with and uphold the same standards that are used throughout the world. Joint enterprises improve compliance through coordination with cooperating companies.

Key Strategic Domains : Mobility

Automobiles with Excellent Environmental Performance in More Places Around the World

Society's Expectations

Facilitating an Environmentally-Friendly Mobile Society Around the World

Mitsui's Ability to Accomplish This Goal

Mitsui is constantly taking on the challenges of technological innovations to meet the demands of the age by making improvements in the automobile value chain.

Toward Greater Business Value in the Automobile Value Chain

The production volume of automobiles is increasing as they become more widespread in emerging countries. The total number of automobiles produced throughout the world in 2014 reached 89.5 million units.* This growth is projected to be maintained in the future, and it is expected that by 2020 the number of units produced will exceed 100 million.

A great amount of steel is used in the construction of automobiles because it is inexpensive and easy to work with. However, throughout the history of automobile manufacture, the industry has taken on the challenges of technological innovations to reduce the vehicle weight and to ensure a high degree of safety, which will in turn improve mileage and running performance. In particular, there has recently been increasing demand for automobiles that consume less fuel in order to reduce exhaust emissions, which requires that the steel used in automobiles be made both stronger and lighter.

And as the worldwide market expands, production plants are increasingly being established in the regions where the automobiles are sold. As a result, the materials and parts supply chain is becoming more diversified. As the environment of the automobile industry undergoes these major changes, Mitsui is improving the existing automobile value chain from steel and other material procurement to processing, product assembly, sales, transport, sales financing, and car-sharing—all supporting our ability to supply society with the automobiles it requires.

*Statistics from the International Organization of Motor Vehicle Manufacturers (OICA)



Stable supply of resources & materials

Supporting the stable supply of automotive steel around the world

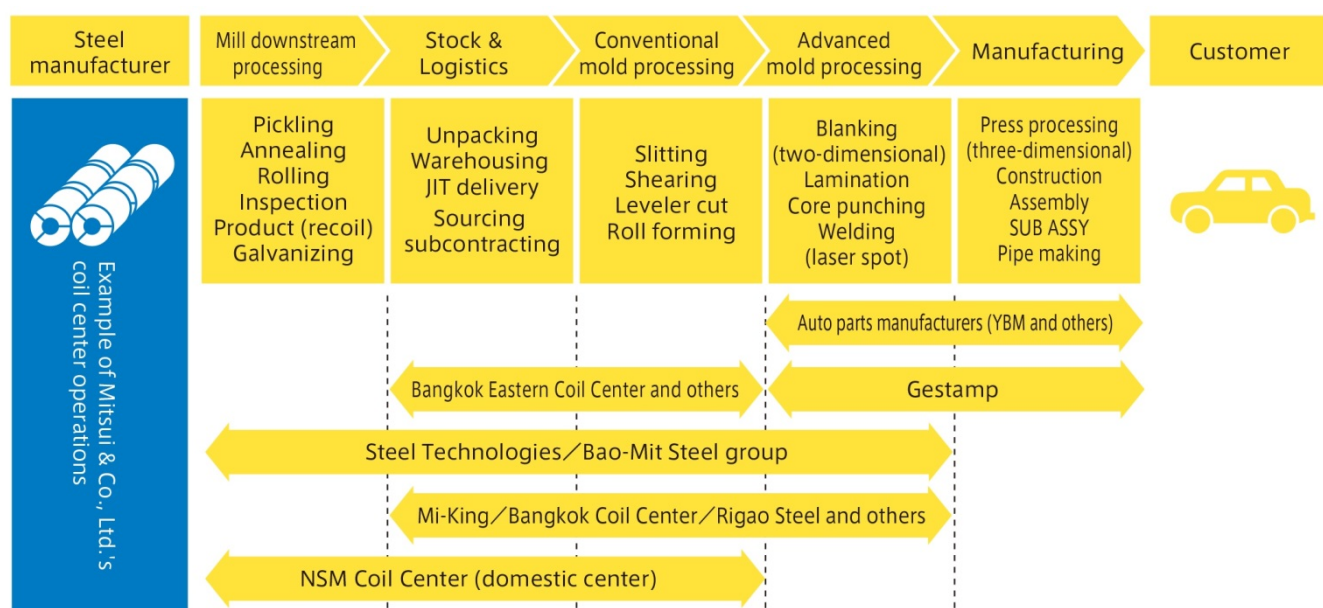
Mitsui works in the steel market, which is upstream in the automobile value chain, in cooperation with major Japanese steel manufactures such as Nippon Steel & Sumitomo Metal Corporation and JFE Steel Corporation as well as major steel manufacturers in Asia, including Baosteel Group Corporation in China, to ensure a stable supply of steel throughout the world.

Service centers (coil centers) that perform required processing before the steel enters automobile and automobile parts manufacturers' plants play a major role in the steel distribution process. These service centers cut and process steel sheets from coil roll like a giant toilet-paper in accordance with the automobile manufacturers' needs. Since steel manufacturers create production plans two months in advance while automobile manufacturers adjust their plans every month, the service centers fulfill a stock management role that compensates for this scheduling delay. Mitsui first entered the service center business about 50 years ago. In 1987 it established the merged company with Steel Technologies LLC in U.S. We currently own 50% of Steel Technologies LLC's stock, and manage its business affairs. With a total of 24 centers in the U.S., Canada, and Mexico, the company not only performs conventional steel processing, it also is engaged in pickling (acid cleaning of steel), cold-finished hoops, and other high added value

processing lines. This competitiveness augments Mitsui's advantages and leads to the improvement of the services we offer in the North America.

In order to respond to the expanding production in emerging nations, we are developing the service center business in various regions in the world, including India, Russia, and Central and South America, supporting the stable supply of steel as a whole.

Mitsui & Co., Ltd.'s Automotive Steel Materials Value Chain



Initiatives with Gestamp in the Americas

In 2013 we made further improvements to the automotive steel value chain in the Americas. This took the form of investments in the Americas business group of Gestamp Automoción, S.A. (hereafter, Gestamp), a major global automotive pressed parts manufacturer based in Spain.

The Gestamp Group has 22 plants in four countries (the U.S., Mexico, Brazil, and Argentina), producing important pressed parts, including bodies and chassis, mainly for European manufacturers. From the perspective of efficiency, high functionality, and high quality, automobile manufacturers assemble accurately pressed parts into a number of components before final assembly. Thus, parts manufacturers like Gestamp that have a high degree of technical skill have been playing an increasingly important role in recent years.



Protection of the global environment

Hot stamping: Exciting new technology

In recent years, higher levels of automobile environmental performance and safety are required. As ultra-high tensile strength steel sheets and other materials that far exceed the limits of conventional high performance steel sheets have come into demand, a new technology known as "hot stamping" (hot press molding) has gained increasing amounts of attention. By pressing steel sheets that have been heated to high temperatures and then immediately cooling them, thinner sheets can be made harder. A level of strength previously impossible even with ultra-high tensile strength steel has been achieved with this technology. Gestamp is highly skilled in the use of this hot stamping technology.

Hot stamping is a technology that is being increasingly used mainly by European manufacturers. Since productivity remains an issue, though, it is still important

to effectively and appropriately use both hot stamping and conventional ultra-high tensile strength steel.

Gestamp is engaged in the research and development of optimal designs of automotive body frames for automobile manufacturers. Mitsui has added Gestamp's unique and highly-advanced technological skill to the extensive automotive steel sheet value chain it has created in order to improve automobiles' environmental performance and safety.



The Gestamp Group has 22 plants in four countries

Contributing to the spread of wind power generation

Investing in Gestamp's Americas business group provided an opportunity for Mitsui and Gestamp to expand their involvement in the field of renewable energy.

In March 2015, we invested in a holding company that owns shares in the Spanish GRI Renewable Industries Group (hereafter, GRI), world's largest manufacturer of wind power generation tower and flanges (connecting parts for the towers), affiliated with the Gonvarri Steel Industries company of the Gestamp Group. GRI has 10 manufacturing centers in 6 countries around the world. It is a major company that has a system to supply towers and flanges of equal quality to countries around the world.

Our indirect investment in GRI provided an opportunity for Mitsui to promote the expansion of wind power, a form of renewable energy, in its steel sheet value chain.



Enhancement of local industrial bases & quality of life

Promoting local employment at new business centers

Each time the automobile industry expands its range and opens an auto plant in a new area, new employment opportunities are created in related industries such as the parts manufacturing industry and the service center industry. The Mitsui steel sheet value chain opens new manufacturing and business centers around the world every year, which leads to increased employment opportunities in the surrounding areas and contributes to the economic development of the local communities.



Employees of Gestamp



Corporate governance & human resource development

Utilizing personnel training in relationships with international corporations

Enhanced partnerships with major global automotive corporations such as Gestamp brings new opportunities for Mitsui's personnel training. Employees at Gestamp, a major global player in the automotive parts and wind power generation device industries, have outstanding knowledge and experience. In order to utilize their knowledge and experience in the training of our own personnel who will be responsible for the company in the future, Mitsui is actively involved in personnel exchanges with Gestamp.

This began in 2015 when we started personnel exchanges with Gestamp through our own long-established Global Management Academy (GMA, next-generation executive training course) and our employees' participation in Gestamp-sponsored programs at major Spanish universities.

Key Strategic Domains :
Lifestyle Products and Value-added Services

A Next-Generation Aquarium Built by the Community

Society's Expectations

A new tourism resource
in the Tohoku region!

Mitsui's Ability to Accomplish This Goal

Through our aquarium project, which is designed to create new bonds between people and their community and industry, we are contributing to the revitalization of the local economy.

Creating a New Tourism Center in Tohoku

Since Japan is surrounded by the sea, the people have an intense interest in marine life. A variety of aquariums are located throughout Japan as popular tourist spots.

With the aim of creating a new tourism resource in the Tohoku region, Mitsui has established the Sendai Aquarium Development Co., Ltd. in cooperation with Yokohama Hakkeijima Inc, a company with a wealth of experience in aquarium management, and leading local companies. In partnership with these private companies, Mitsui is committed to playing an important role in the development of SENDAI UMINO-MORI AQUARIUM, which is one of the largest aquariums in Tohoku. This project was a private funded business proposal to Sendai City that had been looking for a business plan that draws visitors, which would in turn energize the local tourism business. Local governments and residents have great expectations on Mitsui's financial ability and its organizational capability.



Enhancement Local Industrial bases & quality of life

Creating new appeals for the aquarium through bonds with the local community

The SENDAI UMINO-MORI AQUARIUM project is characterized by the fact that it is utilizing the close bonds of the local people to infuse the facility with a multitude of attractive qualities.

For example, the aquarium have an exhibition of approximately 50 species, totaling approximately 25,000 of sea lives, in an enormous water tank designed to represent the abundant seas of Sanriku, one of the three largest fishing grounds in the world. Some species are from the local fishing cooperatives in Miyagi Prefecture. Aquarium visitors are provided with information on this kind of cooperation with local communities.

Other unique distinctive features include exhibitions and workshops designed to help visitors learn about jobs in and the role of the marine products industry. These elements that help visitors learn about the industry provides them with opportunities to think about the relationship between our daily lives and the sea.



Enormous water tank designed to represent the abundant seas of Sanriku

The food court and shop—areas of the facility that increase visitors' enjoyment—are operated by Aim Services Co.,Ltd, which is part of the Mitsui Group. This company, which provides food services to company cafeterias, schools, hospitals, and welfare facilities, is in charge of food services at the Hiroshima Municipal Baseball Stadium (Mazda Zoom-Zoom Stadium Hiroshima), where it cooperates with local businesses to provide new food enjoyment based on the concept of "local production for local consumption."

Aim Services has advanced these initiatives in this project. Together with local companies, they have developed an original menu utilizing Sanriku marine products in order to communicate the charm of the local area through food. Original goods, such as traditional crafts from the Tohoku region, are in the museum shop as a way to communicate the culture and charm of Tohoku in a variety of ways.

We intend to contribute to the revitalization of the local community by creating new links between people, the sea, and industry through the operation of the aquarium together with the local community.

Toward a sustainable aquarium business

In order to ensure the stable operation of the SENDAI UMINO-MORI AQUARIUM and establish it as a center for local tourism, education, and research, Mitsui is taking full advantage the business management know-how it has accumulated over the years in a variety of fields.

For example, by recruiting a wide variety of companies to co-sponsor the aquarium, we were able to develop a sponsorship program with a variety of selective privileges, such as offering the right to name the various zones of the aquarium and install nameplates, the right to use trademarks, and a plan for reserving the aquarium space after closing time. Mitsui & Co. Facilities, Ltd. has carried out same kinds of initiatives for the Hiroshima Toyo Carp professional baseball team and achieved good results.

The SENDAI UMINO-MORI AQUARIUM is located near Sendai Airport, where Sendai City has developed as a new tourist and industrial site. The neighborhood area consists of large-scale industrial facilities, including Tohoku's largest trade fairs and outlet parks. Mitsui is planning to not only increase the appeal of the aquarium itself, but is also to link up with nearby facilities to utilize the synergy created by the aquarium to improve the entire region's ability to attract customers.

Using the region's past experiences to create the future

Miyagi Prefecture was home to beloved Marinepia Matsushima Aquarium, the second oldest aquarium in Japan. But the aquarium closed in May 2015. Yokohama Hakkeijima, in charge of operating SENDAI UMINO-MORI AQUARIUM, has taken on many of the staff and the creatures from Marinepia, which means they have at the same time taken on the irreplaceable knowledge and experience accumulated over many years at Marinepia.

In addition, since importance has been placed on the facility as an education center, educational programs and off-site programs aimed at children in kindergarten and primary school are under development. The aquarium also plans to hold events for the elderly, including senior citizen home residents, and to establish the aquarium as a lifelong learning facility in the community.

In these ways we are working to promote activities and educational programs designed to conserve and revitalize the natural environment and promote biodiversity.



Protection of the global environment

Functioning as a center for the conservation of biodiversity

Even as awareness of the need to conserve biodiversity has increased, 28 species of fish and 8 species of amphibians in Miyagi Prefecture have been listed as the endangered species. One of the roles of an aquarium is to preserve these endangered creatures. The SENDAI UMINO-MORI AQUARIUM has set up the Umino-Mori Laboratory, whose job is to breed rare creatures such as *Pseudorasbora pumila pumila*, *Acheilognathus typus*, and Tohoku salamander. As a part of our industry-academia collaboration, we are also engaged in research projects of the ecology of rare creatures with Tohoku University. As one of the facility's environmental countermeasures, "Inochi Kirameku Umi" (Life Shining Sea) large tank is designed to use natural lighting as a way to reduce the cost of electric lighting.

Mitsui & Co. Facilities, Ltd. has a long history of employing a variety of energy-saving proposals in the operation and maintenance of the facilities. It has plans for the efficient use of energy in SENDAI UMINO-MORI AQUARIUM based on its years of experience in the fine and flexible control of air conditioning and lighting in accordance with weather and climatic conditions.

In addition, in consideration of the effect on the staff and the creatures on exhibit, we have in place an environmentally-friendly operation and maintenance system that includes limiting the use of cleansers that contain chemical substances to a minimum.



UMINO-MORI Laboratory, where rare animals of the Tohoku region are bred



Respect for human rights

Accepting 1,500 disaster evacuees

SEDAI UMINO-MORI AQUARIUM has been designed in full consideration of "human safety." The building was naturally designed and constructed in accordance with the earthquake-resistance regulations stipulated in the Building Standards Act, as well as designed to function as an evacuation center in the event of a tsunami.

Takasago Chuo Park, where the aquarium is located, was the first large-scale public park constructed by Sendai City after the Great East Japan Earthquake in 2011. As such particular attention was paid to its role in disaster countermeasures. Because the park itself is within the potential tsunami-flood area, some public comments were raised by citizens worried about safety during times of disaster. As a result, the SENDAI UMINO-MORI AQUARIUM was designed to function as a temporary evacuation center. The second floor and the roof can accommodate 750 people each for a total of 1,500 evacuees. The facility also has a storage for food, water, and blankets for an equal number of people. It is also equipped with an emergency electric power generation system that can supply electricity for 72 hours, as well as emergency telecommunications equipment.



It is also used as a tsunami evacuation facility



Utilizing this experience in the operation of other public facilities

In conjunction with its entrance into the aquarium business, Aim Services employed approximately 60 new employees mainly from the local community. In recent years, the food and beverage industry has been experiencing increasing difficulty in finding and hiring personnel. During the recruitment process for these jobs, however, an unexpectedly high number of applicants responded, which underscores the extent of the expectations placed upon the aquarium and the enthusiasm people have for being involved with building Tohoku's future. These attitudes are present within our company as well. One of the chefs from Miyagi Prefecture requested a transfer to the aquarium to work on creating an original menu.

Aim Services and Mitsui & Co. Facilities, Ltd. are using their experience working with Mazda Zoom-Zoom Stadium Hiroshima and the Hiroshima Toyo Carp professional baseball team to improve SENDAI UMINO-MORI AQUARIUM and will continue to use it in their operation and management of other public facilities in the future.



The original menu at SENDAI UMINO-MORI AQUARIUM (right)



Tasks and Accomplishments

Mitsui believes that its roles are to meet the expectations of and respond to the trust of its stakeholders by creating new value through its business activities.

In order to fulfill these roles, we have identified, from among various social issues, “five material issues” in the CSR field to tackle.

Seven Key Strategic Domains

The following are the results of initiatives for the “five material issues” for the fiscal year ended March 2015 that were implemented in each of the seven Key Strategic Domains, established in the New Medium-term Management Plan “Challenge & Innovation for 2020 - Demonstrating Mitsui Premium”, whereby we can exercise Mitsui’s strengths.

