

Sustainability at Mitsui & Co. and the Management Framework

Our Approach towards Sustainability

Sustainability has always been an integral part of Mitsui & Co.'s basic philosophy and today, it is clearly defined in our Mission, Vision, Values ("MVV"), adopted in May 2020. Our corporate mission is to "build brighter futures, everywhere". Toward the realization of a brighter tomorrow for earth and for people around the world, we, as challengers and innovators, aim to be a corporate group that creates and grows business while addressing material issues for sustainable development.

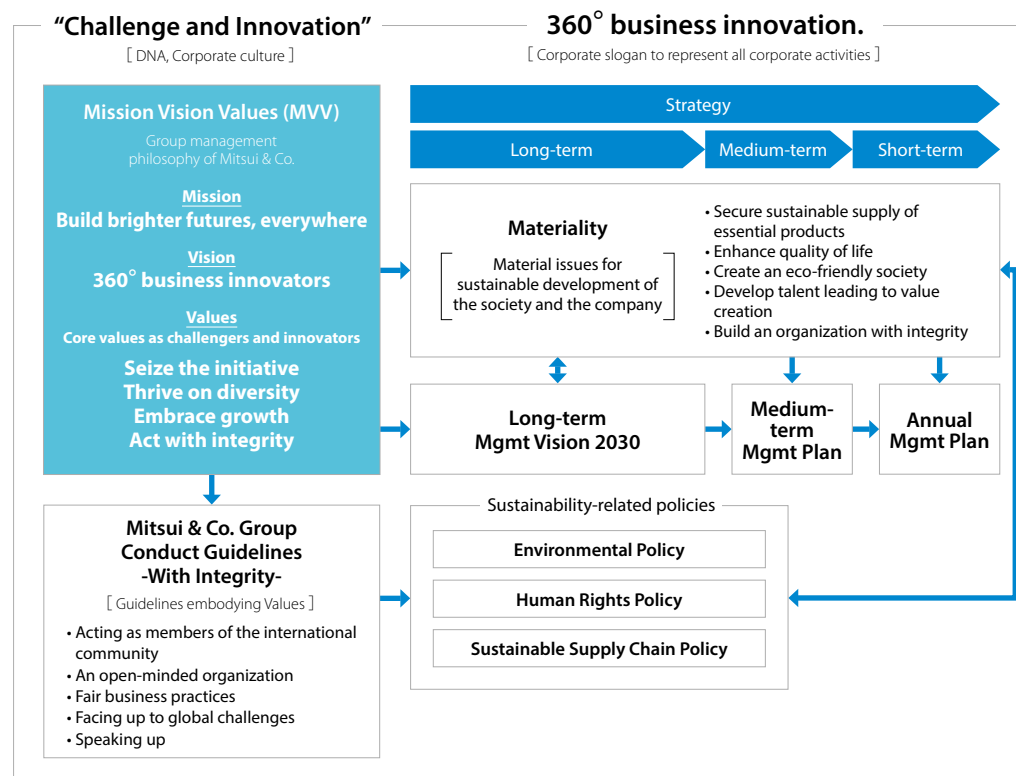
To attain this goal, we have adopted clearly defined values to be shared across the entire Mitsui & Co. group. To help individual group employees put these values into practice, we have formulated the Mitsui & Co. Group Conduct Guidelines—With Integrity, which define not only integrity and compliance but also our basic stance on key sustainability themes, including respect for human rights, environmental preservation, social contribution, and the development of trust with stakeholders. In addition, we also define our specific stance as a company in individual policies on the environment, human rights, and supply chains.

Toward the achievement of our corporate mission to "build brighter futures, everywhere", we have identified five material issues in Mitsui & Co.'s Materiality. In addition to their importance to our stakeholders, these material issues also have major potential impact on Mitsui's business management. For Mitsui to realize sustainable growth together with society, each of these material issues has the potential to be a significant source of both risks and opportunities in the medium- to long-term perspective. By regarding them as fundamental elements, we formulate business strategies, including the medium-term management plans and business plans.

In the Medium-term Management Plan 2023, we have identified "sustainability management and evolution of ESG" as one of six corporate strategies, in order to bring forward "transform and grow". We have further strengthened our commitment to sustainability management by identifying climate change, circular economy, and business and human rights as priority issues. We will also continue our efforts to strengthen corporate governance.

