

Integrity and Compliance



Our Approach towards Integrity and Compliance

Policy

Mitsui & Co. considers a sound reputation to be the foundation of business, and recognizes that it is only through a strong compliance culture that we can maintain our reputation and the trust of society. In our pursuit of compliance, we recognize that it is essential not only to comply with laws and regulations but also to behave and act with integrity.

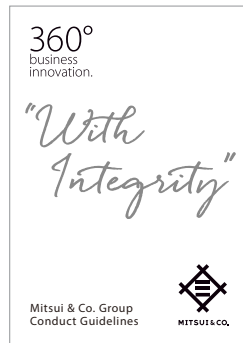
In order for the Mitsui & Co. global group to continue to be a truly trustworthy corporate group for society, we make serious efforts to heighten awareness among all officers and employees of the importance of upholding integrity and to maintain our status as an organization with integrity on a global-group basis.

Mitsui & Co. Group Conduct Guidelines and Business Conduct Guidelines for Employees and Officers


Policy

Mitsui & Co. Group Conduct Guidelines "With Integrity"

Each of the Mitsui & Co. group companies has individually established its own business conduct guidelines based on its specific business activities. In November 2018, we drew up the Mitsui & Co. Group Conduct Guidelines "With Integrity" to further clarify our basic approach towards integrity and compliance that has been shared on a global group basis. By each of us putting these guidelines into practice in our day-to-day work with the Five Key Principles as guideline core elements, the Mitsui & Co. group will be able to continue to respond to the trust placed in us by society with good faith and sincerity.



Our Stories: Build an organization with integrity

 P.35 Sharing Values by Promoting the Concept of Integrity

SDGs : 5.5, 10.2, 10.3, 16.5



Mitsui & Co. Group Conduct Guidelines "With Integrity"

Five Key Principles

1. We will comply with laws and regulations, and act to the highest ethical standards. We will respect human rights and never engage in discrimination of any kind.
2. We will respect the individuality and diversity of every employee, and foster a culture of open-mindedness.
3. We will engage in fair business practices, and respond to the trust placed in us by society with good faith and sincerity.
4. We will place value on the global environment, and contribute to the realization of prosperity and a high quality of life for society.
5. We will speak up with courage when we have doubts or feel that something is wrong, for the good of the company.



Mitsui & Co. Group Conduct Guidelines "With Integrity"

Business Conduct Guidelines for Employees and Officers

The "Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd." ("Business Conduct Guidelines") specify how every Mitsui employee and officer should act in his/her daily activities, from the perspective of compliance with laws and regulations, internal rules, and corporate ethics. The Business Conduct Guidelines help us fulfill our corporate social responsibility and gain the trust of our stakeholders. They have been revised from time to time since their establishment in February 2001, to reflect changing times.

To ensure that all our employees develop a proper understanding of the Business Conduct Guidelines and to review the effectiveness of these guidelines, we implement training and e-learning courses on a regular basis under the supervision of the Board of Directors, and at the same time, we require that all employees make a pledge to comply with the Business Conduct Guidelines every year.

Likewise, each of our group companies has formulated and implemented its own individual business conduct guidelines, based on the Business Conduct Guidelines, in the way best suited to its specific business activities. In addition, we have put in place business conduct guidelines in our overseas business locations, reflecting the local laws and regulations, and customary practices, of the countries in each region.

Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd.

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|---|--|
| 1. Compliance with the Law and Respect for Human Rights | 8. Company Fund and Financial Reporting |
| 2. Office Environment and Harassment | 9. Political Donations and Other Contributions |
| 3. Compliance with Antitrust Law | 10. Social Contributions |
| 4. Conflicts of Interest between Employees and the Company | 11. Protection of the Environment |
| 5. Gifts and Favors | 12. Action against Corporate Racketeering and Industrial Espionage |
| 6. Treatment of Company Information | 13. Reporting and Sanctions |
| 7. Compliance with Procedures for Export and Import and Other Applicable Laws | |