Related Product Segments ● Iron & Steel products ● Mineral & Metal Resources ● Machinery & Infrastructure
 ● Chemicals ● Energy ● Lifestyle ● Innovation & Corporate Development

Hydrocarbon Chain

Energy upstream to downstream and development of related businesses

- Upstream oil and gas projects, commercialization (LNG, chemicals manufacturing, power generation)
- Transportation and related businesses (ships, steel products, infrastructure development)

● Iron & Steel products ● Mineral & Metal Resources
 ● Machinery & Infrastructure ● Chemicals ● Energy
 ● Lifestyle ● Innovation & Corporate Development

| CSR Element | Initiatives for FY Ended March 2015 (April 2014 - March 2015) | Five Material Issues | | | | |
|---|--|--------------------------------------|--------------------------|---|--|---|
| | | Protection of the global environment | Respect for human rights | Enhancement of local industrial bases & quality of life | Stable supply of resources & materials | Corporate governance & human resource development |
| Securing and Ensuring a Stable Supply of Energy Resources | <ul style="list-style-type: none"> ● Expansion of a diverse and stable supply of energy sources such as crude oil, petroleum products, and LNG around the world. (Equity-share production for upstream oil and gas assets: 243,000 barrels/day → 254,000 barrels/day) • Development and launch of LNG projects (Mozambique LNG Project, US Cameron LNG Project, Australia Browse LNG Project) • Promotion of E&P business via affiliated companies | | | | | |
| Initiatives to Reduce the Load on the Environment | <ul style="list-style-type: none"> ● Green chemicals initiatives utilizing biomass resources <ul style="list-style-type: none"> • Palm oil-derived oleo chemicals manufacturing project (Malaysia) • Corn-derived glucose based biochemical products project (Canada) • Sugarcane based biochemical products project (Brazil) ● Initiatives to achieve a low carbon society <ul style="list-style-type: none"> • Investment & participation in wood biomass power generation plant (Tomakomai, Hokkaido, Japan) • Surface surveys & excavations for the promotion of the geothermal power generation projects by Mitsui Oil Exploration (in Hokkaido/Tohoku region, Japan) • Completion of the world's first integrated oxyfuel combustion and CO₂ capture demonstration in a coal fired power station in Australia for near zero emissions of CO₂ • Investment & participation in fuel and chemical products | | | | | |

| | | | | | | |
|------------------------------------|---|--|--|--|--|--|
| | development business utilizing microbial fermentation (U.S.) ● Construction & operation of a waste gas recycling plant for Qatar LNG project | | | | | |
| Contributions to Local Communities | ● Co-sponsorship of educational programs for local university students through the Abu Dhabi Petroleum & Gas International Conference ● Scholarships for study abroad programs in Japan for faculty members of the Universidade Lurio (Mozambique) ● Scholarship programs for four major universities in Thailand, and co-sponsorship of a variety of local events through Mitsui Oil Exploration | | | | | |

Mineral Resources (Underground & Urban) and Materials

Mineral mining to material processing, building a recycling-oriented society

- Development and production of mineral resources, processing, distribution and recycling of products
- With focus on technical advancement, development of steel and chemical materials businesses

● Iron & Steel products ● Mineral & Metal Resources
 ● Machinery & Infrastructure ● Chemicals ● Energy
 ● Lifestyle ● Innovation & Corporate Development

| CSR Element | Initiatives for FY Ended March 2015 (April 2014 - March 2015) | Five Material Issues | | | | |
|---|---|--------------------------------------|--------------------------|---|--|---|
| | | Protection of the global environment | Respect for human rights | Enhancement of local industrial bases & quality of life | Stable supply of resources & materials | Corporate governance & human resource development |
| Development and Stable Supply of Resources | ● Continuation of iron ore project development, and securing of stable supply of iron ore (separate J/Vs with Rio Tinto and BHP Billiton in Australia and alliance with Vale in Brazil) (Iron ore business, equity-share production: 51 million tons → 55 million tons) ● Joint development of Moatize coal mine project with Vale (Mozambique) ● Continuation of copper project development, and securing of stable supply of copper (Chile) | | | | | |
| Initiatives to Reduce the Load on the Environment | ● Securement of stable supply of metal materials for rechargeable batteries and magnets used in eco cars as well as hard metal tools for automotive manufacturing (cobalt, lithium, tungsten) ● Agreement on a joint manufacturing project for remanufacturing auto parts introducing Japanese technology in partnership with Honest (Japan) and GEM (a major Chinese recycling firm) | | | | | |
| Contributions to Local Communities | ● Continuation of exchange training program with Vale (Brazil) that started in 2003. The cumulative number of participants over 23 programs to and from Brazil has reached 271 ● Continuation of exchange training program with Baosteel Resources, a subsidiary of Baosteel (a major Chinese steel mill), that started in 2012; in FY 2014 Mitsui received 2 trainees from China and dispatched 4 to China ● Implementation of science educational program at primary schools attended by the children of workers in iron ore mines (Mitsui Iron Ore Development Pty. Ltd.) ● Implementation of scholarship programs and Japanese language education for the local community and workers in coal mines (Mitsui Coal Holdings) | | | | | |

Food and Agriculture

Provide solutions for increasing and stabilizing food supply

- Food resources, food materials, agriculture
- Agricultural chemicals, food and nutrition chemicals

● Iron & Steel products ● Mineral & Metal Resources
 ● Machinery & Infrastructure ● Chemicals ● Energy
 ● Lifestyle ● Innovation & Corporate Development

| CSR Element | Initiatives for FY Ended March 2015 (April 2014 - March 2015) | Five Material Issues | | | | |
|---|--|--------------------------------------|--------------------------|---|--|---|
| | | Protection of the global environment | Respect for human rights | Enhancement of local industrial bases & quality of life | Stable supply of resources & materials | Corporate governance & business development |
| Stable Food Supply | <ul style="list-style-type: none"> ● Diversification of stable food supply sources and handling volume expansion (Grain production and grain origination-related business Annual amount handled: 15 million tons → 17.5 million tons) <ul style="list-style-type: none"> • Promotion of large-scale agriculture being conducted by Agricola Xingu (Brazil), etc. • Development of plant factories through investments in agricultural production corporation (Japan) ● Business operation based on a triad: fertilizer, animal feed additives, and agrochemicals <ul style="list-style-type: none"> • Securing material ingredient source for fertilizers, including phosphorus ore deposit development, and sales of related products (Peru) • Fertilizer sales (Japan), animal feed additive manufacturing business (US), agrochemical sales business (US, EU) • Global, highly sophisticated hybrid distribution of ammonia and sulfur | | | | | |
| Initiatives to Reduce the Load on the Environment | <ul style="list-style-type: none"> ● Support and promotion of environmentally friendly agribusinesses <ul style="list-style-type: none"> • Support through Toho Bussan for the production of rice using environmentally friendly farming methods that develop biodiversity, and sales promotion of the rice produced (Toyooka City, Hyogo Prefecture; Sado City, Niigata Prefecture, Japan) • Promotion and support of the sale of RSPO (Roundtable on Sustainable Palm Oil) certified palm oil ● Promotion of the effective use of waste materials generated by manufacturing processes <ul style="list-style-type: none"> • Use of poultry manure as fertilizer and poultry manure-derived snow melting agent (Prifoods) • Use of residual tea leaves as fertilizer material (Mitsui Norin), etc. | | | | | |
| Food Safety and Security Initiatives | <ul style="list-style-type: none"> ● Improvement of food and food product safety management system through improvements in traceability, utilizing a food safety management database ● Monthly Food Sanitation Management Committee meetings and monthly Food Safety seminars to inculcate knowledge of food sanitation, awareness of food safety, and related countermeasures (for employees) | | | | | |
| Contributions to Local Communities | <ul style="list-style-type: none"> ● Investment in operating company that manufacture and sell commercial processed tomato products and condiments for halal markets (Malaysia) | | | | | |

Infrastructure

Contribute to nation building and develop business derived from infrastructure

- Electric power generation, water treatment and supply, port development
- Next-generation urban development

● Iron & Steel products ● Mineral & Metal Resources
● Machinery & Infrastructure ● Chemicals ● Energy
● Lifestyle ● Innovation & Corporate Development

| CSR Element | Initiatives for FY Ended March 2015 (April 2014 - March 2015) | Five Material Issues | | | | |
|---|--|--------------------------------------|--------------------------|---|--|---|
| | | Protection of the global environment | Respect for human rights | Enhancement of local industrial bases & quality of life | Stable supply of resources & materials | Corporate governance & business development |
| Development of the Social Infrastructure | <ul style="list-style-type: none"> ● Development and operation of the social infrastructure business throughout the world (IPP business our equity-share power generation capacity: 8.5GW → 9.6GW) <ul style="list-style-type: none"> • Promotion of the water supply and sewerage business in Mexico • Construction and operation of a container terminal in Indonesia (equity participation) • Promotion of the co-generation business (Thailand, Brazil) ● Partnership with Vale in the Nacala Corridor Railway and harbor infrastructure businesses (Mozambique) ● Promotion of the tank terminal business in distribution collection sites that serves as the basic distribution infrastructure for the petrochemical industry (Houston, USA and Antwerp, Belgium) | | | | | |
| Stable supply of infrastructure materials | <ul style="list-style-type: none"> ● Stable supply of the materials (rails, steel pipes, steel sheets, rebars, etc.) required for infrastructure projects around the world (Nacala Corridor Railway and harbor projects in Mozambique, ODA project in Vietnam such as Lach Huyen International Deep Water Port) ● Investment in Gonvarri Eólica, a holding company of GRI Renewable Industries that develops, manufactures, and sells towers and flanges for wind power generation use, and material supply for wind power generation-related infrastructure | | | | | |
| Initiatives to Reduce the Load on the Environment | <ul style="list-style-type: none"> ● Promotion of IPP business that uses at least 2GW (our equity-share power generation capacity) of renewable energy; energy efficient smart cities <ul style="list-style-type: none"> • Domestic solar power generation business (Hamamatsu Nakabiraki Solar Park, Japan) • Wind power generation business (Mexico) • Run-of-the-river hydroelectric power generation business (Brazil) • Promotion of smart-city business (Malaysia) | | | | | |
| Contributions to Local Communities | <ul style="list-style-type: none"> ● Job creation in countries where Mitsui operates infrastructure-related business ● Improvement of the educational environment for children in local communities by constructing schools in countries where Mitsui operates businesses | | | | | |

Mobility

Services related to manufacturing, marketing and financing of transportation machinery

- Automobiles, industrial machinery, ships, aircraft, mass transit and rail transportation systems
- Logistics business and expansion to other Key Strategic Domains

● Iron & Steel products ● Mineral & Metal Resources
● Machinery & Infrastructure ● Chemicals ● Energy
● Lifestyle ● Innovation & Corporate Development

| CSR Element | Initiatives for FY Ended March 2015 (April 2014 - March 2015) | Five Material Issues | | | | |
|--|---|--------------------------------------|--------------------------|---|--|---|
| | | Protection of the global environment | Respect for human rights | Enhancement of local industrial bases & quality of life | Stable supply of resources & materials | Corporate governance & business development |
| Ensuring Safe and Secure Transportation | <ul style="list-style-type: none"> ● Promotion of efficient transportation through sales/purchase and/or operations of marine ships and the leasing of railway freight carriages ● Investment in general freight transportation business operations, with the aim of transporting grains, steel products, chemicals, etc. (VLI in Brazil) ● Investment in passenger railways transportation business (OM in Brazil) ● Investment in truck leasing business (PTL in US) ● Support for mine development and production activities through sales/after-sales services of mining machinery | | | | | |
| Improvement and Stabilization of Quality of Life | <ul style="list-style-type: none"> ● Provision of means of transportation in emerging nations through the financing and sales of automobiles and motorcycles, and promotion of improvements and advances in logistics through sales/after-sales services of truck and bus ● Provision of employment opportunities in communities around the world through 150 affiliated companies | | | | | |
| Initiatives to Reduce the Environmental Burden | <ul style="list-style-type: none"> ● Promotion of a modal shift through the development of railway infrastructures and the lease of rolling stock ● Stable supply of LNG through the operation of LNG ship fleet (20 ships) ● Promotion of the sales of E-bikes with lithium ion cells in the Chinese market in cooperation with Tianjin EV Energies (China) ● Promotion of the development of EV with Chinese automobile manufacturers ● Promotion of highly environmentally friendly auto parts manufacturing through initiative with Gestamp (America) | | | | | |

Medical / Healthcare

Business development in healthcare and pharmaceutical value chain

- Hospital business and its ancillary services
- Pharmaceutical development, manufacturing and marketing

● Iron & Steel products ● Mineral & Metal Resources
 ● Machinery & Infrastructure ● Chemicals ● Energy
 ● Lifestyle ● Innovation & Corporate Development

| CSR Element | Initiatives for FY Ended March 2015 (April 2014 - March 2015) | Five Material Issues | | | | |
|--------------------------------|---|--------------------------------------|--------------------------|---|--|---|
| | | Protection of the global environment | Respect for human rights | Enhancement of local industrial bases & quality of life | Stable supply of resources & materials | Corporate governance & human resource development |
| Providing Health Care Services | <ul style="list-style-type: none"> ● Expansion of regional medical service through the IHH hospital business <ul style="list-style-type: none"> • Promotion of new hospital business (Gleneagles Kota Kinabaru Hospital) in eastern Malaysia • Provision of advanced health care services in accordance with international standards and contribution to the employment opportunities for doctors and other skilled local health care professionals ● Support for regional medical service through the IHH Group <ul style="list-style-type: none"> • Contribute to the flood relief initiatives in northeastern Malaysia by providing required medical services • Free cataract treatment for 55 underprivileged female patients in Singapore as part of the Gleneagles Hospital's 55th Anniversary Project • Free otorhinolaryngological surgery in Singapore for a 11-month-old child with sensorineural hearing loss | | | | | |

Lifestyle Products and Value-added Services

Consumer-linked businesses utilizing innovative functions (IT, finance, logistics)

- Clothing and food (distribution, data, e-commerce)
- Housing (real estate, financial and related services)

● Iron & Steel products ● Mineral & Metal Resources
 ● Machinery & Infrastructure ● Chemicals ● Energy
 ● Lifestyle ● Innovation & Corporate Development

| CSR Element | Initiatives for FY Ended March 2015 (April 2014 - March 2015) | Five Material Issues | | | | |
|---|---|--------------------------------------|--------------------------|---|--|---|
| | | Protection of the global environment | Respect for human rights | Enhancement of local industrial bases & quality of life | Stable supply of resources & materials | Corporate governance & human resource development |
| Improving and stabilizing the standard of living | <ul style="list-style-type: none"> ● Provision of services, through Suvidhaa Infoserve (India), to help improve the lives of people living in regions where no bank services are available | | | | | |
| Initiatives to Reduce the Load on the Environment | <ul style="list-style-type: none"> ● Planning, development, and promotion of smart cities and smart communities <ul style="list-style-type: none"> • Establishment of projects designed to realize a low carbon society through MBK Arup Sustainable Project in the UK • Participation in the "Fujisawa Sustainable Smart Town" project, which promotes housing with a reduced environmental burden in Fujisawa, Kanagawa Prefecture, Japan | | | | | |

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| | <ul style="list-style-type: none"> ● Investment in Viridity Energy (US) and promotion of power stabilization by participating in electric power usage optimization service business in the US ● Increase in the production ratio of fabrics with Bluesign certification from Mitsui Bussan Techno Products (approx. 70% of the main line of fabrics, namely Pertex branded ones, are Bluesign approved) ● Promotion of tree planting resource business for pulp and paper in compliance with FSC certification by subsidiaries of Mitsui Bussan Woodchip Oceania (Australia) and ensuring a stable supply of wood chips for the emerging Asian market ● Maintenance of FSC CoC certification by Mitsui Bussan Packaging and stable supply of CW certified pulp and paper ● Support for the overseas development of local companies through the Tri-Net Group, and shortening of the transportation routes by utilizing nearby ports | | | | | |
| Contributions to Local Communities | <ul style="list-style-type: none"> ● Continuation of our donation activities for school lunches in developing countries through Aim Services "Table for Two" (Since October 2007, FY 2014 results: approx. 495,000 meals provided) ● Creation of produce distribution system for agriculture in the Japanese National Strategic Special Zone in Yabu City, Hyogo Prefecture (Mitsui Bussan Agro-Business) ● Support for community revitalization through the exhibition and sales of products from regions throughout Japan, including the Tohoku region, at Food Show 2014 (Mitsui Foods) ● Continuous support for food education activities through the Kids Kitchen Association (Mitsui & Co., Mitsui Foods, Bussan Food Services) ● Development of SENDAI UMINO-MORI AQUARIUM operations together with the partner companies | | | | | |

Management Platform

The following are the initiatives for the “five material issues” implemented by Mitsui in the fiscal year ended March 2015 in the governance, environment, and social aspects of “Mitsui’s Management Platform”, the solid base that bolsters Mitsui as we advance our business activities and create new value.

Governance

| CSR Element | Initiatives for FY Ended March 2015 (April 2014 - March 2015) | Five Material Issues | | | | |
|--|--|--------------------------------------|--------------------------|---|--|---|
| | | Protection of the global environment | Respect for human rights | Enhancement of local industrial bases & quality of life | Stable supply of resources & materials | Corporate Governance & human resource development |
| Internal Controls & Corporate Governance | <ul style="list-style-type: none"> ● In response to the May 1, 2015 Revision to the Companies Act, deliberations held in the Governance Committee and the Internal Control Committee meetings, and revisions made to the Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles effective April 1, 2015 ● Promotion of initiatives on a global group basis, aimed at highly transparent disclosure of information and disciplined employee conduct related to the internal controls; reporting of progress status and issues to the Internal Control Committee and the Corporate Management Committee | | | | | |
| Compliance | <ul style="list-style-type: none"> ● Implementation of various seminars and training about important laws and regulations in Japan and overseas for employees at all levels, including employees moving overseas or being seconded to group companies ● Completion of revision of the Compliance Handbook, and implementation of online testing for all officers and employees ● Implementation of compliance awareness surveys, and formulation and implementation of the compliance activities based on the results of the surveys ● Visits to individual key subsidiaries and associated companies, making suggestions that would lead to development and enforcement of their compliance systems ● Reminders on compliance (written notice, meetings, etc.) sent, and sharing of disciplinary cases, etc. through line managers ensured | | | | | |
| Business Unit Hosted Seminars | <ul style="list-style-type: none"> ● Implementation of seminars and conferences focused on specific products and services (Seminars on chemicals-related laws, food safety, etc.) ● Heightening of compliance-awareness of the affiliate employees by providing seminars and lectures, and conducting surveys, etc. | | | | | |
| Risk Management Structure | <ul style="list-style-type: none"> ● Establishment of the Rules on Safety Measures in January 2015, which describe initial actions in times of emergency. Implementation of a drill arranged by the Emergency Response Headquarters, and reinforcement and development of risk management framework continued | | | | | |

Environment

| CSR Element | Initiatives for FY Ended March 2015 (April 2014 - March 2015) | Five Material Issues | | | | |
|--|---|--------------------------------------|--------------------------|---|--|--|
| | | Protection of the global environment | Respect for human rights | Enhancement of local industrial bases & quality of life | Stable supply of resources & materials | Corporate governance & business ethics development |
| Promotion of Environment-related Business | <ul style="list-style-type: none"> ● Proactive development of a variety of environment-related businesses aimed at finding industrial solutions to environmental problems ● Identification of mid- to long-term environmental changes in and future directions of the environment, energy, and gas value chains, and the electric power industry, at the Power and Energy Strategy Committee, a cross-sectional internal organization (committee meetings are held four times a year) | | | | | |
| Enhancement of Environmental Management System | <ul style="list-style-type: none"> ● Promotion of an overall optimization of environmental management at the affiliates through fine-tuning of the level of management according to the magnitude of their environmental burden ● Compilation of an incident casebook designed to reduce accidents, with a focus placed on alleviating environmental risks, including environmental accidents ● Increase in the applicability of expert advice on environmental and social risk management issues through the Environmental & Societal Advisory Committee ● Implementation of training programs for employees of the company and its domestic affiliates for environment related laws and regulations, compliance with the Waste Disposal and Public Cleansing Act, and proper procedures for disposal of industrial waste ● Promotion of networking with NGOs and NPOs that are major stakeholders ● Heightening of environmental awareness of Mitsui officers and employees by continuing the Mitsui Environment Month (total of 290 participants in lectures and other events) | | | | | |
| Implementation of global warming prevention measures | <ul style="list-style-type: none"> ● Management of CO₂ Emissions <For the Mitsui Group in Japan> On a group basis in Japan, companies with large CO₂ emissions are designated as companies that intensively manage greenhouse gas, as Mitsui aims for annual reduction in energy consumption rate of at least 1% on average (intensity target) from the fiscal year ended March 31, 2012 <For the Mitsui Group worldwide> Mitsui will monitor changes in CO₂ emissions over the year, seeking areas where cuts can be made ● Energy shortages in summer: Implementation of energy saving measures in the Headquarters building, taking into account the electricity peak demand level | | | | | |
| Mitsui's Forests | <ul style="list-style-type: none"> ● Continuation of forest management in accordance with FSC certification; designation of Biodiversity Conservation Forests and continuation of biodiversity-friendly management practices ● Implementation of school visits teaching forest environment and forestry (approx. 1,500 people in 17 classes) and forest experience events (10 events, Mitsui-sponsored) as forums for environmental education ● Cooperation with the Biratori Ainu Association and Biratori-Cho in Hokkaido to preserve and pass down Ainu culture to future | | | | | |

