

Human Resources Development



Our Approach to Human Resources Development

Policy

The main source of competitiveness for the Mitsui & Co. global group is its human resources. The Mitsui & Co. global group respects diverse individuality and aims to foster human resources that will create new value and take on a central role in global group management.

Throughout its long tradition, Mitsui & Co. has always focused on human resources. Our approach to human resources development is represented in the company's saying, "The individual builds the business, and the business cultivates the individual." As the words signify, the company's priority mission is to develop "strong individuals" who can create new value through business activities based on their expertise and broad knowledge. Indeed, it would be no exaggeration to say that this is the company's ultimate *raison d'être*. For this reason, we regard on-the-job training (OJT) as the cornerstone of human resources development. We also implement comprehensive off-the-job-training programs in various forms to support and supplement human resources development through OJT.

Human Resources Development Programs

System

Grade-Based Training and Business Skills Training

To achieve the goal of fostering human resources capable of creating new value and taking on a central role in global group management, we have designated necessary qualifications and roles by job grade, from new employees to management-level employees, and have been implementing a wide variety of human resources development programs, including Grade-based training programs, optional programs, and programs for selected individuals. While strengthening these grade-based training programs, we have also provided business skills training programs as well as professional training programs, with the aim of enhancing our employees' knowledge and capabilities in various fields. An introduction to each training program can be found on the company's intranet, along with an explanation and overview of our human resources training policies, and we encourage our self-motivated employees to participate in these programs.



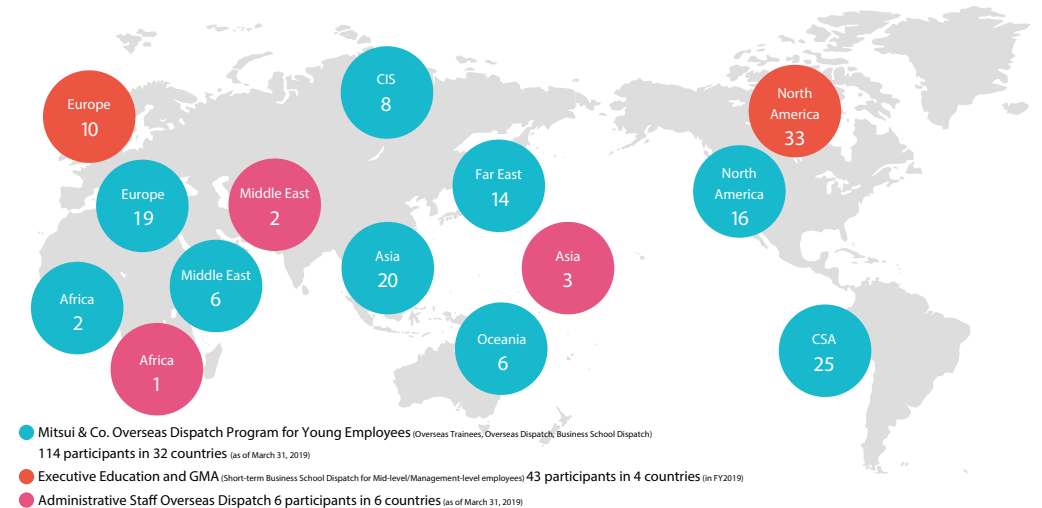
Human Resources Development Program (abridged edition)

Global Training Programs

The Mitsui & Co. global group has numerous global training programs that are designed to enable employees to manage business on a global basis. These programs include the Mitsui & Co. Overseas Developmental Dispatch Program for Young Employees, which includes the Foreign Language & Business Culture Trainee course (FLBCT) for developing language/regional specialists and Business School Dispatch, as well as Overseas Trainee Dispatch (OTD) designed for enhancing expertise. We also provide the MIT Sloan Fellows Program for mid-level employees, and the Administrative Staff Developmental Dispatch Program for administrative staff.

In addition, with the aim of fostering leaders who will take on a central role in next-generation global business management, we have developed the Harvard Business School Global Management Academy (GMA) in partnership with Harvard Business School. GMA is held with a focus on diversity, and the scope of the participants in this program includes not only Mitsui & Co. global group employees but also employees of our overseas business partners. For management-level employees, we have been implementing Executive Education (EE), which is a short-term MBA program conducted at first-class business schools in Europe and the U.S.

