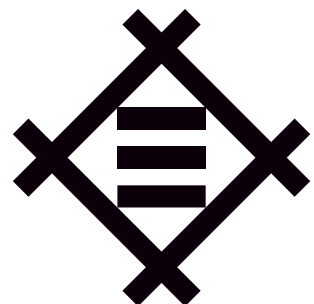


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MITSUI & CO., LTD.

Sustainability Report 2022



MITSUI & CO.

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Sustainability Report 2022 Highlights

Major Changes from Sustainability Report 2021

Sustainability Management

Formulation of Sustainability Policy

- Reorganized our Company's approach to sustainability and obtained approval from the Board of Directors

Formulation and revision of sustainability-related policies

- Revised our Environmental Policy: Made additions to the existing policy including environmental issues related to business activities, construction of environmental management system, stakeholder engagement, remedy, education and training, and reporting
- Revised our Sustainable Supply Chain Policy: Made additions to the existing policy including initiatives to address environmental issues, remediation guidance to business partners, and reconsideration of business relationships if no improvement is made
- Formulated our Health Management, Occupational Health & Safety Policy: Reorganized our approach to health management, occupational health and safety

Environment

Climate Change

Expansion of disclosures based on TCFD recommendations

- Governance Structure for Climate Change Response: Added climate change response as one of the evaluation indicators for executive remuneration from FY Mar/2023
- Transition risk analysis: Expanded scope of business areas covered, expanded description of awareness of business environment and impact on businesses, and added 1.5°C scenario analysis

Addition of list of power generation businesses

- Added list of our power generation businesses (renewable energy, gas-fired, coal-fired, and oil-fired)

Water Resources

Revision of policies and basic approach

- Added our approach to the human rights aspects of water resources

Circular Economy

Revision of segment goals

- Updated goals and progress in terms of risks and opportunities associated with the transition to a circular economy in each segment

Biodiversity

Participation in initiatives

- Joined TNFD Forum and 30by30 Alliance in March 2022

Social

Human Rights

- Published statement on the UK Modern Slavery Act in FY Mar/2022

Human Resources Development

Introduction of global group talent management system

- Introduced a talent management system, to integrate and platform human resources databases and help to ensure that the right people are in the right places, and support employees in taking the initiative in autonomously devising their own careers

Expansion of Human Resources Bulletin Board to year-round system

- Introduced a year-round HR Bulletin Board System for matching human resource needs, and disclosed the annual recruitment schedule internally

Supply Chain Management

Creation of Sustainable Supply Chain Management Handbook

- Created a handbook on supply chain issues, the backgrounds, and practical actions, to inform and raise awareness of our policies among our business partners

Publication of palm oil mill list

- Disclosed our list of supplier mills

Governance

Corporate Governance

Revision of Executive Remuneration Plan

- Revised the executive remuneration plan for FY Mar/2023 and thereafter obtained approval at the Ordinary General Meeting of Shareholders held in June 2022

Evaluation by Society

- Selected as a constituent stock of the FTSE Blossom Japan Sector Relative Index which has been newly established by FTSE Russell
- Newly selected as a constituent stock of the MSCI Japan ESG Select Leaders Index
- Received a Bronze Class rating in S&P Global Sustainability Award 2022
- Assessed to be a Low Risk company in ESG Risk Ratings by Sustainalytics

Editorial Policy

The Sustainability Report 2022 (PDF version) is a consolidated PDF version of the sustainability-related information on our website as of the end of November 2022. The website will be updated as needed after December 2022.

We provide detailed ESG information on our website with the aim of delivering an explicit message to our stakeholders that Mitsui & Co. commits to creating new values through a wide range of business activities, and contributes to social and corporate sustainability

Scope of Coverage	Mitsui and major consolidated subsidiaries and associated companies. The scope of coverage for numerical data is provided individually in appended notes.
Covered Period	The Sustainability Report 2022 mainly covers our initiatives carried out in the period from April 2021 to March 2022 (the fiscal year ended March 2022, "FY Mar/2022"), as well as part of our policy and initiatives carried out in the fiscal year ending March 2023, "FY Mar/2023".
Independent Practitioner's Assurance	<p>The star ("★") indicates that the sustainability information concerned has been given limited assurance, for the purpose of increasing its reliability, by Deloitte Tohmatsu Sustainability Co., Ltd. in its independent practitioner's assurance report.</p> <p>—</p> <p>Independent Practitioner's Assurance Report</p>
Publication Date	December 2022 (Previous publication date: September 2021 ; next publication scheduled for December 2023)
Guidelines	<ul style="list-style-type: none"> GRI (Global Reporting Initiative) Sustainability Reporting Standards Our Sustainability Report has been prepared in accordance with the Core option of the GRI Sustainability Reporting Standards. <p>—</p> <p>GRI Standards Comparison Chart</p> <ul style="list-style-type: none"> ISO26000 (Guidance on Social Responsibility)
Published by	Sustainability Committee, Mitsui & Co., Ltd.
Corporate Profile	About Us
Contact	<p>Corporate Sustainability Division, Mitsui & Co., Ltd. 2-1, Otemachi 1-chome, Chiyoda-ku, Tokyo 100-8631, Japan : +81 (3) 3285-1111 : +81 (3) 3285-9030 www.mitsui.com/jp/en</p>

Sustainability Information Disclosure

Reports	Contents	Media		
		Booklet	PDF	HTML
Sustainability Report	The Sustainability Report is issued annually and prepared for all stakeholders to cover detailed non-financial ESG-related information of Mitsui.		●	●
Integrated Report	The Integrated Report is issued annually for every stakeholder to gain an understanding of Mitsui's management strategies, business overview, and initiatives for sustainable value creation.		●	
Annual Securities Report	The Annual Securities Report is issued pursuant to Article 24, Section 1 of the Financial Instruments and Exchange Act and is required to be submitted to the Kanto Finance Bureau. Please refer to this report for more detailed financial information.	●	●	
Corporate Governance Report	In accordance with Japan's Corporate Governance Code, Mitsui issues a Corporate Governance Report that provides details on Mitsui's basic corporate governance approach and structure. Mitsui is also required to submit this report to the Tokyo Stock Exchange. Please refer to the PDF link for more detailed information related to Mitsui's organizational design, operational status, and evaluation of Board of Director effectiveness.		●	

A Cautionary Note on Forward-Looking Statements:

This material contains statements (including figures) regarding Mitsui's corporate strategies, objectives, and views of future developments that are forwardlooking in nature and are not simply reiterations of historical facts. These statements are presented to inform stakeholders of the views of Mitsui's management but should not be relied on solely in making investment and other decisions. You should be aware that a number of known or unknown risks, uncertainties and other factors could lead to outcomes that differ materially from those presented in such forward-looking statements. These risks, uncertainties and other factors referred to above include, but are not limited to, those contained in Mitsui's latest Annual Securities Report and Quarterly Securities Report, and Mitsui undertakes no obligation to publicly update or revise any forward-looking statements.

Message From the President



By providing solutions that effectively meet the expectations of our diverse stakeholders, we will build brighter futures, everywhere.

Mitsui & Co. recognizes the increasingly growing relevance of sustainability issues, such as human rights, climate change, and biodiversity, in corporate management. Meanwhile, business environments are dramatically changing as evidenced by supply chain disruptions due to COVID-19 and intensifying concerns over energy security associated with rising geopolitical risks. These social issues are interlinked with one another through a complex web of factors affecting society on a global scale. In light of this, we need to carefully blaze a path for solving said challenges while rigorously weighing variables and balancing timelines. Taking such global perspectives into account, Mitsui strives to devise workable, real solutions tailored for each industry and region. I believe that will lead to the embodiment of our corporate mission, "Build brighter futures, everywhere".

We pursue value creation by addressing various social issues. This is also essential for the company to achieve sustainable growth. Mitsui prides itself on having deep insights and extensive partner networks built up over years across regions and industries around the world. By connecting these invaluable assets based on our cross-industry engagement, listening sincerely to our diverse stakeholders, and pursuing optimized solutions that adeptly accommodate environmental changes, we will continue to contribute to realizing a better tomorrow for the earth and for people around the world.

August 2022

Kenichi Hori

President and Chief Executive Officer

Message From the Chairperson of the Sustainability Committee



By resolving societal issues through our business activities, we will promote the growth of Mitsui and build brighter futures, everywhere.

Society today is increasingly concerned about climate change, human rights, biodiversity and other matters of global significance. Responding to these concerns is the foundation of our management philosophy, and we have identified material issues for the sustainable growth of both society and the company as "Materiality". Since 2021 we have maintained a goal of further promoting Materiality through the formulation of Materiality Action Plans, which includes the creation of policies and monitoring of progress by each organization for each material issue. We also link our Materiality with the United Nations Sustainable Development Goals (SDGs) to advance initiatives and activities that contribute to the 17 SDGs.

We have also formulated our new Sustainability Policy to further clarify our approach to sustainability, along with a new Environmental Policy, Human Rights Policy, Sustainable Supply Chain Policy, Health Management, Occupational Health and Safety Policy, and Social Contribution Activities Policy, as field-specific guidelines which we have formulated and expanded in light of changes in the external environment. In addition, we have formulated specific procurement policies for natural rubber, palm oil, timber, and paper products to clarify points to be considered from the perspective of the environment and human rights, and to strive for sustainable procurement.

In accordance with these principles and policies, we are working towards achieving a more sustainable business portfolio through asset replacement and the creation of diverse new businesses that will help to resolve societal issues. In our Medium-term Management Plan 2023, which concludes this fiscal year, we have identified climate change, business and human rights, and circular economies as three priority themes. In addressing climate change, we have set a goal of achieving net-zero emissions by 2050 and an interim target of halving our GHG impact by 2030.

In addition, we aim to further build upon our reduction contribution business, which contributes to the reduction of greenhouse gas emissions by third parties, through business in areas such as renewable energy and the creation of emission credits. In terms of human rights initiatives, we are implementing human rights training for employees and business partners, and conduct surveys and on-site visits to suppliers to identify human rights risks in the supply chain and promote dialogue for improvement.

We are promoting PET recycle business together with the introduction of advanced recycling technologies as part of our efforts to promote circular economies. We are also making concrete efforts to conserve biodiversity as stewards of one of Japan's leading company-owned forests, along with social contribution and other initiatives.

As each of our employees conducts business with a heightened awareness of sustainability, we will continue to strive to achieve sustainability in business and society through dialogue and collaboration with diverse stakeholders, including local communities, government, business partners, and suppliers.

June 2022

Makoto Sato

Representative Director, Executive Managing Officer,
Chief Strategy Officer (CSO),
Chairperson of the Sustainability Committee

Our Approach to Sustainability and Management Framework

Policies and Basic Approach

Sustainability Policy

Mitsui & Co.'s corporate mission as defined in its Mission, Vision, Values (MVV) is to realize a better tomorrow for earth and for people around the world and to "Build brighter futures, everywhere." Based on the MVV, we regard sustainability initiatives as important management issues, and, in accordance with the Mitsui & Co. Group Conduct Guidelines —With Integrity, this policy and sustainability-related policies, place a strong emphasis on sustainability in our corporate management. Our Group will take on the challenge of addressing global issues and contributing to the realization of a sustainable society and economic growth through our business activities.

Identification of Materiality and Promotion of Initiatives

For the sustainable growth of both society and the company, we identify important business issues that impact the company and its stakeholders as material issues ("Materiality"). We put this policy into practice by formulating our business policies and strategies, including medium-term management plans and business plans, based on our Materiality, given that each material issue may become a significant source of both risks and opportunities in the medium to long term.

Role of the Board of Directors

The Board of Directors appropriately supervises the Company's sustainability initiatives, striving to enhance the Company's corporate value in the medium to long term. Decisions on important issues related to sustainability are subject to final approval by or report to the Board of Directors, following a review by the Sustainability Committee and Corporate Management Committee.

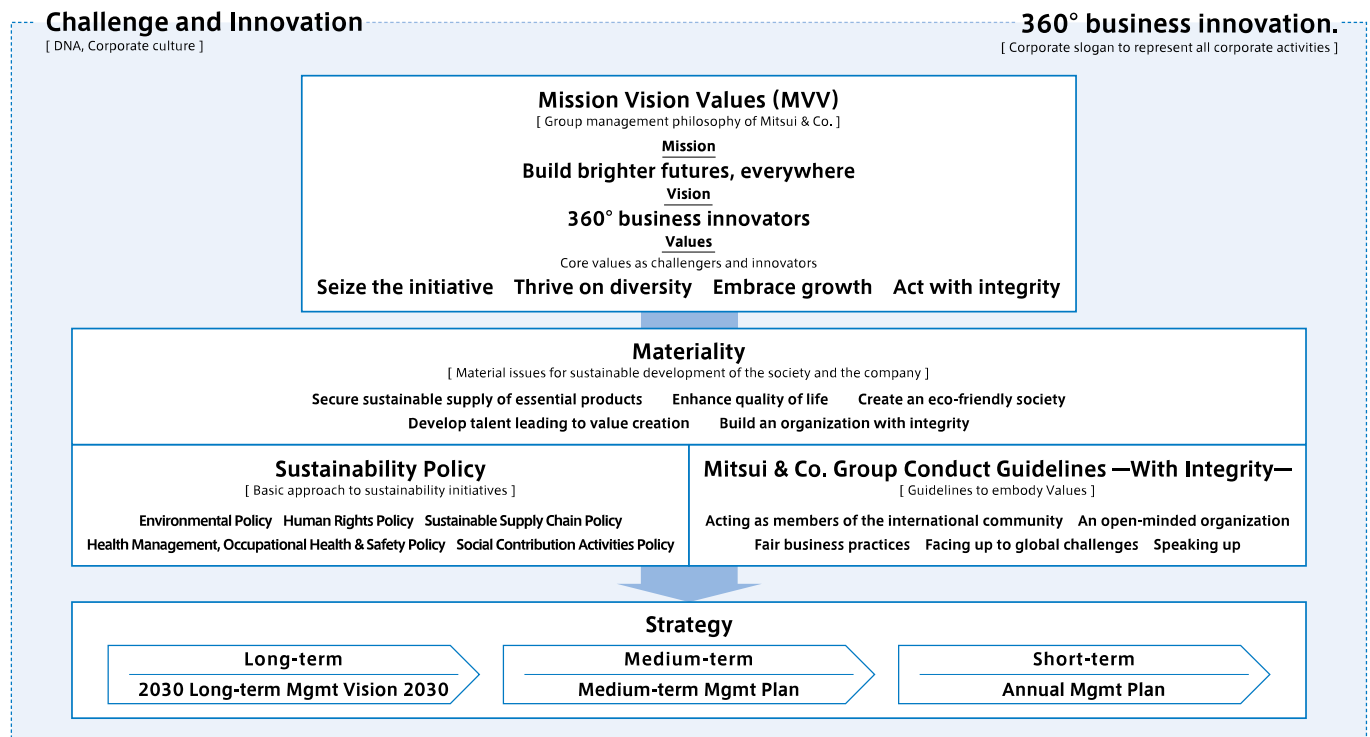
Stakeholder Engagement and Information Disclosure

We regard dialogue with stakeholders as highly important. We strive to implement appropriate disclosure of information and respond sincerely and faithfully to the trust and expectations of our stakeholders.

This policy was approved by the Board of Directors.

Formulated November 2021

Relationship of corporate policies



[Corporate Mission Vision Values](#)

[Mitsui & Co. Group Conduct Guidelines](#)

[Mitsui & Co.'s Materiality](#)

[Medium-Term Management Plan](#)

[Sustainability Policy](#)

Sustainability-related policies

- [Environmental Policy](#)
- [Human Rights Policy](#)
- [Sustainable Supply Chain Policy](#)
- [Procurement Policies for Specific Commodities](#)
- [Health Management, Occupational Health & Safety Policy](#)
- [Social Contribution Activities Policy](#)

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

Mitsui & Co.'s Core Values

The former Mitsui & Co.* which was established in 1876, was disbanded as part of the dissolution of Japan's zaibatsu (industrial conglomerates) shortly after the end of World War II. The current Mitsui was founded by employees of the former Mitsui that shared the values of the original company: "Challenge and Innovation," "Open-Mindedness," and "Focus on Human Resources." The Mitsui of today continues to contribute to the creation of new value for society. The way we work and the way we think are still very much based on the values espoused by Takashi Masuda, the first president of the former Mitsui, and are reflected in our stance toward our work. The principles of Mitsui's approach to sustainability as social responsibility have always reflected its founder's values, a way of thinking unchanged to this day.

* Legally speaking, there has been no continuation between the former Mitsui & Co. and the current Mitsui & Co.

"Let not short term gains tempt your mind, seek only enduring prosperity by embracing grand aspirations."

"I started Mitsui with the goal of realizing trade on a large scale, not in pursuit of money, but from the desire to work."

"Mitsui has a pool of very talented individuals. This is Mitsui's most important asset."

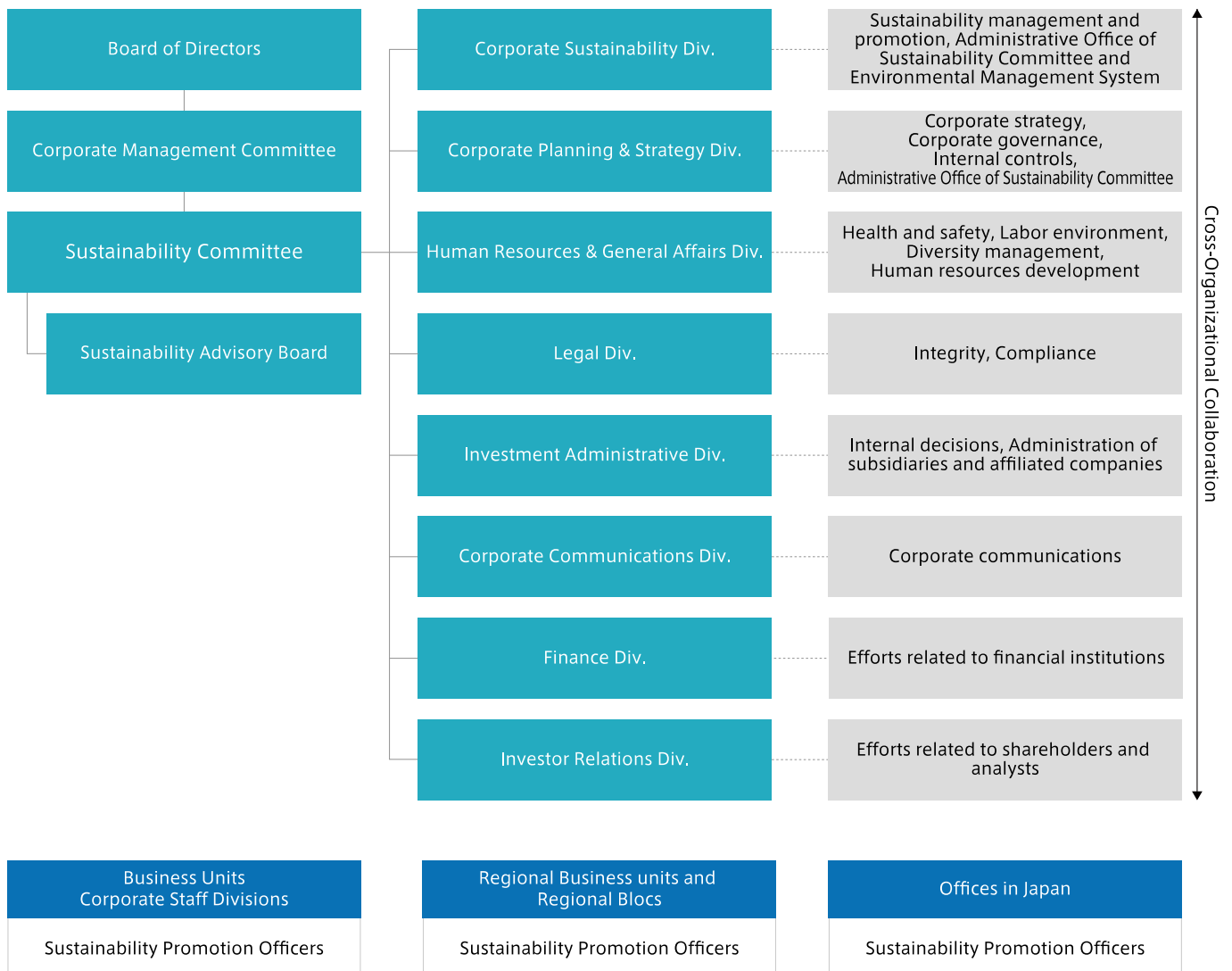
Takashi Masuda, the first president of the former Mitsui

Sustainability Governance and Oversight

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. We established the Sustainability Committee in May 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. As a subcommittee of the Corporate Management Committee, the Sustainability Committee plans, drafts and proposes basic management policies, business activities and corporate policies and strategies relating to sustainability and ESG. 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.

The Sustainability Committee is structured so that its activities are appropriately supervised by the Board of Directors, and matters discussed by the Sustainability Committee are regularly discussed and reported to the Corporate Management Committee and the Board of Directors. 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 2022 was 28 out of a total of 96. In the fiscal year ended March 31, 2022, the Board of Directors discussed and approved our "Sustainability Policy", and increased the number of regular reports at Board of Directors meetings to twice a year. The directors and corporate auditors, including external directors, also held free discussions on the theme of "Priority of Issues and Actions That Mitsui Should Tackle in the Medium to Long Term to Increase Corporate Value," which led to a lively debate that included initiatives on ESG.

Our Approach to Sustainability and Management Framework



Sustainability Committee

Committee Chair	Makoto Sato (Representative Director, Executive Managing Officer, Chief Strategy Officer (CSO))
Vice Chairs	Yoshiaki Takemasu (Representative Director, Senior Executive Managing Officer, Chief Human Resources Officer, Chief Compliance Officer) Tetsuya Shigeta (Representative Director, Executive Managing Officer, Chief Financial Officer)
Members	Deputy CSO, and the GMs of the Corporate Sustainability Division, Corporate Planning & Strategy Division, Human Resources & General Affairs Division, Legal Division, Investment Administrative Division, Corporate Communication Division, Finance Division, Investor Relations Division, and other employees and officers appointed by the Committee Chair as necessary.
Administrative Office	Corporate Sustainability Div., Corporate Planning & Strategy Div.

The committee has the following duties

1. Develop basic policies on the company's sustainability management and fundamental plans for activities to promote sustainability.
2. Review and make proposals on the company's management policies, business activities, as well as policies and strategies of corporate divisions from the perspective of sustainability.
3. Present proposals on company-wide policies and actions related to environmental (climate change, circular economy, environmental pollution, biodiversity, etc.), social (human rights, supply chain management, social contribution activities, etc.) or governance issue.
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 management of the company and ensure progress on these.
9. Respond to issues related to sustainability management, both internal and external to the company.
10. Approve important matters (basic policies, business plans, etc.) relating to the Mitsui & Co. Environment Fund stipulated in Basic Policy of the Mitsui & Co. Environment Fund.
11. Select proposals from applicants for the Environment Fund grants.
12. 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.

Main Discussions at Sustainability Committee Meetings in the fiscal year ended March 2022

1st Meeting (April 14, 2021)

- Report on Category 10 & 11 of GHG Scope3 Estimation
- Free Discussion on GHG Long-term Goal Progress Disclosure

2nd Meeting (June 9, 2021)

- Report on Enhancement of ESG Information Disclosure (Materiality Action Plans/Sustainability Report 2021)
- Deliberations on Human Rights & Supply Chain Management/Formulation of Individual Procurement Policies (natural rubber, palm oil, wood materials/paper products)
- Free Discussion on Formulating the Internal Roadmap to Halve GHG Impact by 2030

3rd Meeting (August 5, 2021)

- Deliberations on Human Rights and Supply Chain Management/Approval of the Statement under the UK Modern Slavery Act for FY Mar 2021
- Deliberations on Renewal of Policy on Operation, Management, and Utilization of Mitsui's Forests
- Free Discussion on Results of Mitsui & Co. Environment Fund Verification and Proposal for Social Contribution Activities that Emphasize Social Impact through Participation of Employees and Officers

4th Meeting (October 13, 2021)

- Report on Development of GHG Reduction Contribution Calculation Tools
- Report on Circular Economy (Progress Report and Future Action Plan)
- Deliberations on Formulation of Sustainability Policy, Revisions to Environmental Policy, and Reestablishing Our Approach to Social Contribution Activities

5th Meeting (October 21, 2021)

- Free Discussion on Introduction of ESG Assessment in Executive Remuneration
- Free Discussion on ESG Day – Outline of Materials for Climate Change Part

6th Meeting (December 17, 2021)

- Deliberations on Social Contribution Activities that Emphasize Social Impact through Participation of Employees and Officers
- Report on Climate Change/Review of Internal Systems and Policies, and Deliberations on Future Response Policy

7th Meeting (February 9, 2022)

- Deliberations on Review of the System for the Environmental and Societal Advisory Committee from Next Fiscal Year Onwards (Proposal)
- Report on FY Mar/2022 Assessment by ESG Rating Agencies and Deliberations on FY Mar/2023 Response Policy
- Report on Business & Human Rights Activities Progress Report – Progress and Challenges with Human Rights Due Diligence
- Report on Natural Capital and Biodiversity
- Report on Activities to Promote Sustainability Management Activity Report for FY Mar/2022 and Action Plan for FY Mar/2023

Sustainability Advisory Board

Members (FY Mar/2023) * Honoric titles omitted	<ul style="list-style-type: none"> • Toshihiko Goto, Chief Executive Officer from NPO Sustainability Forum Japan • Makoto Haraguchi, MS&AD Insurance Group SVP of Sustainability Section • Daisuke Takahashi, Attorney at Law, partner at Shinwa Sohgo Law Offices • Atsushi Inaba, Director of Japan Life Cycle Assessment Facilitation Centre(LCAF)
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In order to address a broad range of sustainability-related issues, the Sustainability Committee decided to establish the Sustainability Advisory Board (the former Environmental & Societal Advisory Committee), made up of external experts on environmental and social themes. In the fiscal year ended March 31, 2022, 14 consultations and exchanges of opinions were conducted on important themes in sustainability management.

Main content of consultations and exchanges of opinions and the number of times in the fiscal year ended March 2022

Theme	Contents	Times conducted
External disclosure	Formulation of Sustainability Policy	1
Climate Change	Climate change initiatives	4
Human Rights, Supply Chain Management	Formulation of Specific Procurement Policies Trading Partner Human Rights Risk Assessment Supplier Questionnaires Supply Chain Management Handbook	6
Mitsui & Co.'s Stakeholders	Response to NGOs	2
Social Contribution Activities	The Mitsui & Co. Environment Fund	1

Corporate Sustainability Div.

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.

Sustainability Promotion Officers

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. In the fiscal year ended March 31, 2022, we held online Sustainability Promotion Officers meetings on a quarterly basis, where we shared the policies and important matters related to new sustainability initiatives discussed and formulated by the Sustainability Committee, as well as other sustainability related topics.

Initiatives

Materiality Action Plans

Each Business Unit has a Materiality Action Plan that outlines specific initiatives to address the Materiality identified by the company and manages the progress of these initiatives. The Materiality Action Plan defines the content of each Business Unit's response plans, targets, and status of initiatives based on the recognition of issues and major risks and opportunities for each Materiality. It also shows how our business activities contribute to the SDGs, and identifies the SDGs that are highly relevant to each Materiality.

By regularly managing the progress of this Materiality Action Plan, we will implement the PDCA cycle to promote our Materiality initiatives and our efforts to achieve the SDGs.

[Materiality Action Plans](#)

Raising Awareness on Sustainability Management

Survey of employees

To help our employees work together to achieve our Materiality, we conduct an annual survey on Mitsui's Materiality with our employees and officers worldwide. 3,553 responses were received for the year ended March 31, 2022. The results of the survey confirmed that there was an increase in familiarity of the position of Mitsui's Materiality, and in particular, the Materiality Action Plan formulated for the fiscal year ended March 31, 2022 has deepened the understanding of the relationship between each individual's work and Materiality, leading to action by each employee.

Sustainability Month

We have established a Sustainability Month, and have implemented several employee programs to encourage each employee to learn and think about sustainability and put it into practice. In the fiscal year ended March 2022, we released an interview with the President on sustainability, as well as holding a lecture on climate change by international environmental NGO WWF (World Wide Fund for Nature) Japan, a seminar on ethical consumption by an outside lecturer, a briefing on sustainability-related initiatives in Mitsui's Forests, and offered a menu featuring sustainable seafood in the Head Office Cafeteria, and many employees from Japan and other parts of the world took part.

Sustainability Promotion Officers play a central role in organizing other internal sustainability-related seminars and other events.

Lectures on the company's sustainability management is conducted as part of introductory training for new employees, and briefing sessions on sustainability management are held for corporate departments, headquarter business units, regional business units and affiliates about 40 times a year for more than 3,600 employees in total. In this way, we have created opportunities for every employee to think about sustainability in their daily work and spread awareness.

Human Rights Training

At Mitsui & Co. we conduct various training programs on human rights to ensure that our own human rights policy is widely disseminated in the workplace and put into practice in our business. For more information on Human Rights Training, please refer to the following link.

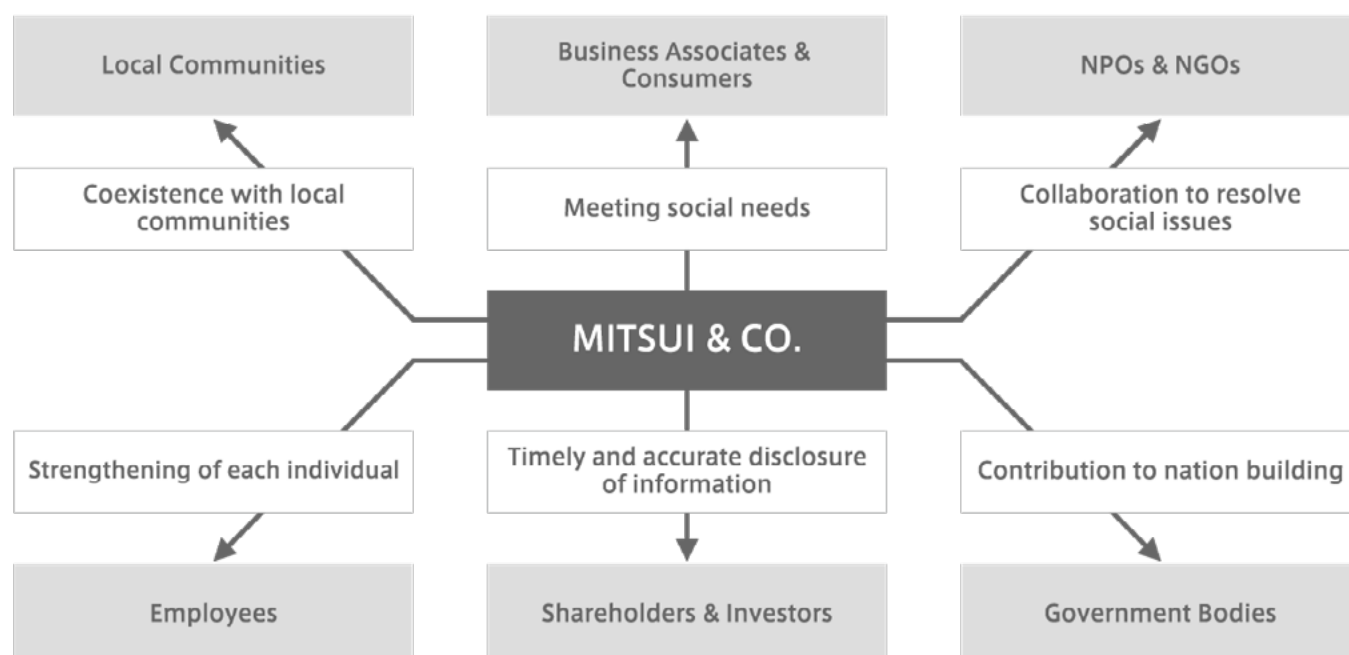
[Human Rights: Human Rights Training](#)

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.



Mitsui & Co.'s Stakeholders

Stakeholders	Overview	Communication
Local Communities	We contribute to the sustainable growth and development of societies and economies through our wide-ranging business activities and society-centric contribution activities in countries and regions throughout the world. We also aim to achieve harmonious coexistence with local communities through contributions in such areas as local industry development, creation of employment opportunities, infrastructure development, enhancement of the quality of life of local residents, and the improvement of educational environments.	Initiatives through our business Social Contribution Activities: Community Contribution Contribution to development of local communities through overseas funds and the Mitsui & Co. Environment Fund Our relief efforts in disaster affected regions in which we conduct business
Business Associates & Consumers	We identify the needs and expectations of our business associates and consumers, supply safe and reliable products and services, disclose accurate corporate information, and take measures to address problems in supply chains.	Mitsui & Co. website Library (Corporate Brochure/Advertisements/Corporate Video) Integrated Report Sustainability Report Activities based on the Sustainable Supply Chain Policy, supplier engagement Initiatives that align with our policies and rules on the handling of consumer products: "Consumer Product Handling Policy," "Consumer Product Handling Regulations" Receipt of feedback and inquiries

Mitsui & Co.'s Stakeholders

Stakeholders	Overview	Communication
NPOs & NGOs	We pursue solutions for environmental and societal issues through networking and collaboration with various NPOs and NGOs. Through the Mitsui & Co. Environment Fund, we provide support for research and initiatives by NPOs and NGOs that are working to solve environmental problems.	<p>Discussions and local visits in cooperation with NPOs/NGOs</p> <ul style="list-style-type: none"> • Support for the Economic Independence and Greater Productivity of Small-scale Zambian Farms Through Cashew Tree Replanting and Productivity Improvement • Support through an NPO for the Development of a Rainwater Reuse System to Supply Safe Drinking Water <p>Participation in seminars hosted by NPOs and NGOs</p> <p>Stakeholder Dialogue with NPOs/NGOs</p> <p>Responses to surveys from NPOs and NGOs</p> <p>Exchange of opinions with an NGO on the formulation of procurement policies for specific commodities</p> <p>Collaboration with NPOs and NGOs through the Mitsui & Co. Environment Fund</p>
Employees	In order to support our diverse group of employees to work energetically and exert their capabilities, we strive to carry out diversity management by enhancing workplace environment, developing various internal rules, providing human resources development programs, and placing the right people in the right positions. We are committed to being an organization with integrity on a global group basis with each employee possessing a high level of awareness of compliance.	<p>Mitsui Management Review (MMR)、Mitsui Engagement Survey</p> <p>Work-X initiatives</p> <p>Promoting internal communication</p> <p>Discussions with labor unions</p> <p>Training programs and seminars</p> <p>In-house and external whistleblowing channels</p> <p>With Integrity Month</p> <p>Sustainability Month</p> <p>Intranet/In-house newsletter of Mitsui & Co.</p>

Mitsui & Co.'s Stakeholders

Stakeholders	Overview	Communication
Shareholders & Investors	We strive for continuous improvement of our corporate value and appropriate market recognition by realizing transparency and accountability in management with timely and accurate disclosure of information, and by engaging in interactive communication with shareholders and investors.	<p><u>General meetings of shareholders</u></p> <p><u>IR meetings (presentations on financial results, Investor Day, briefings for individual investors)</u></p> <p>Separate engagement for IR and SR (departments in charge of exercising voting rights and responsible investment)</p> <p><u>Securities Report</u></p> <p><u>Integrated Report</u></p> <p><u>Newsletter to Shareholders</u></p> <p><u>Mitsui & Co. website</u></p> <p>Responses to surveys from ESG research organizations</p>
Government Bodies	We are committed to complying with related laws and regulations formulated by government agencies and local governments of Japan and the countries and regions where we engage in business activities. Furthermore, through cooperation with governmental agencies and local governments, we propose and promote business projects that align with their policies and make efforts to contribute to the development of nations and industries in a way unique to Mitsui.	<p>Participation in policy councils</p> <p>Participation in consultation and advisory meetings with government agencies and offices</p> <p>Support for human resource development through trainee-receiving programs for staff members of local governments</p> <p>Activities through business and industry groups</p>

Stakeholder Dialogue

To promote sustainability in our corporate management, we believe it is crucial to conduct dialogue with various stakeholders and respect their opinions regarding our business activities. To this end, we have continued to hold interactive stakeholder dialogue with external experts such as university professors and representatives of various NPOs and NGOs, as well as with the next generation of young leaders, including those representing Gen Z.

Stakeholder dialogue in the fiscal year ending March 2023 – Business and Natural Capital

In September 2022, Yasushi Hibi, Vice President, Conservation International (CI), an international environmental NGO, and Managing Director, CI Japan, Makoto Haraguchi, Fellow at the MS&AD InterRisk Research & Consulting, Inc., and members of our Sustainability Committee, held a stakeholder dialogue session regarding the relationship natural capital including biodiversity and business. During the dialogue session, VP Hibi and Fellow Haraguchi explained what natural capital is, why it is attracting attention now, and what the Taskforce on Nature-related Financial Disclosures (TNFD) aims to achieve. They also explained initiatives of leading companies as well as their expectations of Mitsui, after which there was a lively exchange of opinions.



The participants discussed natural capital based on the differences from climate change, such as the existence of multiple indicators to measure natural capital, location-based characteristics including the general irreplaceability of nature that cannot be regained through protection or restoration in other places, and the difficulty of trading credits internationally for this reason, along with the importance of developing partnerships with local stakeholders on the ground. Although global targets and disclosure frameworks are still under discussion, we reaffirmed the need to keep a close eye on external trends, and for Mitsui to be prepared as well. As a global company with diverse businesses in all regions, we also reconfirmed the importance of identifying natural capital risks and impacts, including in the supply chain, as well as addressing new opportunities and businesses that will contribute positively.

* Titles were current at the time of the event

Stakeholder dialogue in the fiscal year ended March 2022 - Expectations for Biodiversity Initiatives

In February 2022, we facilitated a stakeholder dialogue event that was centered on the globally significant theme of biodiversity. It was attended by Mr. Yasushi Hibi, Managing Director of the Japanese arm of NGO Conservation International, Professor Mori of Yokohama National University, as well as Ms. Ichika Inaba, Ms. Arisa Kikkawa and Mr. Yutaro Aota of the Japan Youth Biodiversity Network.

The focus of the stakeholder dialogue was on goal setting and initiatives necessary from both long- and short-term perspectives, as well as the biodiversity conservation activities that Mitsui & Co. can conduct on its own forestland.

Mr. Hibi, Managing Director of Conservation International Japan said, "Biodiversity transition-related risks constitute an urgent issue. Rather than expecting a consumer-driven change, I expect companies to work together on initiatives to effect change in consumer values." "Consideration of biodiversity issues is intrinsically linked to consideration of human rights issues, and it is necessary that we address these issues from both environmental and social perspectives," he added.

Professor Mori of Yokohama National University said, "It would be costly to try and regenerate the biodiversity and environment that has already been destroyed. Priority should be placed on conservation, including preventative measures." "In terms of biodiversity, it's important to conduct diverse efforts from diverse perspectives, including with regard for people and cultures, rather than pursuing single targets such as those related to reducing GHG emissions in order to combat climate change," he added.

While praising Mitsui & Co.'s management of its own forestland, the members of the Japan Youth Biodiversity Network commented, "We hope these lands will be utilized not only for industrial purposes, but also as places where people can learn about biodiversity." "Most people lack awareness about biodiversity, and it's important to identify effective approaches for solving social issues that incorporate both natural conservation considerations and collaborative efforts alongside local residents in every aspect of industry."

The participants of this event all expressed the expectation that Mitsui & Co. would take the lead on this front, leveraging its unique business structure as a sogo shosha to pave the way for biodiversity initiatives, as there are few Japanese companies doing such work. Going forward, we plan to thoroughly consider the opinions expressed as part of these stakeholder dialogue events in order to incorporate them into our future initiatives.

* Titles were current at the time of the event

Participation in Initiatives

United Nations Global Compact

The United Nations Global Compact is a set of voluntary action principles for corporations proposed by former UN Secretary-General Kofi Annan at the World Economic Forum held in Davos, Switzerland in January 1999. He proposed a means to harness the creative powers of the private sector to fulfill the wishes of underprivileged people and meet the needs of future generations. It is neither a regulatory means nor a legally binding code of conduct, but rather a strategic policy initiative that encourages corporations to come together as global citizens to solve the various problems that could arise as a result of economic globalization. Participating corporations are asked to support and put into practice ten universally accepted principles in the areas of human rights, labor, environment, and anti-corruption. As of July 2022, over 20,000 corporations, labor unions, and civil society organizations from around the world are participating in the UN Global Compact.



Mitsui & Co. signed and pledged its support for the UN Global Compact in October 2004. As a signatory of UN Global Compact, Mitsui complies with the Global Compact as part of its own corporate guidelines, and pursues SDGs on a global group basis.

We participate in working groups of Global Compact Network Japan, such as the Human Rights Due Diligence (HRDD) Working Group.

Support for the UN Global Compact

In October 2004 Mitsui & Co. signed and pledged its support for the UN Global Compact. Mitsui has been participating in this initiative as a signatory of the UN Global Compact and is complying with the principles as part of its own corporate guidelines. Currently Mitsui conducts a companywide survey every other year in order to check compliance with the UN Global Compact principles and is working to comply with and practice the principles on a global group basis.

As well as engaging in activities geared toward observing “Ten Principles of the UN Global Compact”, we will advance various initiatives that contribute to realizing the UN Sustainable Development Goals (SDGs) through our business activities.

Kenichi Hori

Representative Director
President and Chief Executive Officer

Ten Principles of the UN Global Compact

Human Rights

- Businesses should support and respect the protection of internationally proclaimed human rights; and
- make sure that they are not complicit in human rights abuses.

Labor

- Businesses should uphold the freedom of association and effective recognition of the right to collective bargaining;
- the elimination of all forms of forced and compulsory labor;
- the effective abolition of child labor; and
- the elimination of discrimination in respect of employment and occupation.

Environment

- Businesses should support a precautionary approach to environmental challenges;
- undertake initiatives to promote greater environmental responsibility; and
- encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

- Businesses should work against corruption in all its forms, including extortion and bribery.

Sustainable Development Goals (SDGs)

The United Nations Sustainable Development Goals (SDGs) define global sustainable development priorities and aspirations for 2030, with 17 goals and 169 targets. The SDGs call for action to end poverty and create a life of dignity and equality of opportunity for all, with consideration given to balancing sustainable growth and the limits of the Earth.



As a sogo-shosha (general trading company), Mitsui & Co. group conducts a diverse range of business across nations and regions.

We believe that this allows us to make a wide-ranging contribution to the achievement of all the 17, goals set out under the SDGs. With the recognition that it is increasingly important to work together with our business partners, customers, local communities, NPOs and NGOs, and other stakeholders in order to find solutions to the various issues facing society and industry, we are promoting initiatives based on Goal 17, "Partnerships for the Goals".

To continue promoting our business with a focus on contribution to the achievement of the SDGs, we are working to further raise awareness of the SDGs and are aligning our business and initiatives with Mitsui's Materiality and the SDGs.

[Mitsui & Co.'s Materiality](#)

World Economic Forum

The World Economic Forum is an independent international organization that engages leaders from the worlds of business, politics, academia, and other sectors of society to shape global, regional, and industry agendas in the spirit of global citizenship, through cooperation between the public and private sectors, for the improvement of the world situation.

As a partner company, Mitsui attends the annual meeting of the World Economic Forum, as well as the regional meetings.

Environment

Climate Change

- TCFD (Task Force on Climate-related Financial Disclosures)
- TCFD Consortium
- CDP (Climate Change)
- Maersk Mc-Kinney Moller Center for Zero Carbon Shipping
- International Iron Metallics Association
- ASI (Aluminium Stewardship Initiative)
- Battery Association for Supply Chain; BASC
- Japan Business Federation (Keidanren)
- Japan Foreign Trade Council
- GX League Basic Concept
- Japan Hydrogen Association
- Forest Stewardship Council® (FSC®)
- Carbon Recycling Fund Institute
- The Institute of Applied Energy, Society of Anthropogenic Carbon Cycle Technology
- Clean Fuel Ammonia Association

Water Resources

- CDP (Water Security)
- Japan Business Federation (Keidanren)

Pollution Prevention

- CLOMA (Japan Clean Ocean Material Alliance)
- CEFLEX (Circular economy for flexible packaging)
- Japan Partnership for Circular Economy

Participation in Initiatives

Circular Economy

- CLOMA (Japan Clean Ocean Material Alliance)
- CEFLEX (Circular economy for flexible packaging)
- Japan Partnership for Circular Economy

Biodiversity

- TNFD Forum (Taskforce on Nature-related Financial Disclosures)
- 30by30 Alliance
- RSPO (Roundtable on Sustainable Palm Oil)
- Forest Stewardship Council® (FSC®)
- Keidanren Committee on Nature Conservation
- CDP (Forests)

Social

Human Rights

- United Nations Global Compact
- Forest Stewardship Council® (FSC®)
- RSPO (Roundtable on Sustainable Palm Oil)
- Japan Business Federation (Keidanren)

Diversity

- Japan Business Federation (Keidanren)

Responsibilities to Customers

- Japan Processed Foods Wholesalers Association
- Japan Pharmaceutical Traders' Association

Supply Chain Management

- CEFLEX (Circular economy for flexible packaging)
- ASI (Aluminium Stewardship Initiative)
- Forest Stewardship Council® (FSC®)
- Together for Sustainability (TfS)
- RSPO (Roundtable on Sustainable Palm Oil)
- EcoVadis
- Sedex (Supplier Ethical Data Exchange)

Mitsui & Co.'s Materiality

Mitsui & Co. prioritizes and focuses on sustainability in its corporate management. We have identified Mitsui's material issues ("Materiality") for the sustainable growth of both society and the company, with the aim of meeting the expectations and trust of a variety of stakeholders and pursuing our corporate mission, "Build brighter futures, everywhere."

We link our Materiality with the United Nations Sustainable Development Goals (SDGs), in promoting our initiatives and activities, in order to work towards the SDGs' 17 goals.

We have established Materiality Action Plans which set out specific policies, targets, initiatives, and current status regarding each materiality for each organization and we manage and disclose progress based on these plans.



Secure sustainable supply of essential products

Ensure the sustainable and stable supply of resources, materials, food and manufactured products that are vital for the development of society.



Develop talent leading to value creation

Respect diversity and develop human resources with the competence to create innovation and new value.



Enhance quality of life

Contribute to the betterment of living standards and the development of local industries to realize sustainable societies globally.



Build an organization with integrity

Strengthen our governance and compliance as a corporate group trusted by society.



Create an eco-friendly society

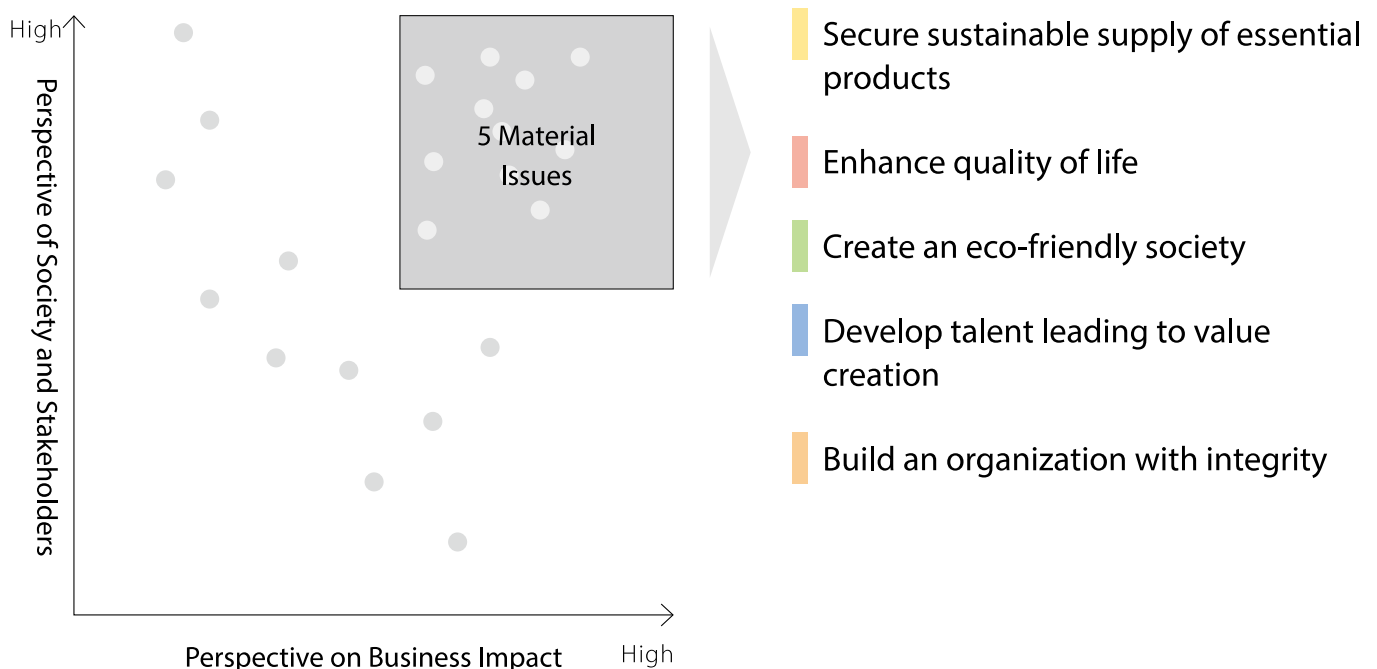
Accelerate initiatives towards environmental issues, such as responding to climate change and water resource problems, and contributing to a circular economy.



Identification and Review of Materiality

In 2015, Mitsui & Co. identified its Materiality, which consists of five key material issues in areas that are important for our stakeholders and have significant implications for our business management. As the importance of sustainability has been growing globally as expressed in the environmental, social, and governance (ESG) aspects and the SDGs, and mega-trends with the potential to impact our business activities are changing rapidly, we have reviewed our Materiality and re-identified five new material issues in 2019. We recognize societal issues related to our business activities in each material issue category, verify significant risks and opportunities for Mitsui in terms of the impact of societal issues, and disclose our approach toward each Materiality.

In carrying out the revision, we took into account both the perspectives of various stakeholders in relation to the SDGs, the United Nations Global Compact, ISO26000, GRI Standards, other international frameworks, and ESG investment evaluations, as well as the impact on our business activities. In addition, we carried out questionnaire surveys of officers and employees on a global group basis, exchanged views with our external directors and outside experts, through meetings such as the Sustainability Committee, and interviews with the Sustainability Promotion Officers. After having such active discussions within and beyond Mitsui, we obtained approvals from the Corporate Management Committee and the Board of Directors, and finalized the new Materiality.



The Materiality encompasses material issues that could become risks or opportunities in the context of our medium- to long-term business strategies, and will serve as the ground on which we engage in our business activities. By positioning the Materiality as a medium- to long-term key management priority, all officers and employees of Mitsui will work together to ensure the Materiality is reflected in our business activities. Mitsui will commit itself to sustainability management and strive through its diverse global business activities and the solution of global issues including climate change, pursuing both in a well-balanced long-term perspective.

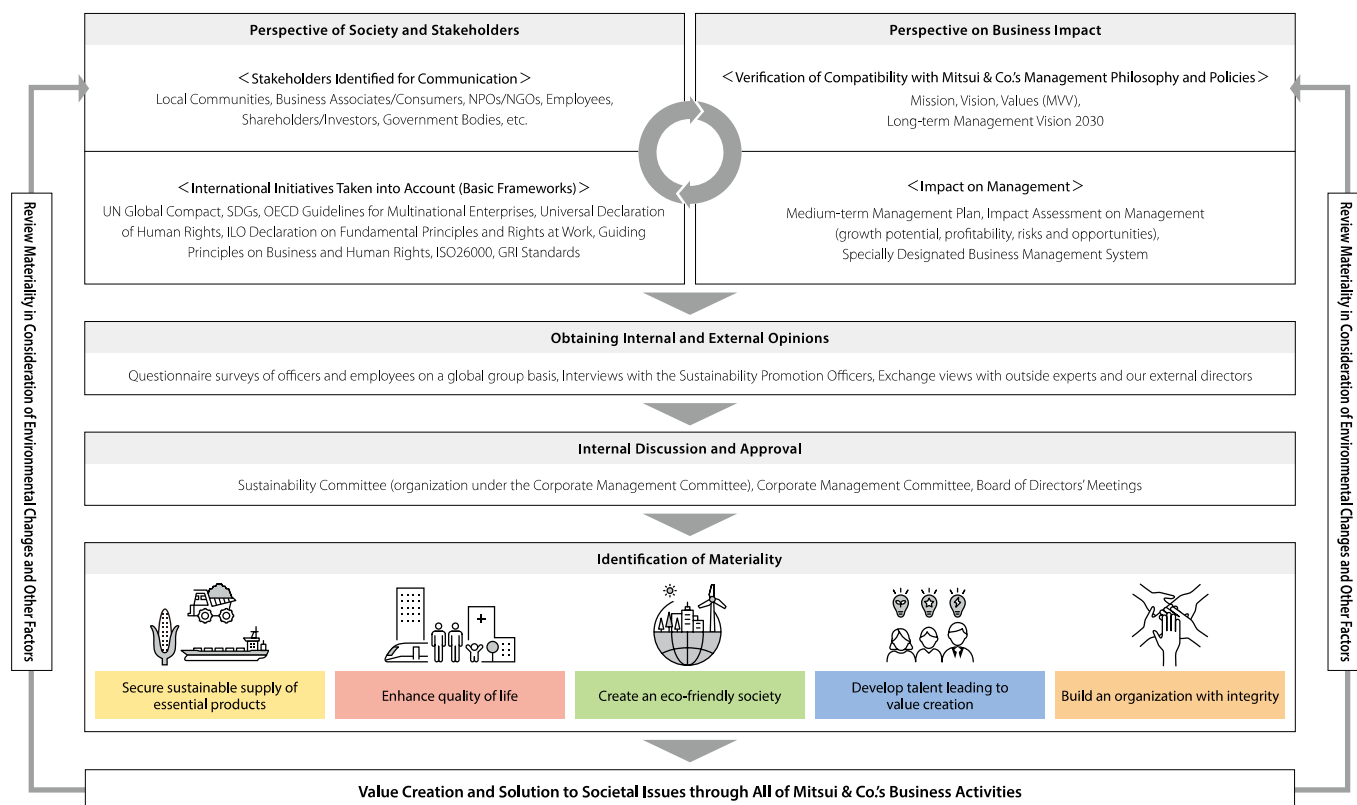
Identification and Review of Materiality

We have established a Materiality Action Plan which sets out specific policies, targets, initiatives, and current status regarding each materiality for each organization and we manage and disclose progress based on this plan.

Toward 2030, with a greater focus on evolution from "connecting" to "creating," which is called for in our Long-term Management Vision 2030 that we have formulated as our future image, we will identify challenges, set targets, and find solutions to achieve the goals. Furthermore, we will create changes, trends, and new value.

In order to respond to social challenges, needs, and expectations in line with changes in the times, and also to incorporate the formulation of new medium-term management plans and the resulting changes in impact on the economy, environment, and society into our sustainability management, we will review our Materiality and specific themes to work on every 3-5 years in consideration of environmental changes and other factors.

Flowchart for Identification and Review of Materiality





Secure sustainable supply of essential products

Ensure the sustainable and stable supply of resources, materials, food and manufactured products that are vital for the development of society.

Recognition of Societal Issues

- Population growth and expanding demand for resources, energy, raw materials, food, manufactured products, etc.
- Improvement of production and supply capacity to respond to climate change
- Safety and security of food and manufactured products

Major Risks and Opportunities


Risks

- Supply failures of resources, energy, raw materials, food, manufactured products, etc. caused by climate change, COVID-19, etc.
- Reputational damage resulting from safety and health problems affecting the final consumers of food and manufactured products

Opportunities

- Improvement of production and supply capacity through responding to the effects of climate change, COVID-19, etc.
- Enhancement of competitiveness through the establishment of traceability, responsible marketing leading to demand expansion

Materiality Action Plans

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 12 Responsible consumption and production	Mineral & Metal Resources	Mineral & Metal Resources	Mineral and metal resources development and recycling	We will contribute to the stable supply of mineral and metal resources that support economic growth, society and industry.	Improve the stable supply system by expanding mineral and metal resources and promoting recycling businesses.	<ul style="list-style-type: none"> • Continue mining business development and improve cost competitiveness. • Improve the value chain of recycling businesses. 	<ul style="list-style-type: none"> • We have acquired new interests in Western Ridge iron deposits owned by BHP in the Australian iron ore business (BHP 85%, Itochu 8%, Mitsui 7%). • We have acquired new interests in Grosvenor Coal Mine owned by Anglo American in the Australian coking coal business. Also, we are working to consolidate the adjacent mining areas and improve productivity (Anglo American 88%, our Company 4.75%, others). • We have made additional investment in interests in the Collahuasi copper mine in Chile (a 0.97% additional interest acquisition to bring our holding to 12%).

Secure sustainable supply of essential products

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Energy	Energy I, Energy II	Energy development	We will contribute to the stable supply of sustainable energy.	Build and enhance a stable energy production and supply portfolio that meets the expectations of customers and society.	Maintain, expand and diversify energy supply by developing new projects and enhancing existing projects.	We are promoting new energy development projects to steadily meet the needs of consumers around the world. In December 2020, the final investment decision was made (subject to the necessary government approvals) for the development of Stage 2 of the Waitsia Gas Field in Western Australia.
	Machinery & Infrastructure	Infrastructure Projects	Centralized power generation/ centralized RE/ distributed power generation	We will carry out business operations in consideration to the stable operation and reduction of environmental burdens, and contribute to local communities through sustainable and stable power supply optimized for each country or region.	<ul style="list-style-type: none"> • Complete construction projects and commence commercial operations. • Improve operating rate and thermal efficiency. • Implement environmental burden reduction measures. • Expand our business base as a general energy company that meets diverse customer needs, including environmental and social aspects. 	<ul style="list-style-type: none"> • Continue to implement PDCA for progress monitoring of projects under construction and improvement of project quality. • Verification/ demonstration/ practice of environmental burden reduction measures. • Develop businesses in new countries/ regions. • Acquire new projects by improving sales structure, promoting digital marketing, and expanding solutions. 	Through 88 electric power projects (Net capacity 11.9GW) in 26 countries around the world, we are working on a stable power supply that supports people's lives (as of June 30, 2022). In FY Mar/2022, Thailand gas-fired power plant projects in which we have invested were in operation following their partial completion.
	Machinery & Infrastructure	Infrastructure Projects	Resource infrastructure (onshore/ offshore) business	We will fulfill our social mission and social responsibility for the stable supply of resources while fully considering the impact of operations on the environment, and contribute to the sustainable growth of countries and regions.	<ul style="list-style-type: none"> • Improve the supply capacity and efficiency of existing businesses. • Complete construction projects and commence commercial operations. • Steadily operate by utilizing DX. • Reduce environmental burdens. 	<ul style="list-style-type: none"> • Continue to implement PDCA to improve efficiency. • Implement measures to improve utilization rates and efficiency. 	Off the coast of Brazil, about 20% of the total oil and gas production for the country is produced by FPSOs which are jointly owned by MODEC. Going forward, we will continue to strive to acquire new projects in the global deep-sea oil and gas field areas, mainly off the coast of Brazil, and work to maintain and expand our stable supply base.



Secure sustainable supply of essential products

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
	Machinery & Infrastructure	Infrastructure Projects	Social environment infrastructure business	We will contribute to the expansion of global logistics demand by developing, expanding and steadily operating our logistics bases.	Expand logistics infrastructure and improve efficiency in the world's growing logistics market.	<ul style="list-style-type: none"> • Improve the operating rate and create new added value using DX. • Continue to work on improving efficiency, including maintenance. 	In our container terminal business in Indonesia, we have maintained the industry's highest level of operational efficiency. We have secured the country's first direct service to the East Coast of North America, and are working to improve global logistics. We are promoting the expansion of DX functions to further improve efficiency, such as a paperless (online) fee payment process and optimization of truck transportation. At the end of 2021, a portion of the container yards under the control of Indonesia's state-owned port operator were made available, and is being utilized to meet growing international logistics demand.
	Machinery & Infrastructure	Mobility I	Passenger vehicle sales and leasing	We will respond to growing demand for mobility, resource transportation, and passenger vehicles, where demand is expected to increase (especially in emerging countries).	<ul style="list-style-type: none"> • Expand sales and leasing system through our global network partners. • Supply vehicles that contribute to sales volume as well as sustainable growth and a reduction in environmental impact. 	<ul style="list-style-type: none"> • Make more extensive efforts with global partners in each area. • Sales volume (especially that of environmentally friendly vehicles), number of leases, sales area. 	In addition to sales in Chile, Peru, The Philippines, etc., where demand for passenger and transportation vehicles is expanding with economic growth, we have begun a leasing business in Brazil.
	Machinery & Infrastructure	Mobility I	Railway freight	We will respond to the increase in transportation demand for grains, steel products, industrial products, etc. in Brazil by developing multi-modal transportation with low environmental impact.	Create and enhance efficient multi-modal transportation in Brazil.	Work with our partner in Brazil to improve the quality and quantity of transportation, such as expanding the range of transportation option, expanding the target cargo, and achieve reliable transportation.	We are considering the use of trucks utilizing IT to achieve efficient multi-modal transportation with low environmental impact.



Secure sustainable supply of essential products

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Machinery & Infrastructure	Mobility II	Shipping	We will provide high-quality, environmentally friendly, competitive ships and services to meet the ever-expanding demand for marine transportation as the world economy grows.	Use DX to select the optimal shipping routes to save fuel and use new technologies such as new kinds of fuels to help reduce the environmental burden of shipping and enable sustainable growth of maritime industries.	Increase our efforts with global partners in each area of the world (shipyards, shipowners, shipowners). Showcase initiatives for utilizing the technological capabilities of Japanese manufacturers.	With emission reduction in the shipping industry becoming a global issue, in April 2021 we became a strategic partner of the Maersk Mc-Kinney Moller Center for Zero Carbon Shipping (MMMCZCS), a not-for-profit international research and development center dedicated to the decarbonization of the shipping industry.
 	Machinery & Infrastructure	Mobility II	Railways	We will promote our environmentally friendly railway transportation business, which serves as a major logistics artery in Europe and the Americas.	European environmental policy in the railway field promotes the shift from trucks to railways, promotion of electrification, promotion of regional integration, etc. The policy is to increase the railway modal share from 18% in 2020 to 30% by 2030. By offering electric locomotives and maintenance services that will play a part in this policy, we help to reduce the environmental burden.	<ul style="list-style-type: none"> • Phase out diesel locomotives and have only electric ones. • Reduce the environmental burden of our locomotives. 	Mitsui Rail Capital Europe (MRCE), a subsidiary of Mitsui & Co., Ltd., which is the largest company in the European locomotive leasing industry, is working to reduce the environmental burden through the use of electric locomotives.
	Chemicals	Basic Materials	Covering all business areas of the Business Unit (Gas Chemicals Business/Basic Chemicals Business/Performance monomer/Tank Terminal Business)	We will achieve a sustainable society by supporting the steady supply of basic materials and industrial infrastructure.	Solidify the production supply system through capacity expansion in the salt and methanol production businesses and tank terminal business, and expansion of trading by expanding logistics.	Manage milestone of each project and expand trading based on trends in the oil-to-chemicals businesses.	While the frequency of supply chain disruption due to the COVID-19 pandemic is increasing, our trading function has made it possible for us to connect chains and give them some spare capacity. We will continue to maintain and improve our functions and presence.







Secure sustainable supply of essential products

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
	Chemicals	Chemicals Segment	Compliance	We will build a sustainable supply system in our management of chemical products by maintaining a compliance system and improving quality.	Promote a legal compliance system for hazardous chemical substances, improve quality, give employee training for product safety, and participate in initiatives.	<ul style="list-style-type: none"> • Provide opportunities for employee training and improve product quality. • Update, thoroughly understand, notify, and label hazard information and legal information on chemical substances. • Expand specialized human resources for chemical substance management. 	We have updated legal information related to chemical substance management to protect the global environment through chemical substance management which is an important trade compliance along with security trade control. We regularly conduct training in the laws relating to chemical substance management to all Mitsui & Co. and group companies that handle chemical substances.
	Chemicals	Performance Materials	Detergent raw materials, oleochemical business	We will contribute to the stable supplies in the detergent raw materials and oleochemical business areas.	Establish stable supply systems.	Expand manufacturing and stabilize production.	<ul style="list-style-type: none"> • We are supporting detergent raw material production in Thailand and marketing it globally. • We are promoting oleochemical production in Malaysia and China.



Secure sustainable supply of essential products

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
	Chemicals	Nutrition & Agriculture	Agri-science business/ Agri-solution business/Agri-innovation business	We will achieve sustainable agricultural production through science.	Achieve a reduction of environmental burden and agricultural productivity improvement by developing and disseminating agricultural technology.	<ul style="list-style-type: none"> • Achieve a reduction of environmental burden and agricultural productivity improvement by developing and disseminating agricultural technology. • Develop and disseminate bio-pesticides made from fungi and natural extracts, to reduce the environmental burden and help achieve agricultural production in harmony with the environment. • Use soil analysis to help optimize the amount of chemical fertilizer applied and promote the spread of bio-stimulants. • Improve the agricultural material supply base in Africa. • Establish Ag-tech businesses. 	<ul style="list-style-type: none"> • We are promoting "IPM" (Integrated Pest Management), which combines biological pesticides and chemical pesticides, to help establish highly productive and sustainable agricultural systems. • We are developing a comprehensive agricultural material distribution business, mainly in Latin America. • Through the ETG company we are supplying agricultural materials in Africa. • We conducted an Ag-tech demonstration test in Hokkaido. • We have launched a pilot project of controlled environment agriculture (CEA).
	Chemicals	Nutrition & Agriculture	Animal solutions business	We will achieve sustainable agricultural production through science.	Achieve a reduction of the environmental burden of livestock, and an improvement of productivity by developing and popularizing feed additives/ veterinary drugs/ vaccines.	<ul style="list-style-type: none"> • Achieve efficient growth of livestock and a reduction of environmental emissions through establishment of a Gut Health (improvement of intestinal flora of livestock) business. • Improve livestock productivity and achieve animal welfare through the spread of vaccines and veterinary drugs. 	<ul style="list-style-type: none"> • We are promoting business reform in Novus, a company in which we have invested, to establish a Gut Health business. • We have entered into the animal genetics business. We are pursuing synergies with existing businesses such as animal nutrition and animal health.

Secure sustainable supply of essential products

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Iron & Steel Products	Iron & Steel Products	GHG reduction promotion in product LCA (Life Cycle Assessment)	We will work to build supply chains from the perspective of LCA, for global decarbonization.	Together with partners in Japan and overseas, contribute to GHG reduction across the entire supply chain.	In product LCA develop projects to help in GHG reduction.	In collaboration with SuMPO (Sustainable Management Promotion Organization) which is Japan's only ISO-based carbon footprint certification body, we have developed LCA Plus, a platform that enables the visualization of product LCA throughout the supply chain.
 	Lifestyle	Food	Trading	We will contribute to the safe and secure procurement of food, and a sustainable and stable food supply.	Thoroughly disseminate our sustainable supply chain policy and, if necessary, formulate individual procurement policies and goals based on this policy, and aim to achieve them.	Monitor the implementation status of each Procurement Policy for Specific Commodities.	<ul style="list-style-type: none"> • Our Sustainable Supply Chain Policy has been sent to all suppliers and made known. • We have created an individual procurement policy for palm oil, which is recognized as a product that has a significant environmental and social impact.
 	Lifestyle	Retail	Food retail	We will contribute to the safe and secure procurement of food, also a sustainable and stable food supply.	Thoroughly disseminate our sustainable supply chain policy and, if necessary, formulate individual procurement policies and goals based on this policy, and aim to achieve them.	Monitor the implementation status of each Procurement Policy for Specific Commodities.	<ul style="list-style-type: none"> • Our Sustainable Supply Chain Policy has been sent to all suppliers and been made known. • We have created an individual procurement policy for palm oil, which is recognized as a product that has a significant environmental and social impact.

Secure sustainable supply of essential products

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Lifestyle	Wellness	Contract food services	Based on the promotion of health management to curb domestic medical expenses and the growing awareness of people's health, we will help people to achieve a level of health in line with their life stage, by providing a stable supply of food that will support physical and mental wellbeing.	Achieve a stable supply of safe and secure food with consideration for reduction of food loss, sustainability and traceability.	<ul style="list-style-type: none"> • Actively use foods that take sustainability into consideration (sustainable foods). • Increase efforts to achieve local production for local consumption, to improve supply capacity. • Reduce food waste by supplying cooking plans for high-quality, traceable food. 	<ul style="list-style-type: none"> • Despite the effects of the spread of COVID-19, we are helping achieve stable food supplies by providing free special menus to medical institutions. • We are implementing local production for local consumption in collaboration with Miyazaki, Miyagi, and Akita prefectures to utilize ingredients that will lead to regional economic development. We have obtained MSC/ASC CoC certification*¹, the first for a food supply business in Japan. We also provide sustainable fishery products (sustainable seafood) at some facilities. • We have obtained Rainforest Alliance certification*² for production, distribution, and processing processes at our own factory to improve traceability. We offer products using 100% coffee beans produced by certified farms. • We are conducting food procurement and menu planning to control food loss using AIM Services' original menu planning system.

Secure sustainable supply of essential products

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
							<p>*1 MSC certification is a certification system for sustainable fisheries that is properly managed in consideration of fishery resources and the environment. ASC certification certifies aquaculture which is approved by the Aquaculture Stewardship Council and minimizes the environmental and social burden. MSC/ASC CoC certification ensures that these certified fish products are properly managed and traceable in all processes of manufacturing, processing and distribution.</p> <p>*2 Certification of the control standards for production, distribution, and processing at our own food preparation facilities.</p>



Enhance quality of life

Contribute to the betterment of living standards and the development of local industries to realize sustainable societies globally.

Recognition of Societal Issues

- Infrastructure development in developing and emerging countries
- Aging infrastructure in developed countries
- Health maintenance, provision of healthcare, nursing, and welfare services
- Consideration for indigenous peoples in relation to resource development and other activities
- Expanding responsibility and increasing importance of consideration for human rights in supply chains (e.g., labor practices and impact on local communities)
- Contribute to community revitalization

Major Risks and Opportunities



Risks

- Reputational damage resulting from safety and health problems affecting infrastructure users
- Decline in competitiveness due to the diversification of information dissemination methods and fund procurement means
- Decline in service standards and other issues due to a shortage of healthcare personnel
- Reputational damage resulting from human rights violations and environmental loads in supply chains






Opportunities

- Development of sustainable infrastructure for improvement of living standards in developing and emerging countries
- Changes in disease structure due to population growth/economic development and increase in healthcare needs due to aging
- Creation of markets by promoting ICT-based business to build urban social infrastructure in response to the move toward developing smart cities
- Market expansion by meeting diversifying consumer needs
- Improvement of value and reliability across entire value chains through consideration for the environment, human rights, labor, and local communities in the entire supply chain

Materiality Action Plans

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Mineral & Metal Resources	Mineral & Metal Resources	Mineral and metal resources business development	We will contribute to the stabilization and development of local economies through sustainable resource development that takes local communities into consideration.	Cooperate with our project partners and the local communities, contribute to the development of national and local economies.	Conduct sustainable development by monitoring legal systems and continuing dialogue with project partners and local communities.	We are continuing dialogue with local governments, project partners and local communities.


Enhance quality of life

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Energy	Energy I, Energy II	Energy development	We will contribute to regional economic development through the promotion of our development projects.	Through collaboration with local governments and communities, contribute to the development of national and regional economies associated with our development projects.	Develop new regional infrastructure, create communities, and create local employment.	We are working on infrastructure development based on the demands and potential needs of each country/region, and the creation of communities.
	Energy	Energy I, Energy II	Energy supply	Through the supply of relatively clean and competitive energy (gas, LNG), we will assist in the development of local economies and gradual energy transitions.	Supply energy that supports the sustainable economic development of each country.	Provide stable LNG supply, and supply and demand adjustment functions by strengthening portfolio and logistics functions.	We are working to expand our portfolio to strengthen our supply system of LNG, which has a relatively low environmental impact, to contribute to energy transitions around the world.
 	Machinery & Infrastructure	Infrastructure Projects	Centralized renewable energy/ distributed power generation	We will contribute to improve living standards in developing and emerging countries through our efforts in the distributed power generation business.	Provide sustainable and clean power generation centered on solar power in India and sub-Saharan Africa's non-electrified areas. Particularly in India, aim to supply electricity to 1.2 million people through OMC Power, and to expand to Africa and other countries.	Build a sustainable mini-grid business model centered on India and OMC Power.	OMC Power is a leader in the distributed mini-grid business in India. In rural areas of India, where power supply is unstable, OMC Power combines solar power generation and storage batteries to provide stable, environmentally friendly, locally produced and consumed power to cell phone base stations, stores, and local communities.

Enhance quality of life

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
  	Machinery & Infrastructure	Infrastructure Projects	General power/ new areas/ services	We will work on infrastructure to solve social problems such as food supply, financial services, health promotion, population growth, urbanization, and digitization.	<ul style="list-style-type: none"> Expand production of crops in Africa and improve the quality of life for small-scale African farmers. Establish a sustainable supply chain for agricultural products using DX. Develop high-capacity communication lines. 	<ul style="list-style-type: none"> Promote demonstration projects that aim to create SDG premiums by visualizing social and environmental impacts in the production process of African agricultural products, and ensuring traceability through supply chains. Commercialize the establishment of a sustainable supply chain for agricultural products using DX (after assessing their feasibility). Lay and operate international submarine communication cable systems. 	<ul style="list-style-type: none"> We are engaged in an initiative to collect data on African agricultural products, and use that data to deliver global customers final products that come with the stories behind them, with the aim of generating value in that data and returning it to the farmers, thereby promoting the expansion of sustainable agriculture production. We are currently working on a pilot project covering 1,000 cotton farmers in Zambia. In the future, we aim to expand the project to other agricultural products such as coffee and cacao. We are currently working with NTT Group and JA Mitsui Leasing on the installation, operation and sale of a new submarine cable system between Japan and the U.S.
	Machinery & Infrastructure	Mobility I	Transportation infrastructure	We will contribute to the sustainable growth of emerging countries through the development and expansion of transportation and infrastructure for daily life.	Contribute to the sustainable growth of emerging countries through local employment and improvement of local living standards after completion of construction accompanying our transportation infrastructure operations.	Promote projects through dialogue and harmony with local communities. Strengthen supply chain management when ordering project materials and equipment.	We are working on a subway development project aimed at alleviating serious traffic congestion in Jakarta (the capital city) due to rapid economic growth in Indonesia, and are developing core infrastructure that will lead to an improvement in the investment environment.






Enhance quality of life

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Machinery & Infrastructure	Mobility II	Shipping	We will provide high-quality, environmentally friendly, competitive ships and services to meet the ever-expanding demand for marine transportation as the world economy grows.	Use DX to select the optimal shipping routes to save fuel and use new technologies such as new kinds of fuels to help reduce the environmental burden of shipping and enable sustainable growth of maritime industries.	Increase our efforts with global partners in each area of the world (shipyards, shipowners, shipowners). Showcase initiatives for utilizing the technological capabilities of Japanese manufacturers.	With emission reduction in the shipping industry becoming a global issue, in April 2021 we became a strategic partner of the Maersk Mc-Kinney Moller Center for Zero Carbon Shipping (MMMCZCS), a not-for-profit international research and development center dedicated to the decarbonization of the shipping industry.
 	Machinery & Infrastructure	Mobility II	Railways	We will promote our environmentally friendly railway transportation business, which serves as a major logistics artery in Europe and the Americas.	European environmental policy in the railway field promotes the shift from trucks to railways, promotion of electrification, promotion of regional integration, etc. The policy is to increase the railway modal share from 18% in 2020 to 30% by 2030. By offering electric locomotives and maintenance services that will play a part in this policy, we help to reduce the environmental burden.	<ul style="list-style-type: none"> • Phase out diesel locomotives and have only electric ones. • Reduce the environmental burden of our locomotives. 	Mitsui Rail Capital Europe (MRCE), a subsidiary of Mitsui & Co., Ltd., which is the largest company in the European locomotive leasing industry, is working to reduce the environmental burden through the use of electric locomotives.
	Chemicals	Basic Materials	Performance monomer	We will contribute to improve the world's QOL by demonstrating our material design capabilities.	Establish new businesses and new business groups in the specialty chemical field, as one part of the growth driver of our Basic Materials Business Unit.	Promote business strategies and manage milestones for materials-related businesses such as high-performance resin raw materials and coatings, as well as cosmetics and pharmaceutical raw materials.	We are expanding our business development in each area by leveraging our deepening partnerships with Honshu Chemical Industry and Kansai Paint.



Enhance quality of life

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Chemicals	Performance Materials	Consumer products business	Through our consumer products business (personal care products, hygiene products, cosmetics, etc.) we will improve quality of life.	Procure products and raw materials based on consumer needs. Conduct development and marketing in this field.	Develop products utilizing unique Japanese technologies and execute overseas activities with deep market analysis and digital marketing approach.	<ul style="list-style-type: none"> • We are promoting new high-quality skincare products for U.S. consumers. • We are establishing a business base aimed to promote high-quality skincare products in Brazil.
	Chemicals	Nutrition & Agriculture	Wellness business	We will respond to the increasing added value of food and health needs as the middle class grows and the population ages through science.	Establish a business base that responds to wellness, mainly in Japan and Asia.	<ul style="list-style-type: none"> • Establish a food science business base in the Japanese and Asian markets. • Establish a business base to provide personalized pre-illness solutions to consumers in the Japanese and Asian markets through the provision of health checks/medical forecasts/ and high value-added supplements. 	<ul style="list-style-type: none"> • We are enhancing and promoting the expansion of our subsidiary BFS (Bussan Food Science) and Soda Aromatic Co., Ltd., our investee, into Asia. • Through our investment in Thorne Research of the U.S., we are expanding into the wellness field. • We have launched a business in Japan providing solutions for preventive health.
	Iron & Steel Products	Iron & Steel Products	General infrastructure maintenance	We will contribute to lengthen the service life of existing infrastructure.	In collaboration with partners who possess high technological abilities, contribute to spread the preventive maintenance business that uses Japan's excellent maintenance technology throughout the world, to build environmentally friendly infrastructure.	Expand services, products, and areas provided for in the general infrastructure maintenance business.	We are currently promoting our maintenance business in Thailand together with Sho-Bond Corporation, a general infrastructure maintenance company. We will extend the life of infrastructure through preventive maintenance such as repair and reinforcement.



Enhance quality of life

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
	Iron & Steel Products	Iron & Steel Products	Structural steel production	We will contribute to the construction of environmentally friendly infrastructure in emerging markets.	Create a recycling network through the recycling and production of environmentally friendly materials.	Use new sources of energy, set up production and supply systems that have a low environmental burden, and expand the supply areas in Asia for products that are environmentally friendly.	As an initiative in the electric furnace business that can reuse iron scrap to produce steel, we have invested (20% ownership) in Thai electric arc furnace steel manufacturer/ Siam Yamato Steel.
 	Lifestyle	Food	Trading	We will further strengthen our efforts to eradicate child labor and respect human rights in our supply chains.	<ul style="list-style-type: none"> • Make our Sustainable Supply Chain Policy gets through to our suppliers. • Hold regular dialogue through supplier questionnaires and on-site inspections. 	Report the completion of sending the policy to all suppliers of our business units and consolidated subsidiaries and disclose monitoring implementation status.	We have sent the policy to all suppliers of our business unit and consolidated subsidiaries. In addition, some suppliers have been sent questionnaires and the responses have been collected.
 	Lifestyle	Retail	Fashion/textiles	We will carefully consider the environment and human rights throughout the business value chain in this area, and are improve the value and reliability of the entire value chain.	Disseminate our Sustainable Supply Chain Policy and raise awareness for the environment and human rights in our business supply chain.	<ul style="list-style-type: none"> • Send our Sustainable Supply Chain Policy to all suppliers and make them aware of it. • Work hard to improve the traceability of the products we handle. 	Our Sustainable Supply Chain Policy has been sent to all suppliers and been made known.



Enhance quality of life

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
	Lifestyle	Wellness	Hospital/clinic business	<p>To meet the rapidly increasing demand for medical care in Asia against a backdrop of population growth, expansion of middle-income group, aging population, changes in disease patterns, etc., we will strive to improve people's health through improved access to medical care. By achieving value-based healthcare*1, we will contribute to the sustainable development of the medical system.</p> <p>*1 In value-based healthcare, each stakeholder aims to maximize outcomes and optimize costs to provide high-value medical care to patients.</p>	Improve access to quality medical care in Asia and achieve Value-Based Healthcare.	<ul style="list-style-type: none"> • Introduce digital technology and AI to improve medical access and efficiently allocate medical resources. • Rationalize group-wide procurement to help control medical costs and improve operational efficiency. • Build a healthcare data platform with the aim of maximizing outcomes and optimizing costs by utilizing data. 	<ul style="list-style-type: none"> • In collaboration with the government, we are providing infrastructure for accepting new COVID-19, PCR tests, and vaccination. • We have introduced an online medical care service to quickly respond to the non-contact needs of patients. Partial cost reductions have begun to be realized by rationalizing procurement across the group. • We have begun the creation of a platform for patient data of about 30 million patients across Asia.
	Innovation & Corporate Development	IT & Communication	IT Service and Cyber Security	We will contribute to the creation of prosperous and safe lifestyles through the utilization of ICT in fields such as DX and cybersecurity.	Expand existing businesses, including realizing DX for customer companies and providing cybersecurity services.	Expand the scale of business and create new businesses.	<ul style="list-style-type: none"> • Through Mitsui Knowledge Industry Co., Ltd. (MKI), a subsidiary, we are providing consulting, building, and operation services for CT systems, data center and cloud services, and the sale of IoT devices and manufacturing equipment. • Through Mitsui Bussan Secure Directions, Inc. (MBSD), a subsidiary, we are providing diagnostic, oversight, and consulting services related to cybersecurity.

