

Promoting Diversity & Inclusion

Supporting the Active Participation of Senior Personnel

System

We have established a unit within the Human Resources and General Affairs Division that is fully dedicated to supporting our senior (older) personnel. We provide various training opportunities, such as Career Design Training, as well as holding individual interviews to support senior personnel aged over 50 to help them actively engage in business, etc. and to independently design their own career development path.

Mitsui has introduced a “re-employment system” that provides employees who wish to continue working after reaching the mandatory retirement age of 60 with the opportunity to continue working up to the maximum age of 65. We strive to build an environment that enables active participation by senior personnel by continuing to make use of their work experience, knowledge, and skills even after they reach the mandatory retirement age.

Furthermore, we provide support to employees for their new careers outside the company, in line with their choice of career paths.

Initiatives to Support the Careers of Senior Employees so as to Play Active Roles within and outside the Company

| | |
|---|---|
| Provision of information | <ul style="list-style-type: none"> Interviews for senior personnel Individual interviews for employees aged 50 and above who wish to have an interview. Information and advice are provided on various individual themes, such as the employee's future career, the company's retirement benefits and pension system, the retiree support system, the re-employment system, current conditions in the rehiring market for senior employees, and planning and preparation for life after retirement. (Approximately 200 interviews are held per year.) Re-employment system seminars The seminars are held to explain the system to employees seven months before mandatory retirement age. (Held four times per year for a total of approximately 140 employees.) Interview to confirm intentions regarding re-employment Interviews are given to employees who did not attend the re-employment system seminars or any other employees who wish to have an interview. |
| Training | <ul style="list-style-type: none"> Career design training Two-day training held twice in total for business staff aged 48 to 51 and 54 to 58. It provides an opportunity for participants to understand public systems and internal systems, review their values, strengths and weaknesses, and think about choices of working styles. (Held 11 times in FY March 2019, with 273 participants.) Career Design Follow-up Training An evening course for employees who have already received career design training and would like follow-up training. (Held 3 times in FY March 2019, with 65 participants.) Life plan training One-day training program for administrative staff aged 50 and above. (Held 2 times in FY March 2019, for 38 participants.) |
| Support for active participation within the company | <ul style="list-style-type: none"> Discussions are held by the Re-employment Committee, which is composed of executive officers and division GMs, about the specific activities of each senior employee. Support is given for a diverse range of opportunities both in Japan, and at overseas offices and affiliated companies. We have developed the Overseas Fringe Benefits System to support overseas activities. As of March 31, 2019, there were 129 re-employment contract employees (including 8 employees working overseas). In the fiscal year ended March 2019, 46% of employees aged 60 accepted a re-employment offer. |
| Support for activities outside the company | <ul style="list-style-type: none"> The retiree support system is for employees aged 50 or above who wish to look for re-employment outside the company. We provide support for job-seeking employees through companies specialized in that area, and we post re-employment information via the intranet. In the fiscal year ended March 2019, 41 employees aged 50 or above found their next career outside the company utilizing the support directly or indirectly provided by the company. |

Creating an Environment in Which Every Individual Can Achieve Their Full Potential



Mitsui & Co. aims to strengthen its overall competitiveness as a company by creating environments in which individual employees can enhance their efficiency and productivity and use their abilities to the full. We are implementing a variety of initiatives to create environments that allow every employee to work energetically and enthusiastically and achieve personal growth in step with the company's growth.

Work Style Innovation

Policy

Since 2015, Mitsui has been promoting “work style innovation” to review existing ways of working and realize flexible and priority-focused work styles that are unconstrained by spatial or temporal restrictions.

Work Style Innovation Action Plans

Specific KPIs and action plans for work style innovation have been formulated from three perspectives: (1) the elimination of excessive working hours, (2) encouraging employees to take annual leave, and (3) promotion of flexible work styles. These have also been posted on the Japan Business Federation (Keidanren) website.