Number of Participants in the Global Training Programs (in the Fiscal Year Ended March 2019) 163 Trainees in 35 Countries



One Trainee's Story

Human Resources Training Programs and the Number of Participants/ Dispatched Employees

| | | System | Activity |
|---|--|--|-------------------------------|
| SDGs: 4.3, 4.4 | | | |
| (Unit: persons) | | | |
| Category | Training Programs | Outline | Number of participants FY2019 |
| Grade-based Training Programs | Management Training Program, New Line Manager Program, Leadership Program, Administrative Staff Training, Female Business Staff Program, New Hire Induction Training, Mid-career Hire Induction Training | The aim of these programs is to foster human resources capable of global group management. Participants acquire knowledge that includes our management philosophy, business skills, and business mindset. | 1,152 |
| Bussan Academy Program | Marketing, Management Strategy, Finance, Logical Thinking, Mindset, Communication, Philosophy, History, Liberal Arts | Professional training programs with the aim of increasing participants' specialist knowledge in various fields. | 3,773 |
| Objective-based Programs for Senior Employees | Career Design Program, Retirement Life Plan Program | Training programs for senior employees, which are designed to support them in autonomously devising the direction of their career and to adapt to the change of environment and their roles. | 373 |
| Grade or Objective-based Training Programs | Project Manager Development Program, Inter-industry Exchange Training Programs, MOC (Mitsui Open College), Head Office GM 1-on-1 Training | Programs aimed at acquiring specific skills and mindsets, expanding horizons through interactions with other industries, and building personal connections | 840 |
| Global Training Programs | Foreign Language & Business Culture Trainee Course, Business School Dispatch, Overseas Trainee Dispatch, GMA, EE, Administrative Staff Overseas Dispatch | 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. | 163 |

P.100 Hours/Days of Training for Competency Development and Expenditure on Training (Non-consolidated)

Development of Human Resources Capable of Global Group Management

| System | Activity |
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|--------|----------|

SDGs: 4.3, 4.4

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

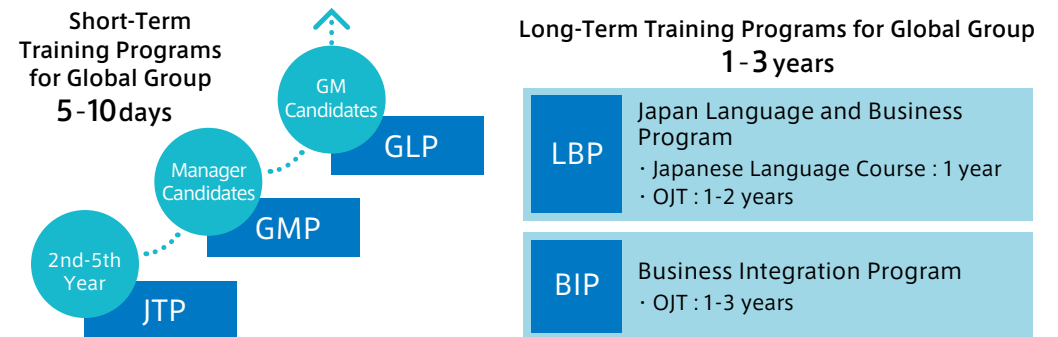
In order to provide support for human resources development at each group company in Japan, and to build human networks, we provide grade-based training through such courses as our General Manager Training Program, Department Manager Training Program, and New Hire



Regionally hired staff engaged in active discussion during GMP training

Induction Training Program, as well as optional training programs, such as the Bussan Academy programs.

In 2002, we started offering employees of our overseas subsidiaries well-developed programs of both short-term and medium- to long-term training at Mitsui Head Office. 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 general manager; and after appointment as a general manager. Furthermore, we launched the Change Leader Program (CLP) to identify talented staff on a global basis and develop them into leaders who will actively take on challenges and lead the realization of innovations. 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 practical business training.



P.81 Training and Promotion of Regionally Hired Staff

Appraisal

| System |
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Mitsui and its group companies encourage employees to take on new challenges, help them enhance their individual capabilities, and inspire them to work with a high level of motivation and enthusiasm, through personnel appraisals. The objectives of conducting the appraisal process are not limited to enhancing employee understanding of Mitsui's management philosophy, or to providing input for setting compensation or assigning new positions, but also include promoting talent development through the appraisal process. Appraisal meetings are held periodically between employees and their managers, and employees receive comprehensive feedback on their performance and specific contributions. These meetings create an effective framework for human resources/personal ability development.