Enhance quality of life

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Innovation & Corporate Development	IT & Communication	Healthcare utilizing DX	We will contribute to the creation of prosperous and safe lifestyles through healthcare IT business.	Provide advanced healthcare IT services by expanding current businesses.	Expand the scale of business and create new businesses.	<ul style="list-style-type: none"> • Through iMedical Inc., an affiliated company, we are developing services that use remote medical imaging technology to provide specialist radiographic image interpretation for physicians. • north star Co., Ltd., an affiliate company in which we invested in February 2021, operates "Kids Doctor", which offers pediatric health consultation services, and appointment services of online diagnosis and home visit. • Xeureka Inc., a subsidiary of the Company established in November 2021, provides AI drug discovery support services and conducts drug discovery R&D through joint research. • Innoxia Inc., also a subsidiary of the Company, established in November 2021, is engaged in business providing various DX solutions to medical institutions, mainly hospitals.

Enhance quality of life

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Innovation & Corporate Development	Corporate Development	Real Estate asset management	We will provide solutions for longstanding social issues in the U.S., where the aging and nuclearization of society is reaching an advanced stage, through the ownership and operation of senior living properties.	Raise awareness of our senior living properties as an option for U.S. seniors to spend an enriching old age and contribute to build pleasant regional communities.	<ul style="list-style-type: none"> Continue to raise the quality of the main business' services and properties. Increase the scale of the business and work together with various partners to develop properties that offer high added value. 	<ul style="list-style-type: none"> We have advanced a senior living properties business for over 30 years, particularly in the west of the U.S. We currently manage 35 properties offering around 3,700 rooms. We are aiming to attract large amounts of pro-social investment from the capital markets through JV projects with Japanese investors, and the creation of private placement funds so that we can operate excellent assets and provide high-quality services.



Create an eco-friendly society

Accelerate initiatives towards environmental issues, such as responding to climate change and water resource problems, and contributing to a circular economy.

Recognition of Societal Issues

- Global warming, climate change
- Water resource shortages
- Circular economy
- Environmental pollution
- Loss of biodiversity

Major Risks and Opportunities

Risks

- Impact of tighter policies and regulations as part of the transition to a low-carbon society
- Impact of new technologies and the creation of new markets on supply and demand in existing business areas
- Disruption of business operations due to the impact of cyclones, hurricanes, and other physical impacts linked to climate change
- Impacts on the natural environment, such as the large-scale use of water in business operations
- Impact of leakage of hazardous chemicals
- Increase of environmental costs due to the destruction/deterioration of eco-systems

Opportunities

- Accelerating market changes in the mobility area resulting from rising environmental awareness and the tightening of regulations
- Expansion of markets for environment-related business areas, such as renewable energy
- Demand for high-efficiency power plants
- Creation of new business models based on the circular economy
- Handling of products and services that contribute to the creation of a lowcarbon society by conserving energy and reducing greenhouse gas emissions



Materiality Action Plans

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Mineral & Metal Resources	Mineral & Metal Resources	Mineral and metal resources business development	We will contribute to the achievement of a society that is in harmony with the environment by supplying mineral and metal resources that support a low-carbon society and by reducing environmental burdens in the resource industry.	Promote businesses to reduce environmental impact, including greenhouse gas reduction.	<ul style="list-style-type: none"> Contribute (from the raw materials side) to the low carbonization of the steel industry, and build value chains. Develop copper and battery raw materials that are required for EVs and electrification, and build value chains. Take low-carbon-emitting initiatives in mining operations. 	<ul style="list-style-type: none"> Together with Vale/Kobe Steel/Midrex, we are jointly considering providing low-carbon iron sources and low-carbon iron-making solutions. We are collaborating with partners to reduce Scope 1/2 GHG emissions (exhaust gas from mining equipment, accompanying methane gas, etc.) from metallurgical coal business. Also considering a possibility of collaborating with related infrastructure and technology owners. All electricity procured for the Collahuasi copper mine in Chile has been switched to renewable energy.
 	Mineral & Metal Resources	Mineral & Metal Resources	Environmental measures/ metal and battery recycling businesses	We will contribute to achieve a circular economy through our metal and battery recycling businesses.	Expand our metal and battery recycling businesses that contribute to the promotion of a circular economy.	Promote and expand metal and battery recycling business.	<ul style="list-style-type: none"> We are promoting scrap metal business at domestic and overseas bases and among investees (MM&Kenzai, Kyoei Recycling, Sims, etc.). We are promoting reuse and recycling business for EV waste battery cells and packs.

Create an eco-friendly society

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Energy	Energy Segment	Energy solutions	<p>We will contribute to the achievement of a low-carbon or no-carbon-emitting society by utilizing our accumulated knowledge inside and outside our Company in our business domains.</p>	<ul style="list-style-type: none"> • Support our Company and our partners for their effort on Net zero emissions by providing comprehensive energy solutions that combine technologies and businesses such as distributed renewable energy, storage batteries, next-generation fuels, and emissions trading. • Thoroughly disseminate our sustainable supply chain policy and, if necessary, formulate individual procurement policies and goals based on this policy, and aim to achieve them. 	<ul style="list-style-type: none"> • Work in various business fields with excellent partners who possess a high degree of technical ability and a wealth of knowledge. Provide innovative solutions that utilize our comprehensive strengths. • Monitor the implementation status of individual procurement policies. 	<p>We participate in and promote distributed renewable energy, energy management business, carbon-free LNG/biofuel/next-generation fuel supply, and CO2 Capture and Storage ("CCS") businesses. Our main projects are listed below.</p> <ul style="list-style-type: none"> • In November 2021, we strengthened capital ties and concluded a collaboration agreement with Forsee Power of France, through which we are promoting the electrification of mobility. • In March 2022, we concluded an MOU with Storegga Limited of the U.K., a Carbon Capture & Storage (CCS) operator in which we have invested, for the commercialization of Direct Air Capture (DAC) technology. • In May 2022, we invested in Climate Friendly, an Australian company engaged in the creation and sale of carbon credits through the restoration of native forest vegetation. <p>We have created an individual procurement policy for timber, which is recognized as a product that has a significant environmental and social impact.</p>






Create an eco-friendly society

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
	Machinery & Infrastructure	Infrastructure Projects	Centralized RE/ distributed power generation	We will construct, develop, and operate an RE power supply that can help reduce GHG emissions through decarbonization.	Achieve an RE ratio of 30%.	<ul style="list-style-type: none"> Construct new domestic and overseas RE power sources (offshore wind power, centralized large-scale solar power, distributed solar power, DSO, etc.). Steadily operate RE power sources in Japan and overseas. Provide RE peripheral business provision. 	In April 2022, we invested in Mainstream Renewable Power Limited, a leading renewable energy operator engaged in onshore and offshore wind and solar power projects mainly in Latin America and Africa. The company is aiming to develop 25 GW over the next 10 years.
	Machinery & Infrastructure	Infrastructure Projects	Social environment infrastructure business	We will solve water problems and contribute to the sustainable growth of society through water production and water and sewage treatment.	<ul style="list-style-type: none"> Improve the efficiency of existing water and sewage treatment businesses. Stably operate water production business. Acquire new water-related businesses. 	<ul style="list-style-type: none"> Construct water production projects in the Middle East. Steadily operate water and sewage treatment business in the Americas and the acquisition of new projects. Completion of water production projects in the Americas, and the commencement of operations. 	Through MITinfra in Mexico, we are helping to improve the living environment of local residents, solve water resource shortages, and achieve sustainable corporate activities through the water and sewage treatment business and wastewater treatment business for industrial customers. We are also considering and promoting new initiatives.





Create an eco-friendly society

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Machinery & Infrastructure	Infrastructure Projects	General power/ new areas/ services	We will provide and utilize decarbonized and environment-related products in initiatives for decarbonization and carbon neutrality in new business areas, mobility, and other business areas such as steelmaking, chemicals, and food, thereby contributing to decarbonization and carbon neutrality in the world.	Promote and expand our decarbonization efforts utilizing our comprehensive strengths.	<ul style="list-style-type: none"> Promote the construction and operation of equipment that meets the LEED Platinum certification standard, and contribute to urban development in harmony with the environment. Correctly understand customer demand in next-generation domains. Discover new products and services, conduct verification tests, and subsequently roll out mass production. 	<ul style="list-style-type: none"> District cooling equipment and distributed facilities are under construction in the One Bangkok district cooling and distribution business. We are pursuing entry opportunities by selecting partners for infrastructure construction related to decarbonization. Using our existing traders and business partners to assist us, we will promote the development of new traders in overseas markets such as Europe, as we seek to discover new products.
	Machinery & Infrastructure	Mobility I	Manufacture and sale of EV/FCV buses	We will work to popularize transportation vehicles that have a low environmental impact and that can contribute to the realization of a low-carbon society.	Establish a service provision system for low environmental impact transportation vehicles such as EVs and FCVs.	<ul style="list-style-type: none"> Expand the lineup of low environmental impact products handled. Together with new and existing partners, promote efforts that can help to achieve low-carbon-emitting societies. 	Caetano Bus, S.A., a Portuguese bus manufacturing and sales company in which we have invested, manufactures and sells EV buses that have a low environmental impact. These have been used as route buses in London since 2020.
 	Machinery & Infrastructure	Mobility II	Shipping	We will provide high-quality, environmentally friendly, competitive ships and services to meet the ever-expanding demand for marine transportation as the world economy grows.	Use DX to select the optimal shipping routes to save fuel and use new technologies such as new kinds of fuels to help reduce the environmental burden of shipping and enable sustainable growth of maritime industries.	Increase our efforts with global partners in each area of the world (shipyards, shipowners, shipowners). Showcase initiatives for utilizing the technological capabilities of Japanese manufacturers.	With emission reduction in the shipping industry becoming a global issue, in April 2021 we became a strategic partner of the Maersk McKinney Moller Center for Zero Carbon Shipping (MMMCZCS), a not-for-profit international research and development center dedicated to the decarbonization of the shipping industry.

Create an eco-friendly society

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Machinery & Infrastructure	Mobility II	Railways	We will promote our environmentally friendly railway transportation business, which serves as a major logistics artery in Europe and the Americas.	European environmental policy in the railway field promotes the shift from trucks to railways, promotion of electrification, promotion of regional integration, etc. The policy is to increase the railway modal share from 18% in 2020 to 30% by 2030. By offering electric locomotives and maintenance services that will play a part in this policy, we help to reduce the environmental burden.	<ul style="list-style-type: none"> Phase out diesel locomotives and have only electric ones. Reduce the environmental burden of our locomotives. 	Mitsui Rail Capital Europe (MRCE), a subsidiary of Mitsui & Co., Ltd., which is the largest company in the European locomotive leasing industry, is working to reduce the environmental burden through the use of electric locomotives.
	Chemicals	Basic Materials	Covering all business areas of the Business Unit (Gas Chemicals Business/Basic Chemicals Business/Performance monomer/Tank Terminal Business)	We will realize a low-carbon society and a circular economy.	Create business and strengthen initiatives in the areas of emission management and recycling.	Work on manufacture and sale of low-carbon products. Develop fuel ammonia and various recycling businesses.	We are promoting low-carbon methanol production using a U.S. methanol production facility.
	Chemicals	Performance Materials	Manufacturing and distribution	We will work to procure and provide safe and secure products to achieve a sustainable society through environmental protection.	Disseminate our sustainable supply chain policy throughout our supply chain.	Monitor the implementation status of each individual procurement policy.	We have formulated individual procurement policies for timber, paper products and natural rubber, which we recognize as products which are required to be in line with the protection of the natural environment when effectively utilizing forest resources.
	Chemicals	Performance Materials	Clean energy business	We will work to accelerate energy transformation and promote clean energy (such as hydrogen) to help achieve a carbon-free society.	Create demand for hydrogen and work on the industry issues such as cost reduction and deregulation.	Enhance collaboration with partner companies and expand the hydrogen supply chain.	We are investing in hydrogen tank manufacturers and hydrogen station operating companies, as well as providing business support.



Create an eco-friendly society

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Chemicals	Performance Materials	Forestry resources	We will contribute to the reduction of greenhouse gases and work to conserve biodiversity.	Contribute to greenhouse gas reduction by tree planting and comply with forest certification.	Establish greenhouse gas reduction projects through tree planting and maintain forest certification for our forestry assets.	<ul style="list-style-type: none"> • We have enhanced our efforts to reduce greenhouse gases with partner companies. • We have obtained forest certification for all our afforestation assets overseas.
 	Chemicals	Performance Materials	Materials and products business	Through our materials and products business, we will contribute to the achievement of a carbon-free and recycling-oriented society.	Develop and recycle environmentally friendly materials and products. Create and enhance other recycling-oriented businesses.	Develop and market low-environmental impact materials and products with partner companies, and develop and provide solutions including the construction of circular business models.	<ul style="list-style-type: none"> • We have participated in CLOMA (Japan Clean Ocean Material Alliance) to help solve problems of plastic waste in oceans. • We are promoting the development and commercialization of low-environmental impact materials and products with partner companies in the fields of plastics, biochemicals, and paper.



Create an eco-friendly society

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
	Iron & Steel Products	Iron & Steel Products	Renewable energy	We will work on the manufacture, maintenance and repair of infrastructure for renewable energy.	Help spread the use of renewable energy through the manufacture of equipment used in onshore and offshore wind turbine towers, as well as the establishment of inspection and repair business for tower materials and equipment.	Expand the services that we handle and the areas that these cover.	<ul style="list-style-type: none"> • We have established Horizon Ocean Management, Ltd. jointly with Hokutaku Co., Ltd., the largest wind turbine maintenance company in Japan. • We are promoting to preventive maintenance and longevity needs for wind power generation equipment, due to the increase in domestic offshore wind power generation facilities. • We are supplying materials from Regency Steel Japan that are used in the building of self-elevating platforms (vessels). • Through partnership with Global Energy Group we are promoting the fabrication and repair of offshore structures for renewable energy. • We are promoting the global expansion of wind power tower and flange manufacturing with GRI Renewable Industries.

Create an eco-friendly society

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
	Lifestyle	Food	Trading/business investment initiatives	We will contribute a circular economy by creating existing business and new business models.	<ul style="list-style-type: none"> • Add value to by-products generated in our food value chain. • Promote the setting up of a sales channel expansion circulation system by cultivating demand. 	<ul style="list-style-type: none"> • Find out how by-products can be effectively used. • Make proposals positively to existing and new customers about how such by-products can be used. • Achieve a reduction of waste generated in the value chain, reuse by-products, and utilize sales channels. 	<ul style="list-style-type: none"> • We have effectively utilized by-products such as soybeans, rapeseed, wheat, sesame, and corn for livestock and fishery feed. • We have reused sugar cane chaff as fuel for power generation. • We have made sludge generated by wastewater treatment dried and used them as boiler fuel. • Remnants of strawberry flesh on leaves removed from cut strawberries, are utilized to make juice. • We have utilized tea leaf residue is used as a raw material for compost.
	Lifestyle	Retail	Food retail	We will reduce the environmental burden in the food distribution value chain.	<ul style="list-style-type: none"> • Expand the procurement and handling of materials, packaging materials in our business value chain that have a low environmental impact. • Promote the reduction of the environmental impact in our business. 	<ul style="list-style-type: none"> • Enhance procurement and development capabilities for materials and packaging materials that have a low environmental impact. • Cooperate with suppliers, manufacturers, and customers to procure materials and packaging materials that have a low environmental impact and increase the frequency of development. 	<ul style="list-style-type: none"> • We are providing customers with thin-walled, lightweight, and simplified food containers and packaging materials (reduction of packaging usage). • We are using biomass film, biomass ink, aluminum-free paper cartons, thinner wood, recycled film and forest-certified paper.

Create an eco-friendly society

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Innovation & Corporate Development	IT & Communication	IT Service	We will contribute to realize the low-carbon society utilizing IoT and Cloud technology.	Contribute to realize the low-carbon society by reducing energy consumption through the utilization of IoT and cloud technology, and to optimize the air conditioning of spaces.	Increase the number of companies that have introduced services and the scale of air conditioning assets owned.	<ul style="list-style-type: none"> Through Mitsui Knowledge Industry Co., Ltd. (MKI), a subsidiary, we are providing GeM2, a cloud-based energy management service that provides both energy-saving and comfort, as well as a cloud-based remote monitoring service for solar power generation facilities. Through Air as a Service, Ltd. (AaaS), an affiliated company, we are providing a service that optimizes air conditioning usage environments and maximizes energy savings through the remote monitoring and control of industry-use air conditioning and ventilation systems.
	Innovation & Corporate Development	Corporate Development	Commodity derivatives	We will contribute to realize the low-carbon society through transactions involving derivatives such as power certificates and emissions credits that contribute to the carbon management of customers in Japan and overseas, and by demonstrating optimization functions.	Realize concrete progress on customers' carbon management plans by demonstrating carbon management functions that meet customers' needs.	<ul style="list-style-type: none"> Strengthen our ability to trade in power certificate and emissions credit markets and grow our customer base. Cultivate knowledge and personnel connected to carbon management structures and systems. 	We are expading trading functions and expand their customer base at Environment & Energy Sales Department of The Commodity Markets Division's and Mitsui Bussan Commodities Ltd.



Develop talent leading to value creation

Respect diversity and develop human resources with the competence to create innovation and new value.

Recognition of Societal Issues

- Innovation platforms
- Diversity and inclusion
- Improvement of creativity through work-style innovation and career development for diverse human resources
- Nurture the next generation of talent

Major Risks and Opportunities




Risks

- Decline in the quality and competitiveness of human resources due to market and environmental changes
- Outflows of employees due to the loss of career development opportunities for diverse human resources

Opportunities

- New value creation initiatives
- Improvements in productivity, efficiency, and motivation along with accelerating work-style innovation
- Recruitment of competitive talent through selection processes centering on abilities and personal qualities, and fair and diverse recruitment activities
- Fine-tuned human resources development with an increased emphasis on diversity
- Appropriate appointment and deployment of personnel on a global consolidated basis
- Improvement of corporate competitiveness by creating innovations through diversity management promotion





Materiality Action Plans

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
	Corporate Staff	Corporate Staff	Workforce management (managing workplace environments)	We will create frameworks for new value creation through the advancement of work style innovation.	Aim to raise the competitiveness of the entire group and provide new value to society by cultivating environments that enable each employee to become more productive, handle the uncertainty generated by constant environmental changes, and demonstrate their capabilities to the fullest.	<ul style="list-style-type: none"> Correct long working hours. Constant achievement of the percentage of annual leave taken to over 70%. 	<ul style="list-style-type: none"> Average annual paid leave taken: 12.5 days. Average annual paid leave usage ratio: 64.9%.
 	Corporate Staff	Corporate Staff	Diversity management	Our aim is for each of our employees, regardless of employment location, gender, or any other individual characteristics, to recognize and fully leverage each other's diverse backgrounds and abilities to bring new value to our business.	Realize diversity and inclusion.	<ul style="list-style-type: none"> Grow into an organization that thrives on diversity (implement the Mitsui Engagement Survey, monitor the results, and utilize them for organizational development) Promote diverse human resources Achieve a 10% ratio of female managers by the fiscal year ending March 31, 2025 (Japan) Achieve internal KPIs for internally promoted line managers at overseas subsidiaries by 2025 (not disclosed) (Global) Continue to Challenge and Innovate through our diverse workforce Leverage our Values in competency evaluations (global) Promote independent career support by reviewing human resource systems (Japan) 	<ul style="list-style-type: none"> We have measured the level of employee engagement and employee enablement, and used the results to make organizational improvements. We reported the results to the Corporate Management Committee and the Board of Directors and used them to formulate human resource strategies. Results of the Mitsui Engagement Survey 2021: Employee Engagement was 71% (+1% vs previous year), and Employee Enablement was 69% (unchanged from previous year). Women Leadership Initiative: We strengthened the development of female leaders, including support activities by female outside directors (with 36 employees taking part in total).

Develop talent leading to value creation

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
							<ul style="list-style-type: none"> • Sponsorship Program: Corporate Management Committee members provided advice and guidance on careers for female senior leadership candidates (with 8 employees taking part in total). • Change Leader Program: We implemented a program for prospective leaders that were hired overseas (with a total of 43 employees taking part in total). • Mitsui Leadership in Action: We introduced standards of conduct based on Mitsui's Values at the Head Office and overseas subsidiaries. The program is being utilized as part of hiring, training, evaluation, and appointment decisions. • We introduced the following new systems: (1) Business Manager Incentive Plan, and enhanced Succession Management, (2) Career Challenge System, (3) Share-Based Compensation Plan for Employees, and (4) Expert Band. • We conducted HR Strategy Meetings where the President, the Chief Human Resources Officer (CHRO), the General Manager of the Human Resources & General Affairs Department, and the COOs of each Business Unit and General Managers of each Corporate Division discuss succession plans for key positions.

Develop talent leading to value creation

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
  	Corporate Staff	Corporate Staff	Human resources development	We will place the Mitsui & Co. global group's diverse pool of competent individuals into the right positions at the right time and cultivate and utilize business management talent.	Cultivate personnel who can take on global group management and facilitate change and growth.	<ul style="list-style-type: none"> Implement human resource development programs. Realize 100% fulfillment of internal English-speaking requirements. 	<ul style="list-style-type: none"> We have implemented the Global Training Program (dispatching 76 employees to 28 countries). We have carried out training to cultivate personnel who can take on global group management.
	Corporate Staff	Corporate Staff	Health management, Occupational Health and Safety	We will develop workplace environments in which employees can continue to work healthily and safely, without falling into patterns of chronic overwork, so that they can fully demonstrate their capabilities and continue to strengthen the competitiveness of the Mitsui & Co. group.	Steadily promote occupational health and safety and health management throughout the global group.	<ul style="list-style-type: none"> Percentage of employees undergoing health checks in FY Mar/2022: 100%. Medical questionnaire response rate in FY Mar/2022: 100%. Percentage of employees undergoing stress checks in FY Mar/2022: 90% or higher. Smoking rate: Reduction of 0.5% compared to the previous FY. Work place accidents and fatal accidents: Zero. 	<ul style="list-style-type: none"> Promotion of Mitsui Health Report: (99.8% of the employees underwent health checks, 89.1% underwent stress checks in FY Mar/2021, and 75.6% responded to a medical questionnaire in FY Mar/2020). We have held anti-smoking seminar programs. Smoking rate: Reduced 2.1% compared to FY Mar/2021.



Build an organization with integrity

Strengthen our governance and compliance as a corporate group trusted by society.

Recognition of Societal Issues

- Raising integrity awareness, including ensuring compliance among all officers and employees
- Reinforcement of corporate governance and internal control

Major Risks and Opportunities



Risks

- Compliance violations, including anti-competitive actions, corruption, and bribery, resulting from a lack of integrity awareness on the part of officers and employees
- Business stagnation, scandals, and other situations resulting from dysfunctional corporate governance and internal control, leading to a failure to take appropriate management decisions, and the loss of stakeholder confidence as a consequence of such situations
- Information security problems
- Loss of customers and damage to our corporate reputation resulting from the suspension of important business processes in the event of natural disasters, terrorist attacks, epidemics, or other contingencies

Opportunities

- Organizational revitalization and improvement in reputation through initiatives to raise the integrity awareness of officers and employees, including measures to ensure compliance
- Sustainable improvement of corporate value through achievement of highly effective corporate governance and continuous review

Materiality Action Plans

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Corporate Staff	Corporate Staff	Integrity and compliance	We will raise integrity awareness, including ensuring compliance among all officers and employees.	Revitalize the organization and improve reputation through policies that address issues.	<ul style="list-style-type: none"> • Create organizations that act with integrity on a global group basis so that the Mitsui & Co. global group can continue to be a truly trustworthy corporate group for society. • Establish and strengthen compliance structures and carry out compliance education and training to ensure that employees are more thoroughly aware of compliance. • Facilitate communication and foster a "speak up" culture. 	<ul style="list-style-type: none"> • We have put together the Mitsui & Co. Group Conduct Guidelines—With Integrity to share our approach toward integrity and compliance on a global group basis, and are working to raise awareness through seminars and workshops. • By having Human Resource Managers at each business unit work directly with the CCO as Compliance Administrators, we are able to advance integrity and compliance measures in each organization based on company-wide policies. In addition to raising awareness of compliance and integrity at workplaces, we are accelerating the establishment and improvement of effective structures at the practical level in line with actual circumstances at affiliated companies. • We utilize Guidelines on the Establishment of Compliance Systems at Affiliated Companies, to strengthen compliance systems at affiliated companies on a global basis, and we carry out regular monitoring.




Build an organization with integrity

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
							<ul style="list-style-type: none"> • In line with amendments to the Whistleblower Protection Act, we strengthened whistleblower protection in the whistleblower system, aiming to further improve the reliability of the whistleblower system and create an environment that facilitates speaking up. • The main initiatives carried out in FY Mar/2022 in order to raise awareness of compliance and integrity are as follows. <ul style="list-style-type: none"> —We provided training for employees at all levels, from new entrants to managers, as well as for employees about to be transferred overseas or to group companies, or assigned outside the company. —We held "With Integrity Month" under the theme of "With Integrity for All Mitsui," to promote awareness of integrity on a global group basis. In addition to the independent efforts of each organization, including overseas offices, the company-wide project included an open Compliance Committee meeting and a live streaming of integrity discussions between the CEO and Mitsui group employees with simultaneous interpretation in English, creating opportunities for all officers and employees to discuss compliance together.

Build an organization with integrity

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
							<p>—We continued providing a learning course based on a Compliance Handbook explaining the "Business Conduct Guidelines for Employees and Officers of Mitsui & Co." in order to promote the assimilation of basic compliance knowledge that officers and employees of Mitsui should acquire in the course of their daily business activities. We also provide a "Mitsui & Co. Group Compliance Handbook" and e-learning to the group companies that requested them.</p> <p>—We are carrying out compliance awareness surveys and utilize them to improve compliance structures in each organization. The compliance awareness surveys are being used on a global group basis, customized according to the size and region of the organization.</p>

Build an organization with integrity

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
  	Corporate Staff	Corporate Staff	Corporate governance and internal controls	We will raise the transparency and fairness of management, enhance corporate governance, and establish and improve internal controls.	<ul style="list-style-type: none"> • Make sustainable improvements of corporate value through achievement of highly effective corporate governance and continuous review. • Establish and ensure the appropriate operation of internal controls systems in order to achieve management targets based on our Corporate Mission Vision Values. 	<ul style="list-style-type: none"> • Conduct continuous review and further strengthen internal controls systems for optimization of our corporate governance in accordance with the Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles through annual evaluation of the effectiveness of the Board of Directors in order to optimize our corporate governance. • Maintain the diversity of the Board of Directors and its advisory committees, which includes external members. • Respond to the findings of evaluations of the effectiveness of the Board of Directors. • Maintain the structure of remuneration for directors that strongly encourage medium- to long-term improvement in corporate value and sustainable growth. • Carry out highly transparent disclosure. • Check internal controls systems through annual internal controls reviews. 	<ul style="list-style-type: none"> • We are making the Board of Directors more diverse. As of June 22, 2022, the Board contained five external directors (over a third of the Board) and three women (21.4%). More than half of the members of advisory committees are external members and these committees carry out dynamic discussions on topics such as CEO succession planning and personnel matters concerning directors/officers (Nomination Committee), revisions to the remuneration of directors and monitoring of the operation of evaluation systems (Remuneration Committee), our Company's response to revisions of the Corporate Governance Code, our Company's institutional design based on our business execution framework, and revisions to the criteria for matters to be deliberated or reported on by the Board of Directors (Governance Committee). • We newly disclosed a director and Audit & Supervisory Board member skill matrix in notices of general meetings of shareholders and integrated reports and enhanced disclosure regarding director's remuneration in securities reports.



Build an organization with integrity

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
							<ul style="list-style-type: none"> • In FY Mar/2022, free discussions among all members of Board of Directors and Audit & Supervisory Board were held twice (themes: "Priority of Issues and Actions That Mitsui Should Tackle in the Medium to Long Term to Increase Corporate Value," and "How Global Operations Should Be"). • With regard to the issue of "ongoing consideration of the optimal number of directors, the ratio of internal to external directors, the number of internal directors, and institutional design" identified in the FY Mar/2021 evaluation of the effectiveness of the Board of Directors, the Governance Committee discussed the Company's business execution framework and institutional design at its meetings in September and December 2021. • In FY Mar/2022, it was concluded that the effectiveness of the Board of Directors, including its response to the issues outlined above, was appropriate.

Build an organization with integrity

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
							<ul style="list-style-type: none"> • We introduced a new performance-linked stock remuneration plan, linked to the achievement of management indicators that the Company should place emphasis on, such as ESG elements including response to climate change, and ROE. In addition to revising the remuneration composition ratio for directors, the Remuneration Committee, which is chaired by an independent outside director, carefully deliberated on revisions to executive remuneration from the perspective of improving corporate value over the medium to long term, with the aim of disclosing the management indicators that the Company places emphasis on in its management strategy in an easy-to-understand manner, in alignment with the highly transparent executive remuneration system. • In FY Mar/2022, in order to operate the necessary systems to ensure appropriate operations, the Company established and maintained each internal control system by holding physical meetings and carrying out visiting audits in combination with online meetings and/or video messages, etc.

Build an organization with integrity

SDGs targets(s)	Segment	Business unit	Business field	Response to issues	Target (assuming a date by 2030)	Actions and performance indices for achieving the target	Current status/ progress
 	Corporate Staff	Corporate Staff	Risk management	We will contribute to the advancement of sustainable business activities by identifying and managing the various risks surrounding the group's business.	Establish and maintain a comprehensive risk management structure to integrate groupwide risk management.	<ul style="list-style-type: none"> Position management, risk asset monitoring, adjustment and periodic review of internal rules by each corporate staff division. Control risk at each workplace at business units and overseas regional business units, and comply with and propose improvements to various regulations. 	For a wide variety of quantitative and qualitative risks which we face, each of the Corporate Staff Divisions cooperate by establishing various internal rules for risk management within their respective risk management areas, as well as conducting prior investigations and after-the-fact monitoring. We establish an integrated risk management system that has centralized control over the company-wide risks, which is centered around the Corporate Management Committee and the Portfolio Management Committee as an organization under the Corporate Management Committee. We identify important risks in light of the frequency of occurrence, expected damage scale, and company-wide risk tolerance and take corresponding measures.



Environment



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Environmental Management

Policies and Basic Approach

Mitsui & Co. has established, maintains, and operates an Environmental Management System based on our Environmental Policy, ISO14001 and various international guidelines, as the basis for our work to resolve environmental issues in the course of conducting our group business activities in countries and regions around the world.

In order to promote initiatives to conserve the global environment in our business activities, we will provide training and development opportunities for our employees and officers to enhance their ability to understand and act in accordance with our Environmental Policy. In addition, we will fulfill our accountability to society by proactively reporting our efforts and progress on addressing environmental issues.

Environmental Policy

We will work to resolve environmental issues through our group business activities in countries and regions around the world, in accordance with our Sustainability Policy and this Policy.

We also expect various stakeholders, including our business partners, to understand and address environmental issues in accordance with this Policy, and aim to collaboratively achieve harmony with the environment.

Compliance with Relevant Environmental Laws and Regulations

In pursuing our business activities, we will comply with relevant environmental laws and regulations, international standards and other such agreements made by our company.

Environmental Issues Related to Business Activities

- **Climate Change**

We will act to reduce greenhouse gas emissions, and also work to mitigate and adapt to climate change by pursuing businesses that contribute to the transition to a decarbonized society and to reducing the negative impacts of climate change.

- **Water Resources**

We will work to conserve water resources by reducing water consumption and improving the efficiency of water resource use.

- **Biodiversity**

We will assess the environmental impact of our business activities and work to conserve biodiversity.

- **Pollution Prevention**

We will act to reduce hazardous waste and pollutants and ensure the proper handling of any such materials, and strive to prevent air, water and soil pollution.

- **Sustainable Resource Use**

We will improve efficiency in the use of resources and energy and reduce waste. By pursuing business in the circular economy, we will work to achieve economic growth while reducing our burden on the environment.

- **Technology Development and Business Creation to Reduce Environmental Impact**

We will develop and promote technologies and new businesses that reduce environmental impact.

Construction of Environmental Management System

We will set environmental targets, build a robust environmental management system to achieve them, and pursue continuous improvement and appropriate governance through periodic review.

Stakeholder Engagement

We will place importance on stakeholder dialogue, and appropriately address environmental issues relevant to our business activities.

Remedy

We will use appropriate processes to remedy environmental impacts found to have arisen from our business activities or relevant supply chains.

Education and Training

We will provide training and development opportunities for our employees and officers to enhance their ability to understand and act in accordance with this Policy.

Reporting

We will continuously report our efforts and progress on addressing environmental issues through our reports, websites, and other communication channels.

Formulated in 1998
Revised in February 2022

Makoto Sato
Executive Managing Officer,
Chief Strategy Officer (CSO),
Chairperson of the Sustainability Committee

Goals and Targets

Targets and Progress

Period	Targets	Results
FY Mar/2023	<ol style="list-style-type: none"> 1. Reduce energy consumption intensity by 1 % or higher on average per year at Mitsui & Co. (non-consolidated). 2. Increase the waste recycling rate at buildings owned by Mitsui & Co. as a non-consolidated entity (Head Office, Osaka Office) to over 90 % by 2030. 3. Reduce paper consumption at Mitsui & Co. (non-consolidated) by 50 % or more compared to FY Mar/2020 by 2030. 4. Enhance the monitoring of hazardous waste at Mitsui & Co. 	—
FY Mar/2022	<ol style="list-style-type: none"> 1. Reduce energy consumption intensity by 1 % or higher on average per year at Mitsui & Co. (non-consolidated). 2. Increase the waste recycling rate at buildings owned by Mitsui & Co. as a non-consolidated entity (Head Office, Osaka Office) to over 90 % by 2030. 3. Reduce paper consumption at Mitsui & Co. (non-consolidated) by 50 % or more compared to FY Mar/2020 by 2030. 4. Enhance the monitoring of hazardous waste at the Head Office. 	<ol style="list-style-type: none"> 1. Energy consumption intensity was 0.094 MWh/m², an increase of 25.5 % from 0.070 MWh/m² in FY Mar/2021, reflecting an increase in the rate of attendance resulting from the lifting of the state of Covid-19 emergency declaration and other factors. 2. Increased the waste recycling rate by 8.2 %, from 85.6 % in FY Mar/2021 to 93.8 %. 3. Reduced paper consumption (per employee) by 0.3 %, from 2.97 thousand sheets per person in FY Mar/2021 to 2.96 thousand sheets per person. 4. Began monitoring and disclosing the emission of nitrogen oxides (NOX) sulfur oxides (SOX) and volatile organic compounds (VOC) at our building (Osaka) in addition to the Head Office.

Environmental Management

Period	Targets	Results
FY Mar/2021	<ol style="list-style-type: none"> 1. Reduce energy consumption intensity by 1% or higher on average per year at Mitsui & Co. (non-consolidated) and its consolidated subsidiaries in Japan. 2. Increase the waste recycling rate at buildings owned by Mitsui & Co. as a non-consolidated entity to at over 90% by 2030. 3. Reduce paper consumption at Mitsui & Co. (non-consolidated) by 50% or more compared to FY Mar/2020 by 2030. 4. Enhance the monitoring of hazardous waste at the Head Office. 	<ol style="list-style-type: none"> 1. Reduced energy consumption intensity by 37.1%, from 0.112 MWh/m² in FY Mar/2020 to 0.070 MWh/m². 2. Increased the waste recycling rate by 3.4%, from 82.2% in FY Mar/2020 to 85.6%. 3. Reduced paper consumption (per employee) by 58.6%, from 7.18 thousand sheets per person in FY Mar/2020 to 2.97 thousand sheets per person. 4. Began monitoring and disclosing the emission of nitrogen oxides (NOX) sulfur oxides (SOX) and volatile organic compounds (VOC) at the Head Office.

Sustainability Governance and Oversight

Sustainability Committee

The Sustainability Committee works under the Corporate Management Committee to plan, formulate and provide proposals on basic management policies, business activities, and corporate policies and strategies related to environmental management.

The Sustainability Committee is structured so that its activities are appropriately supervised by the Board of Directors, and matters discussed by the Sustainability Committee are regularly discussed and reported to the Corporate Management Committee and the Board of Directors.

Officer in Charge	Makoto Sato (Representative Director, Executive Managing Officer, Chief Strategy Officer (CSO), Chairperson of the Sustainability Committee)
Administrative Office	Corporate Sustainability Div., Corporate Planning & Strategy Div.

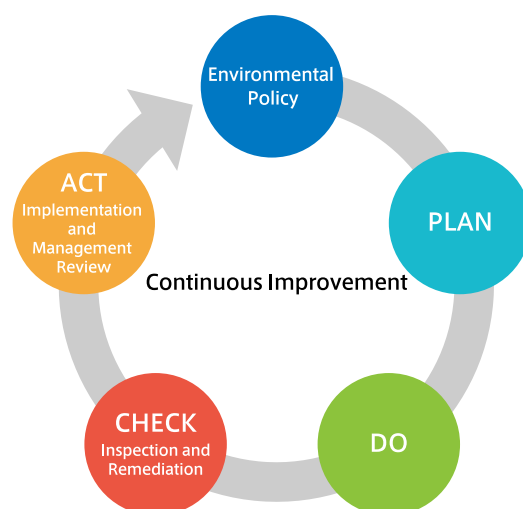
Please refer to the links below for more information on Mitsui's Sustainability Management Framework and the activities of the Sustainability Committee.

[Our Approach to Sustainability: Sustainability Governance and Oversight](#)

[Our Approach to Sustainability: Sustainability Committee](#)

Environmental Management System

We set environmental targets under our Environmental Policy and conduct periodic reviews of the progress and processes. In conducting these reviews, we have introduced an Environmental Management System (EMS) based on ISO14001, and are striving for continual improvement. Through this system, we aim to comply with environmental laws and regulations, prevent environmental risks including those related to climate change, and promote environmental conservation-oriented business. Specifically, in order to recognize the impact that our business activities may have on the global environment and to prevent environmental risks, we have established a system to assess the impact of both existing businesses and new business investments, and consider countermeasures. In addition, the system is operated and managed by implementing the PDCA cycle, which involves evaluating and analyzing the progress toward the set goals and reviewing the plan.



Plan-Do-Check Act of Environmental Management System

Global Group's Status of Acquisition of ISO 14001 Certifications

Mitsui maintains an environmental management system based on ISO14001 and various international guidelines as the basis for an active response to environmental and societal problems through the business activities of its global group. We acquired ISO14001 certification in 1999. The certification was last renewed on February 23, 2020 and is valid through February 22, 2023. Since the fiscal year ended March 2017, we have been working to strengthen our compliance with ISO14001:2015, which includes integration with business processes, initiatives in response to business risks and opportunities, and an increased emphasis on stakeholder perspectives.



Standards Covered

ISO14001, ISO26000, the GRI Standards, the Equator Principles, the World Bank Procurement Policies and Guidelines, and the IUCN guidelines

External Audit

Every year, ISO14001 certification audit is carried out by Japan Quality Assurance Organization (JQA). Since acquiring certification, we have undertaken annual audit in a three-year cycle: Maintenance audits in the first and second years, and a renewal audit in the third year. We undertook a maintenance audit in the fiscal year ended March 2022, for which we successfully maintained certification.

Environmental Management

Internal Environmental Audit

Every year, we hold an internal environmental audit based on ISO14001. As part of this audit, we have designated 19 departments as high priority and 10 departments for low priority. The designations were decided based on the prioritized management criteria in consideration of environment-related laws and regulations and in accordance with the amount of environmental/social risk and the business content. In the fiscal year ended March 2022, we carried out internal environmental audits at 21 departments - all 19 high priority departments and two departments selected from the low priority departments. No non-conforming matters or matters requiring improvement were identified, and we confirmed that the environmental management system is being properly operated. As part of internal environmental audits, the Corporate Sustainability Division works alongside the Sustainability Promotion Officers at each department to verify and appraise each department's legal compliance, progress with targets, level of contribution, and processes, and to link this to ongoing improvements and further improvements to the environmental management system.

Management of Global Group Subsidiaries

Based on comprehensive assessments that take into account such factors as the type of industry and impacts on the environment and ecosystem, we have selected 32 key subsidiaries from among our consolidated subsidiaries that need environmental priority management, from a total of 364 target companies. We encourage these companies to acquire international standard ISO 14001 or introduce environmental management systems in accordance with international guidelines, and promote the establishment of reliable management systems. As of the end of March 2022, out of the 32 priority subsidiaries, 9 have acquired ISO14001 certification. Aside from these companies, 9 subsidiaries located in Japan and overseas have also acquired ISO14001 certification.

Response to Environmental Accidents

During the fiscal year ended March 2022, there were no environment-related incidents at Mitsui (non-consolidated) and its consolidated subsidiaries in Japan and overseas.

Any accident is promptly reported to the relevant units, and comprehensive steps are taken to prevent recurrence, beginning with the identification of the actual cause of the accident and an assessment to determine appropriate corrective and preventive measures.

ESG Risk Management

In conducting business, we have put in place a system to ensure that utmost consideration is given to the environment and society in projects at all stages, including at the launch of a new business, during operations, and even during the exit stage. In regard to environmental and social risks, including climate-related risks, the Sustainability Committee discusses policies and measures to deal with such risks and implements them after reporting to and receiving approval from the Management Committee and the Board of Directors.

[ESG Risk Management: Process of Managing Environmental and Societal Risks](#)

Environmental Accounting

- Climate change risk mitigation costs: Industrial waste recycling cost at Head Office: 20 million in Japanese Yen (FY Mar/2022)
- Research and Development expenses for climate change risk mitigation (Grants for the establishment of an evaluation method for supporting measures to strengthen reporting ability of climate change in developing countries): 4.1 million in Japanese Yen (FY Mar/2019 - FY Mar/2022)

Initiatives

Compliance with Environment-Related Laws and Regulations

Our efforts to meet our corporate social responsibilities and keep pace with the expansion of those responsibilities include the creation of compliance assurance mechanisms based on our environmental management system. We also use training programs and other methods to ensure that our employees understand and comply with various environmental laws and regulations in Japan and overseas.

At the start of each fiscal year, officers at each department identify environment-related laws and regulations that are relevant to the operations of their units, and conduct a compliance assessment every half year. In addition, an internal environmental audit or environmental self-check process is carried out every year to confirm that environmental management systems are being applied effectively. Mitsui and its subsidiaries whose activities could have significant environmental impacts, have acquired certification under ISO14001 or equivalent standards, establishing secure and effective environmental law compliance mechanisms.

During the fiscal year ended March 2022, there were no reports of violations of environmental laws and regulations. There were also no major penalties or non-monetary sanctions imposed on our organization for violations of environmental laws and regulations.

Energy Conservation Law

From the viewpoint of compliance and environmental conservation, we abide by the Energy Conservation Law (Act on Rationalizing Energy Use), and conduct environment-minded business activities through promotion of energy conservation in offices and energy usage improvement related to transportation.

Waste Disposal Law

Mitsui operates in compliance with the Waste Management and Public Cleansing Law (also referred to as the "Waste Disposal Law" or "Waste Law"). In order to properly manage the disposal of industrial waste generated through logistics operations and general waste from business activities, we have formulated a workflow in connection with the handling of industrial waste and general waste from business activities and prepared FAQ documents. Such tools and documents are utilized by relevant divisions and departments. We also hold periodic internal seminars to increase awareness and understanding of proper waste disposal practices, covering such matters as the selection of waste management subcontractors and manifest compilation and management.

Environmental Management

Other Major Environmental Laws and Regulations

In promoting business activities, we comply with various environmental laws and regulations which includes, but not limited to, the following:

Act on Special Measures Concerning Promotion of Proper Treatment of PCB Wastes/Act on Rational Use and Proper Management of Fluorocarbons/Water Pollution Prevention Act/Soil Contamination Countermeasures Act/Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging/Act on Promotion of Recycling and Related Activities for Treatment of Cyclical Food Resources/Air Pollution Control Act/Offensive Odor Control Law/Poisonous and Deleterious Substances Control Act/Fire Service Act/Industrial Safety and Health Act/REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulations

Environment-Related Training

As we work to accelerate environmental initiatives across the global group, it is vital that we raise the environmental awareness of each of our officers and employees at all levels. Through initiatives such as holding regular seminars and environment law training sessions, we work to raise awareness of environmental issues among officers and employees of Mitsui, its subsidiaries, and its affiliated companies. Furthermore, we also work on initiatives to gain specialized knowledge through ISO14001 Provisional Auditor Training and other programs.

Lectures and Training Seminars Held in FY Mar/2022

Title	Number of Attendees	Target Audience
E-learning Training Seminars on Environmental Laws and Regulations	Approx. 360	Officers and employees of Mitsui and affiliated companies
Online seminar on the Waste Disposal Law	Approx. 350	Officers and employees of Mitsui and affiliated companies
Training on business laws and specific environmental issues: Chemicals Business Laws/Waste Management and Public Cleansing Act (seven times)	Approx. 1,720	Officers and employees of Mitsui and affiliated companies

Green Procurement

With regard to our office activities, we have been carrying out initiatives on a non-consolidated basis to promote carbon neutral electricity consumption and reduction of paper consumption and waste emissions through the use of containers with a low environmental impact, and will continue to promote green procurement.

Making Electricity Use Carbon Neutral across All Business Locations in Japan (Using Renewable Energy-Derived Credits)

As one of the concrete measures aimed at realizing our 2050 vision, all power supplied to our new Head Office, which we relocated to in May 2020, is carbon neutral. This has been achieved by mainly procuring energy from the Fukushima Natural Gas Power Plant (Shinchi, Soma, Fukushima Prefecture), a facility which has Mitsui as one of its main investors, and by applying renewable energy-derived credits generated by the biomass power generation of our affiliate company Konan Utility Co., Ltd. ("Konan Utility"). We have also applied credits generated by Konan Utility and Mitsui's Forests to the electricity used in all offices and training centers in Japan, enabling us to make all business locations in Japan carbon neutral.

Use of Containers, Packaging Materials and Office Products with Low Environmental Impact Based on Life Cycle Assessment

Since the relocation to the new Head Office in May 2020, we have been using the life cycle assessment to ensure that containers and packaging used at the employee cafeteria and cafe have a low environmental impact. Paper cups with an original, environmentally conscious design are used for all takeaway drink containers. They have been designed so that even cold beverages can be enjoyed without using a straw. For utensils, we use biodegradable plastic developed in collaboration with an affiliated company. Products such as disposable chopsticks and chopstick stands are made using wood materials from the thinned sections of FSC®-certified wood (FSC®-C057355) from our company-owned forests "Mitsui's Forests", which had previously gone unused. For example, at the cafe corners located within work areas, we supply grab-and-go style green tea in cartons with an original design (cylindrical paper containers) made from Japanese wood and thinned wood materials. In addition, we refrain from using disposable containers for the drink delivery service used to supply meeting rooms, etc. Through these kinds of initiatives, we have made efforts to reduce our impact on the environment regarding both use and disposal.

We also have been promoting the reduction of paper usage in our office products. We have used recycled paper in order to reduce the burden on the supply of raw materials. In addition, we have made double-sided printing as the default setting for all copiers and been promoting paperless office, which has resulted in a downward trend in the amount of paper consumption intensity per employee at Headquarters and all offices in Japan.



Containers and utensils with environmentally conscious design

[Environmental Performance Data: Waste and Paper Consumption](#)

Climate Change

Policies and Basic Approach

How we respond to climate change and increasingly frequent and severe natural disasters – whether through initiatives such as the Sustainable Development Goals (SDGs), the ratification of the Paris Agreement at the United Nations, or other initiatives – is one of the most pressing issues of our time. Businesses must also play their part, and it is becoming increasingly important for companies to act responsibly in supporting the creation of a sustainable society.

The material issues ("Materiality") identified by Mitsui include "secure sustainable supply of essential products", "enhance quality of life", and "create an eco-friendly society", and our Environmental Policy stipulates that we will pursue the kinds of business that will help us act to reduce greenhouse gas (GHG) emissions, as well as mitigate and adapt to climate change. We have positioned climate change as one of the key themes of our sustainability management in our Medium-term Management Plan 2023. Moreover, we position technological innovation in environment and clean tech as one of the core strategic fields, and are working to pursue and expand investment opportunities in these areas.

We have set targets that aim to contribute to the goals of the Paris Agreement and Japan's own medium-term GHG emission reduction targets. Through our global and wide-ranging business activities, we will contribute to the development of economies and societies in many countries across the world and to solutions to the global challenges we face, such as mitigating and adapting to climate change.

Mitsui presented its climate change and green transformation initiatives at the Mitsui & Co. Investor Day held on December 2, 2022. Please refer to the link below for more information.

[Mitsui & Co. Investor Day 2022: Path to Green Transformation \(PDF 2.81 MB\)](#)

Disclosure Based on TCFD Recommendations

Disclosure Policy

In December 2018, Mitsui declared its support for the Task Force on Climate-related Financial Disclosures (TCFD). In accordance with the recommendations of the TCFD and as a responsible company operating globally, we actively promote information disclosure with an awareness of stakeholder demands.

[Disclosure Based on TCFD Recommendations \(December 2022\) \(PDF 536 KB\)](#)

Governance

Governance System for Climate Change Response

We have positioned addressing climate change as a key management issue. Basic management policy, business activities, and corporate policies and strategies that concern climate change are planned developed, and advised on by the Sustainability Committee, an organization under the Corporate Management Committee.

The Sustainability Committee is structured so that its activities are appropriately supervised by the Board of Directors, and matters discussed by the Sustainability Committee are regularly discussed and reported to the Corporate Management Committee and the Board of Directors.



Sustainability Committee

Officer in Charge	Makoto Sato (Representative Director, Executive Managing Officer, Chief Strategy Officer (CSO), Chairperson of the Sustainability Committee)
Administrative Office	Corporate Sustainability Div., Corporate Planning & Strategy Div.

Climate Change-Related Discussions

There were 13 major climate change-related discussions by the Sustainability Committee over the past three years.

FY Mar/2020	FY Mar/2021	FY Mar/2022
<ul style="list-style-type: none"> • Discussion on climate change scenario analyses • Discussion on key priorities established in relation to sustainability • Discussion on the introduction of internal carbon pricing system • Discussion on establishment of GHG-related targets 	<ul style="list-style-type: none"> • Discussion on establishment of GHG-related targets • Discussion on climate change scenario analyses • Report on investigations into GHG emissions • Progress reports and discussions on the progress of initiatives such as the internal carbon pricing system and building of a GHG emissions database 	<ul style="list-style-type: none"> • Free discussion and report on roadmap for achieving long-term GHG targets • Report on development of GHG reduction contribution calculation tools • Free discussion on introduction of ESG assessment in executive remuneration • Report on climate change/ review of internal systems and policies, and deliberations on future response policy

Climate Change

Sustainability Advisory Board

We have established the Sustainability Advisory Board (formerly the Environmental and Societal Advisory Committee), a group comprising external experts in societal and environmental topics such as climate change. The Sustainability Committee uses information and advice from Sustainability Advisory Board members in their deliberations. In fiscal year ended March 2022, the Committee held a total of four meetings to discuss climate change initiatives.

Please refer to the links below for more information on Mitsui's Sustainability Management Framework and the activities of the Sustainability Committee.

[Our Approach to Sustainability: Sustainability Governance and Oversight](#)

[Our Approach to Sustainability: Sustainability Committee](#)

[Our Approach to Sustainability: Sustainability Advisory Board](#)

Reflecting Climate Change Responses in the Executive Remuneration Plan

The company decided to introduce a new performance-linked restricted stock remuneration plan from the fiscal year ended March 2023, which was approved at the Ordinary General Meeting of Shareholders on June 22, 2022. The remuneration plan has been introduced to incentivize the company to fulfill our social responsibilities and to continuously improve our medium-to long-term performance and corporate value. As one of the management evaluation indicators, ESG elements, including our response to climate change are included. For more information, please see "4. Corporate Information, 4. Corporate Governance, (4) Remuneration of Directors and Audit & Supervisory Board Members" in the Annual Securities Report for the fiscal year ended March 31, 2022.

[Annual Securities Report for the fiscal year ended March 31, 2022](#)

Strategy

Scenario Analysis Policy and Process

Since declaring our support for the TCFD recommendations in December 2018, we have been engaged in a step-by-step scenario analysis process to enhance the resilience of our strategy by responding flexibly to changes in the global business environment. Traditionally, business units have analyzed risks, countermeasures, quantitative impact, etc. for their selected businesses and discussed them at the Sustainability Committee; however, in response to its growing importance, we have integrated scenario analysis into the formulation process for the business plan starting the fiscal year ending March 31, 2023. By incorporating scenario analysis into the business planning process, which is approved by the Board of Directors after reporting and deliberation by the Corporate Management Committee, the results of scenario analysis are confirmed and deliberated by management and reflected in the business plan and business portfolio strategy.

Climate Change

Selected Scenarios

We are conducting scenario analysis in short- (0-1 year), medium- (1-10 years), and long-term (10-30 years) timeframes up to the year 2050. We conduct scenario analysis of transition risks*¹ and opportunities with reference to the scenarios set out in the World Energy Outlook (WEO) published by the (International Energy Agency) IEA. In addition, with reference to the RCP (Representative Concentration Pathway) used by the IPCC (Intergovernmental Panel on Climate Change), Mitsui has conducted analysis of investment assets above a certain value by surveying the impact of physical risks*² based on natural disasters that have occurred over the last five years.

*1 "Transition risks" refer to risks caused by changes in policy/legal regulations, technology development, market trends, market evaluation, etc.

*2 "Physical risks" refer to the risk of physical damage caused by increases in natural disasters and abnormal weather arising from climate change.

- IEA Stated Policies Scenario (STEPS): Scenario that reflects the current policy targets of each country
- IEA Sustainable Development Scenario (SDS): Scenario needed to uphold the Paris Agreement, which seeks to keep global warming within 2.0°C (and further pursue efforts to limit the temperature increase to 1.5°C) of the pre-Industrial Revolution level
- IEA Net Zero Emissions by 2050 Scenario (NZE): Scenario for achieving the goal of limiting global warming to less than 1.5°C compared to pre-Industrial Revolution level
- IPCC RCP 8.5 scenario: Scenario in which the world's average temperature rises by around 4.0°C by 2100

Major Risks and Opportunities Associated with Climate Change

Mitsui is engaged in a wide range of business in countries and regions around the world, and we view the diverse risks and opportunities presented by climate change as important factors that we must consider when formulating our business strategies. We are identifying the short-, mid-, and long-term risks and opportunities that accompany climate change, and we review them periodically. We also review each segment in response to changes in the macroenvironment and trends, and adjustments in our business portfolio, along with other changes in the internal and external environment, and reflect them in our business strategy in a timely manner.

Transition Risks	Policy and Legal Risks	<ul style="list-style-type: none"> • Shift to the use of low-carbon-emission or decarbonized energy due to various national and regional policies (changes in energy and power mix) • Government-imposed restrictions on greenhouse gas emissions, with carbon taxes and cap-and-trade emissions-credit schemes
	Technology Risks	<ul style="list-style-type: none"> • Changes in supply and demand in markets for existing commodities and services or the obsolescence of existing production equipment and facilities accompanying the introduction of new technologies geared toward climate change or the development and dissemination of alternative products
	Market Risks	<ul style="list-style-type: none"> • Changes in demand for fossil fuel-related products and services and deterioration in value of Mitsui's ownership interests • Fund procurement risks due to the adoption of low-carbon/ decarbonization policies by financial institutions and insurance companies

Climate Change

Physical Risks	Acute Risks	<ul style="list-style-type: none"> • Interruption of the operations of project companies in Australia and the United States, etc., due to cyclones and hurricanes
	Chronic Risks	<ul style="list-style-type: none"> • Impact of global warming on agricultural and marine products or impediments to operations accompanying rising sea levels

Further, for each of our segments we have analyzed the internal and external environment and identified risks and opportunities.

Segment	Risks	Opportunities
Mineral & Metal Resources	<ul style="list-style-type: none"> • Decrease in demand for raw materials (iron ore, metallurgical coal) due to increase in Electrical Arc Furnace usage in anticipation of efforts to reduce GHG • Increase in the cost of environmental measures and carbon taxes • Increase in the difficulty for obtaining environmental permits 	<ul style="list-style-type: none"> • Expansion of recycling businesses in response to circular economy • Increase in demand for raw materials for secondary batteries, copper, and aluminum accompanying the spread of vehicle electrification
Energy	<ul style="list-style-type: none"> • Decrease in demand for fossil fuel • Increase in the cost of environmental measures 	<ul style="list-style-type: none"> • Expansion of market for LNG and gas businesses that have a relatively low environmental impact • Expansion of CCS/CCUS* business • Expansion of market for biofuel, hydrogen/ammonia fuel, and other next-generation energy • Expansion of business for Energy Solutions Business, including emissions credits and energy management businesses
Machinery & Infrastructure	<ul style="list-style-type: none"> • Change in the social conditions surrounding coal-fired thermal power businesses • Change in the supply and demand of existing businesses accompanying the creation of new technologies and new markets • Impact of extreme weather on cargo transportation volumes 	<ul style="list-style-type: none"> • Development of renewable energy generation businesses • Increase in demand for storage batteries that help address increased volatility in power grids • Circular economy and sharing • Expansion of business related to the shipping business using next-generation fuels

Climate Change

Segment	Risks	Opportunities
Chemicals	<ul style="list-style-type: none"> • Change in demand for fossil fuel-derived chemicals • Change in industrial structures due to strengthening of environmental restrictions 	<ul style="list-style-type: none"> • Expansion of recycling business in anticipation of a recycling-based society • Increase in demand for biochemicals and energy-saving materials • Increase in demand for forests as a source of absorption and emission credit businesses
Iron & Steel Products	<ul style="list-style-type: none"> • Decrease in demand for materials and drilling equipment for the energy sector 	<ul style="list-style-type: none"> • Reform of steel production, processing and supply chains responding to low-carbon/decarbonized society • Increase in demand for maintenance businesses to contribute to extending life of infrastructure • Increase in demand for lighter vehicles and highly efficient motors accompanying spread of electric vehicles
Lifestyle	<ul style="list-style-type: none"> • Change in food-producing regions accompanying global warming, etc. • Impact on supply chains of extreme weather 	<ul style="list-style-type: none"> • Rising need for securing food resources and securing stable food supplies
Innovation & Corporate Development	<ul style="list-style-type: none"> • Increase in insurance claims accompanying a rise in physical risks 	<ul style="list-style-type: none"> • Increase in demand for insurance accompanying a rise in physical risks • Increase in business opportunities in relation to environmental derivatives

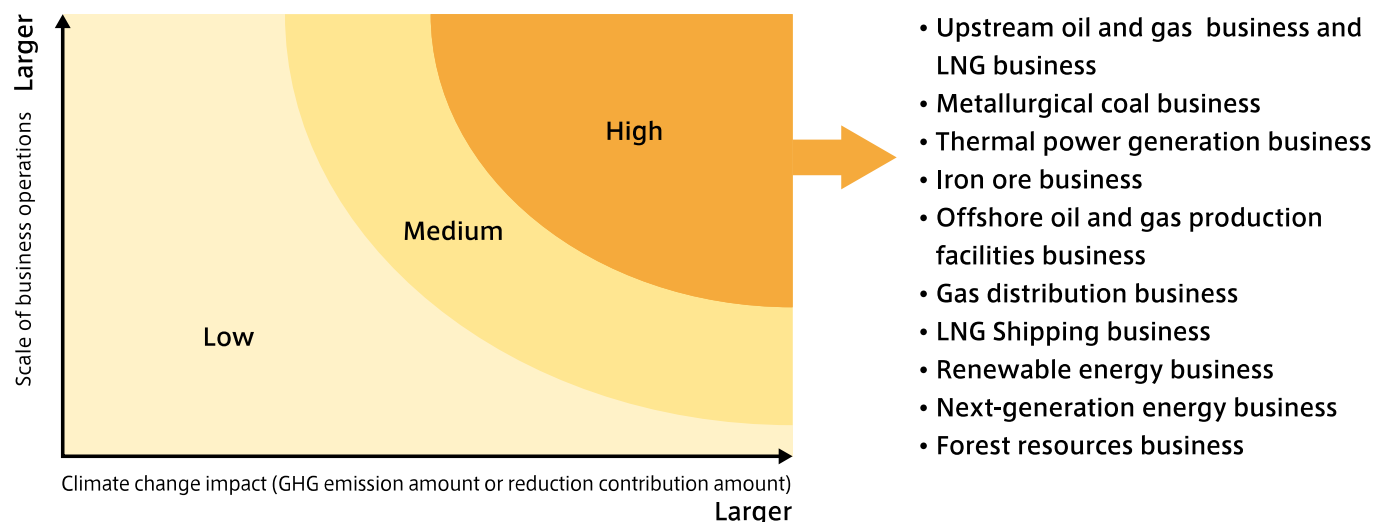
* CCS = Carbon Capture and Storage; CCUS = Carbon Capture, Utilization and Storage

Transition Risk Assessments

We use multiple climate change scenarios for the selected business to assess the impact of transition risks on financial planning and business strategies, and use the results to investigate necessary countermeasures.

Selection of Business for Scenario Analyses

In consideration of scale of business operations and climate change impact, upon categorizing business as "high", "medium" or "low" priority, we have selected "high" priority business as targets for scenario analyses.



Results of Scenario Analysis

The results of scenario analysis for the ten businesses selected for this study are shown below. The scenarios referred to in the scenario analysis are organized into Current and Transition Scenarios as follows.

- **Current Scenario:** A scenario in which current climate related initiatives of each country are maintained, demand (mainly in emerging countries) for fossil fuels and other resources that emit GHGs remains to a certain extent, and business practices which could impact climate change continue (STEPS, etc.).
- **Transition Scenario:** A scenario in which there is a slowdown in demand for fossil fuels and other resources that emit GHGs, and a rapid increase in demand for renewable energy and other resources, as a result of the international development of advanced initiatives and systems to address climate change as well as a shift towards energy conservation and electrification driven by widespread decarbonization and technological innovation (SDS, NZE, etc.).

The impact of the Current Scenario and the Transition Scenario on the business between now and 2050 is shown in the following three levels.

- ➡ : Positive impact on business
- ➡ : No change or slight impact on business
- ➡ : Negative impact on business

Climate Change

Upstream Oil and Gas Business and LNG Business

Awareness of Business Environment Under Each Scenario	Impact on Businesses			Countermeasures
<p>Current Scenario (STEPS, etc.) Growth in oil demand is expected to gradually slow, with demand peaking in the mid-2030s and then leveling off toward 2050. Demand for natural gas is expected to grow steadily for the power and industrial sectors in emerging Asian countries, centered on China and India.</p> <p>Transition Scenario (2°C : SDS, etc.) Oil demand is expected to decline by half through to 2050 amid progress towards a low-carbon and decarbonization, mainly through electrification of the transportation sector in developed countries. Natural gas demand is expected to remain firm for the next 5 to 10 years as a substitute for coal-fired power generation. By 2050, however, demand is expected to decline to about two-thirds, centered on the power generation sector, due to the spread of renewable energies. Meanwhile, new demand for hydrogen feedstock and other applications is expected to grow over the long term.</p> <p>Transition Scenario (1.5°C : NZE, etc.) Although global demand for natural gas is expected to gradually decline after 2025 and halve between 2030 and 2050, its importance as a raw material for hydrogen is expected to rise together with the global trend toward decarbonization. Meanwhile, oil demand is expected to decline sharply after 2030, falling to about a quarter of current demand by 2050.</p>	Current Scenario	Transition Scenario (2°C)	Transition Scenario (1.5°C)	<p>In order to enhance our risk tolerance to sudden changes in supply and demand trends, we will continue to work on improving asset value, including strengthening the competitiveness of existing business assets, reducing GHG emissions, and low carbon/ decarbonization initiatives, while considering the global energy and geopolitical situation.</p> <p>Particularly for new projects, we will carefully select highly competitive projects, taking into account potential future carbon costs including policy changes and the introduction of carbon taxes in each country, and build a well-balanced portfolio of business assets, including implementing timely asset recycling. While contributing to the low-carbon and decarbonization of the entire value chain, we will continue to work on upstream development of natural gas, which is a transition energy and can be used as a feedstock for next-generation fuels, and to increase our liquefaction capacity. Utilizing our upstream business knowhow, and while paying attention to technological development trends and regulatory reforms in each country, we aim to realize the early commercialization of our CCS/CCUS business and geothermal business, along with our hydrogen and ammonia business, leveraging our gas upstream assets and our existing customer network.</p>
<p>While faced with the dual challenge of needing to expand quantity and improve quality, renewable energy will steadily expand, and fossil fuels will remain indispensable as a primary energy source for the time being. Although oil demand is expected to peak and then remain flat or decline in all scenarios, the impact is limited due to the expected increase in the ratio of gas production in our overall crude oil and gas equity production in the future. Natural gas is an important transition energy source with relatively low environmental impact and a realistic solution to meet growing demand while addressing climate change challenges.</p> <p>Although we expect strong demand for LNG/natural gas particularly in Asia in the medium term under both Transition Scenarios, there is a risk that the value of upstream assets will be impacted if demand declines under the Transition Scenario (1.5°C). Therefore, ongoing verification and monitoring of demand trends and their impact on our business is necessary.</p>				


Climate Change

Metallurgical Coal Business

Awareness of Business Environment Under Each Scenario	Impact on Businesses			Countermeasures
<p>Current Scenario (STEPS, etc.) In developed countries, demand is expected to gradually decline from the 2030s against a backdrop of declining crude steel production and lower blast furnace ratios due to utilization of ferrous scrap, while demand in India and Southeast Asia is expected to grow from the late 2020s onward due to addition of blast furnaces in the region. Global demand for metallurgical coal is expected to increase moderately from current levels through to 2050. The supply of metallurgical coal is expected to remain flat over the medium to long term as increases in new projects and other factors will be offset by the termination of existing mines, resulting in a tightening of the supply-demand balance.</p> <p>Transition Scenario (2°C : SDS, etc.) Demand for metallurgical coal is expected to remain flat over the medium to long term and remain at current levels in 2050, due to further acceleration in the use of ferrous scrap and alternative raw materials in developed countries, as also expected in the Current Scenario. On the supply side, countries are stepping up their efforts to address climate change, making it more difficult to obtain development permits and financing for new projects or expansion plans. As a result, supply is expected to decrease, and the supply-demand balance may become even tighter.</p> <p>Transition Scenario (1.5°C : NZE, etc.) Greater demand for carbon reduction is expected to drive a shift towards more efficient steel use, and both crude steel production and metallurgical coal demand are expected to decline further compared to the other scenarios. New projects or expansion plans may be more difficult to implement under the Transition Scenario (1.5°C), resulting in a decline in supply and a further tightening of the supply-demand balance.</p>	<p>Current Scenario</p> <p>➡</p>	<p>Transition Scenario (2°C)</p> <p>↘</p>	<p>Transition Scenario (1.5°C)</p> <p>↘</p>	<p>As demand for metallurgical coal is expected to remain strong over the medium to long term, we will strive to improve the quality of our assets while maintaining stable supplies to customers. We will closely monitor changes in the external environment, and strengthen our efforts such as utilizing the methane gas produced and shifting to alternative fuels and raw materials, with a view to realize a low-carbon/decarbonized society together with our business partners.</p>
	<p>Under the Current Scenario, demand for metallurgical coal is expected to remain flat or increase slightly, and the competitiveness of our assets will be maintained, and therefore business profitability is expected to remain strong.</p> <p>Under the Transition Scenarios, new projects and expansion plans are expected to slow down on the supply side in response to declining demand, resulting in a decline in the volume of supplied. Although our assets will remain competitive, there is expected to be an increase in costs relating to the introduction of emission reduction technology, environmental compliance, and financing.</p> <p>Continuous close attention must be paid to the business impact that these costs have on metallurgical coal prices, along with the business impact of policies and policy trends in each country.</p> <p>Additionally, we are no longer adding to our assets that only produce thermal coal.</p>			

Climate Change

Thermal Power Generation Business

Awareness of Business Environment Under Each Scenario	Impact on Businesses			Countermeasures
<p>Current Scenario (STEPS, etc.) Fossil fuel-based power generation will gradually decline over the long term, particularly in developed countries. Meanwhile, demand for new power plants is expected to continue in the medium term in some emerging countries where electricity demand will continue to grow and where renewable energy alone is not sufficient to meet supply needs.</p> <p>Transition Scenario (2°C : SDS, etc.) Fossil fuel-based power generation is expected to decline at a faster rate in the medium to long term than under the Current Scenario, particularly in developed countries. Although developed countries are shifting to renewable energy sources, a certain amount of coal-fired power generation demand is expected in emerging countries even as late as 2050. In addition, demand for gas-fired power generation as a transition energy source is expected to continue over the medium to long term in both developed and emerging countries.</p> <p>Transition Scenario (1.5°C : NZE, etc.) Electricity demand is expected to increase significantly in the medium to long term against the backdrop of rapid progress in the low-carbon and decarbonization trends, with demand increasing by 50% in 2050 compared to the Current Scenario. Compared to the 2°C scenario, fossil fuel-based electricity generation is expected to decline at a faster rate, and by 2050, power plants with decarbonization facilities such as CCUS will become mainstream. The share of renewable energy is expected to further increase, with renewable energy, mainly wind and solar, supplying the majority of electricity demand.</p>	Current Scenario 	Transition Scenario (2°C) 	Transition Scenario (1.5°C) 	<p>Amid the global trend towards low carbon and decarbonization, we will work to transform our power generation portfolio and improve quality in accordance with changes in the environment. Specifically, we intend to reduce our coal-fired thermal power footprint from our power generation capacity over the medium to long term, while increasing the ratio of renewable energy in our power generation portfolio, including hydroelectric power, to over 30% by 2030, and continue with the transformation of our power generation portfolio as necessary to achieve net zero by 2050.</p> <p>In addition, as a responsible power producer, we will continue to examine ways to improve the efficiency of our existing thermal power assets, including utilizing CCUS, ammonia co-firing, and other low-carbon and decarbonizing technologies.</p> <p>We will consider new gas-fired power projects, taking into account the need for gas-fired power as a transition energy source in accordance with each scenario, as well as potential future carbon costs the power supply mix, and electricity demand outlook for each region.</p>

Climate Change

Iron Ore Business

Awareness of Business Environment Under Each Scenario	Impact on Businesses			Countermeasures
<p>Current Scenario (STEPS, etc.) Although crude steel production in China, the world's largest producer, is expected to decline in the future, this is expected to be offset by increased production in India and Southeast Asia. We predict that global crude steel production will remain steady over the medium to long term.</p> <p>Transition Scenario (2℃ : SDS, etc.) With higher rates of use of electric furnaces, and an increase in production of direct-reduced iron, which mainly uses high-grade ore, we expect an increase in demand for high-grade ore, and a corresponding increase in premiums and discounts for high-grade iron ore/low-grade iron ore.</p> <p>Transition Scenario (1.5℃ : NZE, etc.) In response to the growing demand for a shift to low carbon, the use of scrap iron and direct-reduced iron is expected to further expand, and crude steel production itself is expected to decrease due to more efficient steel use. Iron ore demand is expected to decrease compared to the Transition Scenario (2℃).</p>	<p>Current Scenario</p> <p>➡</p>	<p>Transition Scenario (2℃)</p> <p>➡</p>	<p>Transition Scenario (1.5℃)</p> <p>↘</p>	<p>For the foreseeable future, we will work to strengthen the competitiveness of our assets while providing stable iron ore supplies to customers, and continue to closely monitor the rate at which electric furnace production methods spread as a means of low-carbon and decarbonization in the steel industry, and the speed of change regarding new steelmaking technologies. In addition, we will strengthen efforts towards realizing a low-carbon society together with our business partners, while closely monitoring changes in the external environment.</p>
<p>Although crude steel production is expected to be affected by a peak-out in China in the mid-2020s, India and Southeast Asia are expected to offset the decline in China. Crude steel production and iron ore demand are expected to remain steady over the medium to long term under both the Current and Transition Scenario (2℃). Under the Transition Scenario (1.5℃), iron ore demand is expected to decline relative to other scenarios. The Transition Scenario (2℃) incorporates an increase in premiums and discounts for high-grade and low-grade ore, but the impact on overall earnings will be limited. A similar trend is expected under the Transition Scenario (1.5℃), however downward pressure on iron ore prices and profitability is expected due to lower demand. The business impact of policies and policy trends in each country will need to be continuously examined.</p>				




Climate Change

Offshore Oil and Gas Production Facilities Business

Awareness of Business Environment Under Each Scenario	Impact on Businesses			Countermeasures
<p>Current Scenario (STEPS, etc.) Demand for new production facilities will decline over the medium to long term in line with a slowdown in oil demand growth; however, the timeline of this will differ by region.</p> <p>Transition Scenario (2°C : SDS, etc.) Oil demand will decline earlier than under the Current Scenario due to the promotion of electrification in developed countries, dropping by half through to 2050. As a result, demand for new production facilities is expected to decline faster than under the Current Scenario.</p> <p>Transition Scenario (1.5°C : NZE, etc.) Oil demand is expected to decline sharply after 2030, and fall to about a quarter of the current level by 2050. With the rapid decline in demand, crude oil prices are expected to fall to about half by 2030 and one-quarter by 2050, compared to the Current Scenario. As a result, demand for new production facilities is expected to decline more than under the Transition Scenario (2°C).</p>	<p>Current Scenario</p> <p>➡</p>	<p>Transition Scenario (2°C)</p> <p>➡</p>	<p>Transition Scenario (1.5°C)</p> <p>➡</p>	<p>Considering the scenario of declining demand in the medium to long term, we will work to transform our businesses into a field where we can utilize the expertise we have accumulated from our existing business (e.g., floating offshore wind power).</p>
	<p>Many of our projects related to offshore oil and gas production facilities, such as FPSO facilities and drillships, that continue beyond 2030 , are based on committed long-term use by customers under long-term contracts. Therefore, the impact of the Current and Transition Scenarios on existing businesses is expected to be limited. However, under the Transition Scenario (1.5°C), a significant decline in oil demand and oil prices beyond 2030 may impact the continuity of production activities of energy companies, and will require continuous verification and monitoring of the impact on business.</p>			




Climate Change

Gas Distribution Business

Awareness of Business Environment Under Each Scenario	Impact on Businesses			Countermeasures
<p>Current Scenario (STEPS, etc.) Natural gas demand is expected to increase steadily in line with rising gas demand in emerging countries.</p> <p>Transition Scenario (2°C : SDS, etc.) Natural gas demand is expected to remain firm for the next 5-10 years due to its use as a substitute for coal-fired power generation, however through to 2050, demand is expected to fall to about two-thirds, with the majority of this reduction in the power generation sector, due to the spread of renewable energy. In emerging countries, gas demand is expected to increase, but grow at a slower pace than under the Current Scenario.</p> <p>Transition Scenario (1.5°C : NZE, etc.) Global natural gas demand is expected to gradually decline after 2025 and halve from 2030 to 2050. Oil demand is also expected to decline sharply after 2030, falling to about a quarter of current demand by 2050.</p>	<p>Current Scenario</p> 	<p>Transition Scenario (2°C)</p> 	<p>Transition Scenario (1.5°C)</p> 	<p>We will continue to work on improving asset value, including decarbonization initiatives such as biogas utilization and GHG emissions reduction. For new projects, we are working in consideration of potential future carbon costs.</p>
<p>Our gas distribution businesses located in emerging countries are granted exclusive long term concession rights in each of the concession areas. Under the Current and Transition Scenario (2°C), in which gas demand in emerging countries is expected to increase in the medium to long term, the impact on existing businesses is expected to be limited.</p> <p>Under the Transition Scenario (1.5°C), demand for gas is expected to decline in emerging countries due to a decrease in associated gas production resulting from a decline in oil production, and a rapid increase in the share of renewable energy in the power generation sector, potentially impacting business revenues due to lower gas distribution volumes.</p>				

Climate Change

LNG Shipping Business

Awareness of Business Environment Under Each Scenario	Impact on Businesses			Countermeasures
<p>Current Scenario (STEPS, etc.) Demand for natural gas is expected to grow steadily over the long term for use in the power and industrial sectors in emerging Asian countries, and therefore, demand for operation of ships for natural gas is expected to increase.</p> <p>Transition Scenario (2℃ : SDS, etc.) Demand for natural gas is expected to continue in the medium to long term as a substitute for coal-fired thermal power generation, and demand for operation of ships is expected to increase through to 2050.</p> <p>Transition Scenario (1.5℃ : NZE, etc.) Natural gas demand is expected to decline after the mid-2020s due to global decarbonization, and demand for ship operations is expected to decline through to 2050.</p>	<p>Current Scenario</p> 	<p>Transition Scenario (2℃)</p> 	<p>Transition Scenario (1.5℃)</p> 	<p>With consideration for medium- and long-term supply and demand and price trends, we will strive to maintain and improve the profitability of individual businesses, as well as working to ensure stable and streamlined operations, and at the same time identify and capture growth opportunities in new businesses including next-generation fuel tankers and new fuel carriers.</p>
<p>In the LNG shipping business, most of the recent projects have secured earnings based on long-term contracts. Therefore, in all scenarios, the impact on the Company's earnings will be limited in the near term. However, under the Transition Scenario (1.5℃), there is a risk that the value of assets will be impacted after the end of long-term chartering, as demand is expected to decline toward 2050, and the impact on our business requires close monitoring.</p>				




Climate Change

Renewable Energy Business

Awareness of Business Environment Under Each Scenario	Impact on Businesses			Countermeasures
<p>Current Scenario (STEPS, etc.) Demand is expected to increase substantially over the medium to long term in response to low carbon and decarbonization trends and energy security.</p> <p>Transition Scenario (2°C : SDS, etc.) Demand is expected to increase substantially at a faster rate than in the Current Scenario. Electrification and other factors, especially in developed countries such as the U.S. and Australia, will drive demand growth, and by 2050 the majority of electricity demand is expected to be met by renewable energy sources.</p> <p>Transition Scenario (1.5°C : NZE, etc.) Rapid progress in the global low carbon and decarbonization trend is expected to drive the spread of electrification, and electricity demand will rise significantly in the medium to long term, increasing by 50% in 2050 compared to the Current Scenario. The share of renewable energy is expected to further increase compared to the Transition Scenario (2°C), with the majority of electricity demand expected to come from renewable energy sources, mainly wind and solar, by 2050. Continued large-scale investments will be required for the promotion of renewable energy, and demand is also expected to increase for power grid reinforcement, storage batteries, demand response, etc., to ensure the stability of power networks in each region.</p>	<p>Current Scenario</p> 	<p>Transition Scenario (2°C)</p> 	<p>Transition Scenario (1.5°C)</p> 	<p>In line with the global trend towards low carbon and decarbonization, we will work to transform and improve the quality of our power generation asset portfolio in response to the changing environment. Specifically, in order to raise the ratio of renewable energy in our power generation portfolio to over 30% by 2030, we will engage in large-scale renewable energy projects including solar power, onshore wind power, and offshore wind power, as well as local production for local consumption type distributed renewable energy projects, to meet local demand.</p> <p>In addition, in view of the potential for intensified competition among operators, we will aim to capture added value by establishing a renewable energy business cluster, leveraging our comprehensive strengths to engage in peripheral fields including the production and sale of green hydrogen, ammonia, and methanol using renewable energy, clean energy sales, EV infrastructure, and offshore wind power infrastructure.</p>

Climate Change

Next-Generation Energy Business

Awareness of Business Environment Under Each Scenario	Impact on Businesses			Countermeasures
<p>Current Scenario (STEPS, etc.) Demand for biofuels and other next-generation energy is expected to continue to grow strongly over the medium to long term, mainly as a replacement for liquid fossil fuels.</p> <p>Transition Scenario (2°C : SDS, etc.) Demand for biofuels is expected to grow rapidly in the medium term, and while the growth rate will slow over the long term, demand for biofuels for aviation and marine transportation is expected to continue to expand. Hydrogen and fuel ammonia are expected to grow, replacing natural gas in the medium to long term.</p> <p>Transition Scenario (1.5°C : NZE, etc.) Demand for biofuels will grow more than the Transition Scenario (2°C) in the medium term, but will then plateau. However, demand for aviation and shipping applications is expected to grow steadily over the medium to long term. Under the Transition Scenario (1.5°C), hydrogen and fuel ammonia demand is expected to grow much faster than under the Transition Scenario (2°C) through to 2050.</p>	<p>Current Scenario</p> 	<p>Transition Scenario (2°C)</p> 	<p>Transition Scenario (1.5°C)</p> 	<p>In the biofuel business, which is expected to be the center of demand in the medium term, we are working to expand our business leveraging the technology and expertise of our existing investees, after assessing the potential environmental impact. In addition, we are moving forward with initiatives in hydrogen and fuel ammonia, geothermal power generation projects, and other areas, which we view as realistic solutions for realizing a low-carbon or decarbonized society, and we expect to be in great demand in the long term. While these areas are expected to become next-generation alternative energy sources, further technological innovation is necessary for full-scale expansion. Accordingly, we have formed a specialized in-house team and are accelerating these efforts.</p>

Climate Change

Forest Resources Business

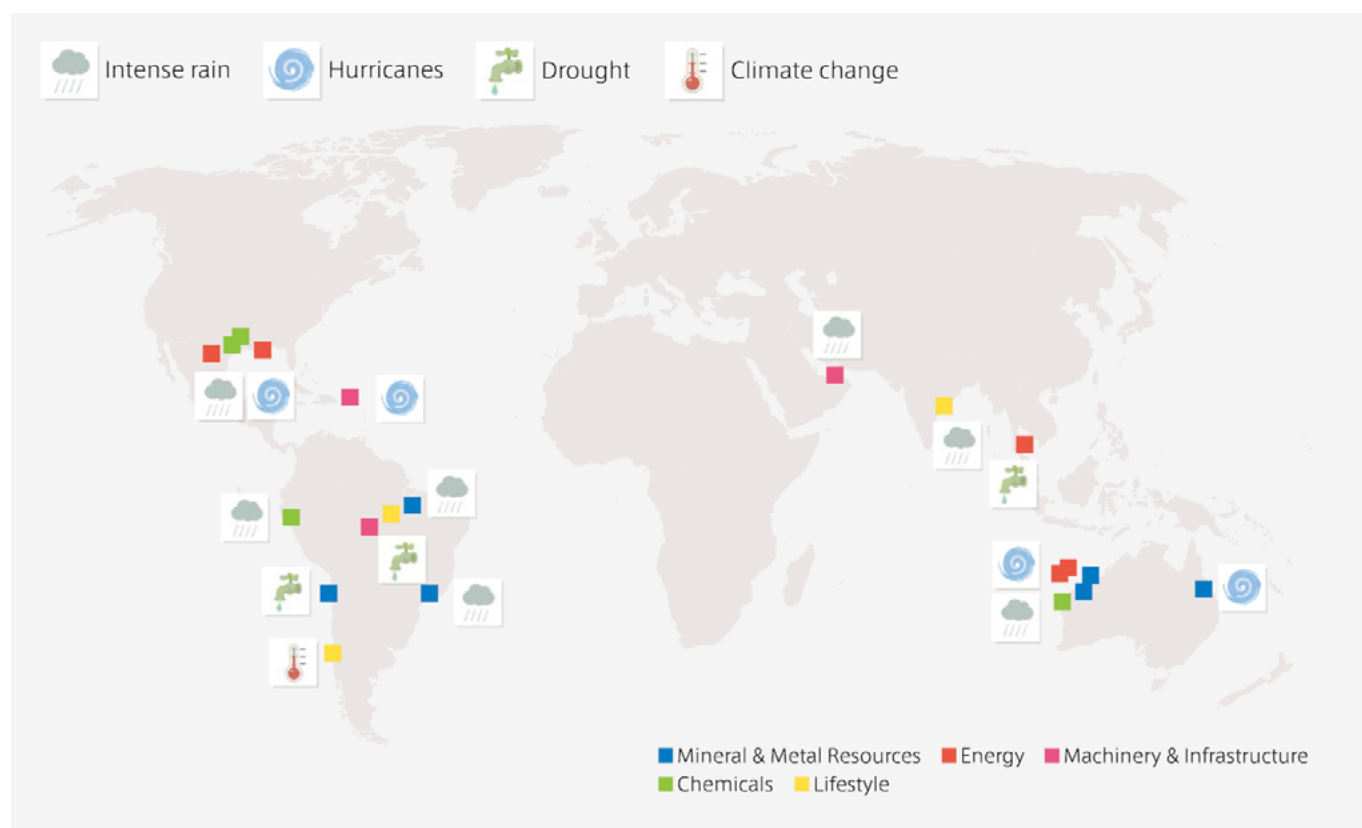
Awareness of Business Environment Under Each Scenario	Impact on Businesses			Countermeasures
<p>Current Scenario (STEPS, etc.) Demand for forest resources (timber, woodchips, etc.) is expected to grow steadily in line with global population growth, and expansion in housing and paper markets in emerging countries, especially in Asia. Additionally, the value of forest resources, mainly plantation timber, is expected to increase due to the tightening of natural forest protection policies and logging regulations in each country.</p> <p>Transition Scenario (2°C : SDS, etc.) As in the Current Scenario, demand for forest resources such as woodchips, which are used as a raw material for housing materials and paper, is expected to increase steadily.</p> <p>In addition, heightened interest in the CO2 absorption capabilities of forest resources and their characteristics as renewable natural materials is expected to result in growth in the market for forest-based emission credits, an increase in the price of emission credits, and an expansion of the market for high value-added wood-derived products such as bio-chemicals.</p> <p>Transition Scenario (1.5°C : NZE, etc.) Carbon prices in developed countries are expected to increase by a factor of 1.5 compared to the Transition Scenario (2°C , as CO2 emission reduction initiatives are strengthened, and the market for forest-based emission credits is expected to expand, emission credit prices are expected to rise, and the market for wood-based high-value-added products such as bio-chemicals is expected to expand.</p>	<p>Current Scenario</p> 	<p>Transition Scenario (2°C)</p> 	<p>Transition Scenario (1.5°C)</p> 	<p>We will expand our forest resources business by accumulating assets based on profitability and risk to serve as a foundation for the creation of environmental value and industrial solutions to social issues. We will aim to maximize the value of forest resources not only by expanding paper and housing applications and emission credit creation, but also by developing new needs for timber materials.</p>
<p>Under the Current Scenario, an increase in demand is expected for forest resources, especially timber, as renewable and natural materials that contribute to climate change response. Under the Transition Scenario, demand for emissions trading is expected to increase and the price of emission credits is expected to rise, and biochemicals derived from forest resources are expected to be effectively utilized, which we expect will boost profitability.</p>				

Physical Risk Assessments

We operate a wide range of businesses in various countries and regions, which may be affected by the manifestation of physical risks if climate change causes an increase in extreme weather events. In order to clarify the impact of physical risks on our business, we conducted analyses that refer to the RCP8.5 scenario and others, and for businesses with investable assets above a certain amount, we conducted research and impact analysis based on climate disasters that have occurred in the past five years. The major physical risks facing assets owned by Mitsui include the potential for localized storms, particularly strong tropical hurricanes and cyclones arising in the Atlantic and South Pacific, which could cause negative impacts on operations in our mineral and metal resources projects. Furthermore, in cases of severe damage to production plants, facilities or infrastructure, such as the roads, railways, and ports used for shipments, there is a risk that production or shipments could be suspended for long periods until these facilities are restored. On top of Mitsui's own investments, in cases where Mitsui suppliers suffer significant damage, there is a possibility of the risk of the overall supply chain failing, including failures to receive supplies of raw materials.