(1) Elimination of excessive working hours (KPI)

We will reduce the number of employees working more than 620 hours of overtime per year (statutory calculation) to zero by the fiscal year ending March 2021 by improving productivity and efficiency through individual employees' work style innovation in a priority-focused manner. This KPI was achieved three years earlier than planned in the fiscal year ending March 2018 (72.3%)

(2) Encouraging employees to take annual leave

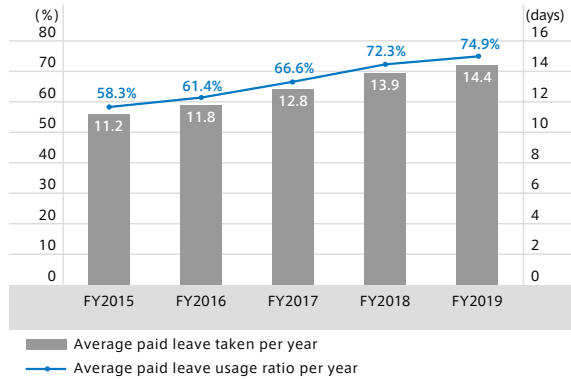
We will increase the percentage of annual leave taken (including leave taken in half-day and hourly units) to 70% by the fiscal year ending March 2021 by improving productivity and efficiency through individual employees' work style innovation in a priority-focused manner. The percentage of annual leave taken had increased to 72.3% as of the fiscal year ending March 2018, achieving the KPI ahead of the original plan.

(3) Promotion of flexible work styles (KPI)

We will increase the percentage of employees giving positive answers to questions on work styles in in-houses surveys, such as whether the workplace environment is suitable for the maximization of productivity, and whether there are no obstacles to work in the workplace, to 60-70% of all employees by the fiscal year ending March 2024. Note: This KPI was revised to the current figure in the fiscal year ended March 2019 and will be followed up in future Mitsui Engagement Surveys.

Creating an Environment in Which Every Individual Can Achieve Their Full Potential

Paid Leave Days Taken and Usage Ratio (Non-consolidated) ★



Employees at Tokyo Head Office and branches in Japan (excluding contract employees)

Reference: Results from Mitsui & Co.'s "Employee Opinion Survey on Work Styles," and "Mitsui Engagement Survey"
(Coverage: Mitsui & Co. employees working in Japan)

| | 1 st (FY2016) | 2 nd (FY2017) | 3 rd (FY2018) | Engagement Survey (FY2019) |
|---|--------------------------|--------------------------|--------------------------|----------------------------|
| Realization of priority-based work styles | 54.5% | 39.7% | 47.8% | 52% |
| Employee satisfaction *1 | 72.6% | 76.0% | 77.6% | 77%*2 |

*1 Averages for "work motivation," "sense of growth," and "satisfaction with having chosen to work at the company"

*2 Based on the calculation method used up to FY2018.



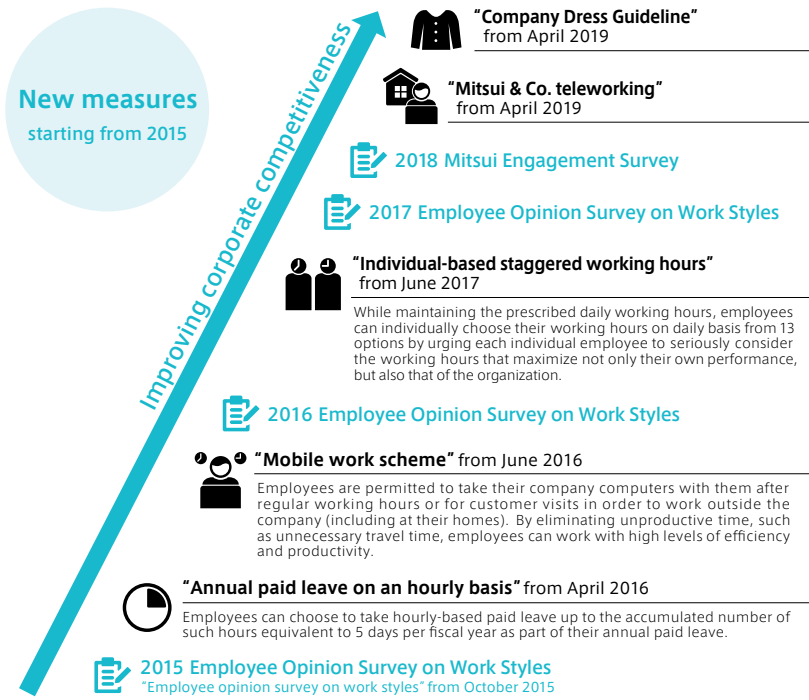
Work style reform action plan (Keidanren)

