

Sustainability at Mitsui & Co. and the Management Framework

Mitsui & Co.'s Value Creation

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 advance our capabilities and ceaselessly 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 societal issues, listen closely to our stakeholders, and ensure that 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.

We continue to ensure that all of our employees share our management philosophy, as expressed in our Mission, Vision, and Values, and to strengthen our robust management platform, including our governance and risk management systems. At the same time, working alongside our stakeholders, our aim is to pursue business in a manner expressed in our "360° business innovation." slogan. In doing so, we place a strong focus on five material issues of Mitsui's new Materiality, which we have revised in April 2019 as important management priorities in achieving a sustainable development of society and Mitsui. The newly identified material issues are: "Secure sustainable supply of essential products," "Enhance quality of life," "Create an eco-friendly society," "Develop talent leading to value creation," and "Build an organization with integrity."

The slogan noted above and our Materiality reflect the fact that one of our greatest strengths is our ability to connect ideas, information, customers, and business partners to create new value around the world so as to strive to contribute to the creation of a future where the aspirations of the people can be fulfilled. This is what Mitsui is expected to do and how Mitsui strives to create new value in pursuit of social sustainability.

Basic CSR Policy

Mitsui's Basic CSR Policy, which is built upon our management philosophy of Mission, Vision and Values serving as the foundation of our business activities, was formulated in 2004 and reviewed in 2013 to reflect input from society and our stakeholders. In our CSR policies, our approach to sustainability as our social responsibility is clearly incorporated, and we earnestly continue to strive for its realization.

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.

Sustainability Management Framework

In the fiscal year ended March 2005, Mitsui & Co. established the CSR Promotion Committee (currently the Sustainability Committee) under the Corporate Management Committee to develop Mitsui's internal framework with respect to sustainability, and to work to raise sustainability awareness among employees.

Reflecting the growing interest in the UN Sustainable Development Goals (SDGs) and ESG in recent years, we established the Sustainability Committee on May 1, 2017, in order to further clarify our unchanging stance toward creating new value for society through business activities and to pursue further mutual sustainability between society and the company.

With the Sustainable Committee playing a central role, Mitsui promotes sustainability-related activities based on cross-organizational collaboration to meet the needs and expectations of society in relation to companies' social values and initiatives.

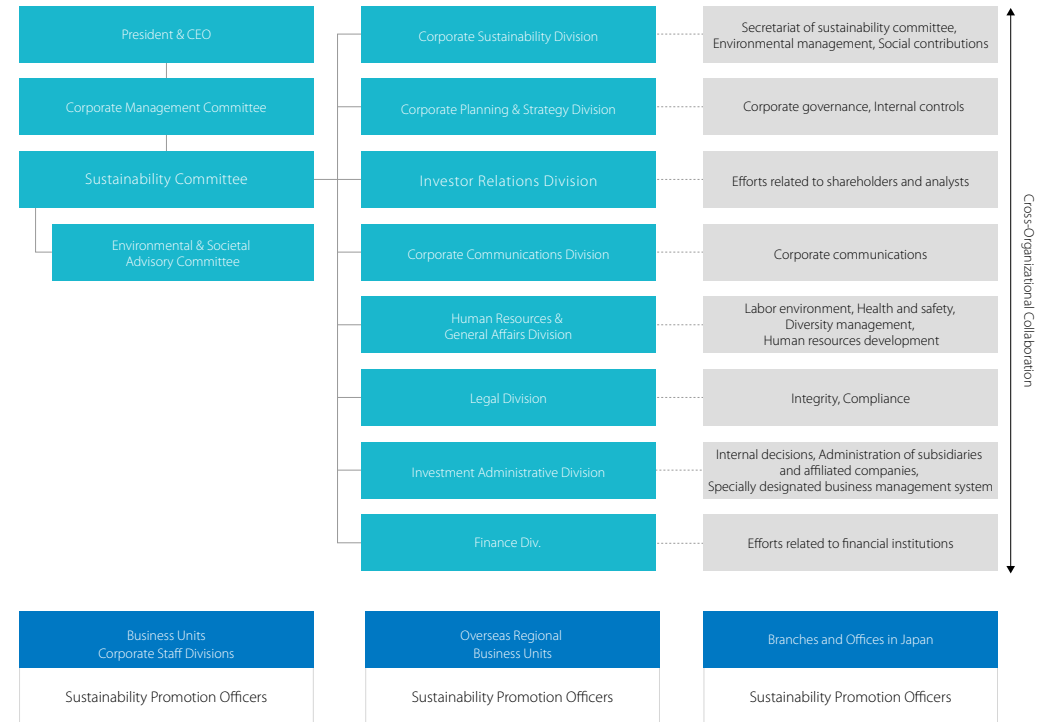
On April 1, 2019, we established the Corporate Sustainability Division, whose role is to promote and drive company-wide sustainability management and to accelerate various initiatives on a global group basis. The Corporate Sustainability Division will strive to raise sustainability awareness and share values at the Mitsui & Co. global group level, with the aim of contributing to the achievement of sustainable social and economic development in various countries and regions around the world, while also contributing to solving global environmental problems such as climate change issues.