We place the highest priority on protecting human lives in the event of a disaster. In addition, we have established crisis management policies for business continuity that also takes into consideration coexistence with local communities. We have also taken measures to mitigate and adapt to risks, such as securing multiple suppliers, enhancing our facilities, and obtaining insurance coverage as necessary. We will continue to assess the adequacy of our risk management measures on a regular basis.

The major physical risks in our assets are as follows.



Risk Management

We identify company-wide material risks across organizational boundaries and implement a wide range of initiatives to hedge and control risks. For this purpose, Mitsui has established an integrated risk management system that centrally manages company-wide risks, through the Portfolio Management Committee under the Corporate Management Committee. Under the integrated risk management system, the Corporate Staff Divisions, which act as the secretariat, manage risks from a company-wide perspective. Material risks we assume include those related to the environment, society and governance, such as risks from climate change, compliance, and infectious disease, disasters, terrorism, etc. We position risks regarding climate change (physical and transition) in particular as second in importance only to business investment and country risks and are taking corresponding measures. For details of our risk management structure, please refer to the following page.

[Risk Management](#)

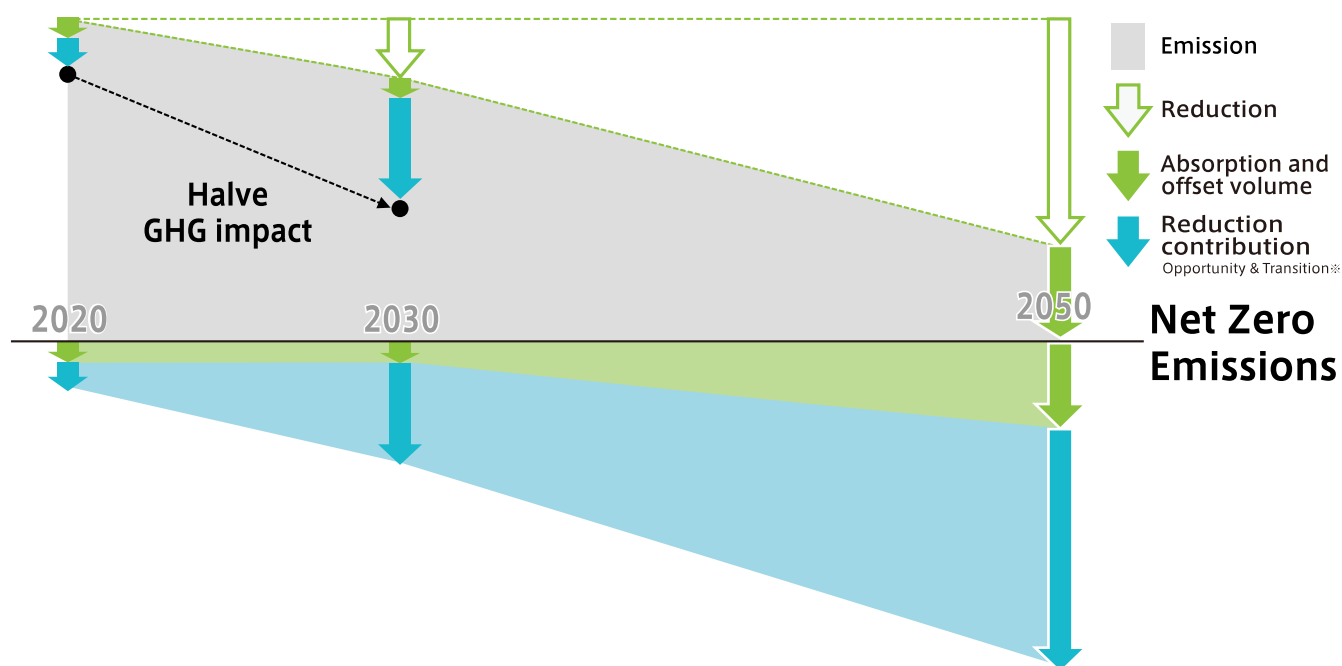
For Mitsui & Co., which operates in countries and regions around the world, the policies of each country and region related to climate change have a significant impact on the profitability and sustainability of each of our businesses. We use the climate-change scenarios published by the IEA and other organizations when we analyze scenarios involving businesses that have significant impacts. In this way, we are gaining an understanding of business impacts both in terms of risk and opportunity. When considering investment projects, M&A, and other business decisions, we take these scenarios into account.

In conducting business, we have put in place a system to ensure that utmost consideration is given to the environment and society in projects at all stages, including at the launch of a new business, during operations, and even at the time of withdrawal from the business. Our Sustainability Committee discusses response policies and measures regarding environmental and social risks (including climate-change risk), then reports to the Corporate Management Committee and the Board of Directors, which then applies them following approval.

Metrics & Targets

GHG Reduction Targets

- Scope 1 and 2, and Scope 3 Category 15 (Investments) of the Company and its consolidated subsidiaries (including un-incorporated joint ventures):
Formulating Mitsui's goal to achieve net-zero emissions as our Vision for 2050, and aiming to reduce GHG impact by 2030 to half of what it was in the fiscal year ended March 2020, as the path to achieve the above goal.
- Scope 1 and 2 of the Company and its consolidated subsidiaries:
Halving GHG emissions by 2030 compared to the fiscal year ended March 2020.
- The ratio of renewable energy in our power generation portfolio:
Raising the ratio of renewable energy to over 30% by 2030, to achieve our goal of halving our GHG impact by 2030.

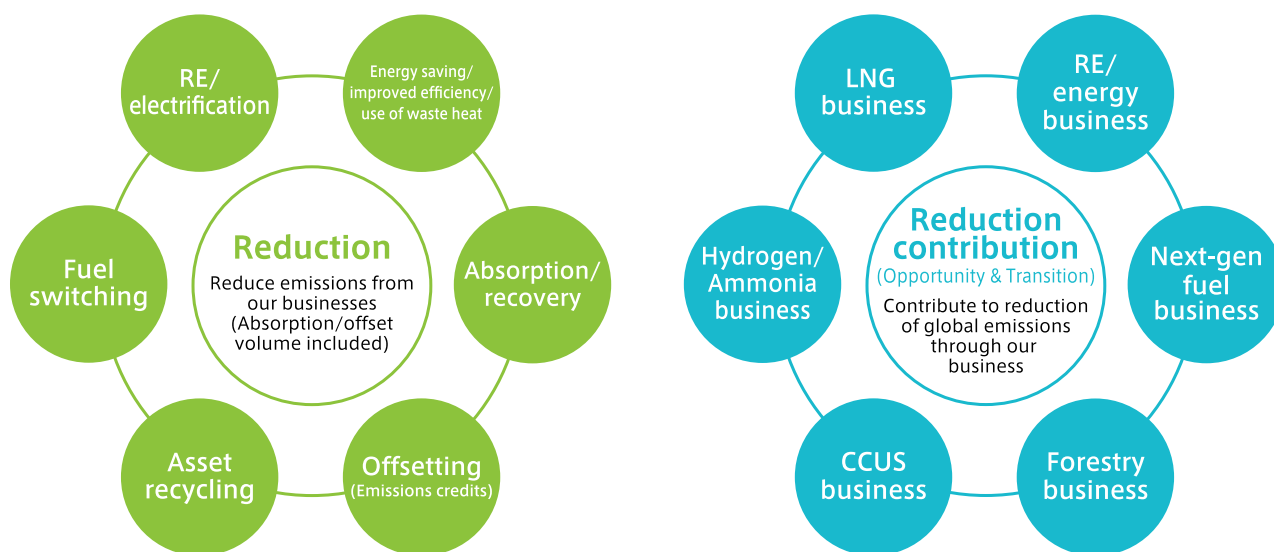


GHG impact refers to the amount of our emissions minus the GHG emission reduction contribution amount we achieved through our business activities. We not only focus on reducing our own emissions, but also on contributing to the transition to a low-carbon/ decarbonized society through our business activities. Going forward, we will accelerate our company-wide initiatives by setting specific goals, including our reduction contribution amount.

Net zero emissions in 2050 means to reduce our emissions to effectively zero by subtracting only the amount of absorption and offset from our emissions. The reduction contribution amount is not included in the 2050 target figures, though we will continue to actively contribute to GHG emissions reductions for society as a whole through our business.

Climate Change

We promote emission reduction (Reduction) and reduction contribution (Opportunity & Transition) in a variety of ways, taking advantage of the cross-industrial business structure that only a sogo shosha can offer.

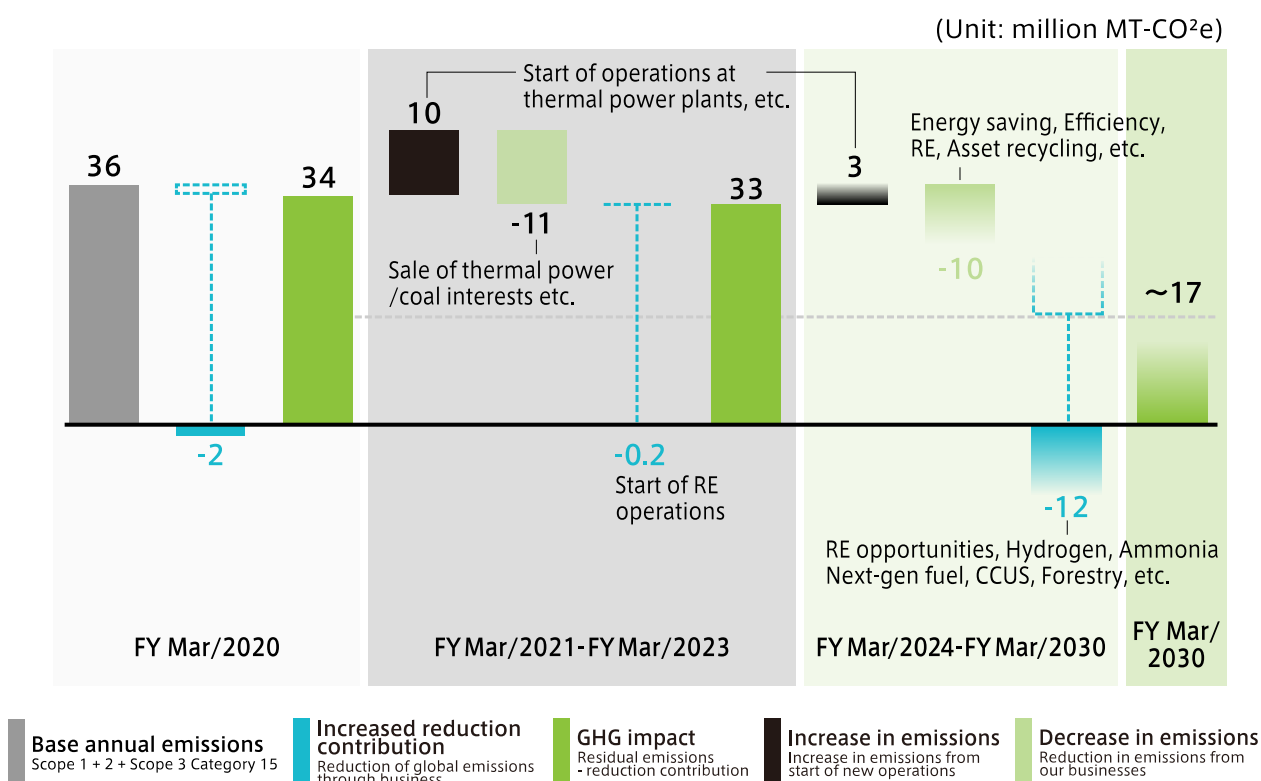


Roadmap to Halving GHG Impact by 2030

We aim to halve our GHG impact from 34 million tons in the FY Mar/2020 to 17 million tons in FY Mar/2030.

For the three-year period from FY Mar/2021 to FY Mar/2023, the GHG impact is expected to be approximately 33 million tons.

Although emissions are expected to increase slightly from FY Mar/2024 to FY Mar/2030 due to the start of operations of thermal power generation projects and other factors, we will aim to achieve our goal of halving of the GHG impact in 2030 through a robust combination of emission reduction and reduction contribution projects.



Climate Change

GHG Emissions Breakdown

FY March 2020 (base year)			(Unit: million MT-CO ₂ e)	FY March 2022		2030 target
Scope 1+2	4	Mitsui & Co. and Consolidated Subsidiaries	0.8	4	0.6	Half (0.4 or less)
		Un-inco JV	3			
Scope 3 Category 15 (investments)	32	Power Generation Business	19	36	22	
		Mineral & Metal Resources	8			
		Energy	3			
		Others	2			
Total	36			40		
			Reduction contribution and absorption volume	▲2	▲2	
			GHG Impact	34	38	Half (17 or less)

※Un-inco JV : Un-incorporated Joint Venture

Internal Carbon Pricing System

At Mitsui, we introduced the internal carbon pricing system in April 2020 for the purpose of improving the medium to long-term resilience of businesses emitting large volumes of GHG, and to encourage the development of projects that are effective at reducing our, and society's, GHG emissions. Regarding new business projects, in projects with potential risks or opportunities from GHG regulations, etc., we have added analysis of the potential impact of a 2 °C scenario to the project screening factors, as well as the adequacy of countermeasures in the event these risks are realized. We are also using the internal carbon pricing system to assess risks in existing projects. The pricing is based on definitions and prices published by the IEA and other external organizations, taking into account the location and time horizon of the assets, and over the period through 2050 we have applied prices generally in the \$10 to \$200 range for developed countries and \$0 to \$160 for the rest of the world.

Environmental ("Green") Business Assessment Working Group

As the transition towards a low-carbon or decarbonized society accelerates, we are working to reduce the GHG emissions from our operations while simultaneously engaging in business that contributes to reducing GHG for society. We aim to realize sustainable growth while helping to solve the challenges faced by society. For these reasons, we decided to establish the Environmental ("Green") Business Assessment Working Group, which launched on April 1, 2021. Its role is to carry out comprehensive evaluations as part of the screening process for new projects with the potential to turn climate change responses, such as the development of renewable energy, into opportunities. The evaluations include qualitative factors, such as the strategic significance of initiatives from ESG perspectives.

Other Environmental Indicators/Targets

Aside from our GHG reduction targets, the following environmental indicators and targets have been established and are being monitored on an ongoing basis.

Energy consumption:

- Reduce energy consumption intensity by 1% or higher on average per year at Mitsui & Co. (non-consolidated).

Water Resources:

- Reduce water consumption at Mitsui & Co. (non-consolidated) to less than the amount used in the previous fiscal year, and improve the efficiency of water use.

Pollution Prevention:

- Increase the waste recycling rate at buildings owned by Mitsui & Co. as a non-consolidated entity (Head Office, Osaka Office) to over 90% by 2030.
- Reduce paper consumption at Mitsui & Co. (non-consolidated) by 50% or more compared to the fiscal year ended March 2020 by 2030.

For specific performance data, please refer to the following.

[Environmental Performance Data](#)

Collaborating with Stakeholders

Participation in Initiatives

As a responsible global company, we are advancing and expanding our response to climate change by participating in initiatives that encourage appropriate information disclosure to stakeholders and that make contributions which correspond with the Paris Agreement and the achievement of Japan's medium- to long-term targets for reducing greenhouse gas emissions through initiatives based on international frameworks and wide-ranging partnerships with industry organization in Japan. Our decision to participate in each initiative is made once we have confirmed that it is compatible with our basic policy and initiatives concerning climate change.

TCFD (Task Force on Climate-related Financial Disclosures)

In December 2018, Mitsui declared its support for the TCFD (Task Force on Climate-related Financial Disclosures) recommendations, which aim to facilitate companies to recognize financial impacts arising from the risks and opportunities associated with climate change and to disclose such climate-related information.

Climate Change

TCFD Consortium

The TCFD Consortium was established in 2019 to promote unified action between companies, financial institutions, and other organizations that have declared support for the TCFD and as a forum to further discussion on effective and efficient corporate disclosure of information, as well as the use of disclosed information by financial institutions in making appropriate investment decisions. The Ministry of Economy, Trade and Industry, Financial Services Agency, and Ministry of the Environment participate in the consortium as observers. As a member of the consortium, Mitsui will continue to practice appropriate disclosure in line with TCFD recommendations.

CDP (Climate Change)

Since 2011, we have responded to the questionnaire from the CDP Climate Change, a global disclosure program for corporate information on climate change risks. Based on our response to the questionnaire carried out in 2021, we received the score "B" in relation to Climate Change.

Maersk Mc-Kinney Moller Center for Zero Carbon Shipping

Reducing emissions is a global issue for the shipping industry. In April 2021, Mitsui became a Strategic Partner of the Maersk Mc-Kinney Moller Center for Zero Carbon Shipping (MMMCZCS), a not-for-profit international research and development center dedicated to the decarbonization of the shipping industry.

International Iron Metallurgy Association

The International Iron Metallurgy Association is a worldwide organization with a focus on ore-based metallurgy (pig iron, hot briquetted iron, direct reduced iron, granulated pig iron). Its members, including Mitsui, account for more than 80% of production and international trade in ore-based metallurgy. We have been distributing and investing in ferrous raw materials, including ore-based metallurgy, for a long time and amid a growing focus on these materials in relation to the low-carbonization of the iron and steel industry, we will continue contributing to industry low-carbonization through our business development in this area.

ASI (Aluminium Stewardship Initiative)

ASI was established in 2012 with a vision of maximizing the contribution of aluminum to a sustainable society. As of May 2022, approximately 226 companies and groups have joined ASI, including a variety of stakeholders such as aluminum producers and users and the International Aluminium Institute. Its purpose is to increase sustainability in the aluminum supply chain and contribute to ESG engagement by formulating international standards and establishing certification systems. Mitsui joined in January 2020 and supports these initiatives as a member.

Battery Association for Supply Chain

The Battery Association for Supply Chain (BASC) is an organization that promotes the enhancement of the international competitiveness of supply chains related to battery raw materials and components, with the aim of realizing a decarbonized society. BASC was established in April 2021, and Mitsui has been a member since its establishment. Together with other member companies, we are addressing issues such as the international standardization of lithium, and rule-making for the establishment of a battery ecosystem.

Climate Change

Japan Business Federation (Keidanren)

Mitsui is a member of various Keidanren committees, including the following:

- Committee on Responsible Business Conduct & SDGs Promotion, which works to make the Charter of Corporate Behavior well known, disseminate and promote "Society 5.0 for SDGs", and promote corporate social contribution activities
- Committee on Energy and Resources, which promotes energy policies that provide a balance of S+3E (Safety + Energy Security, Economic Efficiency, and Environment)
- Committee on Overseas Development Cooperation, which aims to coordinate with national governments and international institutions for the purpose of developing infrastructure overseas, in particular, in emerging countries
- Committee on Environment and Safety, which works on countermeasures to deal with climate change, formation of a circular society, and improvements in environmental regulations and systems

Japan Foreign Trade Council

As a member of the Global Environment Committee of the Japan Foreign Trade Council Inc., Mitsui is actively involved in activities in the field of climate change. In particular, we monitor energy use for all trading companies and promote reduce/reuse/recycle (3Rs) activities. We also gather information about new energy technology through our business activities, and contribute to the formulation of the Long-term Vision for Climate Change Measures. Mitsui also engages in activities as a member of the Japan Foreign Trade Council's Sustainability Promotion Committee, which studies Sustainability/CSR-related issues and conducts surveys and research about trends in Japan and overseas.

GX League Basic Concept

In February 2022, Mitsui endorsed the GX (Green Transformation) League Basic Concept published by the Ministry of Economy, Trade and Industry.

The GX League calls for companies to actively work on GX and acts as a forum for discussing the transformation of the overall economic and social system and creating new markets accordingly for achieving carbon neutrality in Japan and the world.

We will actively participate, together with other endorsing companies, in discussions of detailed design and empirical demonstration working towards the implementation of GX League.

Japan Hydrogen Association

The Japan Hydrogen Association was established in December 2020 with the aim of building and expanding the hydrogen economy by fostering global alliances and developing a hydrogen supply chain. The organization became a general incorporated association in April 2022, and Mitsui, which has participated in this initiative since the establishment of the preparatory committee and as a Board member, will continue working with other member companies toward the realization of a hydrogen society.

Climate Change

Forest Stewardship Council® (FSC®)

The Forest Stewardship Council® (FSC®) is an international non-profit organization that promotes management of the world's forests in a way that is environmentally appropriate, economically viable, and socially beneficial, including with regard to respect for human rights. Mitsui has obtained FSC® forest management (FM) certification (FSC®-C057355) at all 74 of its forests, which in total approximately 44,000 hectares, while Mitsui Bussan Forest Co., Ltd., a Mitsui subsidiary, has obtained Chain of Custody (CoC) certification for the processing and distribution of cut lumber (FSC®-C031328). As one of the top private-sector suppliers in terms of volume of FSC®-certified Japanese-grown lumber, Mitsui is helping to promote FSC® in Japan and to discuss and draft the Japanese version of principles, standards, and risk assessments. Mitsui has obtained FSC® certification for its forest resources business as well, and promotes responsible management of forest resources.

Carbon Recycling Fund Institute

Carbon recycling policies that see CO₂ as a resource to be used and promote innovation in this field are coming to play an important role in Japan's energy policies. The Carbon Recycling Fund Institute was established in August 2019 to promote the creation of carbon recycling innovation with the aim of both addressing the global warming issue and improving energy access throughout the world. Mitsui has been a member since January 2020. We aim to pursue business opportunities and contribute to solving climate change issues by providing access to the latest information regarding CCUS (CO₂ Capture, Utilization and Storage), which is important for decarbonization, and by strengthening relationships with other member companies.

The Institute of Applied Energy, Society of Anthropogenic Carbon Cycle Technology

Carbon capture and storage technology can process huge volumes of CO₂ and is considered to be an effective way to reduce CO₂ emissions. However, in recent years, there has been growing demand for the building of carbon capture and utilization technologies and systems that can also process large volumes of CO₂. The Society of Anthropogenic Carbon Cycle Technology was established by the Institute of Applied Energy in October 2018 with the goal of investigating and researching viable technologies for utilizing CO₂ and sharing relevant information in order to contribute to the earlier realization of these technologies and their social application. Mitsui has been a member since July 2020.

Clean Fuel Ammonia Association

The Clean Fuel Ammonia Association is an industrial-academic-governmental platform for the development and evaluation of technology, economic evaluation, policy proposal, and international collaboration. It aims to find social applications for energy technologies that use ammonia and to build value chains spanning from the supply to usage of CO₂-free ammonia. Mitsui has participated as a member of the Board of Directors since April 2019.

Initiatives

Our Medium-Term Management Plan and Environmental Policy both call for action on climate change, and we are promoting initiatives to reduce our environmental impact through dialogue with suppliers and other business partners along the value chains in which we are involved, with the aim of achieving both economic development and a response to climate change. In addition to renewable energy and modal shift businesses, we are also working to expand and promote various businesses and technologies that contribute to the reduction of CO2 emissions and improvement in energy consumption efficiency.

Making Electricity Use Carbon Neutral across All Business Locations in Japan (Using Renewable Energy-Derived Credits)

As one of the concrete measures aimed at realizing our 2050 vision, all power supplied to our new Head Office, which we relocated to in May 2020, is carbon neutral. This has been achieved by mainly procuring energy from the Fukushima Natural Gas Power Plant (Shinchi, Soma, Fukushima Prefecture), a facility which has Mitsui as one of its main investors, and by applying renewable energy-derived credits generated by the biomass power generation of our affiliate company Konan Utility Co., Ltd. ("Konan Utility"). We have also applied credits generated by Konan Utility and Mitsui's Forests to the electricity used in all offices and training centers in Japan, enabling us to make all business locations in Japan carbon neutral.

Initiatives in Adaptation to Climate Change — Controlled Environment Agriculture Business in the Middle East

Nutrition & Agriculture Business Unit

In March 2022 we became involved in a controlled environment agriculture (CEA) business in the Middle East. Together with retailer Tamimi Markets of Saudi Arabia, and Zero SRL, an Italian CEA business operator, we established a joint venture and will launch a pilot project to verify the production and sales capabilities of facilities for growing crops in a controlled environment, in anticipation of future large-scale production. Although the consumption of fresh produce is on the rise in the Middle East, the harsh local environment is an issue in raising levels of food self-sufficiency.



A controlled environment agriculture facility operated by Zero of Italy

CEA facilities use less water to grow plants by controlling the volume of water needed (resulting in about a 90% reduction in water use compared to open-field cultivation). They generate 45% less CO2 emissions, and offer stable supplies of produce without being affected by the weather. Due to the close proximity from farm to shelf, food loss during transportation, and CO2 emissions (food mileage) from food transportation can both be reduced.

Due to growth in the world population, it is said that the area of cultivated land per person will decline by around 25%* by the year 2050, compared with 2005. Given this background, the need for low-environmental-impact agricultural production is expanding, and with the growing awareness of environmental and social issues in agricultural production, such as the visualization of food chains, more sustainable agricultural productivity is needed.

By enabling the local production and consumption of fresh vegetables and fruit through the CEA business, we will contribute to improving the local levels of food self-sufficiency, quality, and safety and security.

* United Nations "World Population Prospects 2019 Edition"; Ministry of Agriculture, Forestry and Industry "World Food Supply and Demand Projections for 2050 (2019)"

Climate Change

Renewable Energy

Infrastructure Projects Business Unit

Energy Solutions Business Unit

In our power generation business we intend to lower the share of coal-fired thermal power in our equity share of power generation capacity and increase the percentage of renewable energy (including hydropower) to 30% by 2030. As of September 30, 2022, renewable energy, including hydroelectric power, accounted for approximately 22% of Mitsui's total power generating capacity of 12.0GW.

Power Generation Businesses

(As of September 2022)

Energy resources		Net generation capacity (Mitsui's share) (MW) *	Ratio	Target
Natural gas		7,062	59%	Less than 70%
Coal		2,048	17%	
Oil		295	2%	
Renewable Energy		2,580	22%	More than 30%
breakdown	Solar	746		
	Hydropower	816		
	Wind	995		
	Solar thermal	15		
	Biomass	5		
	Geothermal	2		
Total		11,985	100%	100%

* Including assets under construction

Please refer to the link below for more information.

[Power Generation Businesses \(Renewable Energy Business, Gas-Fired Power Generation Business, Coal-Fired Power Generation Business, Oil-Fired Power Generation Business\) \(PDF 118KB\)](#)

Investment in Mainstream Renewable Power, which Develops Renewable Energy Businesses Globally

Infrastructure Projects Business Unit

We have invested in renewable energy company Mainstream Renewable Power Limited ("Mainstream") through its holding company Aker Horizons ASA ("Aker Horizons"), a Norwegian clean energy investor.

Mainstream is, as a developer of wind and solar assets, one of the leading companies in the renewable energy sector, in particular in Latin America and Africa. It has a successful track record of having developed 6.5 GW of generation capacity to financial close-ready stage, including offshore wind farms in UK. Currently, Mainstream has a portfolio of approximately 16.6 GW of high-quality energy assets in Latin America, Africa, and Asia-Pacific, which are currently operating, under-construction or in development phases. Mainstream recognizes energy transition as an opportunity to expand its global portfolio and aims to develop 25 GW of energy assets over the next 10 years.

Aker ASA, the owner of Aker Horizons, was founded in 1841 and is an industrial investment company, the second-largest oil & gas major in Norway. Aker ASA established Aker Horizons as its platform dedicated to investing in, incubating, and developing companies within renewable energy and decarbonization technologies. In addition to Mainstream, Aker Horizons owns Aker Carbon Capture (a CO₂ capture and storage development company), Aker Clean Hydrogen (a clean hydrogen and ammonia development company), and Aker Offshore Wind (an offshore wind power development company).

We will contribute to the growth of Mainstream and the enhancement of its corporate value by utilizing our know-how in the construction and operation of large-scale power plants around the world and our global customer network. Through this investment, we will promote the development of renewable energy power sources with a sense of scale, further improve the quality of our power generation portfolio, and accelerate the reduction of GHG emissions in society through our operations.

Investment in India's Large-Scale Renewable Energy Business

Infrastructure Projects Business Unit

Through our wholly-owned subsidiary MIT Power India, we have invested in the development of a large-scale renewable energy project promoted by ReNew Power Private Limited, the largest renewable energy company in India. The project will consist of three newly built wind farms in India (900 MW in total) and one solar power plant (400 MW plus a battery storage farm with a capacity of up to 100 MW). The project will provide 400 MW of electricity to Solar Energy Corporation of India Limited ("SECI"), an entity owned by the Indian Ministry of New & Renewable Energy, based on a 25-year power purchase agreement. While it is difficult for conventional renewable energy projects to commit stable electricity supply due to the intermittent nature of winds and solar irradiation, this Project commits electricity supply of 400 MW with high capacity factor on a round-the-clock basis from a portfolio consisting of multiple wind and solar plus battery storage farms. This is the first of its kind in India ("round-the-clock scheme"). The total cost of the project will be around US\$1.35 billion. The commercial operations are scheduled to start by August 2023. Mitsui will contribute to the project by using its accumulated knowledge of the electric power business in Japan and other countries to ensure steady progress toward completion and the smooth start-up of commercial operations.

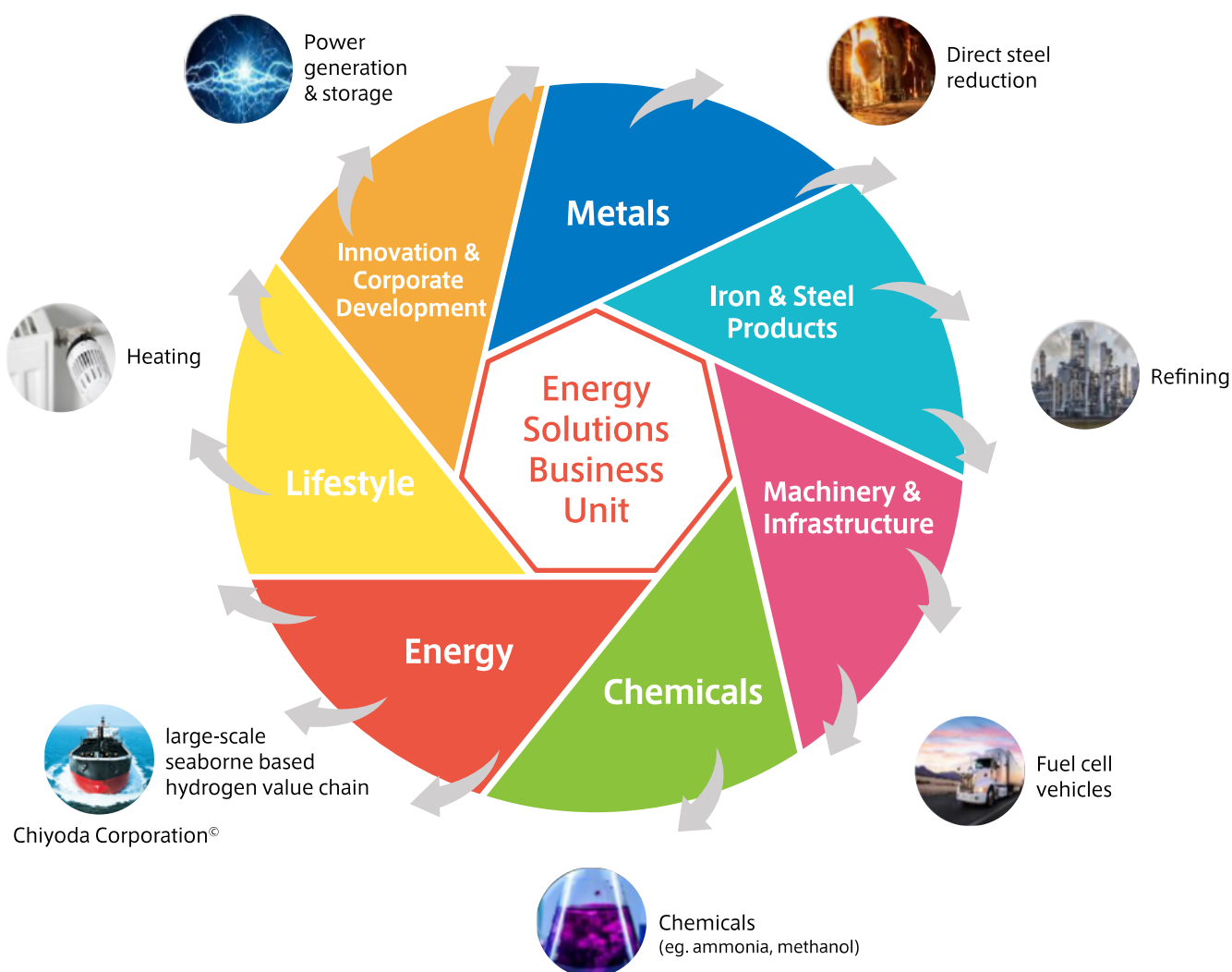
India, the third-largest emitter of GHG, declared its commitment to cut its emissions to net-zero by 2070 at the 26th Conference of Parties ("COP26") held in November 2021 and announced that it will raise its non-fossil energy capacity to 500 GW by 2030. This round-the-clock scheme Project, enabling electricity supply with 100% renewables, is in line with the Indian Government's policy and is expected to play an important role in the future to replace coal-fired generation currently dominant in India. Renewable energy is a business field that is likely to continue to expand in India, where continuous growth in population and GDP is expected. Through this project, we will contribute to solving the power shortage in India and encourage decarbonization.

Alternative Fuels

Hydrogen Related

Energy Solutions Business Unit

When hydrogen is consumed, it generates no greenhouse gases or environmentally harmful substances. Hydrogen is a focus of attention around the world as a clean fuel that does not generate an environmental burden. With our Energy Solutions Business Unit at the core, we are engaged in a cross-company collaboration utilizing the networks and knowledge of each business segment, working on our hydrogen business in a way that demonstrates our comprehensive strength. We regard the hydrogen business as an effective approach to achieve our net-zero emissions goal. We will work together with our stakeholders to build needed social infrastructure and create profitable businesses.



Climate Change

Development of Clean Hydrogen Production Technology

Energy Solutions Business Unit

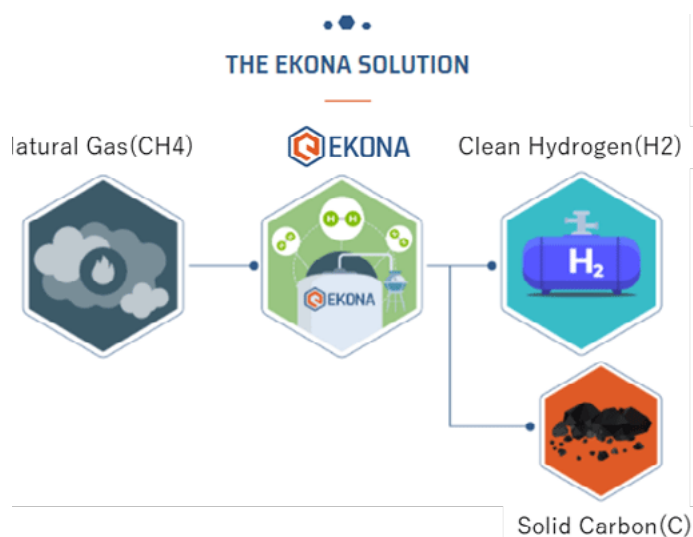
We have invested in EKONA Power Inc. of Canada, which has been developing a novel methane pyrolysis process for making clean hydrogen from natural gas.

Hydrogen will play a critical role in industrial decarbonization and has significant potential as a clean energy source, as hydrogen emits no CO₂ when burned and can be used in power generation, mobility, and other industries. However, technical and economic challenges lie in clean H₂ production such as CCS (Carbon dioxide capture and storage) needed for abating CO₂ emitted from production process of hydrogen.

EKONA is developing a methane pyrolysis process, which enables the production of hydrogen and solid carbon from methane. This technology will achieve lower CO₂ emissions in the production process, while curbing the production cost to the same level as other conventional hydrogen

production technologies, such as a steam methane reforming. With this technology, the majority of carbon is generated in solid form, which eliminates the need for CCS. In addition, existing infrastructures for natural gas and LNG can be maintained, as natural gas is used as feed gas for this production process. Amid the rapid shift toward industrial decarbonization, we will explore a clean hydrogen business opportunity in Japan utilizing EKONA's technology.

* The method of producing hydrogen by of converting fossil fuels into gas through endothermic catalytic reaction and extracting hydrogen from the gas is called the "reforming method". In particular, the method to produce hydrogen by reforming methane is called the steam reforming method and has been widely used in industry. While the production cost is relatively low, the accompanying CO₂ emissions are a challenge.



EKONA's methane pyrolysis process

This technology can produce clean hydrogen by decomposing methane into hydrogen and solid carbon under high temperatures using a proprietary pyrolysis method that does not require any catalysts.

Green Hydrogen Production Business in Europe

Performance Materials Business Unit

On April 2022, we invested 10 million euros (approximately ¥1.35 billion) in French company Lhyfe SA, which produces green hydrogen in Europe using renewable energy through a production process that emits zero CO₂. Lhyfe was established in 2017 by former employees of the French Alternative Energies and Atomic Energy Commission (CEA), to reduce GHG emissions through the production of green hydrogen. Its first commercial plant, to produce renewable green hydrogen using power from wind turbines, was inaugurated in 2021. The company is already active in ten countries in Europe and has over 90 pipeline projects, with production start dates between 2022 and 2028. Lhyfe's target markets are mobility and industry usage.



Delivering green hydrogen

Climate Change

Under its "Green Deal" policy, the European Union has set a target of achieving net zero emissions by 2050, as well as installation of 40 GW of renewable hydrogen electrolyzers by 2030. Systems are being designed and introduced to encourage the use of hydrogen. Through our participation in Lhyfe, which produces green hydrogen locally for local consumption, we will become an insider in the European hydrogen market and will contribute to the enhancement of Lhyfe's corporate value by developing customers and leveraging synergies with its existing hydrogen-related business. Furthermore, we will establish a hydrogen earnings base in Europe and contribute to the accelerated reduction of GHG emissions via the development of the green hydrogen industry there.

Green Hydrogen Refueling Station Business for Fuel Cell-Powered Heavy Vehicles in New Zealand

Energy Solutions Business Unit

Based on a strategic alliance agreement that we concluded with Hiringa Energy Limited ("HE") in June 2020, we invested in Hiringa Refuelling New Zealand Limited (a subsidiary of HE) in September 2021 to develop a network of green hydrogen refueling stations for fuel cell-powered heavy vehicles in New Zealand.

New Zealand is blessed with an abundance of renewable energy sources ("renewables") that include hydropower, geothermal energy, and wind power. The New Zealand government aims to increase the proportion of electricity generated by renewables from the current 85% to 100% by 2030. While the GHG emissions ("emissions") from the country's power generation sector are limited, the emissions from the transportation sector are relatively high and likely to further increase.

In its initial stage, Hiringa Refuelling New Zealand Limited will set up hydrogen refueling stations in New Zealand's four transportation hub cities by the end of 2022, to supply green hydrogen derived from renewable energy to large vehicles that have high emission levels. Although large vehicles only account for around 4% of all road vehicles registered in New Zealand, the emissions of the road transportation sector, to which large vehicles belong, are responsible for about 40% of emissions. The aim is to significantly reduce these emissions.

In the future, we aim to expand hydrogen supply bases and accelerate the reduction of emissions in New Zealand's transportation sector.

Through our initiatives with HE to realize a sustainable system of local hydrogen production for local consumption to help promote a hydrogen-based economy in New Zealand, we will take on the challenge of the green hydrogen business, which is one of the solutions to the urgent and complex global issue of responding to climate change.



Image of green hydrogen refueling station ©Hiringa Energy Limited

Biofuels

Agricultural Biomass Supply Chain Management Business in India

Energy Solutions Business Unit

In August 2021 we invested in Punjab Renewable Energy Systems Pvt. Ltd. ("PRESPL"), a biomass supply-chain management company in India.

India is one of the world's leading agricultural powers. One of the major causes of air pollution in India today is the practice of burning straw stubble and other agricultural residues left after crops have been harvested. To help address this problem, the Indian government has introduced policies to promote the effective utilization of non-edible resources such as biomass residue that does not compete with food. The biomass energy market in India is expected to further expand.

Since its start in 2011, PRESPL has utilized the strong network that it has built up with local farmers. The company is expanding its operations in a range of businesses, from the collection and supply of agricultural biomass to the manufacture of briquettes from agricultural biomass and the supply of biomass fuels.

Through this investment, we will promote and enhance energy businesses in India that use agricultural biomass. Following this investment, we will use the synergies with our wide range of business assets to expand PRESPL's business and expand the biofuel business in India and around the world. This will help solve air pollution and other societal issues in India, and will also contribute to solving global issues such as global warming.



Rice straw processing at Kulbucharan Briquettes plant (Punjab state)

Fuel Ammonia

We will work to build value chains that leverage our strengths as a general trading company active across many industries. Examples of these strengths include our partnerships with host countries, our customer base that we have built up over many years, our marketing know-how, and our involvement in the Clean Fuel Ammonia Association.

Joint Feasibility Study for the Creation of a Supply Chain of CCS Clean Fuel Ammonia in Western Australia

Energy Business Unit I

Mitsui & Co., Ltd. and Japan Oil, Gas and Metals National Corporation ("JOGMEC"), looking ahead to the commercialization of clean fuel ammonia production in Western Australia, reached an agreement in 2021 to conduct a joint feasibility study into carbon capture and storage (CCS). Our wholly-owned subsidiary Mitsui E&P Australia Pty. Ltd. ("MEPAU") concluded the agreement with JOGMEC.

In addition, MEPAU has also agreed with Wesfarmers Chemicals, Energy & Fertilisers Limited ("WesCEF") to jointly study the commercial and technical viability of building a low carbon ammonia production plant in Western Australia. The two companies exchanged memorandums of understanding.

MEPAU is developing the Waitsia gas field in Western Australia, in which it has a 50% working interest. MEPAU also holds a 100 percent working interest in depleted gas fields near the Waitsia gas field. By linking these two underground resources (natural gas production and CO₂ storage) that are near to one another, we plan to not only be an operator of oil and gas production in Western Australia but also be involved in the production of clean fuel ammonia using our excellent gas assets and to export this fuel to Asia, including Japan.

Climate Change

Specifically, the study will consider the manufacture and export of clean ammonia in which the hydrogen made from the reformation of the natural gas produced by the Waitsia gas field is used to synthesize ammonia, and the CO₂ generated in the synthesis is stored in the depleted gas field. In this joint study, we will look into the effectiveness of CCS in depleted gas fields.

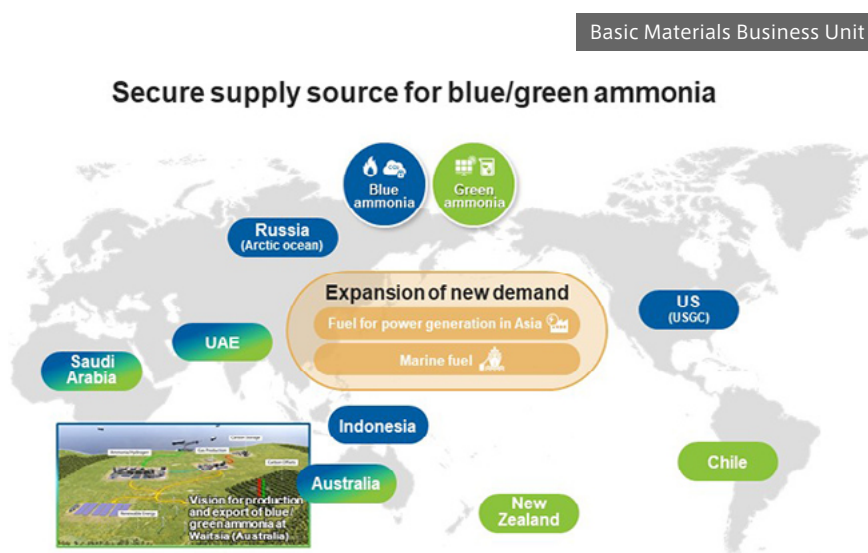
MEPAU decided to work with WesCEF, as it has a wealth of knowledge in ammonia manufacturing and sales. MEPAU and WesCEF are planning to collaborate by utilizing the strengths and know-how of both companies, to achieve the supply of clean fuel ammonia to Australia and Asia (including Japan). The two companies will also contribute to the Australian economy through investment and job creation to establish a supply chain for clean fuel ammonia.

We will utilize our extensive knowledge of the upstream natural gas industry, as well as the knowledge gained through our investment in Storegga Limited (UK) in March 2021 to develop our CCS business globally. We aim to provide low-carbon energy and CO₂ reduction solutions to the world to help achieve an "environmentally harmonious society."

Blue Ammonia Production

Since concluding an MOU with U.S. company CF Industries Holdings, the world's largest producer of ammonia, in July 2021, we have worked together on the new construction of a blue ammonia plant. Candidate sites for the plant have already been selected, and a joint front-end engineering design (FEED) study will be launched. We plan to make a final investment decision on the construction of the plant in 2023 and operations are projected to begin in 2027.

CF Industries is also promoting the blueing of ammonia plants currently in operation. By utilizing our network, we expect to start selling blue ammonia from around 2024, mainly to Asia. We will assist in global decarbonization by supplying fuel ammonia to Japan and clean ammonia for chemical and fertilizer applications.



Electricity Resource Development and Power Management

The Smart Grid and Distributed Electricity Resources

Infrastructure Projects Business Unit

Demand for energy has been growing throughout the world, especially in Asia and Africa, along with the steady economic growth of these regions. The power sector has seen a pronounced trend towards Decarbonization, Decentralization, and Digitalization (the "3 D's"), and a rapid shift is underway towards renewable energy, which is more environment-friendly. Mitsui & Co. is responding to the "3 D's" trend not only through the development of utility scale solar power and wind power projects, but also through the global roll-out of distributed power generation projects that provide service closer to the end-user.

Climate Change

Globally, approximately one billion people—mostly in Asia and Africa—have limited access to electricity*, and for India also, this is a major problem. At the same time, mobile phone penetration rates tend to be very high even in the inadequately-electrified regions of India and Africa, making electricity necessary for communication purposes. In 2017, we invested in OMC Power Private Limited (OMC), which is specialized in a business model with a combination of solar power and batteries to implement a distributed electricity generation business in which electricity is produced and consumed locally. With mobile carriers' telecom towers being the anchor customers, OMC supplies reliable electricity to local businesses and communities as well. OMC provides stable and affordable electricity mainly through environment-friendly solar power, as well as enhancing the lives and economic prosperity of rural communities. Currently, OMC operates 280 power generation plants, which supply power to 238 telecom towers, 11,000 local businesses, and approximately 100,000 residents in 15,000 households. We will be working with OMC to deliver electricity to other inadequately-electrified regions.

We also help to supply electricity to sub-Saharan Africa through our investment and participation in M-KOPA Holdings Ltd. ("M-KOPA"). M-KOPA runs a business called the Solar Home System ("SHS"), through which solar panels are installed on the roofs of houses or small stores, and solar power generation is used to provide power for lighting, mobile phone chargers, and home appliances (radios and televisions). Up until recently, more than 600 million people living in sub-Saharan Africa have been using kerosene, which is a fossil fuel, for lighting and cooking, because of the delayed development of the power transmission grid. However, thanks to the SHS, there has been a reduction in kerosene use, helping to reduce the environmental load. In Africa, a large increase in demand for electricity is expected as a result of the improved living standards and lifestyle changes that will result from future rapid economic growth. By accelerating efforts to strengthen and expand the services M-KOPA provides, we will support more convenient and comfortable lives for people living in Africa.

* Source: ["Our World in Data "Access to Energy"](#)

An Energy Management Business that uses Battery-powered ICT Systems

Energy Solutions Business Unit

While the amount of new renewable energy is increasing globally, issues such as growing loads on transmission and distribution systems, an imbalance in the burden of electricity charges, and complicated supply and demand coordination are becoming prominent. In response to these issues, we have invested in Stem, Inc. and Sunverge Energy, Inc., two companies that offer energy management services that employ energy storage ICT systems. We are also working on the development of new business models to meet diversifying needs -- for example, providing solutions that package Stem's energy storage system and Forefront Power's distributed solar power. Forefront Power is a wholly-owned subsidiary engaged in the distributed solar business for industrial and commercial consumers and public institutions in North America. Another issue is the increasing volatility in the electricity market due to the rapid spread of renewable energy. We are responding to new needs due to structural changes by providing solutions such as price hedging and supply and demand adjustment functions. In Europe, through such initiatives as our investment in Evora Energy Limited of Ireland, we are doing our part to help business expansion and functional improvement in the electric power logistics sector.

Natural Gas Electricity Generation

Energy Business Unit II

Infrastructure Projects Business Unit

Fukushima Gas Power Co., Ltd., a company in which we have a 29% stake, has two natural gas-fired power generation facilities at its Fukushima Natural Gas Power Plant at Soma, Fukushima Prefecture. These have a total power output of 1.18 million kW. The power generation facilities use a gas turbine combined-cycle system with high power generation efficiency. This combination of a gas turbine and a steam turbine generates a lower level of CO₂ than conventional thermal power generation methods.

This project is in line with Fukushima Prefecture's goals of the "introduction of energy with a low environmental impact" and "new urban development". Through the promotion of this project, Mitsui & Co. will contribute to the economic revitalization in the Hama-dori region of Fukushima prefecture to help in its ongoing recovery from the 2011 earthquake. We will continue to work on the sustainable and stable supply of resources that are essential for social development and the creation of a society that is in harmony with the environment.

Modal Shift

Mobility Business Unit I

In addition to the railway leasing business that we have been engaging in over many years, we have also been actively launching and operating various railway projects, thereby developing and improving social infrastructure while promoting modal shift to contribute to green logistics. Of the rail networks in whose operation Mitsui participate as of March 31, 2022, the freight railroad network has a total route length of 10,700 kilometers, and the passenger network has a total route length of 2,810 kilometers.

(As of March 31, 2022)

Main business		Country/ Region	Project size
Freight wagon leasing business		U.S.	Four global bases (U.S., Brazil, Europe, Russia): approx. 15,200 Freight wagons, approx. 350 Locomotives
		Russia	
Freight wagon rental business		Brazil	
Locomotive leasing business		Europe	
Freight wagon transportation business		Brazil	Operating a railway network of approx. 10,700 km, and port terminals
Passenger railway transportation business			
	Rio de Janeiro suburban railway		Transportation record: Approx. 352,000 passengers per day (December 2021)
	Rio de Janeiro Light Rail Train		Transportation record: Approx. 57,000 passengers per day (December 2021)
	São Paulo metro line no. 4		Transportation record: Approx. 477,000 passengers per day (December 2021)

Climate Change

Main business		Country/ Region	Project size
	East Anglia	U.K.	Transportation record: Approx. 39,770,000 passengers per day (December 2021)
	West Midlands		Transportation record: Approx. 32,790,000 passengers per day (December 2021)

EV (Electric Vehicles)

Mobility Business Unit I

Energy Solutions Business Unit

Among the mobility (transportation) fields that we have defined as our new growth fields, we expect electrification (the shift to electric vehicles) to be particularly promising. In Europe, where the introduction of EVs is gathering momentum, we are building a comprehensive business model that supports the changeover to EVs, including infrastructure, and are expanding it in other regions as well.

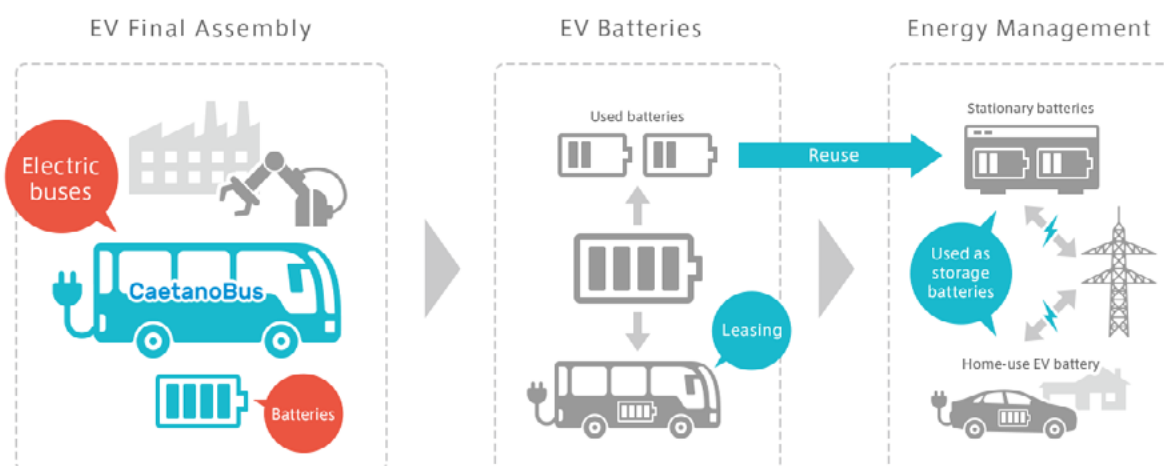
We are organically linking several companies in which we have an interest in order to build a new business model that can provide comprehensive solutions. These include EV makers (Lucid Group, CaetanoBus-Fabricação De Carroçarias S.A, Letenda Inc.), battery pack manufacturers (Forsee Power SA), and an energy management company that uses EV batteries (The Mobility House AG). For example, if a city considers switching its fixed-route buses to EV, we would like to help the city speed up its changeover to electric vehicles. In concrete terms, we can offer a comprehensive range of services including EV bus supply, battery leasing, and energy management. Furthermore, in future we are also considering businesses involved in the reuse and re-leasing of used batteries. We will begin these initiatives in Europe and the United States, and then expand them to Asia.

ZEV (Zero Emission Vehicle) Bus Operations in Europe

Mobility Business Unit I

In December 2017 we invested in Caetano Bus, S.A. of Portugal. This company has been involved in the development of electric buses since 2010. In 2016 they began the sale of ramp buses used to transport passengers within airports, and in 2017 the company started commercial production and sales of electric transit buses in Europe. We are using our global network to help in the expansion of sales of the company's buses. As an example of Caetano's global expansion, a total of 34 single-deck electric buses were delivered to two London routes in the spring of 2020. The company also completed the development of an FC (fuel cell-powered) transit bus at the end of 2020. Beginning with Germany and Saudi Arabia, we have started selling FC buses that use Toyota fuel cell systems. In our partnership with Caetano Bus, we will continue looking to provide the optimal solutions suitable for operations seeking to achieve a carbon-free society.

Mitsui & Co. EV-related Businesses



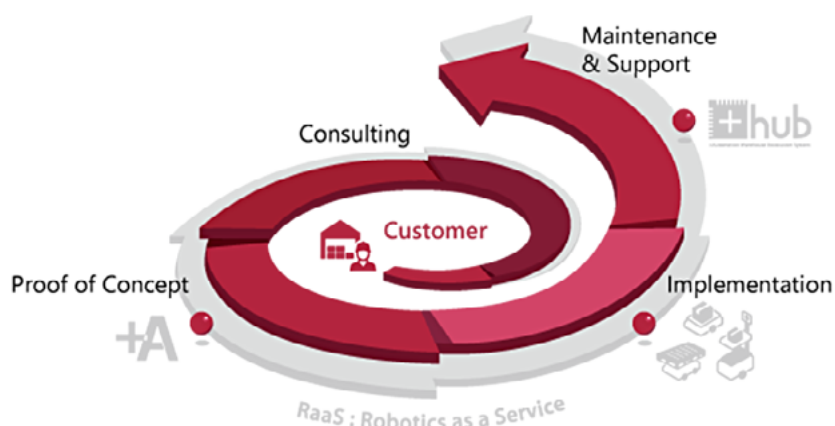
360° business innovation: FULL CHARGE AHEAD: Assembling an EV value chain for the smart-city era

Industrial Operations & Automation

Corporate Development Business Unit

+Automation Inc. ("A") is a logistics robotics services company established in June 2019. +A is committed to solving customers' logistics pain points leveraging each stakeholder's advantage: Mitsui's global network-based robot procurement capabilities and the knowledge of its logistics subsidiaries, GLP Japan Inc.'s customer network as a leading logistics real estate company, and Toyota Industries Corporation's engineering expertise as a global logistics solutions provider.

+A is working to increase added value by accelerating its service deployment, with the number of robots installed having exceeded 1,500 as of June 2022, and providing "+Hub", a proprietary warehouse execution system that enables the linkage of a variety of robots, material handling equipment and logistics systems. The need for automation in the logistics sector is increasing due to the expansion of e-commerce and omni-channel retail, labor shortages, and changes in the workplace environment. Under the vision of "Enabling Robotics Technology in Logistics", +A connects the entire logistics industry to contribute to the advancement of logistics by sharing robots and other automated equipment through "Robotics as a Service (RaaS)," a subscription-type integrated service with a high level of mobility and flexibility, that charges customers monthly and requires no initial investment.



Circular Economy/Reuse, Recycle

Circular Economy: Initiatives

Air Quality

Participation in the CCS Business

Energy Business Unit I

CCS stands for Carbon Capture and Storage. We have invested in CCS company Storegga Limited ("Storegga") of the UK. Storegga is developing the Acorn CCS project to capture, transport, and store CO₂ emitted from the UK and neighboring countries, to reduce CO₂ emissions and achieve CO₂ net-zero emissions by 2050, a target that has been set by the UK government. The Acorn CCS project will use depleted oil and gas fields where production has ceased as reservoirs for the storage of CO₂. In this way, the project will reutilize existing infrastructure and will achieve cost competitiveness. Storegga is also working to commercialize its Direct Air Capture (DAC) technology to extract CO₂ directly from the atmosphere, and Mitsui and Storegga have entered into an MOU for the commercialization of this technology. In addition to joint studies with Storegga to commercialize DAC technology, Mitsui will carry out the purchase and sale of carbon credits, and will assess the possibility for investment in the business.

We have also launched a joint feasibility study with Indonesian state-owned oil company Pertamina on CCUS commercialization in Indonesia. This study aims to evaluate the CO₂ subsurface storage capacity of the oil and gas fields in Rokan Block, which is operated by Pertamina in Central Sumatra, and to examine the feasibility of establishing a CCUS value chain, including capture and transportation of CO₂ emitted from industrial plants, power generation plants, and other facilities. The project aims to create new low-carbon solution business in Indonesia.

Leveraging our knowledge of upstream oil and gas businesses and our extensive business network, we aim to develop a global CCUS business that will include Asia and will provide CO₂ reduction solutions to the world, utilizing our comprehensive strengths together with the knowledge gained in the UK and Europe where the development of governmental rules and regulations is advancing.

CCU — Producing Methanol in the U.S. that Effectively Uses CO₂

Basic Materials Business Unit

Our affiliate, Fairway Methanol LLC, decided in March 2021 to expand its facilities to increase methanol production (approximately 130,000 tons per year) by purchasing and effectively utilizing by-product carbon dioxide (CO₂) from surrounding plants (up to approximately 180,000 tons per year) as the source. The decision to expand its facilities was made to maximize the effective capacity of the existing plant, and carbon dioxide sourced from neighboring plants will be used as the raw material for the plant's newly added capacity. This is a CCU (Carbon Capture and Utilization) initiative, which involves separating and effectively utilizing carbon dioxide. Under this concept, CO₂ is considered a resource that can be reused as a material or fuel, thus realizing carbon recycling to reduce emissions into the atmosphere.

Climate Change

Demand for methanol is expected to grow steadily in the future as a basic raw material for a variety of industries, including housing and construction materials, high-performance resins for automobiles and electronics, and pharmaceuticals. Recently, methanol has also been attracting attention as a key chemical substance that can be sourced from carbon dioxide. Mitsui has been engaged in the methanol trading business for many years. In addition to the business in North America where this expansion will take place, Mitsui is also involved in a methanol production business in Saudi Arabia.

Through the stable supply of methanol, Mitsui is supporting the development of a wide range of industries and contributing to the realization of a sustainable society. Furthermore, to achieve Net-Zero Emissions by 2050, which is the target set in our Medium-term Management Plan, we will make use of our existing businesses and the know-how we have accumulated through them to promote initiatives to realize a decarbonized society.

Materials

Development of a Recycled Polypropylene Manufacturing Business

In September 2021, we signed a MOU with U.S. company PureCycle Technologies, Inc. ("PCT") to jointly develop a recycled polypropylene resin production project in Japan.

Further recycling and utilization of plastics are required in Japan to deal with ocean plastic pollution and climate change. Polypropylene ("PP") resin is widely used to produce packaging materials and automobile parts, but the recycled PP has limited application due to the residue of additives, such as colorants which is difficult to remove from the resin.

PCT holds IPs to produce a recycled PP resin called Ultra-Pure Recycled Polypropylene (UPRP) from waste plastic, which has similar qualities to virgin resin. At present, PCT is building

a plant that will have an annual production capacity of 50,000 tons UPRP in Ohio, in the U.S., and is aiming to start its operation at the end of 2022. PCT has already sold more than 20 years' worth of recycled PP resin output from its upcoming plant, and is also planning to build a large-scale recycling plant in Augusta, Georgia, in the U.S.

By promoting this joint project, we aim to expand the use of UPRP for consumer goods, food containers, automobile interiors, and other applications. By establishing a supply chain that spans from the securing of supplies of waste plastic, to the manufacture of UPRP, and the supply to customers, we will help to reduce waste plastic and establish a circular economy.

Performance Materials Business Unit



Recycled polypropylene resin
Existing technology (The past), PureCycle technology (The future)

Certifications

Performance Materials Business Unit

Energy Business Unit I

Responsibilities to Customers: Acquisition of Environment-Related Certification in Company-Owned Forests "Mitsui's Forests", Forest Resources Business, etc.

Green Buildings

Corporate Development Business Unit

We aim to invest in environmentally friendly buildings and make energy use in our existing buildings more efficient through environmental and energy-saving measures, in order to build a portfolio of properties that has a low environmental impact.

Japan Logistics Fund, Inc.

Listed REIT Japan Logistics Fund, Inc. ("JLF"), which is operated by our subsidiary Mitsui & Co., Logistics Partners Ltd., has acquired DBJ Green Building certification^{*1} at 15 of its properties and has also received certification under the BELS^{*2} and CASBEE^{*3} evaluation systems. Also, in order to further advance its environmental efforts, in April 2021 the fund issued a green bond. Its green finance framework also received a Green 1 (F) rating from the Japan Credit Rating Agency, Ltd. ("JCR"), the highest rating under the JCR Green Finance Evaluation system.

*1 A certification system established by the Development Bank of Japan ("DBJ") in April 2011 to assess real estate that takes the environment and society into consideration (green buildings).

*2 A third-party certification system that indicates the energy efficiency of buildings

*3 A system for evaluating the overall environmental performance of a building. It evaluates and rates the environmental performance of buildings based on energy and resource conservation, recycling and other environmental burden reductions as well as interior comfort and landscaping.

Acquiring External Certification

GRESB Real Estate Assessment

The GRESB^{*} is an annual benchmarking assessment, which measures the ESG integration of real estate companies and funds. In the 2021 assessment, Japan Logistics Fund, Inc. received the highest rating of "Five Stars". In addition, the company received a "Green Star" for the fourth consecutive year in both the "Management Component" which evaluates the company's policies and organizational structure for ESG promotion, and the "Performance component" which evaluates the company's environmental performance and tenant engagement at owned properties. Furthermore, in the GRESB disclosure evaluation, which measures the level of ESG information disclosure, the company was highly evaluated for its ESG information disclosure efforts and received the highest "A Level" rating.

* An annual benchmarking assessment to measure ESG (Environmental, Social and Governance) integration of real estate companies and funds, as well as the name of organization which runs the assessment.

Acquisition of Green Building Certifications

We will continue to promote the acquisition of environmental certifications and assessments, such as Green Building Certifications, and aim to achieve the following targets regarding the percentage of properties we own that have acquired Green Certifications (based on leasable floor area).

- Acquire green certifications in 50% of portfolio in FY 2025.
- Acquire green certifications in 70% of portfolio in FY 2030.

Climate Change

Percentage of Portfolio with Green Building Certification (as of July 31, 2021)

Type of certification	Number of properties	Leasable area (m2)	Percentage of portfolio (by area)
DBJ Green Building	15	572,847	44.0%
BELS	3	153,067	11.8%

List of Properties that Have Obtained DBJ Green Building Certification

Certification	Year	Property
4 Stars	2018	M-6 Funabashi Nishiura Logistics Center
		M-12 Yokohama Fukuura Logistics Center
		M-13 Yachiyo Logistics Center II
		M-19 Souka Logistics Center
		M-26 Sagamihara Logistics Center
		M-31 ShinKiba Logistics Center II
		M-32 Yokohama Machida Logistics Center
	2019	M-11 Yachiyo Logistics Center
		M-24 Shin-Koyasu Logistics Center
3 Stars	2018	M-5 Urayasu Chidori Logistics Center
		M-22 Musashimurayama Logistics Center
	2019	M-28 Chiba Kita Logistics Center II
		M-25 Misato Logistics Center
		M-39 Saitama Kisai Logistics Center
		M-40 Kazo Logistics Center

Climate Change

List of Properties that Have Obtained BELS Certification

Certification	Year	Property
5 stars	2020	M-11 Yachiyo Logistics Center
	2021	M-19 Souka Logistics Center
		M-22 Musashimurayama Logistics Center

CASBEE

Yachiyo Logistics Center and Ichikawa Logistics Center II (following their redevelopment), and Yokohama Machida Logistics Center, each received an A rating under CASBEE.

[Japan Logistics Fund, Inc.: Certification](#)

Mirai Corporation

Mitsui Bussan & Idera Partners Co., Ltd., our affiliate which manages the assets of listed Real Estate Investment Trust MIRAI Corporation, is promoting sustainability-related measures that include ongoing participation in real estate assessments, and green financing, in accordance with our Sustainability Policy.

Acquiring External Certification

GRESB Real Estate Assessment

Listed Real Estate Investment Trust MIRAI Corporation earned "2 Stars" in the GRESB Real Estate Assessment, based on the relative evaluation of its overall score. MIRAI also earned a "Green Star" in both the "Management Component" which evaluates the company's policies and organizational structure for ESG promotion, and the "Performance component" which evaluates the company's environmental performance and tenant engagement at owned properties.

DBJ Green Building

Mirai Corporation has acquired DBJ Green Building certification for seven of its properties. The percentage of environmental certifications in the portfolio is as follows.

(As of April 15, 2022)

Based on acquisition price	Based on gross floor area
55.4%	74.4%

Climate Change

Certification	Year	Property
4 Stars	2019	Shinjuku Eastside Square
3 Stars	2018	Shinagawa Seaside Parktower
	2019	Rokko Island DC
	2020	Tokyo Front Terrace
	2021	Mi-Nara
1 Star	2020	MI Terrace Nagoya-Fushimi
		Kawasaki Tech Center

MIRAI Corporation: Third-party Accreditation

Forest Carbon Sinks and Carbon Credit Business

Performance Materials Business Unit

We have invested and participate in New Forests Pty Limited ("New Forests") in Australia, which is engaged in the forestry asset management business in Oceania, Asia, and North America (Asset under management totaling approximately ¥470 billion and approximately 790,000 hectares). New Forests manages forest assets that store 170 million tons of CO₂ equivalent (tCO₂e) and generated 7.5 million tCO₂e carbon credit in 2020.

In December 2021, we invested in a forestry carbon credit fund jointly developed with New Forests. The total investment will be approximately AUD 50 million in the initial phase, and the total estimated volume of carbon offset contribution to be generated through plantation activities will be around 4 million tCO₂e, which can be further scaled up to over 10 million tCO₂e. We are committed to the supply of sustainable forest resources and will continue to contribute to the prevention of global warming through forestry fund management businesses that create forest carbon sinks and generate carbon credit.



Afforestation asset managed by New Forests in Australia.

Performance

GHG Emissions

Mitsui has carried out GHG emissions surveys domestically since the fiscal year ended March 2006 and in overseas since the fiscal year ended March 2009. Until now we have disclosed Scope 1 and Scope 2 GHG emissions under the GHG Protocol^{*1} control standards^{*2}. Since the fiscal year ended March 2020, we have also disclosed emissions equivalent to Scope 1 and 2 from energy, mineral and metal resources, and thermal power generation projects not covered under Scope 1 and 2, as well as Scope 1 and 2 emissions from other affiliated company businesses, as Scope 3, Category 15 (indirect emissions associated with investments). We have enhanced the scope of disclosures to promote continuous reviews of our portfolio considering our risk tolerance to climate change. This also takes into account Mitsui's strategy of using our wide range of business activities to take on the challenge of new opportunities in an agile way.

In the fiscal year ended March 2022, our GHG emissions at the Head Office, all offices in Japan and subsidiaries were 0.59 million tons, whereas GHG emissions at un-incorporated joint ventures in mineral and metal and energy resources fields totaled 3.59 million tons. In total, our emissions came to 4.18 million tons. GHG emissions from investments covered by Scope 3, Category 15 came to 36 million tons.

^{*1} GHG Protocol is a GHG emissions calculation and reporting standard formulated through an initiative led by the WRI (World Resources Institute) and the WBCSD (World Business Council for Sustainable Development).

^{*2} Coverage: Head Office and all offices in Japan, all consolidated subsidiaries (100%) and Un-incorporated Joint Ventures.

[Environmental Performance Data: Energy Consumption](#)

[Environmental Performance Data: Greenhouse Gas \(GHG\)](#)

Other Reference Data

	FY Mar/2021	FY Mar/2022
R&D expenditure included in Selling, General and Administrative Expenses (including R&D for resolving environmental issues)	4 billion Japanese Yen	4.1 billion Japanese Yen

Our Company-Owned Forests, "Mitsui's Forests," Absorb and Fixate 160,000 Tons of Carbon Dioxide Annually

It is estimated that Mitsui's Forests absorb and fixate approximately 160,000 tons of CO₂ per year, and that they have accumulated approximately 10 million tons^{*1}. We contribute to the mitigation of climate change risk through sustainable forest management. The public value of Mitsui's Forests is estimated to be approximately 200 billion yen^{*2}.



^{*1} Calculation based on the Tier 2 approach in Chapter 4, "Forest Land," in Volume 4 of the "2019 Refinement to the 2006 IPCC Guidelines on National Greenhouse Gas Inventories." In the past, the calculation was based on the Tier 1 approach in the 2006 IPCC Guidelines, but we changed the calculation method in the fiscal year ended March 31, 2021, to improve accuracy.

^{*2} Calculation based on the "Comprehensive Assessment of Biodiversity and Ecosystem Services" published by the Ministry of Environment

Water Resources

Policies and Basic Approach

Water is the source of all life on earth, as well as being an invaluable resource that is the survival foundation of socio-economics systems. As a consequence of global population growth and development, water resource problems are arising on a global scale.

We recognize that access to safe and sanitary water is an important human right for all people. Also water resources are essential for business continuity as well as for the residents in the communities where we operate. We have stipulated in our Environmental Policy that we will work to conserve water resources by reducing water consumption and improving the efficiency of water resource use.

We are engaged in operations around the world, including in areas subject to high water stress. We recognize that large-scale development and the vast consumption of water resources have caused problems with water resources. Accordingly, we will carry out water risk assessments to respond appropriately to these problems, and work to promote the conservation and sustainable use of water resources. We have positioned water-related businesses as a priority area and will continue to develop them globally, including water desalination, water pumping and water production. We will contribute to solving water-related issues through our businesses.

Approximately 13,000 hectares of Mitsui's Forests, equivalent to around 30% of our company-owned forests, have been officially designated as Water Conservation and Water Safety Forests, helping to secure water resources and mitigate flood damage. We will continue to promote the appropriate development and management of our forests with the aim of providing a strong public benefit.

In addition, we will work to reduce our water use at our offices, for example by treating and reducing effluents.

[Environmental Policy](#)

Goals and Targets

Conservation of Water Resources and Identification of Water Risks

- Conserve water resources related to our businesses, identify water risks in our businesses, and consider countermeasures.
- Utilize ESG due diligence checklists and implement a risk assessment in advance using the water-related checklist items when planning new business or when expanding or withdrawing from operations. Make efforts in advance to understand the risks related to water resources for businesses and investment projects where water resources are particularly important such as beverages, agriculture, and mining in water-stressed regions.

Reduction of Water Usage and Improvement of Utilization Efficiency

- Reduce water consumption at Mitsui & Co. (non-consolidated) to less than the amount used in the previous fiscal year, and improve the efficiency of water use.

For progress against targets, please refer to: Efforts to Reduce Water Use and Recycle Effluents - Improving Water Efficiency in Offices

[Efforts to Reduce Water Use and Recycle Effluents - Improving Water Efficiency in Offices](#)

[Environmental Performance Data: Water Consumption \(Water Withdrawal, Intensity, Water Recycling\)](#)

Sustainability Governance and Oversight

Sustainability Committee

The Sustainability Committee works under the Corporate Management Committee to plan, formulate and provide proposals on basic management policies, business activities, and corporate policies and strategies related to water resources.

The Sustainability Committee is structured so that its activities are appropriately supervised by the Board of Directors, and matters discussed by the Sustainability Committee are regularly discussed and reported to the Corporate Management Committee and the Board of Directors.

Officer in Charge	Makoto Sato (Representative Director, Executive Managing Officer, Chief Strategy Officer (CSO), Chairperson of the Sustainability Committee)
Administrative Office	Corporate Sustainability Div., Corporate Planning & Strategy Div.

Please refer to the links below for more information on Mitsui's Sustainability Management Framework and the activities of the Sustainability Committee.

[Our Approach to Sustainability: Sustainability Governance and Oversight](#)

[Our Approach to Sustainability: Sustainability Committee](#)

ESG Risk Management

We have put in place a system to ensure that we give maximum consideration to the environment and society not only when we start a new business, but also during already under operations and when we withdraw from it. In addition, we conduct investigations with experts for new business investment projects that are likely to have a significant impact on the environment. For risk assessments in water-stressed areas, in particular, we use the portal site Aqueduct from the World Resource Institute (WRI) to monitor and analyze water risks and water effluent, not only for new business but also for our existing business, with the aim of reducing water-related risks. We also utilize ESG due diligence checklists and conduct risk assessments in advance using the water-related item checklist.

[ESG Risk Management: Process of Managing Environmental and Societal Risks](#)

Collaborating with Stakeholders

Participation in Initiatives

We are promoting and expanding our efforts to address water resources through participation in initiatives. Participation in each initiative is decided after confirming that it is consistent with our basic policy and initiatives for water resources.

CDP (Water Security)

Since 2015, we have responded to the questionnaire from CDP Water Security, a global disclosure program for corporate information on water risks. Based on our response to the questionnaire carried out in 2021, we received the score "B-" in relation to Water Security.

Japan Business Federation (Keidanren)

- Committee on Responsible Business Conduct & SDGs Promotion, which works to make the Charter of Corporate Behavior well known, disseminate and promote "Society 5.0 for SDGs", and promote corporate social contribution activities
- Committee on Energy and Resources, which promotes energy policies that provide a balance of S+3E (Safety + Energy Security, Economic Efficiency, and Environment)
- Committee on Environment and Safety, which works on countermeasures to deal with climate change, formation of a circular society, and improvements in environmental regulations and systems

Collaborating with NGOs/NPOs

Support through an NPO for the Development of a Rainwater Reuse System to Supply Safe Drinking Water

In mountainous areas and on remote islands in Bohol Province in the Philippines, it is difficult to access safe drinking water and water stress is high. Water from wells in coastal areas and on remote islands is unsuitable for drinking because of seawater contamination. Boat trips to buy water are a part of everyday life for island residents, imposing a heavy burden in terms of both costs and time. The Mitsui & Co. Environment Fund has provided a grant to Ikaw Ako, an NPO to fund an initiative to provide rainwater storage and treatment facilities so that residents in this region can have easier access to safe drinking water. To create sustainable water supply systems, tanks with the optimal size for each community will be designed and built by the residents, allowing the facilities to be maintained and managed locally. Through this project, we are helping to solve the challenges of water-stressed regions.