Work Style Innovation Measures

As measures for realizing work style innovation, we introduced systems for enabling the taking of annual paid leave in hourly units (since April 2016), mobile work (since June 2016), and selecting staggered working hours for individuals (since June 2017). In April 2019, we launched Mitsui & Co. teleworking (working from home) on a company-wide basis and implemented major changes to the dress guidelines, in expectation of further improvements in productivity and output quality, as well as stimulation of free flow of ideas.

| Measures | Date introduced | Description | Benefits, aims, etc. |
|--|--|--|---|
| Being able to take paid annual leave in hourly units | April 2016 | Employees can take up to the equivalent of five days (which is a regulatory cap) of their annual paid leave in hourly units. (The same applies to full annual leave for nursing care and family care [10 days each per year]). | This measure supports a more prioritized approach to work style innovation by giving employees reliable access to the leave when they need it, so that they can concentrate on their work at other times. Since the introduction of this measure in 2016, it has been utilized by almost 80% of employees. |
| Mobile work scheme | June 2016 | This system allows employees to work outside of the office (including at home), using computers borrowed from the company, outside of regular working hours or in free time before and after customer visits. | By eliminating unproductive time, such as travel time, this scheme allows employees to work more efficiently and productively. Almost 70% of those using the scheme experienced improvements in their efficiency and productivity (based on the results obtained in the 3 rd "Employee Survey on Work Styles" conducted in October 2017). |
| Staggered working hours for individuals | June 2017 | This system allows individual workers to stagger the start of their working day within 90 minutes before or after the normal start time, provided that the required number of working hours is maintained. | The aim of this system is to maximize organizational performance and maintain a healthy sense of focus, by encouraging individual employees to think seriously about the allocation of working hours within each day to maximize benefits for the individual and the organization. Results from a survey conducted after its introduction showed that 95% of respondents thought that the system would contribute to the company's competitiveness (based on the result of a survey on staggered working hours conducted in February 2018). |
| Mitsui & Co. teleworking (trial) | July-September 2017 (trial involving 600 employees), June-September 2018 (trial involving 1,900 employees) | This measure expanded the scope of the mobile work system described above (by adding the option of working at home or at a satellite office during working hours). | The purpose of the trial was to verify that this system would help to enhance the company's competitiveness, which is the aim of work style innovation, by improving the work efficiency and productivity of individuals and organizations through increased flexibility concerning the location of work. |
| Mitsui & Co. teleworking | April 2019 (for all employees) | This measure expanded the scope of the trial carried out in FY2018 and FY2019 to include all employees (in addition to working at home during normal working hours, the system also provides for working at home in the event of disasters). | While maintaining the basic emphasis on face-to-face communication in the office, this system is designed to improve productivity and efficiency through a focus on results achieved in task-oriented times and spaces. |
| Modification of dress guidelines | April 2019 | This measure allows individual business units to establish their own dress guidelines to reflect industry-related needs and business practices, which vary according to the organization. | When the system was introduced on a trial basis in March 2018, 65% of organizations experienced improvements in productivity. The system respects the self-discipline of employees as professionals, improves work productivity and efficiency, and encourages the free flows of ideas. |

Creating an Environment in Which Every Individual Can Achieve Their Full Potential



Mitsui Engagement Survey

Activity

SDGs: 5.4, 8.8

Mitsui began to gather accurate data about the attitudes of employees in the Tokyo Head Office and branches and offices in Japan with the implementation of a survey on work styles in October 2015. In November 2018, Mitsui launched the Mitsui Engagement Survey as a new mechanism for gathering comprehensive data about individual employees' awareness of work styles and the types of workplace environments that motivate employees. In order to formulate and implement policies that reflect actual conditions on a global basis, we have expanded the scope of the survey to include employees working or recruited overseas and have provided results from the survey as feedback to each region. We plan to conduct the Mitsui Engagement Survey around every two years.

