

**GLOBAL  
CROSSVALUE  
PLATFORM**

**Creating value through  
innovative solutions for our  
customers and for the world**

# **INTEGRATED REPORT**

**Marubeni Corporation 2023**

**Marubeni**



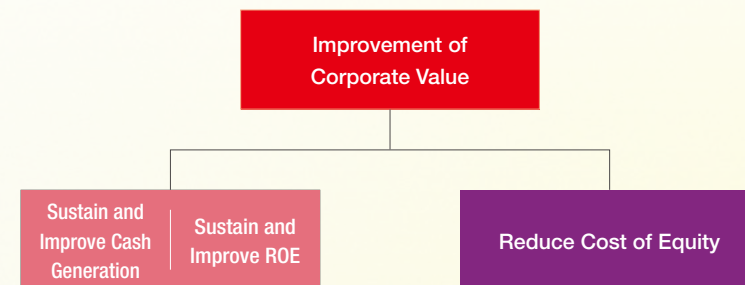
# Publication of the Integrated Report 2023

The Marubeni Integrated Report is created for the purpose of deepening understanding of the Group, realizing value co-creation with all stakeholders through constructive dialogues facilitated by this report, and ultimately further enhance the Group's corporate value.

The Marubeni Group is implementing various measures to sustain and improve cash generation, sustain and improve ROE, and reduce the cost of equity. The Integrated Report 2023 is organized around these core objectives, and we have done our best to clearly explain the key points of each initiative. In its production, we referred to the Integrated Reporting Framework of the IFRS Foundation and Guidance for Collaborative Value Creation from the Ministry of Economy, Trade, and Industry.

Since the previous GC2021 Mid-Term Management Strategy, the Marubeni Group has been able to significantly strengthen its business foundation while reinforcing its earnings power and financial foundation, as well as improve its investment discipline. In the current GC2024 Mid-Term Management Strategy, Marubeni is implementing strategies to further strengthen each business domain. Alongside this, we are advancing initiatives to ensure uninterrupted growth, such as deepening human capital management and enhancing non-financial value.

We hope that through this report, we can communicate the aspirations of the Marubeni Group as we stand on a new stage and seek to further improve our corporate value.



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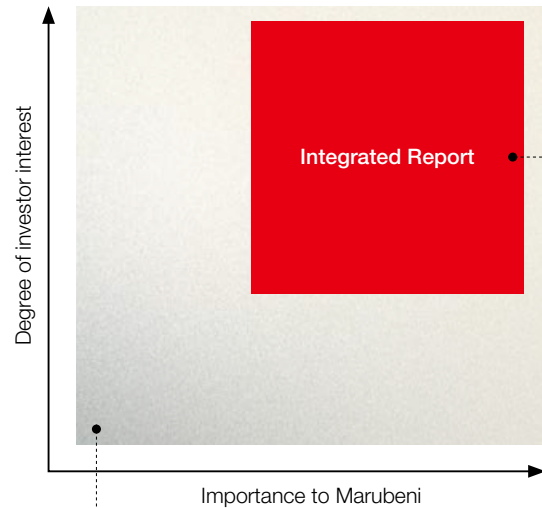
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# Marubeni's Information Disclosure



## Integrated Report



### Reporting Period

April 1, 2022-March 31, 2023  
 The contents of the publication include some information before and after the reporting period.

### Referenced Guidelines












- The Global Reporting Initiative (GRI) Sustainability Reporting Standards
- ISO26000 Guidance on Social Responsibility
- IFRS Foundation: International Integrated Reporting Framework
- Ministry of Economy, Trade and Industry (METI) Guidance for Collaborative Value Creation 

### Disclaimer Regarding Forward-Looking Statements and Original Language

Integrated Report 2023 contains forward-looking statements about the future performance, events or management plans of Marubeni Corporation and its Group companies (the Company) based on the available information, certain assumptions and expectations at the point of disclosure, of which many are beyond the Company's control. These are subject to a number of risks, uncertainties and factors, including, but not limited to, economic and financial conditions, factors that may affect the level of demand and financial performance of the major industries and customers we serve, interest rates and currency fluctuations, availability and cost of funding, fluctuations in commodity and materials prices, political turmoil in certain countries and regions, litigation claims, changes in laws, regulations and tax rules, and other factors. Actual results, performances and achievements may differ materially from those described explicitly or implicitly in the relevant forward-looking statements. The Company has no responsibility for any possible damages arising from the use of information on Integrated Report 2023, nor does the Company have any obligation to update these statements, information, future events or otherwise. Integrated Report 2023 is an English language translation of the materials originally written in Japanese. In case of discrepancies, the Japanese version is authoritative and universally valid.