A rainwater storage tank (November 2019)

Initiatives

Water Withdrawal in Water-Stressed Regions

The following table shows the amount of water consumed by our business sites in areas identified as having high or very high levels of water stress, using Aqueduct, a water risk map of the world developed by the World Resources Institute (WRI), an international environmental NGO.

*1 Countries included: Out of the 189 countries included in the ranking of countries with high risk in water-stressed regions, the following 18 countries have been identified as water stress areas related to our business: Qatar, Iran, Kuwait, Saudi Arabia, UAE (United Arab Emirates), India, Oman, Chile, Morocco, Belgium, Mexico, Spain, Algeria, Turkey, Nigeria, Portugal, Egypt and Italy. In some cases, data was obtained directly from the site of the business, while in other cases, data was obtained only from the location of the business's headquarters (parent company/SPC).

*2 Scope of data collection: Domestic and foreign consolidated companies, Un-incorporated JV

		FY Mar/2020	FY Mar/2021	FY Mar/2022
High risk (40-80%)	Locations	7	8	9
	Volume of water withdrawn (thousand m3)	10	14	99
Very high risk (>80%)	Locations	5	5	4
	Volume of water withdrawn (thousand m3)	837	813	1,099

Initiatives in Water-Stressed Regions (1) Long-term Supply of Water through Power Generation and Desalination Independent Water and Power Producer (IWPP) Project in Qatar

Mitsui is participating in the Ras Laffan C power and water desalination (IWPP) project in Ras Laffan Industrial City, located 80 km north of Qatar's capital of Doha. The project was initiated in response to an increase in demand for electric power and water as a result of Qatar's rapid economic growth. Qatar uses seawater desalination to produce 99.9% of its water supplies. In this project, energy efficiency will be optimized through the use of a power generation and desalination process designed to utilize waste heat from power generation. With a power generation capacity of 2,730 MW and desalination capacity of 290,000 tons per day, this project will operate seawater desalination facilities for a period of 25 years starting in 2011. It will supply water and electric power to the Qatar General Electricity and Water Corporation (Kahramaa), accounting for around 24% of Qatar's electricity supply and approximately 14% of its water supply.

Initiatives in Water-Stressed Regions (2) Water Desalination and Pumping Business for Copper Mines in Chile

Chile accounts for approximately 30% of the world's copper production and is a thriving copper mining region. The country's copper mining operations use large amounts of water, especially in the north of Chile where there is a high concentration of mines. Water stress is high in this region as a whole, with growing concerns about resource shortages. Mitsui has invested in a seawater desalination and pumping service operation for the Spence Mine, a 100% subsidiary of BHP, a major mineral resources company, through Caitan S.p.A., established as a 50-50 joint venture with Técnicas de Desalinización de Aguas, S.A. (Tedagua) under the ACS Group of Spain. Caitan S.p.A. will construct, own and operate a water desalination plant and a 150 km water pumping facility in the province of Antofagasta in the north of Chile to supply fresh water to copper mine operator Spence over a 20-year period.

In the north of Chile, demand is expected to grow at an annual rate of around 14% as the region as a whole becomes increasingly concerned about water shortages. We will contribute to Chile's development by tapping into the country's rapidly growing demand for water infrastructure and further developing related infrastructure, while addressing the issue of water shortages through our business.

Water Supply and Sewage Infrastructure Business

(As of March 2022)

Business	Country	Processing Capacity (Total Capacity) Unit: thousand m ³ /day
Tap Water Supply	Thailand	1,028
Tap Water Supply	Mexico	130
Sewage Treatment Plant	Mexico (4 sites)	4,620
Power and Water Desalination	Qatar	290
Desalination and Conveyance	Chile	90

Efforts to Reduce Water Consumption and Improve the Efficiency of Use

Efforts to Care for Water Resources During Shale Gas Extraction

Through its investee, Mitsui E&P USA LLC, Mitsui is engaged in the Marcellus shale gas development and production project and the Eagle Ford shale oil/gas development and production project. The oil and gas are extracted using hydraulic fracturing (fracking), and Mitsui E&P USA gives due care to water resources by ensuring that water for hydraulic fracturing (fracking water) is properly used (including the recycling of wastewater), managed, and discharged.

Water Resources

Efforts to Improve Water Usage Rates in the Copper Business

We are engaged in the copper mining business in Chile. Chile is a high-risk region in terms of water stress levels, but because the operations require a large amount of water, we are promoting the introduction of technologies to maximize the efficiency of water use in the operating processes of each mine and are working to reduce the amount of new water withdrawal. At the Los Bronces copper mine (located in the Capital Province of Chile), in which we are engaged together with Anglo American Plc, we reached a water reuse rate of 85% in 2020, mainly due to efforts to extract and reuse water from tailings. Also, at the Collahuasi copper mine (located in the Tarapaca province), the second largest copper mine in Chile by production volume, with Anglo American and Glencore as partners, the water reuse rate reached level of 76% in FY Mar/2020. In addition, we are planning to build a seawater desalination plant in the future. We will continue to contribute to the development of the country through our business while making efforts to conserve water resources.

		2019	2020
Los Bronces Copper Mine *	Water reuse rate (%)	78%	85%
Collahuasi Copper Mine	Water reuse rate (%)	84%	76%

* For Los Bronces Copper Mine, the figures include tailings water procured from third parties, and treated sewage, etc. (Recycle + Reuse).

Water Withdrawals in Projects

Water withdrawal intensity for copper concentrate production at Collahuasi mine

	Scope	Unit (annual average)	2019	2020	2021
Water withdrawal intensity (annual average)	Water withdrawal per ton of ore processed at the copper concentrate processing plant	m3/t	0.51	0.53	0.54

Water withdrawal intensity in sugar manufacturing

KASET PHOL SUGAR LIMITED

	Unit (annual average)	FY Mar/2020	FY Mar/2021	FY Mar/2022
Per ton of sugar produced (annual average)	m3/t	2.7	6.9	4.0

Water Resources

Water withdrawal intensity in livestock production and processing

Prifoods Co., LTD.

	Unit (annual average)	FY Mar/2020	FY Mar/2021	FY Mar/2022
Per ton of chicken meat processed (annual average)	m3/t	13.2	13.0	12.8

Efforts to Reduce Water Use and Recycle Effluents - Improving Water Efficiency in Offices

At the Head Office, we use 100% recycled drainage water for toilet flushing in order to promote reduction in water consumption. In addition, we have set the goal of improving water use efficiency by reducing the amount of water used at the Head Office and at our own buildings (Osaka) to less than the amount used in the previous fiscal year.

Progress against targets	Scope	Unit	FY Mar/2020	FY Mar/2021	FY Mar/2022	Achievement Status
Water Withdrawal	The office buildings owned by Mitsui & Co. as a non-consolidated entity (Head Office, Osaka Office, Chubu Office) *	thousand m3	61	25	57	Significantly exceeded targets for FY Mar/2021, impacted by the prevalence of teleworking due to the COVID-19 pandemic. However, the following year, FY Mar/2022, saw a year-on-year increase due to increased office attendance.
Intensity	The office buildings owned by Mitsui & Co. as a non-consolidated entity (Head Office, Osaka Office, Chubu Office) * (per employee)	m3/employee	15.69	6.47	12.76	Significantly exceeded targets for FY Mar/2021, impacted by the prevalence of teleworking due to the COVID-19 pandemic. However, the following year, FY Mar/2022, saw a year-on-year increase due to increased office attendance.

* For FY Mar/2020 and FY Mar/2021, company-owned buildings include the Chubu Office (Nagoya); from FY Mar/2022, the Chubu Office building is excluded due to relocation to a leased building.

Water Resources

Performance

Environmental Performance Data: Water Consumption (Water Withdrawal, Intensity, Water Recycling)

Costs Associated with Water-Related Risks:

Water recycling cost at buildings owned by Mitsui & Co. as a non-consolidated entity (Head Office, Osaka Office): 5 million Japanese Yen (FY Mar/2022)

Pollution Prevention

Policies and Basic Approach

Under our Environmental Policy, we have stipulated that we will act to reduce hazardous waste and pollutants and ensure the proper handling of any such materials, and strive to prevent air, water and soil pollution. We recognize that it is a vital issue for us to strive to improve the environmental value by reducing their environmental burden. This includes pollution control and protecting the environment. We will comply with laws, regulations and ordinances related to air pollution, water pollution, soil pollution, and rules covering other hazardous substances. We will also work to reduce the emission of pollutants and contaminated substances that are not subject to current laws, regulations and ordinances. We promote initiatives that lead to the reduction of water and soil contamination and a reduced quantity of chemical substances released into the atmosphere.

[Environmental Policy](#)

Goals and Targets

Preventing Environmental Pollution

1. New business projects:
 - Utilize ESG due diligence checklists and environmental-social risk maps for each business to assess the ESG impact of each new project.
2. Existing business projects:
 - Mitsui & Co. (non-consolidated): Manage environmental and social risks based on the international environmental management standard ISO14001.
 - Consolidated subsidiaries: Recommend that our consolidated subsidiaries (that we have identified from the perspective of their industry and their impact on the environment and ecosystems) establish their own environmental management systems based on ISO14001 or other international guidelines.
3. Environmental accidents:
 - Aim to achieve 0 (zero) environmental accidents each year.

Compliance with Environment-Related Laws and Regulations

- Implement measures to deepen understanding of compliance with environment-related laws and regulations and ensure thorough compliance.

Pollution Prevention

Saving Resources and Promoting Resource Circulation

1. Increase the waste recycling rate at buildings owned by Mitsui & Co. as a non-consolidated entity (Head Office, Osaka Office) to over 90% by 2030.
2. Reduce paper consumption at Mitsui & Co. (non-consolidated) by 50% or more compared to the fiscal year ended March 2020 by 2030.

Progress against target	Scope of coverage	Unit	FY Mar/2020	FY Mar/2021	FY Mar/2022	Level of target achievement
Waste recycling rate	The office buildings owned by Mitsui & Co. as a non-consolidated entity (Head Office, Osaka Office, Chubu Office)*	%	82.2	85.6	93.8	FY Mar/2022: Target achieved Continue to maintain over 90% in the next fiscal year
Paper consumption intensity	Paper consumption used at Mitsui & Co. (non-consolidated) per employee	thousand sheets /employee	7.18	2.97	2.96	FY Mar/2022: Target achieved Continue to maintain target at 50% or less compared to FY Mar/2020 level in the next fiscal year

* For FY Mar/2020 and FY Mar/2021, company-owned buildings include the Chubu Office (Nagoya); from FY Mar/2022, the Chubu Office building is excluded due to relocation to a leased building.

Environmental Performance Data: Waste and Paper Consumption (Waste amount, Recycling rate)

Promoting Awareness-Raising Activities

1. Aim to raise awareness among our officers and employees by holding regular seminars and training sessions on environmental laws and regulations.
2. Promote initiatives for obtaining specialized knowledge through ISO14001 Provisional Auditor Training and other programs among our employees.

Sustainability Governance and Oversight

Sustainability Committee

The Sustainability Committee works under the Corporate Management Committee to plan, formulate and provide proposals on basic management policies, business activities, and corporate policies and strategies related to pollution prevention.

The Sustainability Committee is structured so that its activities are appropriately supervised by the Board of Directors, and matters discussed by the Sustainability Committee are regularly discussed and reported to the Corporate Management Committee and the Board of Directors.

Officer in Charge	Makoto Sato (Representative Director, Executive Managing Officer, Chief Strategy Officer (CSO), Chairperson of the Sustainability Committee)
Administrative Office	Corporate Sustainability Div., Corporate Planning & Strategy Div.

Please refer to the links below for more information on Mitsui's Sustainability Management Framework and the activities of the Sustainability Committee.

[Our Approach to Sustainability: Sustainability Governance and Oversight](#)

[Our Approach to Sustainability: Sustainability Committee](#)

ESG Risk Management

In conducting business, we have put in place a system to ensure that utmost consideration is given to the environment and society in projects at all stages, including at the launch of a new business, during operations, and even during the exit stage.

[ESG Risk Management](#)

Chemical Safety Management in our Chemicals Business

In our Chemicals Segment, we position chemical substance management as an important trade compliance along with security trade control, to protect human health and safety, and to protect the global environment (specifically water, soil, air and the ecosystems of animals and plants). While taking into consideration the laws and regulations of peripheral business sectors such as pharmaceuticals and food products, we will update the information we have about chemical substance management laws and regulations so that we can keep abreast of increasingly tightening Japanese and international regulatory trends. In individual projects of each Business Unit, we consider their impact on the environment in advance and take sufficient measures before going ahead with new business.

Pollution Prevention

Voluntary Efforts to Comply with Regulations Related to Chemical Substance Management and Safety Management of Chemical Substances

Chemicals can be dangerous or hazardous to the human body and the environment. In our Chemicals Segment, we comply with the following specific laws and regulations: the Chemical Substances Examination and Regulation Act; the Industrial Safety and Health Act; the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof; the Poisonous and Deleterious Substances Control Act; and the Fire Service Act. We also comply with a wide range of environmental management systems. We have prepared management and operational procedure manuals as part of our in-house regulations. Based on the provisions of each law and regulation, we inform our supply chain of chemical hazard information by providing safety data sheets (SDS) and displaying this information on labels to ensure that people are properly notified.

Range of Chemicals that We Plan to Gradually Phase Out

In our chemicals business, we no longer handle any "substances that need to be phased out". We are contributing in the creation of codes of conduct for the chemical industry regarding the handling of chemical substances that need to be phased out. One specific example of this was our participation in prior consultations on the revision of the 2018 amended Ozone Layer Protection Law (amendment to the quantity allocation aimed at the reduction of manufacturing and amount of import of HFC substitutes) with the Fluoride Gases Management Office, Chemical Management Policy Division, Manufacturing Industries Bureau of the Ministry of Economy, Trade and Industry (which has jurisdiction over this Law) on the Trade Control Committee (for companies importing or exporting chemicals involving a lot of money) of the Japan Chemical Exporters and Importers Association.

Performance and Management of Substitutes for Substances of Concern

There are no specific records of the introduction of substitutes for substances of concern in our chemicals business. At the same time, there is always the need to raise awareness across all sectors of the chemical industry of the importance of preliminary examination of the hazards related to chemical substances to be newly manufactured or imported. This is one example of activity in the chemical industry that is based on a common concern. To achieve this, we have raised awareness in the industry through such initiatives as sending lecturers from our company to the industry seminar program "Chemical Import Practice" that is sponsored by The Japan Chemical Exporters and Importers Association, to share knowledge of legal compliance practices related to the management of newly imported chemical substances within the industry.

Compliance and Training for Chemicals Business Laws and Regulations

Evaluation of the hazards and toxicity of chemical substances is a social responsibility of all businesses that handle chemical substances, including Mitsui & Co. All products and raw materials that we handle are subject to such evaluations. While we are not a manufacturer, we maintain the recognition that the responsibility of an importer of chemicals distributed in the Japanese market is exactly the same as that of a Japanese manufacturer of chemicals. We provide regular training on laws and regulations related to the management of chemical substances for all employees handling chemicals at Mitsui & Co. and its group companies. As a trader of chemicals, during the bimonthly training sessions we explain the need to communicate hazard and toxicity information correctly throughout the supply chain, and we set additional training themes based on frontline needs. Nearly 300 people voluntarily participate in each session in our endeavor to communicate the importance of proper chemical substances management. By holding frequent in-house training sessions on the Chemicals Business Laws and on other topics, we continue to promote awareness of the evaluation of the hazards and toxicity of chemical substances as well as the appropriate labeling and display of information of such substances.

Management System for Responding to Emergencies and Accidents

Any accident is promptly reported to the relevant units in accordance with our internal rules, and comprehensive steps are taken to prevent recurrence, beginning with the identification of the root cause of the accident and an assessment to determine appropriate corrective and preventive measures. In the fiscal year March 31, 2022, there were 0 (zero) environmental accidents at Mitsui & Co. or any of its subsidiaries in Japan or overseas.

Training Seminars on Environmental Laws and Regulations

We continually hold seminars regarding environmental laws and regulations for officers and employees of Mitsui and its subsidiaries and affiliated companies. In the fiscal year ended March 2022, we conducted e-learning training seminars on environmental laws and regulations, an online seminar on the Waste Disposal Law, and online training on business laws and specific environmental issues, with around 2,430 people participating in total.

Lectures and Training Seminars Held in FY Mar/2022

Title	Participants	Target Audience
E-learning Training Seminars on Environmental Laws and Regulations	Approx. 360	Mainly officers and employees of Mitsui and affiliated companies
Online seminar on the Waste Disposal Law	Approx. 350	Officers and employees of Mitsui and affiliated companies
Training on business laws and specific environmental issues: Chemicals Business Laws/Waste Management and Public Cleansing Act (seven times)	Approx. 1,720	Officers and employees of Mitsui and affiliated companies

Environmental Management: Lecture on Environmental Laws and Regulations

Waste Disposal Law

Mitsui operates in compliance with the Waste Management and Public Cleansing Law (also referred to as the "Waste Disposal Law" or "Waste Law"). In order to properly manage the disposal of industrial waste generated through logistics operations and general waste from business activities, we have formulated a workflow in connection with the handling of industrial waste and general waste from business activities and prepared FAQ documents. Such tools and documents are utilized by relevant divisions and departments. We also hold periodic internal seminars to increase awareness and understanding of proper waste disposal practices, covering such matters as the selection of waste management subcontractors and manifest compilation and management.

Compliance with Other Environmental Laws and Regulations

In promoting business activities, we comply with environmental laws and regulations, including but not limited to the following. During the fiscal year ended March 2022, there were no reports of violations of environmental laws and regulations.

Act on Special Measures Concerning Promotion of Proper Treatment of PCB Wastes/Act on Rational Use and Proper Management of Fluorocarbons/Water Pollution Prevention Act/Soil Contamination Countermeasures Act/Act on the Promotion of Sorted Collection and Recycling of Containers and Packaging/Act on Promotion of Recycling and Related Activities for Treatment of Cyclical Food Resources/Air Pollution Control Act/Offensive Odor Control Law/Poisonous and Deleterious Substances Control Act/Fire Service Act/Industrial Safety and Health Act/REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulations.

Environmental Management: Compliance with Environment-Related Laws and Regulations

Collaborating with Stakeholders

Participation in Initiatives

We are promoting and expanding our efforts for pollution prevention through participation in initiatives. Our participation in each initiative is decided after confirming that it is consistent with our basic policy and initiatives for pollution prevention.

CLOMA (Japan Clean Ocean Material Alliance)

CLOMA was established in January 2019 to find solutions to the emerging global challenge of marine plastic debris through the sustainable use of plastic products, the development and introduction of alternative materials, and the acceleration of innovation. Mitsui is one of the 26 secretary companies. As of May 2022, 468 companies and organizations have joined CLOMA, including a few of Mitsui's subsidiaries namely, Mitsui & Co. Plastics Ltd., Mitsui Bussan Packaging Co., Ltd., and Vendor Service Co., Ltd.

Mitsui participates in the Dissemination & Promotion Working Group, which shares technological information to make it easier to select the best alternative materials for each application, the Technology Working Group, which holds technological exchanges and technological seminars on the latest development results, and the International Working Group, which collects information through collaboration with international organizations and research institutions and provides information and technological consulting services in developing countries. In addition, Mitsui chairs the Indonesia Cooperation Working Group, which was formed under the supervision of the International Working Group, and plans contributions with a focus on specific countries. Looking ahead, Mitsui will continue to take the actions needed to help resolve the problem of marine plastic waste.

Pollution Prevention

CEFLEX (Circular economy for flexible packaging)

CEFLEX is a European collaborative consortium of companies and associations representing the entire value chain of flexible packaging. CEFLEX is exploring the development of infrastructure systems to collect, sort, and recycle plastic flexible packaging. Mitsui has participated in the consortium since 2018 as one of more than 200 companies that are involved in the plastic packaging materials value chain. Mitsui has been playing active roles in various work groups and will continue to contribute to the realization of a circular economy through its participation in CEFLEX.

Japan Partnership for Circular Economy

As the trends towards a circular economy are accelerating globally, the Japan Partnership for Circular Economy has been established by the Ministry of the Environment, the Ministry of Economy, Trade and Industry, and the Nippon Keidanren Federation, to enhance public-private collaboration and further foster the understanding and support of a wide range of stakeholders, including companies in Japan, for the circular economy. Mitsui has been participating in this partnership since March 2021. Through this partnership, we will help improve the competitiveness of Japanese companies in the field of the circular economy.

Initiatives

Initiatives as Part of Business Activities

Aim	Initiatives
Prevention of atmospheric pollution through the detoxification of exhaust gas	As a distributor, Mitsui & Co. Plastics, one of our subsidiaries, is building and expanding a nationwide network of sales and logistics locations and infrastructure for AdBlue [®] , which breaks down the nitrogen oxides (NOx) contained in exhaust gases from trucks and buses, then converts them into harmless water and nitrogen.
Proper treatment of industrial water	In addition to monitoring and managing water quality in mining and surrounding areas, we minimize wastewater through maximization of recycling.
Reduction of atmospheric pollution from transportation vessels	We are updating our fleet, including increased orders for vessels with substantially lower SOx and NOx emissions.
Reduction of marine pollution	Participation in CLOMA Initiatives in sustainable, land-based salmon aquaculture with no marine pollution and not depending on natural seawater Joint project with JICA/researchers on an HAB (Harmful Algal Bloom) early warning system

Initiatives in Sustainable, Land-based Salmonid Aquaculture with no Marine Pollution and not Depending on Natural Seawater

Global consumption of salmonids is growing year by year. While the size of the global salmonids market is in the top-3 of marine-farmed fish species, the industry is not without its problems. Water pollution caused by leftover food and fish excrement has become a problem, and there is little room for further expansion of aquaculture farms. Given these circumstances, we have formed a partnership with FRD Japan Co. which has advanced biofiltration technology. This is the world's first land-based aquaculture system that can raise fish by recirculating virtually 100% artificial seawater created from tap water. We are involved in an onshore trout aquaculture business that enables a sustainable fishery while minimizing the environmental burden on the ocean.



FRD Japan commercial plant (in Kisarazu City)

From 2018 we began operation of a pilot plant in Kisarazu City in Chiba Prefecture. The plant sells the trout it raises under the brand name of "Okasodachi." In 2022 we expect to begin construction of a commercial plant with an annual production capacity of 2,000 tons. Through this business, we are helping to prevent marine pollution as much as possible and contribute to the production and supply of sustainable marine products.

Joint Project with JICA/Researchers on an HAB (Harmful Algal Bloom) Early Warning System

HABs (Harmful Algal Blooms), including red tides, are caused by abnormal concentrations of phytoplankton in seawater. In recent years, the phenomenon has been attributed to environmental pollution and global warming. A record HAB outbreak occurred in Chile in 2016, causing major damage to salmon farming and fisheries, which are among the country's main industries. Universities and research institutes in Japan and Chile have established a research project in collaboration with government agencies and other organizations in Chile with the aim of developing and operating an HAB early warning system.



A sampling operation near the city of Puerto Montt in southern Chile (January 2019)

Mitsui & Co., which has invested in the salmon farming business in Chile, was also asked to cooperate in this initiative through the Japan International Cooperation Agency (JICA) following a request for assistance from the Chilean government. Our role is to consolidate and extend the results of the project in society. In April 2018, we began to collaborate in the project after concluding an agreement with JICA, which was participating on a technical assistance basis. Since then we have supported industry-academia collaboration in Japan and Chile toward the development of an HAB monitoring system.

We believe that this project can contribute to the reduction of damage caused by HABs by issuing warnings based on forecasts from this system, and by sharing information about preventive measures with people working in the fisheries industry. We also believe that it can contribute to the reduction of environmental pollution in local environments, and further regional economic development.

Initiatives to Reduce and Prevent Pollution—Actions Relating to Radioactive Substances

Our wholly owned subsidiary in the United States had previously traded uranium concentrate in the U.S., but as of the end of July 2022, it does not handle nuclear fuel or radioactive waste. If we are to handle these substances in the future, we will ensure that they are entirely for peaceful purposes such as for civilian power generation. We will comply with all relevant laws and regulations in the country concerned. In addition, we will strictly comply with the management standards in the relevant laws and regulations regarding the handling of radioactive substances and the management of exposure risks.

Performance

Environmental Performance Data: Waste and Paper Consumption

Costs Associated with Related to Climate Change

Climate change risk mitigation costs: Waste recycling cost at buildings owned by Mitsui & Co. as a non-consolidated entity (Head Office, Osaka Office): 4 million Japanese Yen (FY Mar/2022)

Circular Economy

Policies and Basic Approach

The transition towards a circular economy is accelerating, particularly in Europe, with the viewpoint of efficient use of limited resources, the mitigation of environmental impact, and the reduction of GHG emissions. Mitsui & Co. promotes the recycling of above-ground resources in addition to the development, processing, and sale of raw materials and subterranean resources for various products. We recognize that in the transition to a circular economy both risks and opportunities will influence our businesses. Risks include stricter waste regulations and reduced demand for raw materials. Opportunities include new business chances as we seize upon the needs of our business partners who are conscious of and responding to the circular economy.

Based on "Create an eco-friendly society" which is one aspect of our Materiality, our Environmental Policy stipulates that we will work to improve efficiency in the use of resources and energy and reduce waste, and by pursuing business in the circular economy, we will work to achieve economic growth while reducing our burden on the environment.

We are involved in a wide range of goods and services across all value chains, from upstream to downstream. We have been working to resolve issues for each stakeholder in our value chains. We are using the knowledge and global networks that we have developed through our businesses. In all steps of the value chain we are creating value through material design, and are suggesting alternative products and methods that have low environmental impact and that allow for the effective utilization of by-products and residues produced by the goods that we deliver. We will take up new business opportunities created by the transition to the circular economy and will promote the expansion of existing businesses, which will lead to the strengthening of our earnings base and the enhancement of our corporate value.

[Environmental Policy](#)

Business Models in the Circular Economy

We are engaged in business centered on the growth of both "trading" and "business investments." We use the networks with our customers and partners that we have developed in a wide range of businesses, from upstream to downstream. We suggest resources and raw materials suitable for manufacturers' new designs. We recover used resources and reuse them in other business fields. In this way, we show our unique comprehensive strengths, collect and analyze information, and seize opportunities to create new business models and new businesses in the transition to the circular economy.

Major Risks and Opportunities, and Our Response Strategies

We are expanding a wide range of businesses into many countries and regions, from upstream to downstream. We have analyzed and identified the following risks to our businesses in the transition to a circular economy.

Policy and legal risks	<ul style="list-style-type: none"> • Changes in regulations and taxes related to manufacturing, sales, usage, consumption, and disposal • Increases in waste management costs • GHG emission regulations governing product manufacturing/incineration
Technology risks	<ul style="list-style-type: none"> • Stranded assets such as production equipment in linear business models*
Market and sales risks	<ul style="list-style-type: none"> • Soaring resource prices and volatility due to resource depletion • Supply chain disruption due to resource constraints • Loss of customers due to increased demand for environmentally friendly materials and products • Loss of customers due to a lack of supply capacity to meet the demand for recycled materials • Obsolescence of existing products and weak relationships with customers
Reputational risks	<ul style="list-style-type: none"> • Deterioration of our brand image due to delays in transitioning to a circular economy • Deterioration in ESG investor relations

* Business model based on a linear economy ('take-make-consume-throw away' pattern) in which procurement, production, consumption, and disposal flow in one direction, with mass production, mass consumption, and mass disposal based on disposable products.

In each segment, we assess the internal and external business environment, identify the surrounding risks and opportunities, and formulate strategies for that business.

Segment	Risks	Opportunities	Strategies
Mineral & Metal Resources	<ul style="list-style-type: none"> • Slower growth in demand for underground resources 	<ul style="list-style-type: none"> • Expansion of metal recycling business • Increased demand for battery raw materials due to electrification and the widespread use of EVs 	<ul style="list-style-type: none"> • Strengthen the competitiveness of our existing assets • Expand our metal recycling business • Build a value chain for battery raw materials
Energy	<ul style="list-style-type: none"> • Decline in demand for hydrocarbons as raw materials for chemicals, fall in prices 	<ul style="list-style-type: none"> • Expanding market for biofuels, hydrogen, ammonia, and other next-generation energy 	<ul style="list-style-type: none"> • Promote next-generation fuel businesses (biofuels, hydrogen, ammonia, etc.)

Circular Economy

Segment	Risks	Opportunities	Strategies
Machinery & Infrastructure	<ul style="list-style-type: none"> • Changes in the social environment regarding coal-fired thermal power business • Changes in the supply and demand of existing businesses due to the creation of new technologies and new markets • Declines in sales of automobiles, railway equipment, aircraft, and industrial machinery 	<ul style="list-style-type: none"> • Renewable energy power generation business • Popularization and normalization of sharing businesses 	<ul style="list-style-type: none"> • Take initiatives in upstream fields and working vehicles, which are ongoing issues. Tackling next-generation mobility. Focus on developing new fields and solution businesses through proof-of-concept experiments • Increase share held in renewable energy to 30% of Mitsui's total power generating capacity by 2030
Chemicals	<ul style="list-style-type: none"> • Decrease in demand for chemicals derived from hydrocarbons and accompanying changes in industrial structure • Constrained supply and demand with raw recycled materials due to increased demand 	<ul style="list-style-type: none"> • Expanding demand for carbon management and climate change responses • Further development in Oil-to-Chemicals • Expanding plastic recycling business opportunities (recycled PET items, etc.) • Growing opportunities to create businesses for environment-friendly materials 	<ul style="list-style-type: none"> • Contribute to plastic recycling and other aspects of the circular economy • Step up efforts toward the realization of a low-carbon society
Iron & Steel Products	<ul style="list-style-type: none"> • Industry restructuring and changes in distribution structure against the backdrop of a decrease in production in Japan • Impact of high geopolitical risk on product supply and demand 	<ul style="list-style-type: none"> • Structural changes in the supply chain due to decarbonization, acceleration of the circular economy, and high demand for longer-term infrastructure • Expanding needs in the mobility field for lighter and stronger materials • More efficient channels of distribution due to progress in DX 	<ul style="list-style-type: none"> • Work for life prolongation of electric furnace business and infrastructure under the theme of a decarbonizing and recycling-oriented society • Expand business bases internationally, including Japan, in the electric furnace business, promotion of greening • Promote overseas infrastructure maintenance business through SHO-BOND & MIT Infrastructure Maintenance (SB&M), a joint venture between our Company and SHO-BOND Holdings Co., Ltd. • Promote inspection and maintenance business for offshore wind power generation facilities in Japan through Horizon Ocean Management, Ltd. a joint venture with Hokutaku Co., LTD.

Circular Economy

Segment	Risks	Opportunities	Strategies
Lifestyle	<ul style="list-style-type: none"> • Response to a rapid increase in demand for environmentally friendly materials and recycled materials • Rising waste costs • Increased consumer awareness of product disposal 	<ul style="list-style-type: none"> • Reduction in waste losses by optimization of production and distribution volume for each region/store, based on highly accurate forecasts of demand • Growing needs for products having a low environmental impact • Expanding demand for recycled materials for containers and packaging/products • Change in consumer thinking from volume-oriented to outcome-oriented (expansion of X as a Service (XaaS)) 	<ul style="list-style-type: none"> • Use digital functions such as AI and robotics to enhance and sharpen demand forecasting and logistics functions, and strengthen distribution infrastructure • Collaborate with suppliers, manufacturers, and customers, to procure materials that have a small environmental impact, procure packaging materials, and increase the number of developments • Verify the effective use of by-products, and build business through proposals for the use of by-products to existing and new customers. Enhance our ability to develop and procure materials and packaging materials that have a low environmental impact. Reduce waste generated in the value chain, reuse by-products, and develop sales channels for by-products
Innovation & Corporate Development	No particular risks	<ul style="list-style-type: none"> • Expanding business opportunities for sharing/service-providing businesses • ICT solution businesses that contribute to greater energy efficiency 	<ul style="list-style-type: none"> • Create new businesses utilizing new technologies and business models

Goals and Targets

Segment Goals

We aim to create new businesses , while analyzing the risks and opportunities associated with the transition to a circular economy in each segment.

Segments	Goals	Progress
Mineral & Metal Resources	<ul style="list-style-type: none"> In addition to enhancing our underground resource business, combine the surface resources (recycling) business with a view to sustainability and a recycling-oriented society, to achieve both economic efficiency and business sustainability 	<ul style="list-style-type: none"> We are responding to changes in the business environment and are developing new businesses: making progress in recycling, setting up value chains for battery raw materials, and supplying low-carbon materials, etc.
Energy	<ul style="list-style-type: none"> Expand and accelerate our efforts in the energy solution field. To serve as the driving force for the creation of next-generation businesses in this field, formulate and implement strategies and demonstrate our comprehensive strength by integrating business operations 	<ul style="list-style-type: none"> Our Energy Solutions Business Unit is up and running and is speeding up next-generation energy business initiatives such as distributed RE power sources, biofuels, hydrogen/fuel ammonia, and mobility electrification
Machinery & Infrastructure	<ul style="list-style-type: none"> Group management practice, enhance EV/FCV, incorporate growth in the MaaS field, expand the platform to capture the growth in Asia Expand sales and leasing system through global network partners Reuse used machines to extend the service life of plant and equipment 	<ul style="list-style-type: none"> We have made progress in new initiatives such as the platform-type infrastructure business, next-generation mobility, space, environment/DX business, etc. In addition to sales in Chile, Peru, The Philippines, etc. (where demand for passenger and transportation vehicles has increased with economic growth) we have begun a leasing business in Brazil We have been promoting conversion of passenger aircraft to air freighters and their reuse
Chemicals	<ul style="list-style-type: none"> Develop and recycle environmentally friendly materials and products, and create and enhance recycling and other recycling-oriented businesses 	<ul style="list-style-type: none"> We are promoting recycling businesses to help achieve a circular economy We are participating in CLOMA (Japan Clean Ocean Material Alliance) to help solve problems of plastic waste in oceans We are promoting the development and business of low environmental impact materials and products with partner companies in the fields of plastics, biochemicals, and paper

Circular Economy

Segments	Goals	Progress
Iron & Steel Products	<ul style="list-style-type: none"> Take on board environmental changes such as a decarbonized society, circular economy, and next-generation mobility. While using DX (Digital Transformation), strive to discover and expand business in the four areas of mobility, infrastructure, energy, and distribution 	<ul style="list-style-type: none"> We are enhancing our IMR (Inspection, Maintenance, and Repair) businesses as we head towards the realization of a circular economy. Through a joint venture (SHO-BOND & MIT Infrastructure Maintenance (SB&M)) between our Company and SHO-BOND Holdings, we are engaged in a maintenance business via CPAC SB&M Lifetime Solution Co., Ltd. (CPAC SB&M), a joint venture established with Thailand's leading materials conglomerate Siam Cement Group (SCG) We have established Horizon Ocean Management, Ltd., and have launched an inspection and maintenance business for offshore wind power generation facilities in Japan
Lifestyle	<ul style="list-style-type: none"> Utilize information obtained through our digital functions from each consumer contact point and from across the value chain, to create products and services that consumers want, deliver them through the optimal distribution network, and create affluent and healthy lives through our businesses Promote the development of a circular system for adding value to the by-products of our food value chain and expanding sales channels by cultivating demand Increase the development, procurement, and handling of materials and packaging materials in our business that have a low environmental impact, and promote the reduction of the environmental impact in our business 	<ul style="list-style-type: none"> In our distribution business, we are expanding points of consumer contact using digital functions. We are enhancing manufacturing functions utilizing consumer information and are capturing growth in the EC market We are improving functionality and efficiency by consolidating our domestic intermediary distribution subsidiaries of foods and daily necessities, and are also strengthening and streamlining our manufacturing and sales functions by integrating the core operating companies in our fashion and textile businesses, to strengthen planning, manufacturing, and sales functions and increase efficiency, leading to the realization of a circular economy We are providing customers with thin-walled, lightweight, and simplified (top-sealing, etc.) food containers and packaging materials (reducing packaging usage) We are using biomass film, biomass ink, aluminum-free paper cartons, thinner wood, recycled film, and forest-certified paper We are effectively using by-products such as soybeans, rapeseed, wheat, sesame, and corn, etc., along with livestock by-products and fisheries residues, for livestock and fisheries feed Sugar cane fiber is used as fuel for power generation Waste cooking oil is reused as livestock and fishery feed and aviation fuel

Circular Economy

Segments	Goals	Progress
		<ul style="list-style-type: none"> • Excess sludge generated by wastewater treatment is dried and used as boiler fuel • Cut strawberries with their leafy calyxes are squeezed to make juice • Tea leaf residue is used as a raw material for compost • Applications for the utilization of multiple by-products are in development at our Food Business Unit's development center (Space T.), which has product development capabilities
Innovation & Corporate Development	<ul style="list-style-type: none"> • Further strengthen the earnings base of our core affiliated companies in Japan. Create circular economy businesses using new technologies and business models, and co-create with other Business Units and external partners 	<ul style="list-style-type: none"> • Our subsidiary MKI (Mitsui Knowledge Industry) has a cloud-based energy-saving management service "GeM2" that supports both energy-saving measures and comfort maintenance. MKI also provides a cloud-based remote monitoring service that supports the stable operation of solar power generation facilities • Our affiliate Air as a Service., Ltd. (Aaas) provides services that optimize the air-conditioning environment and maximize energy-saving effects by remotely monitoring and controlling commercial air-conditioning and ventilation systems

Sustainability Governance and Oversight

Sustainability Committee

The Sustainability Committee works under the Corporate Management Committee to plan, formulate and provide recommendations on basic management policies, business activities, and corporate policies and strategies related to the circular economy.

The Sustainability Committee is structured so that its activities are appropriately supervised by the Board of Directors, and matters discussed by the Sustainability Committee are regularly discussed and reported to the Corporate Management Committee and the Board of Directors.

Circular Economy

Officer in Charge	Makoto Sato (Representative Director, Executive Managing Officer, Chief Strategy Officer (CSO), Chairperson of the Sustainability Committee)
Administrative Office	Corporate Sustainability Div., Corporate Planning & Strategy Div.

Please refer to the links below for more information on Mitsui's Sustainability Management Framework and the activities of the Sustainability Committee.

[Our Approach to Sustainability: Sustainability Governance and Oversight](#)

[Our Approach to Sustainability: Sustainability Committee](#)

Business Unit Task Force

The Circular Economy Task force has been set up spanning several Business Units. The Taskforce analyzes the external environment and examines business opportunities at each Business Unit. The Taskforce reports the results of its analyses and the details of its considerations to the head of each Business Unit and the management members.

Basic Materials Business Unit	Launched a task force in October 2018 as a platform for exchanging information on the circular economy within the Business Unit, and regularly disseminating information related to the circular economy within our Company. In April 2020, the Circular Economy Promotion Team (CET) was formed under the direct control of the Business Unit's COO with 1 full-time and 4 part-time members and began working on specific circular economy projects. With its work-volume increasing, CET has grown into 1 full-time and 9 part-time members (2 of which are main assignment members).
Performance Materials Business Unit	In June 2021 the Circular Economy Promotion Team (CET) was set up under the direct control of the Unit's general manager (with 3 full-time and 7 part-time members). The CET is involved in the creation of new circular economy-type businesses within the Business Unit, providing support for cross-Unit initiatives, and the dissemination of related information.
Iron & Steel Products Business Unit	In March 2021 the Green Steel Initiative Team was set up under the direct control of the Unit's general manager (with 4 full-time and 2 part-time members). Together with the coordinators (11 people) in each division and at the Unit's overseas offices, the Team creates new businesses involving such areas as green procurement, hydrogen and CCUS, electrification, and the circular economy. The Team also provides support for cross-Unit initiatives, and the dissemination of related information.

Collaborating with Stakeholders

Participation in Initiatives

We are promoting and expanding our efforts for the circular economy through participation in initiatives. Our participation in each initiative is decided after confirming that it is consistent with our basic policy on the circular economy.

CLOMA (Japan Clean Ocean Material Alliance)

CLOMA was established in January 2019 to find solutions to the emerging global challenge of marine plastic debris through the sustainable use of plastic products, the development and introduction of alternative materials, and the acceleration of innovation. Mitsui is one of the 26 secretary companies. As of May 2022, 468 companies and organizations have joined CLOMA, including a few of Mitsui's subsidiaries namely, Mitsui & Co. Plastics Ltd., Mitsui Bussan Packaging Co., Ltd., and Vendor Service Co., Ltd.

Mitsui participates in the Dissemination & Promotion Working Group, which shares technological information to make it easier to select the best alternative materials for each application, the Technology Working Group, which holds technological exchanges and technological seminars on the latest development results, and the International Working Group, which collects information through collaboration with international organizations and research institutions and provides information and technological consulting services in developing countries. Mitsui chairs the Indonesia Cooperation Working Group, which was formed under the supervision of the International Working Group, and plans contributions with a focus on specific countries. Looking ahead, Mitsui will continue to take the actions needed to help resolve the problem of marine plastic waste.

CEFLEX (Circular economy for flexible packaging)

CEFLEX is a European collaborative consortium of companies and associations representing the entire value chain of flexible packaging. CEFLEX is exploring the development of infrastructure systems to collect, sort, and recycle plastic flexible packaging. Mitsui has participated in the consortium since 2018 as one of more than 200 companies that are involved in the plastic packaging materials value chain. Mitsui has been playing active roles in various work groups and will continue to contribute to the realization of a circular economy through its participation in CEFLEX.

Japan Partnership for Circular Economy

As the trends towards a circular economy are accelerating globally, the Japan Partnership for Circular Economy has been established by the Ministry of the Environment, the Ministry of Economy, Trade and Industry, and the Nippon Keidanren Federation, to enhance public-private collaboration and further foster the understanding and support of a wide range of stakeholders, including companies in Japan, for the circular economy. Mitsui has been participating in this partnership since March 2021. Through this partnership, we will help improve the competitiveness of Japanese companies in the field of the circular economy.

Collaborating with NGOs/NPOs through Environmental Funds

A Project to Reduce Levels of Marine Waste by Studying the Urban Arakawa River

At the annual general meeting of the World Economic Forum (WEF) held in January 2016 (Davos 2016) it was announced that by 2050, the amount of plastic waste floating in the ocean will exceed the amount of fish unless each country introduces a strict recycling policy. At present, some 12 million tons of plastic waste are dumped into the oceans each year. That amount is calculated to be equivalent to one garbage truck dumping its contents into the ocean every 10 to 30 seconds. Furthermore, this amount of plastic debris is forecast to double by 2030 and to double again by the 2050s.

Researchers say that more than 60% of marine debris is derived from municipal waste that flows to the sea via rivers. Marine debris generated by Japan is estimated to be 20 to 60 thousand tons annually, based on data sources from overseas. Hardly any studies have been made in Japan on how much municipal (river) waste is created per person.

We are involved in activities to reduce the sources of marine debris. Through our support for the NPO Arakawa River Clean-aid Forum, a survey of the garbage flowing from riverside towns into the river at one of the Arakawa River tributaries (enclosed) is being conducted. The aim is to gain an understanding of the per-capita amount of garbage generated, and also investigate the amount of river waste generated by riverside inhabitants, which has hardly been studied at all to date.

Creation of a Sharing Society Based on the Circulation of Used Soap

Happy Steps is an NPO organization set up after its founder, Reiko Arai, realized the value of soap from her experiences with people in emerging countries suffering from skin diseases due to a lack of access to soap to wash themselves. All the core members of Happy Steps are women and they shine the spotlight on the value of second-hand things like used bicycles, vinyl umbrellas, and other items that are "such a waste to throw away." The NPO strives to reuse these items and create jobs in the process. In support of this philosophy, we are involved with reducing the amount of soap waste that was previously dumped as industrial waste, by providing subsidies to Happy Steps. As a specific example, every year 280 tons of used soap from hotel rooms plus waste soap generated in soap manufacturing is re-processed at welfare workshops and then reused by donating it to child welfare facilities and the poor in developing countries. To this end, we aim to contribute to environmental conservation and raise awareness in society as a whole by building recycling systems in collaboration with hotels and manufacturers.

Collaborating with Local Organizations through Environmental Funds

A Community Waste Management Improvement Project for Waste Pickers (Waste Collectors) in Khulna, Bangladesh

The Japan Environmental Education Forum (JEEF) is an NGO that helps to develop and train people who will be responsible for the creation of a sustainable society, through environmental education that emphasizes practical experience and dialogue. We are aiming to build a model case to improve waste management in the community through the collaboration of local government, waste pickers, and the residents of Khulna. Through our support for JEEF, consideration is being given to the role that waste pickers (waste collectors) play in waste management in Khulna city in Bangladesh. This is achieved by raising social awareness of waste pickers, actively involving residents (including the pickers) in waste management, promoting environmental education about waste management within the local region, and through projects to demonstrate the value of the waste that the waste pickers collect.

Initiatives

Initiatives by Segment

Mineral & Metal Resources

We are actively promoting recycling to meet the needs of a recycling-oriented society. Our subsidiary Mitsui Bussan Metals Co. promotes the recycling of various non-ferrous scrap such as aluminum, copper, and titanium, and waste printed circuit boards contained in electrical appliances. Sims (our investee and one of the world's leading recyclers) recycles metals and processes municipal waste from New York City. Sims is working on a power generation business utilizing methane gas generated from landfills. Our affiliated company Kyoei Recycling Co. uses automobile crusher dust as feedstock for a gasification melting furnace, to produce gas for use as fuel at the nearby Kyoei Steel Yamaguchi Division works. It sells the co-generated hot slag to smelters.

Energy

Tomakomai Biomass Power Generation Co., Ltd., which was established jointly by Mitsui & Co., Iwakura Corporation, Sumitomo Forestry Co., Ltd., and Hokkaido Gas Co., Ltd., mainly uses unused wood thinned from forests in Hokkaido to create woodchips to be used as fuel for power generation. The company transmits electricity in Hokkaido 24 hours a day. The source of the wood is the material that is periodically thinned from forests, to enable the remaining trees to grow healthily. Until now, the forestry industry has had little use for this thinned material and it has simply been dumped in the forest. By operating a circular power generation business that makes effective use of this waste material, not only is the CO₂-absorbing capacity of the forests enhanced, but we are also contributing to local communities by revitalizing forestry in Hokkaido and helping to improve the conservation function of the living environment.

Machinery & Infrastructure

As in developed countries, we expect the transition from "ownership" to "use" will accelerate in Central and South America. We have invested in Inversiones Mitta SpA ("Mitta"), which owns Autorentas del Pacifico SpA, Chile's largest fleet management operating and car rental company. Leveraging Mitta's vehicle operating lease (BtoB), which has a large market share in the Chilean mining and energy industries, and its long-running local car rental business (BtoC), we are striving to promote the leasing, rental, and sharing service businesses and are working to expand the value chain on the consumer side.

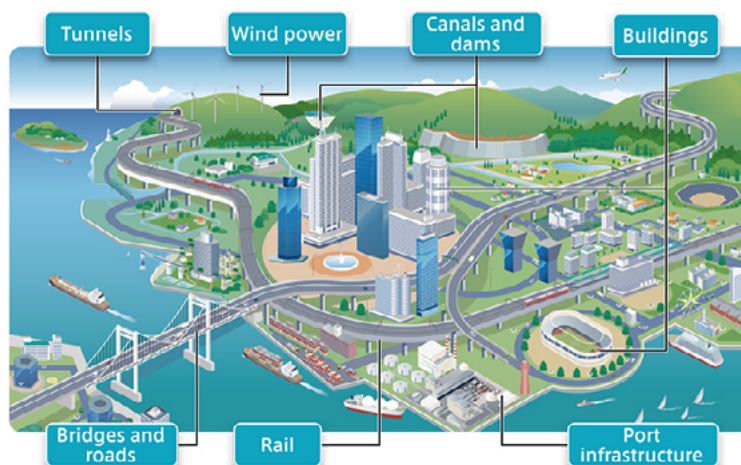
Chemicals

Circular Pet, Co. Ltd, a joint venture established by our Basic Materials Business Unit, together with Veolia Japan K.K. and Seven & i Holdings Co., Ltd., will build a new PET bottle recycling plant (recycled PET resin production capacity: approx. 25,000 tons per year) in Tsuyama City, Okayama Prefecture. Starting with this project and initiative, we will contribute to the establishment of a circular economy by investigating and promoting similar projects to help solve waste plastic problems in Japan and overseas.

Circular Economy

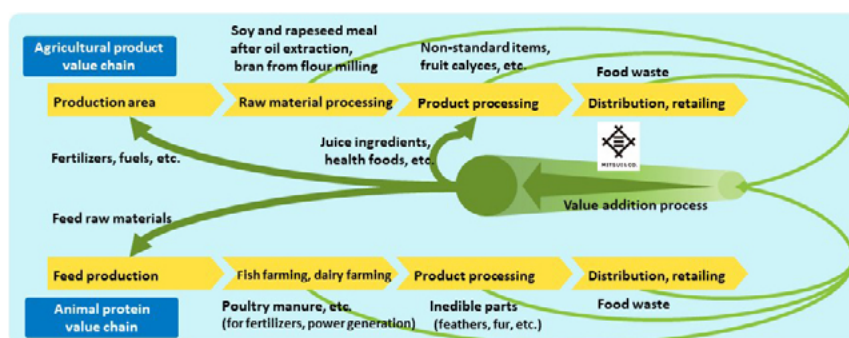
Iron & Steel Products

SHO-BOND & MIT Infrastructure Maintenance ("SB&M") which was established through a joint investment between Mitsui and SHO-BOND Holdings ("SHO-BOND") has established CPAC SB&M Lifetime Solution Co., Ltd. joint-venture company with partner The Concrete Products and Aggregate Co., Ltd ("CPAC") (a core company of the building materials business of Siam Cement Group ("SCG")). The objective is to develop a maintenance business for infrastructure structures in Southeast Asia. (Investment ratio: CPAC 51%, SB&M 49%) SB&M will utilize Thailand's leading conglomerate SCG's business base, Mitsui's global network, and SHO-BOND's knowledge and technical skills for preventive maintenance to preserve and lengthen the service life of infrastructure, with the goal of responding to infrastructure maintenance needs in Southeast Asia, with Thailand as a hub.



Lifestyle

Our Food Business Unit is setting up a circulating system through the establishment of an agricultural product value chain and animal protein value chain that effectively use by-products generated during the production of agricultural and livestock products. To give some specific examples, the circulating system use by-products from soybeans, rapeseed, wheat, sesame, and corn,

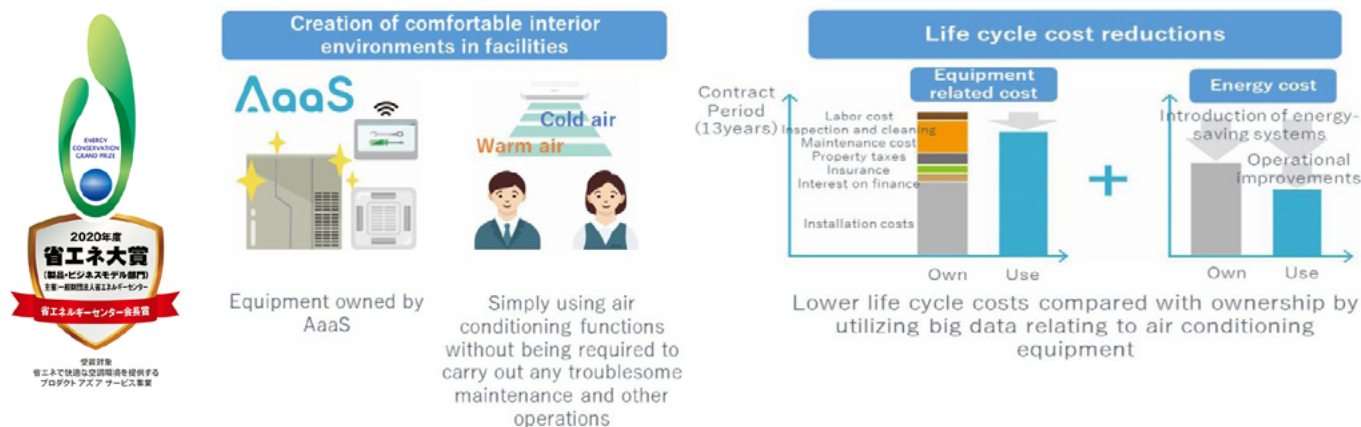


Cyclical Systems for the Effective Utilization of By-products

along with livestock by-products and fisheries residue, as livestock and fisheries feed. Cut strawberries with their leafy calyces are squeezed to make juice. Tea leaf residue is used as a raw material for compost. Sugar cane fiber is used as fuel for power generation, and waste cooking oil are reused as livestock and fisheries feed and aviation fuel. Excess sludge generated by wastewater treatment will be dried and used as boiler fuel. Activities such as these are promoting the expansion of sales channels for by-products.

Our subsidiary MKI (Mitsui Knowledge Industry) has a cloud-based energy-saving management service "GeM2" that supports both energy-saving measures and comfort maintenance, for clients that own multiple facilities such as movie theaters, supermarkets, and fitness gyms. Temperature and humidity data from each facility are gathered and sent to a data center to optimally manage the air conditioning (gas or electric) and fans.

In addition to the start/stop management of conventional demand controllers, the system's precise control of temperature and operating mode achieved a significant energy saving while maintaining comfort. MKI also offers a solar panel generation monitoring service that remotely monitors from the cloud. Even though solar power facilities are described as being "maintenance-free," there are many maintenance issues that include panel damage, dirt and other surface fouling, equipment failure, and aging deterioration. Systems that can quickly become aware of such issues need to be considered, and we are taking initiatives to respond to these needs. We are developing a subscription-based service that provides users with comfortable air-conditioned spaces for a fixed monthly fee through Air As A Service Co., Ltd. ("AaaS"), a company that we established with Daikin Airtechnology and Engineering Co., Ltd. AaaS installs and owns air conditioning equipment on behalf of the facility owner and provides optimal operation management for each facility by utilizing an IoT system which remotely monitors the operating status of each air conditioner 24 hours a day, 365 days a year and by analyzing the operational data of the air conditioning equipment. By visualizing the operating status of equipment and eliminating waste, energy consumption and related costs can be reduced by approximately 20% compared with before the service was introduced. Moreover, by understanding the operating duration and load, and performing appropriate preventive maintenance, the service life of the equipment can be extended. We will continue to support the improvement of energy efficiency in buildings, factories, and other facilities through AaaS. AaaS received an Energy Conservation Center Chairman's Prize in the Products and Business Model category at the Energy Conservation Awards 2020 sponsored by the Energy Conservation Center, Japan.



Biodiversity

Policies and Basic Approach

Under our Environmental Policy, we have stipulated that we will assess the environmental impact of our business activities and work to conserve biodiversity. We recognize that our business activities, such as those relating to natural resource development and food, have an impact on biodiversity, and we will promote actions to conserve biodiversity. Our business activities are dependent on ecosystem services, which are generated through connections between a diverse range of living beings. We aim to minimize our impact on the environment by conserving biodiversity both through our business activities and through our efforts in other areas, such as social contribution activities. Specific initiatives in our business activities include sustainable use of natural resources, such as forest and marine resources, and preventing any environmental impact on areas adjacent to our operational sites. In our social contribution activities, we are conserving biodiversity through initiatives such as Mitsui's Forests and the Mitsui & Co. Environment Fund.

[Environmental Policy](#)

[Mitsui's Forests: Forest Management Approach](#)

Goals and Targets

Sustainable Use of Commodities that are Crucial to Biodiversity

- Aim to procure natural rubber, palm oil, timber and paper products that have zero connection to deforestation.
- Increase the ratio of sustainable certified palm oil procurement, including RSPO-certified, to 100% by 2030.

Conserving Biodiversity

- Maintain and manage Mitsui's Forests that have been designated as Biodiversity Conservation Forests (approximately 10% of our company-owned forests), and other specified areas, by carrying out regular ecosystem monitoring with an awareness of the need to conserve biodiversity.
- Contribute to reforestation and the protection of endangered species by providing support through the Mitsui & Co. Environment Fund for activities and research linked to the conservation and use of ecoservices and procurement that enables ecosystems and humans to coexist.
- Contribute to the creation of national and international frameworks for biodiversity conservation through our proactive participation in social initiatives to conserve biodiversity, such as the TNFD Forum and the 30by30 Alliance.

Sustainability Governance and Oversight

Sustainability Committee

The Sustainability Committee works under the Corporate Management Committee to plan, formulate and provide proposals on basic management policies, business activities, and corporate policies and strategies related to biodiversity.

The Sustainability Committee is structured so that its activities are appropriately supervised by the Board of Directors, and matters discussed by the Sustainability Committee are regularly discussed and reported to the Corporate Management Committee and the Board of Directors.

Officer in Charge	Makoto Sato (Representative Director, Executive Managing Officer, Chief Strategy Officer (CSO), Chairperson of the Sustainability Committee)
Administrative Office	Corporate Sustainability Div., Corporate Planning & Strategy Div.

Please refer to the links below for more information on Mitsui's Sustainability Management Framework and the activities of the Sustainability Committee.

[Our Approach to Sustainability: Sustainability Governance and Oversight](#)

[Our Approach to Sustainability: Sustainability Committee](#)

Structure for Conserving and Monitoring Biodiversity in Mitsui's Forests

Areas of Mitsui's Forests that have a high significance from a biodiversity perspective (about 10% of the total area) have been designated as Biodiversity Conservation Forests and these have been classified into various categories to facilitate management that conserves biodiversity. Each forestry office monitors local ecosystems by setting up core surveying plots in three different locations in accordance with the size of the forest and its situation in regard to habitats of rare species. Surveys are carried out once per year (or once every five years for accumulation surveys) and include land surface surveys (vegetation, rare species), surveys of forest conditions (plant species, number of trees, animal damage, etc.), and accumulation surveys (diameters at chest height, tree height, amount of growth). In June 2019 at Tashiro Forest in Fukushima Prefecture, which has been designated as a special conservation forest, we carried out a patrol as part of a festival wishing for a safe mountaineering season. This provided information that deer populations in the high moors near the top of the mountain are growing, so we will continue monitoring this trend for any impact on ecosystems. If a rare species is discovered, particularly rare vegetation, we take steps such as marking the relevant area and ensuring it is excluded from forestry operations. Also, we recognize the possibility that forestry operations can have an environmental impact on a broad area around the forest so when carrying out forestry operations at Mitsui's Forests, such as regeneration felling, thinning, and establishing roads, we always carry out a site survey beforehand based on a checklist of over 20 items, including soil conditions, surface vegetation, forest conditions, and the situation regarding the surrounding area. We then revise the forestry operation plan based on the results of this survey and if necessary, change or cancel the plan. Within three months of carrying out work, we make sure to carry out a follow-up survey to confirm that the forestry operations were carried out properly with the aim of minimizing environmental impact and conserving biodiversity.

ESG Risk Management

In conducting business, we have put in place a group-wide system for ensuring that utmost consideration is given to the environment and society in projects at all stages, including at the launch of a new business, during operations, and even during the exit stage. For investment projects considered to be high risk in regard to biodiversity (such as food, underground resource development, and infrastructure development projects), we carry out ESG risk assessments that put a particular focus on biodiversity and then implement improvement plans if necessary.

[Environmental Management: Environmental Management System](#)
[ESG Risk Management](#)

Mitsui & Co. Environment Fund Initiatives

We support various activities and research initiatives that contribute to solving global environmental issues with the aim of realizing a sustainable society in which the economy and environment are in harmony. Since 2005, we have supported a wide range of projects that contribute to solutions to worldwide environmental issues and the building of a sustainable society through the Mitsui & Co. Environment Fund. For more details about the fund, please use the following link.

[Mitsui & Co. Environment Fund: About the Mitsui & Co. Environment Fund](#)

Collaborating with Stakeholders

Participation in Initiatives

We are promoting and expanding our efforts to address biodiversity through participation in initiatives. Participation in each initiative is decided after confirming that it is consistent with our basic policy and initiatives for biodiversity.

TNFD Forum (Taskforce on Nature-related Financial Disclosures)

The Taskforce on Nature-related Financial Disclosures (TNFD) was launched in June 2021 by the United Nations (UNEPFI/ UNDP) and other international NGOs. It calls for companies to disclose both their impact and dependence on nature in accordance with a framework similar to that of the TCFD. Many companies, public institutions, and financial institutions, mainly in Europe and the U.S., have expressed their support for the TNFD and are working to establish international standards for the disclosure of information on natural capital.

The TNFD Forum is positioned as a group of stakeholders who support the TNFD discussions. As a member company of the TNFD Forum, we contribute to the conservation of biodiversity through participation in discussions on the establishment of the TNFD framework.

Biodiversity

30by30 Alliance

30by30 is an international target related to natural capital that aims to conserve or protect 30% of the world's land and sea areas by 2030, and is positioned as one of the key measures in the post-Aichi targets of the Convention on Biological Diversity.

The 30by30 Alliance is an initiative by private companies, local governments, and organizations, with the Ministry of the Environment serving as the secretariat and the Keidanren Committee on Nature Conservation and other organizations as the proposers (organizers). Mitsui joined the 30by30 Alliance in March 2022, and will continue to contribute to biodiversity conservation through participation in discussions on system design and other matters.

RSPO (Roundtable on Sustainable Palm Oil)

The Roundtable on Sustainable Palm Oil (RSPO) is a non-profit organization established to promote the sustainable production and utilization of palm oil through the conservation of tropical rain forests and biodiversity. Palm oil production has been linked to the destruction of tropical forests through the development of oil palm plantations, as well as human rights issues. As a business that handles palm oil, Mitsui agrees with the RSPO's philosophy of contributing to sustainability through industry. Since joining the organization as an ordinary member in 2008, we have been collaborating on business-based sustainable procurement initiatives that take into account the conservation of tropical forests and biodiversity, respect for the rights of indigenous and local peoples, and other considerations. A sustainability-focused procurement code, including specific standards for palm oil, has been formulated for the 2021 Olympic and Paralympic Games in Tokyo. In connection with this, Mitsui representatives as members of an oil and fat industry association verified progress on and promoted initiatives related to the RSPO and activities under the Malaysia Sustainable Palm Oil (MSPO) and Indonesia Sustainable Palm Oil (ISPO) systems.

Forest Stewardship Council® (FSC®)

The Forest Stewardship Council® (FSC®) is an international non-profit organization that promotes management of the world's forests in a way that is environmentally appropriate, economically viable, and socially beneficial, including with regard to respect for human rights. Mitsui has obtained FSC® forest management (FM) certification (FSC®-C057355) at all 74 of its forests, which in total approximately 44,000 hectares, while Mitsui Bussan Forest Co., Ltd., a Mitsui subsidiary, has obtained Chain of Custody (CoC) certification for the processing and distribution of cut lumber (FSC®-C031328). As one of the top private-sector suppliers in terms of volume of FSC®-certified Japanese-grown lumber, Mitsui is helping to promote FSC® in Japan and to discuss and draft the Japanese version of principles, standards, and risk assessments. Mitsui has obtained FSC® certification for its forest resources business as well, and promotes responsible management of forest resources.

Biodiversity

Keidanren Committee on Nature Conservation

In 1992, under the Keidanren Global Environment Charter, Mitsui joined Keidanren's Committee on Nature Conservation, which supports biodiversity conservation and engages in the protection of the natural environment in developing countries and Japan. Since 2012, a Mitsui employee has been seconded to support the nature conservation activities of NGOs through the Keidanren's Nature Conservation Fund, as well as to promote exchange between corporations and NGOs, and raise awareness among corporations of nature conservation and biodiversity. We support the Keidanren's Declaration of Biodiversity and its accompanying Action Policy. We also participated and cooperated in the Keidanren Initiative for Biodiversity Conservation and the Business for GBF Project in collaboration with the Ministry of the Environment. We will further promote initiatives for biodiversity and nature conservation under the Post-2020 Global Biodiversity Framework, a new international goal expected to be adopted at the 15th meeting of the Conference of the Parties to the Convention on Biological Diversity (CBD COP 15).

[Keidanren Initiative for Biodiversity Conservation](#)
[Business for GBF Project](#)

CDP (Forests)

Since 2016, we have responded to the questionnaire on timber from CDP Forests, a global disclosure program for corporate information related to forest risks. Based on our response to the questionnaire carried out in 2021, we received the score "B" in relation to Forests (timber).

Collaborating with NGOs

Conserving the Prey Lang Forest in Cambodia (REDD+*)

Prey Lang, located in the northeast of Cambodia along the west bank of the Mekong River, is the largest tropical lowland evergreen forest in Indochina. It is inhabited by many wild animals, including endangered species, and is also an important source of water for Cambodia. However, illegal logging, along with reclamation of land for farming by local communities, has resulted in progressive deforestation, loss of wildlife habitats, and an increase in GHG emissions that would normally be accumulated in the forests. In partnership with Conservation International, an international NGO, Mitsui has been using the REDD+ mechanism established under the Paris Agreement in cooperation with the Cambodian Ministry of Environment to reinforce forest patrols to prevent illegal logging in the Prey Lang Forest. Moreover, Mitsui has been engaging in dialogue with local communities to provide support for activities, such as instruction for and promotion of organic farming and rice farming as alternative sources of livelihood that do not rely on logging, with the aim of contributing to forest and biodiversity conservation.



Tropical lowland evergreen forest in Prey Lang
 ©JEREMY HOLDEN

* REDD+ (Reducing Emissions from Deforestation and forest Degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries): A scheme which provides economic incentives such as carbon credits through the mitigation of deforestation and degradation of forests in developing countries.

Collaborating with Local Governments

Project to Restore Endangered Sumatran Tiger Populations in Indonesia

Bukit Barisan Selatan National Park (BBS National Park) is a UNESCO Natural World Heritage site on the island of Sumatra, Indonesia and it is an important natural habitat for several endangered large mammals, including Sumatran rhinoceroses, Sumatran elephants, and Sumatran tigers. However, many encounters and collisions between residents and Sumatran tigers have been reported and this threat to the livelihoods and safety of residents has led to the killing of tigers, which has become a factor in declining tiger populations. Through a Mitsui & Co. Environment Fund project, we subsidized activities by the World Wide Fund for Nature Japan (WWF Japan) to carry out habitat surveys and camera trap investigations in collaboration with the local government, the national park authorities, and residents of five local villages in order to decrease damage from encounters (all damage, including damage to tigers, damage to people, and damage to agriculture and livestock). The results of these surveys provided information about Sumatran tiger habitats, and has been used as the basis for land usage planning that supports the formation of a community in which local residents and tigers can coexist, while also contributing to a recovery in the tiger population. Currently we are working with the provincial and local governments on activities for monitoring the implementation of land usage plans.

Initiatives

Initiatives as Part of Business Activities

Objective	Details of the initiative
Land-based aquaculture	The amount of salmonids being consumed globally is growing year on year and it has become one of the three biggest markets for sea surface farmed fish. However, this has also resulted in issues such as deterioration in water quality due to uneaten feed and excrement and the increased risk of diseases and other occurrences accompanying this, along with the loss of biodiversity due to the significant environmental impact of chemicals to counter disease and parasites. In light of this situation, we have partnered with FRD Japan Co., which possesses advanced biofiltration technologies, to create the world's first land-based aquaculture system which cultivates trout by recirculating virtually 100% artificial seawater created from tap water. This land-based trout farming business is minimizing impact on ocean environments and realizing the sustainable production of marine products.
Hydroelectric Power Plant Business	The Madeira River is a tributary of the Amazon River and forms part of the Amazon Basin, a region that is known for its rich biodiversity. Located on the Madeira River in northern Brazil, the Jirau Hydroelectric Power Plant has been closely watched by many parties, including local communities and NGOs, because of its location, and every possible step is being taken to ensure that the plant is operated in an environmentally responsible way. As part of an environmental program, we conducted preliminary surveys to identify every possible impact that could affect the local environment and local communities. We then built hospitals, schools, and new housing to improve the local living environment. Other initiatives include measures to protect flora and fauna, such as fish and mammals.
Forest Resource Business	Along with business partners, Mitsui is carrying out afforestation business in Australia and Chile (the combined project area is approximately 9,000 hectares as of March 31, 2022), with the aim of ensuring the stable supply of wood chips, the raw material for paper. The business has acquired international forest certification from organizations such as FSC®, and manages forest resources responsibly. We also carry out measures in consideration of biodiversity protection.
Production and Sale of Rice	Toho Bussan, a subsidiary, supports the production and sale of rice using farming methods that encourage biodiversity and can be maintained with continuous rice production, such as the minimal use of agrichemicals and chemical fertilizers.
Shipping Business	To prevent negative effects on the ecosystem by marine creatures in ballast water, we actively promote initiatives including installment of ballast water treatment equipment on vessels.
Production and Sale of Solar Marine Salt	Shark Bay Salt Pty, a Mitsui subsidiary, owns a solar marine salt field in Shark Bay, Western Australia. It produces and sells some of the world's purest salt while actively working to improve the local ecosystems of Shark Bay, an internationally renowned World Heritage site. With a dedication to maintaining harmony with nature, the company continuously monitors the terrestrial environment and mangrove ecosystem of both the salt field and the surrounding maritime environment, ensuring its operations have no impact on the local ecosystem of the dugong – a species considered highly vulnerable to extinction – and other marine fauna unique to the area. As a result of these efforts, the stability of local wildlife populations has improved. Shark Bay Salt Pty also supports ongoing research activities of dolphins and their ecosystem in the Shark Bay area.

Biodiversity

Consideration for Biodiversity in Our Chilean Salmon Business

At Salmenes Multiexport S. A., a Chilean salmon farming, processing and sales company in which we have invested, we are showing consideration to biodiversity by periodically checking cage conditions to prevent damage to local marine ecosystems caused by fish escaping through damaged marine aquaculture nets. As a result, there has not been a single escape in the last few years. We have also installed predator nets in order to protect the fishes and the facility from potential sea lion attacks. Furthermore, we are carrying out feeding activities that fully take into account local ecosystems by introducing a remote-controlled automatic feeding system. This system monitors feeding from below the sea surface using cameras to ensure optimum feeding amounts. We also make efforts to minimize feed waste that is lost or accumulated in the seabed.

Joint Project with JICA/Researchers—Development and Operation of an HAB (Harmful Algal Bloom) Early Warning System

HABs (Harmful Algal Blooms), including red tides, are caused by abnormal concentrations of phytoplankton in seawater. In recent years, the phenomenon has been attributed to environmental pollution and global warming. A record HAB outbreak occurred in Chile in 2016, causing major damage to salmon farming and fisheries, which are among the country's main industries. Universities and research institutes in Japan and Chile have established a research project in collaboration with government agencies and other organizations in Chile with the aim of developing and operating an HAB early warning system.

Mitsui & Co., which has invested in the salmon farming business

in Chile, was also asked to cooperate in this initiative through the Japan International Cooperation Agency (JICA) following a request for assistance from the Chilean government. Our role is to consolidate and extend the results of the project in society. In April 2018, we began to collaborate in the project after concluding an agreement with JICA, which was participating on a technical assistance basis. Since then we have supported industry-academia collaboration in Japan and Chile toward the development of an HAB monitoring system.

We believe that this project can contribute to the reduction of damage caused by HABs by issuing warnings based on forecasts from this system, and by sharing information about preventive measures with people working in the fisheries industry. We also believe that it can contribute to the reduction of environmental pollution in local environments, and further regional economic development.



A sampling operation near the city of Puerto Montt in southern Chile (January 2019)

Biodiversity

Project to Generate and Sell Carbon Credits Through Regeneration of Vegetation in Native Forests

We have invested in Climate Friendly Pty Ltd ("Climate Friendly"), a company that generates and sells carbon credits through the regeneration of native vegetation on farms in Australia. Climate Friendly is involved in GHG reduction projects through native forest restoration (land use) in Australia.

Climate Friendly is one of the largest carbon farming project services-providers in Australia. It had already achieved 20 million tons of GHG reduction by 2020, and is aiming to achieve a 100 million ton cumulative GHG reduction by 2025. The projects supported by Climate Friendly to restore and regenerate native forests are expected to play an important role in achieving the Australian government's GHG reduction target, by absorbing and sequestering CO₂ from the atmosphere, and also improving soil quality and preserving ecosystems and biodiversity.

The Australian Government has invested a total of A\$4.55 billion into an Emissions Reduction Fund to promote the creation of carbon credits, and has been actively purchasing credits from the private sector since 2015. Demand for emission reduction credits from the private sector has been growing, and is expected to continue to grow steadily. Australia is one of the most important countries for Mitsui business, and we will proactively work to reduce the GHG footprint of our group companies.

Contributing to the Development of High-Productivity, Sustainable Agriculture through Environmentally-Friendly Biopesticides

In an age where environmental pollution, food safety and social acceptance have become such major societal issues, regulations on agrochemicals and genetic modification technologies have been tightened, mainly in Europe, because of their potential impact on the human body and on ecosystems, and this has spawned significant demand for safer agricultural methods. Recognizing the potential of biological pesticides as a solution to this issue, we acquired a biopesticide business in the U.S. and established Certis USA (now Certis Biologicals, hereafter "Certis Bio") in 2001. Biopesticides utilize the abilities of microorganisms, natural enemies, parasites, etc., to combat insect pests and weeds, transforming them into agents that can be applied easily and effectively. They can be used to create an environment in which it is difficult for insect pests and weeds to thrive, and restrict their growth so that they do not cause economically significant damage.

Although Certis Bio produces only biopesticides, we do not believe that agrochemicals should be reduced to zero. As biological pesticides have little impact on organisms other than those they are targeted to protect against, they make it possible to realize pest prevention while also reducing the harm caused to humans and domestic animals, the environment, and biodiversity. However, they do have disadvantages; they are relatively slow-acting, and it can be difficult to decide the best time to apply. Agrochemicals can compensate for these deficiencies because they are often quick-acting and easier to use. On the other hand, excessive use of agrochemicals can reduce the biodiversity of the microorganisms in the soil, creating an environment which is more conducive to the growth of pathogenic bacteria and insect pests. Biopesticides can play an important role in improving the soil environment, protecting plants' roots and enhancing the productivity of the soil. Therefore, it is important to recognize Integrated Pest Management (IPM), which is the skillful use of both biological and chemical pesticides, and Certis Bio and its consultants and product distributors are encouraged to explain how to combine biological and chemical pesticides and how to use biopesticide products effectively. We also provide training to help farmers learn how to adopt IPM smoothly. By promoting IPM, we contribute to the development of a highly productive and sustainable agricultural system.

Biodiversity

Mitsui's Forests Operational and Management Initiatives

We have acquired international forest certification for Mitsui's forests and the company that manages them. Forest certification comprises forest management certification, which is third-party certification awarded to forests that are being managed appropriately, and chain of custody (CoC) certification, which certifies that timber from certified forests is being handled appropriately all the way through to finished products. Mitsui Bussan Forest Co., Ltd., which manages Mitsui's Forests, engages in sustainable forest management through the formulation and implementation of management plans based on international standards. Logs and other products from these forests are also handled by Mitsui Bussan Forest, which has acquired CoC certification, creating a chain of forest certification. Mitsui Bussan Forest uses a unique "zoning" management method in which areas are divided into categories based on various characteristics, such as topography and tree species, and then managed according to these categories. Categories include "Harvest-oriented Sustainable Forests," "Naturally Regenerated Forests," and "Biodiversity Conservation Forests" and each type of forest is managed appropriately based on a management policy for each category. "Biodiversity Conservation Forests" in particular have been identified as forests with high biodiversity value, so they are divided into the four categories of "Special Conservation Forests," "Water and Soil Conservation Forests," "Environmental Conservation Forests," and "Cultural Conservation Forests" and management and forestry operations are carried out in a manner that fully takes into account their biodiversity.

[Mitsui's Forests: Initiatives for Biodiversity](#)

Environmental Performance Data

The data marked with "★" (FY Mar/2022) are assured by Deloitte Tohmatsu Sustainability Co., Ltd., an external assurance provider based on International Standard on Assurance Engagements (ISAE) 3000 and ISAE3410.

[Independent Practitioner's Assurance Report](#)

Energy Consumption

Category		Scope of coverage	Unit	FY Mar/2020	FY Mar/2021	FY Mar/2022	External Assurance	Remarks
Energy Consumption								
	Mitsui & Co., Ltd	Head office and all offices in Japan	GJ	202,522	166,307	138,668	★	
	Consolidated	Subsidiaries		22,788,948	17,148,012	15,883,365	★	
		Un-incorporated JVs		20,368,551	24,763,476	22,705,638	★	
	Total			43,360,021	42,077,795	38,727,671	★	
(Breakdown)	Fuels		GJ	31,925,022	32,358,474	29,384,281		
	Electricity			10,226,144	9,644,958	9,257,125		
	Steam, Heat, Cold water			1,208,855	74,363	86,265		
Electricity Intensity	Mitsui & Co., Ltd	Head office and all offices in Japan (per square meter)	MWh/m ²	0.112	0.070	0.094	★	
Renewable Electricity			kWh	1,717,825	2,199,370	25,641,209		

Environmental Performance Data

Greenhouse Gas (GHG)

Category		Scope of coverage	Unit	FY Mar/2020	FY Mar/2021	FY Mar/2022	External Assurance	Remarks
Greenhouse Gas (GHG) Emissions								*1
Scope1	Mitsui & Co., Ltd	Head office and all offices in Japan	thousand t-CO ₂ e	1	1	0	★	
	Consolidated	Subsidiaries		390	315	366	★	
		Un-incorporated JVs		2,907	3,552	3,405	★	
	Total			3,298	3,868	3,771	★	
Scope2	Mitsui & Co., Ltd	Head office and all offices in Japan		8	0	0	★	
	Consolidated	Subsidiaries		361	244	227	★	
		Un-incorporated JVs		201	224	185	★	
	Total			570	468	412	★	
Scope1+2	Total		thousand t-CO ₂ e	3,868	4,336	4,183	★	
Scope2 Emissions (before off-set credit adjustment)	Mitsui & Co., Ltd	Head office and all offices in Japan	thousand t-CO ₂ e	—	7	6	★	
Scope1 +2 (before off-set credit adjustment)	Total		thousand t-CO ₂ e	—	4,343	4,190	★	
Scope3	Investment	Emissions related to our investment	thousand t-CO ₂ e	32,000	35,000	36,000		*2
	Transportation	Consigned logistics in Japan with Mitsui as the shipper		25	21	19	★	
	Commuting	Head office		1	1	1		
	Business trips	Head office		20	1	1		*3

Environmental Performance Data

Category		Scope of coverage	Unit	FY Mar/2020	FY Mar/2021	FY Mar/2022	External Assurance	Remarks
Scope1 (Break Down)	CO2	Carbon dioxide	thousand t-CO2e	2,300	2,487	2,434		
	CH4	Methane		997	1,378	1,336		
	N2O	Carbon monoxide		1	3	2		
	HFCs	Hydrofluorocarbon		0	0	0		
	PFCs	Perfluorocarbon		0	0	0		
	SF6	Sulfur hexafluoride		0	0	0		
	NF3	Nitrogen trifluoride		0	0	0		
Scope1 by Area	Americas		thousand t-CO2e	—	—	407		
	Asia Pacific			—	—	3,056		
	Europe, Middle East, Central Asia and Africa			—	—	308		
Scope2 by Area (before credit off-set adjustment)	Americas		thousand t-CO2e	—	—	73		
	Asia Pacific			—	—	331		
	Europe, Middle East, Central Asia and Africa			—	—	14		
GHG Intensity	Mitsui & Co., Ltd	Head office and all offices in Japan (per square meter)	t- CO2e/m2	0.07	0.004	0.003	★	
Credit Details								
		Year		Credit	Canceled Date		Canceled Volume (t-CO2)	
		FY Mar/2022		J-Credit	June 28, 2021		1,376	
		FY Mar/2022		J-Credit	June 30, 2022		2,043	
		FY Mar/2022		J-VER	June 30, 2022		3,000	

* 1 [Standards/Guidelines for Scope1 +2 calculation] Consolidation : GHG Protocol Control Approach

Measurement : with reference to GHG Protocol "Emission-Factors-from-Cross-Sector-Tools (March2017)," International Energy Agency (IEA) Emissions Factors 2021, IPCC 2006 Guidelines for National Greenhouse Gas Inventories, Act on Rationalizing Energy Use and others

* 2 [Scope3 Investment] Estimated values of emissions from mineral & metal resources, energy and thermal power generation businesses not included in Scope 1 +2 and other affiliated company businesses using LCA databases (IDEA, Ecoinvent), input-output models, etc.