Overall results from the Mitsui Engagement Survey 2018 on a global basis*

Global response rate: 89%

| | | |
|---|---|--|
| "I am respected as an individual" was selected by 80 % of employees | "I am motivated toward my work" was selected by 74 % of employees | "I can learn and grow" was selected by 76 % of employees |
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* Mitsui & Co. employees in Japan and overseas branches and offices (including regionally hired staff)

Work-Life Management

Policy

Mitsui supports "work-life management" so that every employee is able to fully meet life responsibilities, while pursuing career development by displaying their potential in the workplace to the full. As part of these efforts, we have introduced various systems above the required statutory standards to support our employees in both work and childcare/family care. These systems are made available not just for female employees but also for male employees, encouraging male employees to take part in childcare and family care.

Initiatives to Support Childcare and Family Care

System Activity

SDGs: 5.4

Pre-leave and Pre-return Consultations (Childcare/Family Care)

For the employees planning to take childcare, pre-leave consultations have been offered for those who desire, and to all employees planning to take childcare, and pre-return consultations have been held for all employees planning to return to work after a period of leave. In order to provide further support for the planning for the leave period and preparation for realizing an optimum work-life management balance at an earlier stage, we have introduced a pre-leave orientation program from the fiscal year ending March 2020. The employee who will be taking childcare leave, their supervisor, and a staff member in charge of human resources in the unit to which the employee belongs, participate in the orientation. The employee receives advice to gain deep understanding of the various work-life support systems, as well as advice on self-motivated career-building in the future, while the supervisor and human resources manager learn the importance of continuing to carry out thorough communication, having high expectations of the employee, giving them opportunities, and supporting their growth. Through the introduction of this system and other activities, we are working to create an environment that provides support for future career-building and work-life management.

For employees who will be taking family care leave, we continue to provide pre-leave and pre-return consultations, if the employee wishes, and for employees who have concerns regarding work-life balance, in particular, we provide opportunities for individual meetings at an earlier stage, in cooperation with the human resources manager in the corresponding unit.

Utilization of Work Style Innovations Systems (Childcare/Family Care)

The staggered working hours system for childcare and family care was previously only available to employees involved directly in childcare or family care. In the fiscal year ended March 2018, as part of our Work Style Innovation initiatives, we included this system in the individual-based staggered working hours scheme, which is applicable to all employees (although limited to staff working in Japan, and excluding secondees). At the same time, we made it possible to use this scheme and the childcare and family care working hours system (shortened working hours system) in a combined manner. Furthermore, we also started to offer a variety of choices for flexible work styles, including annual paid leave on an hourly basis, and the opportunity to obtain nursing care leave and family care leave in hourly units. By introducing these various systems, we are developing an environment in which even employees with time restrictions can display maximum performance in a more efficient way.

Measures Supporting Work alongside Childcare


We have been offering support to help employees return to work smoothly, including contracting with external childcare facilities near to our offices in order to secure places for our employees and provision of subsidies to cover part of the costs for babysitters. Additionally, in the fiscal year ended March 2018, we have started to subsidize part of the costs of childcare, and extended childcare and a housekeeping service costs for employees who return to work early from childcare leave, and part of the costs of a housekeeping service. While respecting the best work-life management for each individual employee, we are developing various support measures.

Measures Supporting Work alongside Family Care

To help employees prepare for a sudden need to give family care, we have published the “Handbook for Assisting Work alongside Family Care” on the intranet, and are also holding explanatory sessions on family care systems and family care seminars during lunch breaks, providing relevant information to support employees.

Furthermore, to develop the working environment for supporting work alongside family care, we hold seminars for managers in charge of human resources. In addition, we have concluded a contract with an external NPO and provide our employees with opportunities to have individual consultations with external family care experts once a month at a conference room, providing a venue for alleviating employees’ concerns and uneasiness on an individual basis. We also provide opportunities to have consultations with external experts via email or telephone.

For employees who do not meet the criteria for obtaining family care leave despite having a family member who has a disability and needs a certain level of assistance, we have established a special support leave system.