### Note Regarding Accounting Standards

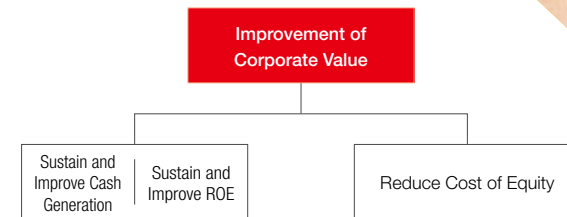
The Company adopted U.S. GAAP up until the fiscal year ended March 31, 2013, and IFRS from the fiscal year ended March 31, 2014.  
 "Profit attributable to owners of the parent" is described as "Consolidated Net Profit"/"Net profit" in this report.

Financial information		Non-financial information	
 <b>To Investors</b>  <ul style="list-style-type: none"> <li>• Financial results reports</li> <li>• Results briefing materials</li> <li>• Consolidated financial statements with independent auditors' report</li> <li>• Shareholder notifications</li> <li>• Shareholder communications, etc.</li> </ul>	 <b>Our Company</b> 	 <b>Our Business</b> 	 <b>Sustainability Website</b>  <ul style="list-style-type: none"> <li>• Environment</li> <li>• Social</li> <li>• Governance</li> <li>• Sustainable Development Report, etc.</li> </ul>
		 <b>Marubeni's Official Social Media Accounts</b>  	



# 01

## SECTION



## Value Creation at Marubeni

In addition to our values and management philosophy, we explain the driving forces and strategies behind the Marubeni Group's value creation, such as our management resources that have been accumulated throughout its more than 160-year history, our value creation story, and our Mid-Term Management Strategy.

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# Our Values

## Management Philosophy

Realizing the Vision through Corporate Activities

In accordance with the spirit grounded in “Fairness, Innovation and Harmony,” the Marubeni Group is proudly committed to social and economic development and safeguarding the global environment by conducting fair and upright corporate activities.

As social and customer issues become increasingly complex, it is not possible for Marubeni alone to provide solutions for everything.

The Marubeni Group addresses social issues, creates value, and works toward the medium- to long-term improvement of corporate value by leveraging its collective strengths and internal and external expertise, as well as engaging in co-creation with our stakeholders.

Our company creed of “Fairness, Innovation, and Harmony” shares connections to the key words of sustainable business activities, even modern times. “Fairness” links to human rights and fairness, “Innovation” to innovation and challenge, and “Harmony” to respect for diversity and harmony with society and the planet. The Marubeni Group will continue on its journey of value creation, steered by these constant guides.

## Our Vision

Group Commitment to Increasing Corporate Value in a Lasting Way



Global crossvalue platform  
**Marubeni**

Creating value through innovative solutions for our customers and for the world

Share the challenge

## Company Creed

Values That Act as Constant Guides



Company Creed “Fairness, Innovation, and Harmony”

**Fairness**—Act with fairness and integrity at all times.

**Innovation**—Pursue creativity with enterprise and initiative.

**Harmony**—Give and earn the respect of others through cooperation.



# History of Value Creation

The Marubeni Group has consistently supported the development of society and the economy through business development in tune with the latest needs, while anticipating societal change.

## 1858- Founded

Textile business



Marubeni's founder Chubei Itoh

Mark from which Marubeni company name was derived

Founded  
**165**  
years ago

1858 Marubeni's founder, Chubei Itoh, began selling Ohmi linen

## 1950s- Becoming a general trading company

Expansion of business domains



New York subsidiary

The beginning of Marubeni's strengths  
Earnings base in non-resource fields  
Track record and competitiveness in the U.S.

- 1949 Marubeni Co., Ltd. was established
- 1951 First overseas subsidiary established in New York
- 1961 Non-textile sales exceeded 50% of total sales
- 1963 Received thermal power plant equipment order from Manila Electric Company in the Philippines

## 1980s- Deepening of business

Business evolution from trading to business investment, expansion of overseas operation centered on the U.S.



Helena (U.S.)



Columbia Grain (U.S.)

- 1978 U.S.: Grain collection and export business Columbia Grain established
- 1987 U.S.: Acquired agri-input retailer Helena
- 1994- Start of initiatives in IPP business
- 1996 Qatar: First shipment from Qatar LNG project delivered
- 1996 Chile: Acquired interest in Los Pelambres Copper Mine
- 1997- Start of initiatives in renewable energy power generation business

## 2000s- Resource investment

Securing of natural resource interests that led to current green strategy



Roy Hill iron mine (Australia)



Esperanza Copper Mine (Chile)

## Non-resource investment

Development of diverse businesses to enhance resilience



Nowlake (U.S.)