* 3 FY 20/Mar, FY 21/Mar:The International flights from / to Japan taken by officers and employees of Mitsui's Head Office are included in the calculation. Calculation is based on the distance, CO2 intensity for passenger transportation, seat class coefficient, and radiative forcing index. For the intensity of passenger transportation of international flights we used 86.41 [gCO2 / pkm] which we calculated from the "Annual Report of Air Transport Statistics" of the Ministry of Land, Infrastructure, Transport and Tourism

FY 22/Mar:The international flights and domestic transit flights taken by officers and employees of Mitsui's Head Office for overseas business trips and postings are included in the calculation, and passenger emission factors by origin and destination published by the International Civil Aviation Organization (ICAO) are used

Environmental Performance Data

Water Consumption

Category		Scope of coverage	Unit	FY Mar/2020	FY Mar/2021	FY Mar/2022	External Assurance	Remarks
Water Withdrawal								
	Mitsui & Co., Ltd	Head office and all offices in Japan	thousand m3	61	25	57	★	*4
	Consolidated	Subsidiaries and Un-incorporated JVs		380,674	358,877	300,696	★	*6
	Total			380,735	358,902	300,753	★	
(Breakdown)	Industrial water, water utility			7,618	4,779	5,428		
	Pumped groundwater			17,704	17,560	12,396		
	Rivers, lakes			21,780	15,405	20,035		
	Sea			329,907	316,075	257,024		
	Rainwater			3,379	3,518	3,697		
	Others			347	1,565	2,172		
Intensity	Mitsui & Co., Ltd	Head office, Osaka and Chubu Offices (per employee)	m3/employee	15.69	6.47	12.76	★	*5
Water Discharge								
	Mitsui & Co., Ltd	Head office and all offices in Japan	thousand m3	61	25	54	★	*4
	Consolidated	Subsidiaries and Un-incorporated JVs		32,428	19,281	71,204	★	*6
	Total			32,489	19,306	71,258	★	*7
(Breakdown)	External disposal facilities (sewers)			6,766	2,096	1,912		
	Groundwater			390	400	415		
	Rivers, lakes			6,400	6,082	2,616		
	Sea			18,563	9,893	64,250		
	Others			370	835	2,065		
Water recycling								
Recycled Volume	Mitsui & Co., Ltd	Head office and all offices in Japan	thousand m3	—	—	13		*4
	Consolidated	Subsidiaries and Un-incorporated JVs		7,873	4,706	5,844		
Recycled Rate	Mitsui & Co., Ltd	Head office and all offices in Japan	%	—	—	23		

Environmental Performance Data

*4 [Boundary] FY 20/Mar and FY 21/Mar : Headquarters, Osaka and Chubu Offices FY 22/Mar: Headquarters and all offices in Japan

*5 [Boundary] FY 20/Mar and FY 21/Mar : Headquarters, Osaka and Chubu Offices FY 22/Mar: Headquarters and Osaka Office

*6 [Boundary] Domestic and overseas consolidated subsidiaries and major Un-incorporated JVs

*7 Water discharge volume is assumed to be equal to water withdrawal in case of no discharge data

Waste and Paper Consumption

Category		Scope of coverage	Unit	FY Mar/2020	FY Mar/2021	FY Mar/2022	External Assurance	Remarks
Waste								
	Waste amount	Head office, Osaka and Chubu Offices	t	1,190	956	314	★	*5
	Recycling rate		%	82.2	85.6	93.8	★	
	Intensity	(per employee)	t/employee	0.305	0.251	0.086	★	
	Hazardous waste	Specially-controlled industrial waste	t	1.1	0.4	0.5		*8
Pollution Prevention								
	NOx Emissions	Head office	t	0	0	3		*9
	SOx Emissions	Head office		0	0	0		
	VOC Emissions	Head office		0	0	0		
Paper Consumption								
	Paper consumption	Head office and all offices in Japan	thousand sheets (A4 size equivalent)	28,778	11,632	11,304	★	
	Intensity	(thousand sheets per employee)	thousand sheets/employee	7.18	2.97	2.96	★	

*5 [Boundary] FY 20/Mar and FY 21/Mar : Headquarters, Osaka and Chubu Offices FY 22/Mar: Headquarters and Osaka Office

*8 Infectious waste discharged from in-house clinic

*9 [Boundary] FY 20/Mar and FY 21/Mar : Headquarters FY 22/Mar: Headquarters and Osaka Office

Environmental Performance Data

Environmentally-friendly Logistics

In collaboration with our logistics partners, we implement energy-saving measures including promotion of economical driving practices and other fuel-saving techniques, improvement in transportation efficiency by using larger transport vehicles, introducing cargo consolidation arrangements, reviewing transport routes, and modal shift using rail and ship transport.

Category		Scope of coverage	Unit	FY Mar/2020	FY Mar/2021	FY Mar/2022	External Assurance	Remarks
Environmentally-friendly Logistics								
	Freight volumes handled by Mitsui	Domestic logistics handled by Mitsui	Million ton-kilo-meters	631	506	453	★	
(Breakdown)	Ship			558	433	390	★	
	Truck			73	73	64	★	
	Air/Rail			0	0	0	★	
	Intensity	(fuels per thousand ton-kilo-meters)	kℓ/thousand ton-kilo-meters	0.015	0.015	0.016	★	

Initiatives toward Environmentally-friendly Logistics

Improvement of Land Transport Efficiency	<p>We will use more energy efficient transportation methods.</p> <ul style="list-style-type: none"> • Using consolidated cargo • Using larger transport vehicles to increase loading rates • Reviewing transport routes and methods
Improvement of Sea Transport Efficiency	<p>We will continue to provide the following guidance for vessels chartered and/or operated by our affiliated companies.</p> <ul style="list-style-type: none"> • Increasing ship loading rates • Economic cruise speed operation

Environmental Conservation/Economic Effects

The environmental conservation and economic effects in the areas of paper consumption and energy consumption during the fiscal year ended March 2022 are shown below.

Category	Scope of Coverage	Environmental conservation effects	Economic effects	Remarks
Environmental Conservation/Economic Effects				
Paper consumption	Head office and all offices in Japan	328 thousand Sheets	2,018 thousand JPY	
Electricity consumption	Head office, Osaka and Chubu Offices	347 MWh	8,123 thousand JPY	* 4

* 4 [Boundary] FY 20/Mar and FY 21/Mar : Headquarters, Osaka and Chubu Offices FY 22/Mar: Headquarters and all offices in Japan

Assessment of Environmental Liabilities

Currently, corporate management is strongly expected to proactively deal with environmental issues. In addition to complying with legal requirements, we are working to monitor environmental risks of tangible fixed assets through self-driven surveys such as of land and buildings of Mitsui and subsidiaries in Japan, especially for asbestos, PCB, and soil pollution, and make prompt decisions on management policies.

Environment-related fines and penalties

Mitsui did not incur any environment-related fines or penalties in the fiscal year ended March 2022.



Social



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Human Rights

Policies and Basic Approach

As Mitsui & Co. conducts business globally in many countries and regions around the world, we regard respect for human rights following international standards as the foundation of our sustainability management. We have emphasized respect for human rights in both the Mitsui & Co. Group Conduct Guidelines and our Business Conduct Guidelines for Employees and Officers of Mitsui & Co., Ltd., and we have implemented various initiatives.

Human rights initiatives in the corporate sector have become increasingly important in recent years. We recognize the need for human rights initiatives not only within Mitsui, but also across the entire supply chains. In our Medium-term Management Plan 2023, we identified business & human rights as a priority sustainability management issue, and in August 2020, we formulated a Human Rights Policy to clarify our approach to human rights as the basis for initiatives in this area. This policy was approved by the Corporate Management Committee, and was reported to the Board of Directors meeting.

In accordance with our Human Rights Policy, the Mitsui & Co. group will respect human rights in our activities as a group. We also aim to promote respect for the human rights of all stakeholders connected to our business activities in collaboration with our business partners.

Human Rights Policy

We will strive to respect human rights through our group business activities in countries and regions around the world, in accordance with our Sustainability Policy and this Policy.

In addition, we expect various stakeholders including our business partners, to understand and respect human rights in line with this Policy, and aim to collaboratively promote respect for human rights.

Respecting Human Rights in our Business Activities

We strive not to infringe on human rights in our business activities, nor to contribute to human rights infringements by others through our business relationships, including supply chains.

Respecting Internationally Recognized Human Rights Standards

We are committed to respecting human rights, which we understand as, at minimum, those set out in the International Bill of Human Rights and the ILO (International Labour Organization) Declaration on Fundamental Principles and Rights at Work. We also support the United Nations Guiding Principles on Business and Human Rights and the Ten Principles of the United Nations Global Compact and conduct our business activities in line with these Principles. We comply with laws and regulations of the countries and regions in which we conduct our business activities. Where internationally recognized human rights standards and national/regional laws and regulations are in conflict, we seek ways to honor the principles of internationally recognized human rights while complying with the laws and regulations.

Governance / Management Structure

Our Board of Directors is responsible for overseeing the adherence to this Policy and the Policy implementation.

Human Rights Due Diligence

We will implement human rights due diligence to identify, assess, prevent and mitigate adverse human rights impacts associated with our business activities.

Human Rights Issues related to Business Activities

- **Forced Labor**

We do not tolerate forced labor. In addition, we do not tolerate any forms of modern slavery, including bonded labor or human trafficking.

- **Child Labor**

We do not tolerate child labor, and we comply with the minimum working age stipulated by the law. We do not hire individuals that are under the age of 18 for roles requiring hazardous work.

- **Discrimination**

We prohibit any form of discrimination based on race, creed, sex, social status, religion, nationality, age, sexual orientation, gender identity, physical and mental disability or any other grounds. We respect the individuality and diversity of each individual employee and officer of the Mitsui & Co. group, and seek to cultivate an environment in which they can perform to the best of their abilities.

- **Harassment and Inhumane Treatment**

We do not tolerate any form of harassment, whether physical or mental, including sexual harassment or power harassment. Furthermore, we prohibit any language or behavior that could be harmful to the working environment of others including discriminatory language or behavior as well as harassment.

- **Freedom of Association and Right to Collective Bargaining**

We respect the rights of employees to associate freely and bargain collectively in our labor-management relations.

- **Working Hours and Wages**

We monitor employees' working hours, holidays, leaves of absence and wages to ensure we are operating in accordance with applicable laws and regulations.

- **Occupational Health and Safety**

In line with applicable laws and regulations, we aim to develop safe, healthy working environments in which every individual employee can work with peace of mind.

- **Community Impact**

To prevent adverse impacts on the safety and health of local communities, we conduct human rights impact assessments, covering issues such as prevention of pollution and water stress, and implement necessary measures in line with international standards to avoid risks and mitigate negative impacts.

Stakeholder Engagement

We believe it is critical to understand human rights issues from the perspectives of affected stakeholders. We further recognize that certain groups of stakeholders are more vulnerable to adverse human rights impacts and thus require special attention. We therefore value the importance of dialogues with relevant parties and strive to properly respond to human rights issues associated with our business activities.

Remedy

Where we identify that our business activities have caused adverse human rights impact or contributed to it through our business transactions including our supply chains, we will work to remediate such impacts through appropriate processes.

Grievance Mechanisms

We continue to build upon our whistleblowing procedures and grievance mechanisms to promptly identify and respond to human rights issues related to our employees and officers or wider business activities.

Education and Training

We will provide necessary training and capacity building to our employees and officers to ensure that they understand this Policy and act in line with the commitments in this Policy.

Reporting

We will continuously report our efforts and progress on respecting human rights through our reports, websites, and other communication channels.

Formulated in August 2020

Revised in February 2022

Makoto Sato

Executive Managing Officer,

Chief Strategy Officer (CSO),

Chairperson of the Sustainability Committee

Initiatives for Specific Issues

Children's Rights

We support the Children's Rights and Business Principles and strive to conduct business activities with respect to children's rights.

Rights of Indigenous Peoples

We strive to respect the human rights and cultures of indigenous peoples by complying with all applicable laws and regulations of the countries and regions in which we conduct our business activities as well as by respecting relevant international standards such as the United Nations Declaration on the Rights of Indigenous Peoples, the Convention concerning Indigenous and Tribal Peoples in Independent Countries (ILO Convention: C169), and the principle of "free, prior and informed consent (FPIC).

Activities of Security Personnel

When advancing business activities around the world, we hire security companies to ensure the safety of these business activities. We recognize that security operations pose a risk of potential human rights violations through the use of force, so when appointing a security company, we comply with relevant local laws and regulations in the countries and regions in which we conduct our business activities, and select security companies based on relevant international standards such as the Voluntary Principles on Security and Human Rights, UN Code of Conduct for Law Enforcement Officials, and the Principles on the Use of Force and Firearms by Law Enforcement Officials.

Response to the Modern Slavery Act

We work to ensure that our operation and supply chains have absolutely no links to modern day slavery, such as compulsory labor, or human trafficking.

[The UK Modern Slavery Act](#)

[The Australian Modern Slavery Bill](#)

Goals and Targets

1. Carry out due diligence regarding human rights in our business operations and working to identify, assess, and correct any negative human rights impacts.
2. Ensure that Mitsui & Co. group employees are fully aware of our Human Rights Policy and collaborate with business partners to encourage respect for human rights.
3. Work to carry out surveys of all major suppliers of Head Office, overseas trading affiliates, and consolidated subsidiaries that are engaged in high-risk areas by the end of FY Mar/2023, in order to understand the human rights situations within our supply chains.

Progress toward Targets

	Initiatives and results
FY Mar/2023* * Includes planned contents as of October 2022	<ol style="list-style-type: none"> 1. (Planned) Send Sustainable Supply Chain Policy and Procurement Policies for Specific Commodities to new suppliers. Make improvement proposals to suppliers with human rights risk concerns based on the results of the supplier survey that is scheduled to be conducted in FY Mar/2023. 2. Carried out human rights training for a total of 450 suppliers and domestic and overseas employees. 3. (Planned) Carry out surveys of suppliers in high-risk areas at overseas branches and consolidated subsidiaries that had not been surveyed in FY Mar/2022. In addition, conduct on-site surveys at some suppliers.
FY Mar/2022	<ol style="list-style-type: none"> 1. Sent Sustainable Supply Chain Policy and Procurement Policies for Specific Commodities to new suppliers. Made improvement proposals to suppliers with human rights risk concerns based on the results collected from 290 ongoing suppliers who responded to the supplier survey conducted in FY/ Mar 2021 and 2022. 2. Carried out human rights training for approximately 6,000 employees in Japan and overseas. 3. Carried out surveys of 44 suppliers in high-risk areas at overseas subsidiaries and consolidated subsidiaries. In addition, conducted online site visits at 6 suppliers, confirming there were no human rights issues.
FY Mar/2021	<ol style="list-style-type: none"> 1. Sent Sustainable Supply Chain Policy to new suppliers. Formulated the Human Rights Policy. Made improvement proposals to 6 out of 11 suppliers surveyed in FY Mar/2020, on some of their policies and systems. 2. Carried out human rights and compliance training for 392 employees. 3. Carried out surveys of 293 suppliers to the Head Office and certain consolidated subsidiaries that are engaged in high-risk sectors. In addition, conducted site visits at two suppliers, confirming there were no human rights issues.

Sustainability Governance and Oversight

Compliance Framework

The Compliance Department of the Legal Division leads compliance-related initiatives under the direction and supervision of the Chief Compliance Officer (CCO) and in collaboration with the Compliance Supervising Officers (including Business Unit COOs and general managers of branch offices) appointed in each of Mitsui's units and offices in Japan and overseas. The objectives of these efforts implemented on a Mitsui & Co. global group basis are to prevent human rights problems by thoroughly raising compliance awareness, including awareness of issues such as harassment and discrimination, improving and strengthening compliance programs, and responding to specific compliance-related matters as they arise.

[Compliance and Integrity: Compliance Framework](#)

Sustainability Committee

The Sustainability Committee works under the Corporate Management Committee to plan, formulate and provide proposals on basic management policies, business activities, and corporate policies and strategies related to human rights.

The Sustainability Committee is structured so that its activities are appropriately supervised by the Board of Directors, and matters discussed by the Sustainability Committee are regularly discussed and reported to the Corporate Management Committee and the Board of Directors.

Officer in Charge	Makoto Sato (Representative Director, Executive Managing Officer, Chief Strategy Officer (CSO), Chairperson of the Sustainability Committee)
Administrative Office	Corporate Sustainability Div., Corporate Planning & Strategy Div.

Please refer to the links below for more information on Mitsui's Sustainability Management Framework and the activities of the Sustainability Committee.

[Our Approach to Sustainability: Sustainability Governance and Oversight](#)

[Our Approach to Sustainability: Sustainability Committee](#)

Human Rights Management

The Board of Directors of Mitsui & Co., Ltd. is responsible for overseeing the adherence to this Policy, and the Corporate Management Committee makes material decisions regarding the Policy execution. The Sustainability Committee, a subordinate body of the Corporate Management Committee, is in charge of deciding detailed plans and measures for the Policy implementation.

Business Risk Management

When participating in a new business, expanding a business, or withdrawing from a business, we use ESG due diligence checklists to assess the ESG-related impact of each business division, including human rights and environmental impact such as climate change, pollution prevention, ecosystems, and water stress. For human rights, we carry out internal screening based on these checklists, covering aspects such as occupational health and safety, and the impact of business development on the human rights of local residents and other stakeholders. For projects that pose significant risks related to the environment, society, and corporate governance, when launching a project, during operations, or when withdrawing from a project, we consult with the Sustainability Advisory Board comprising external experts in matters such as human rights and the environment as necessary to receive advice on reducing risk. Ultimately, the final decision on whether or not to proceed with any given project and how matters should be handled going forward is made through the ringi (circular executive approval) process by the Corporate Management Committee, the Board of Directors, and representative directors, all of whom supervise ESG risks, in accordance with the predetermined qualitative and quantitative standards. We have also created business-specific environmental and social risk heat maps that summarize key environmental and social risks for each representative business field based on past examples, etc., for use when considering investment and participation in new business.

No reports concerning human rights violations were received in the fiscal year ended March 2022.

ESG Risk Management

Consultation Channels

In-house consultation channels

We have established consultation channels through which individual employees can discuss concerns, anxieties, or dissatisfaction with the aim of finding solutions, workplace comment boxes in which employees can provide opinions and requests concerning improvements to working environments, and various consultation services addressing employees' physical and mental health.

Contact points for the general public and other stakeholders

On the Mitsui & Co, website, we have established the following framework for receiving opinions, proposals, grievances, and other feedback from customers and other stakeholders. When inquiries are received, we protect the privacy of the inquirers and ensure appropriate confidentiality.



Contact Us

Collaborating with Stakeholders

ESG Day 2021

We held Mitsui ESG Day on December 3, 2021 with the aim of explaining our ESG initiatives to our stakeholders, and to present our "Human Rights and Supply Chain Initiatives". Please refer to the following link for details.

[Investor Relations: ESG Day 2021](#)

Participation in Initiatives

We are promoting and expanding our efforts to address human rights through participation in initiatives. Participation in each initiative is decided after confirming that it is consistent with our basic policy and initiatives for human rights.

United Nations Global Compact

Mitsui & Co. signed and pledged its support for the UN Global Compact in October 2004, and has been participating as a corporate director of the Global Compact Network Japan (GCNJ), complying with the Global Compact as part of its own corporate guidelines. At present, as a member company of the GCNJ, Mitsui complies with and practices the Global Compact, and pursues SDGs on a global group basis. We participate in working groups of Global Compact Network Japan, such as the Human Rights Due Diligence (HRDD) Working Group.

[Participation in Initiatives: United Nations Global Compact](#)

Forest Stewardship Council® (FSC®)

The Forest Stewardship Council® (FSC®) is an international non-profit organization that promotes management of the world's forests in a way that is environmentally appropriate, economically viable, and socially beneficial, including with regard to respect for human rights. Mitsui has obtained FSC® forest management (FM) certification (FSC®-C057355) at all 74 of its forests, which in total approximately 44,000 hectares, while Mitsui Bussan Forest Co., Ltd., a Mitsui subsidiary, has obtained Chain of Custody (CoC) certification for the processing and distribution of cut lumber (FSC®-C031328). As one of the top private-sector suppliers in terms of volume of FSC®-certified Japanese-grown lumber, Mitsui is helping to promote FSC® in Japan and to discuss and draft the Japanese version of principles, standards, and risk assessments. Mitsui has obtained FSC® certification for its forest resources business as well, and promotes responsible management of forest resources.

Human Rights

RSPO (Roundtable on Sustainable Palm Oil)

The Roundtable on Sustainable Palm Oil (RSPO) is a non-profit organization established to promote the sustainable production and utilization of palm oil through the conservation of tropical rain forests and biodiversity. Palm oil production has been linked to the destruction of tropical forests through the development of oil palm plantations, as well as human rights issues. As a business that handles palm oil, Mitsui agrees with the RSPO's philosophy of contributing to sustainability through industry. Since joining the organization as an ordinary member in 2008, we have been collaborating on business-based sustainable procurement initiatives that take into account the conservation of tropical forests and biodiversity, respect for the rights of indigenous and local peoples, and other considerations. A sustainability-focused procurement code, including specific standards for palm oil, has been formulated for the 2021 Olympic and Paralympic Games in Tokyo. In connection with this, Mitsui representatives as members of an oil and fat industry association verified progress on and promoted initiatives related to the RSPO and activities under the Malaysia Sustainable Palm Oil (MSPO) and Indonesia Sustainable Palm Oil (ISPO) systems.

Japan Business Federation (Keidanren)

As a member of the Task Force on Business and Human Rights, we participate in efforts to gauge the extent to which the management of companies in Japan are engaged in respect for human rights as well as efforts to promote human rights-focused management. We participate in the Task Force on Business and Human Rights, which strives to monitor movement related to the promotion of management that respects human rights and advances initiatives aimed at realizing this kind of management.

Initiatives

Human Rights Due Diligence

In accordance with the United Nations Guiding Principles on Business and Human Rights, in the fiscal year ended March 2020, we appointed external experts and began conducting due diligence with regard to human rights in the supply chains of products handled by Mitsui and overseas trading affiliates, as well as the main business operations of consolidated subsidiaries.

Our first step was to identify business areas with significant human rights risks. We established human rights identification and screening criteria based on international indicators and other tools, and carried out screening processes. The next step was to identify human rights risk items in preparation for the implementation of human rights assessments. These human rights risk items comprehensively encompass the social aspects of international norms and standards relating to corporate social responsibility, as well as items relating to human rights and labor practice. We also added priority risk management items in supply chains. In particular, items in the four areas identified by the International Labour Organization (ILO) as core labor standards were assessed as priority high-risk items.

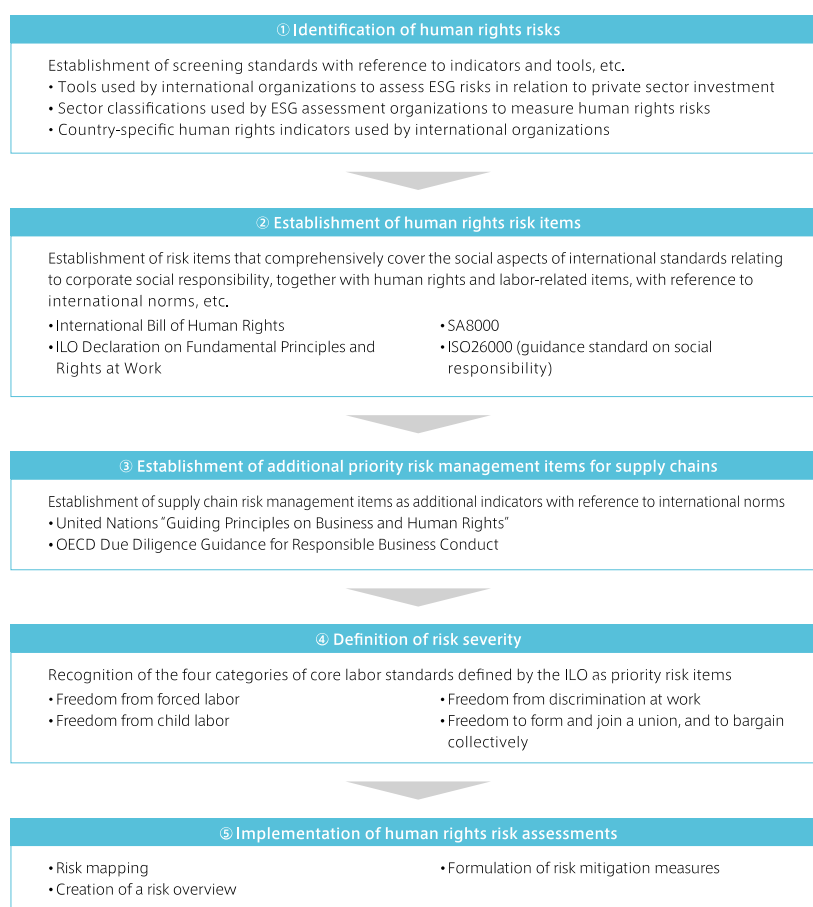
The results of risk assessments by external experts identified a significant risk of the occurrence of human rights issues such as forced labor and child labor in our supply chains mainly related to food, textiles, building materials, and mining, primarily in emerging countries in production regions including Southeast Asia, Africa, and South America. In response to these results, we added questions to supplier surveys probing whether any human rights issues have occurred in high-risk areas and assessing situations regarding forced labor and child labor, and we carry out onsite inspections of suppliers if necessary.

Human Rights

We plan to carry out supplier surveys covering all major suppliers engaged in high-risk areas by the fiscal year ending March 2023. Of the surveys carried out through to the fiscal year ended March 2022, there were no serious human rights issues detected, however the results showed that we need to reiterate explanations of our initiatives to suppliers who have yet to formulate human rights policies or who have insufficient understanding of the relevant laws and regulations. We will continue to work with our suppliers to encourage an understanding of human rights and to ensure these rights are respected throughout supply chains in order to reduce the risk of human rights violations.

Supply Chain Management:
Engagement with Suppliers

Human Rights Risk Assessment Process



Respecting Indigenous Peoples

When conducting operations, we comply with all laws of the applicable country or region, and strive to respect the human rights and cultures of indigenous people in each country and region in accordance with international standards, such as the United Nations Declaration on the Rights of Indigenous Peoples and the Convention Concerning Indigenous and Tribal Peoples in Independent Countries (ILO Convention: C169).

For example, the operations of our forest resource business in Australia are guided by respect for the traditional rights of the indigenous peoples. We have and we ensured accountability by obtaining through certification (FSC® -C107463), which requires regular audits by third-party certification bodies. This certification is based on 10 major principles, including respect for the traditional rights of indigenous peoples. There are stringent audits covering such aspects as whether or not Mitsui's management of business operations gives consideration to traditional indigenous rights, and whether or not measures are taken to prevent damage to significant cultural sites, etc. In our iron ore mining operation in Brazil, we maintain close communication with the indigenous people living in the Amazon Rainforest to foster mutual respect.

In Japan, all Mitsui's Forests have obtained FSC® certification (FSC® -C057355) and we conduct forest management respecting the traditions and culture of indigenous people. In Hokkaido, where a part of Mitsui's Forests is located, Mitsui has entered into agreements with the Biratori Ainu Association and with the town of Biratori to cooperate in activities to protect, and pass on, traditional indigenous culture through the conservation of forests. Mitsui Australia, in cooperation with its consolidated subsidiaries in Australia, is engaged in a range of initiatives to ensure respect for the rights of the indigenous people in Australia. These include training for employees, Acknowledgement of Country (a statement of respect for indigenous peoples) at major events and meetings, and the planning of new initiatives through regular information exchanges among staff from each branch and subsidiary.

Employees' Human Rights

As a company engaged in business on a global scale, we not only work to promote diversity and inclusion, but also take various steps to prevent harassment and discrimination. These measures include establishing whistleblowing systems that allow an employee to report compliance issues, including cases relating to human rights and discrimination, and obtain advice through channels within or outside the employee's direct reporting line. Another example of our efforts in this area is our fostering of a "speak up" culture in which employees are encouraged to report situations that concern them. We have also established the Compliance Committee as a forum for discussing all matters relating to compliance. With an Audit & Supervisory Board Member and an external attorney as an observer, the Compliance Committee discusses action plans for improving our compliance framework based on various compliance-related matters that have been reported. Minutes of committee meetings are released on the company intranet. We will continue to implement initiatives to ensure respect for the human rights of our employees, including implementing training programs and raising awareness of relevant policies.

Diversity

Compliance and Integrity: Whistleblowing System

Human Rights Training

We carry out various training programs to ensure thorough awareness of our Human Rights Policy at workplaces and that respect for human rights is incorporated into operations. In addition to compliance training, which includes prevention of harassment and other human rights and character violations, we also carry out online training for domestic and overseas employees of Mitsui and consolidated subsidiaries on human rights initiatives in the supply chain.

	Training program details	Participants/Number of Times
FY Mar/2023* * As of October 2022	We invited Daisuke Takahashi, an attorney at Shinwa Sogo Law Office, who supervised the development of the "Sustainable Supply Chain Management Handbook," to conduct online training for suppliers of Mitsui and consolidated subsidiaries, along with employees of Mitsui and consolidated subsidiaries in Japan and overseas. The training focused on our human rights policy and initiatives, and on how to conduct human rights due diligence in supply chain management.	Approx. 450 persons
FY Mar/2022	In order to raise awareness regarding our Sustainable Supply Chain Policy and supply chain management initiatives among suppliers to Mitsui and consolidated subsidiaries and employees of Mitsui and consolidated subsidiaries engaged in procurement, we invited external speakers from the international conservation NGO WWF (World Wide Fund for Nature) to hold online training sessions on environmental and human rights issues concerning the natural rubber, palm oil, timber and paper products businesses.	130 persons

Human Rights

	Training program details	Participants/Number of Times
	We carried out online human rights training for employees to raise awareness of human rights and labor issues in the global supply chain.	Approx. 6,000 persons
	We carried out compliance training, including prevention of harassment and other human rights and character violations, as well as seminars and workshops on important domestic and foreign laws and regulations, for new employees (including general contract employees and temporary employees) and managers by job classification, and for employees heading to overseas assignments and transfers to group companies.	40 times
FY Mar/2021	An external expert was invited to hold an online training session on developments concerning responses to and disclosure of human rights violations involving not only Mitsui's business operations, but also entire connected value chains.	392 persons
	Mitsui & Co. (Australia) Ltd. invited an external lecturer to conduct online workshops on the theme of "unconscious bias in the workplace", with the aim of deepening employees' understanding of diversity, learning about unconscious bias, and evaluating the impact of their own words and actions.	230 persons
	We carried out compliance training, including prevention of harassment and other human rights and character violations, as well as seminars and workshops on important domestic and foreign laws and regulations, for new employees (including general contract employees and temporary employees) and managers by job classification, and for employees about to embark on overseas assignments and transfers to group companies.	50 times

Compliance and Integrity: Compliance Education and Training
Supply Chain Management: Employee Initiatives

Human Resources Development

Policies and Basic Approach

At Mitsui & Co., our focus on human resources is in our DNA. One of our greatest missions is to develop our human resources through our business activities. We have identified human resource development as an aspect of our Materiality. It is no exaggeration to say that this is one of the key reasons for our existence.

The growth of each employee takes place on-the-job. Our human resource development is based on their commitment to self-realize our MVV (Mission, Vision, and Values), plus the guidance (on-the-job training) they receive from their supervisors and senior colleagues who are striving to support the growth of their irreplaceable team members.

To support and complement this development based on-the-job, our Human Resources and General Affairs Division offers off-the-job training (Off-JT). Most of this training is conducted by Mitsui & Co. HRD Institute, a wholly owned subsidiary of the Human Resources and General Affairs Division, that supports human resource development for Mitsui and its group companies. Off-JT for employees at our overseas subsidiaries and overseas affiliates is organized in concert with our overseas regional business units. Together we strive to reinforce both our policies and training for human resource development at a global group level.

Our approach towards the Medium-term Management Plan 2023 and Human Resources Management

The business environment is changing rapidly on a global scale. Mitsui & Co. has launched its Medium-term Management Plan with the aim of achieving "Transform and Grow" at a time when business is becoming increasingly diverse, sophisticated, and complex. One of the six corporate strategies formulated to drive transformation and growth is the human resource strategy with the direction to deploy diverse professionals to the right positions while developing management capabilities on a global group basis.



Goals and Targets

- Measures in the Medium-term Management Plan 2023

Local Depth for Global Reach, Global Reach for Local Depth	<ul style="list-style-type: none"> Promotion/appointment of talent without reference to recruitment location Training and utilization of next next-generation leaders on a global basis Creation of global talent management system
Diversity & Inclusion	<ul style="list-style-type: none"> Create frameworks and organizations where diverse human resources can thrive Strengthen employee engagement on a global group basis Provide an innovative working environment where employees can deliver their best
Strengthen Diverse Individuals	<ul style="list-style-type: none"> Inspire and develop human resources who can take on business management Implement human resource policies and operations to empower our talent

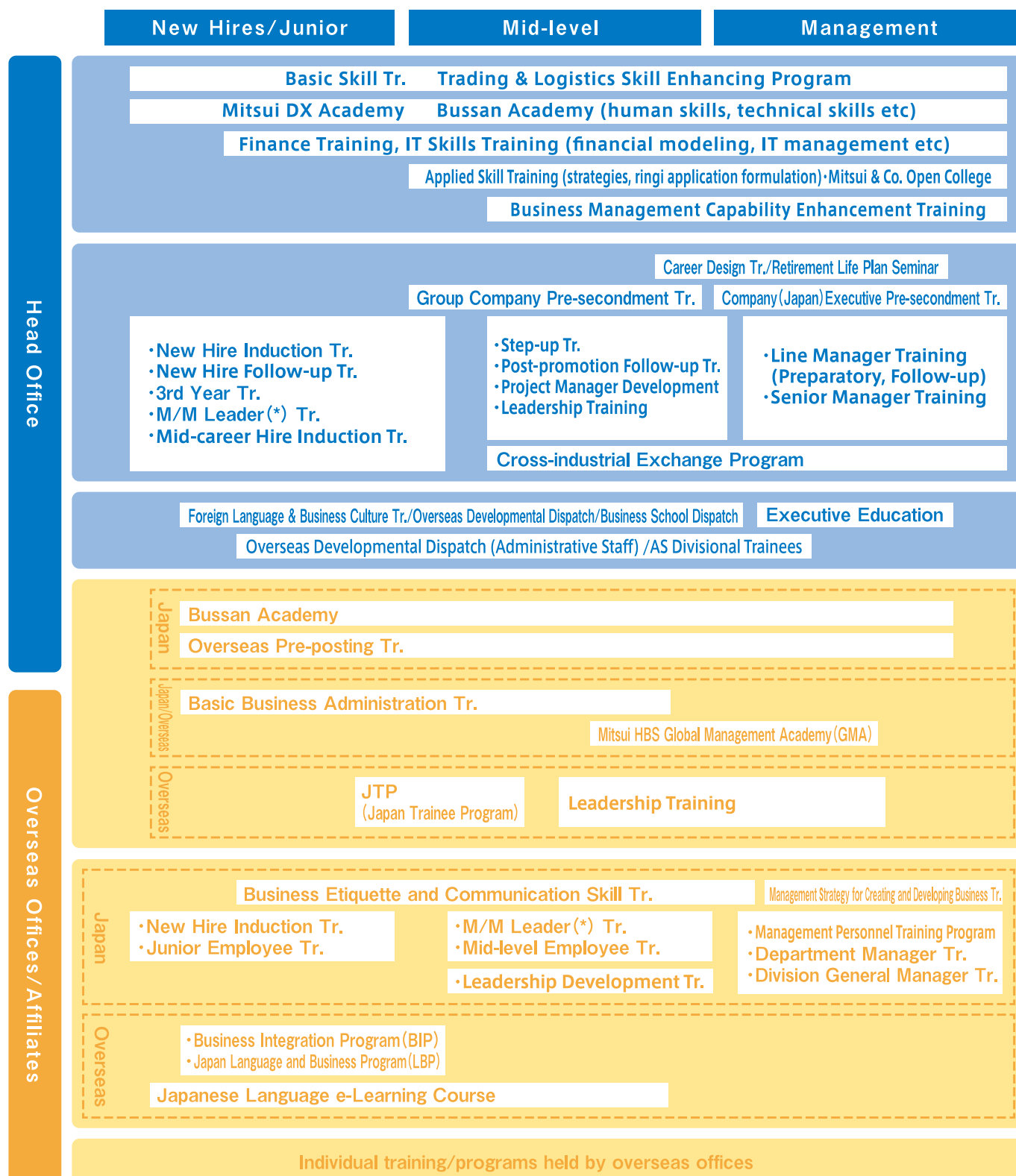
- Our in-house required English proficiency rate is 100% (TOEIC score of 800 points or BETA 4 or higher for overseas business trips, overseas work, overseas trainees, administrative staff dispatch and divisional trainees)

Sustainability Governance and Oversight

Officer in Charge	Yoshiaki Takemasu (Representative Director, Senior Executive Managing Officer, Chief Human Resources Officer (CHRO))
Department in Charge	Human Resources & General Affairs Div.

Human Resources Development Programs

To achieve the goal of fostering growth in human resources capable of driving "Transform & Grow" and taking on a central role in global group management, we have been implementing a wide variety of human resources development programs, including job position-oriented training, optional Programs and training for selected employees from new employees to management-level employees.



Introduction of the Global Group Talent Management System

To encourage the promotion and appointment of human resources in the Mitsui global group, we are developing a database of the experience and knowledge of the people responsible for business management of our affiliated companies in Japan and overseas in addition to employees at Mitsui & Co. (non-consolidated) or at our overseas subsidiaries.

Furthermore, we are promoting the introduction of a global talent management system to integrate and platform human resources databases and help to ensure that the right people are in the right places, and to support employees in taking the initiative in autonomously devising their own careers. We utilize visualized data to accelerate more appropriate job rotation, development, and promotion globally. We also provide information that contributes to career development, and aim to create a system that encourages each and every employee to challenge and innovate.

Deployment of Talent and Human Resource Mobilization

In order to maximize the potential of our diverse, talented professionals and organizational competitiveness, we focus on placing the right people in the right positions. Taking into account the external environment, our business portfolios and profits, we agilely transfer and position our human resources to growth domains that we have defined as targets under our management policies. We are continually implementing policies and measures of human resource allocation to accelerate our business, which has resulted in the promotion of business by diverse, talented professionals.

Every year, employees are given the opportunity to have dialogue with their line managers on the basis of the prescribed career development survey. Based on the individual employee's characteristics, expertise, operational capabilities, areas of specialty, and experience, we formulate a plan for the development and utilization of our human resources and implement appropriate and optimized personnel assignments. Also, in order for our valuable human resources to fully exert their individual capabilities, we have introduced the following human resource mobilization measures, which facilitate assignments beyond organizational boundaries.

Human Resources Bulletin Board System

This system encourages employees to take up the challenge of assignments of their choice that are beyond interorganizational boundaries. We have introduced this system to facilitate the autonomous career formation of employees and realize our policy of "placing the right people in the right positions" by matching human resource needs across business domains. If an employee wants to use his or her capabilities, skills and specialist knowledge in a business area other than the one to which he or she is currently assigned, and if it is judged that the transfer would be beneficial for both the employee concerned and the company, and would enhance the competitiveness of our human resources and organization, then a transfer will be implemented.

In the fiscal year ended March 2022, a total of 36 people were transferred via this system. Since its start in the fiscal year ended March 2000, a total of 499 people have been assigned through this system. From the fiscal year ended March 2022 we set up: a) a job posting system through which people can be recruited at any time according to company-wide management strategy and the human resources needs of individual projects, and b) a system that enables cross-organizational project participation on a concurrent post basis without transfer. From the fiscal year ending March 2023, we plan to make these individual systems available year-round, and disclose the annual recruitment schedule internally, so that the needs of organizations and individuals can be systematically matched and we can continue to use them as platforms to achieve responsive and strategic human resource allocation.

Appraisal

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: "Individual Competency Appraisal," and "Contribution Appraisal."

Individual Competency Appraisal assesses a person's demonstrated abilities from the perspective of the values that support our management philosophy. The total appraisal point score over three years is reflected in the individual's promotion and salary. Having cumulative points from appraisals for three years, rather than a single-year appraisal, avoids a one-time effect, and enables appropriate appraisals as to how an employee has been developing over multiple years, which is reflected in promotions. Contribution Appraisal is a system that assesses the value added to, and the degree of contribution made to the organization by the employee, as well as the degree to which the employee has taken on challenges to achieve a target. To ensure appropriate contribution appraisal, employees and their managers must engage in in-depth discussions to reach a common understanding of the established targets, so that the targets will be challenging and meet organizational strategies. These systems are revised on a regular basis, ensuring that employees are rewarded appropriately for their contributions, and employees who demonstrate a high degree of competency and achieve results are soon promoted and have the opportunity to reach more responsible positions. The systems may also be used in demotions, fostering a healthy level of alertness in the workplace.

Share-Based Compensation Plan for Employees

In August 2020 we introduced a share-based compensation plan for employees. The goals were to unite our diverse employees with management, continue to implement "Transform and Grow" in the Medium-term Management Plan 2023, and strengthen our commitment to increasing corporate value in the medium and long term. This compensation system covers some 5,000 employees who have been with us for longer than four years. The system grants point to each employee each fiscal year. Employees who meet certain requirements are given Company shares according to their cumulative number of points at the time of their retirement. We aim to create new value that will contribute to the development of a sustainable society and further improve employee engagement by appropriately rewarding each employee's efforts and encouraging the changing of employee awareness and behavior toward improving corporate value over the medium to long term.

Initiatives

Human Resources Development Programs

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

(Unit: persons)

Category	Training Programs	Outline	Number of participants FY Mar/2022
Job position-oriented training	Management Training Program, New Line Manager Program, Leadership Program, WLI (Women Leadership Initiatives)	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 according to job position, and business mindset.	2,543
Onboarding, Initial training	New Hire Induction Training, Mid career Hire Induction Training, Initial training, MM leader training, etc.	To onboard and prepare new hires and career employees for active participation in the company, we train them in management principles, different business skills and mindsets, etc., as well as train the trainers.	1,285
Bussan Academy Program	Marketing, Management Strategy, Finance, Logical Thinking · Mindset, Communication, Philosophy · History etc	A selectable training program in which participants can select the program they need from a menu of various fields.	1,866
Objective-based Programs for Senior Employees	Career Design Program, Senior career seminars, 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.	434
Grade or Objective-based Training Programs	Project Manager Development Program, Inter-industry Exchange Training Programs, MOC (Mitsui Open College), GM One-on-One Training at Head Office and offices in Japan	Various training is offered, such as MOC (Mitsui Open College) that considers decision-making through case studies of specific projects that we have been involved in. Other aspects include project management training in which participants acquire skills and mindsets necessary for project management through action learning, etc. based on their own projects. There are also inter-industry exchanges to help employees understand different corporate cultures, expand their horizons, and network.	15,927

Human Resources Development

Global Training Programs

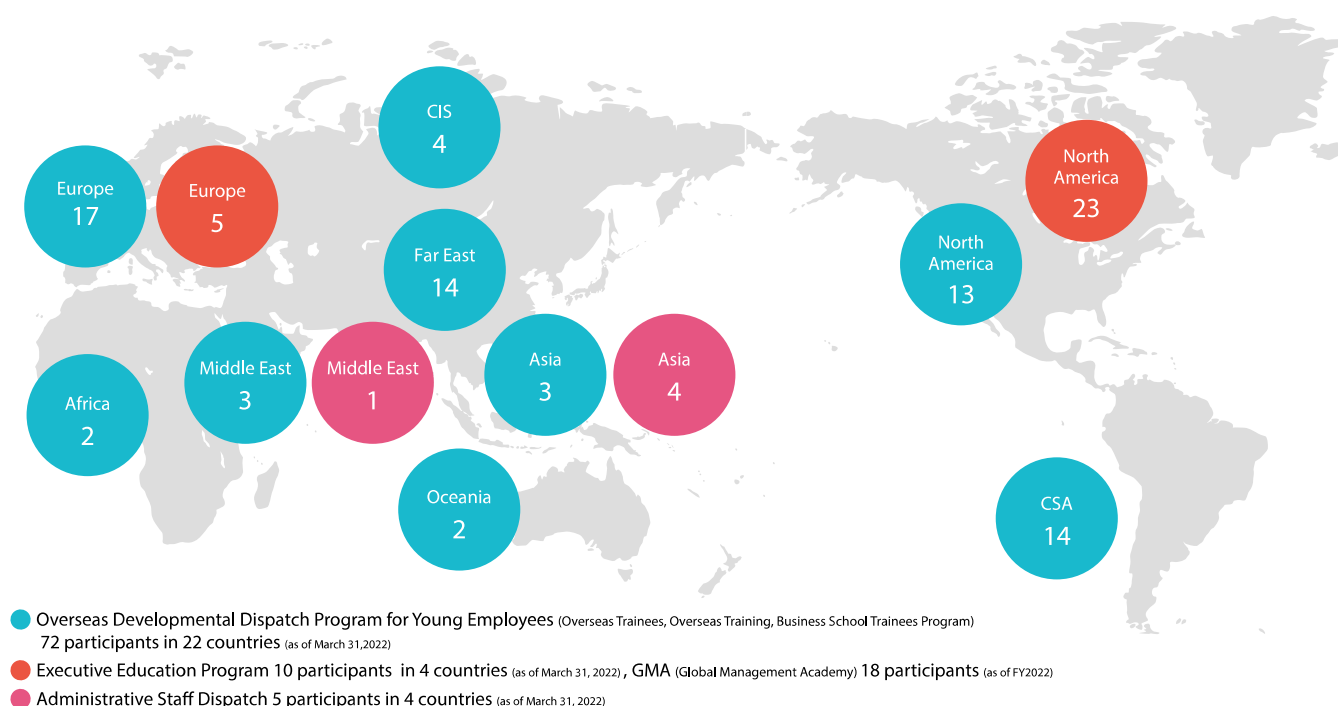
The Mitsui & Co. global group has numerous global training programs that are designed to enable employees to manage business on a global basis.

At the Mitsui Head Office, we offer an overseas dispatch program for young employees, which includes the Foreign Language & Business Culture Trainee program (FLBCT) for developing regional specialists by learning about local societies, cultures, and languages completely away from work for a year, and the Overseas Trainee Program (OTP) designed to enhance expertise. We also provide the Business School Program for mid-level employees, and the Administrative Staff Overseas Training Program.

In addition, with the aim of fostering leaders who will take on a central role in next-generation global business management, we launched a unique program called the Harvard Business School Global Management Academy Program (GMA) in 2011, in partnership with Harvard Business School. Through its hands-on, case study-oriented lectures, diverse participants, which include not only Mitsui & Co. global group employees but also employees of our overseas business partners, learn about leadership and innovation by competing with and helping each other to improve.

For management-level employees, we also offer Executive Education, which is a short-term business school 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 2022) 104 Trainees in 23 Countries



* 159 Trainees in 32 countries in FY Mar/2020 before COVID-19.

Human Resources Development

Development of Human Resources Capable of Global Group Management

We 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 the General Manager Training Program, Department Manager Training Program, and New Hire Induction Training Program, as well as optional training programs, such as the Bussan Academy programs.



Regionally hired staff engaged in active discussion during GMP training (November 2019)

In addition to the various training programs held at overseas offices and other locations, we offer employees of our overseas subsidiaries well-developed programs of both short-term and medium- to long-term training at the Mitsui Head Office. Short-term programs include the JTP (Japan Trainee Program), which is offered in the first few years after joining the company, and an optional training focused on leadership for employees in management positions. Medium- to long-term programs are held for a period of one to three years, and include the LBP (Japan Language and Business Program), which provides Japanese language lessons and practical business training, and the BIP (Business Integration Program), which provides practical business training. (*Some programs have been suspended due to the COVID-19 pandemic)

Diversity: Development and Promotion of Regionally Hired Staff

Short-Term Training Programs (5-10 days)

JTP a few years after joining the company

Leadership Programs for management personnel

Long-Term Training Programs (1-3 years)

LBP (Japan Language and Business Program)
• Japanese Language Course : 1 year • OJT : 1-2 years

BIP (Business Integration Program)
• OJT : 1-3 years

Individual Programs

Business skill training held by each office

Mitsui Management Review (MMR)

Mitsui Management Review (MMR), is conducted annually for employees responsible for global group management to help them gain a 360° multi-faceted perspective on their management. The program is used as an opportunity to receive feedback from subordinates, supervisors, and co-workers, to gain insights by reflecting on their own management skills, to strengthen their leadership capabilities and create an organization that leverages the strengths of diverse individuals in the organization, leading to the development of leaders that are attuned to the times. The results of the MMR are also provided to supervisors and used as a reference for human resource development and for the appointment of line managers.

Initiatives at Company Dormitories

Mitsui has been maintaining employee dormitories for many years. Not just to offer secure, comfortable living environments to young employees, we also hope to help them build networks with other employees in the company.

When dormitory residents learn from their seniors/juniors and colleagues in the dormitory, and share in friendly rivalries, it encourages their self-sustaining growth. We believe that personal networks crossing organizational boundaries built at dormitories, as well as everyday life itself and the sense of community from living there, will become invaluable assets for their future and we encourage new graduates hired by the company in particular to make use of our dormitories.

At present, approximately 300 employees, mostly young employees who have been with Mitsui less than three years, reside in three dormitories located in the suburbs of Tokyo. Welcome parties for newcomers, social dinners and other events as well as everyday life at each dormitory 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.

Strengthening Employee Engagement on a Global Group Basis

We have been conducting the Mitsui Engagement Survey since 2018 as a way of building our organizational strength through the enhancement of employee motivation.

In 2021, in addition to Mitsui & Co. (non-consolidated) and our overseas subsidiaries, 22 affiliated companies in Japan and overseas also participated in the event which was for approximately 12,000 global group employees.

Human Resources Development

Overall results from the Mitsui Engagement Survey 2021 on a global basis Global response rate: 89 %

Percentage of employees who gave positive responses to related questions.



* Willingness to contribute to the company and loyalty, willingness to make voluntary efforts
(Results are only for Mitsui & Co. Head Office, domestic branch offices, and overseas subsidiaries)

Performance Data

[Personnel Affairs Data](#)

Diversity

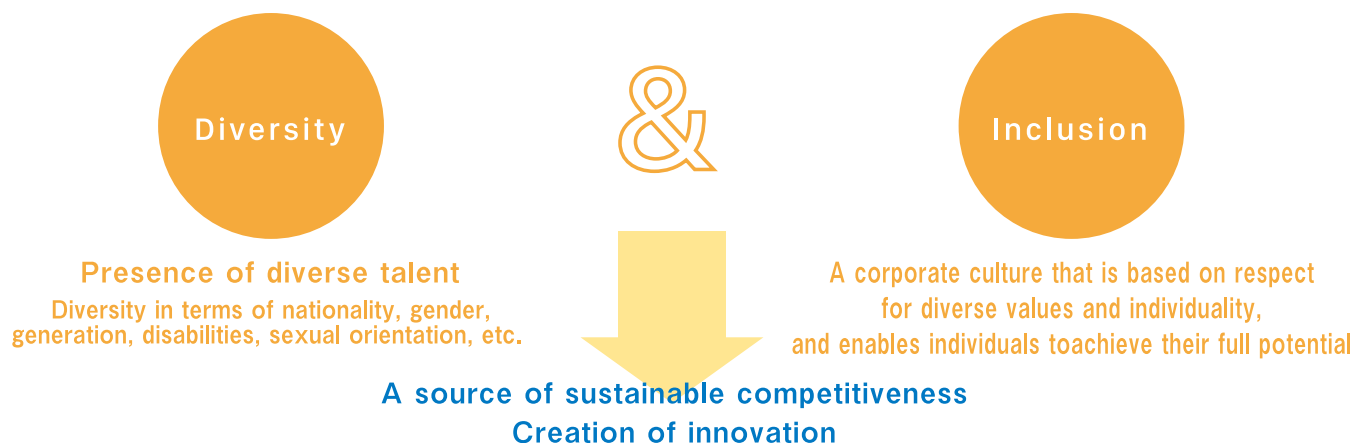
Policies and Basic Approach

In the Mitsui & Co. group, employees who come from a wide variety of backgrounds play active roles globally. Our aim is for every member of our diverse workforce, regardless of their place of employment or gender, to recognize and respect each other and inspire each other to exert their capabilities to the fullest, bringing new value and innovation to our business.

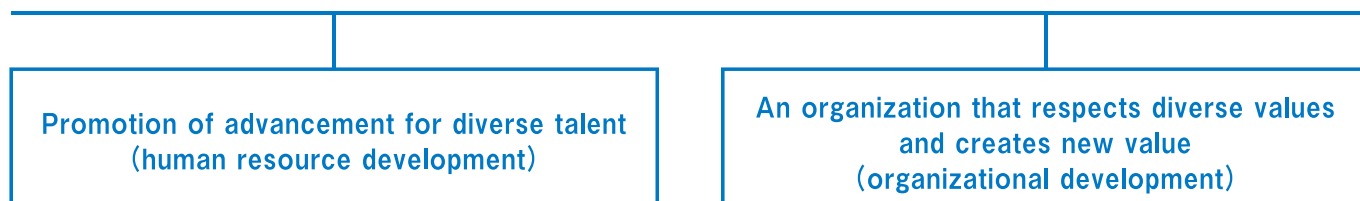
We also respect human rights and prohibit discrimination.

Diversity Management Goals and Action Policies

We stay competitive as our people bring value to the business with local depth and global reach.
We make it happen with a culture of inclusion and open competition.
With diversity as our core-self, the right opportunities and roles
to deliver meaningful results is key to our sustainability.



Challenge and innovation by individuals



Goals and Targets

- Our policies are designed to support the success of our diverse human resources, regardless of gender, nationality, age, and disabilities. We are fostering a culture of diversity and inclusion that accepts and respects diversity.

Specific Approaches

- Human resources development for the success and deployment of diverse talent (human resource development approach)
Specific measures: Promotion of senior success, career support for female employees, support for employees based in overseas branches and offices, support for people with disabilities
- Encourage an organizational culture that makes the most of diverse backgrounds and points of view (approach to the organization)
Specific measures: Organizational development through the Mitsui Engagement Survey, holding unconscious bias workshops and other means.
- Demonstrate results and achievements through work-life management
Specific measures: Workforce Management: Initiatives

[Action plan related to the promotion of women's empowerment \(from April 1, 2020 to March 31, 2025\) \(in Japanese only\) \(PDF 516KB\)](#)

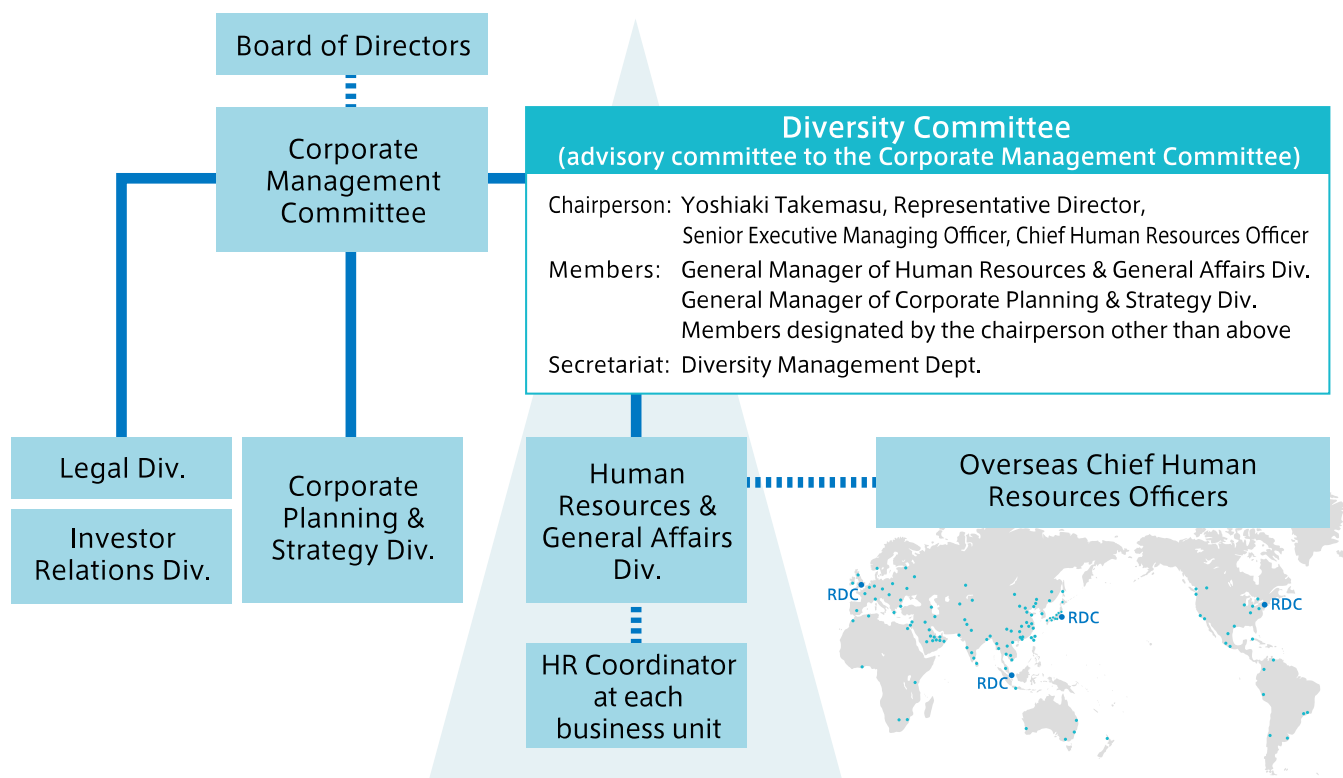
[Voluntary action plan on promotion of women to managerial and executive positions \(in Japanese only\)](#)

Performance Index and Progress

Performance Index	Progress
10% female managers by 2025	Ratio of female managers: 8.5% (non-consolidated; as of July 2022)
Achieve 3% ratio of employees with disabilities	Ratio of employees with disabilities: 3.2% (as of June 2022)

Sustainability Governance and Oversight

Diversity Management Promotion Framework



Collaborating with Stakeholders

Participation in Initiatives

We are promoting and expanding our efforts for diversity through participation in initiatives. Our participation in each initiative is decided after confirming that it is consistent with our basic policy on diversity.

Japan Business Federation (Keidanren)

Mitsui is a member of various Keidanren committees, including the following:

- Committee on Population Issues, which works to take measures to tackle the issue of Japan's declining birthrate
- Committee on Diversity & Inclusion, which works to realize further diversity and a society in which a diverse workforce, including women, can actively participate

Keidanren's "Challenge to 30% by 2030"

Keidanren's "Challenge to 30% by 2030" appears in its New Growth Strategy that it announced in November 2020. The challenge set an aspirational target for 30% or more of executives to be women by 2030, and seeks to create a movement to achieve this specific target. Our Company declared its support for this challenge in March 2021.

[Keidanren's "Challenge to 30% by 2030" \(in Japanese only\) \(PDF 1.59 MB\)](#)

Initiatives

Career Opportunities for Women

Training Diverse Female Leaders

In FY 2020, we established the Women Leadership Initiative to develop diverse role models as a sustained effort to provide a tailwind to the next-generation of female line manager candidates. The program included lectures about the organizational development, leadership and an assessment system designed to encourage participants to explore their inner-potential. We also introduced a mentoring scheme and created opportunities for dialogue with senior management. A total of 36 female employees attended the previous three programs, steadily advancing in their careers at our company. In addition, starting in 2021, members of the Corporate Management Committee are conducting one-year sponsorship programs for female employees who are candidates for senior leadership positions, offering career advice and guidance, and connecting participants to stretch assignments (work opportunities with links to next-level challenges).

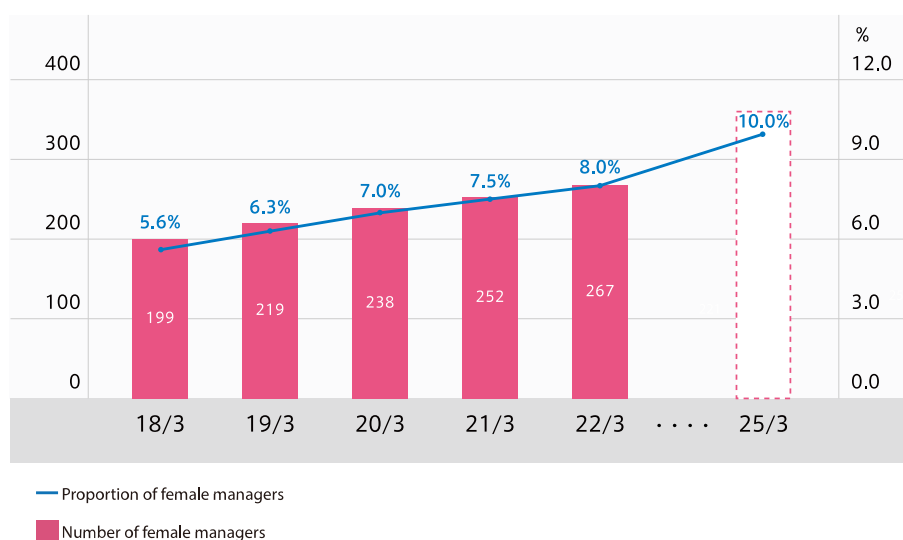


(December 2021)

We are also increasing our recruitment of female career staff, including both mid-career and new graduates. They will form an expanded pool of talent to become the next generation of female executives.

Proportion and Representatoin of Female Managers

(Unit: persons)



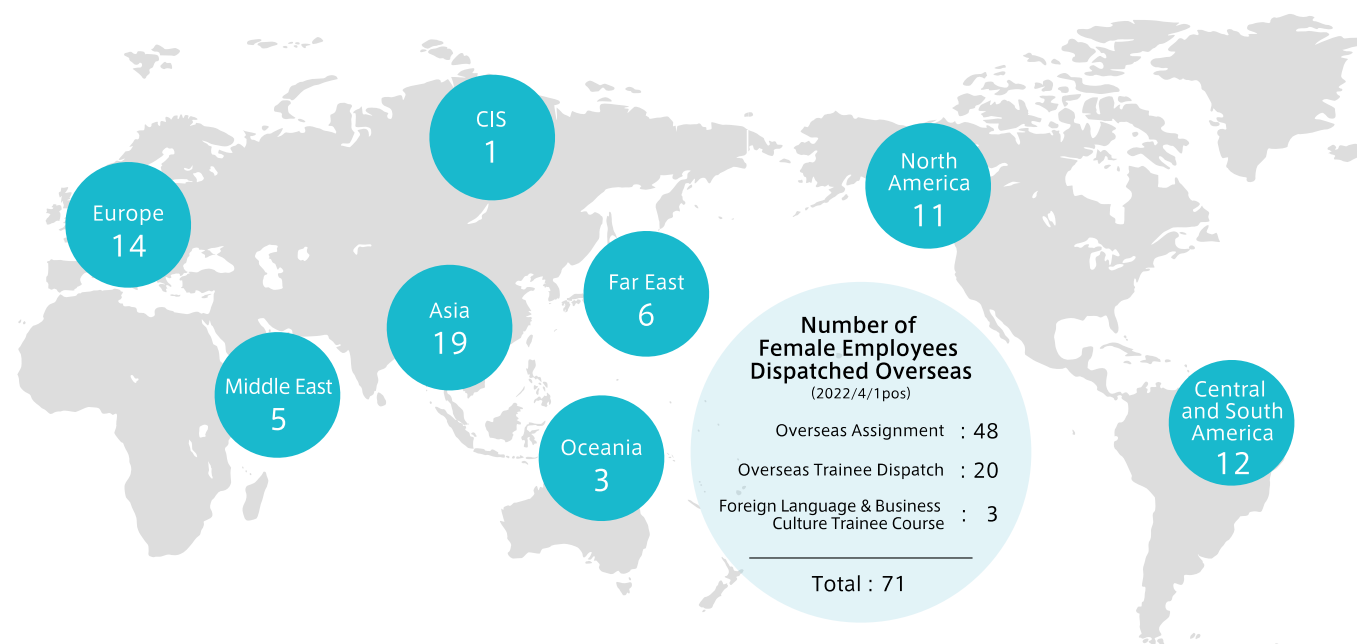
Mentorship Program

Our initiatives to encourage career advancement for diverse talent include the introduction of a long-term mentoring program for participants in the Change Leader Program and Women Leadership Initiative. Employees who combine leadership with a strong awareness of the need to accept diversity are selected as mentors. Through regular dialogue with these mentors, participants are encouraged to perceive themselves as leaders that can bring new business values to the organization.

Support for Female Employees Transferred Overseas

As areas of activity for Mitsui employees expand, an increasing number of female business staff members are taking up overseas postings accompanied by children. Employees in this situation have individual meetings with other employees who have experience with overseas work in tandem with childcare. Mitsui also provides a full range of support for staff members with preschool children who take up overseas assignments unaccompanied by their spouses, including subsidies for daycare and babysitting.

Number of Female Employees Dispatched Overseas (As of April 1, 2022)



Region name	Number of people	Cities/area
North America	11	New York, Houston, Chicago, Irving, Vancouver
Central and South America	12	Monterrey, Mexico City, Bogotá, Lima, Santiago, Sao Paulo, Rio de Janeiro, Buenos Aires
Europe	14	London, Oslo, Dublin, Dusseldorf, Hamburg, Vlissingen, Brussels, Milan, Tel Aviv
Middle East	5	Dubai
Asia	19	Singapore, Jakarta, Bangkok, Manila, Hanoi
Oceania	3	Sydney, Perth
Far East	6	Seoul, Beijing, Shanghai, Taipei
CIS	1	Moscow

Promotion of Career Development for Global Talent

Development and Promotion of Regionally Hired Staff

Change Leader Program / Change Leader Business Meetup

We have held our Change Leader Program (CLP) over the past 2 years since 2018. CLP is an initiative to identify, diverse talent on a global basis, and develop them into leaders who can actively and boldly promote necessary changes. A total of 43 regionally hired staff selected from around the world joined this program in the past two years. Participants held direct dialogue with top management in the Head Office, engaged in intensive discussions on various themes such as leadership and the Long-term Management Vision, and strove to achieve the difficult "Stretch Assignment" that each had set for themselves.

At the Change Leader Business Meetup (CLBM) that was held online in 2020, CLP participants and a total of 84 next-generation leader candidates from all over the world (including Japan) participated. Group discussions were held on topics from the Strategic Focus to utilize Company's comprehensive strengths, as defined in the Medium-term Management Plan 2023 and business proposals were made to our executives. Going forward, we will continue our efforts to support leadership training, creating value, demonstrating our comprehensive strength, forming on-site commitments, and networking for change.



CLBM (December 2020)

Mentorship Program

Our initiatives to encourage career advancement for diverse talent include the introduction of a long-term mentoring program for participants in the Change Leader Program. We have also introduced the mentor system in overseas offices, such as the Americas Business Unit. Through these initiatives, we are fostering a corporate culture in which talent is developed through communication with diverse mentors.

Promotions to Executive Positions

An increasing number of regionally hired staff members are being promoted to managerial positions, in line with our commitment to training regionally hired staff members in each region and strengthening our pool of human resources and locally-originated business. In April 2020, a locally hired employee was appointed as managing director of a major overseas subsidiary for the first time. Currently (as of March 2022), 60% of managerial positions at overseas offices are held by locally hired employees. We provide training for all employees and opportunities for internal transfers between overseas business sites, including affiliated companies. Through these initiatives, diverse human resources are contributing to the enhancement of our organizational potential and the achievement of business results. Diverse talent is also placed in management positions in affiliated companies and they play critical roles in our consolidated management. We will continue to train and promote foreign nationals through a variety of initiatives on a global basis.

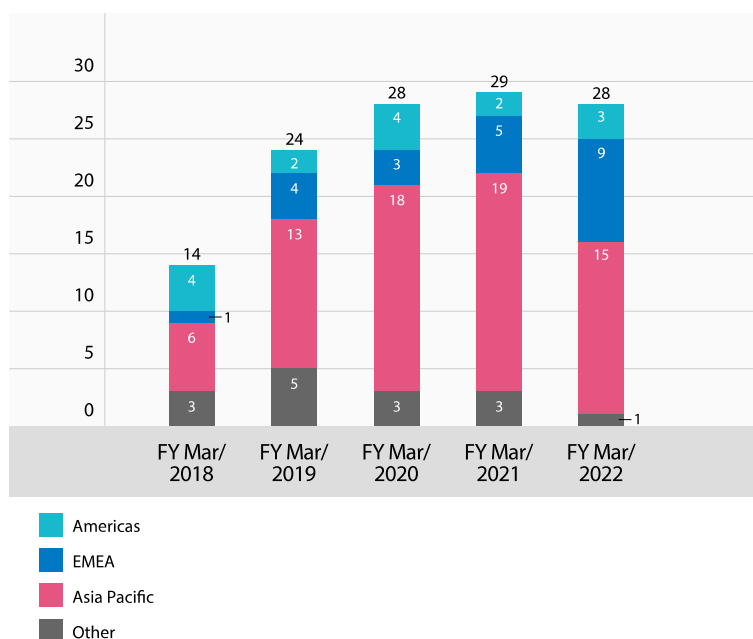
Diversity

Transfers between Overseas Countries

Appointing personnel with a thorough knowledge of each country and region is essential to developing business with deep local roots in order to capture every business opportunity while adapting flexibly to ever-changing business environments. We are driving further diversification forward to ensure that the right people can work in the right place on a global basis, regardless of nationality or location of recruitment. We are increasingly providing employees with opportunities not only for training in Japan, but also for transferring to other overseas offices, including affiliated companies, in addition to offices in other countries in the same region.

We will continue to support the globalization of human resources in the Mitsui & Co. global group, while verifying the effectiveness and advantages of this policy.

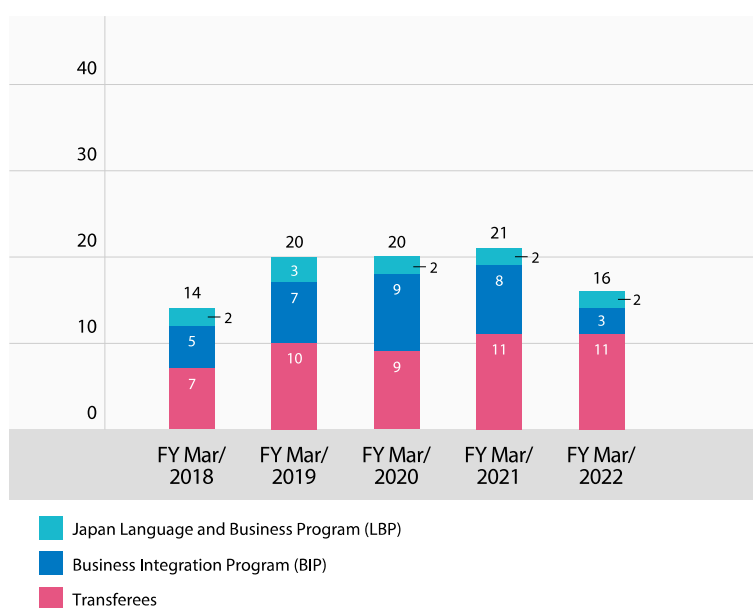
Number of Regionally Hired Staff Transferred between Overseas Countries



Training and Transfer to Japan

Regionally hired staff selected for training as next-generation leaders are sent to Japan on various programs. They are given opportunities to study the Japanese language and Japanese business practices and experience Japanese work styles, while learning about other aspects of Japan, such as its culture and history. Their training is targeted toward their development as management personnel who will one day play key roles in Mitsui & Co. global group management. In addition to opportunities to network with people within and beyond Mitsui & Co. global group, the program is also designed to enable participants to build lifelong relationships by inspiring and being inspired by other talented people who are gathered in Japan for the same purpose. The program to dispatch regionally hired staff to Japan started in the early 2000s. Since then, a total of 178 people have participated in various programs in Japan (Japan Language and Business Program (LBP), Business Integration Program (BIP), transfers, etc.). The Mitsui & Co. global group will continue to implement these programs going forward.

Personnel Sent to Japan



Support for Employees Who Are Citizens of Countries Other Than Japan

Mitsui & Co. group has excellent human resources with a variety of nationalities in many countries and regions around the world and encourages them to play active roles in developing business that is closely connected with individual regions. In order to boost global group management, Mitsui brings employees to Japan on job transfers and training, and supports human resources development and the establishment of human networks within the group.

Supporting the Active Participation of Senior Personnel

While Mitsui supports for its employees to design their own career development path, in the context of senior personnel, we provide various training opportunities as well as individual interviews customized for those seniors. Also, Mitsui has the "re-employment system" which enables employees to work up to the age of 65, even after the mandatory retirement age of 60. As such, we strive to build a better workplace where they can actively utilize their work experiences, knowledge, and skills even after the mandatory retirement age. We also provide supports to those who wish to work outside the company according to their individual career choice.

Initiatives to Support the Careers of Senior Employees to Enable Them to Play Active Roles Within and Outside the Company

Provision of information	<ul style="list-style-type: none"> • Interviews for senior personnel If they so wish, employees aged 50 or over can have interviews to discuss their career development going forward, preparations for retirement, and Mitsui's systems (e.g., retirement payments, pensions, support for retirees, reemployment contract) in accordance with the information they are seeking. Through these interviews, employees also receive advice and information on specific topics, such as surveys of the post-retirement re-employment market. (Approximately 200 interviews are held per year.) • Re-employment system seminars Seven months before reaching retirement age, employees attend seminars about systems and procedures. (Held four times per year for a total of approximately 120 employees.) If they wish, employees can also attend individual follow-up meetings.
Training	<ul style="list-style-type: none"> • Career design training Business staff members participate in two-day off-site training programs when they are between the ages of 48 and 52, and again when they are between the ages of 54 and 58. These sessions provide employees with opportunities to learn about public and corporate systems, to take stock of their own values and strengths, and to engage in group discussions about work-style options. (Held 11 times in FY the fiscal year ended March 2022 with a total of 274 participants.) • Life plan training One-day training program for administrative staff members aged between 52 and 56. Participants use these events to consider optimal career choices through information sharing and discussions. (Held one time in the fiscal year ended March 2022 for 24 participants.)

Diversity

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, division GMs and division human resources managers, 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. As of March 31, 2022, there were 182 re-employment contract employees (including 23 employees working overseas). In the fiscal year ended March 2022, 47.7% 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 re-employment and we post re-employment information via the intranet. In the fiscal year ended March 2022, 13 employees aged 50 or above found their next career outside the company utilizing the support directly or indirectly provided by the company.

Supporting People with Special Needs

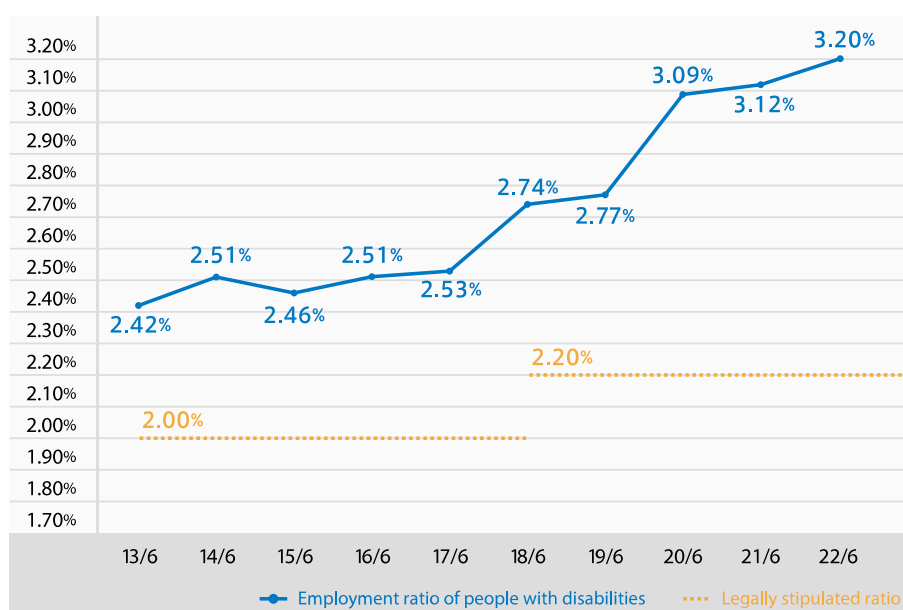
In order to fulfill its corporate social responsibilities, and as part of its efforts to promote diversity and inclusion, Mitsui is working to expand the quantity and quality of employment opportunities for people with various types of disabilities. In this area, we work closely with Mitsui & Co. Business Partners Ltd.(MBP), which was established in 1981 as a trailblazing special-purpose subsidiary.

For over 20 years, Mitsui has exceeded the statutory rate for the employment of people with disabilities, and as of June 2022 our rate stood at

3.2%. We have set a target of 3.0% for 2023, when the statutory rate was expected to be revised, and we were aiming for further expansion of employment opportunities but achieved it in 2020.

Mitsui has made various qualitative improvements to provide people with opportunities to contribute according to their ability levels, without limiting areas of activity based on whether or not people have disabilities. In addition to general administrative duties, such as printing, mail, and office layout management, people with disabilities are employed in an extremely wide range of areas, such as operations relating to personnel management, payroll, and benefit programs, and the arrangement of business travel. We will continue our efforts to create working environments in which people with various disabilities can achieve success and growth in the same workspace with other employees of MBP and Mitsui, and to develop and expand areas of work.

Trends in the Percentage of People with Disabilities in Mitsui's Workforce



Diversity

Initiatives by the entire Mitsui & Co. group include an annual seminar and information sharing event for affiliated companies on the promotion of employment for people with disabilities. In the fiscal year ended March 2022, 98 people from 44 companies participated in this event. Through lectures by MBP recruitment staff and related stories from employees, participants learned about our approach to the creation of environments in which people can work with a sense of motivation and energy regardless of whether or not they have a disability.

We will continue our efforts to eliminate barriers to engagement in society for people with disabilities by qualitatively and quantitatively promoting employment for people with disabilities across the entire Mitsui & Co. group, and by developing environments in which diverse people can work together in the spirit of mutual respect to create value in various ways.

Promoting Understanding of Sexual Orientation and Gender Identity

We have implemented measures that enable all employees to fully exhibit their capabilities in playing active roles regardless of SOGI (sexual orientation/gender identity) out of our belief that gaining a proper understanding of LGBTQ* is important. As a part of our efforts, we are focusing on raising awareness among employees and improving the office environment.

* LGBTQ is an abbreviation of L = Lesbian, G = Gay, B = Bisexual, T = Transgender, Q = Questioning/Queer.

Fostering Employee Awareness

Mitsui is working to ensure full compliance with its Business Conduct Guidelines for Employees and Officers, which specifically prohibit discriminatory and insulting behavior based on sexual orientation or sexual identity. The Mitsui & Co. LGBT Guidebook (Japanese only), which was compiled using expert advice, has been posted on the company intranet to foster understanding among employees. Other initiatives to raise employee awareness include in-house seminars presented by LGBT activists. LGBT issues are also covered in other educational activities, such as training prior to overseas transfers. These activities give employees opportunities to think about mutual consideration when working with people who have different value systems.

Enhancement of Working Environments

We have established a contact point for consultation about LGBT-related issues as part of our initiatives to create working environments in which people can overcome problems and work well in an atmosphere of respect for personal identity, including sexual identity. During the fiscal year ended March 2020, we established an external contact point in addition to the in-house one in order to create an advice system that would be more considering of privacy for persons. We are also improving our facilities, including the provision of multi-purpose restrooms in the Head Office building and other branches.

Evaluation by Society for Efforts to Promote Female Participation

Mitsui has been selected as a "Nadeshiko Brand" in recognition of its initiatives to promote active roles for women in the workforce for the eighth straight year since the fiscal year ended March 2015 in which Mitsui was selected as a Nadeshiko or Semi-Nadeshiko Brand company.

Evaluation by Society: Nadeshiko Brand, Eruboshi (L Star)

Workforce Management

Employment

Policies and Basic Approach

Policies and Basic Approach to Recruitment of Human Resources

Mitsui & Co. is committed to fair and impartial recruitment initiatives, selecting individuals based on their abilities and personal qualities. We provide global employment opportunities and disregard all aspects irrelevant to an applicant's abilities or suitability for a role; for example, an individual's race, nationality, gender, age, alma mater, or religion. Furthermore, staff who conduct interviews receive training to ensure fair employment screening processes for applicants. We accept applications both from new graduates and mid-career applicants, regardless of their previous work experience.

Goals and Targets

- New graduates and mid-career employees: Have a diverse range of entry candidates through selection based on personal qualities without setting numerical goals for specific attributes
- New graduates: Recruit people from diverse backgrounds who have the potential to embody "Challenge and Innovation"
- Mid-career employees: Recruit people who have diverse backgrounds and professionalism, and can drive "Challenge and Innovation"

Sustainability Governance and Oversight

Officer in Charge	Yoshiaki Takemasu (Representative Director, Senior Executive Managing Officer, Chief Human Resources Officer (CHRO))
Department in Charge	Human Resources & General Affairs Div.

Initiatives

Offering Fair Recruitment Activities and Providing Job Opportunities

Our new-graduate recruitment is characterized by several factors. Firstly, we hold a wide range of internships at various times of the year. Secondly, we have introduced the field "Personal history" to our entry sheet. Thirdly, many of our staff actively assist when students from their former universities want to visit to learn more about us.

In addition to our conventional internships, we also have internships for master's and doctoral students who tend to find employment in a different time of the year to undergraduate graduates. We also have internships for students intending to pursue a career in the digital realm. We are striving to help many kinds of people to deepen their understanding of Mitsui and our operations.

The reason why we added "Personal history" to our entry sheet was to enable applicants to highlight the challenges they have taken on in their lives, to shine a spotlight on their life. The creation of a "Personal history" gives us a glimpse back into the life of the applicant, and we believe that this gives us a deeper understanding of them compared with other approaches taken in interviews that only focus on episodes from their university days.

Each year our employees receive over 5,000 workplace visits from students of their former universities. This is more than for any other company that supports this platform. A major feature of our recruitment practices is that our staff generously help students to develop their career outlooks.

We also actively recruit mid-career workers. In the fiscal year ended March 2022 we recruited 63 people in this category, equivalent to about 33% of total appointments. Around 20% of mid-career recruits are female employees. To provide opportunities to learn about the wide range of operations and career paths available, we hold roundtable discussions and webinars with employees and create online articles that highlight mid-career hires.

To recruit people who can work on the global stage we have set up a wide range of application opportunities. In addition to holding company information sessions and recruitment selections for those who are studying abroad, we also hold webinars to provide opportunities for people all over the world to know our jobs.

Performance Data

Personnel Affairs Data: Number of Hires by Gender (Non-consolidated)

Labor Standards/Working Environment

Policies and Basic Approach

Policies and Basic Approach to Labor Standards/Working Environment

Mitsui constantly challenges the uncertainty of environmental changes while increasing the productivity of each employee and creating an environment where they can maximize their abilities. Our goals are to enhance the competitiveness of our entire company and provide new value to society. Based on our "Mitsui & Co. Business Conduct Guidelines for Employees and Officers," our rules stipulate that we must respect human rights and not engage in any forms of discrimination and harassment. In addition, we are working on various measures to create an environment where employees and the company can continue to grow together by making full use of the platform known as "Mitsui & Co.," where individual employees can work hard, and diverse individuals can gather to collaborate in teams.