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| | generations through Mitsui's forests <ul style="list-style-type: none"> ● Stable provision of company forest assets (FSC certified materials) at sawmills and other locations in all regions; wood material supply for woody biomass fuel ● Endowed course, "Forest Product Theory", held at Keio University SFC to contribute to human resources training in forestry and the wood industry | | | | | |
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Society

| CSR Element | Initiatives for FY Ended March 2015 (April 2014 - March 2015) | Five Material Issues | | | | |
|---|--|--------------------------------------|--------------------------|---|--|---|
| | | Protection of the global environment | Respect for human rights | Enhancement of local industrial bases & quality of life | Stable supply of resources & materials | Corporate governance & human resource development |
| The Mitsui & Co., Ltd. Environment Fund | <ul style="list-style-type: none"> ● Twenty-nine grants totaling 203 million yen awarded based on the concept that the environment is "all aspects of the world around human being" (seven of these grants totaling 72 million yen were provided to Great East Japan earthquake disaster recovery efforts); contribution to the promotion of initiatives designed to advance the disaster recovery, train personnel in charge of environment and ecosystem conservation, and address environmental problems, through the support provided to grant recipients ● Enhancement of environmental awareness among employees by encouraging them to participate in grant recipients' environmental activities | | | | | |
| Social Contribution Activities | <ul style="list-style-type: none"> ● Execution of the following measures in the areas of international exchange and education, which are identified by the company as key fields for social contribution activities <ul style="list-style-type: none"> • Scholarships granted for a total of 429 Brazilian students in Japan at 26 schools as part of our support activities for Brazilians living in Japan • Implementation of exchange programs as part of the TOMODACHI Initiative • Continued implementation of Mitsui endowed courses at overseas universities continued in order to train people to develop an international mindset (Peking University: 6 times per year; St. Petersburg State University: 2 times per year; University of Warsaw: 2 times per year, etc.) <ul style="list-style-type: none"> • Sasugaku Academy classes held as a learning place that supports children's "power to create a sustainable future" ● Continual promotion of social contribution activities by officers and employees on a global group basis, and donations totaling 3,880,000 yen sent to organizations involved in social contribution activities, based on the 3,880 people who were engaged in social contribution activities during the fiscal year through the Mitsui Global Volunteer Program | | | | | |
| Employee Training | <ul style="list-style-type: none"> ● Continued hiring and development of global human resources <ul style="list-style-type: none"> • Increase in hiring of people with a global mindset (new graduate hiring, global hiring, mid-career hiring) • Reinforcement of global human resources development (early-stage education, overseas dispatch programs, global training programs, etc.) • Reinforcement of global human resources management • Strengthening of inculcation of the company's management | | | | | |

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|-------------------------------------|---|--|--|--|--|--|
| | <p>philosophy to develop global human resources</p> <ul style="list-style-type: none"> • Implementation of Headquarters OJT(on the job training) and seminars for employees at overseas offices and affiliates in Japan and overseas ● Implementation of diversity measures for increased competitiveness <ul style="list-style-type: none"> • Diversity Committee meetings held, and implementation of initiatives designed to utilize diverse personnel • Promoting career advancement for our foreign national employees and female employees • Selection as "Nadeshiko Meigara" by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange (Nadeshiko Brand) ● Dispatch of Japanese employees from affiliates to overseas offices and affiliates under the arrangement of HQ business units | | | | | |
| Employee Safety & Health | <ul style="list-style-type: none"> ● Establishment of permanent BCP rooms, implementation of drills arranged by the Emergency Response Headquarters, and completion of new BCP through assessment of identified material issues ● Constant grasp of the location of the employees on business trips or on assignment; development of a system to integrate the response at the Headquarters HR & General Affairs Division in case of emergency ● Achievement of a nearly 100% medical examination rate by employees, and creation of a new medical interview system for all employees, in accordance with the "Health and Productivity Management" policy (which identifies employee health management as a management issue) | | | | | |
| Information Disclosure to Investors | <ul style="list-style-type: none"> ● Clear demonstration of the cash flow allocation framework, including our policy on return to shareholders, improving our explanation of comprehensive quantitative plans using EBITDA and ROE targets, etc., enhancing Mitsui's explanation of mid-to long-term management strategy (announcing the new Medium-term Management Plan) ● Ranked first in the "2014 Award for Excellence in Corporate Disclosure" (Commerce industry category) by The Securities Analysts Association of Japan ● Selection for the 2014 IR Special Award by the Japan Investor Relations Association | | | | | |

CSR Policy

| CSR Element | Initiatives for FY Ended March 2015 (April 2014 - March 2015) | Five Material Issues | | | | |
|--------------------------|---|--------------------------------------|--------------------------|---|--|---|
| | | Protection of the global environment | Respect for human rights | Enhancement of local industrial bases & quality of life | Stable supply of resources & materials | Corporate governance & business development |
| CSR Promotion Activities | <ul style="list-style-type: none"> ● Review of CSR initiatives & concept and update of CSR Concept Diagram ● Identification of CSR Material issues with recognition of society's concerns and expectations, with reference to international initiatives and with verification of compatibility with our management philosophy and business plans | | | | | |
| Supply Chain Management | <ul style="list-style-type: none"> ● Dissemination of our "Supply Chain CSR Policy" to our new suppliers (total of 6,374 companies from May,2012 through May,2014) ● Implementation of SAQs to suppliers focusing on aspects of compliance, human rights, safe and sanitary work environment, and safety and reliability of products and services (72 companies in total) ● Implementation of on-site survey to suppliers (apparel industry and coffee bean farms) | | | | | |
| Risk Management | <ul style="list-style-type: none"> ● Based on Specially Designated Business Management System, performance of potential-risk analysis related to the environment, society, and governance, and support for project formation process after considering countermeasures to the risks, and increase in the penetration level of the Specially Designated Business Management System and understanding of business frontlines | | | | | |

Supply Chain Initiatives

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

Supply Chain Management

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

Supply Chain CSR Policy

1. Mitsui & Co., Ltd. will strive to contribute to the creation of a sustainable society by understanding and solving issues associated with the supply chains of its businesses, consistent with the wishes of its stakeholders.
2. Mitsui & Co., Ltd. will strive to support improvements in the supply chains by seeking understanding and implementation of the following principles by its business associates:
 1. To engage in fair trade, prevent corruption, and comply with all applicable laws and regulations.
 2. Not to be complicit in human rights abuse and violations.
 3. To prevent discrimination with respect to hiring and employment.
 4. To respect the rights of employees to associate freely and bargain collectively.
 5. To appropriately monitor employees' working hours, holidays, and leaves of absence, and prohibit unlawful excessive work.
 6. To prevent forced labor, child labor, unlawfully-cheap labor, physical discipline, and physical, sexual and other forms of harassment.
 7. To ensure a safe and sanitary work environment.
 8. To reduce and mitigate business impact on the global environment.
 9. To ensure the safety and reliability of products and services.
 10. To disclose adequate and timely information relevant to the above.

Current State of Implementation of Supply Chain CSR Policy

Mitsui is implementing this policy based on the following pillars.

1. Company-wide uniform supplier communication forms

Beginning in the fiscal year ended March 31, 2009, we sent a letter to all suppliers of Mitsui's business units, overseas offices, and subsidiaries (more than 38,000 suppliers in total, as of end of March, 2015) requesting their understanding and cooperation in regard to our Supply Chain CSR Policy in a move to ensure that all Mitsui suppliers are fully aware of this policy.

2. Supplier surveys

In promoting compliance with this policy, we consider interactive communication with business partners such as suppliers to be very important. We work to build relationships of trust and strengthen our supply chains by working jointly on ideas for improvements with our partners wherever needed. In the fiscal year ended March 31, 2012,

Mitsui conducted supplier surveys for coffee, cocoa, and other agricultural products (39 companies), as well as for consumer products such as apparel (153 companies). In the fiscal year ended March 31, 2015, as part of a new initiative, we selected 72 of our main suppliers from all our business domains, and surveyed them to confirm (1) the status of their compliance with our Supply Chain CSR Policy, and (2) whether they had CSR policies related to the areas of "Legal compliance," "Protection of human rights," "Workplace safety and health," and "Product and service safety and security." While all the companies we surveyed responded that they were "in compliance", we requested suppliers that were not equipped with a CSR policy to formulate one.

3. On-site survey of suppliers

In addition to the above-mentioned questionnaire-based survey, we also conduct on-site surveys of suppliers that are deemed to be in relatively high-risk business areas such as agricultural products and consumer products. In order to confirm the status of their CSR initiatives, we conduct interviews with responsible persons in accordance with the checklist for compliance with the Supply Chain CSR Policy followed by an on-site inspection at offices and operation sites.

In the fiscal year ended March 31, 2015, Mitsui Bussan Inter-fashion, Ltd., one of our subsidiaries in the apparel industry, strived to grasp the status of its major suppliers' compliance with its supply chain CSR policy through self assessment by the suppliers. The company also conducted interviews with its major suppliers concerning their utilization of the Japanese government's "Technical Intern Training Program". Through these efforts, the company enhanced the framework to monitor and address problems and issues with suppliers' cooperation. In addition, as our CSR initiative in the business area of agricultural products, we, together with an outside expert, conducted on-site surveys of coffee bean farms in Brazil that supply us and our subsidiary Mitsui Alimentos, focusing on the aspects of "legal compliance", "the environment", "labor practices", and "traceability". No serious problems or issues were found.

■ Future Actions

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

To increase the sensitivity of all employees to human rights, labor, and other issues in our supply chains and to prevent problems, we will continue to heighten employee awareness and provide training seminars (283 participants in the fiscal year ended March 31, 2015), including newly-hired employees and managers.

Furthermore, we will endeavor to assess any actual business situations that do, or may, conflict with our Supply Chain CSR Policy, and ensure that suppliers embrace the policy and improve such situations. In case we find violations of this policy in our supply chain, we will make improvements by providing necessary support to the suppliers. However, if there are no improvements to the situation by the suppliers, we will determine carefully whether to continue our business with the supplier.

Summary of Supplier On-site Survey (Coffee Bean Procurement)

In December 2014, we conducted on-site surveys at coffee plantations and agricultural cooperatives (three locations in total) in the Cerrado Region, which are the main suppliers of our Brazilian coffee beans. Brazil is an important coffee producing region, which serves as an important base for our coffee business (in which our wholly-owned subsidiary Mitsui Alimentos manufactures and sells roasted coffee beans for the Brazilian market), and also accounts for approximately 40% of our total imports to Japan.

We confirmed from the on-site survey that all locations are working in an appropriate way and all items were found to meet the requirements of our Supply Chain CSR Policy. We will continue to conduct on-site surveys in order to enhance supply chain management.

Details of inspection

On-site and off-site surveys were conducted in the areas of "legal compliance", "environment", "labor practices", etc. through interviews with management and workers in offices followed by visual inspections of plantations, factories (selection and packaging processes, etc.) and warehouses (cargo receipt and dispatch).

Legal Compliance

- We checked compliance with regional regulations on the environment, wages, working hours and working age, and compliance with development & operation licenses and labor union agreements.

Carrying out the Supplier On-site Survey

Dr. Naoki Adachi, Response Ability Inc.

Mitsui & Co., Ltd. and its group companies procure coffee from around the world, and we visited two plantations and one cooperative located in Brazil, which is one of their main procurement locations. Progress has been made in Brazil in introducing internationally-recognized accreditation systems, such as Rainforest Alliance and UTZ, particularly at plantations that supply the export market. Both of the plantations we visited acquired accreditation under both systems at an early stage. Mitsui & Co. also buys beans from other plantations, but because it only procures high quality beans this means that beans will be bought from plantations with a high level of awareness as a matter of course. Consequently, the level of CSR risk can be deemed to be low.

Both of the plantations we visited had achieved an extremely high standard of management in terms of environment, labor conditions and social considerations. The high standards achieved at the plantations would be impressive to many Japanese farmers who are farming other crops.

One matter of concern is the large-scale droughts in Brazil, that are likely to have occurred as a result of climate change. At well-developed plantations the situation is being responded to using irrigation methods, etc., but there may be a need to come up with countermeasures on a larger scale.

The inspection confirmed that the best beans are being selected, not only in terms of quality but also in terms of careful consideration of the environment and society, for shipment to Japan. I look forward to seeing Mitsui & Co. expand these activities in other countries and regions as a major coffee importer that Japan can be proud of.

Environment

- Development of farming areas and the protection of virgin forests
 - We confirmed that virgin forests equating to 20% of the farming areas were secured, in accordance with the development & operation license of the Cerrado Region.
- Use of agrichemicals
 - The temperature of the farming area, despite being located in the highlands at altitudes of 1,000-1,200m, rises higher in summer and leads to the generation of diseases, such as rust disease, and the proliferation of bacteria through damaged tree plants. Agrichemicals are used to protect coffee trees from such diseases and also to reduce the risk of damage from disease- carrying pests spreading to other plantations.
- We confirmed that only agrichemicals permitted under regulations are used.
- Securing irrigation water
 - To cope with the increased frequency of droughts due to global warming, irrigation dams have been extended at the plantations in order to secure enough irrigation water. Also, a drip method has been adopted, and irrigation water containing liquid fertilizer is fed to the coffee trees, helping to effectively use irrigation water.



An extended dam to secure irrigation water

Labor Standards

- Respect for the freedom of employees to join labor unions
 - We confirmed that employees' right to join labor union is respected.
- Prohibition of low-wage labor and child labor
 - We confirmed that they comply with local laws and regulations and labor union agreements on low wages and not hiring underage workers and cheaper foreign workers, especially during harvest season.
- Ensuring the safety and health of employees
 - Visual inspection was conducted to ensure that pedestrian walkways are secured at factories and warehouses, that helmets and masks are worn, and that fire extinguishers and other equipment are installed.
- Developing a better work environment
 - Employee housing, canteens, training facilities, and company housing and canteens for workers living far from home have been installed, and canteens are kept clean.



Employees selecting beans

International Accreditation and Traceability

- All locations we visited this time have acquired international accreditations (UTZ, Rainforest Alliance) for plantations with outstanding initiatives in a variety of environmental and social fields, including environmental protection, management, work conditions and work practices, as well as agricultural methods and land use.
- Ensuring product traceability: Premium coffee beans are bought from designated plantations, including the above visited plantations. Even when beans are bought from small to medium-sized plantations via agricultural cooperatives, plantation traceability is ensured for each lot.



Examples: Assessing and Solving Supply Chain Issues

Food and Food Products

Initiatives designed to ensure a stable supply of high-quality coffee



The production volume of coffee, a product enjoyed by people throughout the world, is greatly affected by natural events including frost and droughts as well as climatic conditions such as rainy and dry seasons, and this has a major effect on the market price. Thus, it is difficult to purchase coffee at a stable price and maintain a balance between supply and demand. Mitsui & Co. plays the role of liaison between producers and consumers in the supply chain. Therefore, the company is working to improve relations with suppliers around the world in order to guarantee a stable supply of high-quality coffee beans carefully selected from regions around the world such as Central and South America, Southeast Asia, and Africa.

In particular, our base of operations in Brazil, Mitsui Alimentos (100% subsidiary), has created alliances with superior producers, and by ensuring "the business with traceability, transparency and identifiability" at all stages of the supply chain, has created a stable supply system for high-quality coffee green beans.

For example, Mitsui & Co. is cooperating with Mitsui Alimentos to offer comprehensive marketing and sales support to the Bau Farm in the Corredo region, Brazil. We are also cooperating to provide the funds necessary to land reclamation work for new farms, and we have entered into a long-term contract in order to ensure stable business dealings. In addition, we are investigating opportunities to use our over 20 years of good relations in the region as a lever to further expand our business. Bau Farm owner Tomio Fukuda, a former engineer of a second-generation of Japanese descent has devoted himself to strict and reliable coffee production based on the quality control concepts of Kaizen and 5S. As a result of his efforts, his farm is now one of the famous specialty coffee farms in Brazil. His cooperation with Mitsui & Co. has led to the expansion of sales not only in Japan but throughout Asia.

Bau Farm values its employees and improves the quality of its products by improving the quality of the labor. Based on Mr. Fukuda's concept that "careful work comes from motivation, and motivation is created by the treatment and education of employees," the employees are involved in efforts to improve their workplace. In addition, Bau Farm is promoting learning about coffee and trends in consumer countries through training programs and on-site education. It is constantly making efforts to increase employees' understanding of coffee. High-quality employee education, one of its competencies, leads to the maintenance of more stable employment comparing to other farms.



Bau Farm owners: The Fukuda Family

Moreover, under the slogan of Kaizen, the Farm actively introduces new technologies designed to improve coffee productivity and quality. Bau Farms' another distinctive characteristics is its commitment to constantly trying new ideas that utilize new methods and varieties of coffee. In addition to use the irrigation system for avoiding drought damage, Bau Farm is utilizing it to increase the efficiency of its workforce by controlling the flowering period of the plants in order to stagger the harvest periods. It has also introduced GPS for effective soil improvement.

Mitsui & Co. keeps the producer's intentions in mind as it provides this high-quality coffee—created as a result of these initiatives—to consumers. In order to make sure that the owners of Bau Farms are constantly deepening their understanding of the coffee consumers demand, they visit Japan approximately once every two years and speak with coffee shop owners and beverage manufacturers. We also provide opportunities for our vendors who sell Bau Farms' coffee to visit Bau Farms when they go to Brazil in order to improve mutual understanding through communication.

By creating the strong value chain, we aim to contribute to the stable supply of high-quality coffee green beans to consumers around the world and support producers through our business.

Apparel Operations

Intensifying Supply Chain CSR Initiatives

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

MIF has established a “Supply Chain CSR Policy”. It sends notices requesting that its suppliers, including manufacturing subcontractors both within Japan and overseas, make sure they understand this policy and agree to it. These efforts are designed to promote understanding and ensure that this policy is implemented. As of the end of March 2015, consent to follow this policy had been obtained from a total of 3,871 companies (3,060 in Japan and 811 overseas).

As general interest, in corporate supply chain CSR initiatives increases, there is an increasing number of cases in which MIF has been requested by business partners to confirm the status of its supply chain CSR initiatives. In response to these changes in the external environment, MIF implemented the following supply chain CSR initiatives in the fiscal year ended March 31, 2015.

As part of the in-house efforts to increase understanding of supply chain CSR initiatives among managers and sales personnel, in July 2014 MIF held a CSR training seminar, inviting outside specialists. It was an opportunity for the participants to increase their understanding of changes in the external environment, accident case studies, important issues related to CSR procurement, and the importance of improving the initiatives. In February 2015, e-learning was implemented as a measure to understand regulations related to the Supply Chain CSR Policy, to stress the importance of the policy, and to deal with issues when a conflict with related laws and regulations at a plant has been discovered, and all employees were educated through this e-learning. The following initiatives have been implemented for suppliers. First, the style of the consent form for the Supply Chain CSR Policy was revised from the previous version, which simply asked that signers agreed that they “understood MIF’s policy.” The new version, on the other hand, asks that they agree to “abide by the policy based on their understanding of the policy” and that they will “cooperate in efforts to determine compliance status.” As of the end of March 2015, 562 of the above-mentioned 3,871 companies had agreed to the new version of the consent form, and the major suppliers among those companies have implemented compliance self-checks. In addition, interviews were held with major Japanese suppliers to determine the status of their usage of the Japanese government’s “Technical Intern Training Program”. If infringements of the Supply Chain CSR Policy or related laws and regulations are committed by suppliers, there is a system in place that requires that problems be identified after investigating the situation and that the situation is followed up until the supplier demonstrates improvements and changes.

By continuing in our efforts to increase awareness by communicating and providing feedback to suppliers on a regular basis, we aim to create an appropriate labor environment and create a sustainable supply chain environment.



Visit to the manufacturing plant of a Japanese supplier

Lumber Procurement

Improving Reliability Through Legal Compliance and the Forest Certification System

Significant deforestation and reduction and degradation of biodiversity and forest ecosystems caused by illegal logging have become major environmental issues. In 2006, as a countermeasure against illegal logging, the Japanese government enacted the Green Purchasing Law, which requires that government agencies only purchase lumber that is certified to have come from legal logging in sustainably managed forests.

As one of Mitsui's missions is to ensure the stable supply of building materials, paper resources, and other wood products, we cooperate with suppliers from around the world to ensure that our purchases contain no illegally logged lumber.

For example, in our tree plantations and woodchip production operations in Australia, Mitsui implements environmental management and operation procedures based on the two major forest certifications, the Forest Stewardship Council (FSC™) and the Pan-European Forestry Council (PEFC), and we conduct regular checks to ensure that only reputable plantation operators are used, that operations do not result in environmental destruction, for example through chemical soil contamination, and that the obligation to replant logged areas is being fulfilled. In addition to Australian companies, in 2014 Trans Pacific Fibre, a woodchip marketing joint venture company in Chile, obtained both FSC and PEFC certification.