MUSI Pulp Project (Indonesia)

- 2005 Indonesia: MUSI Pulp Project management interests acquired
- 2008 Chile: Acquired interest in Esperanza Copper Mine
- 2011 U.S.: Invested in Westlake (now Nowlake), a used car retail financing business
- 2012 Australia: Acquired equity stake in Roy Hill Iron Ore Project
- 2013 U.S.: Invested in Aircastle, an aircraft leasing company
- 2013 U.S.: Acquired Gavilon, a grain and fertilizer wholesaler

## Present- Pursuit of higher corporate value by staying one step ahead of changes in the environment and society



Creekstone (U.S.)



Aircastle (U.S.)



Next Generation Business Development Division (Skeleton Estonia)



Adubos Real (Brazil)

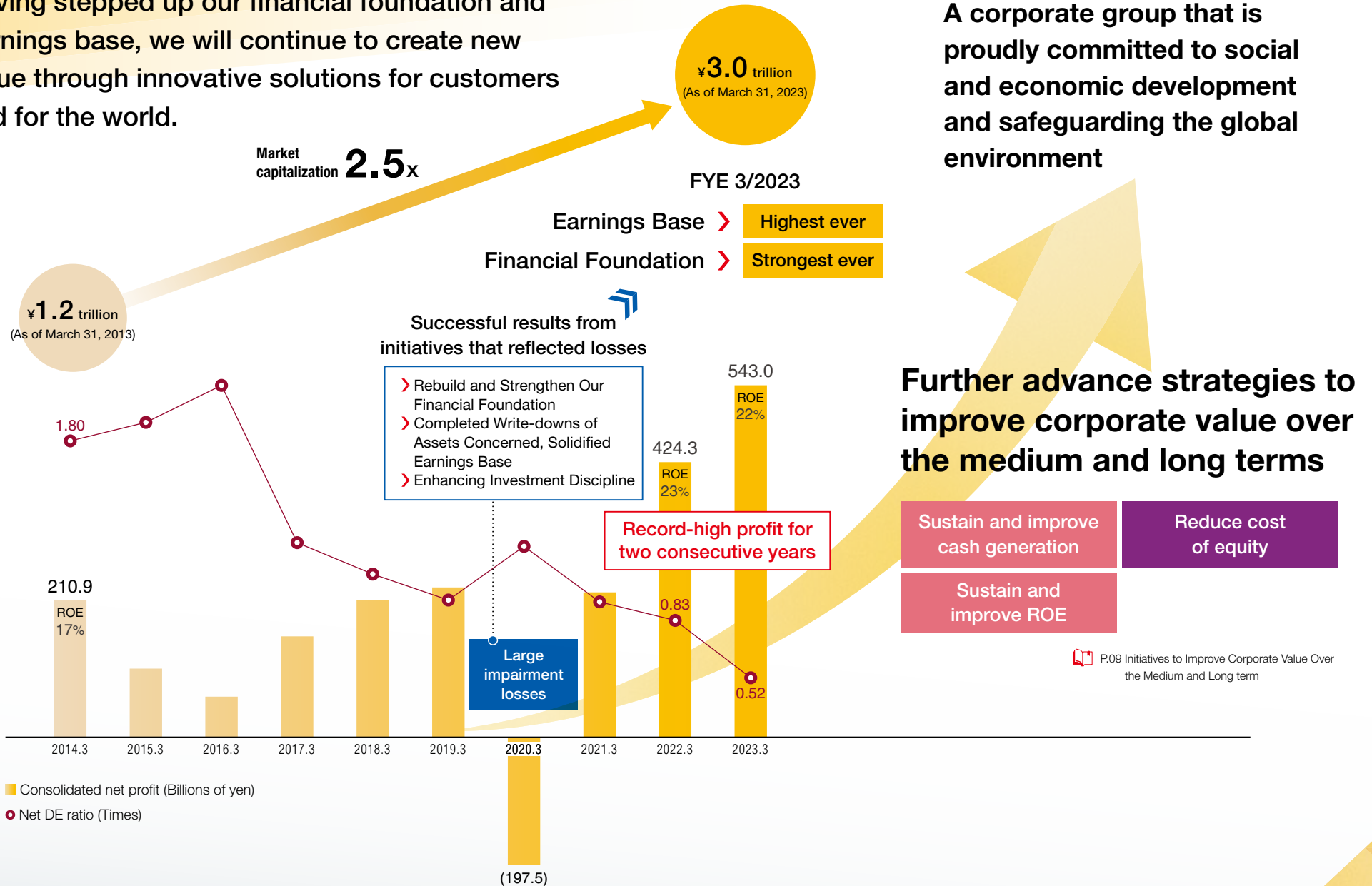
- 2017 U.S.: Acquired Creekstone, a beef processor
- 2019 Next Generation Business Development Division established
- 2019 Brazil: Invested in Adubos Real, an agri-input distributor
- 2020 U.S.: Made additional investment in Aircastle, an aircraft leasing company
- 2022 Next Generation Corporate Development Division established
- 2022 U.S.: Sold Gavilon's grain business