[Human Rights Policy](#)

[Business Conduct Guidelines for Employees and Officers](#)

Working Hours Basic Policy

While expanding the range of workstyle options, we avoid overwork by properly managing working hours in compliance with the Labor Standards Act and the Industrial Safety and Health Act. We will continue to ensure that the safety and health of employees is maintained, and further promote the creation of a work environment where employees can continue working with peace of mind.

A Sustainable Supply Chain

When dealing with new suppliers, we conduct a preliminary risk assessment covering various social issues based on our Sustainable Supply Chain Policy and Procurement Policies for Specific Commodities, and request all suppliers understand and implement these policies. We also conduct periodic supplier surveys of existing businesses and their suppliers to gain an understanding of how their businesses are run regarding societal issues such as the prohibition of forced labor, child labor, discrimination and harassment, and payment of appropriate wages. In addition to our initiatives to identify high-risk suppliers, we carry out on-site inspections.

[Supply Chain Management](#)

Goals and Targets

- Achieve an average annual paid leave utilization rate of 70% on an ongoing basis.
- Pursue more balanced workstyles through a range of measures such as the rectification of long working hours.

[Personnel Affairs Data: Paid Leave Days Taken and Usage Ratio \(Non-consolidated\)](#)

[Personnel Affairs Data: Annual Average Actual Working Hours \(Non-consolidated\)](#)

[Personnel Affairs Data: Monthly Average Overtime Working Hours \(Non-consolidated\)](#)

Sustainability Governance and Oversight

Officer in Charge	Yoshiaki Takemasu (Representative Director, Senior Executive Managing Officer, Chief Human Resources Officer (CHRO))
Department in Charge	Human Resources & General Affairs Div.

[Personnel Management Structure in the Medium-term Management Plan 2023](#)

Occupational Health and Safety Assessment of Business Investment Projects

In our businesses, we have systems in place that give maximum consideration to the environment and society, not only at the starting stage but also during operation and at the end. Regarding environmental and social risks (including occupational safety and health related to the working environment) the Sustainability Committee discusses response policies and measures, reports them to the Corporate Management Committee and the Board of Directors, and then implements them following approval.

Please refer to ESG Due Diligence Checklists and the Sustainability Advisory Board for details.

[ESG Risk Management: ESG Due Diligence Checklists and the Sustainability Advisory Board](#)

Collaborating with Stakeholders

Participation in Initiatives

United Nations Global Compact

In October 2004 Mitsui & Co. signed and pledged its support for the UN Global Compact. Mitsui is complying with the principles as part of its own corporate guidelines. As well as engaging in activities geared toward observing "Ten Principles of the UN Global Compact", we will advance various initiatives that contribute to realizing the UN Sustainable Development Goals (SDGs) through our business activities.

[Participation in Initiatives: United Nations Global Compact](#)

Initiatives

Encouragement of Workstyle Innovation

In our workstyle innovation, we introduced systems for enabling the taking of annual paid leave in hourly units, mobile work, and selecting staggered working hours for individuals. Later, in April 2019, we launched Mitsui & Co. teleworking (working from home) on a company-wide basis and implemented major changes to the company dress guidelines. In May 2020 we introduced activity-based working to coincide with our relocation to the new Head Office building. In the remote-working environment brought on by COVID-19 since March 2020, we have succeeded in achieving business continuity. This has been a result of not only our business infrastructure such as our IT response but also our workstyle innovation to help employees learn how to work autonomously. In addition, as a company that is expanding its business globally, the restriction of overseas business trips has had an impact not only on the way we do business but also on the way we work. First, we introduced an interval staggered working hours system in January 2021 for employees who have no choice but to work during midnight hours due to web conferencing with areas in time differences, so that these workers can take intervals during work. Also, in January 2022, we introduced a remote work system that allows employees to choose the work location best suited to their business needs, leveraging their experience gained from working in remote environments during the COVID-19 pandemic. We are making good use of our experience with changes in the environment brought about by COVID-19. While giving proper consideration to employee health and safety, we are striving to create a working environment in which each staff member can work with peace of mind, to improve the competitiveness of our Company by adapting quickly and flexibly to changes in the world's business.



Workforce Management

Measures	Description	Benefits, Aims, etc.
Being able to take paid annual leave in hourly units	Employees can take up to the equivalent of five days 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 realization of a more prioritized workstyle by enabling employees to take a necessary leave more conveniently when they need it.
Staggered working hours for individuals	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.	This system allows individual employees to proactively select their optimum working hours at their own discretion, depending on their job duties and work schedules, realizing prioritized workstyles with increased efficiency and productivity.
Company dress guidelines	This measure allows individual units to establish their own dress guidelines to reflect industry-related needs and business practices, which vary from organization to organization.	The system respects the self-discipline of employees as professionals, improves work productivity and efficiency, and encourages the free flows of ideas.
Mitsui & Co. teleworking	This measure makes it possible to work from home during working hours. After carrying out trials over the past two fiscal years, teleworking has been made available to all employees (we have also added the emergency teleworking system).	This system aims for greater productivity and efficiency of both individuals and organizations by allowing employees to select both "time" and "place" in line with their objectives and to work in a task-oriented way, while retaining the basic approach of face-to-face communication in the office. Utilized from March 2020 as an emergency teleworking system during the COVID-19 pandemic, and terminated in December 2021 (shifted to a remote work system as described below).
Interval staggered working hours	We are increasing options for shifting working hours so that employees who have no choice but to work during midnight hours -- such as participating in web conferences with areas in different time zones -- can insert sufficient intervals in their working schedule to recover.	Employees who are required to work during midnight hours have the option of shifting their work start time before and after work, so that they can have a period between work hours for rest necessary to reduce mental and physical fatigue.

Workforce Management

Measures	Description	Benefits, Aims, etc.
Remote work system	Created as a permanent systemized version of the Mitsui & Co., teleworking system. Employees can choose the work location best suited to their business needs. The existing mobile work system is also incorporated into this new system.	This system aims to strengthen the company's competitiveness by demonstrating performance through the expansion of workstyle options, and to achieve work-life management and improve performance with individual appeal and vitality through physical and mental enrichment. There is no limit to the number of times employees can use the system. With the approval of the department and in accordance with business needs, employees can use the system as long as they are located within commuting distance of their workplace.

Initiatives in Working Hours Management

We are maintaining a proper understanding of employees' working hours in accordance with our Working Hours Basic Policy* and are implementing the following measures.

* Working Hours Basic Policy: While expanding the range of workstyle options, we avoid overwork by properly managing working hours in compliance with the Labor Standards Act and the Industrial Safety and Health Act, maintaining the safety and health of employees, and creating a work environment where employees can continue working with peace of mind.

- Raising employees' awareness of appropriate working hours in order to maintain their health, improve productivity, and comply with laws and regulations by such means as sending regular messages from the management.
- Education activities for employees, including the formulation of the Working Hours Handbook and a manual about attendance management systems, and a compilation of FAQs to provide clear information about laws, regulations, and corporate systems relating to working hours, as well as the posting of this information on the intranet.
- Regular monitoring by the Human Resources & General Affairs Division, using data of working hours from attendance management systems, building entry/exit times, and PC usage histories.
- Continual compilation and distribution of information about overtime hours worked and annual paid leave taken in each unit.
- Training and other activities for managers to appropriately manage and oversee their team members' working hours.
- Creation and monitoring of KPIs in Encouragement of Workstyle Innovation.

Workforce Management

Work-Life Management

Mitsui supports work-life management so that every employee is able to fully meet their life responsibilities while pursuing career development by displaying their potential in the workplace to the fullest. As part of such support, we have introduced various systems that goes beyond statutory requirements to assist our employees in both work and childcare/family care, and other various measures for providing options for realizing better work-life management. These systems and measures are available regardless of gender. Combined with the measures for realizing workstyle innovation which apply to all employees, such as the individual-based staggered working hours scheme and the remote work system, these systems and measures have encouraged not only female employees but also male employees to take part in childcare and family care. By introducing these various systems, we are developing an environment in which employees are able to efficiently produce maximum performance, even within a restricted time frame.

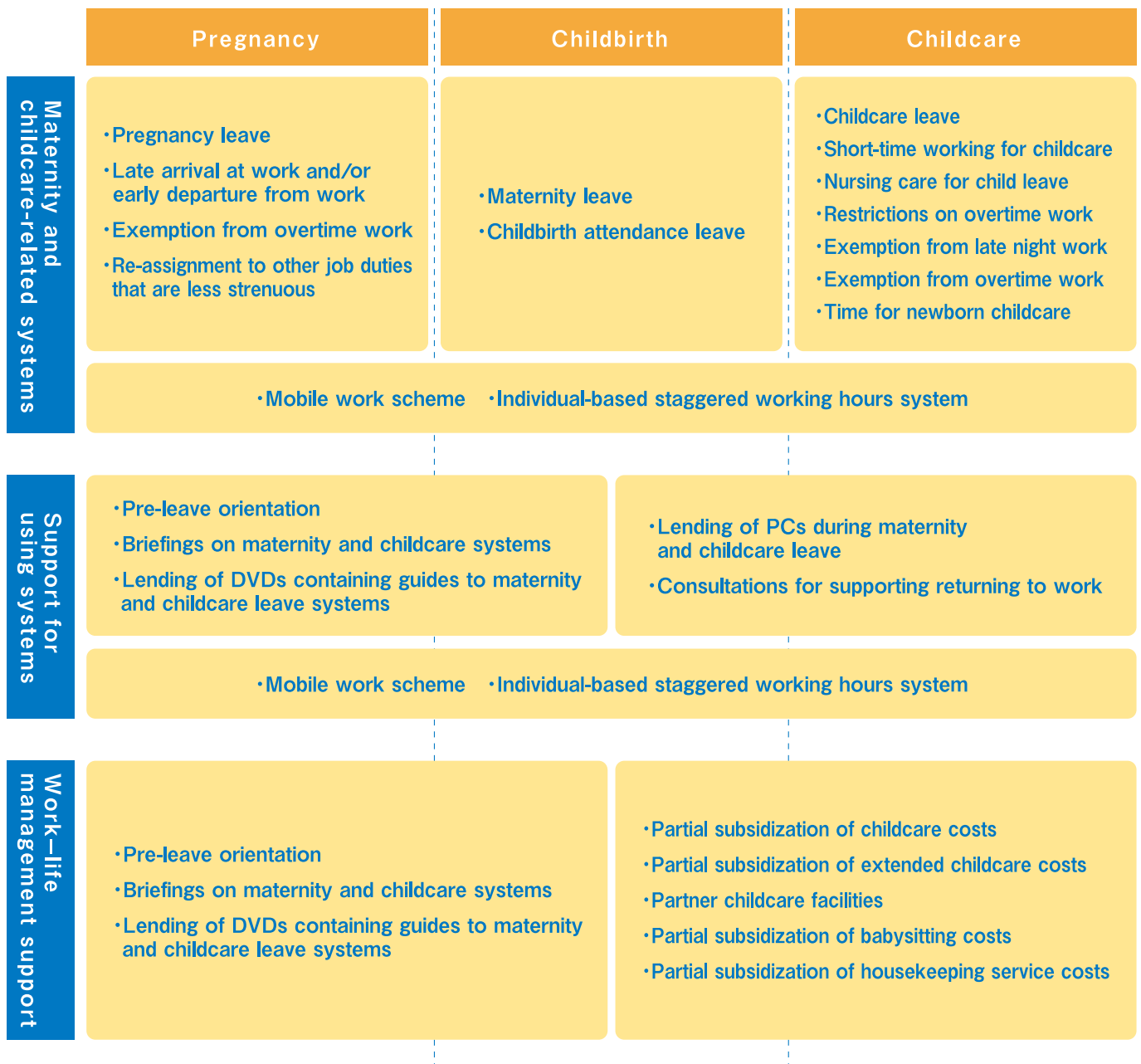
Policy for Re-employment Due to Spouse's Job Relocation

Out of respect for employees' work-life management approach and their family situations, in 2007 we introduced the re-employment system for employees who had to resign due to the transfer of their spouse in order to help them to respond to the life change. The system offers re-employment opportunities for employees who were forced to resign due to their spouses' job relocation, and many employees have been re-employed using this system.

Activities to Support Childcare

Mitsui has implemented various support systems and measures to enable our employees to achieve the best work-life management between work and childcare at different life stages, such as childbirth and child-rearing, based on their individual approaches and choices.

Systems and Support Measures That Can Be Utilized from Pregnancy through Children's Developmental Stages (Full-time Employees)



Pre-Leave Orientation

As part of our efforts to remove concerns about taking maternity leave or childcare leave and support employees taking childcare leave to make a smooth return to the workplace, we launched pre-leave orientations in the fiscal year ended March 2020. The orientation requires the employees take part alongside their line manager, and provides the employee with the opportunity to consider at an earlier stage how to spend their time during the leave, and also how to manage working and childcare after returning to work. Furthermore, it provides the line manager with the opportunity to gain a fuller understanding of the employee and to think about how to build an environment that will support the employee's future career-building and work-life management. This initiative enhances awareness of the individual and deepens understanding in the workplace, and also encourages male employees to take a childcare leave.

Workforce Management

Contracted Childcare Facilities

In addition to partially subsidizing babysitting and extended childcare costs, Mitsui partially covers housekeeping service costs in order to support a flexible childcare system that suits each employee's situation. As part of our efforts to develop support measures that respect each employee's work-life management approach, we have concluded a contract with an external childcare facility located inside the new Head Office building, which opened in May 2020, allowing our employees to use the service on a monthly or temporary basis.



Activities to Support Family Care

In addition to developing the family care system, Mitsui has developed various support measures with a focus on providing information about family care and strengthening our consultation systems. We aim to establish the best system for balancing work and family care in accordance with each individual employee's approach to family care and their choices. In addition, we have established "special support leave" as a measure to support balancing work and family care for employees who do not meet the criteria for obtaining family care leave but who have family members with disabilities requiring a certain amount of support.

Systems and Support Measures to Support Work and Family Care (Full-time Employees)

Family care systems	<ul style="list-style-type: none"> •Nursing Leave for family care •Applying for the use of long-term medical leave as nursing leave for family care •Short-time working for family care •Family care leave •Exemption from overtime work 	<ul style="list-style-type: none"> •Restrictions on overtime work •Exemption from late night work •[Employees working overseas only] Advancement of the schedule of home leave due to family care of non-accompanying relatives Emergency temporary leave due to family care of non-accompanying relatives
	<ul style="list-style-type: none"> •Mobile work scheme •Individual-based staggered working hours system 	
Support for using systems	<ul style="list-style-type: none"> •Briefings on the family care system •Consultations for pre-leave and pre-return support •Lending of PCs during family care leave 	
	Counseling/consultation services set up at the company	
Work-life management support	<ul style="list-style-type: none"> •Family care seminars •Handbook for Assisting Work alongside Family Care •Individual consultations/consultation services provided by external family care advisors 	<ul style="list-style-type: none"> •Subsidization of housekeeping service costs •Preferential use of family member monitoring service •Preferential use of elderly support program (proxy handling of procedures, monitoring visits, etc.)

Seminars to Support Family Care

We regularly hold family care seminars during lunch breaks for employees to gain information that is necessary for the preparation of or during family care. At the seminars, in addition to cultivating awareness of working alongside family care, we deal with specific topics, including choosing family care facilities, which is important for balancing work and nursing care. In the fiscal year ended March 2022, a total of around 200 employees took part in the seminars. Furthermore, we have established an environment for providing necessary information in a variety of forms, such as posting the "Handbook for Assisting Work alongside Family Care" on the company intranet.

Family Care Consultation Service

As a way of alleviating the concerns and anxiety employees might have in their individual circumstances, we have concluded a contract with an external NPO to provide opportunities for face-to-face individual consultations on family care with family care experts every month, in a meeting room of the Head Office. We have been facilitating teleconferences as well so that employees working at the offices in Japan other than the Head Office and employees overseas can make use of the consultations, and also have set up a system to allow consultations via email or telephone for urgent inquiries. We have also developed an internal consultation system that allows employees to consult directly with the Human Resources & General Affairs Division on such matters as how to use internal systems and support measures and how to realize optimum work-life management.

Embodying New Ways of Working at Mitsui & Co. Presented in the Long-term Management Vision — Work-X

In May 2020, Mitsui completed its relocation to the new Head Office building. Under the "Long-term Management Vision 2030" formulated in 2017, we defined our new Head Office building as a place where diverse individuals create new value through intellectual chemistry with numerous professionals, both at and outside the company, and create the Mitsui & Co. of the future. We have positioned the relocation to the new Head Office building as not just a simple change of address but as an opportunity to accelerate innovation that will contribute toward the realization of our vision for 2030.

Work-X continues to evolve. While taking into account measures to respond to COVID-19 and other changes in the internal and external environment, the two main themes set out in Work-X: "Agile & Evolving" and "Human Centric," remain unchanged, and we will continue to consider and implement ways to change employee awareness and behavior.

In August 2021, our Head Office received the Creative Office Award at the 34th Nikkei New Office Awards (co-sponsored by the New Office Promotion Association and Nikkei Inc., and supported by the Ministry of Economy, Trade and Industry and the Japan Chamber of Commerce and Industry), which recognizes creativity and ingenuity in office design.

Initiative measures in the Head Office

1. Group address system:

We have introduced a free address system for each organization. By designating general areas for each division/department, we have been able to introduce a free address system within each organization to allow employees to choose where to work, in line with their objectives. This enables employees to secure the fluidity needed to collaborate with other departments while ensuring the productivity of their organization, facilitating activity-based working.

Workforce Management

2. Stacking to promote business synergy:

The floor layout of each division/department allows flexible responses and changes in accordance with the management strategy. Organizations that would be expected to mutually create synergy are located immediately above, below, or next to one another.

3. Shared communication space ("Camp"):

On every office floor, we have created a shared space ("Camp") where employees come together spontaneously and hold conversations and come up with ideas. We have 4 kinds of shared space that employees can select depending on their objective: Social, Co-Work, Focus, and d.space.

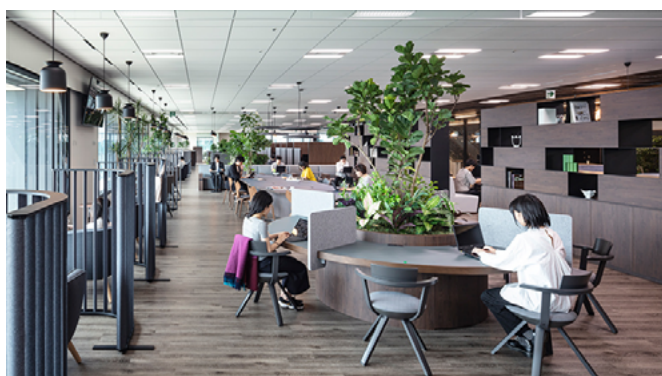
The Camp spaces include interior staircases to link floors vertically, as well as cafe counters. With such a design, we aim to provide opportunities for diverse professionals from within and outside the company to come together, generate opportunities for collaboration, and create new value.



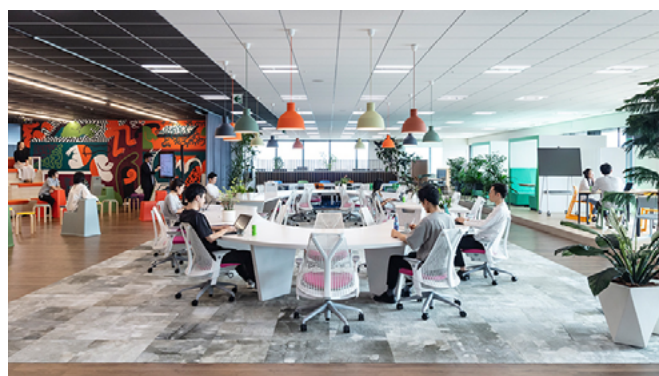
[Social] Space where knowledge, ideas, and information can be shared to jointly create new business. In this open and casual space, diverse individuals can exchange their opinions freely and openly, transcending organizational barriers.



[Co-Work] Space for holding discussions to accelerate the progress of projects. Teams of individuals that include our clients and partners gather to hold free discussions. This helps to speed up the flow of projects.



[Focus] Space designed for pondering and concentration where employees can draw from various sources of information to create new value. A space where each employee concentrate, deepen the thoughts, and develop strategy.



[d.space] Space where employees can engage in digital transformation (DX) for new business. The latest digital information and equipment are available. Here, the knowledge and experience can be gained to accelerate DX and create next-generation businesses.

4. Digital data use:

To achieve activity-based working, we are introducing cutting-edge digital devices, abolishing fixed-line phones, and distributing smartphones so that employees can carry out their work regardless of location. In addition, we have introduced a system that allows employees to share their location information in the Head Office. This information is used to promote communication and evaluate office space use data. By combining these initiatives, we aim to further accelerate our growth by maintaining the productivity of our organization and strengthening collaboration beyond its boundaries.

Promoting Internal Communication

Diversity Cafe

Along with changes in the social milieu, such as a greater diversity in people's sense of values, the rising number of dual income households where husbands and wives both hold jobs, and the aging of the population, there has been an increase in the number of employees who seek new kinds of career paths and ways to manage their work and private lives. We started hosting the Diversity Cafe in 2009 as a venue for exchanging information and promoting dialogue beyond barriers of ages and job grades. At the event, participants utilize the opportunity to share their experiences with one another on topics that interest them, to think together, and to develop new awareness.

Creating Opportunities for Communication

Toward the realization of our goal to "Transform & Grow" set out in the Medium-term Management Plan 2023, we actively provide opportunities for dialogue among employees, and also between management and employees, in order to establish an environment that enables strong individuals to engage in co-creation.

In response to environmental changes such as workstyle innovation including remote working, and our responses to COVID-19, in 2021, events were held in a hybrid format combining online and real-time, for discussions between management and employees on topics such as MVV (management philosophy) and diversity. In addition, as remote working continued for an extended period of time, we leveraged the limited opportunities to come to the office to hold a project called "Active Talk Hour," in which food and beverages were served at the MEETS/EATS cafeteria in the Head Office building for a short time before going home, with the aim of stimulating communication among employees beyond their department, age, and gender. In the fiscal year ended March 31, 2022, the program was held 43 times with a total of 5,343 participants, and will continue to be held regularly in the fiscal year ending March 31, 2023 with all possible measures in place to prevent COVID-19 infection.



"Active Talk Hour" at the MEETS/EATS cafeteria
(July 2022)

Evaluation by Society

Recognition from Society for Our Support for Work-Life Management

Kurumin certification is given to "child-raising supporting companies" on an application basis. The certification requires that the company (1) has formulated a general employers action plan under the Act on Advancement of Measures to Support Raising Next-Generation Children and (2) has achieved targets set in the plan while satisfying certain requirements. Through a series of measures to support work-life balance, we obtained Platinum Kurumin certification in 2021.

Evaluation by Society: Kurumin Certification

Performance Data

Personnel Affairs Data: Employees Taking Childcare or Family Care support (Non-consolidated)

Labor-management Relations

Policies and Basic Approach

Basic Policy

We respect the rights to collective bargaining and freedom of association of employees.

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, 2022, the number of union members stood at 4,030 (representing an 79.3% participation ratio).

Initiatives

Communication 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 2022, Mitsui engaged in multi-layered discussions with the union on a wide range of topics, including human resource management systems, salaries and bonuses, workstyle innovation, training, and occupational health and safety. We introduce those systems and measures on the basis of the labor-management agreement. In determining salaries and bonuses, we comply with the laws and regulations of each country/region where we engage in business, ensure a living wage that exceeds the minimum wage, and promote creation of a good working environment for every employee.

Regarding occupational health and safety, we have revised our targeted overtime hour limit and maximum overtime limit based on special extensions under the Labor Standards Act. In addition, in order to manage overtime work within the targeted overtime limits set by the union and management, we have been working to implement thorough working hours management by sharing data about employees' working hours with union officials.

In the fiscal year ended March 2022, in response to the union's proposal, we held discussions through the Joint Labor-Management Preparatory Committee on the trial of a flextime system, and the trial was implemented from April 2022. In addition, after expanded working team-level negotiations and other labor-management discussions, an agreement was reached on the introduction of the Expert Band, a new career path that supports the activities of diverse individuals.

Workforce Management

FY Mar/2022	<p>April: Joint Labor-Management Preparatory Committee for Flextime System Trial</p> <p>September: Collective bargaining (introduction) and expanded working team-level negotiations (introduction of Expert Band)</p>
FY Mar/2021	<p>July: Labor-management meetings concerning the Medium-term Management Plan, new MVV (Mission, Vision, Values)</p> <p>July, September, November, February: Collective bargaining (partial revision of the personnel system)</p>
FY Mar/2020	<p>May: Collective bargaining (human resource-related matters)</p> <p>September: Collective bargaining (introduction of the union's newly appointed executives), Labor-Management Discussions (appraisals)</p> <p>January: Labor-Management Discussions (new Medium-term Management Plan)</p>
FY Mar/2019	<p>April: Collective bargaining (salary negotiation for the fiscal year ended March 2019)</p> <p>June: Expanded working team-level negotiations (revisions to human resource management systems)</p> <p>December: Collective bargaining (revision of the agreement on overtime and holiday work)</p> <p>February: Expanded working team-level negotiations (the bonus formula for the fiscal year ended March 2020, and partial revisions to human resource management systems)</p>

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 the COO and general manager of each unit regarding business overviews and policies, the administration of human resource management systems, and human resource development (a total of 20 meetings were held in the fiscal year ended March 31, 2022).

FY Mar/2022	<p>April: COO of Mobility Business Unit I, COO of Mobility Business Unit II, COO of IT & Communication Business Unit, COO of Corporate Development Business Unit</p> <p>May: COO of Infrastructure Projects Business Unit</p> <p>June: COO of Iron & Steel Products Business Unit, COO of Basic Materials Business Unit, COO of Nutrition & Agriculture Business Unit, COO of Retail Business Unit, COO of Food Business Unit, COO of Energy Solutions Business Unit, COO of Energy Business Unit II</p> <p>July: COO of Wellness Business Unit, COO of Mineral & Metal Resources Business Unit, COO of Energy Business Unit I, COO of Performance Materials Business Unit, CFO</p> <p>January: COO of Mobility Business Unit I</p> <p>March: COO of Retail Business Unit, COO of IT & Communication Business Unit</p>
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Human Rights of Employees

[Human Rights Policy](#)

[Compliance and Integrity](#)

Performance Data

[Personnel Affairs Data: Participation Rate in Labor Unions \(Non-consolidated\)](#)

Health Management, Occupational Health and Safety

Policies and Basic Approach

In aiming to strengthen its competitiveness continuously and sustainably, Mitsui & Co. implements various health promotion and safety improvement measures so that every individual employee can work healthfully and safely and harness their full talent and potential.

Health Management, Occupational Health & Safety Policy

In conducting the business activities of the Mitsui & Co. group in countries and regions around the world, we will promote the development of workplace environments in which employees and officers can work to their full potential, and where each individual can work energetically, in good health, safely, in line with the Sustainability Policy and this Policy.

At the same time we will foster a culture in which every employee and all those involved with our businesses can fulfil their responsibility of creating a safe, secure and healthy working environment for themselves and each other.

Prioritizing Health Management

We will always place the well-being of our group employees and officers and all those involved with our businesses as a top priority. So that we can create a higher level of value together with every employee and all those involved with our businesses, we will promote measures based on the respective laws and regulations, as well as various initiatives to maintain and improve health.

Creating a safe, incident-free workplace

We will always place the safety of our group employees and officers and all those involved with our businesses as a top priority.,

To promote business operations that emphasize the health and safety of people in the countries and regions in which we operate, and to achieve our aim to create safe and incident-free workplaces, we will implement various accident prevention measures as well as promoting the creation of safe working environments for all our employees and all those involved with our businesses.

Our health and safety standards and protocols will aim not only to reflect local laws and regulations, but also to reflect the best practices unique to each industry, and we will provide necessary resources and training to ensure continuous improvement.

Formulated in February 2022

Yoshiaki Takemasu
Representative Director, Senior Executive Managing Officer,
Chief Human Resources Officer (CHRO)

Health Declaration

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

— 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.

Kenichi Hori
Representative Director
President and Chief Executive Officer
Mitsui & Co., Ltd.

Countermeasures against Infectious Diseases

As a company with numerous overseas offices and branches, Mitsui recognizes the importance of responding to global health issues, such as Tuberculosis, Malaria, and HIV/AIDS. In addition to taking steps to protect employees working in locations where there is a high risk of infection, Mitsui also works actively to contribute to local communities, and provide periodic programs for them. Specifically, we run an in-house program that provides influenza vaccinations, for which approximately 2,000 employees apply every year. We also provide mouthwash and antiseptic solutions in every workplace as part of our efforts to prevent the occurrence and spreading of infections. In addition, we promote awareness-raising activities to make sure that employees can obtain in-depth knowledge of preventive methods for Tuberculosis, Malaria, HIV/AIDS, and dengue fever through providing related training and seminar programs. We also maintain a framework at the company level to ensure timely action through cooperation between workplaces and public health clinics, the Security Management Department, clinics, and industrial health staff, based on risk assessments and monitoring of the occurrence of infectious diseases while obtaining information about infectious diseases from overseas medical assistance firms and public health clinics.

In collaboration with Mitsui Bussan Health Insurance Society, we subsidize the cost of vaccinating children aged 13 and under against influenza, as children in this age group are regarded as having a high infection rate and the potential to develop serious diseases.

Occupational Health and Safety in the Supply Chain

When dealing with new suppliers, we conduct a preliminary risk assessment covering various social issues such as occupational health and safety based on our Sustainable Supply Chain Policy and Procurement Policies for Specific Commodities and request that they understand these policies and implement them. For existing businesses and relevant suppliers, we conduct regular questionnaire surveys to gain an understanding of how their businesses are run with regard to occupational health and safety and other social issues such as safety in the event of a fire, use of personal protective equipment, and handling dangerous substances including chemical substances and pesticides. In addition to our initiatives to identify suppliers with occupational health and safety concerns, we carry out on-site inspections.

Supply Chain Management

Goals and Targets

Occupational Safety (Targets for FY Mar/2023)

- Zero Workplace Accidents
- Zero Fatal Accidents

Personnel Affairs Data: Occupational Health and Safety Data (Non-consolidated)

Health Performance Index and Progress toward Targets

Health Performance Index	FY Mar/2020	FY Mar/2021	FY Mar/2022
Percentage of employees undergoing health checks: 100%	99.3%	99.8%	99.9%
Medical questionnaire response rate: 100%	75.6%	88.4%	94.5%
Percentage of employees undergoing stress checks: 90% (Number of employees undergoing stress checks)	83.1% (3,956)	89.1% (4,203)	86.8% (4,024)
Smoking rate: Reduction by 0.5% compared to the previous fiscal year (Year-on-year change)	12.9% (-0.5)	10.8% (-2.1)	10.5% (-0.3)

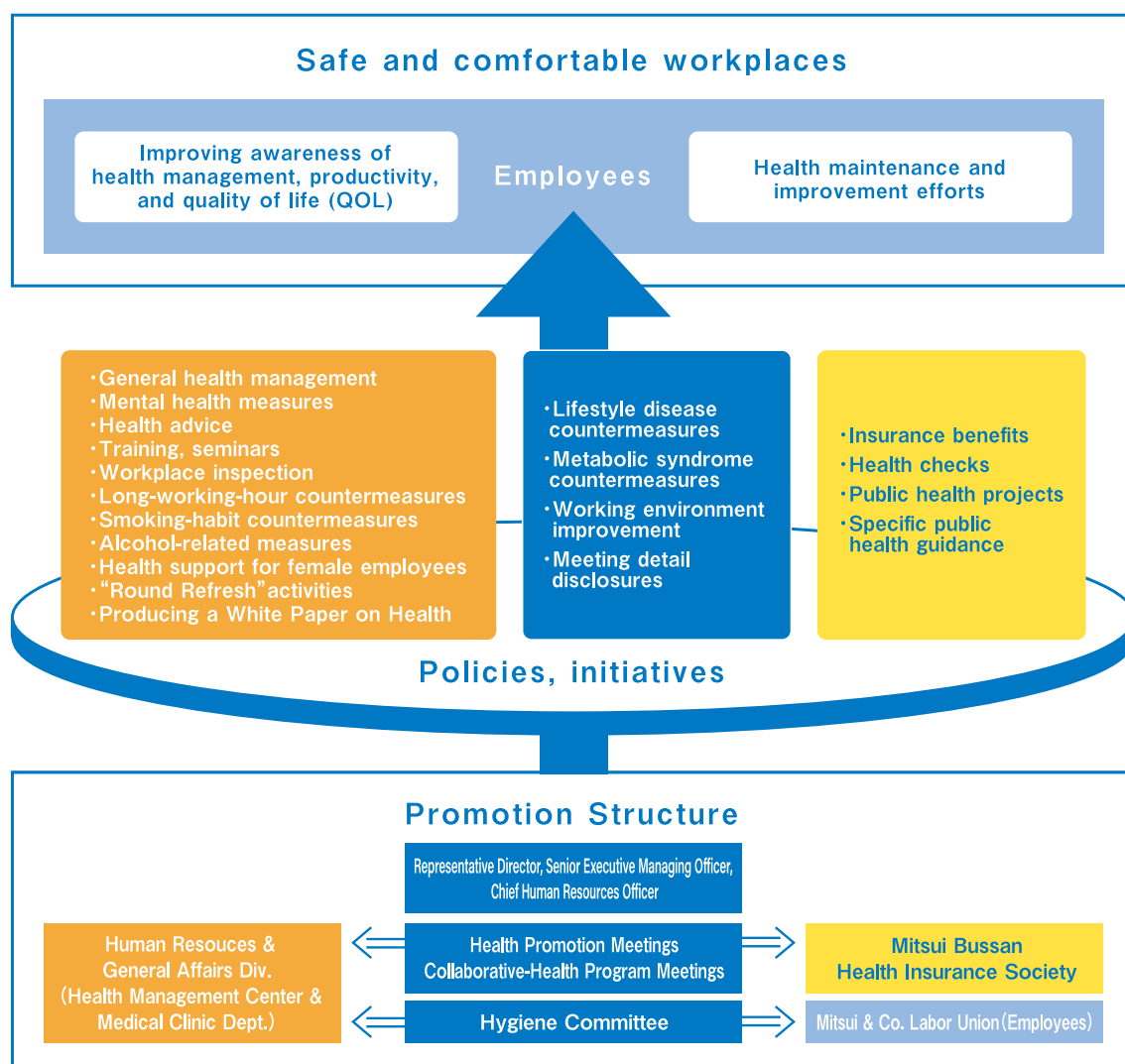
Sustainability Governance and Oversight

Framework for Promoting Employees' Health Maintenance

Under the leadership of the Representative Director, the Senior Executive Managing Officer serving as the Chief Health and Safety Supervisor, we have created the following framework for promoting employees' health maintenance, including the establishment of the Health Promotion Committee, and have been promoting health management throughout the company.

Chief Health and Safety Supervisor	Yoshiaki Takemasu (Representative Director, Senior Executive Managing Officer, Chief Human Resources Officer (CHRO))
Deliberative body	Health Promotion Committee, Hygiene Committee
Department in Charge	Human Resources & General Affairs Div.

Framework for Promoting Employees' Health Maintenance



Health Promotion Committee

In February 2017, Mitsui established the Health Promotion Committee under the basic policy of (1) promoting "Health and Productivity Management," which regards health management as a management priority, and (2) maintaining and enhancing employees' health through the implementation of "Health and Productivity Management" and improving the company's productivity. Committee meetings are held on a quarterly basis, and the minutes of each meeting are uploaded on the company's intranet for the purpose of sharing the information among all employees. As part of our "collaborative health" program, through which we aim to implement effective measures for enhancing employees' health under a partnership between the health insurance union and the company (with company representatives including the Representative Director, the Executive Managing Officer in charge, the General Manager of the Human Resources & General Affairs Division, the head of the Health Management Center & Medical Clinic Dept. of Human Resources & General Affairs Division, occupational physicians, and other healthcare professionals), Mitsui and Mitsui Bussan Health Insurance Society will work together to plan and decide on policies aimed at maintaining and enhancing employees' health, and to execute these policies.

Hygiene Committee

The Hygiene Committee headed by the Chief Health and Safety Supervisor (a position held concurrently by the Representative Director, the Senior Executive Managing Officer in charge), consists of occupational physicians, health officers, employees recommended by management, and employees recommended by the labor union. The committee holds monthly meetings and discusses ways to improve working environments, ways to develop an appropriate framework, and other related matters based on the advice provided by qualified occupational physicians and health officers. Topics discussed by the committee include the results of workplace inspections, countermeasures based on those results, regular reports on long overtime hours, as well as implementation of regular health checks and stress checks, and influenza vaccination programs. The committee reflects members' opinions in safety and health measures to ensure employees' health and workplace safety. The committee also communicates with employees by posting the minutes of the committee's monthly meetings on the intranet.

ISO45001 Occupational Health and Safety Management System Certification Status

ISO 45001 is an international standard for managing occupational health and safety risks. As of March 31, 2022, two of our subsidiaries in Japan or overseas (accounting for 3% of our subsidiaries that need environmental priority management) had acquired ISO45001 certification or were converting from OHSAS18001 to ISO45001 certification.

Occupational Health and Safety Assessment of Business Investment Projects

In our businesses, we have systems in place that give maximum consideration to the environment and society, not only at the starting stage but also during operation and at the end. Regarding environmental and social risks (including occupational safety and health related to the working environment) the Sustainability Committee discusses response policies and measures, reports them to the Corporate Management Committee and the Board of Directors, and then implements them following approval.

Initiatives

Employee Health Management

In-house Medical Clinic

We have established a clinic in our Head Office building and a medical treatment room in the Osaka Office. The clinic in the Head Office building covers a diverse range of specialist areas, including internal medicine, orthopedic surgery, ophthalmology, dermatology, and E.N.T., and is equipped to provide medical consultations for employees. It also provides medical checkups for employees who are about to travel overseas or have returned from overseas assignments, as well as inoculations. Consultant physicians are assigned to each office in Japan to provide health management for employees working in those locations.

Medical Examinations

We provide multiple regular in-house medical examination opportunities per year, and employees are able to view the results of their own examinations on the intranet. Mitsui and Mitsui Bussan Health Insurance Society are also working collaboratively toward the prevention and early detection of lifestyle diseases and other conditions, and the provision of enhanced health advisory services, through the implementation of the following measures:

- Provision of opportunities for employees aged 35 and over to undergo comprehensive health examinations at external medical institutions, and all payment of the expenses of such examinations.
- Provision of subsidies for employees aged 35 and over who undergo brain checkups, lung cancer screenings, gastroscopic examinations, and colorectal cancer screenings.
- Provision of specific health advisory services for employees aged 40 and over.
- Provision of subsidies for cervical cancer screenings for female employees aged 34 and under.
- Provision of subsidies for breast cancer (mammography and ultrasonography) and uterine cancer screenings for female employees aged 35 and over.
- Provision of opportunities for new hires to undergo a pylori infection test and medical interview at the medical checkup before employment.
- Provision of all payment of the expenses of dental checkup.

Medical Support System (Mutual Aid Association)

This system supports association members and their families in Japan and overseas by covering medical expenses that are not covered by health insurance in the event of illness or injury.

Health Advice/Health Maintenance Promotion Measures

Health Guidance

We implement the following health promotion measures to help employees avoid lifestyle diseases and metabolic syndrome.

Measures	Target Group	Guidance Provider
Designated health guidance (active support, motivational support)	People aged over 40 Current or potential metabolic syndrome sufferers	Mitsui Bussan Health Insurance Society
Individual health guidance	People aged over 34 Potential metabolic syndrome sufferers	Public health nurses from the Health Management Center & Medical Clinic Dept.
Dietary advice	People affected by obesity, lifestyle diseases, or metabolic syndrome	Registered dietitians

MITSUI HEALTH REPORT

Since FY Mar/2020, we have visualized the results of a variety of initiatives carried out to promote employee health, such as the ratio of employees receiving health examinations, the prevalence of lifestyle-related diseases, and data on smoking and alcohol consumption-related measures and stress checks. We aim to raise individual awareness of health and improve behavior. We have posted data in comparison with countrywide data, data by department, and chronological changes on the company intranet to communicate such information to Mitsui employees.

Provision of Healthy Menus in the Employee Cafeteria

At the Head Office staff cafeteria MEETS/EATS we have set up six main-dish corners, including the "SPECIAL" which offers servings in small quantities but with many items. Our concept behind this is the promotion of employee communications and support for their health.

In cooperation with our affiliated company, AIM SERVICES CO., LTD., we have also provided the Healthy Diet Coaching Program, through which employees can individually seek advice from dietitians and other professionals, along with online seminars and workshops for employees' families, to review their lifestyles and improve their health through such approaches as losing weight.



MEETS/EATS



Example of SPECIAL

Use of Outside Fitness Gyms, Exercise at Work

Employees can take advantage of Mitsui's optional welfare services and can use outside fitness gyms at corporate rates.

Furthermore, we have also introduced the "Round Refresh" program, under which trainers lead employees in stretching exercises. By standing up at their desks and performing light exercises, employees can relax their muscles, and alleviate shoulder stiffness and back pain. This not only helps to restore their concentration and creativity, but also improves the workplace atmosphere by providing a chance for communication. Employees feel mentally and physically refreshed and are able to reduce stress.

Videos on how to limber up and stretch are shown via digital signage installed on each floor, and videos are distributed via our intranet and apps for teleworkers, to promote employee physical refreshment.

* Our "Round Refresh" sessions have been temporarily suspended to prevent the spread of COVID-19.

Smoking Reduction Measures

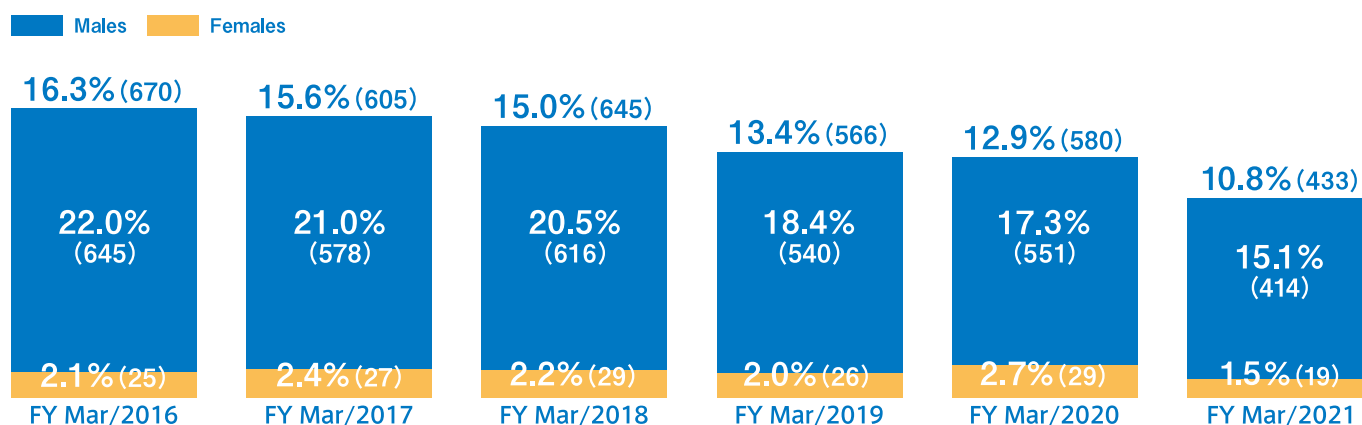
All spaces at our companies and branch office are smoke-free. There are no "smoking rooms."

We are implementing the following measures to help employees to quit smoking, with a goal of a year-on-year reduction of 0.5% in the percentage of smokers:

- Provision of a counseling room for those wishing to quit smoking
- Creation of a smoking cessation support page on the intranet
- Provision of seminars on passive smoking and smoking cessation
- Implementation of a smoking cessation program using a quit-smoking app

As part of measures to reduce cancer, lifestyle diseases, and other health problems, Mitsui, in cooperation with Mitsui Bussan Health Insurance Society, pays subsidies to employees who successfully quit smoking through smoking cessation therapies provided under the health insurance scheme.

Smoking Rates at Mitsui



Alcohol-Related Measures

We hold training for newly hired employees which includes genetic susceptibility testing for alcoholism, to prevent health risks and accidents by raising awareness of alcohol issues. Learning about one's own physical traits has led to a decrease in the volume and frequency of drinking, helping to improve the physical condition and performance of employees.

Moreover, the head of Mitsui's medical clinic has given seminars to managers and provided an opportunity for them to receive optional genetic susceptibility testing for alcoholism. We have set up a new "Alcohol and Health" site on our intranet to spread information to all employees about the importance of responsible drinking.



Health Support for Female Employees

To provide support for female employees, we established a consultation desk to offer advice on women's health and maternal health through individual consultations with female physicians. Useful health-related information is provided via the intranet, together with notices on the availability of various types of health advice.

We also hold online seminars to disseminate correct information about women's physical and mental health issues, as well as ways to address them.

We also provide cervical cancer screening for female employees under the age of 34. For female employees aged 35 or over, we offer breast cancer screening (mammography + ultrasound) and financial assistance for uterine cancer screening.

Health Management for Employees Working Overseas

Approximately 1,200 of our staff are stationed overseas, accompanied by around 1,400 family members. We regard health management for not only employees working overseas but also their families as an important priority, and we have established systems to ensure that advice is available at any time if employees or family members suffer physical or mental illness. Specifically, in cooperation with local personnel, occupational physicians at the Head Office provide support for employees assigned overseas via email, telephone, and interviews using a videophone system.

Vaccinations and health checkups are provided for employees assigned overseas and their families. They also receive overseas health management training covering physical and mental health and other aspects, as well as information about how to obtain medical information and access support systems while overseas. We also provide health management support for employees working overseas and their families in partnership with emergency medical service contractors.

Health Management, Occupational Health and Safety

In the fiscal year ended March 2022, we conducted a health check questionnaire for all overseas employees and conducted a web interview with an occupational physician for those who wished.

Mental Health

Under Mitsui's Mental Health Promotion Plan, employees are able to obtain advice easily and at any time via a dedicated consultation service. Through consultations with occupational physicians and health nurses, employees can receive the support that meets their individual needs. Employees also have access to counseling by specialists at the company clinic. In addition, we have established external advice lines through which not only employees, but also their family members can seek advice anonymously via telephone or email, or arrange consultations.

Even when an employee takes a temporary absence from work, occupational physicians and health nurses continue to provide highly attentive care and work through a process that includes multiple interviews, to ensure that employees can feel confident about returning to work. After their return to work, they receive follow-up care, including health monitoring and measures to prevent recurrences, based on collaboration among occupational physicians, health nurses, company doctors, and other personnel.

Every year, Mitsui also implements stress checks with the following aims: measuring the level of employees' stress in order to raise employees' awareness of their own stress levels, and preventing mental health problems (primary prevention). We provide employees suffering from high stress with opportunities to have interviews with occupational physicians, and give feedback pertaining to the group analysis results to the workplace, for the purpose of improving the working environment.

Training and Seminars on Health and Safety

In addition to mental health training and labor management training for line managers, training for health and safety management overseas, and health management training for new-graduate employees, we also hold other health and safety seminars as part of our efforts to build an organization with a high level of health literacy.

Healthy Working Environment

We have implemented the measures detailed below at the new Head Office building to develop a safe working environment for employees.

Safe Working Environment Initiatives	Description of Initiative
Ergonomic workplace	<p>We have introduced a group address system and free address system, in order to improve productivity through agile teaming in line with work and project needs, and to realize a pleasant office environment.</p> <p>Twice a month, occupational physicians, health nurses, and other medical personnel visit each workplace to examine whether a safe working environment for employees is being maintained, and to identify and respond to safety and health problems in order to ensure a healthy work environment.</p>
Illumination	<p>We have introduced luminance sensors and motion detectors to control illumination levels and lighting equipment in an appropriate and efficient way. In addition, by using circadian lighting, which takes biological rhythms into account, we have improved both energy savings and comfort.</p>

Safe Working Environment Initiatives	Description of Initiative
Noise	<p>By using double structure airflow windows for the building, we have reduced noise and improved the effectiveness of insulation. Walls in meeting rooms have been fitted with soundproof structures that prevent sound from being audible outside the rooms. On the office floors, we have introduced sound masking equipment to reduce discomfort caused by surrounding noise.</p>
Indoor air quality	<p>Effective air conditioning is provided by a system with outside air intakes. This lowers the CO₂ level while reducing the air-conditioning load. The environment within the building is monitored every other month.</p> <p>Moreover, the air in the air conditioning system in the conference rooms around the studio / camp / core areas on the office floor is completely ventilated twice an hour. The ventilation rate for the air conditioning system serving the conference rooms on the east side of the office floor is four changes an hour.</p> <p>The ventilation rate for the air conditioning system serving the conference rooms on floors 8 and 9 is four changes an hour.</p>
Humidity/ Temperature	<p>We maintain internal humidity at an appropriate and comfortable level above 40%, even during winter when the air tends to be drier, by introducing water vapor through the use of variable air volume (VAV) control/a district cooling and heating system.</p> <p>We have introduced a radiant air-conditioning system at the company medical clinic in order to increase comfort and sound control, while preventing airborne infections by suppressing the occurrence of viruses and dust in the air.</p> <p>On the office floors, we have introduced a user-input-based air-conditioning system linked to the building's internal location positioning system, enabling fine-tuned temperature control.</p> <p>We maintain a comfortable working environment by setting the air conditioning at 26°C in summer and 24-25°C in other seasons. A relaxed dress code has allowed a comfortable workplace environment to be maintained throughout the year, while also reducing the air-conditioning load.</p>
Free drinks and food	<p>As part of measures aimed at promoting communication, in shared spaces (camp areas), there is a cafe counter that serves coffee, soft drinks, tea, water, tea drinks, nuts, and other snacks. Employees can use these freely at any time.</p>
Shower booths	<p>We have a corporate contract for a shower booth with the Raffine Running Style Otemachi One store on the B1 floor of the Head Office, which employees can use when returning to Japan from a business trip.</p>
Relaxation Room	<p>Employees can receive massage and massage with acupressure once a month (for 40 minutes).</p>
Prayer rooms	<p>We have separate prayer rooms for men and women that can be used regardless of religion.</p>
Aroma for relaxation	<p>We have developed an original aroma from hinoki cypress scraps produced from our company-owned forests. We release this aroma at our reception room on the 8th floor and in the lounge on the 9th floor, to create a relaxing space.</p> <p>In addition, from 2022, we have begun introducing aromas on a trial basis in the common spaces (camps) on the office floors to promote communication and concentration.</p>

Working Hours Management

Based on the Industrial Safety and Health Act, we urge employees who have worked overtime in excess of certain standards to consult with our occupational physicians, and suggest to them measures for reducing excessive working hours and preventing health problems.

From the perspective of consolidated management, we have been preparing standards for labor management at our affiliated companies to suit the business models of the respective companies. Under these circumstances, we have implemented the following measures at our affiliated companies in Japan with the aims of promoting the understanding of laws applicable across all Japanese companies, and ways of responding accordingly, as well as developing appropriate labor management systems by sharing approaches and know-how in relation to working hours:

- We hold regular meetings with the aim of exchanging information and strengthening relationships between the personnel staff at our affiliated companies. At these meetings, we share Mitsui's policies in relation to workstyle innovations, and give updates on the details of any legal amendments.
- We have created a checklist of 56 items related to labor management in general, including the management of working hours. We make use of the checklist when developing labor management systems at affiliated companies as part of governance by the supervisory divisions, as necessary.

Regarding overseas branches, working hours are properly managed so as to comply with related laws and regulations in each country.

[Personnel Affairs Data: Paid Leave Days Taken and Usage Ratio \(Non-consolidated\)](#)

[Workforce Management: Encouragement of Workstyle Innovation](#)

[Personnel Affairs Data: Annual Average Actual Working Hours \(Non-consolidated\)](#)

[Personnel Affairs Data: Monthly Average Overtime Working Hours \(Non-consolidated\)](#)

Occupational Safety

Mitsui takes various measures to protect its employees (including contract employees) from workplace accidents, including periodic inspections by occupational physicians, in order to ensure their safety and security. We have established mechanisms to make sure accidents are promptly reported to the Human Resources & General Affairs Division. When accidents occur at Mitsui or its affiliated companies, reports are immediately submitted in accordance with our compliance-related procedures and a structure is set up to take the appropriate actions, and, at the same time, we strive to prevent recurrences.

[Business Continuity Management \(BCM/BCP\)](#)

Security Management

Mitsui promotes various kinds of business through its 129 points of global operations (as of April 1, 2022).

Ensuring the security of employees and their families is one of our most important tasks for the company. In cooperation with relevant divisions, offices, and security companies in Japan and overseas, Mitsui obtains and analyzes the latest information on the political situation, security situation, and so on, and shares such information with related staff in order for the employees to be able to raise their safety awareness. Mitsui has also prepared systems to handle situations such as accidents, injuries, and diseases, in cooperation with emergency health care service companies.

When employees are to be assigned overseas, we provide training on expatriate safety to them and their spouses.

Evaluation by Society

Certified Health & Productivity Management Organization Recognition Program "White 500"

The Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi jointly implement the health and productivity management organization program "White 500". Mitsui has been recognized as one of the Health & Productivity Management Outstanding Organizations under the White 500 initiative for six consecutive years.

Performance Data

Personnel Affairs Data: Occupational Health and Safety Data (Non-consolidated)

Employee Health Management

Examinations at the Head Office Medical Clinic

(Unit: persons)

	FY Mar/2018	FY Mar/2019	FY Mar/2020	FY Mar/2021	FY Mar/2022
Examinations (total number of people examined)	18,808	14,541	12,567	4,895	4,024

* Due to the effects of COVID-19, restricted clinic visits in FY Mar/2021 to prevent the spread of infection resulted in a significant decrease in the number of examinees.

Results of Training Activities in FY Mar/2022

Training Program	Number of sessions per year	Participants
Training before overseas assignments: Overseas risk management (overseas health and safety management) for general employees	12	263
Training before overseas assignments: Overseas risk management (overseas health and safety management) for overseas trainees	1	22
Training for new Business Staff M2 Band/line managers: Mental health for line managers, labor management for line managers	Year round	101
Introductory training for new employees: Health management as a working professional	2	110
M/M Leader (employees in charge of supporting new employees) Training (Online training/prior viewing; "Alcohol-Related Risk Training")	2	180
Mental health, line care enhancement program	1	29
Health seminars / Healthy lifestyles through increased immunity	1	Approx. 150
Health seminars / Women's Health Week - Dietary techniques for health and beauty	1	Approx. 120
Health seminars / Avoiding COVID-19 – Life with COVID-19 and what we can do now to stop the spread of infection	1	Approx. 130
Health seminars / Part 1 : The importance of sleep; Part 2 : Pancreatic cancer	1	Approx. 80

In addition to the above seminars and programs, we aim to raise awareness for health among employees through lectures by occupational physicians and health nurses at the Hygiene Committee and by regularly uploading "Messages from Occupational Physicians" and "Health Nurse Column" on the intranet to enable all employees to obtain health information.

Personnel Affairs Data

Concerning the data marked with ★ (FY Mar/2022 and 2022), an independent practitioner's assurance report prepared in accordance with the ISAE 3000 international standard was given by Deloitte Tohmatsu Sustainability Co., Ltd. Please refer to the independent practitioner's assurance report at the link below for details.

[Independent Practitioner's Assurance Report](#)

Data Concerning Employees (As of March 31 of each year) ★

	Consolidated			Non-consolidated								
	Total employees (persons)			Total employees (persons)			Average age of employees (years old)			Average number of years of service (years)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
2018	—	—	42,304	4,217	1,642	5,859	42.7	40.6	42.1	18.9	17.5	18.5
2019	—	—	43,993	4,141	1,631	5,772	42.7	40.7	42.2	18.9	17.6	18.5
2020	—	—	45,624	4,050	1,626	5,676	42.7	40.5	42.1	18.8	17.2	18.3
2021	29,764	14,745	44,509	3,995	1,592	5,587	42.8	40.3	42.1	18.8	16.8	18.2
2022	29,257	15,079	44,336*	3,894	1,600	5,494	42.9	40.2	42.1	18.8	16.5	18.1

Employees hired directly by Mitsui & Co. and by consolidated companies, without a fixed contract period.

* Percentage of female employees in the global workforce: 34.0% (as of March 31, 2022)

Number of Employees by Operating Segments (As of March 31, 2022)

(Unit: persons)

	Consolidated	Non-consolidated	
	Number of Employees	Number of Employees	Temporary employees *
Mineral & Metal Resources	273	620	49
Energy	448	992	115
Machinery & Infrastructure	790	16,279	1,085
Chemicals	756	6,745	516
Iron & Steel Products	261	1,254	176
Lifestyle	840	8,586	5,610
Innovation & Corporate Development	474	6,599	972
Others	1,652	3,261	346
Total	5,494	44,336	8,869

*The figures in the temporary employees of Non-consolidated column indicate the annual average number.

Number of Employees by Region (As of March 31, 2022) ★

(Unit: persons)

	Staff hired in Japan	Regionally hired staff
Japan	4,360	—
Americas	317	526
Europe, the Middle East and Africa	221	529
Asia Pacific	492	1,480
Others (Trainees, interns, etc.)	104	—
Total	5,494	2,535

Personnel Affairs Data

Number of Hires by Gender (Non-consolidated) ★

(Unit: persons)

	New graduates			Mid-career			Total	Ratio of regular employees hired mid-career
	Male	Female	Total	Male	Female	Total		
FY Mar/2018	103	80	183	38	4	42	225	19%
FY Mar/2019	104	56	160	22	4	26	186	14%
FY Mar/2020	96	80	176	38	4	42	218	19%
FY Mar/2021	89	46	135	34	8	42	177	24%
FY Mar/2022	71	57	128	43	20	63	191	33%
FY Mar/2023* ¹	64	44	108* ²	—	—	—	—	—

* 1 Figures as of April 1, 2022

* 2 Includes three male and four female employees scheduled to join.

* 3 From FY Mar/2022, includes re-employees based on the re-employment system for employees who had to resign due to the transfer of their spouse.

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

	Total hours of training per year	Average hours of training per employee per year	Average days of training per employee per year	Average training expenditure per employee per year
FY Mar/2022	146,000 hours	27.9 hours	3.7 days	JPY 360,000

Training programs organized by the Human Resources & General Affairs Division, excluding Global Training Programs

Average Hours of Training by Gender per Year (Non-consolidated)

		Male	Female
FY Mar/2022	Business staff	28 hours	28 hours
	Administrative staff	21 hours	21 hours

Average Personnel Turnover & Voluntary Turnover Rate of Full Time Employees (Non-consolidated)

	Average personnel turnover rate			Voluntary turnover rate		
	Male	Female	All	Male	Female	All
FY Mar/2020	4.86 %	6.12 %	5.23 %	1.48 %	2.31 %	1.72 %
FY Mar/2021	4.29 %	4.61 %	4.38 %	1.10 %	1.56 %	1.23 %
FY Mar/2022	5.76 %	3.50 %	5.11 %	1.79 %	1.45 %	1.69 %

Performance Data Related to Diversity

Proportion of Female Managers (Non-consolidated) (As of March 31, 2022, but as of July 1 of each year until 2021) ★

(Unit: persons)

	Full time employees *1			Business staff *1			Managers			Administrative staff
	Total	Female	Ratio of female employees	Total	Female	Ratio of female business staff	Total	Female	Ratio of female managers	Total
2018	5,880	1,662	28.3 %	4,727	509	10.8 %	3,551	221	6.2 %	1,153
2019	5,793	1,667	28.8 %	4,648	523	11.3 %	3,483	240	6.9 %	1,145
2020	5,676	1,629	28.7 %	4,586	540	11.8 %	3,431	253	7.4 %	1,090
2021	5,594	1,627	29.1 %	4,546	580	12.8 %	3,405	275	8.1 %	1,048
2022	5,494	1,600	29.1 %	4,461	568	12.7 %	3,333	267*2	8.0 %	1,033

* 1 Full time employees include business staff and administrative staff. Business staff includes managers.

* 2 Includes 6 female general managers.

* 3 From 2022, the record date was changed to Mar 31. Until 2021, July 1 was the record date.

As of July 1, 2022, the percentage of female managers is 8.5 % (reference value).

Personnel Affairs Data

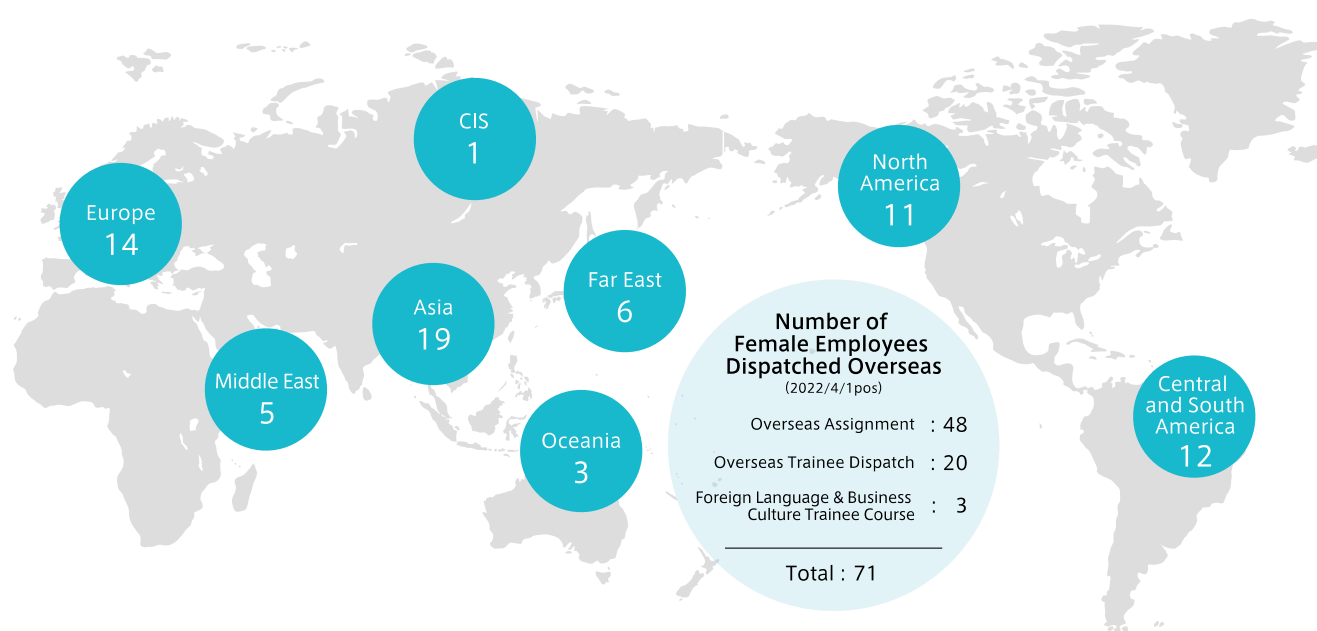
Proportion of Female and Foreign Corporate Officers (Non-consolidated) (As of July 1 of each year) ★

(Unit: persons)

	Directors					Corporate Auditors		
	Total	Female	Ratio of female directors	Foreign	Ratio of foreign directors	Total	Female	Female ratio
2018	14	2	14.3%	2	14.3%	5	1	20.0%
2019	14	2	14.3%	2	14.3%	5	1	20.0%
2020	14	3	21.4%	2	14.3%	5	1	20.0%
2021	14	3	21.4%	2	14.3%	5	1	20.0%
2022	14	3	21.4%	2	14.3%	5	1	20.0%

Actual Status of Promoting Career Advancement for Female Employees (Non-consolidated)

Number of Female Employees Dispatched Overseas (As of April 1, 2022)



Personnel Affairs Data

Region name	Number of people	Cities/area
North America	11	New York, Houston, Chicago, Irving, Vancouver
Central and South America	12	Monterrey, Mexico City, Bogotá, Lima, Santiago, Sao Paulo, Rio de Janeiro, Buenos Aires
Europe	14	London, Oslo, Dublin, Dusseldorf, Hamburg, Vlissingen, Brussels, Milan, Tel Aviv
Middle East	5	Dubai
Asia	19	Singapore, Jakarta, Bangkok, Manila, Hanoi
Oceania	3	Sydney, Perth
Far East	6	Seoul, Beijing, Shanghai, Taipei
CIS	1	Moscow

Employees Taking Childcare or Family Care Support (Non-consolidated) ★

Child Care ★

(Unit: persons)

		Childcare leave	Nursing leave for childcare	Short-time working for childcare	Staggered working hours for childcare*	Childbirth attendance leave
FY Mar/2018	Male	23	97	0	0	90
	Female	64	182	150	0	—
	Total	87	279	150	0	90
FY Mar/2019	Male	29	120	0	NA	85
	Female	45	186	127	NA	—
	Total	74	306	127	NA	85
FY Mar/2020	Male	28	113	0	NA	79
	Female	56	197	127	NA	—
	Total	84	310	127	NA	79

Personnel Affairs Data

		Childcare leave	Nursing leave for childcare	Short-time working for childcare	Staggered working hours for childcare*	Childbirth attendance leave
FY Mar/2021	Male	37	81	0	NA	59
	Female	63	161	109	NA	—
	Total	100	242	109	NA	59
FY Mar/2022	Male	71	80	0	NA	59
	Female	75	164	93	NA	—
	Total	146	244	93	NA	59

* From June 2017, staggered working hours systems for childcare and family care were incorporated into the new individual-based staggered working hours scheme.

Return Rate and Retention Rate After Childcare Leave ★

		Male	Female
FY Mar/2022	Return rate after childcare leave* ¹	100%	96.3%
	Retention rate after childcare leave* ²	100%	93.9%

* 1 Percentage of employees who returned to work as compared to the number of employees who reached the end of childcare leave in FY Mar/2022.

* 2 Percentage of employees who are enrolled as of April 1, 2021, out of those returned to work during FY Mar/2021.

Family Care ★

(Unit: persons)

		Family care leave	Nursing leave for family care	Short-time working for family care	Staggered working hours for family care*
FY Mar/2018	Male	0	36	0	0
	Female	0	60	0	0
	Total	0	96	0	0
FY Mar/2019	Male	2	44	0	NA
	Female	2	66	2	NA
	Total	4	110	2	NA

Personnel Affairs Data

		Family care leave	Nursing leave for family care	Short-time working for family care	Staggered working hours for family care*
FY Mar/2020	Male	1	47	0	NA
	Female	1	85	2	NA
	Total	2	132	2	NA
FY Mar/2021	Male	0	39	0	NA
	Female	0	65	2	NA
	Total	0	104	2	NA
FY Mar/2022	Male	0	33	0	NA
	Female	1	64	2	NA
	Total	1	97	2	NA

* From June 2017, staggered working hours systems for childcare and family care were incorporated into the new individual-based staggered working hours scheme.

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

(Unit: persons)

Year of resignation/ registration		FY Mar/2018	FY Mar/2019	FY Mar/2020	FY Mar/2021	FY Mar/2022
Number of registered ex-employees	Business staff	8	4	3	1	2
	Administrative staff	6	11	10	10	1
	Total	14	15	13	11	3

Results of the Mitsui Engagement Survey (FY Mar/2019-FY Mar/2022)

	Mitsui Engagement Survey		
	1 st (FY Mar/2019) * ²	2 nd (FY Mar/2021) * ³	3 rd (FY Mar/2022) * ³
Employee engagement * ¹	59%	70%	71%

* 1 Ratio of positive responses to multiple questions regarding employees' loyalty and desire to contribute to the company and self-motivation to work hard.

* 2 Covered Mitsui employees in Japan and overseas offices (including regionally hired staff).

* 3 In addition to Mitsui & Co. and overseas offices, global group employees in domestic and overseas affiliates who wish to participate in the Company's surveys also took part (The Above results only for Mitsui & Co. and overseas offices are consolidated).

Annual Average Actual Working Hours (Non-consolidated) ★

(Unit: hours / year)

	FY Mar/2018	FY Mar/2019	FY Mar/2020	FY Mar/2021	FY Mar/2022
Annual average actual working hours	1,920.72	1,957.72	1,939.84	2,110.01	2,066.86

Employees at the Tokyo Head Office and branches in Japan (including non-managerial contract employees).

Monthly Average Overtime Working Hours (Non-consolidated) ★

(Unit: hours / month)

	FY Mar/2018	FY Mar/2019	FY Mar/2020	FY Mar/2021	FY Mar/2022
Monthly average overtime working hours	18.9	19.0	19.1	25.0	26.7

- Non-managerial employees at the Tokyo Head Office and branches in Japan (excluding contract employees).
- Calculated on the basis of prescribed working hours

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

	FY Mar/2018	FY Mar/2019	FY Mar/2020	FY Mar/2021	FY Mar/2022
Average annual paid leave taken (days)	13.9	14.4	14.0	11.5	12.5
Average annual paid leave usage ratio (%)	72.3	74.9	73.1	60.0	64.9

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

Occupational Health and Safety Data (Non-consolidated) ★

	Target	FY Mar/2020		FY Mar/2021		FY Mar/2022	
		Employees	Contractors	Employees	Contractors	Employees	Contractors
Number of lost time injuries	0	0	0	0	0	0	0
Number of fatalities	0	0	0	0	0	0	0
Lost time injury frequency rate	0	0	0	0	0	0	0
Lost time injury severity rate	0	0	0	0	0	0	0
Occupational illness frequency rate	0	0	0	0	0	0	0

Employees: Employees at the Tokyo Head Office and branches in Japan, contractors: contract employees.
 Calculated based on Japanese Ministry of Health, Labour and Welfare standards.

Industry Averages for Wholesalers and Retailers with 100 Employees or More (for Comparison)

	FY Mar/2020	FY Mar/2021	FY Mar/2022
Lost time injury frequency rate	2.09	2.27	2.31
Lost time injury severity rate	0.04	0.11	0.05

(Reference) Japanese Ministry of Health, Labour and Welfare's Survey on Industrial Accidents in 2021.

Average Annual Salary of Employees (Non-consolidated)

(Unit: yen)

	Average annual salary
FY Mar/2022	15,490,732

Covers full time employees.

Participation Rate in Labor Unions (Non-consolidated) (As of March 31)

	Participation rate
2022	79.3%

FY Mar/2022 refers to the fiscal year ended March 31, 2022 (April 1, 2021 - March 31, 2022).
Other fiscal years are represented in the same manner.

Responsibilities to Customers

Policies and Basic Approach

Mitsui & Co. has identified "Secure sustainable supply of essential products" as one aspect of our materialities. We handle a wide range of products such as resources, materials, foods, pharmaceuticals, and products that are vital for the development of society. We recognize that some of the foods, pharmaceuticals, and other products that we handle carry the risk of harming our customers' lives. For this reason, we have established our own management standards. We make sure that the safety standards set by each country for foods, pharmaceuticals, and other products we handle are maintained, as ensuring customer safety is essential. As part of our work in this area, we have established our Consumer Product Handling Policy and our Consumer Product Handling Regulations. Not only do we seek the manufacture, importation and sale of high-performance and/or low-cost products; we also carefully consider the consumer's position. We trade in products that consumers can safely use, and we strive to prevent harm or injury to consumers.

[The Consumer Product Handling Policy \(PDF 87 KB\)](#)

Food and Food Product Business Issues, Response Measures and Basic Approach

By securing and supplying food and food products, we contribute to the realization of livelihoods that guarantee diversity, convenience, nutritional support, economy, and affluence. In our distribution business, we are expanding not only in the supply and distribution of raw materials for processed foods but also in the retail and merchandising sectors in Japan and overseas. We are working to make our quality assurance system more visible and set up a quality assurance governance system on a group basis that will include our affiliated companies, to serve as a basis for various initiatives.

Key issues	Initiatives
Ensuring food safety	Ensuring the safety of processed and imported foods
Ensuring consumer confidence	Providing accurate information about food safety, nutritional components, and food allergies, to protect consumer health Providing information on preventing underage and pregnant women from drinking alcohol

Access to Highly Nutritious Foods

By 2050, the global population is projected to reach 10 billion. Ensuring that people get the nutrition needed to live a healthy life and ensuring the quality of their food are major challenges facing the world. At Mitsui & Co. we are contributing to the sustainable supply of food by building an optimal supply chain from upstream to downstream, involving procurement, production, and logistics. We are promoting the creation of societies in which people can live affluently by improving nutrition through the reliable supply of food and providing products and services with high added nutritional value.

Aiming to Provide Higher Value Healthcare Services

We recognize that it is important to create a better tomorrow where people smile and live healthy, enriched lives. Medical expenditure is growing globally, alongside population growth in emerging countries, population aging in developed countries, and changes in disease patterns such as an increase in chronic disease patients accompanying economic development. With the increase in the number of people in middle-income-level groups and the spread of the COVID-19, health consciousness is increasing. There are growing calls for burgeoning medical expenditure to be brought under control and for digital technology to be used to a greater extent. We recognize trends toward achieving improvement of access to healthcare and the quality and efficiency of healthcare in each country and region, introducing more telemedicine services, changing healthcare through the use of digital technology such as healthcare data and AI, and further accelerating the shift to a focus on outcomes for optimizing medical expenditure and the expansion of services in the wellness field including non-illness and prevention. In accordance with such global trends, we will lead and accelerate the paradigm shift in healthcare from a treatment-based and hospital-centered to a prevention-based and individual-centered approach, and expand high-quality and efficient "Value Based Healthcare *".

* In value-based healthcare, each stakeholder aims to achieve the best outcomes and optimize costs to provide high-value medical care to patients.

Responsible Advertising, Responsible Marketing

We are committed to carry out fair and responsible marketing and advertising, in full awareness of our social responsibilities, and in accordance with our Mission, Vision, Values, the Mitsui & Co. Group Conduct Guidelines –With Integrity, and the Business Conduct Guidelines for Employees and Officers. In addition, we always strive to listen to our stakeholders, to accept their views with humility, and to reflect them in an appropriate way in our business activities.

Advertising

As for advertising and promotions, in consideration of the views of our various stakeholders, we make our best efforts to ensure accuracy and modesty without causing misunderstanding or discomfort, not to mention observing laws and regulations on relevant matters such as the Copyright Act and Trademark Act. When carrying out advertising and promotions, we implement proper risk management under our ringi (circular executive approval) deliberation system on advertising and marketing, which covers compliance risks, internal control risks, and reputation risks.

Responsibilities to Customers

Marketing

In marketing, we comply with the relevant laws and in-house regulations and in-house training, and we carry out responsible marketing activities using content and expressions that do not infringe on the trust or sense of honor of others and do not cause misunderstandings or discomfort.

Goals and Targets

- Improve access to nutrition through the stable supply of food.
- Increase the ratio of certified materials we acquire and carrying out employee training programs to ensure the sustainable supply of safe and secure products.

Sustainability Governance and Oversight

Sustainability Committee

The Sustainability Committee works under the Corporate Management Committee to plan, formulate and provide recommendations on basic management policies, business activities, and corporate policies and strategies related to our responsibilities to customers.

The Sustainability Committee is structured so that its activities are appropriately supervised by the Board of Directors, and matters discussed by the Sustainability Committee are regularly discussed and reported to the Corporate Management Committee and the Board of Directors.

Officer in Charge	Makoto Sato (Representative Director, Executive Managing Officer, Chief Strategy Officer (CSO), Chairperson of the Sustainability Committee)
Administrative Office	Corporate Sustainability Div., Corporate Planning & Strategy Div.

Please refer to the links below for more information on Mitsui's Sustainability Management Framework and the activities of the Sustainability Committee.

[Our Approach to Sustainability: Sustainability Governance and Oversight](#)

[Our Approach to Sustainability: Sustainability Committee](#)

ESG Risk Management

For projects in which we invest that are considered to be highly relevant to our responsibility to our customers (food, pharmaceuticals, etc.), we carry out ESG risk assessments, formulate improvement plans when necessary, and conduct risk management.

ESG Risk Management

Quality Control Management Systems to Ensure Food Safety and Security

Our modern eating habits include cooking at home and the use of processed and prepared foods from around the world. Moreover, the routes and circumstances by which food reaches us have become more international and diverse. This requires us to ensure the safety and security of food both in Japan and overseas. In our Retail Business Unit, to further enhance our system to ensure food safety and security by preserving the quality of goods and services sold or provided on a group basis, we have affiliated companies appoint a quality assurance manager and set up a quality assurance governance system on a group basis, seeking to strengthen cooperation within the Mitsui Group.

In our Food Business Unit and Retail Business Unit, we have set up a centralized contact point for information sharing and crisis management in the event of an emergency. In 2002 the Units set up the Food Safety Management Committee in 2002 with the objective of firstly, studying food safety-related laws and regulations and how related industries have responded; and secondly, formulating codes of conduct. The Committee is chaired by the General Manager of the General Affairs Office of our Food Business Unit and Retail Business Unit and has one Food Safety Management Committee member from the Food Business Unit and one from the Retail Business Unit. In principle, Committee meetings are held monthly. The members share information about amendments to laws and any violations that have occurred. The Committee analyses the causes of violations and considers measures to prevent them from recurring. External experts are invited to attend Committee meetings and give advice relating to food safety. The Units has also set up a food safety database to enhance the level of self-management, and all imported foods are managed. The database is reviewed annually.

In the fiscal year ended March 31, 2022, there were two violations related to pesticide residues, but no serious violations of the Food Sanitation Act.

Group Companies that Have Gained Product Safety Management Standards

HACCP	Feed One, Super Discover Investment, The Kumphawapi Sugar, Kaset Phol Sugar, MITSUI FOODS
ISO22000	Feed One, Super Discover Investment, The Kumphawapi Sugar, Kaset Phol Sugar, GOYO Foods Industry Co., Ltd.
FSSC22000	Mitsui Norin, GOYO Foods Industry Co., Ltd., PRI Foods, Feed One, KADOYA SESAME MILLS, ADEKA FOODS, The Kumphawapi Sugar, Kaset Phol Sugar

Education and Training Programs to Ensure Food Safety and Security

Mitsui conducts risk management for food safety and security, promoting compliance with laws and regulations and encouraging proper labeling through its monthly Food Safety Seminar for employees of Mitsui and our affiliated companies. The seminar was launched in October 2002 and has been held a total of 220 times as of March 2022. The table below summarizes the content of the seminars that were held during the financial period ending March 31, 2022, and the number of attendees to each. A total of 698 employees from our company and our affiliated companies attended the seminars over this period.

Food Safety Seminar (FY Mar/2022)

Month held		Theme	Number of Attendees
2021	April	"Domestic and international trends in food safety — 1 "	58
	May	"Domestic and international trends in food safety — 2 "	58
	June	"Food habits and hazardous substances — considering chemical substances in familiar foods"	58
	July	"Food habits and hazardous substances — considering chemical substances in familiar foods — 2 "	41
	September	"Food labeling violations and examples of leaks to governments"	81
	October	"Explanation of difficult-to-understand food labelling — 1 : Food coloring and expiration date labeling" & "Food habits and hazardous substances — considering chemical substances in familiar foods — 3 "	58
	November	"Explanation of difficult-to-understand food labelling — 2 : Preservatives" & "Food habits and hazardous substances — considering chemical substances in familiar foods — 4 "	60
	December	"Considering labeling from the standpoint of market trends of food labeling violations — food labeling rights and obligations you may have forgotten"	67
2022	January	"Looking back on food violations last year — Understanding food labeling and issues based on questions received in December 2021 "	79
	February	"Food habits and hazardous substances — 5 " & "Explanation to questions about labeling raw materials' places of origin"	72
	March	"Food habits and hazardous substances — 6 " & "Q&A session"	66

Quality Control Systems to Ensure the Safety and Security of Active Pharmaceutical Ingredients (APIs) and Pharmaceutical Intermediates

We export and import APIs and pharmaceutical intermediates. We are also an importing agency and a domestic distributor. As such, we have prepared procedure manuals for API and intermediate export, import agency, and domestic distribution, to handle each step — from order receipt to delivery to the customer — safely, reliably, and promptly. In addition, we have established business guidelines and business procedure manuals, to ensure the proper management of APIs. We carry out regular self-inspections once a year to ensure that our business is carried out according to the procedure manuals, and we thoroughly comply with a range of commercial laws. Recently, in April 2020, a pre-license inspection of pharmaceutical manufacturing and drug sales businesses was conducted, but there were no serious points to be flagged, and a business permit was issued.

Education and Training Programs to Ensure the Safety and Security of APIs and Intermediates

At Mitsui, we have appointed a person to be in charge of education and training. We regularly give in-house training on important topics to staff involved in API or pharmaceutical intermediate work. These include the Pharmaceutical Affairs Law and related laws, the operation of Good Supplying Practice (GSP), information about the APIs handled, business guidelines and business procedures established by the Company, and emergency situations that can arise in accidents.

Collaborating with Stakeholders

Participation in Initiatives

We are promoting and expanding our efforts to address our responsibilities to customers through participation in initiatives. Participation in each initiative is decided after confirming that it is consistent with our basic policy and initiatives for our responsibilities to customers.

Japan Processed Foods Wholesalers Association

In the area of distribution, we are working on supplying safe and secure processed food products in accordance with the guidelines and manuals set out by them. Japan Processed Foods Wholesalers Association.

Japan Pharmaceutical Traders' Association


The Japan Pharmaceutical Traders' Association Co., Ltd. is an incorporated association whose objective is to support its pharmaceutical-importing member businesses. The Association works to promote pharmaceutical trade and ensure the safety and quality of imported medicines and their stable supply, to contribute to the improvement of public health. To ensure the safety and quality of imported pharmaceuticals, the Association operates laboratories that are officially registered with the Ministry of Health, Labor and Welfare as inspection facilities. The Association also holds workshops, seminars, and briefings on laws and regulations concerned with ensuring the quality, effectiveness, and safety of pharmaceuticals and medical devices. We have been a member of the Association since its founding in 1963, and play our part to ensure the steady import of outstanding APIs and pharmaceutical intermediates.