 **P.102** Employees Taking Childcare or Family Care Support (Non-consolidated) ★

Work-Life Management Support Systems

System

As of April 2019

| | Name of System |
|----------------|---|
| Pregnancy | Pregnancy Leave Late arrival at work or early departure from work Exemption from overtime work Re-assignment to other job duties that are less strenuous |
| Childbirth | Maternity Leave Childbirth Attendance Leave |
| Childcare | Childcare Leave Nursing Care for Child Leave (a full-day basis, a half-day basis, an hourly basis) Short-time working for childcare Exemption from overtime work Restrictions on overtime work Exemption from late night work |
| Family Care | Family Care Leave Nursing Care for Family Leave (a full-day basis, a half-day basis, an hourly basis) ^(*) Short-time working for family care Exemption from overtime work Restrictions on overtime work Exemption from late night work |
| Career Support | Re-employment system for ex-employees who had to resign due to the transfer of their spouse |
| Others | Long-term leave for self-development Volunteer Activity Leave Jury Duty Leave Special Support Leave (a full-day basis, a half-day basis, an hourly basis) (From April 2017) Mobile work Individual-based staggered working hours (From June 2017) |

* After taking the family care leave, employees shall be able to apply for the use of his/her long-term medical leave.

Creating an Environment in Which Every Individual Can Achieve Their Full Potential

Recognition from Society for Our Work-Life Management

Activity

SDGs: 5.4

As a result of implementing a series of measures to promote work-life management, Mitsui has been recognized three times (in 2008, 2011, and 2015) by Japan's Ministry of Health, Labour and Welfare as a company that is actively providing childcare support to help our employees care for children, and has acquired the next generation certification logo (Kurumin). We will continue to formulate and promote action plans (6th period – from April 2019 to March 2021) under the Act on Advancement of Measures to Support Raising Next-Generation Children.

Kurumin Logo

The "Kurumin" logo may be placed on the products of a business that has been officially recognized by Japan's Ministry 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.



 Mitsui & Co. Action Plans under the Act on Advancement of Measures to Support Raising Next-Generation Children (Japanese only)

Contracted Childcare Facilities

System



Poppins Nursery School Marunouchi



Kids Square, Marunouchi Eiraku Building

Re-employment System for Employees Who Had to Resign Due to the Transfer of Their Spouse

System

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. In order for such an employee to work for Mitsui in the future, the Human Resources & General Affairs Div. provides consultation for the employee before their resignation, so that the employee may consider relevant matters such as how they might spend their time after their resignation.

 **P.102** Re-employment System for Employees Who Had to Resign Due to the Transfer of Their Spouse (Non-consolidated)

Joint Efforts with Labor Unions

Policy

Basic Policy

We respect the right to collective bargaining and freedom of association. Mitsui & Co. and the Mitsui Labor Union, which was established in 1962, hold a shared understanding of the societal mission of Mitsui. Both parties respect each other's positions, and work toward the sound development of the company and society and toward the improvement of the social, economic, and cultural status of union members. Accordingly in May 2015, a union shop agreement was concluded. As of March 31, 2019, the number of union members stood at 4,553 (representing an 85.0% participation ratio).

Discussions with the Labor Union

We share various issues with the Labor Union and actively engage in discussions, with the aim of creating an environment in which every employee can continue working with energy and motivation, and in which both employees and the company achieve continual growth. In the fiscal year ended March 2019, Mitsui engaged in multi-layered discussions with the union on various levels and on a wide range of topics, including human resource management systems, salaries and bonuses, work style innovation, training, and occupational health and safety. We introduce those systems and measures on the basis of labor-management agreement. In determining salaries and bonuses, we comply with the laws and regulations of each country/region where we engage in business, secure a living wage that exceeds the minimum wage, and promote creation of a good working environment for every employee. In the fiscal year ended March 2019, in particular, in response to a proposal by the Labor Union, expanded working team-level negotiations were conducted, and human resource management systems were partially revised to allow capable young employees to be promoted earlier or appointed to managerial positions. In addition, collective bargaining sessions were held regarding the agreement on overtime and holiday work (the so-called "36 Agreement") that needs to be addressed in relation to the revisions to be made to the Labor Standards Act from April 2019, and the targeted overtime hour limit that is compliant with the revised act and maximum overtime hour limit based on the special clause for extension were revised. We have also stepped up our efforts towards thorough working hour management to ensure consistent implementation of target limits on overtime hours, as set by labor and management, by sharing data about employee working hours with union officials.