### Business Progress

- 2018 Disclosed policy to pull out of coal-fired power generation
- 2019 Identified materiality, adopted TCFD recommendations
- 2019 Created Business Policies SPP (enhancing investment discipline)
- 2020 Net loss booked on large impairment losses (FYE 3/2020) Removed the risk of future large impairment losses
- 2021 Disclosed Long-Term Vision on Climate Change
- 2022 Disclosed Green Strategy
- 2023 Achieved record-high profit for a second straight year (FYE 3/2023)

Having stepped up our financial foundation and earnings base, we will continue to create new value through innovative solutions for customers and for the world.

A corporate group that is proudly committed to social and economic development and safeguarding the global environment





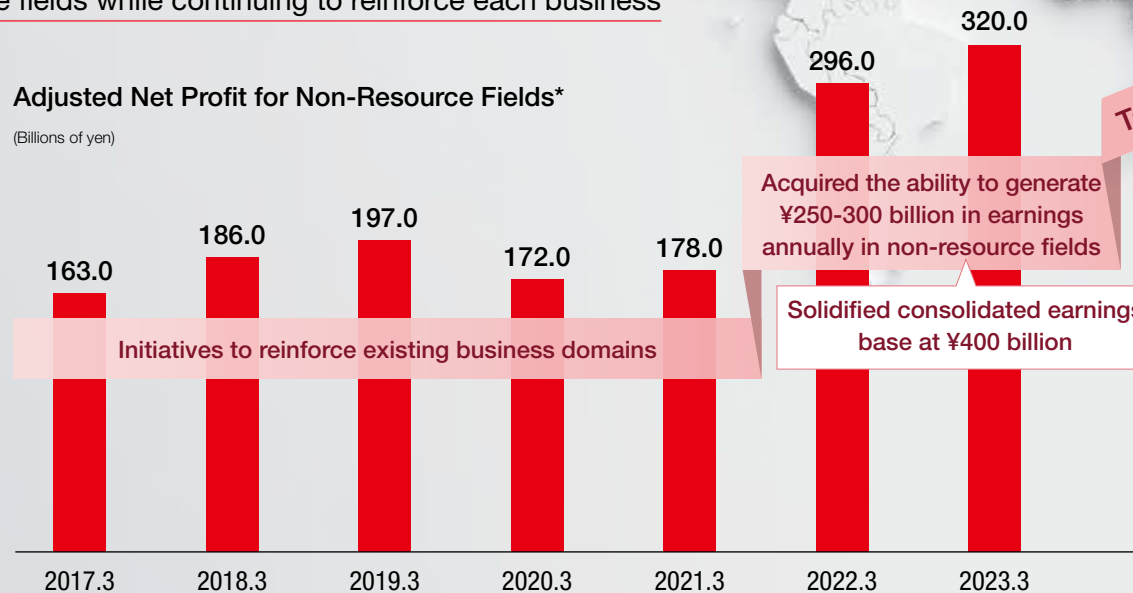
## Marubeni's Accumulated Strengths

# Earnings Base in Non-Resource Fields

- Increase level of profit in non-resource fields by strengthening existing business domains
- Aim for profit growth over the medium and long term driven by non-resource fields while continuing to reinforce each business

Adjusted Net Profit for Non-Resource Fields\*

(Billions of yen)