In accordance with our management philosophy and these policies and guidelines, we will continue to respond seriously and sincerely to the trust and expectations of our stakeholders, and to contribute through our wide-ranging business activities both to sustainable global economic and social development, and to the solution of global-scale issues.

Relationship of Corporate Policies



Medium-term Management Plan 2023 –Transform and Grow: Six Corporate Strategies

1. Strengthen business management capabilities
2. Evolve financial strategy and portfolio management
3. Personnel strategy
4. Strategic focus
5. Strengthen profitability of core businesses and take on challenges in new businesses
6. Sustainability management; Evolution of ESG

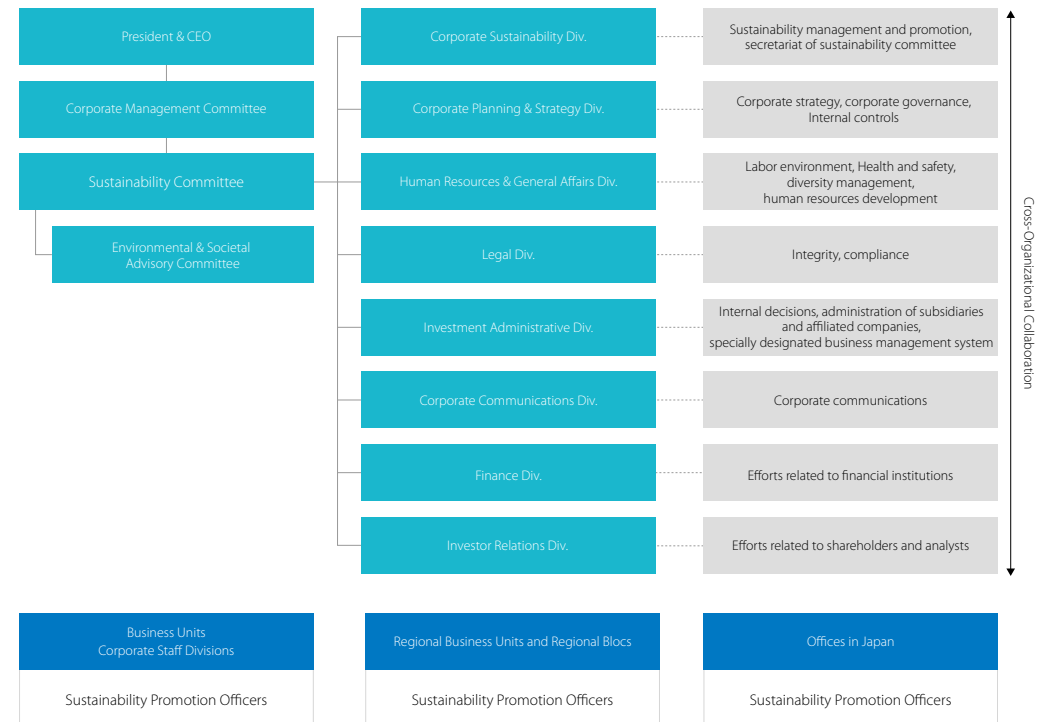
Sustainability Management Framework

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. In May 2017, we established the Sustainability Committee 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 Sustainability 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.

In April 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 strives 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.

We appoint Sustainability Promotion Officers in corporate staff divisions and business units in the Head Office, overseas regional business units, regional blocs, 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 2020, 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, held lectures on ESG information disclosure, and conducted training programs on business and human rights.

Moreover, the Sustainability Promotion Officers 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.




Sustainability Committee

As an organization under the Corporate Management Committee, the Sustainability Committee aims to promote management with a greater awareness of sustainability by developing basic policies on our sustainability management and related plans, and by making proposals on our management policies and business activities from a sustainability standpoint.

The Sustainability Committee consists of the CSO (the Committee Chair), CHRO and CFO (the Vice Chairs), Deputy CSO, and the GMs of the Corporate Staff Divisions including the Corporate Sustainability Division, Corporate Planning & Strategy Division, Human Resources & General Affairs Division, Legal Division, Investment Administrative Division, Corporate Communication Division, Finance Division, and Investor Relations 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 applicants for the Environment Fund grants.
13. 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 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 from 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.