Initiatives


Certifications

Acquisition of Environment-Related Certification in Company-Owned Forests
"Mitsui's Forests", Forest Resources Business, etc.





Handling Certified Materials (FSC®, PEFC, SGEF Certification, etc.)

Acquired Certifications		Coverage (Country/Region)	Certificate Holder/Outline & Scale (Handling Volume)
FSC® FSC® certification is based on international standards established by the Forest Stewardship Council®, a non-profit committee-type organization that administers an international forest certification system. 	Forest Management (FM) certification, and Chain of Custody (CoC) certification	Company-Owned Forests "Mitsui's Forests" (Japan)	Mitsui & Co. (License Code FSC®-C057355)/ All 74 locations of Mitsui's Forests (approximately 44,000 hectares) throughout Japan
	CoC certification		Mitsui Bussan Forest (Mitsui subsidiary, License Code FSC®-C031328)/ approximately 40,000 m3 /year (sells timber and other products produced mostly from Mitsui's Forests)
		Forest Resources Business (Australia)	Forest Resources Marketing Dept., Living & Environmental Business Div., Performance Materials Business Unit, Mitsui & Co. (License Code FSC®-C104107)/ acquired for woodchips Mitsui Bussan Woodchip Oceania Pty. (Mitsui subsidiary, License Code FSC®-C107463)/ acquired for woodchips
		Procurement and sales of pulp, paper, paperboard, and paper products (globally)	Mitsui Bussan Packaging Co. (Mitsui subsidiary, License Code FSC®-C009939)/ certification obtained for pulp, paper, paperboard, paper packaging materials such as corrugated carton box, household paper, and paper stationery.
		Biomass Fuel Trading	Biomass Fuel Dept., Fuels Div., Energy Business Unit I, Mitsui & Co. (License Code FSC®-C140620)/acquired for wood pellets trading (accredited materials).
PEFC/CoC Programme for the Endorsement of Forest Certification Schemes		Forest Resources Business (Australia)	Forest Resources Marketing Dept., Living & Environmental Business Div., Performance Materials Business Unit, Mitsui & Co./ acquired for woodchips
		Biomass Fuel Trading	Biomass Fuel Dept., Fuels Div., Energy Business Unit I, Mitsui & Co. (Certificate no. SGSJP-PCOC-2026)/ acquired for wood pellets trading (accredited materials)





Responsibilities to Customers

Acquired Certifications		Coverage (Country/Region)	Certificate Holder/Outline & Scale (Handling Volume)
SGEC SGEC certification system was developed by the Sustainable Green Ecosystem Council, a general incorporated foundation, by adapting the global sustainable forest management philosophy (known as the "Montreal Process") to the situation in Japan. SGEC and PFEC have agreed to the mutual recognition of respective forest accreditation systems since 2016. 	Forest Management (FM) certification	Company-Owned Forests "Mitsui's Forests" (Japan)	Mitsui & Co. (License Code SGSJP-031)/ All 74 locations of Mitsui's Forests (approximately 44,000 hectares) throughout Japan
	CoC certification		Mitsui Bussan Forest (Mitsui subsidiary, License Code SGSJP-W088)/approximately 40,000 m ³ /year (sells timber and other products produce from mostly Mitsui's Forests)

Acquisition of Environment-Related Certification in Food Business

Acquired Certifications		Coverage (Country/ Region)	Certificate Holder/Outline & Scale (Handling Volume)
Organic Japanese Agricultural Standard (Organic JAS)  有機飼料  エコデザイン  N006325J07	A system for accrediting agricultural produce grown with the lowest possible impact on the environment, in accordance with the Japanese Agricultural Standards	Japan	Feed One Co. (Mitsui affiliated company)/manufactures and sells organic JAS-certified feed materials
		Japan	Mitsui Norin Co. (Mitsui subsidiary)/sells organic JAS-certified products
ASC 	An accreditation system by the Aquaculture Stewardship Council for "responsibly produced aquaculture products" meaning that consideration for local communities is taken and the environment is not significantly harmed	Japan	Toho Bussan Kaisha (Mitsui subsidiary)/imports and sells products in accordance with buyers' requests
		Chile	Chilean salmon farming, processing and sales company, Salmones Multiexport S. A. (Mitsui investee company; Salmex)/ has acquired certification at three aquaculture sites. Preparations are underway to acquire additional accreditations (as of the end of Dec. 2021)

Responsibilities to Customers

Acquired Certifications		Coverage (Country/ Region)	Certificate Holder/Outline & Scale (Handling Volume)
MSC	An accreditation system by the Marine Stewardship Council for marine products harvested through sustainable fishing, with appropriate processing and distribution	Japan	Toho Bussan Kaisha/imports and sells products in accordance with buyers' requests
		USA	Mitsui Foods, Inc. (Mitsui subsidiary, MFI)/Imports and sells canned tuna. MFI has also obtained MSC Chain of Custody certification for its thorough management at the distribution stage
BAP 	An accreditation system by American NGO, Global Aquaculture Alliance (GAA), to certify sustainable aquaculture businesses based on five key aspects: environmental conservation, social responsibility, animal welfare, food safety, and traceability	Japan	Toho Bussan Kaisha (as an Endorser)/ imports and sells products in accordance with buyers' requests
		Chile	Chilean salmon farming, processing and sales company, Salmones Multiexport S. A. (Mitsui investee company, hereafter Salmex)
RSPO  Please check the status of our progress at: https://rspo.org/members/2-0082-08-000-00/	The RSPO (Roundtable on Sustainable Palm Oil) is an accreditation that stipulates the legal, economic, environmental, and social conditions required for sustainable palm oil production (8 principles and 43 criteria)	Malaysia	Mitsui and Wangsa Mujur Sdn. Bhd. (our invested company)/Both Mitsui and Wangsa Mujur operate in accordance with its policy, and we aim to increase the ratio of sustainable certified palm oil (including RSPO-certified) that we procure to 100% by 2030. Specifically, we will promote procurement based on the NDPE (No Deforestation, No Peat, No Exploitation) principle. In FY Mar/2022, RSPO-certified palm oil accounted for 11.2% of palm oil handled.
Rainforest Alliance Certified  Find out more at ra.org	Certificate is awarded to farms that follow more sustainable farming practices that protect forests and biodiversity, improve farm workers' livelihoods, and promote their human rights	Brazil	Mitsui & Co. Coffee Trading(Brazil) Ltda (Mitsui subsidiary in Brazil)/supplies coffee beans to customers
		Japan	Coffee Dept., Food & Beverage Materials Div., Food Business Unit, Mitsui & Co./supplies raw coffee beans to customers Confectionery & Dairy Products Dept., Food & Beverage Materials Div., Mitsui & Co./supplies accredited ingredients to confectioners
SQF-TSA 	A system that supplements the accreditation standards for food safety and quality control in the food chain as a whole (SQF accreditation) with the food safety and hygiene standard (TSA) established by the Tokyo Organizing Committee for the Olympic and Paralympic Games	Japan	Prifoods Co., LTD. (Mitsui subsidiary)/ (supplies major supermarkets with products made at 20 plantations and the Hosoya and Hosoda package plants)

Initiatives as Part of Business Activities

Striving for Better Nutrition — Initiative to Promote the Slow Calorie Projects to Slowly Digest Food

In Japan, lifestyle disease and unbalanced eating habits are becoming a problem, though the amount of calories and carbohydrates that people intake is decreasing. This could be due to an increase of processed foods that are soft and easy to chew with a higher degree of refinement, which speeds up digestion and absorption. At Mitsui Sugar Co., Ltd. (Mitsui Sugar), an associated company of Mitsui, a focus is placed on carbohydrates (sugars) which have a characteristic of fast absorption and are the highest intake of human among energy producing nutrients. Mitsui Sugar named the slowing down of digestion and absorption of food (especially carbohydrates) as "slow calorie", and are conducting awareness-raising activities for "slow calorie", as well as development, support, and promotion activities for products utilizing "slow calorie" in order to materialize its slogan, "create a healthy and robust body".

Striving for Better Access to Healthcare — Improving Convenience for Patients through the Introduction of Telemedicine by IHH Healthcare

With a growing number of patients wishing to avoid human contact amid the COVID-19 pandemic, IHH Healthcare Berhad ("IHH"), of which Mitsui is the largest shareholder, began offering telemedicine services in eight countries and regions from May 2020. IHH provides services tailored to the needs of each country, including online appointments and treatment with IHH doctors and home delivery of medicines. In March 2020, IHH invested in Doctor Anywhere Pte Ltd., a Singapore-based telehealth platform, and made an additional investment into the company in August 2021. We will continue to contribute to improving access to healthcare and patient satisfaction through digitalization.



Virtual clinic services provided by IHH Healthcare

Striving for Better Access to Healthcare—Filling in the Supply-Demand Gaps through Drug Manufacturing, Sales and Distribution

We have been engaging in the manufacturing, sales, and distribution of high-quality pharmaceuticals needed by society, particularly in Russia, via JSC R-Pharm, which is the country's largest pharmaceuticals company, and in China through Shenzhen Main Luck Pharmaceuticals Inc. Through such business, we are seeking to improve access to healthcare and fill in the gaps between supply and demand in the medical field in countries/regions where medical systems are underdeveloped. In addition, we are working to improve access to healthcare in those countries/regions by ensuring each country/region's pharmaceuticals price-setting systems and regulations.

Responsibilities to Customers

Our Approach for Effective New Drug Development—Efforts to Reduce Drug Development Costs

Mitsui has invested in TriNetX, LLC., which owns one of the world's largest collaborative research platforms that uses anonymized data from electronic medical records. TriNetX provides healthcare organizations and life science companies with services that help streamline clinical trial operations, analyze data, generate evidence, and optimize postmarketing surveillance of side effects. Mitsui continues to contribute to reducing total medical expenses by shortening the duration of new drug development via TriNetX's platform.

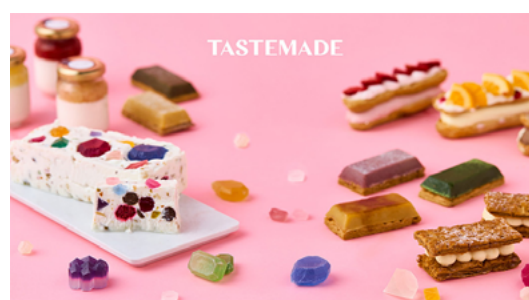


Our Approach to Responsible Marketing

Responding to Consumer Needs with Video-Based Marketing by Tastemade

Customer preferences and consumption patterns are diversifying. Responding to these changing times, Mitsui uses U.S. company Tastemade, Inc. and its Japanese arm Tastemade Japan to disseminate information via new means desired by its customers rather than simply distributing the same information to the masses in a uniform manner.

Tastemade is a lifestyle media company. It streams video content about topics including food, travel, and homes to a monthly global audience of over 300 million people. It has built support among younger people, who are seen as less affected by advertising, by producing entertaining videos that make people want to try new things, while including sponsors' products naturally in the content.



Tastemade's updated e-commerce site for 2022

In addition, we launched Tastemade's official e-commerce site in Japan, taking on the challenge of operating a new retail business using digital technology. In doing so, we are leveraging the strengths of both Tastemade's system—that enables the collection and analysis of the company's huge volume of viewership data—and Mitsui's existing capabilities in the field of logistics—including optimization and labor saving in logistics processes, supply and demand forecasting, and inventory optimization.

By working with Tastemade to identify consumer needs quickly and create services that truly match those needs, we hope to make consumers' lifestyles richer and more enjoyable.

Responsibilities to Customers

Provision of Cutting-Edge Data Marketing Functions For Better Product Selection

Our subsidiary Legoliss Inc. ("Legoliss") helps companies to build and install Data Management Platforms (DMP) that can manage large volumes of data accumulated in day-to-day business operations and provides support for how to analyze and utilize this data. Legoliss has a brilliant track record as a leader in providing data marketing consulting and support services for many clients, including top B2C brands by planning and executing DMP strategy in online media buying and other execution channels.

Mitsui has been providing cutting-edge data marketing solutions with partners in the United States to Japanese companies. In recent years we have been focusing on marketing services that contribute to the sophisticated data usage in the cloud environment. Through our investment in Legoliss, we aim to build a structure capable of providing the best solutions to meet the client demands and deliver more advanced and comprehensive marketing support services.

Amidst the growing global trend of stricter regulation of the use of consumer data, Legoliss is currently working on advanced solutions in the United States (Zefr, Inc., which improves performance of video advertising without the use of personal data; cross-device business Tapad, Inc.; and location data-related business Foursquare Labs, Inc.). In addition, Legoliss has also begun handling services for Socialdatabase, a Dutch social media (Twitter) data-related company. We will continue to strive for sophistication in our data marketing support capabilities and answer diversifying consumer needs while considering global trends.



Diagrammatic representation of marketing using a data management platform

Supply Chain Management

Policies and Basic Approach

Mitsui & Co. conducts business across the world providing every kind of function and service from upstream to downstream areas. As a result, we have built a wide variety of supply chains. As a responsible member of global supply chains, we recognize that we need to engage in solving human rights and environmental issues not only within our group, but also throughout our supply chains. We have formulated a Sustainable Supply Chain Policy and Procurement Policies for Specific Commodities for certain raw materials and commodities in fields that pose a high risk of deforestation, environmental impact, or human rights violations. Both of these, which cover our approach to human rights and environmental issues, are shared with our suppliers. We recognize the supply chain-based environmental and social risks associated with the procurement of raw materials and commodities and we will strive to gain an understanding of issues associated with the supply chains through our business activities. In this way, we will realize stable supplies of sustainable raw materials and commodities.

Sustainable Supply Chain Policy

We will strive to understand the issues associated with the supply chains of our group's business activities in countries and regions around the world, in accordance with our Sustainability Policy and this Policy, and work with suppliers and other business partners to achieve a sustainable supply chain.

Expectations for Business Partners

We will require our suppliers and other business partners to understand and implement the following principles, and will work collaboratively with them to promote the objectives of this Policy across the entire supply chain:

Respect for International Standards

To ensure compliance with applicable laws and regulations of relevant countries, fair transactions in accordance with international rules and practice, and corruption prevention.

Respect for Human Rights

To strive not to infringe on human rights in our business activities, nor to contribute to human rights infringements by others through our business relationships, including supply chains.

- **Forced Labor**

Not to tolerate forced labor or any forms of modern slavery, including bonded labor or human trafficking.

- **Child Labor**

Not to tolerate child labor and to comply with the minimum working age stipulated by the law. Not to hire individuals that are under the age of 18 for roles requiring hazardous work.

- **Discrimination**
To prohibit any form of discrimination in employment.
- **Harassment and Inhumane Treatment**
Not to tolerate any form of harassment, irrespective of whether it is physical or mental harassment.
- **Freedom of Association and Right to Collective Bargaining**
To respect the rights of employees to associate freely and bargain collectively in our labor-management relations.
- **Working Hours and Wages**
To properly manage employees' working hours, holidays, leaves of absence, and wages in accordance with applicable laws and regulations.
- **Occupational Health and Safety**
To secure the health and safety of employees in the work environment.
- **Community impact**
To conduct human rights impact assessments, covering issues such as prevention of pollution and water stress, for prevention of adverse impacts on the safety and health of local communities. To implement necessary measures in line with international standards to avoid risks and mitigate negative impacts.

Initiatives to Address Environmental Issues

To work with our suppliers and other business partners with the aim of achieving harmony with the environment in our business activities.

- **Climate Change**
To act to reduce greenhouse gas emissions.
- **Water Resources**
To work to conserve water resources by reducing water consumption and improving the efficiency of water resource use.
- **Biodiversity**
To assess the environmental impact of our business activities and work to conserve biodiversity.
- **Pollution Prevention**
To act to reduce hazardous waste and pollutants and ensure the proper handling of any such materials, and strive to prevent air, water and soil pollution.
- **Sustainable Resource Use**
To improve efficiency in the use of resources and energy and reduce waste.

Safety and Security of Products and Services

To ensure safety and security of products and services.

Remediation Guidance

If a business partner acts in violation of this Policy and causes an adverse impact on the environment or on human rights, we will provide remediation guidance to the business partner. If it is determined that the situation has not improved despite ongoing guidance, we will take measures including a potential reconsideration of the business relationship.

Information Disclosure

We will properly disclose information related to the above principles in a timely manner.

Formulated in December 2007

Revised in February 2022

Makoto Sato

Executive Managing Officer,

Chief Strategy Officer (CSO),

Chairperson of the Sustainability Committee

[Sustainable Supply Chain Policy](#)

Procurement Policies for Specific Commodities

The procurement of all raw materials and commodities is carried out under the Mitsui & Co. Group Conduct Guidelines, Environmental Policy, and Sustainable Supply Chain Policy. We aim to fulfill our social responsibilities as a company and contribute to the sustainable development of society through production and procurement based on a procurement policy for each commodity. For certain raw materials and commodities in fields that pose a high risk of deforestation, environmental impact, or human rights violations, we strive to realize sustainable procurement by working with NGOs and other stakeholders to formulate a procurement policy for each specific commodity as an addition to our other policies. These policies are regularly reviewed and revised as necessary.

[Natural Rubber Procurement Policy \(PDF 117 KB\)](#)

[Palm Oil Procurement Policy \(PDF 117 KB\)](#)

[Timber Procurement Policy \(PDF 116 KB\)](#)

[Paper Products Procurement Policy \(PDF 117 KB\)](#)

Goals and Targets

We regularly review each goal and target and revise it when necessary.

Supply Chain Management

Goals and Targets	Progress	FY Mar/2020	FY Mar/2021	FY Mar/2022
1. Achieve 100% awareness of our Sustainable Supply Chain Policy among new suppliers.*	Ratio of new suppliers that have been sent the policy	100%	100%	97%

* Applicable to non-consolidated subsidiaries and consolidated subsidiaries as of the end of the fiscal year (excluding subsidiaries newly consolidated from January to March).

Natural Rubber

Goals and Targets	Progress	FY Mar/2020	FY Mar/2021	FY Mar/2022
1. Ensure that all suppliers are aware of our Natural Rubber Procurement Policy.	Ratio of new suppliers that have been sent the policy	—	100%	100%
2. Aim to secure 100% traceability of the natural rubber we handle by 2030.	Ratio of traceable natural rubber	100%	100%	100%

Palm Oil

Goals and Targets	Progress	FY Mar/2020	FY Mar/2021	FY Mar/2022
1. Ensure that all suppliers are aware of our Palm Oil Procurement Policy.	Ratio of new suppliers that have been sent the policy	—	100%	100%
2. Aim to ensure that 100% of palm oil is traceable to mill level* ¹ by 2022.	Ratio traceable to mill level	99.8%	99.1%	100%
3. Aim to ensure that 100% of palm oil handled has received sustainability certification* ² from organizations such as the RSPO by 2030.	Ratio of the above that is Sustainability certified	5.0%	6.9%	11.2%

*¹ Mitsui's mill list is disclosed on the RSPO website. Please refer to this website.

[Mill list \(PDF 100KB\)](#)

[Check our progress at rspo.org](https://rspo.org)

*² Palm oil certified by RSPO and similar organizations

Supply Chain Management

Timber

Goals and Targets	Progress	FY Mar/2020	FY Mar/2021	FY Mar/2022
1. Ensure that all suppliers are aware of our Timber Procurement Policy.	Ratio of new suppliers that have been sent the policy	—	100%	100%
2. Aim for 100% of lumber and woodchip for paper products handled to be certified by internationally recognized forest certification bodies, or of an equivalent standard, by 2030.	Ratio of certified timber (Lumber*)	100%	100%	100%
	Ratio of certified timber (Woodchips for paper products*)	100%	100%	100%

* Lumber and woodchips for paper products that are handled by suppliers who are certified by internationally recognized forest certification bodies including FSC, PEFC, etc., or that are recognized by certification bodies as controlled materials.

Paper Products

Goals and Targets	Progress	FY Mar/2020	FY Mar/2021	FY Mar/2022
1. Ensure that all suppliers are aware of our Paper Products Procurement Policy.	Ratio of new suppliers that have been sent the policy	—	100%	100%
2. Aim for 100% traceability of pulp, paper and paperboard to legal raw materials, by 2030.	Pulp that is derived from certified wood or from wood verified as legal *	91%	91%	93%

* Pulp derived from wood that has been certified by FSC or other internationally recognized forest certification bodies, or that has been managed in accordance with the guidelines of our procurement policy for paper products.

Sustainability Governance and Oversight

Sustainability Committee

The Sustainability Committee works under the Corporate Management Committee to plan, formulate and provide proposals on basic management policies, business activities, and corporate policies and strategies related to supply chain management.

The Sustainability Committee is structured so that its activities are appropriately supervised by the Board of Directors, and matters discussed by the Sustainability Committee are regularly discussed and reported to the Corporate Management Committee and the Board of Directors.

Officer in Charge	Makoto Sato (Representative Director, Executive Managing Officer, Chief Strategy Officer (CSO), Chairperson of the Sustainability Committee)
Administrative Office	Corporate Sustainability Div., Corporate Planning & Strategy Div.

Please refer to the links below for more information on Mitsui's Sustainability Management Framework and the activities of the Sustainability Committee.

[Our Approach to Sustainability: Sustainability Governance and Oversight](#)

[Our Approach to Sustainability: Sustainability Committee](#)

Supply Chain Risk Management System

By formulating the Sustainable Supply Chain Policy and taking the following stages of the Awareness-Identification-Surveys-Disclosures/Improvements cycle, Mitsui & Co. aims to prevent problems from arising and, furthermore, identify and resolve issues in the supply chain.

Details regarding the progress made, results achieved, and administrative conditions of our supply chain management are reported to the Sustainability Committee every year, and to the Executive Committee and the Board of Directors on a regular basis. We also share the comments from stakeholders and review each of the relevant policies if any issues are found.

Implementation of Supply Chain Due Diligence



Identifying High-Risk Business Areas

We employ external experts to assess human rights risks in the supply chains of products handled by Mitsui and overseas trading affiliates, as well as the main business operations of consolidated subsidiaries. These assessments are carried out for each product and country using international indicators and other tools. Human rights risks, including an exhaustive list of social, human rights, and labor practice risks that comply with international norms and standards concerning corporate social responsibility, are then identified in order to narrow down which fields are high risk. Following this, our business and the businesses of our subsidiaries are assessed as to whether they correspond to these areas. The results of these risk assessments identified area in which there is generally a high risk of the occurrence of human rights issues such as forced labor or child labor in our supply chains, mainly related to food, textiles, building materials, and mining, primarily in production regions in emerging countries in regions such as Southeast Asia, Africa, and South America.

New Suppliers

When engaging in business with new suppliers, we send all suppliers our Sustainable Supply Chain Policy and Procurement Policies for Specific Commodities, and request that all suppliers understand and implement our policies. We also conduct an advance risk assessment covering social issues (including environmental issues such as climate change) based on our own ESG due diligence checklists.

Existing Suppliers

For existing businesses and relevant suppliers, we have identified high risk areas within our business and we carry out regular surveys of suppliers in these areas. Through these surveys, we work to monitor the actual situation within our supply chains regarding environmental and social issues such as climate change, biodiversity, environment management, human rights, and occupational health and safety.

Corrective Action and Remediation Concerning Suppliers

Our suppliers are required to understand and implement our Sustainable Supply Chain Policy. If a supplier's efforts to implement our Sustainable Supply Chain Policy are insufficient, or if it is revealed that a supplier has environmental issues or human rights violations within their supply chain, we will take corrective or remedying action through appropriate processes.

Management of Hazardous Chemical Substances

In the chemicals segment, we review the handling of hazardous chemical substances. In Japan, these reviews are based on relevant laws and regulations such as the Chemical Substances Control Law, the Industrial Safety and Health Act, and the Fire Services Act. Overseas, these reviews are based on relevant local laws and regulations. In order to ensure that the results of these reviews are communicated appropriately throughout supply chains, we provide safety data sheets and ensure that products are properly labelled with hazard information. We also frequently hold various types of training to ensure that employees consider our responsibilities as an importer to disclose hazard information regarding imported chemical substances is exactly the same as our responsibility to disclose hazard information regarding our products manufactured in Japan.

Food Safety Initiatives

The Food Business Unit and the Retail Business Unit are building a food safety management database containing information such as movement by suppliers before import agreements are concluded, situations regarding the introduction of HACCP, handling under the positive list system for food container and packaging materials, residual agricultural chemicals, and labelling. We are using this database to check compliance with food-related laws and regulations, ensure proper import procedures, and disseminate information in order to facilitate the distribution of safe and reliable foods. We are also working to ensure employees are more informed. Internal committees for food sanitation management meet once a month to share information on revisions to various laws and other topics and we carry out various training on a monthly basis, such as food safety seminars.

Contact Points for the General Public and Other Stakeholders

On the Mitsui & Co, website, we have established the following framework for receiving opinions, proposals, grievances, and other feedback from customers and other stakeholders. When inquiries are received, we protect the privacy of the inquirers and ensure appropriate confidentiality.



[Contact Us](#)

Collaborating with Stakeholders

Participation in Initiatives

We are promoting and expanding our efforts to address our supply chain management through participation in initiatives. Participation in each initiative is decided after confirming that it is consistent with our basic policy and initiatives for supply chain management.

CEFLEX (Circular economy for flexible packaging)

CEFLEX is a European collaborative consortium of companies and associations representing the entire value chain of flexible packaging. CEFLEX is exploring the development of infrastructure systems to collect, sort, and recycle plastic flexible packaging. Mitsui has participated in the consortium since 2018 as one of more than 200 companies that are involved in the plastic packaging materials value chain. Mitsui has been playing active roles in various work groups and will continue to contribute to the realization of a circular economy through its participation in CEFLEX.

ASI (Aluminium Stewardship Initiative)

ASI was established in 2012 with a vision of maximizing the contribution of aluminum to a sustainable society. As of May 2022, approximately 226 companies and groups have joined ASI, including a variety of stakeholders such as aluminum producers and users and the International Aluminium Institute. Its purpose is to increase sustainability in the aluminum supply chain and contribute to ESG engagement by formulating international standards and establishing certification systems. Mitsui joined in January 2020 and supports these initiatives as a member.

Forest Stewardship Council® (FSC®)

The Forest Stewardship Council® (FSC®) is an international non-profit organization that promotes management of the world's forests in a way that is environmentally appropriate, economically viable, and socially beneficial, including with regard to respect for human rights. Mitsui has obtained FSC® forest management (FM) certification (FSC®-C057355) at all 74 of its forests, which in total approximately 44,000 hectares, while Mitsui Bussan Forest Co., Ltd., a Mitsui subsidiary, has obtained Chain of Custody (CoC) certification for the processing and distribution of cut lumber (FSC®-C031328). As one of the top private-sector suppliers in terms of volume of FSC®-certified Japanese-grown lumber, Mitsui is helping to promote FSC® in Japan and to discuss and draft the Japanese version of principles, standards, and risk assessments. Mitsui has obtained FSC® certification for its forest resources business as well, and promotes responsible management of forest resources.

Together for Sustainability (TfS)

Together for Sustainability (TfS) is a non-profit organization established mainly by major European chemical companies and engaged in sustainability-related activities. Since its establishment in 2011, TfS has carried out sustainability assessments and audits across entire chemical supply chains, from raw materials procurement to logistics. Mitsui & Co., Ltd. joined Together for Sustainability as the first Japanese company to join TfS. Mitsui will accelerate its sustainability-related initiatives in European markets, which are leading the world in this area. Mitsui will also use knowledge gained in said markets to improve sustainability across entire supply chains in global markets, especially in Asia and Japan.

RSPO (Roundtable on Sustainable Palm Oil)

The Roundtable on Sustainable Palm Oil (RSPO) is a non-profit organization established to promote the sustainable production and utilization of palm oil through the conservation of tropical rain forests and biodiversity. Palm oil production has been linked to the destruction of tropical forests through the development of oil palm plantations, as well as human rights issues. As a business that handles palm oil, Mitsui agrees with the RSPO's philosophy of contributing to sustainability through industry. Since joining the organization as an ordinary member in 2008, we have been collaborating on business-based sustainable procurement initiatives that take into account the conservation of tropical forests and biodiversity, respect for the rights of indigenous and local peoples, and other considerations. A sustainability-focused procurement code, including specific standards for palm oil, has been formulated for the 2021 Olympic and Paralympic Games in Tokyo. In connection with this, Mitsui representatives as members of an oil and fat industry association verified progress on and promoted initiatives related to the RSPO and activities under the Malaysia Sustainable Palm Oil (MSPO) and Indonesia Sustainable Palm Oil (ISPO) systems.

EcoVadis

EcoVadis is a ratings provider that has developed its own platform for evaluating the performance of companies in terms of environmental and social sustainability. Certain Mitsui group companies are registered on the EcoVadis platform and are evaluated on their performance regarding sustainability.

Sedex (Supplier Ethical Data Exchange)

Sedex is an NPO established in 2001 primarily by British retailers and auditing companies and it has become the top global ethical services provider. It provides registered companies with the world's largest information platform for managing and sharing data concerning ethical supply chains and it also offers globally recognized evaluations of responsible supply chain activities, known as SMETA audits, which audit aspects such as labor rights, occupational health and safety, environmental performance, and business ethics. Certain Mitsui group companies use the services provided by Sedex.

Initiatives

Animal Welfare Initiatives

We believe that raising domestic animals in a comfortable environment reduces stress on the animals and diseases, leading to greater productivity and safe animal products. Therefore, we strive to operate our businesses with consideration for animal welfare by respecting the recommendations of the World Organisation for Animal Health and complying with local laws.

Prifoods Co., Ltd., a consolidated subsidiary of Mitsui, raises broiler chickens in accordance with the Ministry of Agriculture, Forestry and Fisheries' Management Guidelines for Raising Broiler Chickens According to the Basic Approach to Animal Welfare, based on its belief that broiler chickens raised in a comfortable environment will be less affected by stress and disease, resulting in the production of safe and reliable chicken. Specifically, it creates a comfortable environments that put the lowest amount of stress possible on the chickens while they are in the growth stage and pays detailed attention to nutritional management, rearing environments, and health management.

Prifoods' production and manufacturing management structure, which includes its handling of animal welfare, has been evaluated by third party organizations. In its main production area, 14 farms have received domestic certification in the form of the JGAP group certification*¹, and its processing plant and 20 farms have received international certification in the form of the world's first SQF-TSA multisite certification*².

*1 JGAP (Japan Good Agricultural Practice) is a Japanese certification recognizing appropriate farm management in terms of farm management, food safety, animal hygiene, environmental conservation, worker safety, human rights and welfare, and animal welfare in accordance with the Ministry of Agriculture, Forestry and Fisheries' standards. In March 2020, Prifoods received this certification for 14 farms in Aomori Prefecture.

*2 SQF-TSA (Safe Quality Food-Tokyo Sustainability Addendum) is an addendum to the international SQF certification. It recognizes that in addition to ensuring food safety and quality under the SQF certification, the recipient also meets the food safety and hygiene standards, which include animal welfare, stipulated by the Tokyo Organising Committee of the Olympic and Paralympic Games. A processing plant and 20 farms operated by Prifoods in Aomori Prefecture acquired SQF certification in October 2010 and in November 2019, they received the world's first SQF-TSA certification.

Fisheries Initiatives

当 We recognize the risk that overfishing, illegal fishery operations and destructive fishing practices can lead to a loss of biodiversity and have a severe impact on local communities in marine areas, as well as the risk to the environment if aquaculture businesses insufficiently manage water intake, feed supply, and excrement.

Therefore, we have made it a priority that our aquaculture businesses incorporate a sustainability perspective in order to protect marine resources and realize stable and sustainable supplies of marine products. As a group that handles marine products, we work to raise and procure these products in a responsible manner, giving consideration to the conservation of marine resources and ocean environments and to coexistence with local communities.

Supply Chain Management

Toho Bussan Initiatives

Mitsui subsidiary Toho Bussan Kaisha Ltd, is primarily engaged in trading marine products and it requires that the marine products in its commercial transactions have CoC certification to ensure traceability. CoC certification assures that certified products have been managed appropriately at every stage of production, from manufacturing to processing and distribution, and it also guarantees that there is no contamination by uncertified products and that labeling is authentic. Toho Bussan strives to procure sustainable products and it has acquired both MSC and ASC CoC certification. It has also concluded an endorser agreement with the Global Seafood Alliance (renamed from the Global Aquaculture Alliance in April 2021), a U.S.-based NGO that operates BAP, a certification system that is widely recognized in the U.S., and it is working to promote the spread of BAP certified products.

Quantity of Certified Products Handled by Toho Bussan

	FY Mar/2020	FY Mar/2021	FY Mar/2022
Quantity of marine product transactions (MT)	13,827	14,418	14,559
Ratio of MSC certified products	0%	0%	0.3%
Ratio of ASC certified products	0.8%	2.6%	11.5%
Ratio of BAP certified products	0.9%	3.9%	4.9%

Salmones Multiexport Initiatives

In 2015, we invested in Salmones Multiexport S. A. ("Salmex"), a Chilean company that farms, processes, and sells Atlantic salmon. Salmex applies a vertically integrated business model to the farming and sale of salmon, including its mainstay product of Atlantic salmon, and it exports to Brazil, Japan, China, and other Asian countries, and particularly to the United States, amid growing demand for healthy protein sources. It has also acquired various certifications relating to environmental performance, quality, occupational safety, and traceability, including OHSAS18001*, ISO14001*, ISO9001*, BAP, and Global GAP. Since the early 1990's, Chilean salmon aquaculture has provided the largest amount of salmon exports in the world after Norway. During this time, in addition to establishing a fish-disease and quarantine control system, government and industry have worked together to reduce the use of chemicals. As a result, significant reductions have been achieved, and Salmex is continuing with its own efforts to reduce chemical consumption. Also, the use of fishmeal and fish oil in feed has been greatly reduced by substituting it with raw materials such as soybean meal and vegetable oils. In recent years, fish meal has accounted for less than 10% of feed. As demand for high-quality, safe and secure protein sources continues to increase worldwide, we will work with our suppliers to develop a sustainable aquaculture industry that can coexist harmoniously with local communities, local residents, and ecosystems.

* Certification covers the management and operation of fish farms and plants.

Quantity of Certified Products Handled by Salmex

	FY Dec/2019	FY Dec/2020	FY Dec/2022
Quantity of marine product transactions (MT)	95,475	99,240	97,815
Ratio of ASC certified products	7.8%	11.1%	13.0%
Ratio of BAP certified products	100%	100%	100%

Engagement with Suppliers

Policy Promotion and Awareness Raising

When engaging in sales transactions, we work to ensure that all Mitsui suppliers are aware of our policies by sending our Sustainable Supply Chain Policy (in Japanese, English, Chinese, French, Spanish, Portuguese, and Thai) to all suppliers of our business units, overseas offices, and subsidiaries (excluding indirectly owned subsidiaries), and requiring their understanding and cooperation in regard to the policy. We manage the supplier awareness situation through an annual inhouse survey that confirms the status regarding the sending of these policies.

In addition to policy promotion, to further raise awareness among suppliers and other business partners, we have prepared a "Sustainable Supply Chain Management Handbook" that explains our policies and initiatives, the background and issues related to sustainability in the supply chain (e.g. workers' rights), and specific methods that suppliers and other business partners can use to carry out initiatives.



[Sustainable Supply Chain Management Handbook \(PDF 1.0 MB\)](#)

Supplier Training

In order to raise awareness regarding our Sustainable Supply Chain Policy and supply chain management initiatives among suppliers of Mitsui and consolidated subsidiaries, as well as employees of Mitsui and consolidated subsidiaries engaged in procurement, in March 2022, we invited an external speaker from the international conservation NGO WWF Japan (World Wide Fund for Nature Japan) to hold an online training session on environmental and human rights issues concerning the natural rubber, palm oil, timber and paper products businesses. A total of 130 employees from Mitsui and suppliers participated in the training and were required to understand and implement initiatives to reduce environmental impact, including conserving biodiversity and eliminating deforestation, and to promote human rights due diligence, including protecting the customary rights of indigenous and local peoples, and improving labor environments.

In the fiscal year ending March 2023, we invited Daisuke Takahashi, an attorney at Shinwa Sohgo Law Offices who supervised the "Sustainable Supply Chain Management Handbook," to give an online training to Mitsui's business partners and employees, and those of Mitsui's consolidated subsidiaries. The training explained Mitsui's human rights policy and initiatives and how to conduct due diligence related to human rights in supply chain management. Approximately 250 business partners and employees participated in the training, gaining a deeper understanding of these issues. We plans to continue providing regular training to suppliers and employees involved in procurement.

Auditing (Supplier Surveys and On-Site Inspections)

We consider interactive communication with our suppliers to be very important, so we work to build relationships of trust and strengthen our supply chain management by working jointly on ideas for improvements with our partners, wherever needed. For this reason, since the fiscal year ended March 2012, we have been conducting surveys targeting the suppliers of Mitsui and our subsidiaries to confirm the status of their business in regard to social issues such as climate change, biodiversity, environmental management, human rights, labor practices, and occupational health and safety, and to provide correction if necessary. In the fiscal year ended March 2020, we began surveying suppliers that handle products in high-risk business domains as part of human rights due diligence.

In addition to the surveys, since the fiscal year ended March 2015, we have been regularly carrying out on-site audits of suppliers by external experts. Additionally inspecting compliance with our Sustainable Supply Chain Policy using a checklist, we also employ independent experts to participate in conducting interviews with persons in charge and carrying out observations of manufacturing plants and related facilities. When required, we also provide advice and guidance following the on-site surveys.

Providing Feedback and Requesting Improvements Based on Auditing Results

Our auditing efforts did not detect any major environmental problems or human rights violations, but there were cases in which understanding of the Guiding Principles on Business and Human Rights, as well as international norms and local laws and regulations, was insufficient and we also found suppliers who did not have clear policies, such as an approach to occupational health and safety or to human rights. We improved the understanding of these suppliers regarding international norms and other matters by reiterating the content of our Sustainable Supply Chain Policy, alongside other actions such as proposing the formulation of policies.

Number of Suppliers Surveyed

	FY Mar/2020	FY Mar/2021	FY Mar/2022
Number of suppliers surveyed	11	293	44

Main Questions in Supplier Surveys

Human Rights, Labor	<ul style="list-style-type: none"> • Has the company performed a risk assessment to determine if there are areas of their business at risk for forced, bonded, or involuntary prison labor? • Do you comply with the minimum working age of the local country, and do you have internal regulations to not employ those that have not completed their compulsory education, and those that are under the age of 15? • Do you have the required protective restrictions on hazardous operations for young workers under the age of 18 according to the national law or ILO standard? • Do you have company policies to prevent discrimination (e.g., on the basis of race, skin color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, labor union membership, marital status etc.) that you aim to disclose to suppliers or ask for suppliers' cooperation in implementing? • Do you have procedures in place to ensure all workers are provided the holidays and leave to which they are legally entitled? • Do you have procedures, mechanisms, or company policies for a minimum wage or living wage?
Occupational Health and Safety	<ul style="list-style-type: none"> • Do your policies for occupational health and safety include those relating to fire safety, the use of personal protective equipment, and the handling of hazardous substances including chemical substances and pesticides etc.?
Business Ethics	<ul style="list-style-type: none"> • Do your policies for business ethics include those relating to compliance, free and fair competition, intellectual property, privacy and data protection, and anti-corruption etc.?
Environmental Management	<ul style="list-style-type: none"> • Do your policies for environmental management include those relating to pollution, greenhouse gas emissions, and biodiversity etc.?
Conflict Minerals	<ul style="list-style-type: none"> • Do you handle conflict minerals and/or products for which conflict minerals are used? If yes, do you have a written policy on conflict minerals?
Supply Chain CSR	<ul style="list-style-type: none"> • Do you have a written policy in relation to supply chain CSR and CSR procurement which covers human rights and labor, health and safety, business ethics, environmental management, etc., related to your suppliers?

On-Site Inspections of Suppliers (Auditing)

	Suppliers surveyed
FY Mar/2022	<p>Suppliers of food raw materials</p> <p>In the fiscal year ended March 2022, Mitsui conducted an online survey of the six main suppliers (two based in India, one in Indonesia, one in Kenya, one in Malawi, and one in Sri Lanka) of Mitsui Norin Co., Ltd., a consolidated subsidiary which manufactures and sells black tea, green tea, beverages for vending machines, and other products. Based on answers to questions sent to the suppliers in advance, we conducted interviews to confirm the policies, initiatives, and labor and supply chain management practices at each company. While certain suppliers did not have policies in place or manuals prepared relating to occupational health and safety, we were able to confirm that these companies are implementing initiatives for the respect of human rights.</p>
FY Mar/2021	<p>Suppliers of wooden fuel</p> <p>In the fiscal year ended March 2021, Mitsui and an external expert jointly conducted on-site surveys of Mitsui Bussan Forest Co., Ltd. and Butsurin Co., Ltd., which are the main suppliers of wooden fuel to Tomakomai Biomass Power Co., Ltd. ("TBP") and Hokkaido Biomass Energy Co., Ltd. ("HBE"), companies in which Mitsui has an equity interest. The surveys lasted three days and consisted of site inspections of their suppliers' plants, forests, and other facilities, interviews with managers and workers, and checks of related documents. The main focal points of the surveys were raw material procurement, occupational health and safety, and environmental management. The results of the surveys confirmed that both companies are taking appropriate action on all items, and that both factories meet the requirements stipulated in our Sustainable Supply Chain Policy.</p>
FY Mar/2020	<p>Suppliers of apparel products</p> <p>In the fiscal year ended March 2020, Mitsui and a third-party expert jointly conducted on-site surveys at the suit factory of MAY10 Joint Stock Company ("MAY10"), and the sewing factory of Viet Thinh Garment Joint Stock Co. ("Viet Thinh") in Vietnam. Both are suppliers of Mitsui Bussan I-Fashion Ltd. (currently MN Inter-Fashion Ltd.), Mitsui's consolidated subsidiary, which trades in textile raw materials, industrial raw materials, and woven and knitted fabrics, and also produces and procures apparel and fashion goods, as well as accessories. The surveys lasted two days and consisted of site inspections, interviews with managers and workers, and checks of related documents. The main focal points of the surveys were human rights, occupational safety and health, compliance with laws and regulations, environmental management, and relationships with local communities. The results of the surveys confirmed that both companies are taking appropriate action on all items, and that both factories meet the requirements stipulated in the Supply Chain Policy.</p> <p>FY Mar/2020 on-site survey of suppliers</p>

Supply Chain Management

	Suppliers surveyed
FY Mar/2019	<p>Supplier of seafood (salmon), feed manufacturer</p> <p>In the fiscal year ended March 2019, we visited a Chilean salmon farming, processing and sales company, Salmones Multiexport S. A., which Mitsui has invested in and which we procure from, and carried out on-site surveys of freshwater and seawater farms, a processing plant, and a feed company which is one of the Salmex's main suppliers. We inspected farming facilities including a hatchery, a sea water farm with a pontoon, feeding control units and a set of net pens. At the processing plant, we inspected the processing and packaging lines, automatic quality sensors, smoke facilities, and washing rooms. We also conducted interviews with managers and employees. Through these, we checked environmental management, human rights and labor practices, regulatory compliance, and quality control and traceability. At the feed factory, we inspected processing facilities, storage warehouses, the main control rooms, and the quality control rooms, and conducted interviews with managers and employees. Through these, we confirmed that initiatives are being properly implemented in respect to the environment, labor and safety, and traceability.</p> <p>Results from the surveys showed that the supplier was acting appropriately, and that all items met the requirements of our Supply Chain CSR Policy.</p> <p>—</p> <p>FY Mar/2019 on-site survey of suppliers</p>
FY Mar/2018	<p>Supplier of oleochemical products (oleochemicals)</p> <p>In March 2018, we visited the factory and plantations of a Malaysian oleochemicals manufacturing company that we procure from and carried out on-site surveys. At the manufacturing company's factory, we inspected the manufacturing processes, the quality control laboratory, the control room, storage facilities, packaging processes, the wastewater treatment facility, and the employees' canteen, and conducted interviews with the managers and employees. Through these, we checked environmental management, human rights and labor practices, regulatory compliance, and quality control and traceability. At the palm plantations, we inspected the plantations, the oil mill, and the biomass power plants and conducted interviews with the managers and employees. Through these, we checked that initiatives are being implemented in respect to the environment, as well as safety and labor practices. Results from the surveys showed that the supplier was acting appropriately, and that all items met the requirements of our Supply Chain CSR Policy.</p> <p>—</p> <p>FY Mar/2018 on-site survey of suppliers</p>
FY Mar/2017	<p>Supplier of food raw materials (apple juice)</p> <p>In September 2016, we visited a fruit juice processing company that we procure from in Shandong Province, China, and carried out on-site surveys of its factories and fruit farms. We inspected a variety of workplaces, including a fruit farm, fruit transportation equipment, juice extraction factories, chemicals storage facilities, quality inspection rooms, filling factories, low-temperature warehouses, wastewater treatment facilities, control centers, canteens, and dormitories and conducted interviews with factory supervisors and farmers. Through these, we checked various aspects of suppliers' operations, including environmental management, labor practices, regulatory compliance, and quality control and traceability. Results from the surveys showed that the supplier was acting appropriately, and that all items met the requirements of our Supply Chain CSR Policy.</p> <p>—</p> <p>FY Mar/2017 on-site survey of suppliers</p>

Supply Chain Management

	Suppliers surveyed
FY Mar/2016	<p>Suppliers of wood chips (raw material for pulp and paper)</p> <p>In March 2016, we conducted on-site surveys of timber suppliers and their plantations, processing and export companies, and forest management contractors at six locations in the Green Triangle region of western Victoria, Australia, where we procure wood chips for pulp and paper manufacturing. Through on-site inspections of plantations, processing facilities (chipping), and stockyards, as well as interviews with representatives of log suppliers and forest management contractors, we checked various aspects of suppliers' operations, including regulatory compliance, environmental performance, and labor practices. Results from the surveys showed that all suppliers were acting appropriately, and that all items met the requirements of our Supply Chain CSR Policy.</p> <p>FY Mar/2016 on-site survey of suppliers</p>

Initiatives Concerning Subsidiaries and Affiliates

Starting from the fiscal year ended March 2021, we are carrying out internal supply chain management surveys of our subsidiaries in order to ensure they properly understand our Sustainable Supply Chain Policy and that it is implemented by their suppliers. The surveys investigate matters such as how well the group's policies are understood and what criteria are being used to check suppliers. Feedback is provided to subsidiaries together with explanations of policy details aimed at improving understanding.

For the fiscal year ended March 2022 survey, we selected Mitsui Norin Co., Ltd. ("Mitsui Norin") and Mitsui Kaset Phol Sugar Limited ("KPS"), a Thailand-based sugar manufacturing company, and conducted online surveys. Through interviews with managers and employees, we explained our approach to supply chain management and reiterated our requirement that our policies be accepted and implemented, while at the same time checking aspects such as to what degree our Sustainable Supply Chain Policy is understood, the status of sending the policy to suppliers, standards for selecting new suppliers and accompanying management frameworks, and whether companies have internal regulations and policies.

Through our survey of Mitsui Norin, we confirmed various ESG-related initiatives, including the formulation of an environmental policy, supply chain management through the use of a dedicated tea plantation system, employee training, and initiatives to set and achieve targets at factories. Through our survey of KPS, we confirmed various ESG-related initiatives, including the formulation of a code of conduct and sustainable supply chain policy, supply chain management through contracted sugarcane farmers, CSR activities including communication with neighboring residents, and employee training. We recommended that Mitsui Norin and KPS from here on address supply chain management in relation to human rights in addition to quality control, which is their primary objective.

Issues Revealed Through Recent Surveys and Improvement Guidance

Surveys carried out to date have confirmed that affiliated companies are practicing supply chain management based on our Sustainable Supply Chain Policy. However, it was also revealed that the policy had not yet been sent to some suppliers, so we responded by belatedly sending the policy to these suppliers and requesting that they understand and implement it.

Employee Initiatives

Raising Awareness and Training

We continuously carry out awareness raising activities and training for employees regarding the importance of human rights and labor issues and the details of our policies in order to raise sensitivity to issues, including human rights and labor issues, and to prevent problems before they can happen.

Training Track Record

	FY Mar/2021	FY Mar/2022	FY Mar/2023 *
Number of participants	392	6,000 (approx.)	450 (approx.)

* As of October 2022

[Human Rights: Human Rights Training](#)

[Compliance and Integrity: Compliance Education and Training](#)

Local Communities

Policies and Basic Approach

We have identified "Enhance quality of life" as one of our material issues for our business management (Materiality). We also aim to establish sustainability for both society and our company by contributing to the betterment of living standards and the development of local industries through our business activities and social contribution activities, and by doing so, fostering trust in local communities.

Basic Approach to Local Communities

In the sense of relevance to our business activities as well as our contribution to society, we make efforts to contribute to local communities and revitalize regional economies, while also promoting community investments. Our aims are to encourage investment and regional development, and create employment at the regional level.

Approaches to Local Employment and Procurement

We are building good relationships with the countries and local communities in which we do business and are helping in the sustainable development in local regions. We strive to contribute to the sustainable regional development by revitalizing human resource development, and the local community and economy through local employment and the procurement of local goods and services. In conducting our business in countries and regions around the world, we aim for coexistence and mutual prosperity with local communities through economic contributions such as local employment and local procurement, based on this approach.

Mine Closure Policy

Our policy on mine closure is to comply with laws and regulations and to follow proper procedures according to a plan to minimize impact on the environment and society in adjacent areas.

In our mining activities, we formulate business plans which incorporate future mine closures including sufficient funding and rehabilitation plans. Environmental impact is thoroughly assessed during the project formation stage as well as during mine operation. We also seek reviews from the authorities and relevant experts in order to not only comply with laws and regulations but also to minimize impact on communities and the local environment.

Goals and Targets

- Promote sustainable development that considers local communities through our business in various countries and regions.
- Contribute to the development of national and regional economies in collaboration with project partners, local governments, and local communities.

Sustainability Governance and Oversight

Sustainability Committee

The Sustainability Committee works under the Corporate Management Committee to plan, formulate and provide proposals on basic management policies, business activities, and corporate policies and strategies related to local communities.

The Sustainability Committee is structured so that its activities are appropriately supervised by the Board of Directors, and matters discussed by the Sustainability Committee are regularly discussed and reported to the Corporate Management Committee and the Board of Directors.

Officer in Charge	Makoto Sato (Representative Director, Executive Managing Officer, Chief Strategy Officer (CSO), Chairperson of the Sustainability Committee)
Administrative Office	Corporate Sustainability Div., Corporate Planning & Strategy Div.

Please refer to the links below for more information on Mitsui's Sustainability Management Framework and the activities of the Sustainability Committee.

[Our Approach to Sustainability: Sustainability Governance and Oversight](#)

[Our Approach to Sustainability: Sustainability Committee](#)

Risk Management and Impact Assessment Using an ESG Due Diligence Checklist for Local Communities

When investigating new projects, we place importance not only on the economic side but also on ESG (Environmental, Social, and Governance) aspects. We take into consideration the vitalization of the local communities and economies, the indigenous people, cultural heritages, and other peripheral circumstances and how to respond to these. We use an ESG due diligence checklist that is based on the World Bank Group's IFC Performance Standards that is an international standard for taking environmental and social factors into account. We then thoroughly evaluate the impact and discuss and consider the project. In addition to reviewing new projects and ones we have already withdrawn, we also monitor the business management of investees and strive to contribute to their improvement.

[ESG Risk Management: ESG Due Diligence Checklists and the Sustainability Advisory Board](#)

Collaborating with Stakeholders

Collaborating with NGOs/NPOs

Support for the Economic Independence and Greater Productivity of Small-scale Zambian Farms Through Cashew Tree Replanting and Productivity Improvement

We support the Cashew Revitalization Project being conducted by ETG Farmers Foundation (EFF) in Zambia. EFF is a non-profit organization established in 2013 aiming to improve the productivity and economic independence of small-scale farmers in Africa, and is especially engaged in agricultural technical guidance and other activities in Eastern Africa. In Zambia, one of the EFF activity areas, we made a donation to reforestation and production efficiency improvement activities in cashews in the western region, where the poverty level is high. EFF dispatches experts to



Explanation by local agricultural leaders

10 project sites to provide guidance on producing cashews for smallholder farmers and also promotes these activities in cooperation with Barotseland University, which is training local agricultural leaders. In this project, comprehensive support will be provided for farming expansion, including the development of next-generation farmers, the dissemination of agricultural knowledge such as disease and pest prevention, the management of agricultural data to improve productivity, and the support for women's farming through the establishment of nursery centers, with the aim of ensuring that cashew production will get on track in the future and that the agricultural management of the entire region will be sustainable.

Social Contribution Activities: MGVP2018 Matching Gift Donations ETG Farmers Foundation Cashew Revitalization Project in Zambia

Initiatives

Initiatives as Part of Business Activities

Efforts to Improve Health and Sanitation for Local Residents in Brazil (Combating Infectious Diseases such as Malaria and Measles)

In the Jirau hydropower generation business in Brazil, under a public-private partnership, the project company has been implementing a social contribution and environmental action program since 2009 with the aim of improving the health and sanitary environment for local residents. Particular emphasis is being placed on measures to combat malaria. While working on building hospitals and basic healthcare facilities and providing mobile floating hospitals (vessels) to secure access to medical examinations and treatment, the project company has implemented healthcare education and seminars for disease prevention. Its contribution to vector control efforts includes donation of extermination materials and research equipment, dispatch of researchers, exterminators, and other experts, distribution of mosquito nets, and implementation of vector propagation monitoring and mist spraying of insecticides. The number of malaria cases in the region was reduced by 90% between 2010 and 2019, which has earned considerable international recognition.

Contributing to the Enhancement of Local Living Standards and Economic Development Through Mini-grid Projects in Non-electrified Regions of India and Africa

Demand for energy has been growing throughout the world, especially in Asia and Africa, along with the steady economic growth of these regions. The power sector has seen a pronounced trend towards Decarbonization, Decentralization, and Digitalization (the "3 D's"), and a rapid shift is underway towards renewable energy, which is more environment-friendly. Mitsui & Co. is responding to the "3 D's" trend not only through the development of utility scale solar power and wind power projects, but also through the global roll-out of distributed power generation projects that provide service closer to the end-user. Globally, approximately one billion people—mostly in Asia and Africa—have limited access to electricity*, and for India also, this is a major problem. At the same time, mobile phone penetration rates tend to be very high even in the inadequately-electrified regions of India and Africa, making electricity necessary for communication purposes. In 2017, we invested in OMC Power Private Limited (OMC), which is specialized in a business model with a combination of solar power and batteries to implement a distributed electricity generation business in which electricity is produced and consumed locally. With mobile carriers' telecom towers being the anchor customers, OMC supplies reliable electricity to local businesses and communities as well. OMC provides stable and affordable electricity mainly through environment-friendly solar power, as well as enhancing the lives and economic prosperity of rural communities. Currently, OMC operates 280 power generation plants, which supply power to 238 telecom towers, 11,000 local businesses, and approximately 100,000 residents in 15,000 households. We will be working with OMC to deliver electricity to other inadequately-electrified regions.



A store able to do business at night

* Source: ["Our World in Data "Access to Energy"](#)

Local Communities

Rehabilitation Project Following the Closure of a Coal-fired Power Station and its Adjacent Coal Mine in Australia

With the shutting down of the Hazelwood Power Station and mine in Latrobe Valley near Morwell, Victoria, Australia, we have been working since 2017 with our partner ENGIE on the demolition of the office buildings and plant, and the subsequent closure (rehabilitation). In accordance with our mine closure policy, we began preparations prior to implementing the demolition work, evaluating the impact on the environment and local community through expert reviews, and then carrying out the work in accordance with laws, regulations, and permits, and holding regular discussions with stakeholders such as government officials and residents. Moreover, we have created and published a concept master plan for the effective utilization of the site, which will contribute to the development of the region following the closure.

Social Contribution Activities

Beekeeping for the Economic Self-reliance of Indigenous People of the Amazon in Brazil

Through our Mitsui & Co. Environment Fund, we support the development of sustainable beekeeping projects that take into consideration the conservation of tropical rainforest in the Amazon River basin where monetized economies are not completely established. By establishing a system for indigenous people to produce, manage and distribute honey, we aim to both ensure their economic independence and protect the environment by protecting tropical rainforests. Through our work to date, a framework for the operation of a beekeeping business has been established, and they will begin sending honey to the market from the fall of 2022. We will continue to support and contribute to the local communities.



A Carapalo beekeeper with honey that will be shipped to the outside world

[The Mitsui & Co. Environment Fund: Establishing economic independence for indigenous people of the Amazon through beekeeping projects](#)

Restoring the Cardamon Watershed in Cambodia and Building Sustainable Communities

Tonle Sap Lake in Cambodia is fed from runoff from the extensive surrounding flooded forests. It is an important fishing ground for local communities that depend on fishing and agriculture. However, in recent years the amount of fish has declined due to logging and water pollution from the use of insecticides. Through our Mitsui & Co. Environment Fund, we have set up a system to build up fishery profits on a community basis. We support the international NGO Conservation International that is attempting to ensure both financial stability and environmental conservation of the region's flooded forests.

[The Mitsui & Co. Environment Fund: Building resilience and sustainability in the Cardamom Mountains watershed, Cambodia](#)

Social Development Supported by Coffee Production in Villages in West Java, Indonesia

Villages in the mountainous regions of Tangsi Jaya in West Java, Indonesia are located in a coffee-growing region. However, since the suspension of the micro hydropower generation facilities due to a natural disaster, the villages have been unable to process the beans, forcing them to sell them at a low price, resulting in economic hardship. Through our Mitsui & Co. Environment Fund, we are restoring the power generating plant, rebuilding processing facilities that will use the electricity, building new coffee bean drying and storage buildings, creating employment and income for local villages, and helping to reduce CO2 emissions by using renewable energy. At the same time, we are carrying out a regional economic survey and suggesting directions for future development.

The Mitsui & Co. Environment Fund: Social development of Tangsi Jaya hamlet using renewable energy



Governance



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Corporate Governance & Internal Controls

We are making efforts to enhance our corporate governance framework and develop and improve our internal controls on a global group basis, to make sure that Mitsui & Co. is a company that is trusted by society.

We recognize that ensuring thorough compliance with respect to internal controls is a particularly important issue.

Corporate governance and internal control: Systems and implementation

Corporate governance framework

Mitsui & Co. has chosen to base its corporate governance framework on a corporate auditor system, headed by the audit & supervisory board. To achieve effective corporate governance for shareholders and other stakeholders, the Company has established the following governing bodies:

1. The Board of Directors is Mitsui & Co.'s ultimate decision-making body for business execution and oversight. To ensure that those functions are fulfilled, Mitsui appoints no more than the number of directors necessary to enable effective deliberations, and conducts an annual assessment of the Board in order to validate its effectiveness and discloses a summary of the results. The company has also established the Governance Committee, Nomination Committee, and Remuneration Committee as advisory bodies to the Board of Directors, with external directors and external audit & supervisory board members serving as members of these committees.
2. The audit & supervisory board members audit the execution of the duties of the Board of Directors as an independent body and report to shareholders. In pursuit of this objective, the audit & supervisory board members carry out multifaceted, effective auditing activities, such as attending important internal meetings and auditing various types of reports, and develop necessary measures in a timely manner.

To ensure transparency and accountability, which are key requirements of corporate governance, we are endeavoring to strengthen management oversight and supervision, taking into account the perspectives of external directors and external audit & supervisory board members. At the same time, the Company is developing its internal control framework with respect to information disclosure, and, based on the general rules of fair disclosure, executives and employees are responsible for ensuring accountability. Furthermore, to separate the functions of business execution and oversight, Mitsui has broadly transferred the authority for business execution to the Company's executive officers, and the Board of Directors is responsible for overseeing the execution of business by the executive officers. The chief operating officers of the Company's 16 Headquarters business units and 2 overseas regional business units also serve concurrently as executive officers, supporting a dynamic approach to business execution across Mitsui & Co. global group.

At the time of the General Meeting of Shareholders in June 2022, there were 14 directors, five of whom were external directors (including three female directors, two foreign directors).

We have five audit & supervisory board members, two full-time and three external (including 1 female audit & supervisory board members), and we have established the Audit & Supervisory Board Member Division as a framework to provide added support to the audit & supervisory board members in the execution of their duties. Audit & supervisory board members attend the meetings of the Board of Directors and other important in-house meetings, overseeing procedures and resolutions, and visit offices in and outside Japan and important affiliate companies.

Business execution and internal control system

In the fiscal year ended March, 2012, we adopted the so-called "J-SOX" standards defined in Japan's Financial Instruments and Exchange Act as the basis for the evaluation of our internal control systems. We are determined to maintain highly effective internal control systems that are compliant with the new global standards and in keeping with the values of Mitsui & Co., and to ensure that all employees, including those working for affiliated companies, are fully aware of and comply consistently with the basic principle that "without compliance there will be no work and no company".

At the core of our internal control system, the Corporate Management Committee establishes basic internal control policy and carries out company-wide internal control evaluations and improvements.

Furthermore, to respond to the increasingly diverse kinds of risks associated with our business, we have established the Compliance Committee, which formulates the compliance structure of Mitsui & Co. and maintains and strengthens its effectiveness; the Disclosure Committee, which establishes principles and basic policy for disclosures of the company and conducts individual discussions on important disclosures; J-SOX Committee, which formulates the structure to secure trustworthiness of the company's financial reporting and maintains and strengthens its effectiveness; the Portfolio Management Committee, which establishes the corporate portfolio strategy as well as investment and finance policies, monitors the company's entire portfolio, and examine important individual proposals; the Crisis Response Headquarters, an ad-hoc body reporting directly to the president, which exercises swift, precise decision-making when there is a need for a swift response; the Sustainability Committee, which promotes the sustainability management at the company related to company's sustainability and environmental, social and governance (ESG) issues; the Information Strategy Committee, which plans company-wide information and DX strategy and determines and monitors essential policies concerning establishment of a management platform and promotion of the structure of the information strategy; and, the Diversity Committee, which makes proposal regarding basic policy and the plan for diversity promotion, and formulates and implements targets set along with the plan.

Current status of the internal auditing structure

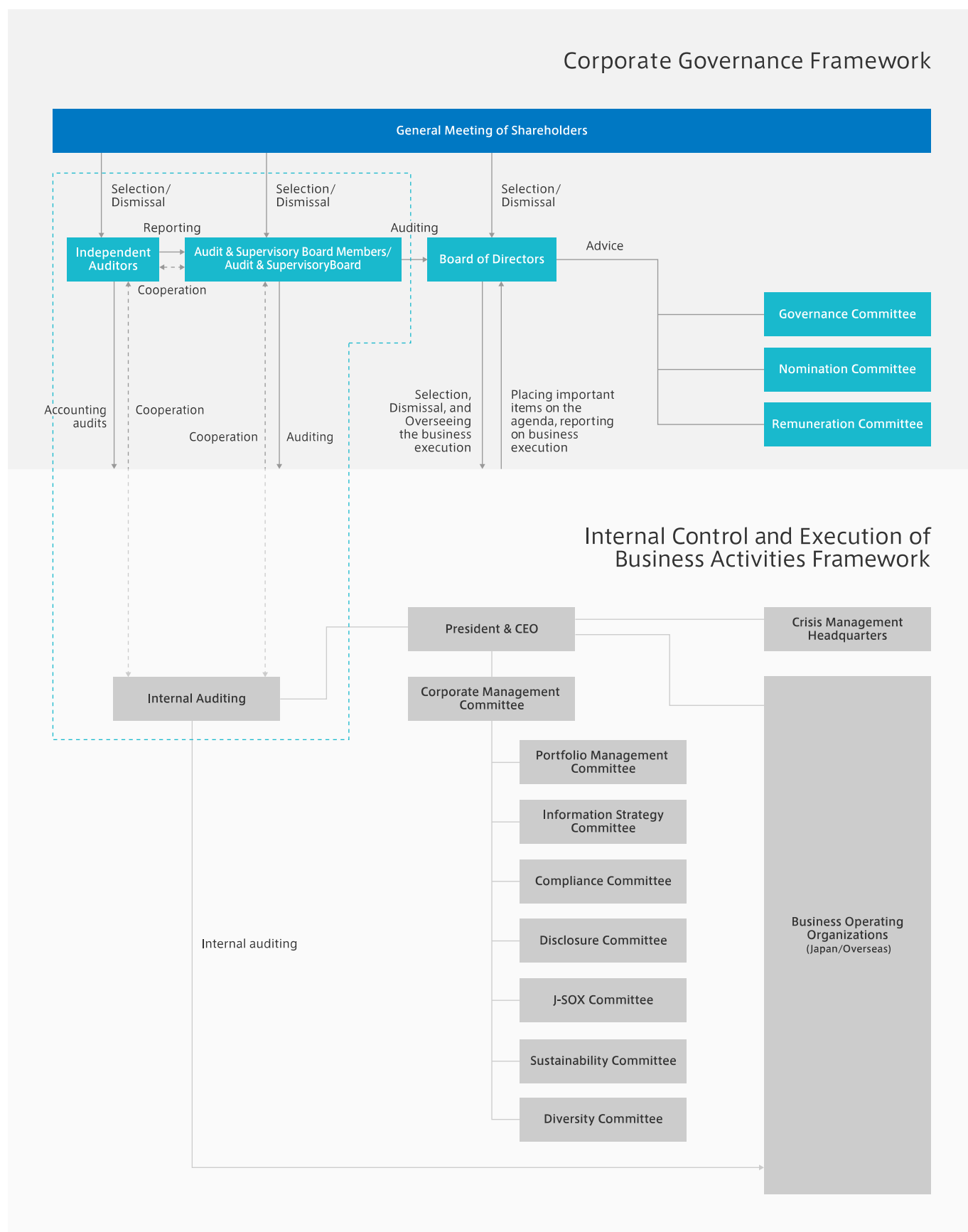
Based on the order or approval of the President and Chief Executive Officer, for the purpose of contributing to the effective achievement of management goals, the Internal Auditing Division, evaluates how internal control is present and functioning with an emphasis on the effectiveness and efficiency of operation, the reliability of financial reporting, compliance with laws and regulations as well as safeguarding of Company assets. The adequacy and effectiveness of each process in risk management, control and governance with each organizational unit shall also be evaluated, and suggestions and proposals shall be made for their improvement.

In the regular audits which covers the company, its overseas offices, overseas trading subsidiaries and other subsidiaries, internal auditors carry out independent and objective evaluations, pursuant to the rules on internal audits, etc., with an emphasis on risk management, effectiveness of management and operations, compliance, and appropriate financial reporting.

Corporate Governance & Internal Controls

Overview of corporate governance and internal control

Overview of our corporate governance and internal control framework is as follows:



Corporate Governance & Internal Controls

Corporate Governance and Internal Control Principles

Mitsui & Co. enacted the following "Corporate Governance and Internal Control Principles" in April 2006 (Revised on 16th December, 2021)

[Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles \(PDF 382 KB\)](#)

Status of Corporate Governance

In terms of strengthening corporate governance, Mitsui & Co. worked to improve diversity among members of the Board of Directors. At the same time, an even greater number of discussions were held at Board of Directors' meetings regarding Mitsui & Co.'s future direction and business strategies. In these ways, Mitsui & Co. has been moving forward with efforts to enhance the effectiveness of the Board of Directors.

Basic View on Corporate Governance

In structuring the corporate governance framework, the Company places emphasis on "improved transparency and accountability" and "the clarification of the division of roles between the oversight activities and the executive activities of management." For "improved transparency and accountability," the Company ensures sound supervision and monitoring of management with the viewpoints of External Directors and External Audit & Supervisory Board Members. The Company has also established an internal control system for disclosure so that all executives and employees fulfill their accountability to stakeholders under the principle of fair disclosure. For "the clarification of the division of roles between the oversight activities and the executive activities of management," the Company delegates execution of business to Managing Officers substantially while the Board of Directors retains a supervisory role over Managing Officers' business activities. Chief Operating Officers of the 16 Headquarter Business Units and the 2 Overseas Regional Business Units serve concurrently as Managing Officers and engage in business operations for the consolidated Group in a responsive and flexible manner.

While increasing the effectiveness of supervisory functions by having Audit & Supervisory Board Members, the Company implements corporate governance by maintaining an Audit & Supervisory Board system because it believes that having internal Directors who are familiar with its business practices and operations is essential to the business of a general trading company. By adopting a Committee System in which External Directors and External Audit & Supervisory Board Members participate, the Company achieves highly effective corporate governance to secure "improved transparency and accountability" and "the clarification of the division of roles between the oversight activities and the executive activities of management."

Mitsui & Co. has presented to the Tokyo Stock Exchange and other stock exchanges a corporate governance report that describes the status of Mitsui & Co.'s corporate governance.

Filed on November 10, 2022

[Corporate Governance Report \(PDF 1.03 MB\)](#)

Board of Directors

The Board of Directors is the highest authority for execution of business and supervision, and in order to secure this function, the Company has limited the number of Directors to the maximum to enable substantial discussions and gives priority to the appointment of new External Directors in the case of increasing the number of board members in order to enhance the division of roles between management oversight and execution. In addition, the Company has established the Governance Committee, the Nomination Committee, and the Remuneration Committee to serve as advisory bodies to the Board of Directors. These committees comprise mainly external members.

Status of Corporate Governance

At Board of Directors' meetings, matters that are deliberated or reported on abide by the Company's internal regulations. In addition to matters concerning fundamental policies related to management, important business execution and matters authorized by resolutions of the General Meeting of Shareholders, the Company passes resolutions on matters determined by law and company statute. We also receive reports regarding matters determined by law and the status of important business operations.

Regular meetings of the Board of Directors are held once every month in principle and extraordinary meetings are held from time to time at any time if deemed necessary.

Audit & Supervisory Board

The Audit & Supervisory Board Members supervise the Directors' execution of duties as an independent institution with the mandate of the shareholders. For this purpose, Audit & Supervisory Board Members carry out multifaceted, effective audit activities such as attending important internal meetings, verifying reports and investigating our business, and take necessary measures in a timely manner.

Audit & Supervisory Board meetings are held periodically and precede meetings of the Board of Directors. Moreover, additional meetings are held on an as-needed basis. The Audit & Supervisory Board Members attend meetings of the Board of Directors to monitor how the proceedings of the meetings are managed and the content of the decisions made. These members also actively express their opinions.

Auditing by the Audit & Supervisory Board Members covers a variety of areas, among which are execution of duties by Directors, decision-making processes at the meetings of the Board of Directors and others, status of construction and operation of the internal control system, independence of the Independent Auditors, system of financial reporting, accounting policies and processing of financial information, tax policies and tax processing.

Evaluation Results of the Effectiveness of the Board of Directors

Each year, the Board of Directors analyzes and evaluates its effectiveness, taking into consideration relevant matters, including self-evaluations of each Director, and discloses a summary of the results.

At the Board of Directors meeting held on April 8, 2022, we analyzed and evaluated the effectiveness of the Board of Directors meeting for the year ended March 31, 2022. We would like to inform you of the results.

- [Summary: Summary of Effectiveness Assessment for FYE 3/2022 \(PDF 85 KB\)](#)
- [Details: FYE 3/2022 Effectiveness Assessment \(PDF 510KB\)](#)

The Board of Directors continues to work to maintain and improve the effectiveness of the Board of Directors, and aims to ensure thorough supervision of management by the Board of Directors and to achieve sustainable increases in corporate value.

The methods and results of the evaluation of effectiveness of the Board of Directors for the year ended March 31, 2021, and prior years, are summarized as follows:

Please note that the summary of the methods and results of the evaluation of effectiveness of the Board of Directors is also described in the Corporate Governance Report.

Evaluation of effectiveness (Excerpt from the Corporate Governance Report)

- [Evaluation of effectiveness for FYE 3 /2022 \(PDF 510KB\)](#)
- [Evaluation of effectiveness for FYE 3 /2021 \(PDF 148KB\)](#)
- [Evaluation of effectiveness for FYE 3 /2020 \(PDF 959KB\)](#)
- [Evaluation of effectiveness for FYE 3 /2019 \(PDF 237KB\)](#)
- [Evaluation of effectiveness for FYE 3 /2018 \(PDF 219KB\)](#)
- [Evaluation of effectiveness for FYE 3 /2017 \(PDF 161 KB\)](#)
- [Evaluation of effectiveness for FYE 3 /2016 \(PDF 119KB\)](#)

Summary of Effectiveness Evaluation of the Board of Directors

The effectiveness of the Board of Directors is evaluated every year in order to check actions on issues identified in the previous fiscal year and identify issues to be tackled in the next fiscal year. The process emphasizes the maintenance of a PDCA cycle for the improvement of effectiveness of the Board of Directors.

Based on the results of the effectiveness survey for the fiscal year ended March 2021 , the Board of Directors and its Secretariat took action on the following matters in the fiscal year ended March 2022 .

Issues identified from the effectiveness evaluation results for FYE 3 /2021	Actions	Evaluations in the FYE 3 /2022 survey
Ongoing consideration of the optimal overall number of directors, the ratio of external to internal members, the number of internal directors, and organizational design	<ul style="list-style-type: none"> • The Governance Committee discussed Mitsui & Co.'s business execution framework and the institutional design at meetings in September and December 2021 . 	The majority of board members (and the majority of external board members) gave positive evaluations. There were comments that the Board is functioning well with its present composition but should continue to consider to reflect changes in the external environment and other factors.

Effectiveness evaluation for FYE 3 /2022

After discussion of the results from the survey at an External Members Meeting in February 2022 and a Governance Committee meeting and a Corporate Management Committee meeting in March 2022, the effectiveness evaluation was resolved by the Board of Directors in April.

Self-evaluation

- Implemented in January 2022 by 14 directors and 5 Audit & Supervisory Board members
- 5-level evaluations, comparisons with the previous fiscal year, and comments for each question

The evaluation of the effectiveness of the Board of Directors in FYE 3 /2022 was carried out through self-evaluation.

Evaluation results

1. Concerning the issue "ongoing consideration of the optimal overall number of directors, the ratio of external to internal members, the number of internal directors, and organizational design" which was raised in FYE March 2021, the Governance Committee discussed Mitsui & Co.'s business execution framework and institutional design at meetings in September and December 2021.
2. Composition of the Board of Directors: The diverse expertise and experience of each director is well intertwined. The diversity of external members is fully utilized.
3. Deliberations by the Board of Directors: Items of agenda such as overall business strategy, business portfolio has been enhanced. In addition to sustainability, themes related to internal control such as cybersecurity have been expanded and deepened.
4. Operations of the Board of Directors: Each and every topic is discussed carefully. The use of written resolutions has resulted in improvements in the number of agenda items and securing more time.
5. Advisory committees, support for directors and Audit & Supervisory Board members: Matters are discussed appropriately by the advisory committees as well. The Board Secretariat provides appropriate support for directors and Audit & Supervisory Board members.
6. The fact that macroscopic themes were discussed at the free discussion sessions was positive. Themes necessary for future management strategy are taken up.
7. It is very clear that Mitsui & Co. emphasizes governance.

The overall conclusion based on the above results is that the Board of Directors achieved an appropriate level of effectiveness in FYE 3/2022.



Steps toward further improvement of effectiveness

1. **Continuing consideration of high-level analysis of substantive effectiveness relating to the number of directors and the role and ratio of internal directors, based on the existing business executive structure and governance systems**
 - We will analyze the pros and cons in relation to the number of directors and the roles and ratio of internal directors and discuss these matters periodically at Governance Committee meetings and in other forums.
2. **Continue with initiatives to improve the operation of the Board of Directors**
 - We will continue to improve agenda selection and operation to enable the Board of Directors to focus more on deliberations about important matters.
 - We will continue to enhance the provision of information to external members.

Remuneration of Executives

Structure of Remuneration

Remuneration of Directors and Audit & Supervisory Board Members

The Company has established a policy for determining the remuneration of individual Directors by resolution of the Board of Directors, following deliberation by and reporting from the Remuneration Committee. In each fiscal year, the Remuneration Committee discusses the remuneration structure for Directors and Audit & Supervisory Board Members, and examines the appropriateness of the proportions of fixed remuneration, result-linked bonuses, and stock-based remuneration based on trends at other companies and then reports this as well as the appropriateness of clawback provisions to the Board of Directors, among other measures, in order to emphasize transparency in the determination of Directors' and Audit & Supervisory Board Members' remuneration.

Remuneration for Directors of the Company is comprised of fixed remuneration (basic remuneration), result-linked bonuses (short-term incentive) and restricted stock-based remuneration as stock-based remuneration (long-term incentive). From the perspective of respecting the independence of External Directors and Audit & Supervisory Board Members, who are independent from business execution, they are not eligible for result-linked bonuses or stock-based remuneration. In addition, the Company will not pay retirement compensation to Directors and Audit & Supervisory Board Members.

With the approval of the 103rd Ordinary General Meeting of Shareholders on June 22, 2022, the Company revised the remuneration for Directors for the fiscal year ending March 2023 and thereafter. An overview of the revised structure is shown below. The Company also established the Share Ownership Guidelines in FY March 2023.

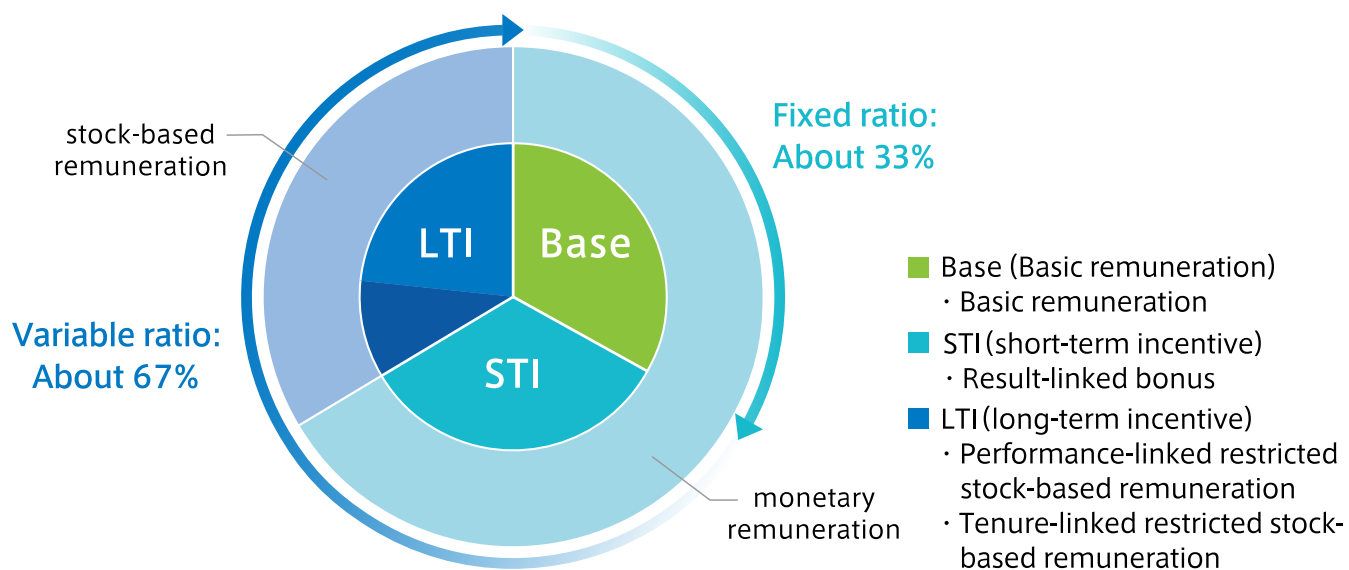
The composition of remuneration for Directors (excluding External Directors) from FY March 2023 is 2:1 for monetary remuneration:stock-based remuneration and 1:1:1 for basic remuneration:short-term incentive:long-term incentive.