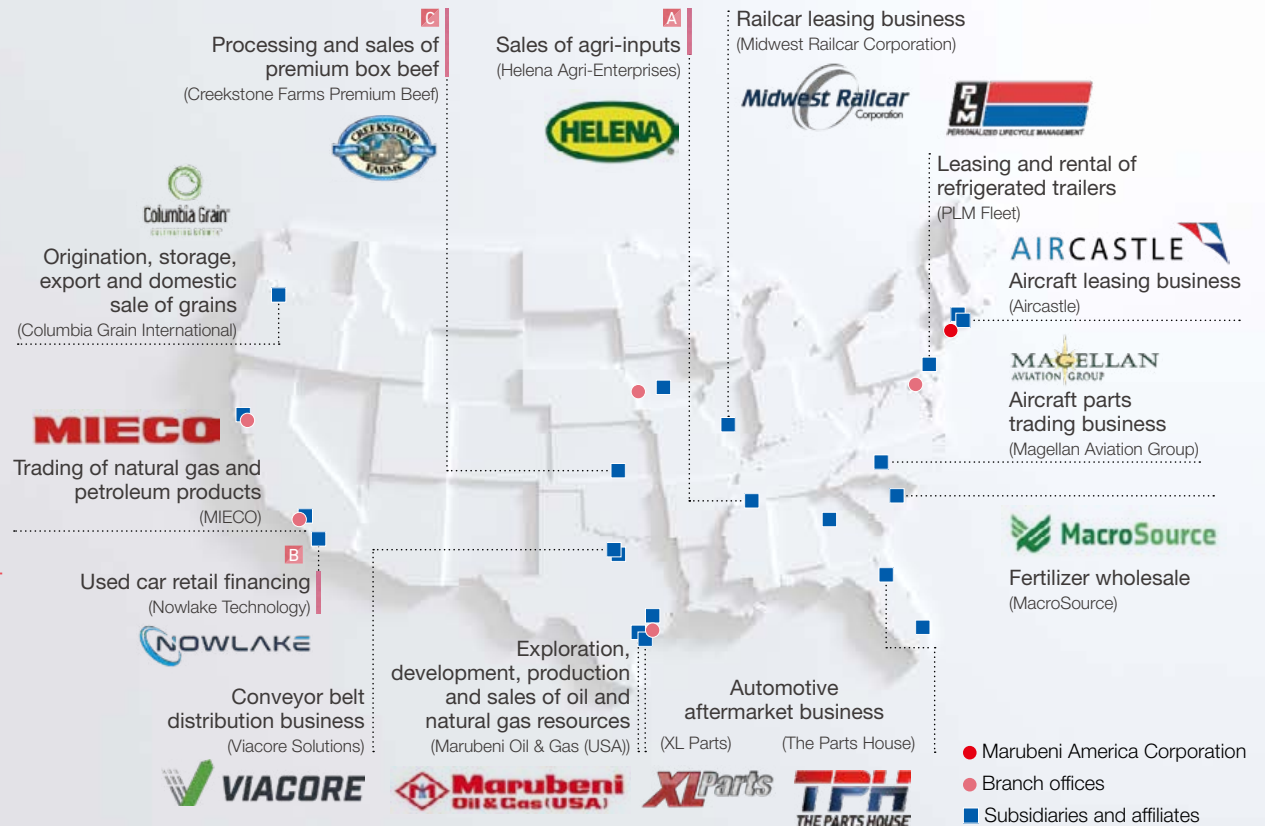
Target medium- and long-term profit growth

Strengthening of earnings base by executing strategies

\* Adjusted Net Profit: Net profit excluding one-time items (approximate figure)

# Competitiveness in the U.S.

- More than 70 years of business experience in the U.S.
- Developed highly competitive businesses, U.S. generates approx. 30% of profit (fiscal year ended March 31, 2023)
- Increase profit pillars with growth potential and downside resilience, strongly rooted in massive domestic demand in the U.S.



## A Helena Agri-Enterprises

U.S. No. **2** agri-inputs retailer

P.27 01 Food & Agri: Helena Agri-Enterprises

Profit attributable to owners of the parent for fiscal year ended March 31, 2023

**¥47.0** billion

## B Nowlake Technology

The **third**-largest used-car finance provider and the first among nonbank lenders in the U.S.