Increased awareness of environmental conservation has led to increased numbers of companies and consumers who choose products with forest certifications when they purchase wood and paper products. Mitsui & Co. cooperates with its partners and manufacturers to increase the use of FSC and PEFC certified products in the supply chain in order to create products that are in accordance with higher awareness of environmental conservation.



Woodchip processing plant
(Bunbury Port in Western Australia)

Environment-Related Business

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

Renewable Energy

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

| Project | Company name | Country | Generating capacity/Scale |
|---|---------------------------------|-----------|------------------------------|
| Solar power generation business | Haneda Solar Power Co., Ltd. | Japan | 2MW |
| | Tottori Yonago Solar Park | Japan | 42.9MW |
| | Izumiotzu Solar Park | Japan | 19.6MW |
| | Tomatoh Abira Solar Park | Japan | 111MW (Under Construction) |
| | Kumamoto Arao Solar Park | Japan | 22.4MW |
| | Omuta Miike Port Solar Park | Japan | 19.6MW |
| | Hamamatsu Solar Park | Japan | 43MW (Under Construction) |
| | Tahara Solar-Wind Joint Project | Japan | 50MW |
| | Brockville Solar | Canada | 10MW |
| | Beckwith Solar | Canada | 10MW |
| | IPM Eagle Desarrollos Espana | Spain | 1.5MW |
| | Guzman Energia S.L. | Spain | 50MW |
| Solar thermal power generation business | NS Wind Power Hibiki | Japan | 15MW |
| | Tahara Solar-Wind | Japan | 6MW |
| | Wind Farm Hamada | Japan | 48MW |
| | Norway Wind | Canada | 9MW |
| | SOP Wind | Canada | 40MW |
| | West Cape Wind | Canada | 99MW |
| | Caribou Wind | Canada | 99MW |
| | Harrow Wind | Canada | 40MW |
| | PAR Wind | Canada | 49MW |
| | Plateau Wind | Canada | 27MW |
| | ELSC Wind | Canada | 99MW |
| | Erieau Wind | Canada | 99MW |
| | Cape Scott Wind | Canada | 99MW |
| | Brazos Wind | U.S.A. | 160MW |
| | Eoliatec del Istmo | Mexico | 164MW |
| | Eoliatec del Pacifico | Mexico | 160MW |
| | Zajaczkowo Windfarm | Poland | 48MW |
| | Bald Hills Wind Farm | Australia | 106.6MW (Under Construction) |

| | | | |
|--|------------------------------------|--------|------------------------------|
| Biomass power generation business | Green Power Ichihara | Japan | 50MW |
| | Tomakomai Biomass Power, Co., Ltd. | Japan | 5.9MW (Under Construction) |
| Run-of-river hydroelectric power generation business | Energia Sustentavel do Brasil | Brasil | 3,750MW (Under Construction) |
| | Spanish Hydro | Spain | 84MW |

Example: Mexico's Bii Stinu & Santo Domingo Wind Projects

Mitsui began participation in the Bii Stinu Wind Project (164MW) in February 2013 and in the Santo Domingo Wind Project (160MW) in December of that same year. Both projects are located in Oaxaca state in Mexico.



Bii Stinu Wind Project
(Oaxaca, Mexico)

Modal Shift

Building and improving the social infrastructure is a top-priority issue for the economic growth and promotion of global industrial development in countries and regions around the world. To respond to related needs, Mitsui is strengthening its functions and capabilities on a global group basis. We have identified the railway freight transportation and railway passenger transportation businesses as key fields, and leveraging in particular the achievements of our long-term railway lease business, we are promoting initiatives to develop and operate a wide variety of railway projects as part of our on-going modal shift.

| Business investment (Company name) | Main business | Country | Quantitative effects/project size |
|---|---|---------|---|
| Trinet Logistics Co., Ltd. | Tokyo Bay barge transportation (Ichihara to Yokohama) | Japan | 92.3% reduction in CO ₂ emissions compared to truck transportation |
| MRC (Mitsui Rail Capital, LLC) | Freight wagon leasing business | U.S.A. | Four global basis (US, Brazil, Europe, Russia) Freight wagons : approx. 20 thousand Locomotives : approx. 3 hundred |
| MRC-LA (Mitsui Rail Capital Participações) | Freight wagon rental business | Brasil | |
| MRCE (Mitsui Rail Capital Europe B.V.) | Locomotive leasing business | Europe | |
| MRC1520 (MRC1520 LLC) | Freight wagon leasing business | Russia | |
| VLI | Freight transportation business | Brasil | Operating a railway network of approx. 10,700 km and port terminals |
| SuperVia (Supervia Concessionária de Transporte Ferroviário S.A) | Passenger railway transportation business (Rio de Janeiro suburban railway) | Brasil | Transportation record: Approx. 670,000 passengers per day (December 2014) |
| Via Quatro (Concessionária da Linha 4 do Metrô de São Paulo S.A.) | Passenger railway transportation business (São Paulo subway line no. 4) | Brasil | Transportation record: Approx. 700,000 passengers per day (December 2014) |

Example: Railway Rolling Stock Leasing

Our rolling stock leasing business, in the United States, Brazil, Europe, and Russia, is supporting its customers enhance the efficiency of their operations by meeting their needs for leasing different types of rolling stock as well as drawing on Mitsui capabilities as a general trading company to offer added value by providing operation and maintenance management services. These business conforms to the modal shift promotion policies for railway transportation that are being worked out by countries and regions around the world from the perspective of reducing greenhouse gas emissions and other aspects of global environment conservation.



Siemens in Europe Electric locomotive

Example: Passenger Railway Business

In the urban transport concession and PPP field, we began funding Brazil's São Paulo metro line no. 4 in 2007 and began operating the line in 2011. In addition, we began participation in four projects in 2014: the Rio de Janeiro suburban railway, the Sao Paulo metro line no. 6, the Rio de Janeiro LRT (light rail transport), and the Goiânia LRT. We effectively used the railway technology and know-how of Japanese railway companies and manufacturers to both increase the value of these projects and provide safe and secure transport to passengers by developing the urban transportation infrastructure in order to help alleviate the serious traffic congestion and air pollution problems in Brazilian cities.



Suburban railway in Rio de Janeiro ("SuperVia")

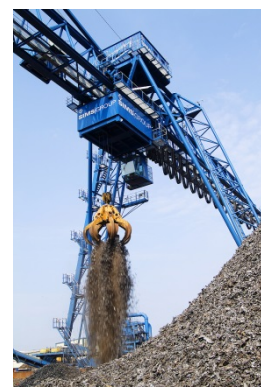
Recycling

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

| Business investment (Company name) | Main business | Country | Business size |
|--|---|--|---|
| Metal One Mitsui Bussan Resources & Structural Steel Corporation | Metal scrap collection and sales business | Japan | Handles 8 million tons/year of metal scrap |
| Kyoei Recycling Co., Ltd. | Industrial waste processing and gas production | Japan | Processing capacity of 27,000 mt/year, 140,000 Nm ³ /day |
| E.R. Japan Corporation | Recycling and reuse of used compact home appliances | Japan | Recycling capacity of 24,000 mt/year |
| Mitsui Bussan Metals Co., Ltd. | Non-ferrous metal scrap and non-ferrous metal product trading business | Japan | Handles 100,000 tons/year of non-ferrous metal scrap |
| Sims Metal Management Ltd. | General recycling business (metal scrap, electronic device recycling, etc.) | North America, Europe, Australia, New Zealand, and elsewhere | Handles 1.2 million tons/year of metal scrap, etc. |

Example: General Recycling Business for Metal Scrap, Electric Device etc

Mitsui invested in Sims Metal Management Ltd., the world's largest recycler of ferrous and non-ferrous metal as well as electronics, in June 2007, and, as of March 31, 2015, Mitsui had become the largest shareholder with a 17.7% ownership. Today, Sims Metal Management has more than 270 locations on five continents with a focus on North America, and more than 6,000 employees. In addition to metal scrap business, the company also operates the world's largest electrical and electronics recovery and recycling business as well as New York City municipal waste processing business. Sims Metal Management is, therefore, continuing to grow as a total recycling enterprise



Sims scrap yard
(U.S.)

Tree Plantations

| Business investment (Company name) | Country | Business size (*target) |
|--|-----------|-------------------------|
| BTP (Bunbury Treefarm Project) | Australia | 20,000 ha (*) |
| GTP (Green Triangle Treefarm Project) | Australia | 10,000 ha (*) |
| AAP (Australian Afforestation Pty., Ltd.) | Australia | 2,000 ha (*) |
| PTP (Portland Treefarm Project) | Australia | 3,000 ha (*) |
| BFP (Bunbury Fibre Plantations Pty., Ltd.) | Australia | 14,000 ha |

Example: Tree Farming in Australia

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



Tree Farming in Western Australia

Other Environment-Related Business

| Project | Main business |
|--|--|
| Photovoltaic modules, parts, and materials | Structuring systems for the stable production and supply of equipment for photovoltaic modules and their principal materials (including silicon materials and products) |
| Materials for secondary battery use | Structuring systems for the stable production and supply of secondary battery materials, including principally those used in lithium-ion batteries |
| Rooftop gardening, green wall building, and greening at educational institutions | Proposal sales of greening (landscape)-related materials and development of sales business for greenery to improve the environment through Mitsui Bussan Agro Business Co., Ltd. (Japan) |
| High-pressurized tank for NGVs and FCVs | Import and sale of tanks for installation on vehicles powered by natural gas and fuel cells |
| Car-sharing business | Operation of a car-sharing business that utilizes high fuel-efficiency, low-pollution vehicles |

| | |
|--|--|
| Water treatment business in Mexico | Through subsidiary Atlatec, S.A. de C.V. which is a water treatment engineering company headquartered in Mexico, Mitsui has participated jointly with Mitsui & Co. (U.S.A.) in the sewage processing business in the state of Queretaro de Arteaga in that country and in the effluent processing business for projects of PEMEX, Mexico's national oil company. In addition, in December 2008 and again in September 2009, an order was received for a sewage processing project from the water utility of the state of Jalisco in Mexico. Also, in January 2010, an order was obtained from Mexico's water utility for a sewage processing facility that, on completion, will be the largest single plant of its kind in the world. Two facilities were completed and commenced operation in May 2012 and November 2014 respectively, and the remaining facility is currently under construction |
| Water and sewer concession business in the Czech Republic | In September 2013, Mitsui and FCC Aqualia, a leading water management company in Spain, entered water concession business in Ostrava, Czech Republic. The business is currently supplying drinking water, including bulk water, and sewage water treatment service for approximately 1.3 million users |
| Water treatment business in China | In August 2010, Mitsui and Hyflux Ltd., a leading provider of integrated water management solutions based in Singapore, established Galaxy NewSpring Pte. Ltd, with each company investing an equal amount. Subsequently, Galaxy NewSpring completed acquisition of 22 assets of drinking water, sewage, and water recycling businesses in China by the end of December 2010 and commenced joint business operations. Two additional assets were acquired in December 2012, and, in the future, the two parent companies plan to expand Galaxy NewSpring's business operations to help mitigate China's water environmental problems |
| High-grade urea solution: AdBlue® business | See page p.54 |
| Solar power generation monitoring service | See page p.54 |
| Cloud-based energy-saving service | See page p.54 |
| Investment for the development of microbe gas fermentation technology | See page p.54 |
| Electric buses on routes demonstration project in the UK | See page p.55 |
| Lithium ion secondary cell business in China | See page p.55 |
| The Callide Oxyfuel Project – Demonstration for zero-emission electricity generation with coal | See page p.55 |

Example : High-grade urea solution AdBlue® business

Mitsui Chemicals' AdBlue® is a detoxifying agent of water and nitrogen which works as a reduction agent for nitrogen oxides including gas emissions of trucks and buses. Mitsui is building and enhancing a nationwide sales and logistics locations and infrastructure as a sole agent of Mitsui Chemicals' AdBlue®. Mitsui contributes to the environment by steadily supplying AdBlue® for diesel vehicles supporting the gas emission regulations set down by the country. Demand for a stable supply of AdBlue® has been on the increase as automobile emissions regulations have been enhanced (Post New Long-Term Regulations).

Example: Solar Power Generation Monitoring Service

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

Example: Cloud-Based Energy Saving Services

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

Features of Energy Saving Services

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

Example : Investment for the development of microbe gas fermentation technology

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



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



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



System overview and control screen



Demonstration project with Shougang Steel in China

Example : Demonstration project for the use of Electric buses on routes in the UK

Milton Keynes, a medium-sized city in the United Kingdom, is turning its attention to switching public transportation to electricity, which is expected to reduce urban greenhouse gas emissions. In particular, it focuses on electric buses on regularly-scheduled routes, which will likely be the first segment where electricity is widely used, and all eight buses used on one of its busiest routes were replaced with electric vehicles in January 2014. The bus can recharge its batteries at the start and the end of each trip (incremental charging). Recharging does not use a cable connection. Instead, it employs contactless recharging that can be started with the push of a button (inductive power transmission). Incremental charging makes it possible to reduce the battery capacity, and the project confirms whether the bus prices and capacity can reach economical levels. Data from operations on the actual bus route is collected and analyzed. Then, it is used in simulations for determining the optimal battery capacity and numbers of charging facilities when electric buses are deployed on other routes, with the aim of providing a one-stop solution from planning to application.



Inductive power transmission for contactless charging of electric vehicle buses

Example : Lithium ion secondary cell business in China

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



Tianjin EV Energies factory construction

Example : The Callide Oxyfuel (carbon capture and storage) Verification Project

Mitsui is jointly advancing the Callide Oxyfuel Project in Australia which is a public-private collaborative initiative by Japan and Australia. The project has been demonstrating the new technology to capture carbon dioxide through coal-fired boiler operations for near zero-emission electricity generation at the Callide A coal-fired Power Station in Queensland. The world's first verification experiments were successfully completed in February 2015. As part of these experiments, the captured CO₂ was injected underground in Victoria to test the subsurface reaction. If no issue is found in the behavior tests of the underground CO₂, this data will alleviate the concerns of the local residents regarding CCS (CO₂ capture and storage), which will contribute to the global diffusion of CCS. This project was funded by the national governments of both Japan and Australia as well as the state government of Queensland. We will continue our efforts to develop practical applications for near-zero emissions power generation using CO₂ and SO_x/NO_x/mercury.



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

CSR Management Platform

Corporate Governance

Corporate Governance and Internal Controls

We are making efforts to enhance our corporate governance framework and develop and improve our internal controls on a global group basis, to make Mitsui a company that is trusted by society. We recognize that ensuring thorough compliance with respect to internal controls is a particularly important issue.

Corporate governance and internal control: Systems and implementation

■ Corporate governance framework

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

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

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

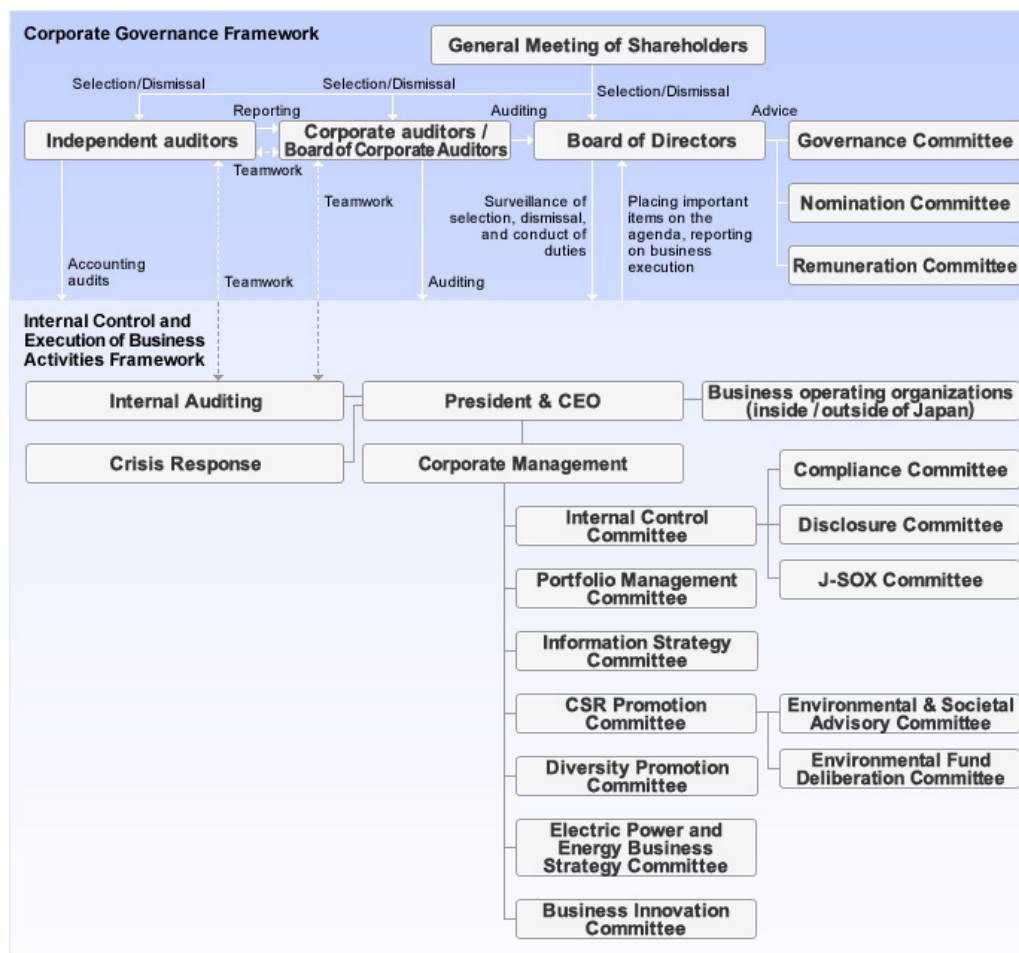
■ Current status of the internal auditing structure

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,

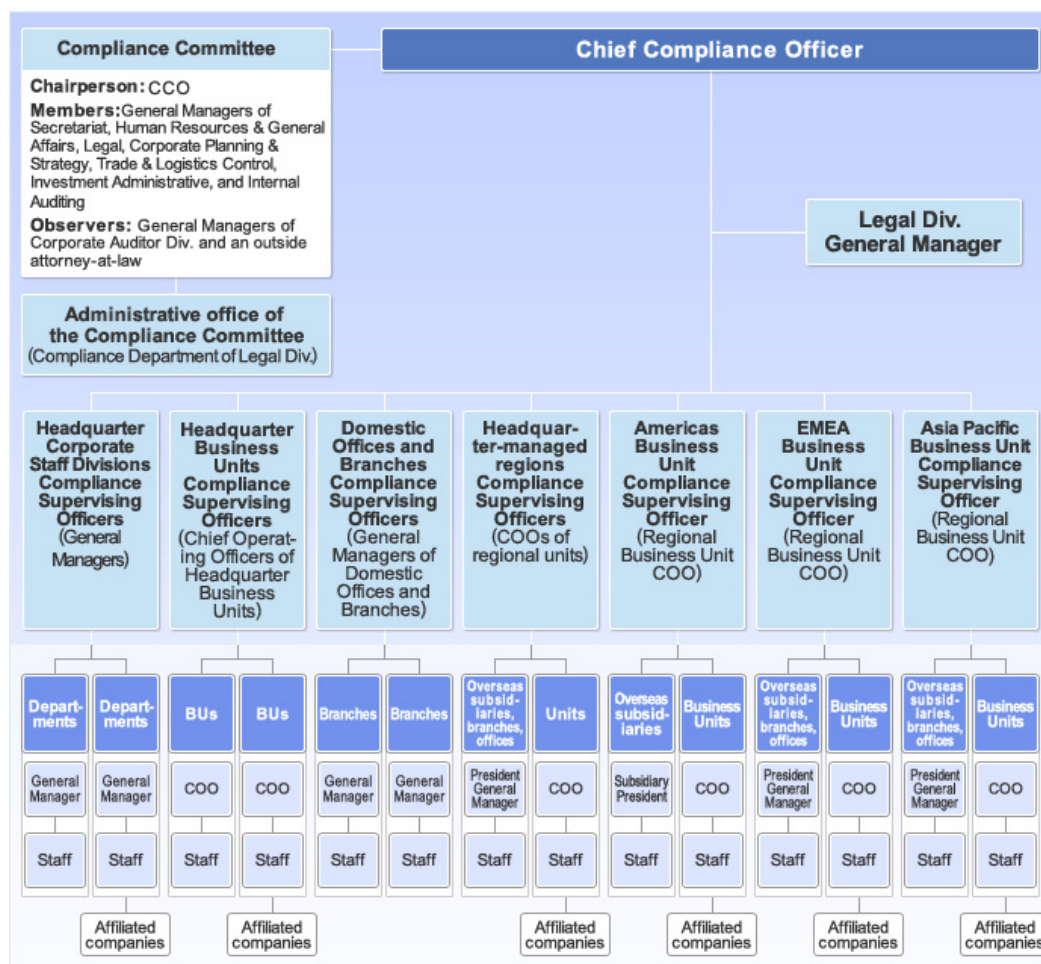
and corporate ethics. The Business Conduct Guidelines help us fulfill our corporate social responsibility (CSR) and win the trust of our stakeholders. They have been revised from time to time since their enactment in February 2001, to reflect changes in the law and best practices.