Compliance Framework

System

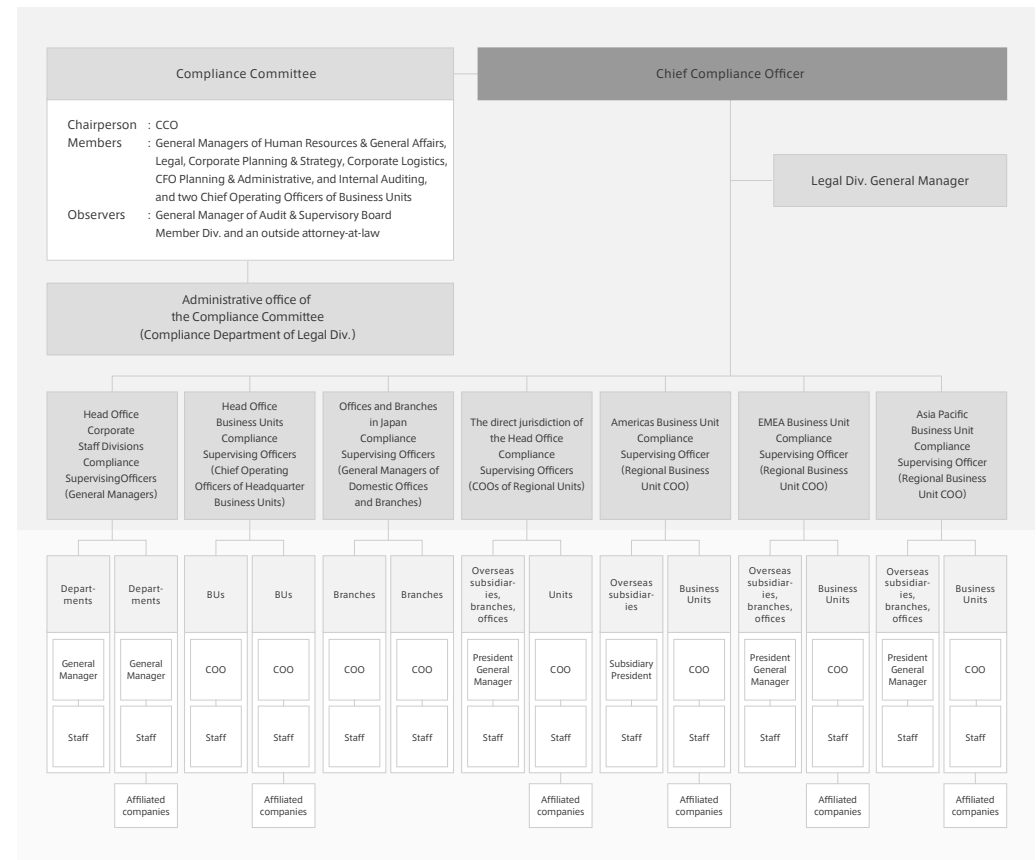
The Compliance Department of the Legal Division leads compliance-related initiatives on a global group basis under the direction and supervision of the Chief Compliance Officer (CCO) and in collaboration with the Compliance Supervising Officers appointed in each of Mitsui's business units, and branches and offices in Japan and overseas. The objectives of these efforts implemented on a Mitsui & Co. global group basis are to: (i) heighten compliance awareness, (ii) improve and strengthen compliance programs, and (iii) respond to specific compliance-related matters as they arise.

In addition, the Compliance Committee has been established as a forum for discussing topics relating to compliance. As the development of a compliance framework is becoming ever more important, we have increased the number of the Compliance Committee meetings since the fiscal year ended March 2019. We also reviewed the composition of committee members, and added two business unit COOs as committee members to facilitate discussions that reflect business frontline aspects. With the participation of external attorneys, the Compliance Committee discusses action plans for improving the compliance framework based on various compliance-related matters that have been reported. The minutes of the committee meetings are released on the company intranet.

The Board of Directors has a function of supervising the operation and other related matters of the compliance framework on a global group basis, and, in principle, the CCO reports to the Board of Directors twice a year on the operational status of the compliance framework, as well as the results of deliberations at the Compliance Committee meetings. The Board of Directors actively discuss key measures to be taken going forward. In formulating the Mitsui & Co. Group Conduct Guidelines "With Integrity," external directors and Audit & Supervisory Board members made specific suggestions and comments in relation to the content of the guidelines and awareness-raising activities, and those suggestions and comments have been reflected in the guidelines.

In addition, Mitsui & Co. group CCO meetings, in which CCOs of Mitsui and its affiliated companies in Japan participate, and overseas office CCO meetings, are held regularly in order to actively exchange information and opinions about optimum initiatives and other related matters, thereby strengthening the compliance framework on a global group basis.

In the event of a compliance violation, or a risk of a compliance violation, the corresponding Compliance Supervising Officer such as the COO of business unit, will take the lead in responding to the situation, identifying the causes and formulating recurrence prevention measures, and then report to the CCO. In some cases, the Compliance Department of the Legal Division will take actions under the leadership and supervision of the CCO. Procedures have been stipulated in advance for the establishment of Crisis Response Headquarters under the direct supervision of the President & CEO to ensure timely and appropriate decision-making on crisis response measures.