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| FY2017 | September: Collective bargaining (introduction of the Union's newly appointed executives) January: Collective bargaining (revisions to human resource management systems) February: Expanded working team-level negotiations (revisions to compensation systems) |
| FY2018 | June: Expanded working team-level negotiations (union proposals for training systems) September: Collective bargaining (introduction of the Union's newly appointed executives) April/November: Working team-level negotiations (discussions about the working environment in the new Head Office building) |
| FY2019 | April: Collective bargaining (salary negotiation for the fiscal year ended March 2019) June: Expanded working team-level negotiations (revisions to human resource management systems) December: Collective bargaining (revision on the agreement on overtime and holiday work) February: Expanded working team-level negotiations (the bonus formula for the fiscal year ending March 2020, and partial revisions to human resource management systems) |

Creating an Environment in Which Every Individual Can Achieve Their Full Potential

Dialogue between Management Executives and the Labor Union

We are working to maintain healthy relationships and to deal with various issues through labor-management cooperation. For example, we actively create opportunities within each unit for dialogue with management executives and discussions with COO and General Manager of each unit regarding business overviews and policies, the administration of human resource management systems, and human resource development (in total 16 such meetings were held in the fiscal year ended March 2019).

| | |
|-----------|--|
| May 2018 | COOs of Energy Business Unit I and Unit II |
| June 2018 | COO of Food & Retail Management Business Unit, COO of Iron & Steel Products Business Unit, COOs of Mobility Business Unit I and Unit II, COO of IT & Communication Business Unit, COO of Mineral & Metal Resources Business Unit, COO of Food Business Unit, COO of Infrastructure Projects Business Unit, GM of CFO Planning & Administrative Division, COO of Consumer Business Unit, COO of Corporate Development Business Unit |
| July 2018 | President, COO of Nutrition & Agriculture Business Unit, COO of Healthcare & Service Business Unit |

Promoting Internal Communication

Activity

With the aim of making Mitsui an even more vibrant, dynamic, and vigorous company, we actively create opportunities for dialogue among employees and between the management and employees. For some time, we have been holding so-called Active Talk Wednesday (ATW) sessions as employee gatherings on a regular basis, with the aim of stimulating internal communication. In the fiscal year ended March 2019, three seated-style ATW sessions were held for small groups with a focus on stimulating communication between management and employees. Four buffet-style ATW sessions were also held with the aim of strengthening networking among employees. At the offices in Japan, a total of 13 ATW dialogue sessions were held, involving employees from affiliated companies as well. Furthermore, in the fiscal year ended March 2019, "The Kurumaza" (roundtable meetings), where the president meets with employees for open discussions, was held on 26 occasions at the Tokyo Head Office, 4 times at branches and offices in Japan, and 64 times at overseas offices. By sharing management's thoughts and ideas from a variety of perspectives and bringing together the opinions and thoughts of employees through face-to-face meetings, we will endeavor to create an organization with an atmosphere of openness. As we continue to promote work style innovation, and prepare for the planned move to the new Head Office building in 2020, in the fiscal year ending March 2020 we will advance various new initiatives aimed at further promoting communication within the company.



Seated-style ATW sessions at the Head Office

Health Management, Occupational Health and Safety Initiatives



Our Approach towards Health Management/Occupational Health and Safety

Policy

The Mitsui & Co. global group aims to develop safe, healthy working environments in which every individual employee can work with peace of mind. We see this as essential to enabling each employee to work at his or her full potential, and to continuing to strengthen the competitiveness of the entire Mitsui & Co. global group. In addition to measures in accordance with the laws and regulations in each country where we engage in business, we have established structures to ensure that we properly respond to emergencies, such as accidents and disasters. We also implement various health management and promotion measures.

Health Declaration

Policy

Recognizing that the good health of employees is one of Mitsui & Co.'s greatest assets, we formulated the Health Declaration on September 2017 as below.

Health Declaration

Employees are irreplaceable assets for Mitsui & Co. We regard health management for our valued employees as a vital management priority, and we will implement the following initiatives with the aim of helping our employees to maintain and improve their health.

1. We will create safe and comfortable workplaces in which employees can work energetically and in good health.
2. We will help our employees to work in the spirit of "challenge and innovation" by supporting their health management and sustainably enhance our corporate value.
3. We will help employees to raise their awareness of the need to maintain their own health and to take the initiative in maintaining and improving their mental and physical health.

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