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

1. Compliance with the Law and Respect for Human Rights
2. Office Environment and Sexual Harassment
3. Compliance with Antitrust Law
4. Conflicts of Interest between Employees and the Company
5. Gifts and Favors
6. Treatment of Company Information
7. Compliance with Procedures for Export and Import and Other Applicable Laws
8. Company Fund and Financial Reporting
9. Political Donations and Other Contributions
10. Social Contributions
11. Protection of the Environment
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 |
|--|---|
| | Applicable to All Four Business Domains <ul style="list-style-type: none"> ● Significance and social value of the business itself ● Significance of Mitsui engaging in respective business |
| 1 Environment-related business All businesses that have serious influences on the environment Examples: Clean development mechanism (CDM) business, business using biomass, coal fired power plant business, etc. | <ul style="list-style-type: none"> ● Contribution of such business to the environment and society ● Measures to mitigate environmental impact, and safety assurance ● For development business, appropriate consideration and understanding of local residents and other related parties ● Compliance with environmental laws, regulations and guidelines, etc. |
| 2 Medical/healthcare/bioethics-related business Businesses related to the medical and healthcare fields, businesses related to the development of technologies involved in genetic analysis, genetic recombination, and related areas, and businesses related to products that use such technologies. Examples: Business with a high public profile in the medical and healthcare fields (a dialysis, pharmaceutical drug sales business), development of new drugs using genetic analysis technology, etc. | <ul style="list-style-type: none"> ● Ethical screening based on guidelines of three Japanese ministries (Ethical Guidelines for Human Genome and Genetic Sequencing Research: MEXT, MHLW, METI) ● Approval by the ethics committee of the research institute, acquisition of informed consent, checking of processes, etc. |
| 3 Businesses receiving subsidies Example: Businesses that are eligible for direct or indirect subsidies from Japanese government or other governments | <ul style="list-style-type: none"> ● Evaluation in light of Mitsui's management philosophy (MVV) ● Social impact and ensuring accountability and process transparency ● Determination of interests of stakeholders, and resultant considerations and responses ● Responsibility and capability over the medium-to-long term acting as the operator of a business with a high public profile |
| 4 Businesses with a high public profile and/or a potentiality of extraordinary reputation risk 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. | <ul style="list-style-type: none"> ● Evaluation in light of Mitsui's management philosophy (MVV) ● Social impact and ensuring accountability and process transparency ● Determination of interests of stakeholders, and resultant considerations and responses ● Responsibility and capability over the medium-to-long term acting as the operator of a business with a high public profile |

Human Rights Initiatives

Operating businesses globally in many countries and regions of the world, Mitsui considers the protection of human rights in accordance with international standards to be its CSR management platform. Mitsui'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 Parketjê 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.

Environmental Initiatives

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

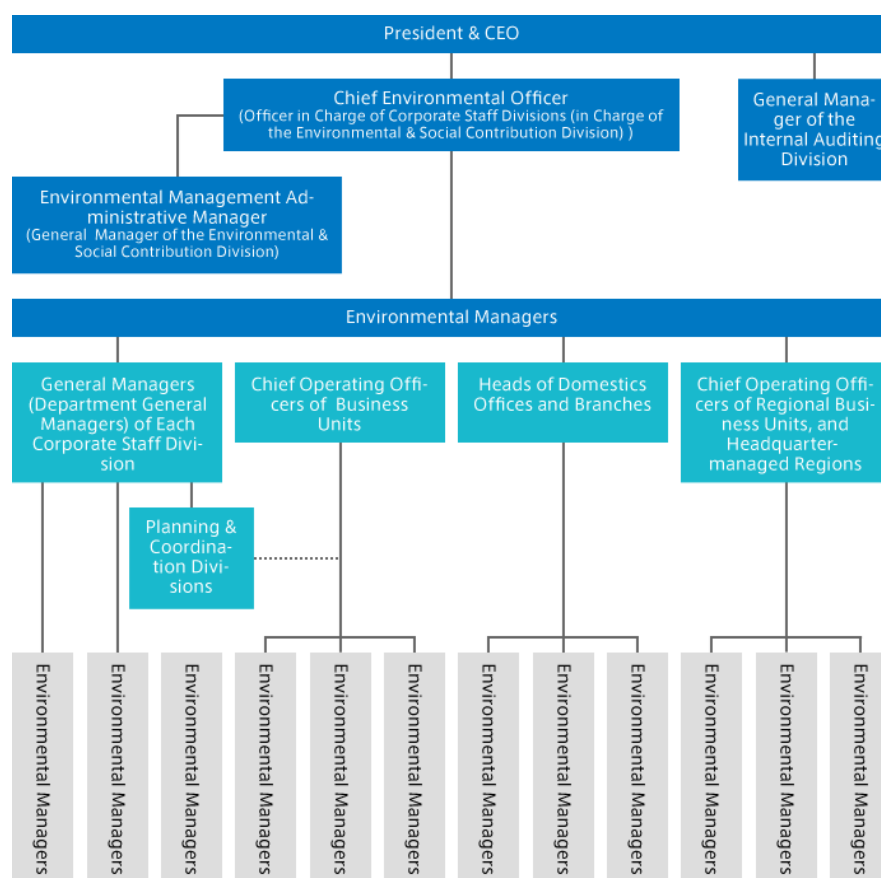
We will engage in business activities with the goal of providing rational and permanent industrial solutions, and contribute to the realization of "sustainable development" by exploiting our individual abilities and the collective strengths of our organization in cooperation with our global partners.

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

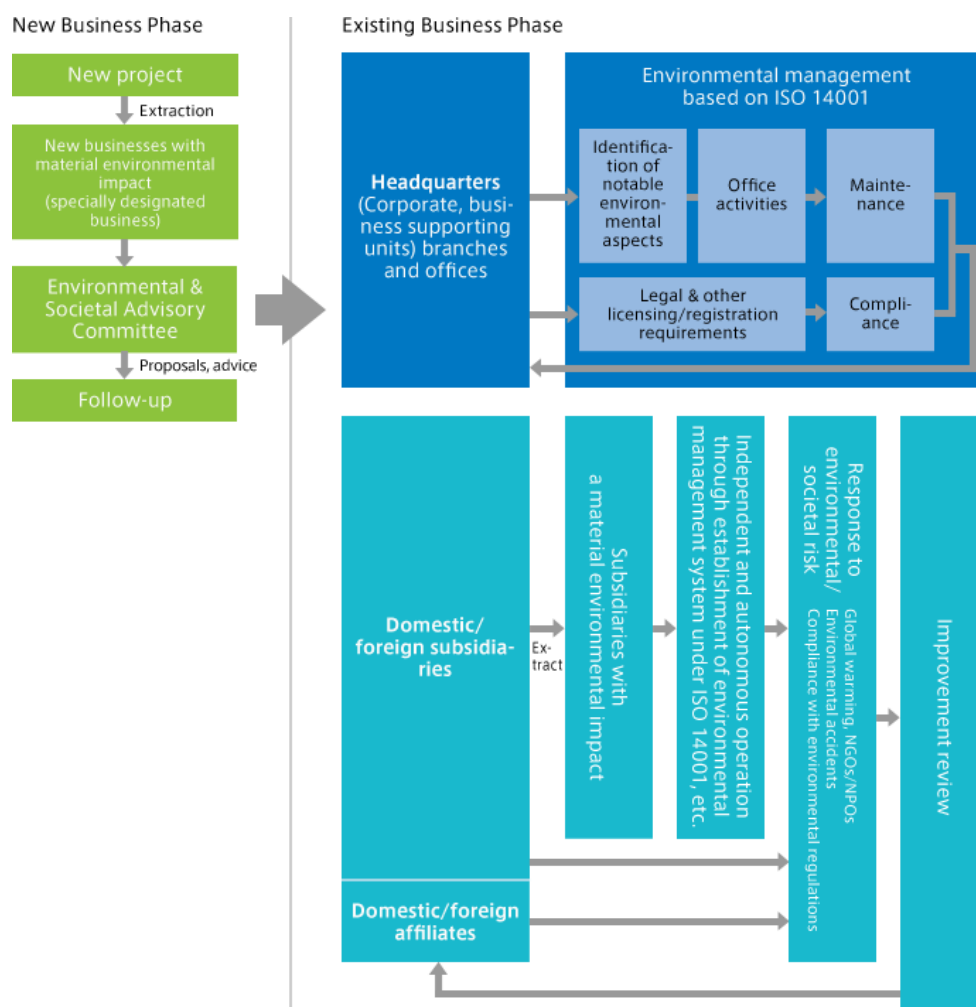
Mitsui has network with Standing Environmental Experts in the area of environmental/social risk management. We are also supporting personnel at global environmental department in their efforts to qualify as ISO14001 Environmental Provisional Auditors.

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 through 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*¹ 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.

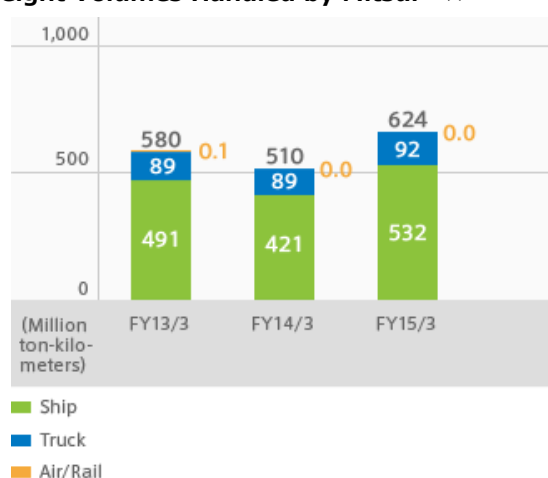
In each of our business units, we collaborate with our logistics partners and promote economical driving practices and other fuel saving techniques. We also work to raise efficiency by using larger transport vehicles, introducing cargo consolidation arrangements, and reviewing transport routes. We implement 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*². These plans are gradually being implemented with the support of the Logistics Management Division as the administrative body, which consults with government and administrative agencies (Japan's Ministry of Economy, Trade, and Industry), compiling data, conducting checks based on the PDCA cycle, and holding in-house seminars, and the Environmental and Social Contribution Division, which is responsible for overall company-wide environmental management systems.

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

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

■ Freight Volumes Handled by Mitsui ★



Energy Reduction Policy

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

Result for Fiscal Year Ended March 31, 2015^{*3} ★

| | |
|--|------|
| Specific consumption^{*4} | 19.8 |
|--|------|

*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

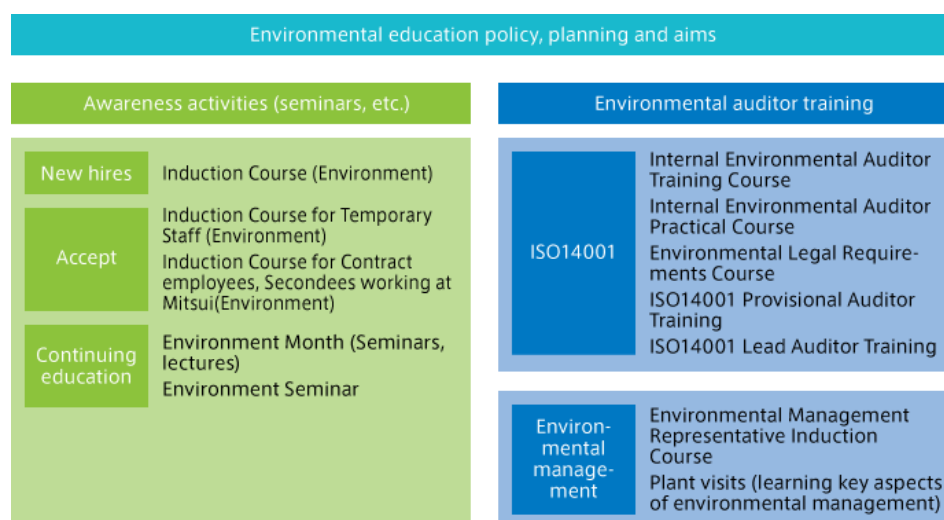
In order to realize the goal of creating a sustainable society in which the economy and the environment are both considered in harmony, there must be cooperation between government, NGO/NPOs, individuals, and companies. Mitsui strives to communicate its messages to a wide spectrum of stakeholders. We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

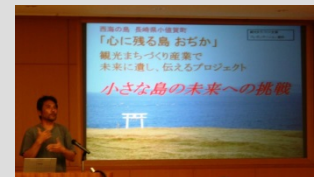
Lecture: “Building a Brighter Future for an Island through Your Eco-Journey”

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 km², 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.

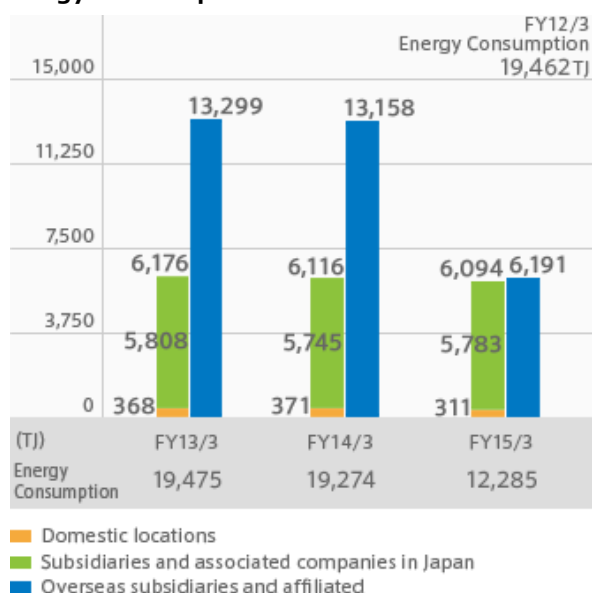
Environmental Data

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.

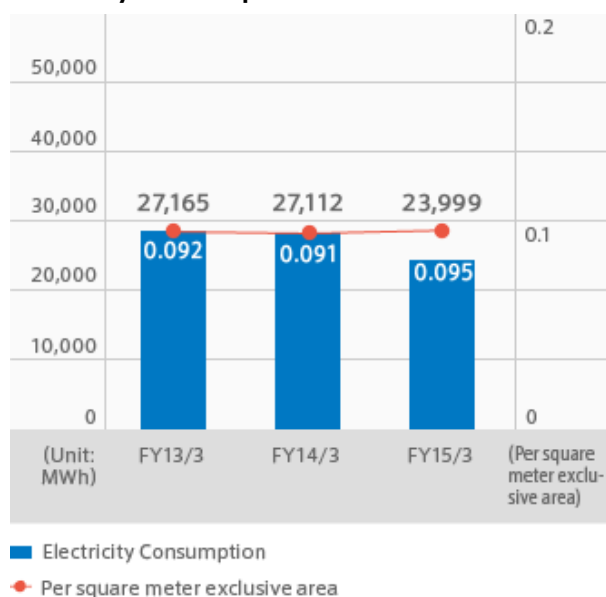
Management of Greenhouse Gas (GHG) Emissions

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.

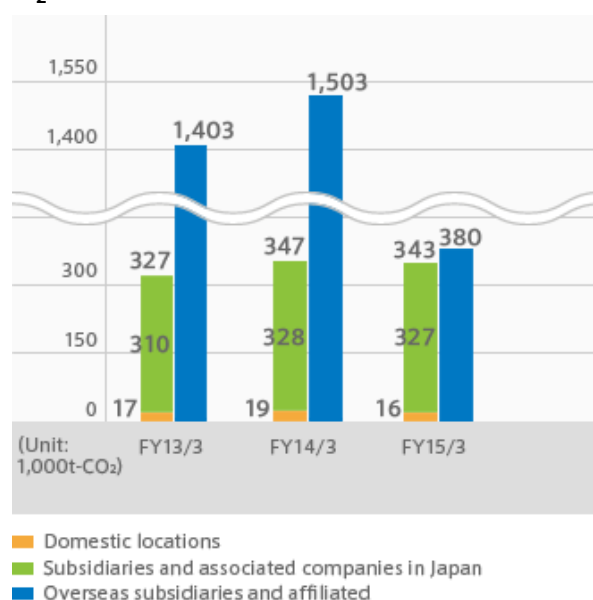
■ Energy Consumption ★



■ Electricity Consumption ★



■ CO₂ Emissions ★



| | (Unit: 1,000t-CO ₂) | | |
|--------------|---------------------------------|--------------|------------|
| | FY2013 | FY2014 | FY2015 |
| SCOPE 1 | 1,364 | 1,460 | 382 |
| SCOPE 2 | 366 | 390 | 341 |
| Total | 1,730 | 1,850 | 723 |

< Scope of coverage >

1 Figures for Energy Consumption and CO₂ Emissions:

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

* Subsidiaries and affiliated companies in Japan are domestic subsidiaries as specified in the Financial Instruments and Exchange Law. Estimates are based on the computation criteria stipulated in the Revised Act on the Rational Use of Energy.

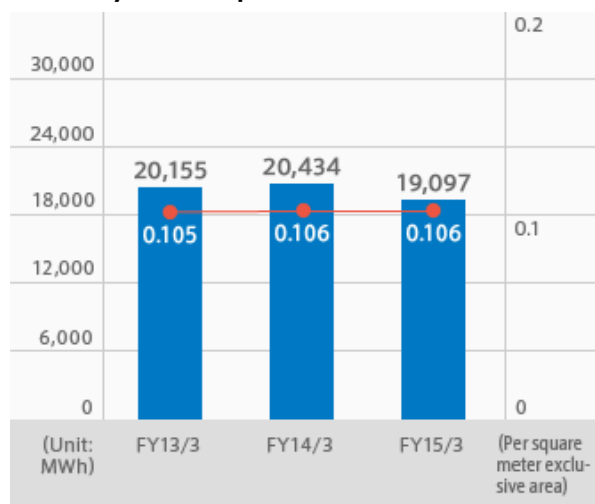
* Overseas subsidiaries and affiliated companies are overseas subsidiaries included within the scope of consolidation. Estimates are based on the computation criteria stipulated in the World Business Council for Sustainable Development (WBCSD) and GHG protocols (2004).

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.

