Developing the high-speed mobile data communication business in sub-Saharan Africa with the aim of reforming education, healthcare, agriculture, etc.

The countries lying south of the Sahara Desert, a region known as sub-Saharan Africa, continue to face serious poverty and economic disparities. However, with their abundant natural resources and growing populations, they are on the threshold of achieving spectacular economic growth. In the process of realizing such growth, the enhancement of infrastructure, improvement of agricultural productivity, and training of human resources are going to be essential.

In 2015 Mitsui invested in the Afrimax Group, which is developing fourth-generation long-term evolution (4G LTE) high-speed mobile data communication service in sub-Saharan Africa. Although mobile phone penetration in the region has reached around 70%, broadband is still lagging and Internet penetration is only about 7%. By 2019, however, the volume of mobile data traffic is expected to increase by about 20 times over the 2013 level. This project is responding to the growing demand by contributing significantly to improvement of the information and communications environment. Based on our track record with LTE business in Indonesia, which started in 2013, Mitsui is striving to meet the rising demand and enhance the Internet environment.

The improved social infrastructure and human networks created by this project will also form the platform for Mitsui’s business in Africa. Utilizing the wide-ranging business channels and development capabilities that are our strengths, we aim to develop business in such fields as education, healthcare, and agriculture and thereby contribute to the development of sub-Saharan Africa.

Internet penetration in sub-Saharan Africa

Approx. 7% (2013 figure)
Source: Broadband Commission, The State of Broadband 2014: Broadband for All

Projected mobile data traffic in sub-Saharan Africa in 2019

20 times more than in 2013
Source: Ericsson, Sub-Saharan Africa Mobility Report Appendix

*This project was developed under the new Business Innovation Project framework. It is designed to promote new business endeavors which is to enhance Mitsui’s new regional strategies, new business focus areas and challenge for new business model and which have the potential to generate excellent returns over the mid and longer term.
Mitsui & Co’s Approach

Through our business activities, we will work to develop the infrastructure needed for growth and prosperity in countries and regions all around the world, including electric power, transportation and communications. We will also strive to improve basic services, such as healthcare and care for the aged, to create new value, envisaging a future in the next-generation business domains that embody innovation, and to develop local industries and create employment. We will also contribute to developing human resources with global perspectives and improving the educational environment through the hosting of endowed lecture programs at major universities and through a variety of education funds and scholarships.

Activities for FY Ended March 2016

<table>
<thead>
<tr>
<th>Theme</th>
<th>Business Activities</th>
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</thead>
<tbody>
<tr>
<td>Development of the Social Infrastructure</td>
<td>Promotion of water supply and sewerage business (Mexico), port container terminal operations (Indonesia), international cargo terminal operations (Japan), and co-generation business (Thailand, Brazil), etc.</td>
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<td>Job creation in local communities through infrastructure business around the world</td>
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<td>Promotions of efficient operations of airline and railway companies through the lease of aircraft and rolling stock</td>
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<tr>
<td></td>
<td>Improvements of transportation methods and logistics in emerging nations through sales, financing, and leasing of automobiles, motorcycles, trucks, and buses</td>
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<td></td>
<td>Support for improvement of local communities’ industrial bases and livelihoods through sales and maintenance of mining and construction machinery</td>
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<td></td>
<td>Reduction of transportation costs for grains, steel products, fertilizers, etc. through integrated logistics business operations (Brazil)</td>
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<td></td>
<td>Contribution to the ensuring of safe and reliable railway transportation by developing the network of urban transportation infrastructure for passenger (Brazil)</td>
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<td>Promotion of tank terminal business in distribution collection sites that serves as the basic distribution infrastructure for the petrochemicals industry (U.S., Belgium)</td>
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<td></td>
<td>Development of communications infrastructure and spread of internet use through engagement in high speed mobile data communications business (Sub-Saharan Africa, Indonesia)</td>
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### Business Activities

#### Participation and Development in Communities
- Support for developing reliable, safe childcare environments with a special focus placed on the personality and development stage of each child, via the promotion of the communication app "Kids Note" service business for childcare facilities, such as kindergartens, and guardians (Japan)

#### Contribution to Developing People with International Mindset
- Continuation of personnel exchange training program with Baosteel (China), (Total since 1992: 82 trainees from China and 502 dispatched to China; in FY 2016/03 ended 2 trainees from China and 4 dispatched to China)
- Continuation of personnel exchange training program with Vale (Brazil) (10 trainees dispatched to Vale)
- Promotion of support, through Vale and Valepar, for activities such as education programs that contribute to society, Japanese language courses, and introduction of Japanese culture (Brazil)
- Implementation of science educational programs at primary schools attended by the children of workers in iron ore mines (Mitsui Iron Ore Development), (Australia)
- Implementation of scholarship programs and Japanese language education for the local community and workers in coal mines (Mitsui Coal Holdings), (Australia)
- Participation in the scholarship program run by Takatuf Oman to support Omani students to study abroad (Oman)
- Donation to education-contributing events held at The Petroleum Institute in Abu Dhabi (UAE)
- Scholarships to study abroad programs in Japan for faculty members of the Universidade Lurio (Mozambique)
- Teaching and training cybersecurity experts by dispatching lecturers for universities and devising curriculums (Japan)