 **P.113** Specially Designated Business Management System and Environmental & Societal Advisory Committee

The details of discussions held at meetings of the Sustainability Committee are reported regularly to the Corporate Management Committee and the Board of Directors. These reports are used to help to determine our management policy. The Board of Directors oversees the Sustainability Committee to ensure that its activities are conducted in an appropriate manner (The number of cases related to management strategy, sustainability, and governance that were discussed by or presented to the Board of Directors in the fiscal year ended March 2020 was 25 out of a total of 70.)



Integrated Report 2020 (P.103 Mitsui's Corporate Governance)

Main Discussions at Sustainability Committee Meetings in FY 2020

1st Meeting (June 7, 2019)

- Deliberations on climate change-related matters (scenario analysis)
- Report on the Sustainability Report 2019 editorial policy and progress
- Report on global social contribution activities in the fiscal year ended March 2019
- Deliberations on the Mitsui & Co. Environment Fund activity policy for the fiscal year ending March 2020

2nd Meeting (September 2, 2019)

- Deliberations on the statement under the UK Modern Slavery Act
- Progress report on climate change-related matters (scenario analysis)
- Deliberations on the Corporate Strategy under the Medium-term Management Plan: Setting Sustainability-related Targets and Priorities (1)

3rd Meeting (October 15, 2019)

- Deliberations on climate change-related matters (scenario analysis)
- Report on circular economy initiatives and policy
- Deliberations on the Corporate Strategy under the Medium-term Management Plan: Setting Sustainability-related Targets and Priorities (2)

4th Meeting (December 19, 2019)

- Report on business and human rights, and review of supply chain management
- Deliberations on the policy for responding to ESG surveys
- Deliberations on climate change-related matters (introduction of an internal carbon pricing system)

5th Meeting (February 27, 2020)

- Deliberations on the review of sustainability-related policies
- Deliberations on the Corporate Strategy under the Medium-term Management Plan: climate change-related matters (GHG emissions reduction target)
- Report on the Sustainability Report 2020 editorial policy
- Report on sustainability management promotion activities in the fiscal year ending March 2020, as well as action plans for the fiscal year ending March 2021

Raising Awareness on Sustainability Management

Mitsui has designated June as our Sustainability Month and holds lectures aimed at raising awareness on sustainability management.

Furthermore, even in other months, we conduct lectures on Mitsui's sustainability management in the New Hire Induction Training, and more than 50 briefings for corporate staff units and business units, which had over 1,000 participants in all. Through the aforementioned activities and also through other means and initiatives, we encourage our employees to consider sustainability perspectives in their everyday work.

Sustainability Month Program

In June 2019, approximately 140 Mitsui officers and employees attended a lecture by Hiroko Kuniya titled "Changing Society with SDGs—Expectations toward Business Corporations." Ms. Kuniya is a newscaster, project professor at Keio University, and National Goodwill Ambassador for Japan of the Food and Agriculture Organization of the United Nations (FAO). In the lecture, Ms. Kuniya shared many passionate and inspiring messages as she spoke about the awareness of the SDGs and trends in society, the background of the creation of the SDGs and their importance, trends in the financial sector, the need for new business models, and expectations toward business corporations. In response to a question from a participant on how to balance the achievement of the SDGs and business profit targets, Ms. Kuniya pointed out that the focus had already shifted away from "balance," and that we are in a transformational era in which we need to make efforts to increase positive impacts while decreasing the negative ones. Some of the comments from the participants after the lecture included that the lecture had been helpful to deepen knowledge about the SDGs, and that Ms. Kuniya's strong message inspired to think about incorporating SDG perspectives into business activities going forward. There was also a comment from a participant promising to take action starting with eco-friendly activities at the office.



P.37 Environment-Related Training

P.66 Heightening Employee Awareness and Providing Training Seminars

P.108 Compliance Education and Training

Mitsui & Co.'s Stakeholders

Mitsui & Co. places emphasis on interacting with and having dialogue with society. For this reason, we closely assess the effects of our diverse and global business activities on society and identify and acknowledge stakeholders of particular interest.

In particular, we are committed to the development of relationships based on mutual trust with a diverse range of stakeholders, including local communities, business associates & consumers, NPOs & NGOs, employees, shareholders & investors, and government bodies, through proactive information disclosures and continual communication with our stakeholders.

Through interactive communication with stakeholders, each of Mitsui's employees and officers is endeavoring to acquire a firm understanding of what society expects from and requires of Mitsui. Based on this understanding, we strive to respond to changes in market environments, and constantly evolve to create new value through our business activities by exercising our unique capabilities, and thereby contribute to the realization of a sustainable society.