P.30 03 Finance, Leasing: Nowlake Technology

Profit attributable to owners of the parent for fiscal year ended March 31, 2023

**¥29.6** billion

## C Creekstone Farms Premium Beef

Beef packer with an established premium beef brand

P.29 02 Food & Agri: Creekstone Farms Premium Beef

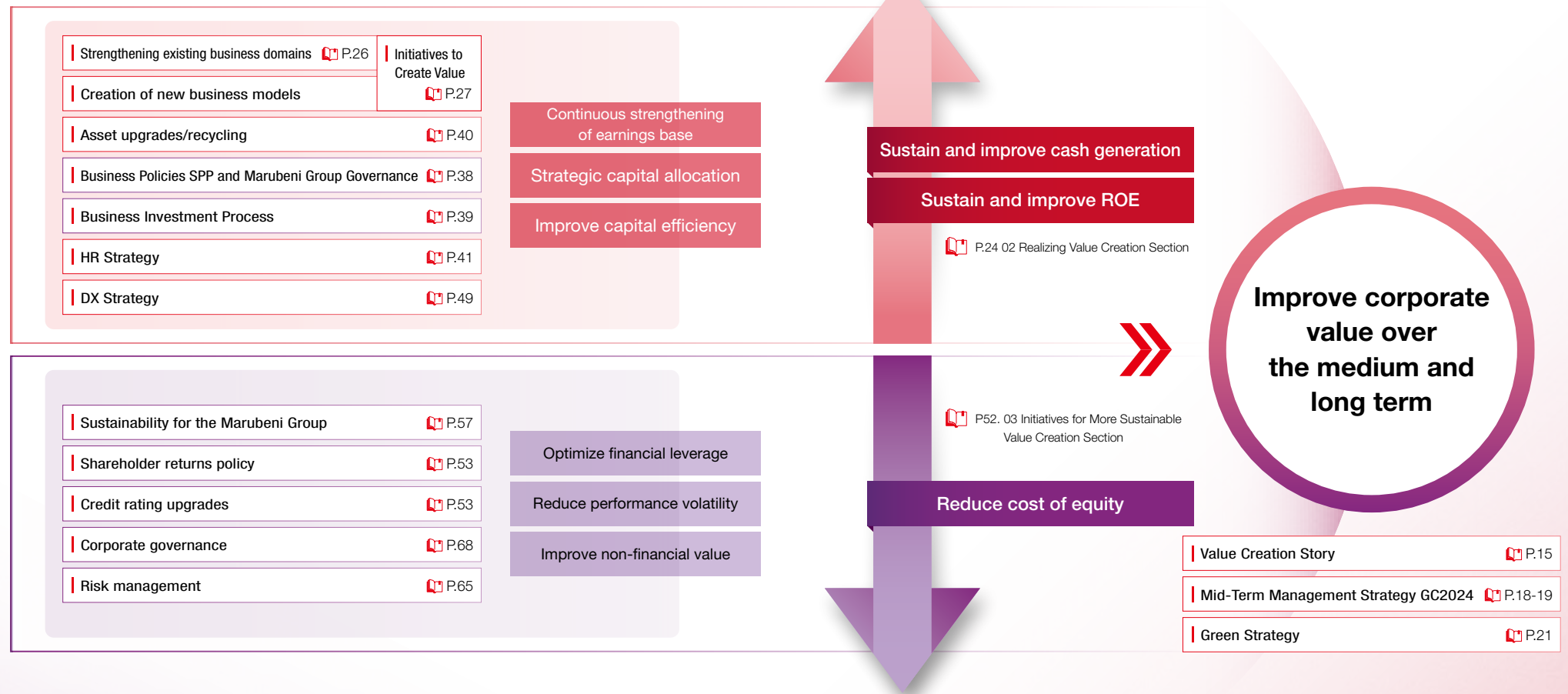
Profit attributable to owners of the parent for fiscal year ended March 31, 2023

**¥12.5** billion



## Initiatives to Improve Corporate Value over the Medium and Long Term

Aiming to improve corporate value over the medium and long term, Marubeni takes steps to sustain and improve cash generation, sustain and improve ROE, and reduce the cost of equity. By devising and advancing measures and strategies with this in mind, Marubeni has made steady progress on these fronts. Aiming even higher, Marubeni is keen to take bold measures in the future.



# Maximizing the Corporate Value

## Message from the President & CEO

**Enhancing long term corporate value through continuous refinement of our superior business portfolio**

Masumi Kakinoki

President & CEO





## Aiming to become a growing conglomerate by being lean and nimble in these rapidly changing times

In this world of discontinuity and uncertainty, the Marubeni Group aims to be an “essential partner that continually bridges gaps in society.” As a general trading company, one strength of the Marubeni Group is being able to work on anything without regard to business domain or type of product. In times when the outlook is indiscernible, we see opportunities to thrive. In every era, the Marubeni Group has adapted and expanded its role, continuously addressing the challenges of each time. This embodies our mission as a corporation and is the reason why Marubeni has built a history of 165 years. In the 20th century, we bridged geographical gaps through trade. Since the beginning of the 21st century, we have been filling the gap between future value and present value through investment. Looking ahead, our role will be to fill the gap by creating new value in a world that is constantly changing and difficult to predict.

It is often said that general trading companies have a conglomerate discount in evaluations of their corporate value due to the complexity of managing diverse and wide-ranging businesses. However, I believe we have a unique strength precisely because of our engagement in such a wide range of businesses. Firstly, Marubeni can adjust its business portfolio to fit better with the needs of society and customers. We can select business domains that align with the needs of society and customers from around the world, and also business domains where we have knowledge and experience, giving us a good chance of success. In these business domains, we can also selectively choose the most promising investment opportunities. Moreover, our information-gathering capabilities are a major strength. The up-to-date information continuously flowing in from our operations worldwide is an incredibly valuable asset. While recent advancements in digital technology are said to have eliminated information disparity, I feel the quality

of information has become even more important. By leveraging high-quality information in our daily decision-making and refining our portfolio, I believe we can achieve growth that surpasses the macroeconomy. Furthermore, being involved in various businesses provides us with a network spanning a wide range of sectors and regions. This offers the advantage of being able to tie up with optimal partners when embarking on new ventures. One good example of this is being able to enter into new business areas like new energy by collaborating with existing partners.