#### Contribution to Developing People with International Mindset
- Continuation of support for human resources development of junior and senior high school students as part of our initiatives for recovery of the region from the Great East Japan Earthquake (940 participants)
  - "Visiting Lecture Project" featuring people who were profiled in the TV program "Textbook for Our Future", as the lecturers for the Project (Japan: 6 schools in Iwate, Miyagi and Fukushima Prefectures)
  - "English Conversation Project" for which employees are serving as volunteer teachers (Japan: Onagawa Town)
- Provision of scholarships for Brazilian students as part of our support activities for Brazilians living in Japan (440 students in 26 schools)
- Implemented the Young Professional Leadership Program for Japanese and U.S. professionals through participation in the TOMODACHI Initiative arranged by the U.S. government and US-Japan Council (19 participants in total from Japan and the U.S.)
- Continued implementation of Mitsui endowed courses at Peking University (China) and St. Petersburg State University (Russia), (6 times in total)
- Support for short-term training programs in Japan for university students from Australia and Russia (11 trainees)
- Support for Indonesian students to study in Japan through the Mitsui Bussan Scholarship Program for Indonesia (12 students)
- Provision of scholarships and accommodation for overseas students through the Mitsui Bussan Trade Promotion Foundation (10 students)
- Continuation of SASUGAKU Academy classes (Education for Sustainability) to support children’s “power to create a sustainable future” (25 children)
- Support for construction of a dormitory for nurses (Ghana) through the Mitsui Global Volunteer Program (program participants: 6,375; donations: ¥6,375,000)
Development of the Social Infrastructure

Initiatives Through Business

Mitsui will continue to contribute to the enhancement of people's quality of life through its business activities in such areas as electric power, water treatment, water supply and sewerage systems, logistics, railroads, healthcare, and communications, by developing infrastructure that is essential for the growth and advancement of countries around the world and local communities.

In the area of electric power and renewable energy, while we engage in power generation and gas distribution, we recognize the reduction of greenhouse gas emissions as a material issue and are reinforcing our environmental business, such as solar photovoltaic and solar thermal power projects, wind power projects, and biomass related plant projects.

There is a growing need for improvements in convenience and safety, against the backdrop of growing population, rising living standards, and changing lifestyles. Mitsui is responding to that need by developing and operating sewage and water supply systems, desalination systems, and wastewater treatment facilities, and by engaging in urban development projects, such as the development of logistics and industrial facilities, especially seaport and airport projects, and smart city development projects, to respond to changing societal needs.

In the Mobility domain, with regard to ship business, Mitsui is focusing on vessel ownership and operation and the LNG carrier business; to adapt to tighter environmental regulations and growth and change in maritime cargo traffic. As for railroads, which form a major artery for land transportation, we export freight cars and related facilities and undertake rail transportation infrastructure projects using Japanese institutional finance. Other business activities in this area include rail leasing, the general freight business, and passenger transportation.

Mitsui is also taking initiatives for basic services, such as medical care and nursing care, which address the problems posed by aging societies throughout the world, changes in disease incidence patterns, and other issues. In addition to the development of hospitals and clinics, and related business, especially in Asia, we are also helping the pharmaceutical industry to develop and manufacture new drugs by providing solutions across the entire value chain, from drug development to manufacturing and distribution.

Mitsui also promotes the utilization of ICT in such areas as high-speed communications, electronic settlements and other communications and service platform businesses, especially in emerging countries, aiming for the enhancement of quality of life and social infrastructure. At the same time, in our effort to build new social systems, we strive to create new business, including medical healthcare services, agriculture, and energy management.

Provision of Safe, Reliable Products and Services

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 Business Unit Food & Retail Management 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).

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.
Guiding Principles

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

Action Guidelines

1. In order to respond in an appropriate manner to the needs of the global environment, and of international and regional society, 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.

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; 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 & Co. 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 know-how 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 of building interest and sensitivity towards social issues amongst our executives and employees and management personnel.

The breakdown of social contribution expenses, which totaled ¥1,317 million on 612 activities, is shown below. Percentages are based on monetary amounts.
Contribution to Developing People with International Mindset

**TOMODACHI - Mitsui & Co. Leadership Program**

Mitsui & Co. is participating in the TOMODACHI Initiative, which aims to foster young generations of people who will contribute to the strengthening of the Japan-U.S. relationship in the future. This 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 of 2011 to provide assistance in devastated areas through the joint efforts of the U.S. military and the Japan Self-Defense Forces.