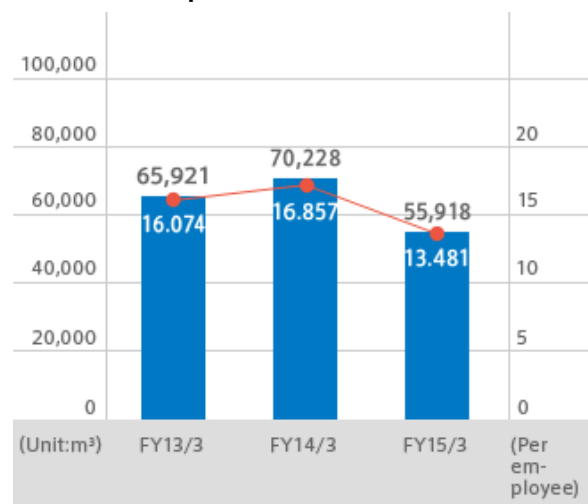
■ Electricity Consumption★



■ Electricity Consumption

◆ Per square meter exclusive area

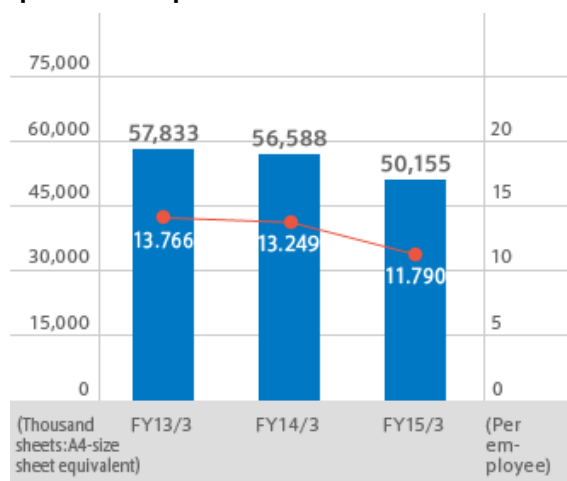
■ Water Consumption★



■ Water Consumption

◆ Per employee

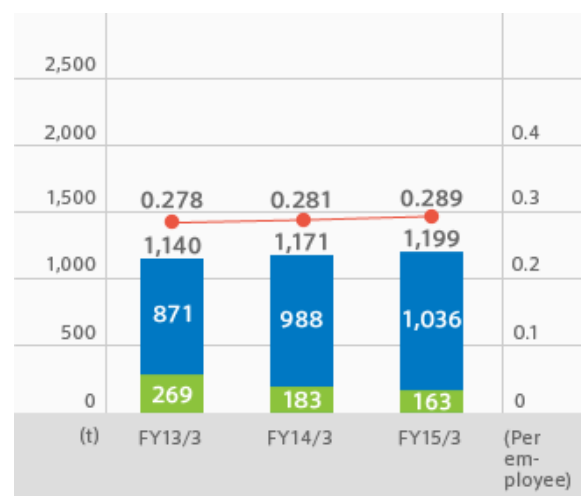
■ Paper Consumption★



■ 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 |
| Total | 676,214 | 2,254,064 |

* 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.

Human Resources to Translate into Assets

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'être. 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 M1 Band | Business Staff M2 Band | Business Staff M3 Band | Business Staff SF Grade | Business Staff Grade 2 | Business Staff Grade 1 |
|--|-----------------------------|--|--|--|---|--|--|
| | | BU COO Workshop Management Tr (M1 Tr) | Newly Appointed 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 |
| HS Business Staff | compulsory | | | | | | |
| | | | | | | | |
| | Optional/ by invitation | 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 |
| | | | | Project Manager Development Academy | Project Manager Development Workshop | Mitsui Open College (MOC) | Contract Employees & Contract Employees on Secondment Induction Tr |
| | | | | | CFO Personnel Development Program | | Mid-career Hire Follow-up Tr Mid-Career Hire Induction Tr |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| HS Business Staff / Administrative Staff | compulsory | | | | | | |
| | | | | | | | |
| | | | | | | | |
| HS Administrative Staff / Administrative Assistant | compulsory | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Head Office Sponsored NS | compulsory | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Group Company | For Respective Grade Levels | 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 | Business Staff Grade 1 |
| | | | 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) | | |
| | Others | | | | | | |

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.



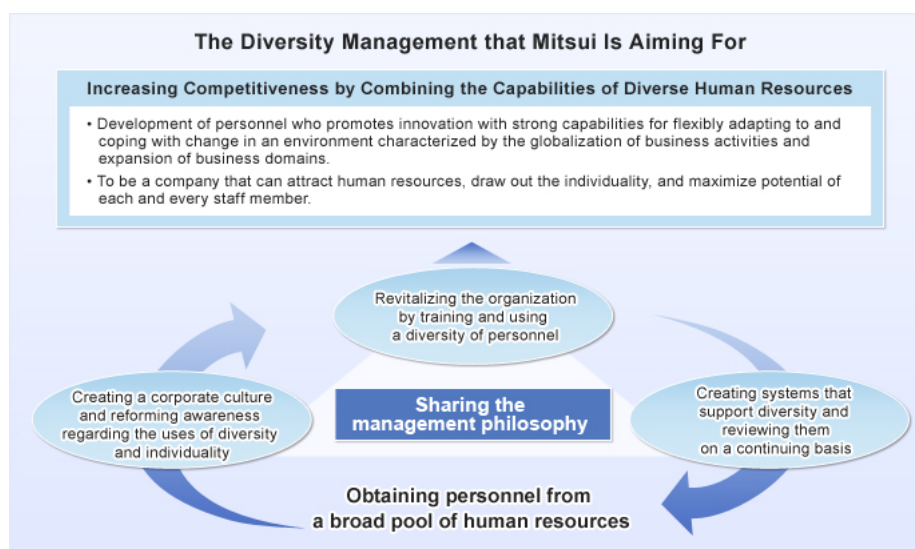
Giving a piano concert to say thank you to the people who helped me in Saint Petersburg

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)

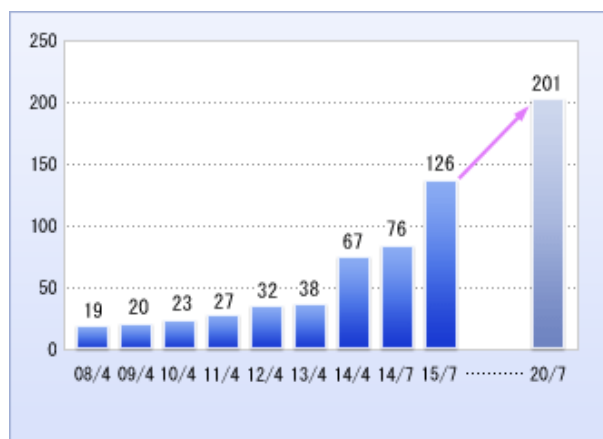
| | |
|-------------------------------------|-------|
| Permanent Staff | 6,021 |
| Business staff | 4,841 |
| Female business staff | 468 |
| Percentage of female business staff | 9.7% |

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

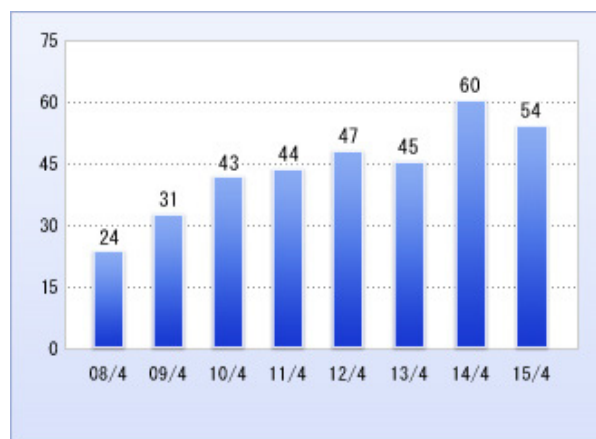
| | |
|---------------------------------------|-------|
| Managerial staff | 3,353 |
| Female managerial staff | 126 |
| Percentage of Female managerial staff | 3.8% |

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

| | |
|---------------------------------|--------------------------------|
| Female director | 2 (among 14 directors) |
| Female corporate auditor | 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 | |
| FY06/3 | 0 | 23 | 13 | 68 | 50 |
| FY07/3 | 0 | 24 | 15 | 63 | 46 |
| FY08/3 | 3 | 32 | 18 | 64 | 88 |
| FY09/3 | 5 | 40 | 21 | 66 | 90 |
| FY10/3 | 1 | 35 | 19 | 90 | 91 |
| FY11/3 | 3 | 36 | 30 | 83 | 96 |
| FY12/3 | 6 | 40 | 46 | 96 | 98 |
| FY13/3 | 4 | 34 | 35 | 101 | 69 |
| FY14/3 | 3 | 46 | 35 | 106 | 74 |
| FY15/3 | 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 raises 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 |
| Total | 6,085 | 47,118 |

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 | - |
| Total | 6,085 | 3,171 |

Number of New-Graduate Hires by Gender

(Unit: persons)

| | New-graduates | | |
|--------------------------|---------------|--------|-------|
| | Male | Female | Total |
| 2013 (FY14/3) | 107 | 55 | 162 |
| ★2014 (FY15/3) | 103 | 55 | 158 |
| 2015 (FY16/3) | 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 |
| 2012 (FY13/3) | 47 | 7 | 54 |
| 2013 (FY14/3) | 37 | 0 | 37 |
| ★2014 (FY15/3) | 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 |

| | | | | | | | | | | |
|--------------------|---|----|----|----|----|----|----|----|----|----|
| Family Care | 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)

| | |
|---|-----------|
| Japan Business Integration Program trainees (BIP) | 9 |
| Japan Language & Business Program trainees (LBP) | 13 |
| Intra-company transferees | 8 |
| Total | 30 |

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

| | Employment ratio of people with disabilities | Legally stipulated ratio |
|-------------|--|--------------------------|
| 2013 | 2.41% | 1.80% |
| 2014 | 2.54% | 2.00% |
| 2015 | 2.45% | 2.00% |

Average personnel turnover (Over the last three years)

| | |
|-----------------------------------|-------|
| Average personnel turnover | 4.27% |
|-----------------------------------|-------|

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.

Environment, Social Contribution Activity

Concepts about Social Contributions

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

Mitsui works to address local and global societal issues through various social contribution activities.



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

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

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

Social Contributions Policy

Guiding Principles

We will Build a congenial relationship with our stakeholders by striving to create a harmony with the global community and local communities in accordance with the Mitsui & Co.

Management Philosophy (Mission, Vision and Values), and we will actively contribute to the creation of a future where the dreams of the inhabitants of our irreplaceable Earth can be fulfilled.

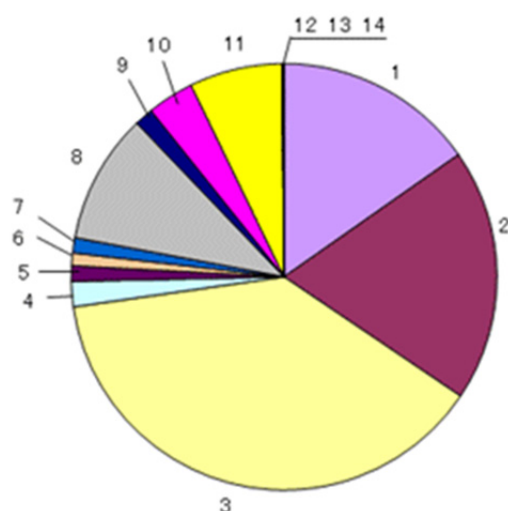
Action Guidelines

1. In order to respond effectively to the needs of the global environment and both the international and local communities, Mitsui actively promotes social contributions.
2. Mitsui will establish the three important areas of 'International exchange', 'Education' and 'Environment' for its social contributions, and will implement social contribution activities befitting of Mitsui & Co.
3. In addition to the making of economic contributions, such as donations etc., Mitsui also aims to carry out proactive social contributions that involve the participation of its executives and employees.
4. Mitsui promotes social contributions with an emphasis on transparency and accountability in respect of its stakeholders. It also aims for the continued improvement of activities through communication and cooperation with its stakeholders.

Social Contributions (Fiscal Year Ended March 31, 2015)

The breakdown of social contribution expenses, which totaled ¥1,501 million on 675 activities, is shown below

Percentages are based on monetary amounts.

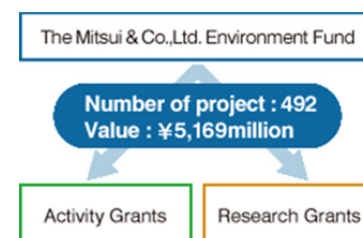


| | Activity Category | Percentage (Monetary Amounts) | Number of Activities |
|----|---|-------------------------------|----------------------|
| 1 | International exchange and cooperation | 15% | 64 |
| 2 | Education, social education | 19% | 129 |
| 3 | Environmental protection | 38% | 137 |
| 4 | Social welfare | 2% | 80 |
| 5 | Health and medicine | 1% | 25 |
| 6 | Sports | 1% | 23 |
| 7 | Academic activities, research | 1% | 11 |
| 8 | Arts and culture | 10% | 64 |
| 9 | Archeology, preservation of traditional culture | 1% | 1 |
| 10 | Local community involvement | 4% | 106 |
| 11 | Assistance to disaster-stricken communities | 7% | 27 |
| 12 | Assistance for disaster-prevention community work | 0% | 0 |
| 13 | Human rights | 0% | 4 |
| 14 | NPO infrastructure-building work | 0% | 4 |
| | Total | 100% | 675 |

About the Mitsui & Co.,Ltd. Environment Fund

In July 2005, Mitsui launched the Mitsui & Co., Ltd. Environment Fund as a grant program that aims to realize a sustainable society by supporting various activities and research projects that contribute to solving global environmental problems. Since FY2011, Mitsui has been engaged in recovery efforts aimed at achieving a sustainable society through initiatives to mitigate and resolve environmental problems caused by the Great East Japan Earthquake.

In addition to its support for the activities and research conducted by NPOs and universities, Mitsui is also encouraging its officers and employees to support them by sending donations to the awarded grant programs via the fund or participating in such activities as volunteers.



Overview of the Mitsui & Co., Ltd. Environment Fund

| | |
|-------------------|--|
| Launched | July 1, 2005 |
| Management System | CSR Promotion Committee, Project Deliberation Panels, Project Selection Meeting (composed of outside experts, Mitsui management, and staff). |
| Activity Grants | Grants for environmental contribution activities, including support for the Great Eastern Earthquake reconstruction efforts by NPOs, general incorporated associations & foundations, special civil foundations, and universities. |
| Research Grants | Grants for research in the environmental field, including that related to the Great Eastern Earthquake conducted by universities, public research organizations, NPOs, general incorporated associations & foundations, public interest incorporated associations & foundations, and special civil foundations |

Trends in Number and Value of Grants Provided

(Unit: number of project / ¥ million)

| | Activity Grants | | Research Grants | | Total | |
|--------|-----------------|------------|-----------------|------------|----------|--------------|
| | Number | Value | Number | Value | Number | Value |
| FY06/3 | 15 | 117 | — | — | 15 | 117 |
| FY07/3 | 18 | 217 | — | — | 18 | 217 |
| FY08/3 | 48 | 437 | 23 | 456 | 71 | 893 |
| FY09/3 | 51 | 523 | 24 | 368 | 75 | 891 |
| FY10/3 | 34 | 311 | 17 | 213 | 51 | 524 |
| FY11/3 | 28 | 244 | 22 | 285 | 50 | 529 |
| FY12/3 | 52(43) | 528(463) | 46(34) | 603(481) | 98(77) | 1,131(944) |
| FY13/3 | 36(22) | 237(157) | 14(2) | 112(13) | 50(24) | 349(170) |
| FY14/3 | 20(9) | 165(69) | 15(2) | 150(9) | 35(11) | 315(78) |
| FY15/3 | 21(4) | 118(21) | 8(3) | 85(51) | 29(7) | 203(72) |
| Total | 323(78) | 2,897(710) | 169(41) | 2,272(554) | 492(119) | 5,169(1,264) |

※Since FY14/3, we have continued to support restoration projects within the frame work of general grants, without providing special framework in separate

※Number in brackets shows Restoration grants

About Mitsui's Forests

Forest Management Policy

Forest Management Policy

Adopted July 17, 2009

1. Guiding Principle

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

2. Management Policy

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

3. Policy

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

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

Outline of Mitsui's Forests

Location of Our Forests

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

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



Social Value of Forests

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

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

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

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

Preserving and Utilizing Forests to Benefit the Future

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

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

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



How We Cultivate Forests at Mitsui

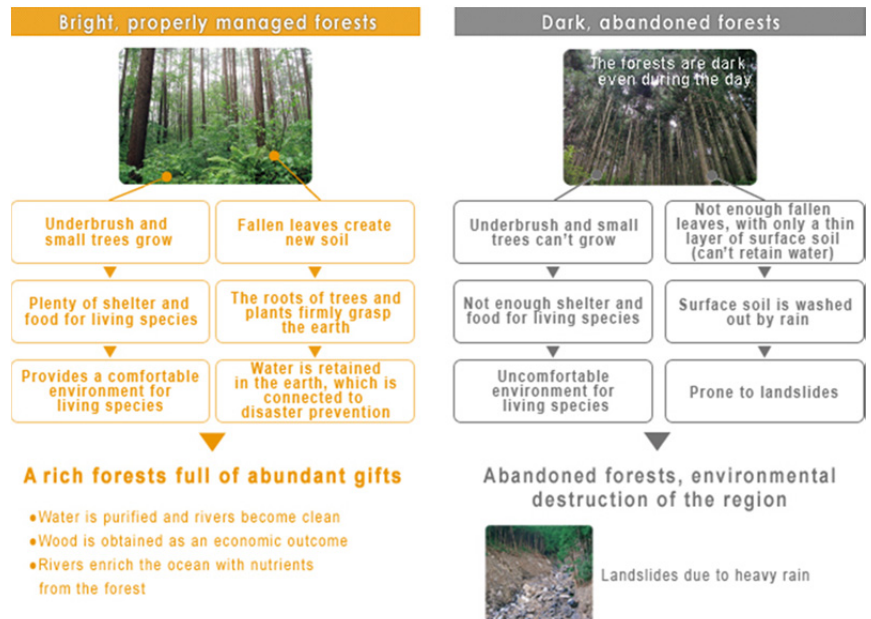
For Brighter Forests

Approximately 70% of Japan's land area is covered by forests, 40% of which are Forests for Regeneration and Harvest, or forests created and tended by human hands. When considering the benefits of forests in Japan, working out how to maximize the benefits of Forests for Regeneration and Harvest is important. Forests for Regeneration and Harvest need to be constantly tended by human hands. Forests for Regeneration and Harvest when not managed properly become dark and overgrown. When managed well, Forests for Regeneration and Harvest are bright and open to sunlight.

In such forests, which are bright because they are well-managed, underbrush grows, animals thrive, and new soil is created. The new soil means

that water is purified and nutrients are carried to the sea. They also store water, thus preventing floods and other natural disasters. The economic benefit of this is that trees grow well and provide lumber.

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



Cultivating Different Types of Forests: Forest Management Zoning

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

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

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

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



Cultivating Forests for Social, Economic, and Environmental Benefits

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

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

To ensure appropriate management on a continuous basis, it is also important to build up a good relationship with local communities.

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



FSC™ Certification

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

What Forest Certification means

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



The Aim of FSC Certification

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

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

Mitsui's Forests and FSC Certification

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

•The commercialization process of FSC-certified lumber



FM certification

Mitsui



CoC certification

Mitsui Bussan Forest



Final products made by manufacturing and processing businesses with CoC certification

The Forest Industry and the Economy

Present Situation of Japan's Forest Industry

A survey by the Forestry Agency found that Japanese forest industry was in a depressed situation, with total demand for lumber at less than 74 million m³ a year, of which only around 29% was supplied from domestic sources in 2013. In response to this finding, the Japanese government introduced a strategy to regenerate the Japanese forest industry. This consisted of stimulation of downstream demand combined with measures to improve upstream efficiency, such as the 2010 Act for the Promotion of the Use of Wood in Public Buildings and measures to promote the use of biomass. Progressing alongside these reform measures is a policy aimed at increasing the forestry industry workforce, which has fallen to fewer than 70,000 nationwide and is also affected by the problem of aging. To regenerate Japanese forests requires above all the regeneration of the forest industry; to that end there is an urgent need for the private and public sectors to work together in wide-ranging action.