We also appoint Sustainability Promotion Officers in each of the corporate staff divisions, headquarters business units, overseas regional business units, and branches and offices in Japan, developing our internal network to facilitate planning and promotion of sustainability activities together with the frontline staff, including provision of support for implementing sustainability management and awareness-raising activities at each unit.

In the fiscal year ended March 2019, we held a Sustainability Promotion Officers meeting on a quarterly basis, where we explained new policies relating to our sustainability initiatives and other important information discussed and formulated by the Sustainability Committee, and shared reports on surveys and measures related to supply chain management.

Moreover, the Sustainability Promotion Officers in business units and corporate divisions and offices in Japan have taken the initiative in organizing various sustainability awareness-raising programs, such as in-house sustainability seminars and lectures by speakers from partner companies and external experts, as well as workshops regarding sustainability within the actual business.

We also held a lecture during Mitsui Sustainability Month, and lectures on Mitsui's sustainability management in the New Hire Induction Training. In this way, we are urging employees to consider sustainability issues from the perspective of their everyday business.



Sustainability Committee

As an organization under the Corporate Management Committee, the Sustainability Committee aims to promote management with a greater awareness of the sustainability of both society and Mitsui, and provides advice to management on management policy and business activities from a sustainability standpoint.

The Sustainability Committee consists of the CAO (the Committee Chair), CCO and CFO (the Vice Chairs), and the GMs of the corporate staff units, including the Corporate Sustainability Division, Corporate Planning & Strategy Division, Investor Relations Division, Corporate Communication Division, Human Resources & General Affairs Division, Legal Division, Investment Administrative Division and Finance Division. The committee has the following duties:

1. Develop basic policies on the company's sustainability management and fundamental plans for activities to promote sustainability and CSR.
2. Review and make proposals on the company's management policies, as well as policies and strategies of the business units and corporate divisions from the perspective of sustainability.
3. Present proposals on company-wide environmental policies.
4. Make proposals on sustainability-focused business activities (understanding risks and opportunities involved in business).
5. Deliberate and establish the basic policy of the effective disclosure of information to stakeholders.
6. Consider and present proposals relating to progress reviews and monitoring required for management.
7. Configure and establish the internal structure for promoting sustainability management of the company.
8. Identify the material issues to focus on each year for promoting sustainability and CSR activities of the company and ensure progress on these.
9. Respond to issues related to sustainability and CSR, both internal and external to the company.
10. Decide and report whether to support individual proposals which qualify under the matters of Specially Designated Business, and indicate the necessary cautions for projects that will be supported.
11. Approve important matters (basic policies, business plans, etc.) relating to the Mitsui & Co. Environment Fund.
12. Select proposals from internal applicants for the Environment Fund grants.
13. Select proposals from external applicants for the Environment Fund grants.
14. Decide and report whether to support an exceptional acquisition of forests or the disposal of company owned forests, which is out of the scope of the guidelines on the acquisition of a new forest and disposal of company owned forests, based on Rules on the Management of Company Owned Forests.

Furthermore, the Environmental & Societal Advisory Committee has been established as the advisory body to the Sustainability Committee. The committee members are selected mainly among external experts who are familiar with a broad range of fields — including climate change, environmental policy with respect to water and energy, etc., technology trends, human rights and other matters — as well as attorneys and other knowledgeable individuals.

Sustainability Committee Meetings in FY 2019

Meeting 1 (May 16, 2018)

- Deliberations on our response to climate change issues
- Report on the concepts underpinning Integrated Report

Meeting 2 (October 9, 2018)

- Deliberations on the revision of Mitsui's Materiality
- Report on trends in climate change issues, and a report on the assessment results for DJSI 2018 selection

Meeting 3 (December 21, 2018)

- Continued deliberations on the revision of Mitsui's Materiality
- Report on participation in COP24 in connection with response to climate change issues, and approval for support for the TCFD recommendations

Meeting 4 (March 7, 2019)

- Continued deliberations on the revision of Mitsui's Materiality
- Report on the results of our response to climate change issues, report on sustainability promotion activities and environmental and social contribution activities for the fiscal year ended March 2019, as well as action plans for the fiscal year ending March 2020