Compliance Program

Policy System Activity

SDGs : 16.5

We believe that even if a detailed, fine-tuned compliance program is formulated, the effectiveness of the compliance framework cannot be reinforced without management executives taking the lead in compliance related initiatives. For this reason, the President & CEO, CCO, and other executives are proactively engaging in awareness-raising activities and sending messages to employees continuously and repeatedly on the importance of integrity and compliance.

Specific measures include the promotion of integrity awareness using the Mitsui & Co. Group Conduct Guidelines "With Integrity," the CCO Blog and other media, and the fostering of a Speak Up culture in which people do not hesitate to speak up when they feel that something is going wrong. We also steadily implement compliance awareness surveys, share information about compliance violations, and take steps to prevent recurrences. Other initiatives focus on thorough management in the business frontline, the reinforcement of control over operational processes, and the promotion of human resource mobility. In addition, we provide various types of training and e-learning programs.

Mitsui aims to achieve continual improvement by remaining focused on society's expectations. We also recognize the importance of continually assessing risks relating to our business activities and reviewing our compliance-related measures based on the results of those assessments. Each year, we verify the effectiveness of measures implemented in the previous fiscal year and identify issues based on the results of compliance awareness surveys, the content of discussions by the Compliance Committee and the Board of Directors, exchanges of views with compliance liaison managers in each organization, and feedback from outside assessment bodies. Findings from this process are used in the formulation of activity plans for the next fiscal year.

Compliance Education and Training

Mitsui implements a variety of compliance education and training programs to deepen employees' compliance awareness and disseminate essential knowledge and information about compliance.

In the fiscal year ended March 2019, we provided compliance training for employees at all levels from new entrants to managers, training for employees about to be transferred overseas or to group companies, and seminars, e-learning, and other programs on important laws and regulations in Japan and overseas. We also implemented harassment-related training based on case studies, especially for employees in managerial positions, as part of our efforts to prevent such situations. This training also includes explanations about the procedures that staff should follow when they receive reports or requests for advice about harassment, with the aim of creating an organization in which employees feel safe to speak up about such issues.

In November 2018, we expanded the existing Compliance Review Week program into the Compliance Review



Panel discussion by management executives

Month. Messages were disseminated by the President & CEO, the CCO, and other senior officers, and the CCO, CAO and others presented a panel discussion on the theme of Integrity. The program also included lectures by external speakers. In addition to these company-wide initiatives, individual organizational units also ran active programs that included seminars, information-sharing sessions, and discussions.

In the fiscal year ended March 2019, we ran a course based on a compliance handbook explaining Business Conduct Guidelines for Employees and Officers of Mitsui & Co. for those who had been unable to take the course in the previous fiscal year; we also ran an on-line test to check their level of understanding. The purpose of these activities was to promote assimilation of basic compliance knowledge that officers and employees of Mitsui should possess in order to perform their day-to-day tasks.

Mitsui also maintains an active program of compliance training for officers and employees of group companies. We distributed the Mitsui & Co. Group Compliance Handbook in response to requests from subsidiaries and group companies in Japan. We also provided an e-learning platform to allow the distribution of our own teaching materials and the implementation of an on-line test similar to that used for Mitsui's employees. Overseas offices and group companies also implement compliance education and training programs that reflect local regional characteristics.

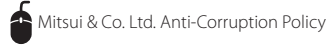
Efforts to Ensure Compliance with Applicable Competition Laws

We regard compliance with the competition laws in the applicable jurisdictions as an important issue for our corporate management, and we provide various manuals and hold regular seminars to ensure that all officers and employees are informed of, and comply with, the applicable competition laws. In particular, with respect to the prevention of cartels, we established and enacted the "Code of Conduct in relation to the Prevention of Cartels," as a sub-standard of the Business Conduct Guidelines for Employees and Officers of Mitsui & Co. in November 2018. By presenting a specific code of conduct in relation to the prevention of cartels, we have clarified our stance on ensuring compliance with the applicable competition laws and raise awareness among all of our officers and employees of the compliance requirements. In addition, we also work to ensure that compliance with the applicable competition laws is achieved on a global group basis by each of the Mitsui & Co. group companies, by carrying out education and training on the applicable competition laws while taking into account the characteristics of each respective region.

Initiatives to Prevent Corruption

We also regard compliance with anti-corruption laws in the applicable jurisdictions as an important issue for our corporate management, and have published the Mitsui & Co., Ltd. Anti-Corruption Policy in December 2016 in relation to Mitsui's comprehensive anti-corruption framework and initiatives. When examining new business projects, due diligence is carried out based on this policy, in particular, for projects that are deemed to have a high risk of corruption. In addition, in order to ensure that all officers and employees comply with anti-corruption laws, we have established rules on the management of business entertainment for public officials, as well as rules on the appointment of sales agents, and have also been conducting various kinds of education and training. Furthermore, we have been implementing education and training related to anti-corruption laws at Mitsui's affiliated companies in Japan and overseas as well, promoting the development and operation of an anti-corruption framework which conforms to Mitsui's own framework.