Overview of Remuneration of Directors and Audit & Supervisory Board Members

FY March 2022		FY March 2023 and thereafter		Directors
		Performance-linked restricted stock-based remuneration	<div>Long-term incentive</div> Variable stock-based remuneration (Capped at a total amount of ¥300 million/year)	
Share performance-linked restricted stock-based remuneration	<div>Medium-to long-term incentive</div> Variable stock-based remuneration (Capped at a total amount of ¥500 million/year)	Tenure-linked restricted stock-based remuneration	<div>Long-term incentive</div> Fixed stock-based remuneration (Capped at a total amount of ¥500 million/year)	
Result-linked bonus based on consolidated profit for the year and Core Operating Cash Flow	<div>Short-term incentive</div> Variable monetary remuneration (Capped at a total amount of ¥700 million/year)	Result-linked bonus based on consolidated profit for the year and Core Operating Cash Flow	<div>Short-term incentive</div> Variable monetary remuneration (Capped at a total amount of ¥1.5 billion/year)	
Purchase of Mitsui shares from his/her fixed basic remuneration through Mitsui Executives' Shareholding Association (also applicable to external members)	<div>Purchase of Mitsui's shares</div> Fixed monetary remuneration (Capped at a total amount of ¥1 billion/year)	Purchase of Mitsui shares from his/her fixed basic remuneration through Mitsui Executives' Shareholding Association (also applicable to external members)	<div>Purchase of Mitsui's shares</div> Fixed monetary remuneration (Capped at a total amount of ¥1 billion/year)	External Directors Audit & Supervisory Board Members*
Fixed basic remuneration		Fixed basic remuneration		

* Capped a total amount of ¥240 million / year

Composition of remuneration for Directors (excluding External Directors)



Status of Corporate Governance

Overview of Policy for Determining Remuneration of Individual Directors

Position	Type	Compensation	Cap	Overview
Directors (excluding External Directors)	Performance-linked restricted stock-based remuneration	Stock-based	¥300 million	<ul style="list-style-type: none">• Performance linkage conditions: The initial evaluation period is to consist of the three fiscal years extending to the fiscal year ending March 2025, from the fiscal year ending March 2023. During the initial evaluation period, we will focus on management indicators that include ESG elements, including response to climate change, ROE, etc. Amounts shall be within the variation range of 80% to 120% for each management indicator.• Restriction on disposal: 30 years• Lifting of restriction on disposal: End of the restriction on disposal period or retirement of Director• Clawback clause: Applies• Total number of shares to be issued or disposed of: No more than 300,000 per year• Paid-in amount per share: Average closing price of Company stock during the immediate prior three months
	Tenure-linked restricted stock	Stock-based	¥500 million	<ul style="list-style-type: none">• Number of shares of the Company's common stock determined according to position shall be paid individually.• Restriction on disposal: 30 years• Lifting of restriction on disposal: End of the restriction on disposal period or retirement of Director• Clawback clause: Applies• Total number of shares to be issued or disposed of: No more than 500,000 per year• Paid-in amount per share: Average closing price of Company stock during the immediate prior three months
	Result-linked bonus	Monetary	¥1.5 billion	<ul style="list-style-type: none">• Total amount of bonuses = (Consolidated profit for the year x 50% x 0.1%) + (Core Operation Cash Flow x 50% x 0.1%)• Amount individually paid = Total amount of bonuses x Position points / Sum of position points Position: Chair/President Points: 10 Position: Executive Vice President Points: 7 Position: Senior Executive Managing Officer Points: 6 Position: Executive Managing Officer Points: 5
Directors	Basic remuneration	Monetary	¥1 billion	<ul style="list-style-type: none">• Amount determined according to position shall be paid individually
Audit & Supervisory Board Members	Basic remuneration	Monetary	¥240 million	<ul style="list-style-type: none">• Amount determined by discussion among the Audit & Supervisory Board Members shall be paid individually

* For details, please refer to 4. Corporate Governance (4) Remuneration of Directors and Audit & Supervisory Board Members under 4. Corporate Information in our Annual Securities Report for the fiscal year ended March 2022.

Status of Corporate Governance

Share Ownership Guidelines

Position	Type	Goal regarding ownership of the Company's shares
Internal Directors	President and Chief Executive Officer	Ownership of the Company's stock equivalent to three times basic remuneration (annual amount)
	Other Directors	Ownership of the Company's stock equivalent to basic remuneration (annual amount)

Remuneration of directors and Audit & Supervisory Board Members in the fiscal year ended March 31, 2022

Category of Position	Number of Recipients*1	(¥ million)			
		Basic Remuneration	Bonus	Stock Compensation	Total Remuneration
Directors (Excluding External Directors)	11	725	700	325	1,750
Audit & Supervisory Board Members (Excluding External Audit & Supervisory Board Members)	2	132	—	—	132
External Directors	5	104	—	—	104
External Audit & Supervisory Board Members	3	60	—	—	60
Total	21	1,021	700	325	2,046

*1 The above includes Directors who retired from office in the fiscal year to March 2022.

*2 In addition to the above amounts, a total of ¥438 million was paid to 95 retired Directors, and ¥41 million to 12 retired Audit & Supervisory Board Members, as pensions (representing payments determined prior to the abolition of those systems).

External Directors / External Audit & Supervisory Board Members

Selection Criteria

External Directors

- The prospective person's extensive business experience and knowledge are required to deliberate and knowledge of his or her particular area of business should be used.
- The Company puts great value on ensuring independence of External Directors from Mitsui in the pursuit of their management oversight functions.
- With a view to overseeing business operations in a way that reflects the perspectives of our diverse stakeholders, Mitsui shall take into consideration the fields from which candidates originate, along with their gender.

Status of Corporate Governance

Reasons for Appointing Each External Director / Major Activities in the Fiscal Year Ended March 31, 2022

Name	Izumi Kobayashi
Independent Director* ¹	○
Reasons for Appointment	Ms. Kobayashi has deep insight in organizational management and risk management for generating innovation, which she has accumulated through her experience working as the representative of private sector financial institutions and a multilateral development bank. She speaks out actively from diverse perspectives at the Board of Directors' meetings, making a significant contribution to deepening the discussion. In the year ended March 31, 2022, Ms. Kobayashi served as the Chair of the Nomination Committee, and exercised strong leadership in enhancing the transparency and effectiveness, including the CEO succession plan. In addition, as a member of the Remuneration Committee, she contributed to the discussions related to the redesign of executive remuneration and evaluation system. In view of these points, the Company appointed her as an External Director so that she may continue to advise and supervise its management.
Attendance at Meetings in FY2022 (Number of Meetings Attended / Total Number of Meetings)	<ul style="list-style-type: none"> • Board of Directors 15/15 • Nomination Committee 5/5 • Remuneration Committee 7/7 • External Members Meeting 13/13
Significant Concurrent Positions* ²	<ul style="list-style-type: none"> • External Director, ANA HOLDINGS INC. • External Director, Mizuho Financial Group, Inc. • External Director, OMRON Corporation

Name	Jenifer Rogers
Independent Director* ¹	○
Reasons for Appointment	Ms. Rogers has a global perspective and deep insight in risk management cultivated through her experience working for international financial institutions and her experience in legal work as in-house counsel. She makes many useful comments concerning risk control at the Board of Directors' meetings, making a significant contribution to enhancing the supervisory function of the Board of Directors. In the year ended March 31, 2022, she served as a member of the Governance Committee, actively provided her opinions with the aim of creating of a highly transparent governance system. In view of these points, the Company appointed her as an External Director so that she may continue to advise and supervise its management.
Attendance at Meetings in FY2022 (Number of Meetings Attended / Total Number of Meetings)	<ul style="list-style-type: none"> • Board of Directors 15/15 • Governance Committee 5/5 • External Members Meeting 10/13

Status of Corporate Governance

Significant Concurrent Positions* ²	<ul style="list-style-type: none"> • General Counsel Asia, Asurion Japan Holdings G.K. • External Director, Kawasaki Heavy Industries, Ltd. • External Director, Nissan Motor Co., Ltd. • External Director, Seven & i Holdings Co., Ltd.
Name	Samuel Walsh
Independent Director* ¹	○
Reasons for Appointment	<p>Mr. Walsh has global expertise and excellent management skills cultivated through his long years working in upper management within the automobile industry and as chief executive officer of an international natural resources company. At the Board of Directors' meetings, he makes many proposals and suggestions from a broad-minded standpoint based on his abundant business management experience, and makes significant contributions to active discussions at the meetings of the Board of Directors, and to improving the effectiveness of said meetings. In the year ended March 31, 2022, Mr. Walsh served as a member of the Governance Committee and actively provided his opinions with the aim of creating a highly transparent governance system. He has diverse perspectives based on global corporate management experience and expertise and knowledge related to capital policy and business investment. The Company appointed him as an External Director so that he may continue to advise and supervise its management.</p>
Attendance at Meetings in FY2022 (Number of Meetings Attended / Total Number of Meetings)	<ul style="list-style-type: none"> • Board of Directors 15/15 • Governance Committee 5/5 • External Members Meeting 13/13
Significant Concurrent Positions* ²	<ul style="list-style-type: none"> • Chairman of the Board, Gold Corporation (Australia) the Perth Mint

Status of Corporate Governance

Name	Takeshi Uchiyamada
Independent Director* ¹	○
Reasons for Appointment	Mr. Uchiyamada has long been involved in research on environmental and safety technologies at Toyota Motor Corporation that could realize a mobility society responding to the needs of the times, as well as in the development of products demanded by consumers, and has been exercising his excellent managerial skills as an executive officer of Toyota Motor Corporation. At the Board of Directors' meetings, he makes many proposals and suggestions from a broad-minded standpoint based on his management experience at a global company and his in-depth knowledge of society in general, and makes significant contributions to active discussions as the meetings of the Board of Directors, and to improving the effectiveness of said meetings. In the year ended March 31, 2022, he served as a member of the Nomination Committee, and contributed to the discussions with the aim of enhancing the transparency and effectiveness of the procedures for the appointment of executives, including the CEO succession plan. In view of these points the Company appointed him as an External Director so that he may continue to advise and supervise its management.
Attendance at Meetings in FY2022 (Number of Meetings Attended / Total Number of Meetings)	<ul style="list-style-type: none"> • Board of Directors 15/15 • Nomination Committee 5/5 • External Members Meeting 13/13
Significant Concurrent Positions* ²	<ul style="list-style-type: none"> • Chairman of the Board of Directors, Toyota Motor Corporation • External Director, JTEKT CORPORATION <p>JTEKT CORPORATION is an equity accounted associated companies of Toyota Motor Corporation.</p>

Name	Masako Egawa
Independent Director* ¹	○
Reasons for Appointment	Ms. Egawa has deep insight in finance and corporate management gained through her experience of management as a director of the University of Tokyo, her many years of experience working at global financial institutions, and her research on management and corporate governance at Japanese companies. Her broad range of public contributions includes the activities at the Japan-United States Educational Commission and councils of the Ministry of Finance. In the year ended March 31, 2022, she served as a member of the Governance Committee, actively provided her opinions with the aim of creating a highly transparent governance system. In addition, as a member of the Remuneration Committee, she contributed to the discussions related to the redesign of a remuneration system and evaluation system. Although Ms. Egawa has no direct experience participating in corporate management, considering the above, the Company appointed her as an External Director so that she may advise and supervise its management.

Status of Corporate Governance

Attendance at Meetings in FY2022 (Number of Meetings Attended / Total Number of Meetings)	<ul style="list-style-type: none"> • Board of Directors 15 /15 • Governance Committee 5 /5 • Remuneration Committee 7 /7 • External Members Meeting 13 /13
Significant Concurrent Positions* ²	<ul style="list-style-type: none"> • External Director, Tokio Marine Holdings, Inc. • Chancellor, School Juridical person Seikei Gakuen

* 1 An External Director who is unlikely to have conflicts of interest with general shareholders, as stipulated by the stock exchange

* 2 As of June 22, 2022

External Audit & Supervisory Board Members

The External Audit & Supervisory Board Members shall be selected with the objective of further heightening the neutrality and independence of the auditing system, and, in particular, it is expected that the External Audit & Supervisory Board Members will give an objective voice to their auditing opinions from the standpoint of neutrality, building on such factors as independence. When selecting candidates for External Audit & Supervisory Board Members, the Audit & Supervisory Board shall confirm that no issues with independence arise by taking into consideration such factors as relations with the Company, management and important staff members.

Reasons for Appointing Each External Audit & Supervisory Board Member / Major Activities in the Fiscal Year Ended March 31, 2022

Name	Hiroshi Ozu
Independent Audit & Supervisory Board Member* ¹	○
Reasons for Appointment	Mr. Ozu is appointed as an External Audit & Supervisory Board Member in expectation of the expression of his objective audit opinions from an independent and neutral standpoint, with advanced insight into governance and risk management cultivated through the many years of experience and perspective in legal affairs he has gained, as a prosecutor and an attorney at law.
Attendance at Meetings in FY2022 (Number of Meetings Attended / Total Number of Meetings)	<ul style="list-style-type: none"> • Board of Directors 15 /15 • Audit & Supervisory Board 18 /18 • Nomination Committee 5 /5 • External Members Meeting 11 /13
Significant Concurrent Positions* ²	<ul style="list-style-type: none"> • Attorney at law • External Audit & Supervisory Board Member, Toyota Motor Corporation • External Audit & Supervisory Board Member, Shiseido Company, Limited

Status of Corporate Governance

Name	Kimitaka Mori
Independent Audit & Supervisory Board Member* ¹	○
Reasons for Appointment	Mr. Mori is appointed as an External Audit & Supervisory Board Member in expectations of the expression of his objective audit opinions from an independent and neutral standpoint, with advanced insight into corporate accounting, accounting audit activities and risk management cultivated through his many years of experience as a certified public accountant.
Attendance at Meetings in FY2022 (Number of Meetings Attended / Total Number of Meetings)	<ul style="list-style-type: none"> • Board of Directors 15/15 • Audit & Supervisory Board 18/18 • Remuneration Committee 7/7 • External Members Meeting 12/13
Significant Concurrent Positions* ²	<ul style="list-style-type: none"> • Certified Public Accountant • External Director, Japan Exchange Group, Inc. • External Audit & Supervisory Board Member, East Japan Railway Company • External Director, Sumitomo Life Insurance Company

Name	Yuko Tamai
Independent Audit & Supervisory Board Member* ³	—
Reasons for Appointment	Ms. Tamai is appointed as an External Audit & Supervisory Board Member in expectations of the expression of her objective audit opinions from an independent and neutral standpoint, with advanced insight into various types of corporate transactions, corporate governance and risk management cultivated through her many years of experience in legal affairs as a lawyer as well as extensive experiences as an external board member of other companies and a Commissioner (part-time) of Certified Public Accountants and Auditing Oversight Board.
Attendance at Meetings in FY2022 (Number of Meetings Attended / Total Number of Meetings)	<ul style="list-style-type: none"> • — (Joined from June 2022)
Significant Concurrent Positions* ²	<ul style="list-style-type: none"> • Attorney at law • Partner, Nagashima Ohno & Tsunematsu • External Audit & Supervisory Board Member, Japan Bank for International Cooperation (scheduled to retire in June 2022)

* 1 An External Audit & Supervisory Board Member who is unlikely to have conflicts of interest with general shareholders, as stipulated by the stock exchange

* 2 As of June 22, 2022

Status of Corporate Governance

*3 She satisfies both the standards established by the Company below and the conditions for the independence of External Audit & Supervisory Board Members established by the stock exchange. She will continue to satisfy such independence requirements throughout her term of office as an Audit & Supervisory Board Member. As Nagashima Ohno & Tsunematsu's policy does not recognize lawyers belonging to their office being registered as Independent Directors or Audit & Supervisory Board Members when they become External Directors or External Audit & Supervisory Board Members of any company, the Company does not plan to register her as an Independent Audit & Supervisory Board Member.

Criteria of Independence for External Officers (Directors/Audit & Supervisory Board Members)

External Directors or External Audit & Supervisory Board Members of the Company who do not fall under any of the following items are to be judged to have independence.

1. Person who is currently or was in the past 10 years an executive director, executive officer, managing officer, manager, employee, administrative officer, etc. (hereinafter referred to as "executing person") of the Company or its consolidated subsidiaries
2. Person or the executing person of a corporation holding either directly or indirectly 10% or more of the total number of the voting rights of the Company
3. Person whose major business partner is the Company or its consolidated subsidiaries*1 or the executing person of the same
4. Major business partner of the Company or its consolidated subsidiary*2 or the executing person of the same
5. Person who is in charge of auditing operations of the Company or the Company's consolidated subsidiary, as partners etc. of the auditing firm of the Independent Auditor of the Company or the Company's consolidated subsidiary
6. Person providing professional services such as consultant, lawyer and certified public accountant who received from the Company monetary payment or other property benefits ¥10 million or more in total other than officer remuneration in the most recent business year (if the one who received the relevant property is an organization such as corporation and association, it shall be referred to the person who belongs to an organization which received from Mitsui property benefits more than higher of either ¥10 million or 2% of the consolidated gross sales of such organization)
7. Person or the executing person of a corporation who received the annual total of ¥10 million or more of donations or aid funds from the Company or its consolidated subsidiary in the most recent fiscal year
8. Person who has fallen under any of 2. to 7. above in the past three years
9. Spouse or relative within the second degree of kinship (hereinafter referred to as "close relatives") of the person who is currently or has been recently the important executing person of the Company or its consolidated subsidiary (including director who is not the executing person in the case of External Audit & Supervisory Board Member)
10. Close relatives of the person who currently falls or has fallen recently under any of 2. to 7. above (excluding the one who is not important)

*1 If the relevant business partner received from the Company or the Company's consolidated subsidiary the payment equivalent to 2% or more of its annual consolidated transaction volume in the most recent business year or the relevant business partner obtained from the Company or the Company's consolidated subsidiary the money loans equivalent to 2% or more of its consolidated total assets in the most recent business year, the relevant business partner is deemed to be the person whose major business partner is the Company or the Company's consolidated subsidiary.

*2 If the Company or its consolidated subsidiary received from the relevant business partner the payment equivalent to 2% or more of Mitsui's annual consolidated transaction volume in the most recent fiscal year or the relevant business partner provided the Company or its consolidated subsidiary with the money loans equivalent to 2% or more of Mitsui's consolidated total assets, the relevant business partner is deemed to be the major business partner of the Company or its consolidated subsidiary.

Support Systems

For External Directors, before regular and extraordinary meetings of the Board of Directors, materials on the proposals are provided and advance explanations are given. For External Audit & Supervisory Board Members, company information which contributes their auditing, including summaries of regular meetings between Full-time Audit & Supervisory Board Members and staff in the Audit & Supervisory Board Member Division, are timely provided by the Full-time Audit & Supervisory Board Members and the staff. Advance distribution of materials and advance explanations are conducted regarding regular and extraordinary meetings of the Audit & Supervisory Board and the Board of Directors.

For External Members, the Company provides personal computers and tablets ("Officer PCs") and distributes materials for meetings of the Board of Directors in a timely manner, thereby ensuring the time to review agendas. In the FYE 22/3, since it has been difficult and inappropriate that all Directors and Audit & Supervisory Board Members gather physically due to the spread of COVID-19, the Company holds the meetings of the Board of Directors and the meetings of the Audit & Supervisory Board Members as fully or partially remote meetings using web conference system, depending on the situation around COVID-19. The Company has set up the usage environment of such web conference system on the Officer PCs and provides supports to use them in order to ensure the environment that allows the External Directors and External Audit & Supervisory Board Members to discuss effectively in remote meetings. The Company has set up Board of Director's database for use in storing information such as minutes and other materials from past meetings of the Board of Directors, and maintain a platform that enables access to such database from the Officer PCs.

External Members Meetings

External Members Meetings are periodically held for the purpose of exchanging information and opinions regarding important matters in management among External Members, or among External Members, Internal Directors, Full-time Audit & Supervisory Board Members, and/or Managing Officers. The External Members Meetings were held 13 times in the FYE 22/3, where External Directors, External Audit & Supervisory Board Members, Internal Directors, Full-time Audit & Supervisory Board Members, Independent Auditors, and Managing Officers exchanged information and opinions regarding matters such as Market Reaction of the Financial Results for the FYE 21/3, Business Overviews of the several Business Units, Activities of the Portfolio Management Committee, and Mitsui Engagement Survey in FYE 21/3 (the results of the engagement survey targeted the employees of the Company and Mitsui & Co. group), etc.

Coordination between supervision by the External Directors or auditing by External Audit & Supervisory Board Members, the auditing by the Internal Auditing Division, Audit & Supervisory Board Members and the Independent Auditors, and relationship with divisions involved in internal control

External Members, through the Board of Directors, the Audit & Supervisory Board and the External Members Meetings respectively, mutually coordinate with internal audits, auditing by Audit & Supervisory Board Members and accounting audits, as well as supervise and audit the internal control system. Specifically, they periodically receive reports on the following at meetings of the Board of Directors and the Audit & Supervisory Board, respectively: results of the internal audits and internal audit plans, results of auditing by the Audit & Supervisory Board and audit implementation plans, summary of management letters by Independent Auditors, assessment results with regard to the internal control system in accordance with the Financial Instruments and Exchange Act of Japan, the operational status of compliance programs, and other matters regarding the structure and management of internal controls. At the External Members Meetings, External Directors, Audit & Supervisory Board Members and Independent Auditors mutually exchange information and opinions and regarding the policy of audits, and Audit & Supervisory Board Members hosted the free discussion meeting with External Directors.

Full-time Audit & Supervisory Board Members, at their discretion, hold a meeting to exchange opinions beforehand among the External Directors and Audit & Supervisory Board Members on certain important matters to be discussed at meetings of the Board of Directors, in order to provide External Board Members with sufficient information for effective discussion at meetings of the Board of Directors.

Policy on Training for Directors and Audit & Supervisory Board Members

Upon assumption, opportunities are given to Directors and Audit & Supervisory Board Members for gaining full understanding of the business, financial affairs, organization, etc., of Mitsui, the Companies Act of Japan and related laws and regulations, corporate governance and internal control to ensure that they may fulfill their duties including the respective roles expected of Directors or Audit & Supervisory Board Members, which are mandated by the shareholders (fiduciary responsibility) and each legal responsibility. Furthermore, opportunities are given for keeping them up to date as necessary.

Policy Related to Acquisition and Holding of Listed Shares

The Company defines the criteria of classification of stocks for investment held for pure investment purposes and stocks for investment held for purposes other than pure investment purposes as follows.

(Stocks for investment held for pure investment purposes)

Investment held for the purposes of realizing gains solely arising from changes in the value of shares or dividends thereon

(Stocks for investment held for purposes other than pure investment purposes)

Stocks for investment held for purposes other than for pure investment purpose

With respect to the exercise of voting rights of stocks for investment, the content of each proposal shall be considered based on the management policies and business plans etc., of the investee, and deliberation shall be conducted on a case-by-case basis.

At the Company, the Portfolio Management Committee, which is an advisory body to the Corporate Management Committee, establishes company-wide portfolio strategy as well as investment and loan policies, periodically monitors the company-wide portfolio, and verifies the rationale for holding of all assets including stocks for investment through asset portfolio review that is conducted each year. When acquiring stocks for investment, the Company shall conduct a prior stringent assessment of creating business opportunities, or building, maintaining, or strengthening business and collaborative relationships, in addition to profitability and capital efficiency. At the same time, for listed stocks, the Company shall verify the economic rationale based on the status of dividends, business-related profits, and other related profits, in comparison to total cost such as acquisition cost, fair value and its cost of capital, and conduct verification of qualitative aspects based on the status of and outlook for the creation of business opportunities, as well as business and collaborative relationship with each investee. If, as a result of these verifications, the rationale of holding these assets has significantly declined, our policy is to sell and reduce such assets. Further the Board of Directors confirms that the qualitative rationale is verified for holding all individual stocks, and identifies stocks that will be considered for sell in the future due to dilution of the rationale, considering both qualitative and quantitative aspects.

Independent Auditors

The Company appoints certified public accountants belonging to Deloitte Touche Tohmatsu LLC as Independent Auditors to carry out auditing under the Companies Act of Japan and the Financial Instruments and Exchange Act of Japan as well as auditing of consolidated financial statements in English. To secure prompt financial closing and reliability, the auditing work of the Company and its consolidated subsidiaries is in principle entrusted solely to Deloitte Touche Tohmatsu, which belongs to the same network as Deloitte Touche Tohmatsu LLC.

Compliance and Integrity

Policies and Basic Approach

Mitsui & Co. considers a sound reputation to be the foundation of business, and recognizes that compliance is the prerequisite for maintaining our reputation and trust from 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 ensure that all officers and employees are aware of the importance of compliance and that they act with integrity, while preventing compliance violations by maintaining our status as an organization with integrity on a global group basis.

Mitsui & Co. Group Conduct Guidelines—With Integrity—

While each Mitsui & Co. group company has individually established its own business conduct guidelines based on its specific business activities, we drew up the Mitsui & Co. Group Conduct Guidelines—With Integrity— in November 2018 to further clarify the basic approach toward integrity and compliance that had been shared on a global group basis. Going forward, we will reflect the management philosophy and business conduct guidelines of each group company in these guidelines. We will continue to respond to the trust placed in us by society with good faith and sincerity, with each group employee putting these guidelines into practice in their day-to-day work.

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— \(PDF 3 MB\)](#)

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 their 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 multiple times since their establishment in February 2001 to reflect the changing environment. To ensure that all our employees develop a proper understanding of the Business Conduct Guidelines, check their level of understanding, 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. The Business Conduct Guidelines are created and used in both English and Japanese and we require that all employees (including seconded employees, contract employees, contract employees seconded from other companies, and dispatched employees) of Mitsui & Co. (including Head Office, offices and branches in Japan, and overseas trading subsidiaries) pledge to comply with the 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 a way that is best suited to its specific business activities. We have also established business conduct guidelines in our overseas business locations in a way that reflects the local laws, regulations and customary practices of each country and region.

Business Conduct Guidelines for Employees and Officers

- | | |
|--|---|
| 1. Compliance with the Law and Integrity | 8. Compliance with Procedures for Export and Import and Other Applicable Laws |
| 2. Respect for Human Rights and Diverse Cultures | 9. Company Funds, Financial Reporting, and Meeting Tax Payment Obligations |
| 3. Office Environment and Harassment | 10. Political Donations and Other Contributions |
| 4. Compliance with Antitrust Laws, etc. | 11. Social Contribution |
| 5. Conflicts of Interest between Employees and the Company | 12. Protection of the Environment |
| 6. Gifts and Favors | 13. Action against Antisocial Groups |
| 7. Treatment of the Company's Information | 14. Reports and Sanctions |

Formulated in January 2001

Revised in November 2019

Kenichi Hori

President and Chief Executive Officer

[Business Conduct Guidelines for Employees and Officers](#)

Goals and Targets

- Raise integrity awareness among all officers and employees, including ensuring compliance.
- Organizational revitalization and reputational improvement through initiatives to raise integrity awareness.

Sustainability Governance and Oversight

Compliance Framework

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 Compliance Supervising Officers appointed in each of Mitsui's units and offices in Japan and overseas. In the fiscal year ended March 2021, Compliance Administrators were appointed at each business unit to aid in the fulfillment of duties by Compliance Supervising Officers. At a working level, Compliance Administrators also accelerate activities to raise awareness of integrity and compliance within a business unit, as well as activities to develop and reinforce compliance frameworks at each affiliated company supervised by said business unit.

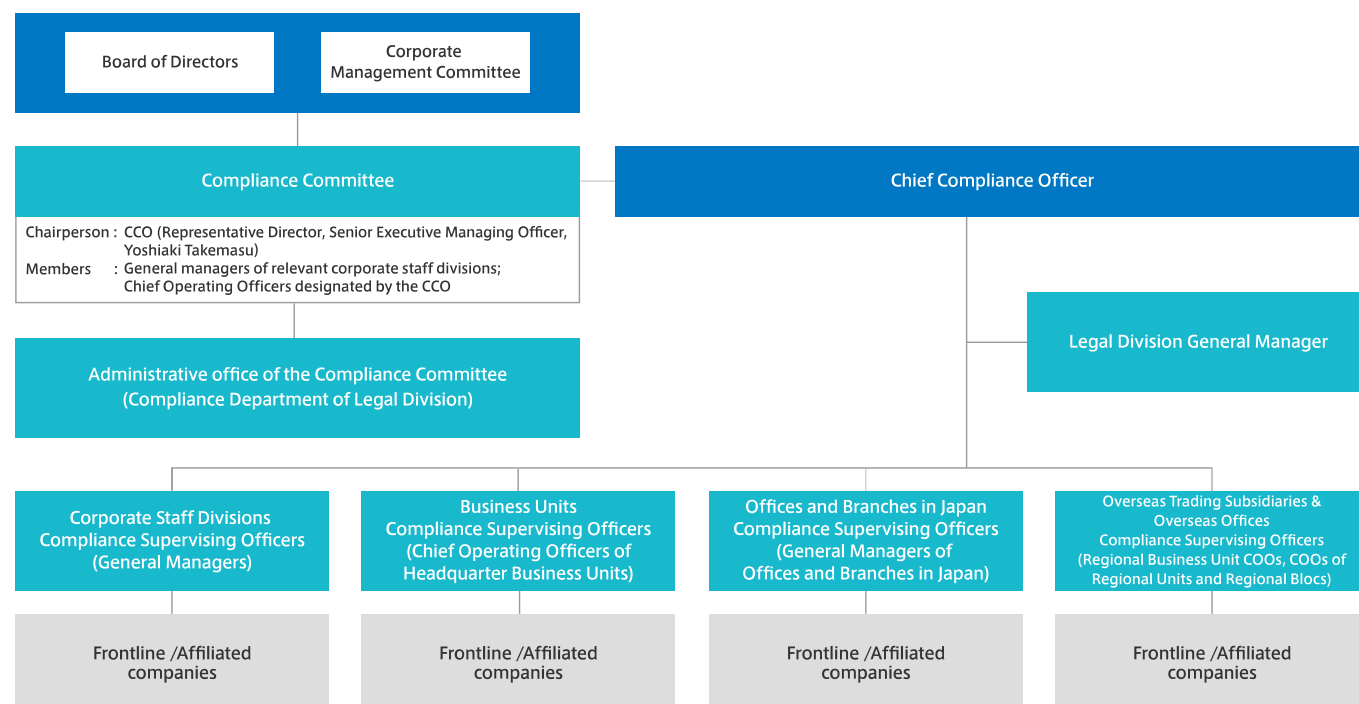
The Compliance Committee was established as a forum for discussing topics relating to compliance. As the development of a compliance framework is becoming ever more important, we added two business unit COOs as committee members to facilitate discussions that reflect the situation on business frontlines, resulting in active discussions. With an Audit & Supervisory Board Member and an external attorney as an observer, the Compliance Committee discusses action plans for improving our compliance framework based on various compliance-related matters that have been reported. Minutes of committee meetings are released on the company intranet.

The Board of Directors provides an oversight function, supervising the operation of the compliance framework and other related matters on a global group basis, and, in principle, the CCO reports to the Board of Directors twice a year regarding the framework's operational status, as well as the results of discussions at Compliance Committee meetings. The Board of Directors actively discusses key measures to be taken going forward. When 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.

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

In the event of a compliance violation or a risk thereof, the corresponding Compliance Supervising Officer (such as the business unit COO) and Compliance Administrators will take the lead in responding to the situation, identifying the causes, formulating recurrence prevention measures, and then reporting to the CCO. In some cases, the Compliance Department of the Legal Division will take action 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.

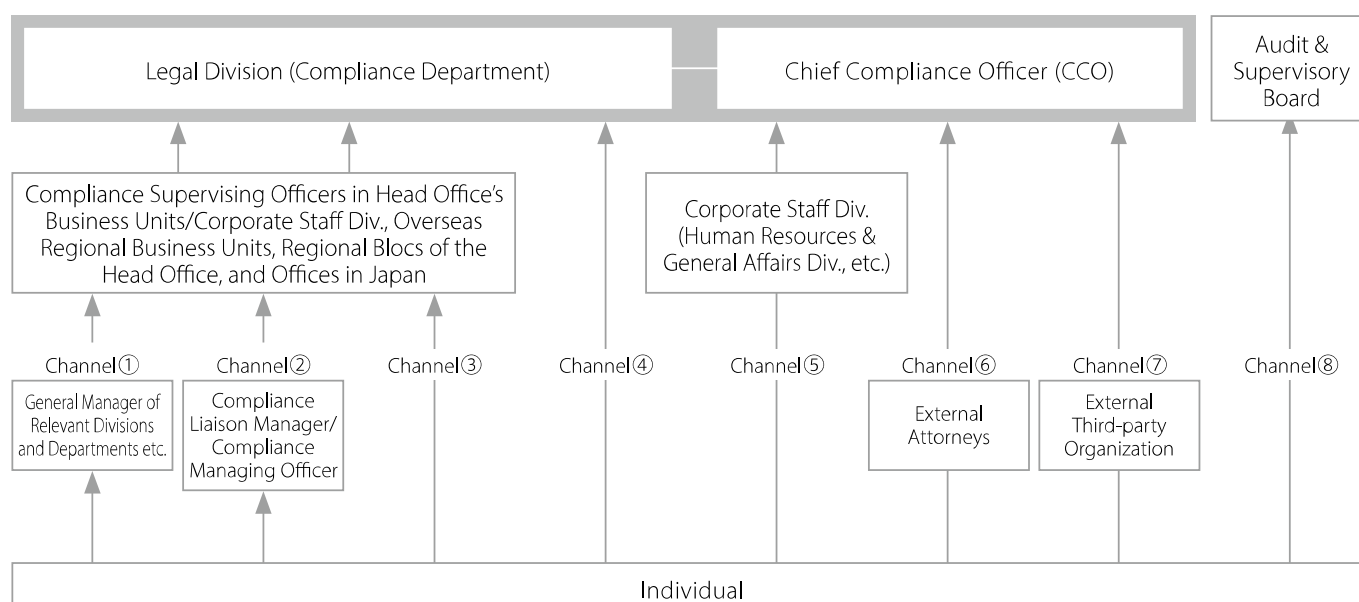
Compliance Organization Chart



Whistleblowing System

We have established eight channels for reporting or consulting about compliance-related matters within or outside an employees' direct reporting line, including external attorneys and independent organizations (contact can be made anonymously). These channels are available for all officers and employees of Mitsui, as well as contract employees, and officers and employees at companies to which we entrust work who have engaged in or are engaging in such work. Contact can be made via telephone, email, fax, letter, or other means (channels are open 24 hours a day, except for telephone channels).

Channels for Reporting/Consulting about Compliance-Related Matters



Initiatives

Compliance Program

Our President & CEO, CCO, and other executives proactively engage in awareness-raising activities and send messages to employees continuously and repeatedly on the importance of integrity and compliance. Specific measures include the promotion of integrity awareness through CCO interviews and other disclosures, 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 on the business frontline, the reinforcement of control over operational processes, and the promotion of human resource mobility. We also provide various types of training and e-learning programs. In particular, we carry out With Integrity Month activities every November in order to continue raising awareness of the importance of integrity, and each of our business units, overseas offices, and other frontline business sites voluntarily take the initiative to consider and implement plans necessary for their respective organizations, such as holding seminars and workshops with internal and external lecturers. In this way, we are working to raise awareness of integrity and compliance both through continuous communication from management, and through independent and proactive efforts by those working on the front line of business.

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 use 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 to verify the effectiveness of measures implemented in the previous fiscal year and identify issues. 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 2022, we provided a total of more than 40 educational sessions for employees at all levels, from new entrants (including contract employees and dispatched employees) to managers, as well as for employees about to be transferred overseas or to group companies, or assigned outside the company. These sessions included compliance training, such as lectures on preventing violations of human rights and personal rights, and seminars and workshops on important laws and regulations in Japan and overseas. Training programs also include guidance on the procedures that staff members should follow when they receive reports or requests for advice about compliance violations, with the aim of creating an organization in which employees feel safe to speak up about such issues. During the With Integrity Month held in November 2021, the CCO delivered a message about integrity to employees on the theme of "With Integrity for All Mitsui," we livestreamed the Compliance Committee Meeting, and conducted a simultaneous English and Japanese livestream of a round-table discussion between the president of Mitsui Group and its employees on integrity, as a company-wide initiative. Having the President speak to the entire Group about the importance of integrity and compliance provided officers and employees an opportunity to think about integrity together. In addition to these company-wide initiatives, individual organizational units also ran active programs that included seminars, information-sharing sessions, and discussions.

Compliance and Integrity

Moreover, we continued to provide an educational course based on a compliance handbook explaining the Business Conduct Guidelines for Employees and Officers of Mitsui & Co. The purpose of these activities was to promote the 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 compliance training program 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 and also provided an e-learning platform to allow the distribution of our own teaching materials and the implementation of an online test similar to the one used for Mitsui 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 competition laws in 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, applicable competition laws. In particular, with respect to the prevention of cartels, we established and enacted our 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 applicable competition laws and raised awareness among all of our officers and employees of compliance requirements. In addition, in Japan we use checklists to alert our employees regarding compliance with the Subcontract Act, and we also work to ensure that compliance with applicable competition laws is achieved on a global group basis by each Mitsui & Co. group company by carrying out education and training on 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 their applicable jurisdictions as an important issue for our corporate management. The Mitsui & Co., Ltd. Anti-Corruption Policy, which was published in December 2016, defines Mitsui's comprehensive framework and initiatives for preventing all forms of bribery and corruption (including facilitation payments*). When examining new business projects, due diligence is carried out based on this policy, particularly 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 for managing business entertainment for public officials, as well as rules on the appointment of third parties, such as sales agents, and have also been conducting various kinds of education and training. Furthermore, we have been implementing education and training related to anticorruption laws at Mitsui's consolidated subsidiaries in Japan and overseas as well, promoting the development and operation of an anti-corruption framework that 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.

* Small payments merely intended to smooth administrative service procedures such as customs and immigration procedures

Compliance and Integrity

Rules on the Appointment of Agents

If necessary, we appoint third parties, including agents, advisors, or consultants (hereinafter "Agents"), to assist us in advancing business, such as domestic and overseas bids or projects. To prevent these Agents from bribing public officials or persons in a similar position, we have established rules on the appointment of Agents as set forth below.

- To ensure appropriate management of the appointment of Agents, members of the top management of each of our business units, such as the chief operating officer, are obligated to appoint trustworthy Agents based on an accurate understanding of the actual circumstances surrounding such Agents. This understanding can be gained through checklists (including items such as whether the Agent is an individual or corporation, whether the amount of remuneration to be paid to the Agent is reasonable and consistent with market value, and an assessment of the Agent's reputation), materials such credit investigation reports, and other means.
- We have established and use guidelines regarding the appointment of Agents which stipulate that contracts with Agents should include appropriate content, such as anti-corruption clauses.

Tax Transparency

The Mitsui group considers the payment of taxes to be one of its basic and important social responsibilities as a corporate entity. We are committed to complying with all applicable laws, rules and regulations and to following the spirit of the law in meeting our tax obligations appropriately in our operational countries. To enhance tax transparency, the group discloses its global tax management policy and tax governance structure.

Tax Transparency

Compliance Awareness Survey

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

	FY Mar/2020	FY Mar/2021	FY Mar/2022
(1) Do you think that there is good workplace communication, and that you can easily talk about compliance matters with your line managers, colleagues, and team members?	93.2%	93.7%	94.0%
(2) Do you think that the company is serious about promoting the use of the whistleblowing system?	92.7%	94.0%	94.8%
(3) If you became aware of a compliance issue, would you use the whistleblowing system to report the matter or seek advice?	80.9%	80.1%	79.3%

In relation to the third question, 50.2% of respondents stated that the reason they have not used the system was because they were able to discuss issues within their workplaces. In addition to creating workplaces that facilitate open-minded communication, we will continue fostering a "speak up" culture so that everyone can feel safe to use the whistleblowing system, when necessary.

Other Initiatives

We identify lessons from compliance-related matters that occur 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 across our entire group.

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. We also work to ensure consistent compliance at a group level through visits to key affiliated companies to identify issues affecting each company, and to provide advice about the development and administration of autonomous, self-sufficient compliance programs.

To further accelerate these initiatives, we formulated our Guidelines on the Establishment of a Compliance System at Affiliated Companies, which comprises a foundation of compulsory rules and principles that are required for the development of a compliance framework at an affiliated company. We first began implementing the guidelines for Japan subsidiaries in the fiscal year ended March 2020, and expanded it to overseas subsidiaries in the fiscal year ended March 2022. These guidelines are used to deepen discussions at Board of Directors meetings and other such occasions at respective affiliated companies in Japan so that each company can continue to strengthen its compliance framework based on its own issues and tasks.

Facilitating Communication and Fostering a "Speak Up" Culture

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 made to line managers or those in charge immediately so that appropriate action can be taken in a timely manner. In addition to management executives continually disseminating the message that discovering problems at an early stage is important and speaking up about issues will lead to improvement in the company, 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. The video explains Mitsui's whistleblowing system, including the various channels for reporting and consulting about issues, as well as the investigation process after an issue is reported. In this way, Mitsui is actively fostering a culture in which people speak up when they become aware of issues.

Preventing the Disadvantageous Treatment of Whistleblowers

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. With regard to this point, and in light of the amendment of the Whistleblower Protection Act in our rules for the whistleblowing system, we thoroughly ensure that information which could be used to identify a whistleblower is kept confidential, whether it be through anonymization or nondisclosure, and prohibit such actions against whistleblowers. Additionally, we specifically stipulate that any person searching for the whistleblower, or engaging in retaliation against or disadvantageous treatment of a whistleblower or those involved in the investigation, could become subject to disciplinary action.

Compliance and Integrity

Response after Whistleblowing

Reports are submitted to the CCO via the Compliance Dept. of the Legal Div., and any investigations required are carried out under the supervision of the CCO. We analyze whether or not a compliance violation actually occurred based on these investigations, and then formulate measures to prevent reoccurrence and take remedial action in accordance with directions and approvals given by the CCO. Whistleblowers can request feedback on the investigation results. Once a certain period of time has passed since the relevant actions were taken, we check whether there were any acts of retaliation against the whistleblower.



For our group companies in Japan, we have created a process for ensuring that employees feel that it is safe to report and consult about issues, by (1) making the use of external law firms and third-party organizations designated by Mitsui available as external reporting and consulting channels, and (2) monitoring the actions of group companies and providing guidance to ensure that whistleblowing systems are properly established and administered. For overseas offices and group companies, regional Compliance Supervising Officers lead the development of whistleblowing channels, while also ensuring that these systems reflect local laws and regulations, as well as specific local customs 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 anti-trust (monopoly) laws or anti-corruption laws of Japan or other countries, or cases that give rise to suspicion of such breaches. Under the system, which is accessible in six languages including Japanese and English, the Compliance Department of the Legal Division at Head Office acts as a unified channel through 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 make reports or 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.

Enquiries from other external stakeholders and members of the public can be made through the Contact Us page of the Company's website.

[Contact Us](#)

Compliance and Integrity

Number of Whistleblowing Reports

A total of 45 whistleblowing reports were submitted directly to the Compliance Department of the Legal Division or through external channels in the fiscal year ended March 2022. The subjects of these reports included harassment, breaches of internal rules, and embezzlement.

	FY Mar/2020	FY Mar/2021	FY Mar/2022
Number of whistleblowing reports	20	29	45

Status of Compliance Reports

We believe that if employees report or consult about 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 2022, 697 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.

Tax Transparency

Policies and Basic Approach

Basic Approach to Tax

One of the guiding principles of the Mitsui & Co. group is to comply with all applicable laws and regulations in operating countries and to act with integrity and the highest ethical standards. In the same way, we will strive to maintain and improve tax compliance in accordance with national and regional tax laws and regulations as well as standards published by international organizations, and will fulfill our corporate social responsibility by paying appropriate taxes.

We are committed to complying with our tax obligations and simultaneously managing our global tax costs in all operating countries. We publish the "Global Tax Management Basic Policy" as a basic policy for taxation of the entire group after reporting it to the Corporate Management Committee and the Board of Directors.

Global Tax Management Policy

Tax compliance

Tax management strategy

Global Tax Management Policy

We shall manage our taxes with high integrity and ethical values based on the following principles.

1. Tax compliance

We are committed to complying with all applicable laws, rules and regulations, and to following the spirit of the law in meeting our tax obligations in an appropriate and fair manner, including the engagement in open and constructive relationships with tax authorities, in our operational countries.

2. Tax management strategy

We are committed to continuously striving for effective tax cost management on a global group basis, such as the elimination of double taxation. However, we do not engage in artificial tax arrangements or structures as stated below:

1. Arrangements or structures without reasonable business purpose or commercial rationale other than the intention of tax avoidance.
2. Arrangements or structures which inappropriately erode the tax basis, or shift the attribution of profits from a state based on economic activities and value creation to a state in which to achieve tax avoidance.

Published February 2017

Mitsui & Co., Ltd.

Sustainability Governance and Oversight

Tax Governance Structure

The Chief Financial Officer (CFO) promulgates and instructs the corporate policies for the appropriate tax compliance and the tax management strategy, and oversees execution of them.

The Global Controller and the Global Controller Division, under the general direction of the CFO, collaborate with the relevant accounting departments and conduct taxation duties under the following structure.

Officer in Charge	Tetsuya Shigeta (Representative Director, Executive Managing Officer, Chief Financial Officer (CFO))
Promoting Division	Global Controller Div.

We have introduced a process whereby the Headquarter Business Units, overseas trading subsidiaries, and subsidiaries, submit or report tax-related matters or risks to the Global Controller. We also have a process in place to check tax risks during the internal approval process for individual projects. The Global Controller and the Global Controller Division are responsible for tax management on the global group basis. Where significant tax matters or risks are identified through global tax management, the Global Controller notifies the CFO, Corporate Management Committee and Board of Directors in a timely and appropriate manner.

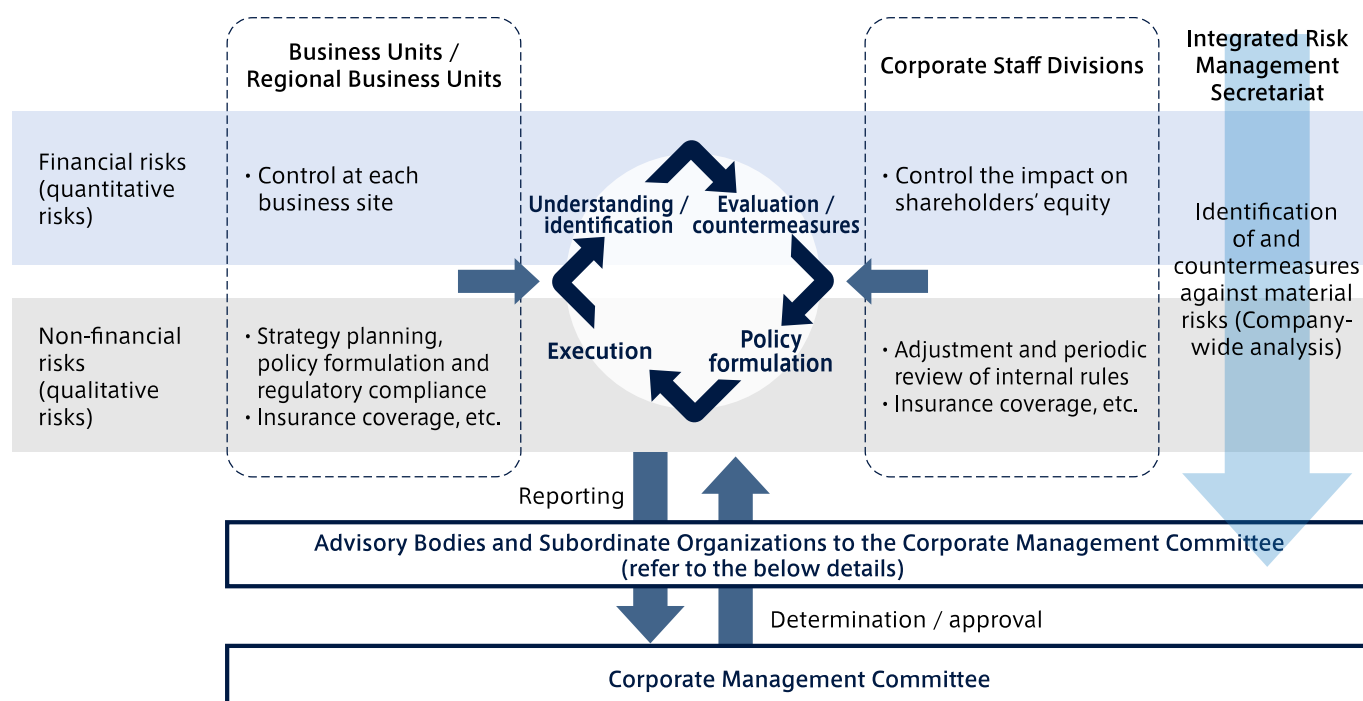
At Board of Directors' meetings, matters that are deliberated or reported on abide by the Company's internal regulations. In addition to matters concerning fundamental policies related to management, important business execution and matters authorized by resolutions of the General Meeting of Shareholders, the Board passes resolutions on matters determined by law and company statute, and also receives reports regarding matters determined by law and the status of important business operations. In doing so, it oversees the execution of duties, including tax related duties, by the management headed by the President, who serves as Chief Executive Officer.

The Audit & Supervisory Board Members audit the execution of duties, including tax related duties, of the Directors as an independent body with a mandate from the shareholders.

Risk Management

We identify Company-wide material risks across organization and implement measures to control risks. The Chief Operating Officer of each business unit and regional business unit is responsible for managing risks in their business domain within the authorization delegated to them as part of the performance of their duties. Meanwhile, Corporate Staff Divisions provide support to business units and regional business units regarding the aspects of risk management that they are in charge of while also monitoring the Company-wide position and reporting to management. In addition, the major committees develop and maintain risk management structures on a Company-wide basis and handle significant risks as advisory bodies and subordinate organizations to the Corporate Management Committee. Mitsui has established an integrated risk management system that centrally manages Company-wide risks, through the Portfolio Management Committee under the Corporate Management Committee. The Corporate Staff Divisions, which act as the secretariat, manage risks from a Company-wide perspective. They coordinate with related divisions, identify material risks in light of the frequency of occurrence, expected damage scale and Company-wide risk tolerance, and take corresponding measures. In the fiscal year ended March 2022, these efforts were reported to the Corporate Management Committee and the Board of Directors through discussions at the Portfolio Management Committee.

Mitsui Risk Management Structure (image)



Risk Management

Current Situation of Integrated Risk Management

In the fiscal year ended March 2022, the impact of the COVID-19 pandemic, changes in the market environment due to increasing geopolitical risk, semiconductor shortages, logistics bottlenecks and other supply constraints led to downward pressure. Nevertheless, we leveraged our diversified supply sources and other global trading functions built up over many years and utilized our comprehensive strengths, including our logistics functions, to support the stable supply of items such as resources, materials, food and products that are indispensable for the development of society and to enhance earning power. From a risk management perspective, these changes in the external environment may lead to the combined occurrence of risks associated with credit risk as result of fulfillment of contracts with suppliers and purchasers, and country risks. In addition to these risks, we respond to issues such as increasingly stringent regulations in various countries and growing cybersecurity risks by ensuring that related Corporate Staff Divisions cooperate and advise each other, helping to avoid losses caused by the emergence of risks at Headquarter Business Units and regional business units. There is growing uncertainty in the global economy, and major changes in the business environment, such as the emergence of geopolitical risks, supply chain disruption, and rising inflation, have both positive and negative impacts on Mitsui. In this environment, we will endeavor to continue the reliable fulfillment of supply responsibilities while also aiming to reach new heights by enhancing our crises response and preparation for multiple scenarios, reviewing our timeline and priorities in a flexible manner, improving steady capturing of upsides in light of changes in market conditions and practicing integrated risk management that includes evaluation of risks relating to climate change and other non-financial information.

Material Risks as of the End of March 2022

Importance	Material Risks	Risk Countermeasures	Advisory Bodies and Subordinate Organizations to the Corporate Management Committee
	Business investment risks	Portfolio management, risk asset monitoring	Portfolio Management Committee
	Country risks	Financing from export credit agencies in each country, monitoring, etc.	
	Physical risks related to climate change	Insurance coverage, creation of crisis management policies, reinforcement of facilities, etc.	Sustainability Committee
	Transition risks related to climate change	Implementation of initiatives to achieve 2050 and 2030 targets	
	Commodity market risks	Position management, hedging, etc.	Portfolio Management Committee
	Foreign currency risks	Position management, hedging, etc.	
	Listed stock risks	Periodic review of stock portfolio	
	Credit risks	Credit line management, monitoring, requiring provision of collateral	
	Fund procurement risks	Financial strategy	Report to Corporate Management Committee ^{*1}
	Operational risks	Examine risk mitigation measures, damage prevention measures, insurance coverage, etc.	Portfolio Management Committee
	Compliance risks	Compliance framework on a global group basis	Compliance Committee
	Information systems and security risks	Internal controls on information systems and information security	Information Strategy Committee
	Risks related to infectious disease, natural disasters, terrorism, etc.	Business continuity plan for crises, disaster contingency manuals, etc.	Emergency Management Headquarters ^{*2}

* 1 Reported to the Corporate Management Committee as deemed necessary

* 2 Organization headed by the executive officer in charge of the Human Resources & General Affairs Division, established based on the Rules on Business Continuity Management

Risk Management

Country Risks

Mitsui's businesses sometimes expose the Company to risks that could cause the value of businesses to deteriorate due to changes in political, economic or social conditions in various countries. Therefore, we implement appropriate risk hedging measures according to the content of the project, such as usage of financing from export credit agencies. We periodically grasp risk exposures for each country in which we hold positions as well as carrying out qualitative and quantitative monitoring of the country risk situation for each country except, in principle, for developed countries, and implement risk control policies in consideration of country risk management. Furthermore, monitoring of our overall portfolio confirms the appropriateness of asset size in accordance with each country as well as each business area. In addition, as of March 31, 2022, our total balance of investments, loans and guarantees in Russia was 426.0 billion yen, which is approximately 4% of the balance of investments, loans and guarantees held by Mitsui and its consolidated subsidiaries. In FY March 2022, the Russian LNG business reported a fair value measurement decrease of 80.6 billion yen (other comprehensive income) and a loss of 20.9 billion yen.

[Integrated Report 2022 \(P97 Major Risk Exposure by Country\)](#)

ESG Risk Management

Policies and Basic Approach

Our business activities spreading widely across the globe face a range of risks. Both our business opportunities and business risks are growing and becoming more diverse with the globalization of economies, the development of networked societies, and the high level of awareness of corporate social responsibility. In addition, the speed of change in the environment surrounding management and business is increasing. As uncertainty rises, we regularly review our risk management policies to increase our sensitivity to risk and our ability to respond quickly.

Sustainability Governance and Oversight

Process of Managing Environmental and Societal Risks

For responding appropriately to changes in social conditions and business models, and managing risks comprehensively from both quantitative and qualitative perspectives, we have an effective risk management system in which risks related to the environment, society, and governance are important factors that are examined in decisions to promote any business.

For Mitsui & Co., which operates in countries and regions around the world, the policies of each country and region related to climate change have a significant impact on the profitability and sustainability of each of our businesses. We use the climate-change scenarios published by the International Energy Agency (IEA) and other organizations when we analyze scenarios involving businesses that have significant impacts. We also incorporate these climate-change scenarios into our in-house carbon-pricing system. In this way, we are gaining an understanding of business impacts both in terms of risk and opportunity. When considering investment projects, M&A, and other business decisions, we take these scenarios into account.

In conducting business, we have put in place a system to ensure that utmost consideration is given to the environment and society in projects at all stages, including at the launch of a new business, during operations, and even at the withdrawal from the business. Our Sustainability Committee discusses response policies and measures regarding environmental and social risks (including climate-change risk), then reports to the Corporate Management Committee and the Board of Directors, which then applies them following approval.

[Environmental Management](#)

[Supply Chain Management](#)

Responding to Environmental and Societal Risks (as of April 2022)



ESG Due Diligence Checklists and the Sustainability Advisory Board

When planning new business or when expanding or withdrawing from operations, each Business Unit uses an ESG due diligence checklist to assess the ESG impact of environmental and social aspects. Environmental aspects include climate change, pollution prevention, ecosystems, and water stress. Social aspects include human rights, working environments, and occupational health and safety. Our ESG due diligence checklist is based on the World Bank Group's IFC Performance Standards that is an international standard for taking environmental and social factors into account. The checklists include more than 140 items and are created to thoroughly screen environmental and social risks in business. We manage our existing non-consolidated businesses based on international ISO14001 standards so that we can properly identify and manage environmental and social risks. We are encouraging our subsidiaries that have a large impact on the environment to establish their own environmental management systems based on ISO14001 or other international guidelines that cover environmental and social factors, to enhance their environmental management. We have a system in place for the rapid reporting of any environmental accidents or violations of environmental laws, regulations, and ordinances. In addition, as part of our response to our stakeholders, we hold dialogue with NPOs, NGOs, interdisciplinary organizations, and government agencies to better understand business risks and opportunities and to consider necessary measures to take.

We receive advice on how to reduce risk in high-ESG risk businesses from external consultants and our Sustainability Advisory Board, which is made up of external experts in fields including the environment and human rights. These parties provide advice during business start-up, operations, or withdrawal from a business. Depending on whether certain quantitative and qualitative standards are met or not, the Board of Directors, the Corporate Management Committee, and the Representative Director, who supervise ESG risks, decide whether or not to proceed with the business, and what future action to take.

Furthermore, we have established the rules on ODA (Official Development Assistance) Business Management for promoting ODA business, which has a high public profile and, therefore, requires highly transparent operational processes. Under this system, Mitsui's ODA Projects Evaluation Committee reviews these projects as necessary and ensures appropriate risk management. In particular, we make a comprehensive assessment of risks related to bribery and corruption considering the significance of those issues.

Compliance and Integrity: Initiatives to Prevent Corruption

Target Domains Subject to ESG-Related Risk Management under the Ringi System

Target Domains	Key Points for Deliberation
<p>All new investment and financing projects</p>	<ul style="list-style-type: none"> • Significance and social value of the business itself • Significance of Mitsui engaging in this business
<p>Environmental and social related business Businesses considered to have significant environmental and social risk</p> <p>Examples: Environmental risk: businesses accompanying GHG emissions, businesses with other concerns about environmental impact, etc. Social risk: Labor-intensive projects, projects involving resettlement of residents, etc.</p>	<ul style="list-style-type: none"> • Contributions of such business to the environment and society • Measures to mitigate environmental load (incl. climate change, biodiversity loss, water risk) • Safety assurance and work environment • For development business, appropriate consideration for and understanding of the human rights of local residents and other related parties, and other related matters • Compliance with environmental laws, regulations and guidelines, etc.
<p>Projects receiving subsidies All projects that directly or indirectly receive subsidies from governmental and administrative agencies, or other such entities, both within and outside of Japan</p>	<ul style="list-style-type: none"> • Evaluation in light of Mitsui's management philosophy (MVV) • Social impact and ensuring accountability and process transparency • Determination of the interests of stakeholders, and resultant considerations and responses • Responsibility and capability over the medium-to-long term as the operator of a business with a high public profile
<p>Business harboring other unusual reputation risks Business that may be in conflict with public order and morality, Mitsui's management philosophy, etc. and business with a high public profile</p> <p>Examples: Business involving utilization of sensitive personal information, social infrastructure business, Medical, healthcare and bioethics related business, etc.</p>	<ul style="list-style-type: none"> • Evaluation in light of Mitsui's management philosophy (MVV) • Social impact and ensuring accountability and process transparency • Determination of the interests of stakeholders, and resultant considerations and responses • Responsibility and capability over the medium-to-long term as the operator of a business with a high public profile • Ethical screening based on the guidelines of three Japanese government ministries (Ethical Guidelines for Human Genome and Genetic Sequencing Research: MEXT, MHLW, METI) • Approval by the ethics committee of the research institute in question, acquisition of informed consent, checking of processes, etc.

Information Risk Management

Policies and Basic Approach

Mitsui & Co. declared "Information Technology (IT) policy" as a basic policy for IT utilization to promote further awareness raising of employees and enhancement of IT governance.

Information Security Policy

1. Approach toward Information Security

Mitsui recognizes the importance of information security, and shall implement appropriate management of information assets, including information and ICT assets, for the purpose of timely and effective use of information in compliance with "Mitsui & Co., Ltd. Corporate Governance and Internal Control Principles", while striving to continuously improve such management on a global and group-wide basis.

2. Compliance with Regulations (Establishing Compliance)

Mitsui shall comply with regulations, established standards, and other codes related to information security, and shall work towards the establishment and maintenance of compliant and suitable information security.

3. Protection of Information Assets

Mitsui shall implement appropriate management for ensuring the confidentiality, integrity and availability of information assets, and work to protect its information assets from all possible threats.

4. Response to Accidents

While working to prevent the occurrence of any accidents related to information security, in the unlikely event of an accident, Mitsui shall promptly take appropriate response measures including preventative steps against the reoccurrence of such an accident.

Effective from September, 2005

Amended on October, 2013

Kenichi Hori
President and Chief Executive Officer
Mitsui & Co., Ltd.

Sustainability Governance and Oversight

The important principles for our global group information strategy are formulated in line with the corporate management policy through the discussions at the Information Strategy Committee which was established pursuant to the "Rules of Information Strategy Committee," and is chaired by the Chief Digital Information Officer (CDIO). The Information Strategy Committee met nine times in the fiscal year ended March 2022. The Committee monitored the progress of the "DX Comprehensive Strategy" formulated in the year ended March 31, 2021, which consists of DX Business Strategy, Data Driven (DD) Management Strategy, and DX HR Strategy, and reviewed and discussed various initiatives such as structure expansion/inspection/training to respond to cyber-attack, Mitsui's intranet renewal, next-generation personnel system policy, outlines of amendments to the Act on the Protection of Personnel Information and our responses, and digital marketing initiative policy, etc. Under the system centered around the Information Strategy Committee, we are enhancing the system of internal control including management of various possible risks such as information leakage and cyber-attacks through maintenance of the following rules, necessary in light of development and operation of information systems and information security.

- "Rules on Information System Management": rules on the process of procurement, introduction and operation of Information assets
- "Rules on IT Security": code of conduct for the system supervisory divisions regarding IT security
- "Rules on Information Management": basic policies in terms of information risk management system and information management
- "Rules on Protection of Personal Information": rules for the handling of personal information required for business execution (Applied only in Japan)
- "Rules on Cyber Security Countermeasures": rules for preventive measures against cyber-attacks and emergency countermeasures in the event of incident

Officer in charge	Yoshio Kometani (Representative Director, Executive Vice President, Chief Digital Information Officer (CDIO), Chairperson of Information Strategy Committee)
Deliberative body	Information Strategy Committee
Department in Charge	Integrated Digital Strategy Div.

Protecting Personal Information

We have appointed a Chief Managing Officer of the Personal Information Protection Management System (PMS) and established a PMS office to work at heightening awareness among all management and staff of the importance of personal information protection, in accordance with the Personal Information Protection Guidelines and Rules on the Protection of Personal Information. As we have a broad spectrum of involvement in diverse commodities and services, we handle a large amount of personal information, particularly in B2C (business-to-consumer) business fields. Accordingly, we take particular care to ensure that all data is protected. From the perspective of accident prevention, in addition to our education and training systems, we appoint a Personal Information Management Officer in each division. These officers regularly review the status of personal information management in the daily course of business and enhance it as needed. Regarding compliance with the EU GDPR (General Data Protection Regulation) that came into effect in May 2018, Mitsui has established internal rules to ensure proper management systems and operational rules for the handling of personal data that falls within the scope of application of the GDPR at each Business Unit. Furthermore, we have provided all officers and employees with information on the GDPR via the intranet, and have been engaging in operational management required by the GDPR such as compliance with the duty of keeping records of information processing activities. We recognize that a timely response according to global standards towards other overseas laws and regulations related to personal information, in addition to the GDPR, leads to the enhancement of our corporate value.

[Personal Information Protection Guidelines](#)

Initiatives

Launch of Mitsui DX Academy

The Mitsui DX Academy was launched to develop human resources who will promote Digital Transformation (DX). The Academy consists of three elements: DX Skills Training, which aims to make digital a basic standard for all officers and employees, including information security measures; Boot Camp, which aims to develop DX Business Professionals* through practical DX projects (OJT); and DX Executive Education, which aims to acquire cutting-edge DX skills and knowledge and to network with advanced DX experts.

* DX Business Professionals are essential for promoting our DX, as they have a strong understanding of both the business and digital technologies, and can act as a bridge between Business Professionals who are experts in their respective jobs, and Technology Professionals who are top digital experts. Mitsui plans to produce more than 100 DX Business Professionals in-house globally by the fiscal year ending March 2024.

Cyber Security Portal and e-Learning

In order to raise cyber security awareness and prevent the spread of damage from cyberattacks, we have released the "Cyber Security Portal" to our executives and employees, including those of our affiliate companies, and are providing them with various information on recent trends in cyber security, case studies, and appropriate actions and measures against cyber-attacks. In addition, we are working to raise awareness of cyber security by creating and using Cyber Security e-Learning for end-users and security personnel respectively.

Cyber Security

In line with the advancement of information and communications technology (ICT) and digitalization in the business of Mitsui and affiliated companies, we are implementing security measures in each area of IT, including devices, networks, servers, and cloud computing, while utilizing the expert knowledge of our subsidiaries specialized in the area of cyber security. At the same time, we are building, maintaining, and expanding our 24/7 security monitoring and contingency response systems on a global basis. We have established responses to security incidents according to the scale and severity of the damage, and regularly conduct drills to confirm the effectiveness of these responses as necessary. In addition, we conduct annual surveys on the status of cyber security measures at each of our major affiliate companies and make recommendations for improvement to raise the level of cyber security measures throughout the group.

Business Continuity Management (BCM/BCP)

Policies and Basic Approach

Mitsui & Co. regards business continuity in times of disaster as a vital management priority. We have formulated a Business Continuity Management (BCM) framework to minimize business risks, such as the loss of customers and damage to our corporate reputation, resulting from the suspension of important business processes in the event that our ability to maintain our business operations is seriously impeded by earthquakes, floods, terrorism, epidemics, power shortages, or other contingencies, or when such a situation is expected to continue for a significant period of time.

Following the compilation of business continuity guidelines for business corporations by the Japanese government (specifically, by the Central Disaster Management Council of the Cabinet Office), we formulated a BCM Policy in 2006. Under the BCM framework, we formulated the Business Continuity Plan (BCP) which defines policies, procedures, organizational structures, and other related matters to ensure business continuity or the early resumption of business activities in the event of disaster, respectively for the Tokyo Head Office, other offices in Japan, overseas regional business units and regional blocs, and we regularly review it to ensure that we can maintain an appropriate management structure.

Business Continuity Management Policy

- **Safety of Human Life:**

Mitsui & Co. regards the safeguarding of human life as its first priority in relation to business continuity management in the event of disasters.

- **Implementation of Business Continuity Management:**

Mitsui & Co. recognizes the importance of business continuity management in times of disaster and will maintain a business continuity plan and structures to ensure the appropriate implementation and administration of that plan. We will work to enhance the effectiveness of the business continuity plan by improving the business continuity awareness and capabilities of individual employees, and by engaging in interactive dialogue with stakeholders.

- **Continuous Improvement:**

Mitsui & Co. will formulate, implement, and administer a business continuity plan for business continuity management and will regularly review and continuously improve this plan.

- **Coexistence with and Contribution to Society:**

When formulating and reviewing its business continuity plan, Mitsui & Co. will consider not only its economic role, but also its coexistence with society and community reconstruction. We will be aware of and respond appropriately to the roles that we may be called upon to perform from time to time, such as the prevention of secondary disasters, community contribution, and coexistence with communities.

Formulated April 2006

Revised October 2020

President and Representative Director
Kenichi Hori

Sustainability Governance and Oversight

In non-emergency situations, the BCM general representative (the General Manager of the Human Resources & General Affairs Division) is responsible for supervision of the overall BCM. The BCM general representative manages the BCP, which includes the provision of education for all employees and training for staff members in charge of emergency response with support from the secretariat of the Emergency Response Headquarters, the establishment and revisions of related rules and documents, and preparation for and response to emergency situations. In case of an emergency, such as a disaster, the Emergency Response Headquarters will be set up, with the BCM officer (the Managing Director who supervises the Human Resources & General Affairs Div.) serving as its head, who will be responsible for the approval of the BCP and implementation of tasks stipulated in the Rules on Emergency Business Continuity Management.

Emergency Response Headquarters

BCM officer	Yoshiaki Takemasu (Representative Director, Senior Executive Managing Officer (Taking charge of Business Continuity Plan Management, Human Resources & General Affairs Division)
BCM general representative	Yoshiki Hirabayashi (Executive Managing Officer, General Manager of Human Resources & General Affairs Division)
Department in Charge	Security Management Dept. of Human Resources & General Affairs Div.

Initiatives

BCP Revision, and BCP-Related Training

The BCM general representative is responsible for supervision of the planning, management, and administration of the BCP, the formulation, promotion, and implementation of the BCP, the approval of education and training for employees in relation to business continuity, and the compilation of disaster response manuals. These manuals have been created based on the company-wide BCP and set forth actions to be taken by the Emergency Response Headquarters for performing important corporate processes in the event of a disaster, as well as manuals stipulating actions to be taken by individual offices after the occurrence of a disaster. In addition, we regularly conduct business continuity drills involving the immediate start up and operation of the Emergency Response Headquarters based on scenarios in which a major disaster occurs, such as an earthquake directly beneath the Tokyo area.

Mitsui & Co. will continually improve our organizational response capabilities by revising the manuals to reflect any issues identified through these drills. We have also introduced a system to confirm the whereabouts and safety of business and administrative staff, contract employees, and temporary staff in Japan. In September 2021 and February 2022, we conducted a general drill, and provided information on the results of responses in this drill to all employees, facilitating the use of this system.

In addition, each office maintains stocks of emergency food and equipment. Under the provisions of the Tokyo Metropolitan Ordinance on Measures for Stranded Persons, we maintain a three-day supply of emergency food and equipment for Tokyo Head Office employees and employees of affiliated companies based in the Head Office. Emergency kits containing food and other supplies are also available for all the employees at the Tokyo Head Office and can be taken by employees who have an urgent need to return to their homes.

Response to the Novel Coronavirus (COVID-19)

In response to the global spread of the novel coronavirus (COVID-19), Mitsui & Co. established the Emergency Management Headquarters in January 2020 to ensure the safety of Mitsui employees working around the world and their family members, and to maintain business continuity. Mitsui & Co. has taken timely and appropriate actions in accordance with directives from national and local governments. We have also implemented measures based on our business continuity plan (BCP) from the perspective of responding to the needs of our business partners and customers, and from the viewpoint of global management. At our operations located in areas where infection is spreading, we have implemented teleworking to prevent infection among our employees. In addition, we are continuing to take measures according to the situation in each country and region, such as evacuating employees and their families who are stationed in countries and regions where medical facilities are considered to be insufficient.

As of August 2022, we are continuing to promote the utilization of our remote working system, which we introduced in January 2022, and also encourage employees to use the staggered work hours system to avoid commuting during congested times. In order to ensure safety and reassurance for our employees, each office has taken respective countermeasures such as installing hand sanitizer dispensers and thermography systems at building entrances, regular sanitization of the offices, and avoid the "3 Cs" (Closed spaces, Crowded places, Close-contact settings).

COVID-19 Workplace Vaccination Program

Mitsui & Co. conducted its own workplace vaccination program from June to August 2021 and February to March 2022. Vaccination priority was given to employees with underlying medical conditions and those scheduled for overseas assignments or business trips, followed by general employees. In addition to employees working at the Head Office, including temporary staff, temporary workers on secondment, employees of companies located within the Head Office, affiliate companies, and subcontractors, resulting in approximately 7,100 people vaccinated through this program.

Social Contribution Activities

COVID-19 Support Initiatives

Our response to the novel coronavirus remains an important issue, and we intend to promote support initiatives while respecting the judgment of each operational site in Japan and overseas, based on the respective business environments, regional characteristics and needs.

To date, we have provided the following COVID-19 support initiatives in collaboration with our subsidiaries and affiliates.

- Japan: Mitsui employee volunteers carried out an initiative to provide face shields to the Tokyo Metropolitan Government's Bureau of Social Welfare and Public Health. Nine other support activities were carried out via internal crowd-finding. We have also supported 173 caregiving facilities through "Kono Iro", an e-commerce site for boxed lunches and meal deliveries aimed at supporting the food needs of caregiving organizations.
- United States: We donated to 12 food banks and other organizations in regions where Mitsui USA branches are located.
- Taiwan: We provided support mainly to medical professionals and non-profit organizations. Mitsui Taiwan donated beverages, foodstuffs, consumables, and other items handled by Mitsui Taiwan to the Taipei City Hospital Heping Branch, the Taipei City Hospital Renai Branch, the Far Eastern Memorial Hospital, Show Chwan Memorial Hospital, and the Taiwan People's Food Bank Association.

Social Contribution Activities: Novel Corona Virus (COVID-19) Response

Evaluation by Society

ESG Index

Our selection for inclusion in major ESG investment indices in and outside Japan indicates that we are highly evaluated by society.

FTSE4Good Index Series / FTSE Blossom Japan Index / FTSE Blossom Japan Sector Relative Index

We have been selected as a constituent stock of the FTSE4Good Index, the FTSE Blossom Japan Index, and the FTSE Blossom Japan Sector Relative Index.

The FTSE4Good Index Series is a series of stock indexes developed by FTSE Russell, which is a wholly owned subsidiary of the London Stock Exchange. FTSE Russell evaluates major corporations around the world from the perspective of environmental, social, and governance criteria, including the labor standards applied throughout their supply chains, as well as on the basis of corporate sustainability. It selects companies that satisfy its standards as constituents of the index.

The FTSE Blossom Japan Index and Blossom Japan Sector Relative Index are designed to measure the performance of Japanese companies that demonstrate strong environmental, social, and governance (ESG) practices. The index is adopted by the Government Pension Investment Fund (GPIF) of Japan as a core ESG benchmark for its passive investments, and Mitsui has been selected in the index having fulfilled the index criteria.

FTSE Russell (a registered trademark of FTSE International Limited and Frank Russell Company) certifies that Mitsui & Co. has met the requirements for inclusion in the FTSE 4Good Index, the FTSE Blossom Japan Index, and the FTSE Blossom Japan Sector Relative Index as a result of independent research, and has become a constituent of these indices. The FTSE Blossom Japan Index is compiled by FTSE Russell, a global index provider, and is designed to measure the performance of Japanese companies that demonstrate strong environmental, social and governance (ESG) practices. Blossom Japan Index and the FTSE Blossom Japan Sector Relative Index are widely used to create and evaluate sustainable investment funds and other financial products.



FTSE4Good



**FTSE Blossom
Japan**



**FTSE Blossom
Japan Sector
Relative Index**

[FTSE4Good](#)

[FTSE Blossom Japan Index / FTSE Blossom Japan Sector Relative Index](#)

MSCI Japan ESG Select Leaders Index / MSCI Japan Empowering Women Index (WIN)

We have been selected for the MSCI Japan ESG Select Leaders Index and MSCI Japan Empowering Women Index (WIN).

Developed based on ESG research by MSCI (Morgan Stanley Capital Investment), which is used by more than 1,000 companies worldwide, the MSCI Japan ESG Select Leaders Index is an ESG index that comprehensively reflects ESG risks in market portfolios and incorporates stocks with relatively superior ESG ratings within their industry sectors.

The MSCI Japan Empowering Women Index was also developed by MSCI, and is a selection of Japanese companies from each industry that represent high gender diversity.

These indices were both adopted by GPIF as its latest passive ESG investment management benchmark, and Mitsui has met the selection criteria for the index and is selected as a stock.

THE INCLUSION OF MITSUI & CO., LTD. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF MITSUI & CO., LTD. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

2022 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

2022 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

[MSCI Japan ESG Select Leaders Index](#)

[MSCI Japan Empowering Women Index](#)

Dow Jones Sustainability Indices

We have been selected as a constituent stock of the World Index and Asia Pacific Index in the Dow Jones Sustainability Index (DJSI).

The Dow Jones Sustainability Indices (DJSI) are global stock indexes developed jointly by S&P Group member Dow Jones & Company, in the U.S. and RobecoSAM AG in Switzerland. Major corporations around the world are evaluated in terms of their economic, environmental, and social performance.

Based on our response to the questionnaire carried out in 2021, we were selected for the World Index and the Asia Pacific Index.

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

[Dow Jones Sustainability Indices](#)

Evaluations and Awards

We have been recognized by ESG ratings agencies, media, and government agencies in Japan and abroad.

S&P Global Sustainability Award

Each year, S&P Global evaluates the sustainability of the world's leading companies in the three dimensions of economy, environment and society, and rates companies with excellent evaluation results in each industry as Gold, Silver, or Bronze according to their scores. Mitsui received a Bronze Class rating in the Trading Companies and Distributors Industry.

Sustainability Award
Bronze Class 2022

S&P Global

[Sustainability Yearbook 2022](#)

CDP

CDP is an ESG evaluation program that urges leading companies (in terms of market capitalization) in major countries to disclose their climate change strategies and greenhouse gas emissions. Replies from such companies, together with their scores, are provided to institutional investors. Mitsui has been responding to the questionnaire since 2011. Based on our response to the questionnaire carried out in 2021, we received the following scores: Climate Change: B, Water Security: B-, Forests (timber): B.



Sustainalytics ESG Risk Ratings

Sustainalytics ESG Risk Ratings is an ESG (Environment, Social, Governance) Risk Rating provided by Sustainalytics to world's leading corporations, lenders, and banks to measure their exposure to industry-specific material ESG risks and how well a company is managing those risks. In March 2022, Mitsui was assessed to be at Low Risk of experiencing material financial impacts from ESG factors.



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Nadeshiko Brand

Since the fiscal year ended March 2013, METI and the TSE have been jointly selecting TSE-listed outstanding enterprises that encourage women's success in the workplace as "Nadeshiko Brands." Since the fiscal year ended March 2015, Mitsui has been selected as a Nadeshiko or Semi-Nadeshiko Brand company for 8 consecutive years.

Nadeshiko Brand selection: Fiscal years ended March 2015, 2016, 2018, 2020 and 2021

Semi-Nadeshiko Brand selection: Fiscal years ended March 2017, 2019 and 2022



Eruboshi (L Star)

The Eruboshi system certifies companies that have submitted notifications under the Act on Promotion of Women's Participation and Advancement in the Workplace (Promotion of Women's Career Activities Act) promulgated on April 1, 2016, and that meet the specific standards and are regarded as implementing outstanding initiatives to promote the advancement of women in the workplace. Mitsui was certified as having achieved the second of three levels under the Eruboshi system.



Kurumin Certification

Kurumin certification is awarded to companies that support child raising. The certification requires that the company (1) has formulated a general employers action plan under The Act on Advancement of Measures to Support Raising Next-Generation Children and (2) has achieved targets set in the plan while satisfying certain requirements, and is available on an application basis. In recognition of our efforts to promote the use of support systems for balancing work and home life, along with other initiatives, in 2022 Mitsui received Platinum Kurumin certification, as an excellent company that supports child-raising.



Certified Health & Productivity Management Organization Recognition Program

Through this program, the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi jointly recognize large companies and small- to medium-sized enterprises that have been implementing excellent health management, based on measures in line with local health problems and the health promotion initiatives pursued by the Nippon Kenko Kaigi. Mitsui has been recognized as one of the Health & Productivity Management Outstanding Organizations under the initiative "White 500" for six consecutive years.



Japan Investor Relations Association (JIRA) IR Grand Prix

Mitsui was awarded its first IR Grand Prix Award at the 26th IR Awards 2021, hosted by JIRA. We were previously a recipient of the Best IR Award in 2008, 2018 and 2019, and the IR Special Award in 2014.



Securities Analysts Association Award for Excellence in Corporate Disclosure

Mitsui was selected by The Securities Analysts Association of Japan for the top award in the category of general trading companies at the 2022 Awards for Excellence in Corporate Disclosure. This is the seventh time in total and the sixth consecutive year that we have received this award.



2022 Award for Excellence
in Corporate Disclosure
— Industries —

SAAJ The Securities Analysts
Association of Japan

Daiwa Investor Relations "Internet IR Award" Excellence Award, and Sustainability Category Grand Prize

Mitsui received the Excellence Award at the "2020 Internet IR Awards" and "2021 Internet IR Awards" hosted by Daiwa Investor Relations Co., Ltd. We also received the Grand Prize in the Sustainability Category, which was newly established in 2021.



FY Mar/2022	<u>Ranked fourth overall in the 16th corporate CSR rankings for 2021 by Toyo Keizai Inc.</u>
	<u>Selected as one of "Noteworthy DX Companies 2021 " in the "DX Stocks" by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange.</u>
FY Mar/2020	Received the Award for Excellence at the 22nd Nikkei Annual Report Awards (2019) by Nikkei, Inc.
	Received Education Culture, Sports, Science and Technology Minister's Prize in the Corporate Youth Experience Promotion Awards of the Ministry of Education, Culture, Sports, Science and Technology (Mitsui SASUGAKU Academy)
FY Mar/2019	Received the Award for Excellence at the 21st Nikkei Annual Report Awards (2018) by Nikkei, Inc.
	Received Award of Merit in the Environmental Report section of the Environmental Communication Awards 2018 by the Japanese Ministry of the Environment
	Received the Judging Panel's Incentive Prize in the Corporate Youth Experience Promotion Awards of the Ministry of Education, Culture, Sports, Science and Technology (Mitsui SASUGAKU Academy)
FY Mar/2018	Received the Award for Excellence at the 20th Nikkei Annual Report Awards (2017) by Nikkei, Inc.
	Received the Judging Panel's Special Prize in the Corporate Youth Experience Promotion Awards of the Ministry of Education, Culture, Sports, Science and Technology (Mitsui SASUGAKU Academy)

Independent Practitioner's Assurance Report

Deloitte.

デロイト トーマツ

(TRANSLATION)

Independent Practitioner's Assurance Report

December 7, 2022

Mr. Kenichi Hori,
Representative Director, President and Chief Executive Officer,
Mitsui & Co., Ltd.

Masahiko Sugiyama
Representative Director
Deloitte Tohmatsu Sustainability Co., Ltd.
3-2-3, Marunouchi, Chiyoda-ku, Tokyo

We have undertaken a limited assurance engagement of the environmental performance data and personnel affairs data indicated with ★ for FY Mar/2022 and 2022 (the "Sustainability Information") included in the "Sustainability Report 2022 (PDF)" (the "Report") of Mitsui & Co., Ltd. (the "Company").

The Company's Responsibility

The Company is responsible for the preparation of the Sustainability Information in accordance with the calculation and reporting standard adopted by the Company (indicated with the Sustainability Information). Greenhouse gas quantification is subject to inherent uncertainty for reasons such as incomplete scientific knowledge used to determine emissions factors and numerical data needed to combine emissions of different gases.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. We apply International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board ("IAASB"), ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the IAASB and the *Practical Guideline for the Assurance of Sustainability Information*, issued by the Japanese Association of Assurance Organizations for Sustainability Information.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. These procedures also included the following:

- Evaluating whether the Company's methods for estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or reperforming the estimates.
- Performing interviews of responsible persons and inspecting documentary evidence to assess the completeness of the data, data collection methods, source data and relevant assumptions applicable to the sites.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information is not prepared, in all material respects, in accordance with the calculation and reporting standard adopted by the Company.

The above represents a translation, for convenience only, of the original Independent Practitioner's Assurance report issued in the Japanese language.

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Deloitte Touche Tohmatsu Limited