Leveraging the unique strengths inherent to general trading companies, Marubeni aims to create value by contributing to solutions for the various challenges faced by society and customers. In doing so, we are able to achieve medium- to long-term profit growth. The cash generated from these endeavors is then reinvested in further growth and/or returned to our shareholders. This is the core business model of a general trading company, and the ideal we strive towards. On the flip side, narrowing our focus too much by selection and concentration might leave Marubeni vulnerable to being swayed one-sidedly by unforeseen events. Instead of narrowing down too much, Marubeni is keen to assemble a group of lean businesses while maintaining a broad portfolio.

## A Portfolio for Medium- to Long-Term Profit Growth

The Marubeni Group achieved record-high profits for two consecutive years in the fiscal years ended March 31, 2022, and 2023. As discussed in more detail later, the sale of the grain business of Gavilon Agriculture Investment, Inc. allowed Marubeni to significantly reinforce its financial foundation and thus enabled us to enhance shareholder returns. These major achievements would not have been possible without the employees of the Marubeni Group, to whom I am deeply

grateful. We have received numerous comments from shareholders and investors, praising Marubeni for stepping up as a corporation and making steady progress on what needs to be done.

In the past, Marubeni posted substantial impairment losses that not only damaged its financial foundation but also compelled management to prioritize debt repayment over growth investments, setting back the Company's progress by several years as growth slowed. However, when it posted significant impairment losses in the fiscal year ended March 31, 2020, Marubeni removed the significant risk of future impairment losses. And, by successfully enhancing earnings capacity at the same time, we were able to realize a substantial increase in profits. As explained later, we have also internally strengthened our investment discipline. Looking ahead, without relapsing into impairment losses, the Company is keen to raise the level of profits over the longer run by consistently enhancing its earnings capacity.

With an eye on medium- to long-term profit growth, Marubeni's basic investment strategy revolves around allocating funds for growth investments in business domains where it has a competitive advantage, primarily in non-resource fields, with the intention of strengthening its existing business domains.



It was our steadfast efforts to reinforce individual businesses that led to record-high profits, and we will boldly continue with these efforts. Not only have we reinforced traditionally strong businesses like the Food & Agri Business and the Power & Infrastructure Project, over the past few years we have also expanded the business domains where we have strengths to include transportation machinery, fleet management, and trading. This is a major win from the perspective of increasing our sustained growth potential.

Initiatives to Create Value P.27-

Within the Company, I am constantly cautioning against becoming complacent with our current business position because we are profitable now. The world is changing at an incredible speed, and there is the possibility that the global situation or the demands of our customers might change dramatically one day. For Marubeni to continue growing in the medium to long term, we must always be sensitive to change and continually imagine the type of demand that our customers or potential customers will have. This might not always align with the trajectory of our existing business and organizational structure. This is why it is vital to simultaneously maintain and expand existing business domains while also being always on the ready for creating new business models.

To seize opportunities for new business, we must always be tuned into what is expected of us. A prime example of this is sustainability. The act of monitoring and helping solve issues of high priority to society is becoming fundamental to all businesses, such as decarbonization, the transition to a circular economy, the protection of water resources and bio-diversity, the promotion of human rights, and building sustainable supply chains. In the GC2024 Mid-Term Management Strategy, Marubeni has defined its approach to sustainability management as its “Green Strategy.” This strategy goes beyond strengthening businesses that directly contribute to sustainability and new investments. It calls for “greening” as a means of

solving issues related to sustainability across all industries, helping society and customers, and propelling the Marubeni Group forward. We aim to become a forerunner in Green Business by working with all our stakeholders to realize the international community's goal of a society in harmony with nature. Over a year has passed since the launch of GC2024, and each business division has clarified what they will specifically promote under the Green Strategy. Steady progress is being made. In December 2022, the Akita Offshore Wind Project, Japan's first large-scale offshore wind farm, began operating commercially. Additionally, in March 2023, progress was made on other fronts, such as the signing of a long-term water sales agreement for the water production and transportation project for Corporación Nacional del Cobre de Chile.



In front of the Akita Offshore Wind Project

By fostering a collective consciousness of sustainability throughout the Group, we believe the quality of what we provide will improve. Moreover, as our customers' and suppliers' perception and assessment of Marubeni becomes rooted in green values, we believe they will come to view us as a reliable partner they can conduct business with.

### **While drawing on past lessons, we will not halt our progress toward growth.**

When I was talking about the advantages of a general trading company, I did not intend to refute the principle of selection and concentration. Marubeni is actively recycling assets in

businesses that have not enhanced its corporate value. In October 2022, management made the bold decision to sell the grain business of Gavilon Agriculture Investment, Inc., which brought back in approximately ¥330 billion.