Balancing Environmental Preservation with the Forest Industry

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

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



Promoting Wood Biomass and Using the J-VER System

An urgent priority for the forestry and lumber industry is to make sure that lumber is used for a wide range of applications so that no material goes to waste. As part of its efforts to develop uses in areas other than construction, furniture, and paper manufacture, Mitsui has begun working to promote the use of wood biomass as an alternative to fossil fuel. An example of this is collecting branches and other parts of the tree that are left in the forest and cannot be used as lumber and converting them to wood chips as an auxiliary fuel for thermal power generation or to pellets for use as boiler and stove fuel. Mitsui will also secure the stable supply of woody biomass fuel to the wood biomass power plant (expected to be in operation by December 2016) in Tomakomai City, Hokkaido. Mitsui made a capital participation to Tomakomai Biomass Power Generation Co., Ltd. in October 2014.

Meanwhile, a Mitsui's forest-thinning project in Hokkaido and Mie-prefecture has been registered under the Ministry of the Environment's J-VER system, resulting in the award of certification for the amount of carbon dioxide absorbed fixing achieved by the appropriate management of Mitsui's Hokkaido and Mie-prefecture forests. Mitsui was granted an offset credit for approximately 6,600 tons from Hokkaido in March 2011, and approximately 1,330 tons from Mie-prefecture in January 2012 of carbon dioxide absorbed, which is now being sold. In this way, we are taking active steps to include environmental value in the monetary cycle in the form of profits from the forest industry.

Going forward, Mitsui will work in concert with Mitsui Bussan Forest Co., Ltd., to which we outsource practical forestry and upkeep operations, to manage our forests in a way that contributes to the regeneration of Japanese forest industry, an important step toward addressing environmental issues



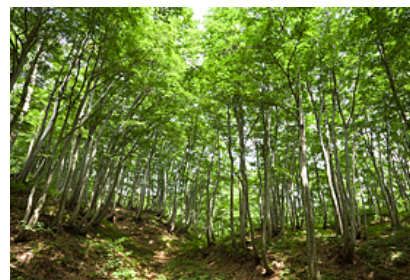
Remaining materials in the forest to wood chips

Growing Forest to Protect Biodiversity

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

But today, many animals and plants around the world are dwindling in number or gradually becoming extinct. With the habitats of a wide range of living organisms rapidly disappearing, businesses today need to take initiatives for the preservation of the biodiversity which is the foundation of our survival.

Through appropriate management of its forests, Mitsui is committed to making the social contribution of nurturing biodiversity and passing on a rich forest environment to the future generations.



Growing Forest to Protect Life

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

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

Forest Management Zoning

Mitsui's approximately 444 km² (44,417 hectares) of forests at 74 locations nationwide is managed according to the following categories:

| | Category | | Definition | Area (km ²) |
|---|--|-------------------------------------|--|-------------------------|
| Forests for Regeneration and Harvest | Harvest-oriented Sustainable Cycle Forests | | Forests for the production and supply of lumber resources through the repeated cycle of harvesting, planting, and cultivating. | 6,839 |
| | Natural Restoration Forests | | Forests to be restored as Naturally Regenerated Forests consisting of coniferous and broad-leaved trees. | 10,631 |
| Forests for Regeneration and Harvest, Natural Forests and Naturally Regenerated Forests | Biodiversity Conservation Forests | Special Conservation Forests | Forests judged to have irreplaceable biodiversity value at the regional and national level and requiring stringent protection. | 324 |
| | | Environmental Conservation Forests | Forests confirmed to support a large number of rare creatures whose habitat requires protection. | 875 |
| | | Water and Soil Conservation Forests | Forests with plentiful water stocks that form a water resource, reduce the risk of natural disasters, or have other major socially beneficial functions which contribute to the safeguarding of the water supply and the preservation of ecosystems. | 3,164 |
| | | Cultural Conservation Forests | Forests requiring protection due to the particularly high value of their "cultural services" - functions that nurture traditions and culture and form part of the "ecosystem services" that are dependent on biodiversity. | 117 |
| Naturally Regenerated Forests | Productive Naturally Regenerated Forests | | Forests to be cultivated for tree species useful as a source of lumber. | 1,814 |
| | General Naturally Regenerated Forests | | Forests not composed of productive species but to be cultivated for increased social value. | 19,149 |
| | Other Naturally Regenerated Forests | | Naturally Regenerated Forests other than in the above categories. | 1,504 |

(as of May 31, 2015)

Biodiversity Conservation Forests

Four Biodiversity Conservation Forests

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

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

■ Special Conservation Forests

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



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

■ Environmental Conservation Forests

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



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

■ Water and Soil Conservation Forests

Forests with plentiful water stocks that form a water resource, reduce the risk of natural disasters, or have other major socially beneficial functions which contribute to the safeguarding of the water supply and the preservation of ecosystems. The 21st century has been referred to as the Water Century, indicating the increasing concern regarding the world's water resources. Recognizing the need to nurture forests that provide rich sources of water, Mitsui has designated 31.64 km² (3,164 hectares) of its holdings as Water and Soil Conservation Forest, which is managed with attention to protecting water supplies.



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

■ Cultural Conservation Forests

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



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



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

Scientific Evaluation

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

Quantitative Evaluation of Biodiversity(HEP)

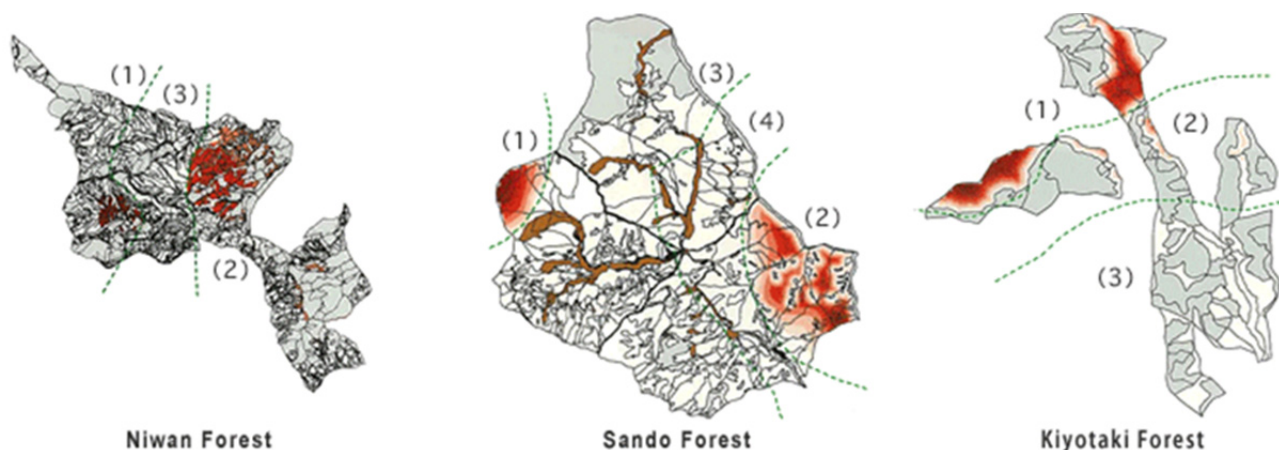
In 2009, a quantitative evaluation of biodiversity was carried out under the Habitat Evaluation Procedures (HEP) by the Ecosystem Conservation Society - Japan at five model forest locations in Mitsui's forests, using animals as an index.

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

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

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

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



AA+ Awarded in JHEP Certification

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



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

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

Forests and Human Culture

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

Using the Forest to Protect Ainu Culture

The Saru Forest, which is Mitsui's second largest forest, is located near Nibutani, a locality in the Hokkaido municipality of Biratori which legend holds to be the birthplace of Ainu culture. Ainu people have inhabited and made use of the forest for many generations.

In April 2010, Mitsui concluded an agreement with the Biratori Ainu Association under which action is being taken to stimulate the preservation of the culture of the Ainu people, who are the original inhabitants of the Saru Forest. Specifically, because of a declining trend in the Manchurian elm, which provides the material for the attus, the traditional dress of the Ainu people made of tree bark, it has been decided to plant and nurture Manchurian elm in the Saru Forest.

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

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



The attus, a garment made of tree bark



Manchurian elm



The chise, the traditional Ainu dwelling

Using a Forest to Protect Kyoto Traditions

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

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

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



Daimonji Gozan Okuribi (Daimonji Bonfire)



Japanese red pine to make torches with



Kurama no Hi-Matsuri
(Kurama Fire Festival)

Human Resource Development with an international Perspective

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



Scholarship Programs

Mitsui-Bussan Scholarship Program for Indonesia

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

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

The scholarship program goes beyond providing financial backing, and also involves fine-tuned support extending to care for the psychological needs of recipients.

For instance, staff members affiliated with the program meet with recipients monthly to check on their studies and living situations, and also make opportunities for recipients to interact with other current recipients and former recipients who have graduated.

The scholarship program has thus far seen 24 former recipients to graduation, and currently provides support to 10 individuals. We remain committed to this and similar initiatives even beyond Japan and Indonesia that pursue educational opportunities for individuals who are poised to play a role on the global stage.



Other Scholarship Programs

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

Mitsui-Endowed Lecture Programs



Peking University

In 2006, in conjunction with Peking University, we established an endowed lectureship called the Mitsui Innovation Forum at Peking University. The 10-year program, ongoing until 2015, brings in heads of leading companies and distinguished Chinese and Japanese scholars who present their views on “innovation” to an audience of youth who are poised to forge China’s future. The six lectures are held annually and have featured speakers from Japan on two occasions and from China four times. Each of those lectures has drawn in audiences numbering between 200 and 300 people, comprised of Peking University undergraduate and graduate students, graduates of the university, as well as individuals affiliated with corporations and students from neighboring universities. Moreover, the vibrancy and enthusiasm of the Chinese youth attending the lectures has been clearly apparent, with some post-lecture question and answer sessions running for almost a full hour. We remain committed to this program in hopes not only that it will help educate individuals, but also that it will lead to a deeper mutual understanding between Japan and China and encourage interaction between the two nations.

Saint Petersburg State University

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



Dartmouth College, Mitsui Endowed Professorship Fund

In September 2011, the Mitsui Endowed Professorship Fund was established at Dartmouth College, located in the state of New Hampshire in the United States. A member of the Ivy League, Dartmouth was established in 1769. Since 1960s, Mitsui has been sending staff to Dartmouth over the past 50 years, and the college has deep historic ties with Mitsui. From January 2013, Mr. Yusaku Horiuchi, who was selected as the Mitsui Endowed Professor, has been offering courses related to the politics of modern Japan. Through efforts with the college, Mitsui aims at the development of students who have a deep understanding of Japan and who can contribute to the enhancement of the relationship between the United States and Japan and actively engage in the global arena.

Other Mitsui-Endowed Lectures

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

Japan Studies



Mitsui Educational Foundation

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

that play a significant role in Japan's history and culture. The foundation also offers other opportunities for the participants to learn more about Japan, including placements with homestay families where the students are able to experience Japanese lifestyles firsthand, and chances for them to spend two days with university students who are bound for careers at Mitsui.

As of 2014, the Mitsui Educational Foundation program has welcomed 337 students to Japan over the 43 years since it was first established. The foundation will continue to make it possible for students from Australia to gain a better understanding of Japan so that they may forge connections between Japan and Australia for years to come.

Overseas Internships

Support for Overseas Internship Program

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

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

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



Mitsui Sus-gaku Academy

Mitsui has designated its capacity building program for creating a sustainable future, Mitsui Sus-gaku, Academy, as “education for sustainable development” (ESD). In this program, children, who are the bearers of the future, acquire the capability of learning, thinking, and communicating which are very important factor to create the sustainable society.



Fund Activities in the Americas Region

The Mitsui USA Foundation

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

Education

Education is also a key area of activity for the Mitsui USA Foundation, as part of which it organizes Mitsui-Endowed Lecture Programs.

John Carroll University: begun in 1993, the Mitsui USA Distinguished Lecture series at John Carroll University in Cleveland, Ohio, is held at the opening of the university's East Asian Studies Program. This high-level lecture series hosts expert speakers on Japan and other Asian countries in areas including politics, economics, culture, and history. Baruch College, The City University of New York: begun in 1994, the Mitsui USA Lunch Time Forum is held six times a year and hosts speakers from academia and the business world. The panel discussions on global issues have been well received and the program has proved very popular, attracting an audience of almost 200 including not only leading members of the university faculty, but also New York City employees and business people.

Columbia University: inaugurated in 2000, the CJEB/Mitsui USA Symposium is held once a year and sees speakers and panelists engage with graduate students and experts in animated question and answer sessions on a wide range of subjects, from analysis of the global economy to cutting-edge hedge fund techniques. Including a reception, the event provides a forum for effective interaction.

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



Community and Disabled Welfare

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



Arts & Culture

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

Employee Voluntary Activities

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

Mitsui Bussan do Brasil Foundation

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

The Kaeru Project

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

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

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



PIPA Project

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

Mitsui-Endowed Lecture Program at the University of São Paulo

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

NEOJIBA Project

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

The Mitsui Canada Foundation

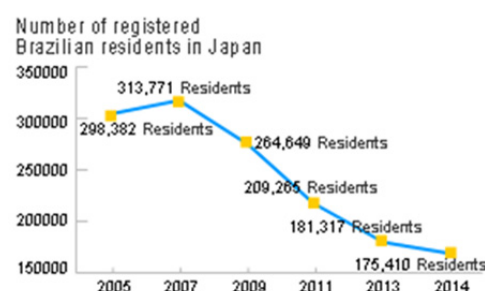


The Mitsui Canada Foundation was established in 1981 to commemorate the 25th anniversary of Mitsui & Co. (Canada) Ltd. with the mission of promoting culture and education. In the field of Japanese language education, the Foundation donates to a Japanese speech contest, and Mitsui & Co. (Canada) provides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

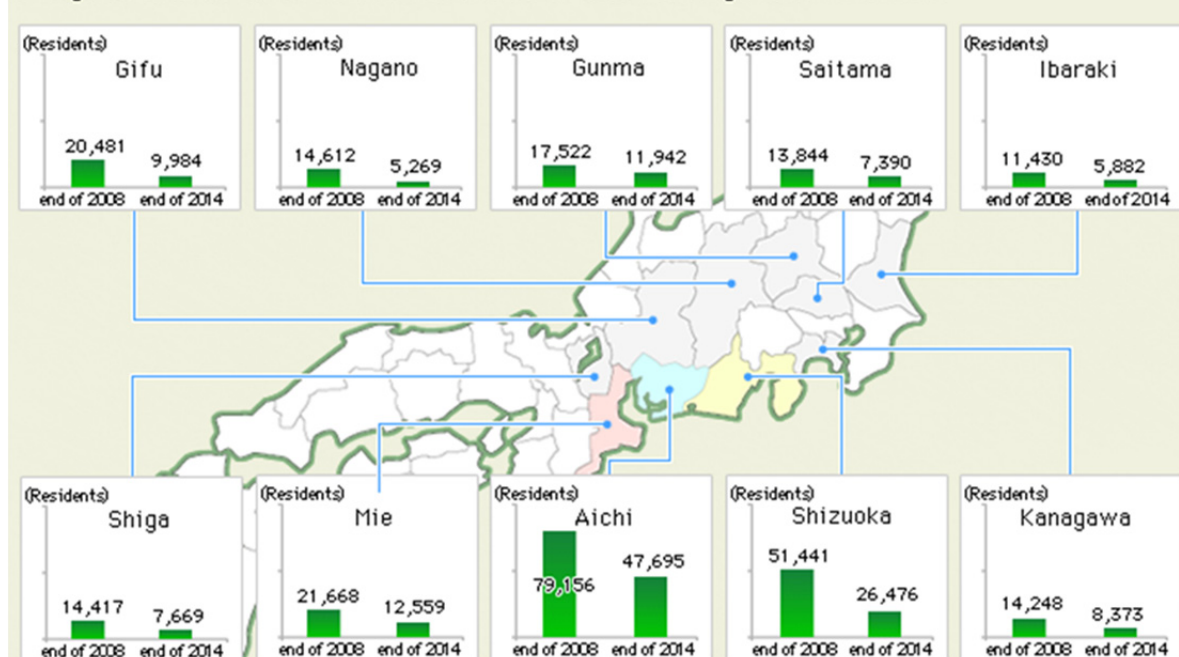
Brazil-related Initiatives

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

There are many Brazilians living in Japan, next to the Chinese, South and North Korean and Philippine people. Although the figure decreased after the economic crisis caused by the collapse of Lehman Brothers in the autumn of 2008, and the Great East Japan Earthquake of March 2011 has effected more decrement, there are still approximately 175,410 Brazilian people living in Japan as of the end of December, 2014. There is a high concentration of Brazilian residents living with their families in areas with a large number of factories serving the automotive and consumer-electronics industries. Their children attend Japanese public schools or Brazilian schools, but there are also some children who do not go to school at all.



Change in number of Brazilian residents in areas of high concentration



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

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

Scholarships for Brazilian Children in Japan

From 2005 till 2008, Mitsui donated education-related materials to 30 Brazilian schools. Watching the children enjoying lessons as they use the new experimental equipment and personal computers makes us vividly realize the significance of these donations. However, after September 2008, many Brazilians in Japan lost their jobs because of the recession. As a consequence, many families returned to Brazil, and the number of families that can afford to send their children to the relatively expensive Brazilian schools in Japan drastically decreased. This resulted in a decline in the number of pupils and the closure of many schools. In view of this situation, from 2009, Mitsui shifted the focus of its activities "from providing things to providing support for people" by awarding scholarships to Brazilian pupils through the schools to cover monthly tuition fees. As of the end of March 2015, 429 children were attending school thanks to this scholarship program. The children who receive the scholarships have sent grateful letters saying for instance 'Thanks to Mitsui's scholarship we can go to school and talk with our friends' and 'our lessons are fun.' In these and other activities, Mitsui has benefited from the cooperation and advice of the NPO Action for a Better International Community, an affiliate of the Japan Foreign Trade Council, Inc.



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

The Kaeru Project, implemented in the Brazilian city of São Paulo, helps children returning home from Japan to make a smooth transition to life in Brazil. Children returning from Japan face a range of serious difficulties including differences in lifestyle and language. Starting in 2009, to alert parents still in Japan and the people involved to these educational difficulties, Mitsui invites the therapists of Conference for a future of the Children (used to be Kaeru Project Seminar) from Brazil to Japan as speakers for seminars in cities with a high concentration of Brazilian residents such as Toyota (Aichi Prefecture) and Hamamatsu (Shizuoka Prefecture). In 2014, these seminars were held eighteen times and were attended by a total of around 750 people.



Providing Support for NPOs



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

From 2012, Mitsui continues providing its assistance to the Association of Brazilian Schools in Japan (Associação das Escolas Brasileiras no Japão; "AEBJ"), an NPO that provides Brazilian schools in Japan with guidance and advice for sound school management and skills-building of school staff. Additionally, we provide support to NPOs and voluntary organizations that work mainly with Brazilian children in Kita-Kanto, Tokai, and other regions with a large Brazilian community.

Other Forms of Support

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

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

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



Mitsui-Endowed Lecture Program at the University of São Paulo

Activities in Brazil (Mitsui Bussan do Brasil Foundation)



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

Kaeru Project

In a project led by the psychologist Dr. Kyoko Nakagawa to assist their adaptation to Brazilian schools and society, children who have returned from Japan are supported emotionally, academically, and through support to their environment. The program is administered by Instituto de Solidariedade Educacional e Cultural. <http://www.isec.org.br/>

PIPA Project

The PIPA Project is a program for supporting children with autism, a disease

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

Mitsui-Endowed Lecture Program at the University of São Paulo

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

NEOJIBA Program

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

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

Progress Toward the United Nations Millennium Development Goals

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



Action based on Employee Participation

Mitsui Global Volunteer Program (MGVP) Employee acting together

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

1 Try it V-1000

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

(1) Period of tabulation: one-year period from October to September of the following year

(2) Amount of contribution: Number of participants×1,000 yen.