Under the TOMODACHI - Mitsui & Co. Leadership Program, launched in 2013, ten young professionals selected from both Japan and the U.S. spend approximately one week visiting the other country. Members of the American and Japanese delegations interact with one another, engage in dialogue with top government officials and industry executives and young professionals in leadership roles, and tour local sites of interest. Through the program, they develop extensive professional networks while forming the broader cultural understanding and perspectives necessary for the next generation of global leaders who will take an active part in strengthening U.S.-Japan relations. The network of Japanese and U.S. delegations has expanded to a total of 59 members over the past three years.

Mitsui has decided to implement this leadership program for another three years beginning in 2016. Under this program, we plan to select some of the members of the Japanese delegation from the three prefectures (Iwate, Miyagi and Fukushima) that were devastated by the Great East Japan Earthquake, while arranging a visit by the American delegation to the areas affected by the disaster. Through the creation of new opportunities for exchange and communication of information regarding the region within Japan and abroad, we will strengthen the program as a disaster reconstruction support initiative that also contributes to promoting tourism and industry in the region.

**Mitsui SASUGAKU Academy 2015**

Mitsui named the program "SASUGAKU" (Education for sustainable development), which develop children’s capability of learning, thinking and communicating, they surely take on the very important role to create the sustainable society, and has designed Mitsui SASUGAKU Academy from 2014, which is the 5-day capacity building program for primary schoolchild upper grade, by taking up Mitsui’s business activities the teaching materials.

The theme of the program in 2015 was "my occupation in 2050" and "creating the future city in 2050". The participants challenged to create the city they would like to live in the future, by referring to Mitsui’s project developing a sustainable and environmentally-conscious city (smart city) in the Iskandar region of Malaysia.

**Mitsui Bussan Scholarship Program for Indonesia**

Our relationship with Indonesia reflects the culmination of many years of conducting business with the nation. Aspiring to build even stronger ties between Japan and Indonesia, Mitsui & Co. established the Mitsui-Bussan Scholarship Program for Indonesia in 1992 to support exceptional individuals who will someday contribute to the 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 the 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 the university faculties/departments that they hope to enter, and subsequently begin attending university after passing the respective exams.

This scholarship program goes beyond providing financial backing; it 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 create opportunities for recipients to interact with other current recipients and former recipients who have already graduated.

The scholarship program has thus far seen the successful graduation of 26 former recipients, and currently provides support to 10 individuals. We remain committed to this and similar initiatives even beyond Japan and Indonesia that further 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)
In 2006, in conjunction with Peking University, Mitsui & Co. established an endowed lectureship called the Mitsui Innovation Forum at Peking University. This 10-year program, ongoing until 2015, brings in heads of leading companies and distinguished Chinese and Japanese scholars to present their views on “innovation” to an audience of young people who are poised to forge China’s future. Six lectures are held annually, featuring two speakers from Japan and four from China. All of the lectures have attracted 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 leading 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 to educate individuals, but also that it will lead to a deeper mutual understanding between Japan and China and encourage interaction between the two nations.

From 2005 till 2008, Mitsui & Co. donated education-related materials to 30 Brazilian schools. The recession triggered by the economic crisis that followed the collapse of Lehman Brothers in the autumn of 2008 also impacted Brazilians living in Japan who were contributing to the Japanese economy. Many of them lost their jobs and returned to Brazil. An increasing number of families also became unable to send their children to Brazilian schools in Japan because of the high tuition fees.

Mitsui responded to this situation by establishing a scholarship program in place of the previous support activities that had been based on the donation of teaching materials to schools. Under this new program, we began to provide scholarships to subsidize the cost of monthly tuition fees for children attending Brazilian schools in Japan.

As of the end of March 2016, 440 children were attending school thanks to this scholarship program.

Over the five years that have passed since the Great East Japan Earthquake, Mitsui & Co. has continued to work toward ensuring steady reconstruction and development in the disaster-affected area through its contribution to community revitalization. Our recovery support activities continue to be focused in particular on the education of the new generation of people who will drive the reconstruction process.

Under the “Visiting Lecture Project” launched in 2014, a textbook has been prepared featuring 12 individuals out of the roughly 300 people that have been profiled in the “Textbook for Our Future” program on the BS12 Channel, which is operated by a Mitsui subsidiary. The 12 selected individuals visit schools, where they act as teachers for a day, and hold classes that encourage children to think about making a contribution to the region and regional revitalization as a key factor in their future career choices. To date, approximately 2,000 students at a total of 15 schools in Iwate, Miyagi, and Fukushima Prefectures have taken part in this project.

Mitsui also supports the efforts of Katariba, a certified non-profit organization that operates its afterschool “Collaborative School” in Onagawa Town in Miyagi Prefecture. Katariba provides English conversation classes for junior high school students, with the goal of nurturing globally active human resources. A total of 53 students have participated in this program since we began our support in 2014. The students learn practical English through classes provided via Skype. They also broaden their horizons by taking part in a short-term residential study program in Japan during the summer vacation. Mitsui staff act as volunteer teachers for career education classes, during which they share their experiences of living and working overseas, and work together with students to envision students’ futures in which they can make use of the English they have learned.

Mitsui will continue to support education in disaster-affected areas through career education programs designed to motivate children to build their own career paths and futures.