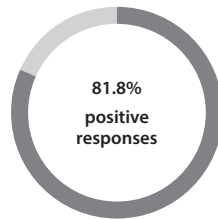
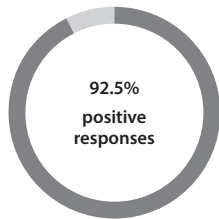
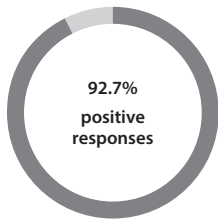
The Board of Directors oversees the administration of the compliance framework on a global group basis, including compliance with the Mitsui & Co., Ltd. Anti-corruption Policy.



Compliance Awareness Survey

Each year we conduct a Compliance Awareness Survey to ascertain the level of compliance awareness of officers and employees in Head Office and branches and offices in Japan. Surveys are also conducted at overseas offices and group companies as required. The results are used in the formulation and implementation of various policies.

- ① Do you think that there is good workplace communication, and that you can easily talk about compliance with your superiors, colleagues, and subordinates?
- ② Do you think that the company is serious about promoting the use of the whistleblowing system?
- ③ If you became aware of a compliance issue, would you use the whistleblowing system to report the matter or seek advice?



In relation to the third question, we are working to make the whistleblowing system easier to use for officers and employees by implementing various measures.

Other Initiatives

We identify lessons from compliance-related matters occurring within the Mitsui & Co. group and develop recurrence prevention measures. Information about such matters that could be useful as reference for the development of compliance systems is shared with other organizations.

As in the previous fiscal year, we held the Mitsui & Co. group CCO meeting, attended by the CCOs of Mitsui and its affiliated companies in Japan, which included seminars and group discussions about the whistleblowing system. In addition, we work to ensure consistent compliance at the group level through visits to key affiliated companies in order



Group CCO meeting

to identify issues affecting each company, and to provide advice about the development and administration of autonomous, self-sufficient compliance programs.

In the fiscal year ending March 2020, we will continue our efforts to deepen information sharing and support the effective development and administration of compliance programs at group companies. Our aim is to ensure that all of our officers and employees always put emphasis on compliance on a global group basis.

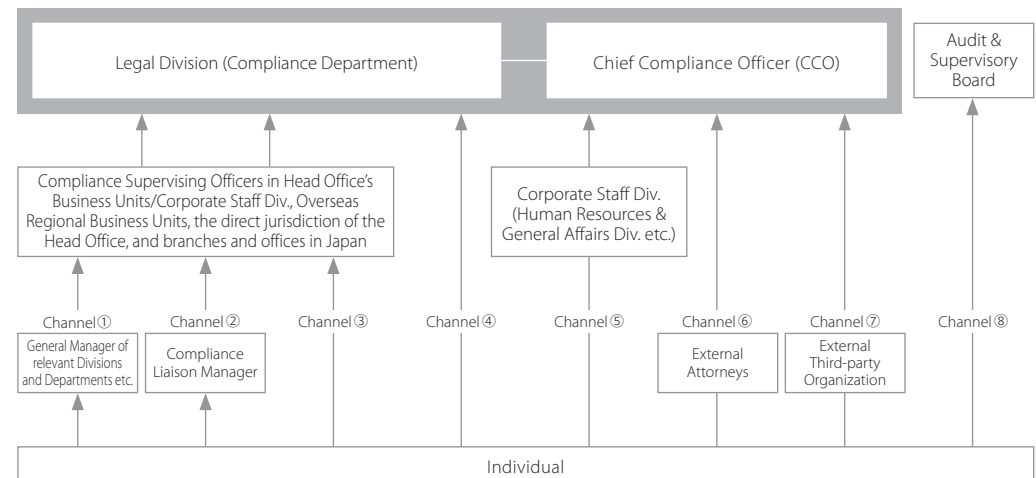
Facilitating Communication and Fostering a “Speak Up” Culture

System Activity

We believe that the essence of compliance lies in the development of an open working environment that reflects our management philosophy and values, so that problems can be prevented through smooth communication. Should problems occur, a report must be immediately made to superiors or to those in charge, so that appropriate action can be taken in a timely manner. Mitsui recognizes the importance of discovering problems at an early stage, and we are actively fostering a culture in which people speak up when they become aware of issues. Management executives continually disseminate the message that we can improve the company by speaking up about issues.