The appraisal system for staff hired in Japan consists of three types of appraisal criteria: "Individual

Competency Appraisal," "Contribution Appraisal," and "Organization Performance Evaluation." For the "Individual Competency Appraisal," an appraiser performs comparative assessment of the competency of an employee in relation to other employees in the same appraisal group; this appraisal is used for and reflected in decisions regarding employee promotion, job assignments, salary, and so on, in accordance with the cumulative points in the employee's individual competency appraisals over the most recent three years. Having cumulative points from appraisals for three years, rather than a single-year appraisal result, avoids a one-time effect and enables appropriate appraisals as to how an employee has been developing during the three-year period, and for considering promotions. For the "Contribution Appraisal," setting out appropriate targets is the premise for a fair appraisal. Superiors and subordinates must engage in in-depth discussions in order to share a common understanding of the established targets, so that the targets will be challenging and acceptable to both parties. For the "Contribution Appraisal," an appraiser assesses the value added to, and the degree of contribution made to the company by an employee, as well as the degree to which the employee has taken on challenges to achieve a target. The purpose of the "Organizational Performance Evaluation" is to examine the degree of attainment and the progress made by individual business units on their respective business plans. The results of the Contribution Appraisal and the Organizational Performance Evaluation are reflected in the bonus. In the fiscal year ended March 2019, we revised our benefits and promotion/demotion system to better reflect results and appraisals, with the aim of achieving the further strengthening of individuals. We have changed the system to allow both promotion and demotion in order to facilitate the early promotion of employees who produce outstanding results and demonstrate strong capabilities, and to give them roles with greater responsibility, while also carrying out finely-tuned assessments with the aim of fostering a healthy sense of urgency. Furthermore, we have introduced the President's bonus to reward employees who make a noteworthy contribution to or who produce outstanding results toward strengthening Mitsui's earnings base, or who take on difficult challenges aspiring to new heights.

Interactive Communications between Supervisors and Subordinates

System

Activity

1-on-1

In order to realize more highly motivated workplaces through support for cultivating a strong relationship of trust among employees and for improving their performance, we have launched the 1-on-1 Program for departmental GMs in the Head Office. Through this program, a supervisor and his or her subordinate take time to communicate, aiming to increase communication time and enhance the quality of communication. As a measure for supporting staff to grow into strong individuals, about 90% of the participants gave positive feedback (the number of participants was 250 in the fiscal year ended March 2019).

Mitsui Management Review (MMR)

In the fiscal year ended March 2006, we introduced the Mitsui Management Review (MMR) for line managers responsible for handling global consolidated management in Japan and overseas, as well as at affiliated companies, as an opportunity for them to gain insights by reflecting on their own management and leadership capabilities. Currently, the MMR is carried out once every two years. In the fiscal year ended March 2019, the program was held for 1,176 managers. Members of the organization working under each manager rate him or her based on a scoring sheet composed of evaluations of the behavior elements required of Mitsui management staff. This provides an opportunity for the manager to reflect on his or her own performance based on the results, and to implement management style improvements. In addition, workplace meetings are held to give direct feedback to members of the organizations about the insights gained through the MMR. Sharing their understanding with the manager and his or her subordinates allows them to clarify the new challenges they need to tackle in the workplace. Having managers demonstrate an attitude of facing up to reality has stimulated other members of the organization into action and encouraged an attitude of cooperation among others. These efforts have also helped to foster commitment towards the company's corporate vision, and a sense of ownership. As such, the MMR is leading toward the creation of more open and communicative workplaces where discussions contributing to the improvement of management are actively carried out.

Employee Dormitories

System

Activity

Mitsui provides employee dormitories, primarily for new graduates hired by the company who wish to live in this type of accommodation. The dormitories offer an environment for the basic education useful to new employees of Mitsui and for building wide-ranging personal networks with people who joined the company in different years and work in different units.

At present almost 400 employees, mostly young employees who have been with Mitsui for up to three years, reside in six dormitories located in the suburbs of Tokyo. Inter-dormitory sports competitions and other events help to deepen communication among employees along vertical, horizontal, and diagonal axes.

Because dormitory residents include regionally hired staff who stay in Japan for long periods to participate in training programs at the Tokyo Head Office, the dormitories are also widely used for global networking among employees.