(3) Donee: selected on a rotating basis by the Americas, EMEA (Europe, Middle East and Africa), and Asia Pacific Business Units.



A total of 3,880 employees took part in the 2014 Try it V-1000 program (from October 1, 2013 to September 30, 2014), helping to bring the total donation to 3,880,000 yen. The Asia Pacific Business Unit had the responsibility of selecting the recipient for the 2014 donation, and after careful consideration it selected the Mae Fah Luang Foundation (MFL Foundation), which is based in Thailand.

The MFL Foundation was established by Her Royal Highness Princess Srinagarindra in 1972. Since its establishment, it has continued to support activities in a wide range of fields, promoting the autonomy and independence of poor neighborhoods in Thailand and surrounding countries, environmental initiatives, artistic and cultural conservation, and education. In 1988, it launched the Doi Tung Development Project, which aims to encourage local communities in the Doi Tung region (located next to the so-called “Golden Triangle”) to stop opium cultivation and switch to commercial crops, thereby securing a legal income. In 1990, Mitsui & Co. became the first overseas company to participate in the project, helping the antinarcotics initiative. Since 2002, the MFL Foundation has worked with support from the Thai and Myanmar governments in three Myanmar regions to help local communities escape the cycle of poverty and build a platform for sustainable development. Electricity supplies in these regions are still extremely unreliable, and the donation from Mitsui & Co. will be used to install solar power generation facilities to provide the independent power source needed for the MFL Foundation to carry out its activities.

A presentation ceremony was held on February 26, 2015 in Yangon City to commemorate the donation, and Mr. Nagai, the Executive Chief Representative of Mitsui & Co. Yangon Office, presented, on behalf of Mitsui & Co., a donation certificate to the Myanmar representatives of the MFL Foundation.

2 Volunteer Month

With the aim of bringing employees together through volunteer activities, November each year is declared Global Volunteer Month, during which each donation through the Try it V-1000 program is automatically doubled and various activities, talks, and other events are planned and staged. In November 2014, approximately 570 employees from across Mitsui participated in volunteer activities.



3 MGVP Volunteer Work Report

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

TABLE FOR TWO For the Health of People around the World

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

Mitsui introduced the program from August 2008 in the staff cafeteria at the Tokyo Head Office, and has received a total of some 120,000 donations as of April 2015. When employees select the relevant lunch option at the Mitsui cafeteria, the employee pays an extra 20 yen and the company matches it with a similar donation in what is known as a matching gift arrangement, so that TFT receives a donation of 40 yen for each meal. The price of a school meal in a developing country is said to be 20 yen, so that by selecting the TFT lunch option the employee provides enough for two school meals in African and Asian countries through TFT.

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

From November 2012, a drink-based version of TFT known as CUP FOR TWO was rolled out at company cafeterias.



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

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



One of the ideas that arose in this process was the TFT point card system, a unique development in the TFT program that originated at Mitsui. TFT stickers awarded with each purchase of the TFT lunch option are collected on a TFT point card (see TFT point card program). Every time 50 cards of 10 stickers each have been collected, in addition to the normal TFT school meal donation, Mitsui makes a separate donation of 100,000 yen to TFT. This donation goes to providing meals through TFT to the NGO Nkanyiso, sponsor of the Kids Program in the Republic of South Africa which supports children who lost their parents to HIV/AIDS. Under the point card scheme, started in July 2010, 100 cards were collected in six months and on March 5 2011, the director of Mitsui's Johannesburg branch office and members of the local staff visited the NGO.



Point card custom



Point card (front)



Point card (back)

Our Response to the Great East Japan Earthquake

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

Basic Policy on Disaster Recovery

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

Emergency Response

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



Medium- to Long- Term Response

To achieve reconstruction of the stricken area, Mitsui considered it necessary to create a business that takes community needs into consideration. In June 2011, we set up a Domestic Business Development Department within our Corporate Planning & Strategy Division (transferred to Regional Business Promotion Division in July 2015), which will utilize the Tohoku Office as its response center when striving to provide sustainable support and pursuing coordination with relevant headquarter business units.

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

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

Support Project

1 Responses implemented during the year after the disaster

• On March 12, immediately after the earthquake struck, we earmarked ¥400 million in support funding and promptly launched efforts to restore the stricken region and offer emergency assistance to the people affected. We sent solar LED lanterns, food supplies, disinfectants, and other items to evacuation centers and contributed monetary donations to aid other quick-response efforts to assist the affected region. We extended our support efforts to include Mitsui operations throughout Japan and overseas, calling for donations to the stricken region from affiliated companies and overseas subsidiaries.



• In August, we raised the amount earmarked for support funding to ¥800 million, based on the support needs of the stricken region. In addition, we contributed lumber from our Company-owned forests for the construction of a temporary library in the city of Rikuzentakata, in Iwate prefecture, a move designed to foster communication among children and provide books for them to read.



• Employees and directors also took part in voluntarily support activities. A donation drive raised ¥52 million in monetary donations, and some 1000 people participated in volunteer activities, which are ongoing.



• In addition to stepping up our efforts to supply the Tokyo and Tohoku electric power companies with crude oil and low-sulfur heavy oil, we increased our supply of liquefied natural gas (LNG), chiefly from projects in which we participate.

2 Medium- to long- term response

Mitsui & Co., Ltd. Environment Fund

Our support for reconstruction assistance activities and research that took into consideration global environmental issues, has been continuously carried out within the framework of a general grant for fiscal 2014. We have contributed to restoration in a wide range of fields, such as high school students' test of practicality of fish farming with utilising hot springs water and geothermal energy in Fukushima, organizing a camping activity for the children who live in the affected area, encouraging tourism for the revival of Tohoku regions, and promoting the study of regional reconstruction and development through recycling-based agriculture using community resources in Fukushima.



Mega-solar power generation business

Since 2013, Mitsui built and has been operating a 3.6-megawatt solar power generation plant, named 'the Okumatsushima "Kizuna" Solar Park,' and carport solar power generators, named 'the Higashimatsushima "Kizuna" Carport Solar,' which can be used to provide emergency power in the event of a disaster. The business had been operating successfully, and at the end of March of 2015, the assets were transferred to a civil fund based on participation by residents and companies in Higashimatsushima City, with the aim of supporting recovery from a longer-term perspective through the return of gains to the business community and people of that city.



The Mega - solar power generation plant in Higashimatsushima city

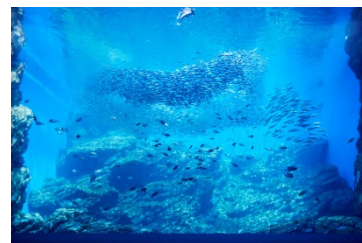
Kesennuma Marine Food Processing Industrial Area

Marine food processing, a core industry in Kesennuma City, Miyagi Prefecture, suffered devastating damage as a result of the tsunami and widespread fires triggered by the 2011 March 11 earthquake. Mitsui & Co., in cooperation with Sumitomo Corporation, is working to contribute to the early recovery of the industry through creative initiatives in collaboration with the Miyagi Prefectural Government, Kesennuma City and local chambers of commerce. The Kesennuma Shishiori Processing Cooperative, an organization established three years ago by local marine food processors, completed a new office in the summer of 2015 to serve as a base for product development and commercial negotiations. There are also plans to progressively build other assets for joint use to improve business efficiency, including cold storage facilities and a seawater sterilization system. Mitsui & Co. will continue to support the Kesennuma Marine Food Processing Industrial Area, which will serve to generate new business and employment, through various ways including the reestablishment of sales channels severed by the disaster.



Sendai Aquarium Project

Mitsui & Co., together with Kamei Corporation, Yokohama Hakkeijima Inc., Yurtec Corporation, Kahoku Shimpō Publishing Co., Sendai Mitsukoshi Ltd., and the Organization for Promoting Urban Development, opened the SENDAI UMINOMORI AQUARIUM on July 1, 2015. Located in Takasago Central Park in the hinterland of Sendai Port, the new facility is one of the largest aquariums in the Tohoku region. Visitors are able to enjoy a relaxing encounter with the Tohoku marine environment and marine creatures in approximately 100 display tanks. The aim of the project is to contribute to the revitalization of the regional economy by creating a new symbol of recovery, a venue for gatherings of local people, and a tourism resource for the Tohoku region.



The Large-scaled tank that installed in the aquarium

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

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



Donation to scholarship fund for orphans of fallen firefighters

Mitsui contributes a total of ¥65 million over the four years from 2012 to 2015 to a scholarship fund, established by Shoubou Ikueikai, a public interest incorporated foundation, for orphaned children of firefighters killed while responding to the Great East Japan Earthquake. Countless emergency responders affiliated with fire departments lost their lives in the line of duty while engaging in relief and rescue operations in the disaster zone in the immediate aftermath of the calamity, with many leaving behind children. This scholarship provides support for those children to help them achieve their dreams for the future and expand their potential.



Participation in the TOMODACHI Initiative

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

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



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

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



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

On June 2014, Mitsui donated a model house to the Kesen Carpenter Architectural Research Association in Rikuzentakata City in Iwate Prefecture. This association was founded to pass down traditional architectural techniques to future generations, techniques that are highly regarded across Japan as special skills for building structures such as shrines, temples, and houses, along with woodworking skills. In March 2013, Mitsui donated a meeting-house to the Association, which had been lost in the Great East Earthquake and Tsunami in 2011. The purpose of the new model house is to give an example of reconstruction houses made by Kesen carpenters. Taking health promotion into consideration, this house is mainly built from wood that was regional timber. The widespread use of this model house, will lead to the creation of new jobs, revitalization of the local timber industry, and finally contribute to recovery from the earthquake disaster.



Donation of child care center to Iitate village in Fukushima

On December 2014, Mitsui donated a wooden building to Iitate village in Fukushima Prefecture. The whole population of Iitate remains evacuated from their own home region due to radioactive contamination caused by the nuclear accident in March 2011. This child care center named SUKUSUKU is used for periodic medical check-ups for small children of Iitate village. This center is also used in the capacity of a meeting-house for both Iitate and Fukushima citizens.



Evaluation by Society

Evaluation by Society

External Recognition

Socially responsible investment (SRI) involves the selection of investment targets through the evaluation of corporations based on conventional financial analyses and investment standards, as well as on how well they fulfill their social and environmental responsibilities. Mitsui has been selected for inclusion in two major world SRI indices – the FTSE4Good Global Index and the Dow Jones Sustainability World Index (DJSI World). In addition, we were selected as a "Nadeshiko Brand" company for being "exceptional in encouraging women's success in the workplace".

- **FTSE4Good Global Index**



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

- **Dow Jones Sustainability World Index**



The Dow Jones Sustainability World Index is a global stock index developed jointly by Dow Jones & Company in the U.S. and RobecoSAM in Switzerland. Major corporations around the world are evaluated in terms of their social, environmental, and economic performance, and the top 10% of these corporations are selected as constituents of the index.

- ***Nadeshiko Brand***



The Nadeshiko Brand is a designation jointly awarded by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange (TSE) from the entire First Section of the TSE based on two factors: [i] conducting career support for women and [ii] supporting women in balancing work and family.

Awards received in the past five years

Fiscal Year Ended March 2015

Ranked first in the "Toyo Keizai CSR Ranking" Wholesale Category by Toyo Keizai Inc.

Ranked first in the "18th Environmental Management Survey" Trading Company category by Nikkei, Inc.

Ranked first in the "2014 Award for Excellence in Corporate Disclosure" (Commerce industry category) by The Securities Analysts Association of Japan.

Received the "2014 IR Special Award" by the Japan Investor Relations Association.

Received the 20th Nikkei BP Advertising Award's Excellent Business Expert Award (2014) by Nikkei Business Publications, Inc. (Mitsui's Forests)

Fiscal Year Ended March 2014

Ranked first in the "Toyo Keizai CSR Ranking" Wholesale Category by Toyo Keizai Inc.

Ranked first in the "17th Environmental Management Survey" Trading Company category by Nikkei, Inc.

Received the Award for Special Merit in the 48th Industrial Advertising Award (2013) in the Newspaper Category by Nikkan Kogyo Shimbun Ltd. (Mitsui's Forests)

Received the 19th Nikkei BP Advertising Award's National Geographic Japan Award (2013) by Nikkei Business Publications, Inc. (Mitsui's Forests)

Fiscal Year Ended March 2013

Ranked first in the "Toyo Keizai CSR Ranking" Wholesale Category by Toyo Keizai Inc.

Ranked first in the "16th Environmental Management Survey" Trading Company category by Nikkei, Inc.

Fiscal Year Ended March 2012

Ranked first in the "Toyo Keizai CSR Ranking" Wholesale Category by Toyo Keizai Inc.

Ranked first in the "15th Environmental Management Survey" Trading Company category by Nikkei, Inc.

Received the Award of Excellence in the Sustainability Reporting Award Category of 15th Green Reporting Award and Sustainability Reporting Award by Toyo Keizai Inc.

Received the Award of Excellence in the 2012 Key Firm of Integrity Award by Integrex Inc.

Fiscal Year Ended March 2011

Received the Disclosure Award from Tokyo Stock Exchange

Independent Practitioner's Assurance Report

(TRANSLATION)

Independent Practitioner's Assurance Report

July 31, 2015

Mr. Tatsuo Yasunaga,
President and Chief Executive Officer,
Mitsui & Co., Ltd.

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

We have undertaken a limited assurance engagement of the sustainability information (the "sustainability information") indicated with the assurance logo (★) for the year ended March 31, 2015, including "Proportion of female career-track employee, manager, and executive officer" as of July 1, 2015, included in the "Mitsui & Co., Ltd. Sustainability Report 2015" (the "Report") of Mitsui & Co., Ltd. (the "Company").

The Company's Responsibility

The Company is responsible for the preparation of the sustainability information in accordance with the calculation and reporting standard adopted by the Company (indicated with the sustainability information). CO₂ quantification is subject to inherent uncertainty for reasons such as incomplete scientific knowledge used to determine emissions factors and numerical data.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. We apply International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the sustainability information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board ("IAASB"), ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the IAASB and the *Proposed Environmental Report Review Standard*, issued by the Japanese Ministry of Environment. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. These procedures also included the following:

- Evaluating whether the Company's methods for estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or reperforming the estimates.
- Undertaking site visits to assess the completeness of the data, data collection methods, source data and relevant assumptions applicable to the sites.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's sustainability information is not prepared, in all material respects, in accordance with the calculation and reporting standard adopted by the Company.

The above represents a translation, for convenience only, of the original Independent Practitioner's Assurance report issued in the Japanese language.

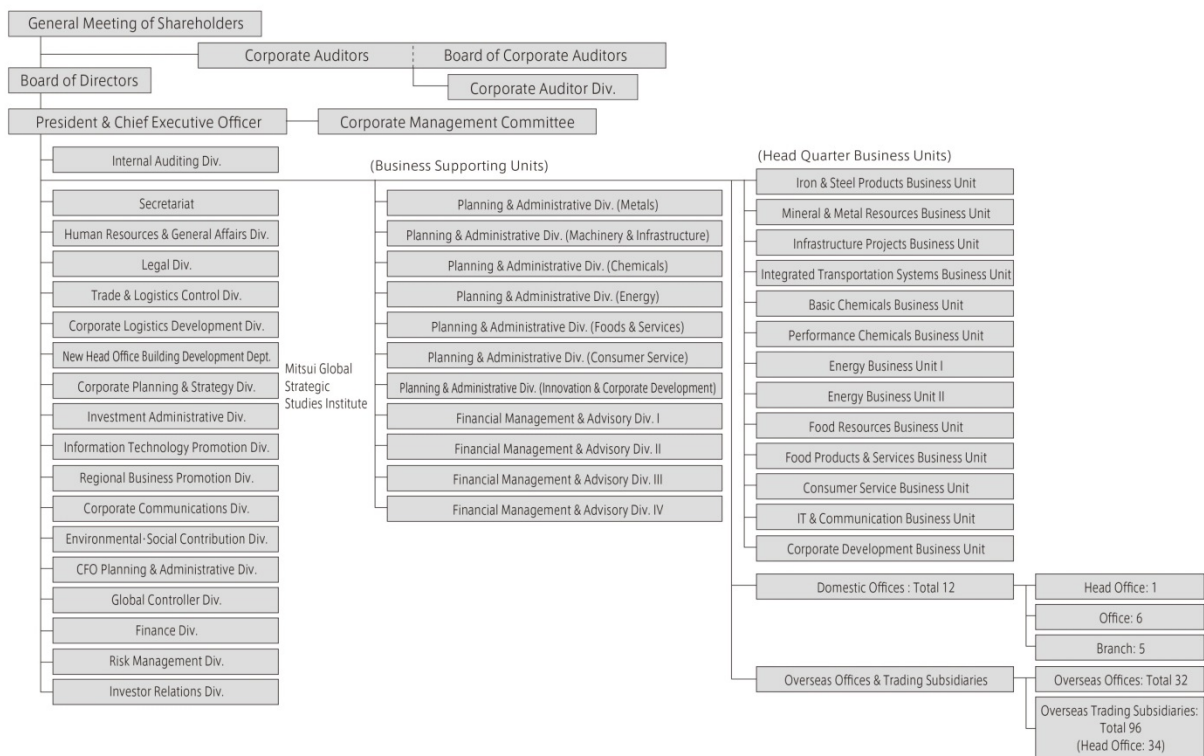
Member of
Deloitte Touche Tohmatsu Limited

Corporate Information

Corporate Profile

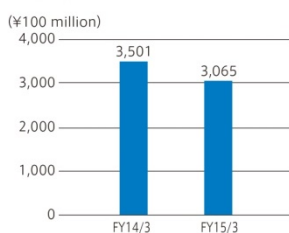
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|------------------------------|--|--|---|
| Company Name | MITSUI & CO., LTD. | Number of Employees | 6,006 (Consolidated 47,118) (As of Mar. 31, 2015) |
| Date of Establishment | Jul. 25, 1947 | Number of Offices and Overseas Trading Subsidiaries | 140 offices in 65 countries / regions Domestic: 12 (Head Office: 1 Offices: 6 Branches: 5) Overseas: 128 (Overseas offices: 32 Overseas trading subsidiaries: 96 (Head Offices: 34)) (As of Jul. 1, 2015) |
| Head Office | 1-3, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8631, Japan Nippon Life Marunouchi Garden Tower (registered head office location) 3-1, Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-8631, Japan JA Building | Major Business Areas | Utilizing our global operating locations, network and information resources, we are multilaterally pursuing business that ranges from product sales, worldwide logistics and financing, through to the development of major international infrastructure and other projects in the following fields: Iron & Steel Products, Mineral & Metal Resources, Infrastructure Projects, Integrated Transportation Systems, Chemicals, Energy, Food Resources, Food Products & Services, Consumer Services, IT & Communication Business, Corporate Development Business. |
| Representative | Tatsuo Yasunaga, President and Chief Executive Officer | | |
| Common Stock | ¥341,481,648,946 (As of Mar. 31, 2015) | | |

Organization Chart (As of July 1, 2015)

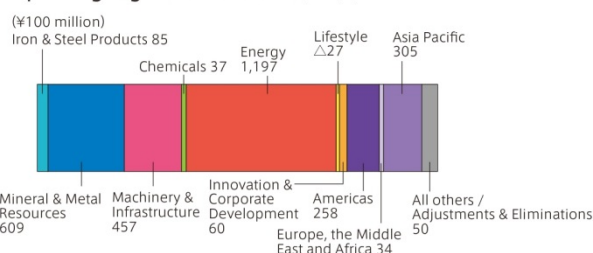


Financial Information (consolidated)

Net Income



Operating Segment Net Income(FY15/3)



mitsui & co., ltd.