We have established eight channels for reporting compliance-related matters within or outside of the administrative chain of command, including anonymous access to attorneys and independent organizations outside of the company.

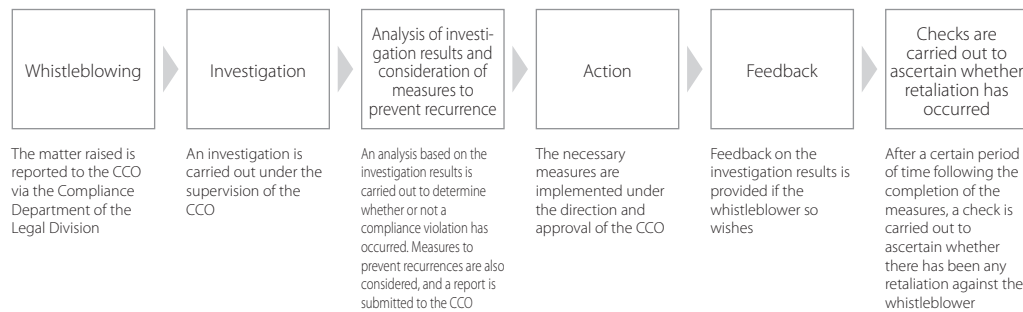
Channels for Reporting Compliance-Related Matters



The most important way to ensure that the whistleblowing system is used effectively is to prevent any form of retaliation against or disadvantageous treatment of whistleblowers. The rules for the whistleblowing system already prohibited such actions against whistleblowers, but in July 2018 we specifically stipulated that any person engaging in retaliation against or disadvantageous treatment of a whistleblower could become subject to disciplinary action. Other measures to encourage people to speak up include a specific provision in the whistleblowing system rules that if a person who is involved in a compliance violation reports the matter to the company himself/herself, such action will be taken into account when disciplinary actions are considered.

In November 2018, we further enhanced the transparency of whistleblowing processes and confidence in the system by posting a video entitled "Speak up when you think something is wrong!" on the intranet for officers and employees. This video explains the various routes for reporting issues and the investigation process after an issue is reported.

Response after Whistleblowing



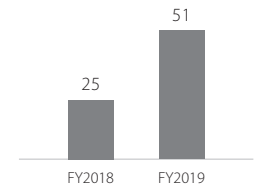
For our group companies in Japan, we have created a process for ensuring that employees feel that it is safe to report issues, by (1) making available the use of external law firms and third-party organizations designated by Mitsui as external reporting channels, and (2) monitoring the actions of group companies and providing guidance to ensure that whistleblowing systems are properly established and administered. As regards overseas offices and group companies, regional Compliance Supervising Officers are leading the development of whistleblowing channels, while also ensuring that these systems reflect local laws and regulations, as well as specific local customary practices in each country.

Furthermore, Mitsui has introduced the Global Group Hotline, a special whistleblowing hotline for reporting and seeking advice regarding cases that breach the laws of Japan or another country in relation to anti-trust (monopoly) laws or anti-corruption laws, or cases that give rise to suspicion of such breaches. Under the system that is being put in place, the Compliance Department of the Legal Division of Head Office becomes a unified channel by which to receive whistleblowing reports from overseas trading affiliates, and other subsidiaries in Japan and overseas.

Officers and employees of group companies are also able to seek advice directly through Mitsui's whistleblowing system when the issues are related to officers and employees of Mitsui or when the issues could have a serious impact on the Mitsui & Co. group.

Number of Whistleblowing Reports

A total of 51 whistleblowing reports were submitted directly to the Compliance Department of the Legal Division or through external channels in the fiscal year ended March 2019. This is a substantial increase over the previous year's total and reflects our efforts to foster a Speak Up culture. Around 70% of the reports were related to harassment or similar matters, while 20% concerned labor issues.



Status of Compliance Reports

Activity

We believe that if employees report compliance-related matters at an early stage, we can take action to mitigate problems, ultimately leading to the prevention of compliance violations. We therefore encourage officers and employees to report potential issues early, even if they are not certain that compliance violations have occurred.

In the fiscal year ended March 2019, 945 reports were made in relation to compliance at Head Office, offices in Japan and overseas, and affiliated companies. None of these matters had a material effect on the business of Mitsui or its affiliated companies. Furthermore, there were no cases where Mitsui received any legal sanctions or paid any fines or financial penalties due to violations of anti-bribery laws or anti-competition laws.

Global Tax Management Policy

Policy

We are committed to complying with our tax obligations and simultaneously managing our global tax costs. Our Global Tax Management Policy is available below.