This business primarily entailed amassing and selling grains within the U.S. When it acquired the business, Marubeni aimed to create synergies with its grain trading business with foreign countries, especially China. However, these synergies did not materialize as anticipated. We examined ways to increase value added by venturing into grain processing and production, but these markets are fiercely competitive. Given our limited experience, we came to the conclusion that it was not a wise use of major capital outlays. Ultimately, the returns on this investment did not meet our initial projections. Moreover, operating the business required significant working capital and human resources, making it inefficient. Amid these circumstances, grain prices began rising a few years ago, and a company interested in U.S. grain collection offered us terms that met our interest. We saw this as the optimal time to sell the business, culminating in the agreement. Considering the final sale price, I believe Marubeni broke even on the whole, but the time and human capital expended cannot be reclaimed.

Lessons like this are shared extensively within the Company, and even incorporated into internal systems. When it acquired Gavilon for close to ¥300 billion (including the fertilizer business), Marubeni's annual net profit was around ¥200 billion. In retrospect, I believe it was a venture beyond our means. Companies should always aim for growth and maintain an enterprising spirit, but investments that might endanger a company's foundation if they turn sour should be avoided. I believe this investment discipline should be upheld even when management changes, so we have modified our internal approval processes so that large-scale investments must pass muster. A system has been put in place to prevent investments in early-stage projects from being prematurely



greenlit by an eager CEO willing to bypass the approval process. Even if the CEO is keen on a project, a decision cannot be finalized solely on that enthusiasm. The majority of members on the Board of Directors are outside directors, and large investments above a certain amount cannot move forward without the Board's approval.

Of course, as the Company's scale and profit levels have grown, investments might be larger than in the past. Historically, more so than large investments, Marubeni has tended to flourish by making medium-sized investments in a range of tens of billions of yen that are competitively nourished with hands-on involvement. We plan to continue emphasizing this approach.

While the lessons from past investment failures have permeated even to our employees on the front lines, excessive caution can also be counterproductive. Growth investments are vital. Now that such lessons have been firmly ingrained in our mindset and approach to disciplined investment within Marubeni, my internal messaging now emphasizes the implementation of growth strategies and taking challenges geared towards creating new business opportunities. Investment decisions should be based on robust data analysis and meticulous planning for the future. As the president, I will act decisively and fully support the projects we undertake after thorough discussions.

## New Shareholder Return Policy Decided in Light of Market Expectations

Until February 2023, Marubeni's dividend policy was to set dividend amounts based on annual profits, while specifically targeting a consolidated dividend payout ratio of 25% or more. Also, the Company did not conduct share buybacks until the fiscal year ended March 31, 2022. This was because the scale of shareholders' equity had not been large enough in the past.

In the fiscal year ended March 31, 2020, Marubeni posted a net loss due to significant impairment losses, which resulted in a decrease in shareholders' equity. Consequently, management prioritized the rebuilding and strengthening of our financial foundation. Thereafter, however, as I mentioned earlier, we were able to significantly improve both our earnings base and financial foundation. In light of these achievements, we held dialogues with shareholders, investors, and analysts while exploring the best shareholder return policy for Marubeni and our shareholders. The outcome was the new shareholder return policy announced in February.

The Company's new shareholder return policy is fundamentally about providing a steady dividend and aiming to increase dividends through medium- to long-term profit growth. On this basis, during GC2024, Marubeni has decided to distribute a progressive dividend (i.e., no reduction in dividends regardless of earnings) until the fiscal year ending March 31, 2025, and at the same time, target a total payout ratio of around 30%-35%. With this in mind, the Company takes a flexible approach to share buybacks.

The decision to introduce a progressive dividend was carefully thought out. If we misjudge the Company's earnings capacity when determining the baseline for progressive dividends, the Company may end up paying a dividend disproportionate to profit levels in the event of a sharp decrease in profits, which could potentially be detrimental to Marubeni's corporate value. On the other hand, as of February 2023, we thought about switching to a progressive dividend, without reducing the dividend, and maintain a dividend of ¥78 per share forecast for the fiscal year ended March 31, 2023. While ¥78 per share was our highest-ever dividend, after careful consideration, we concluded that Marubeni's current earnings capacity has sufficiently increased, and we ultimately decided to set that amount as the starting point for the progressive dividend.

Through these measures, management has been able to enhance shareholder returns. We feel that this is the best shareholder return policy that Marubeni can currently offer to our shareholders, who have been concerned by the impairment losses and net losses in the recent past. However, we are not satisfied with this level of shareholder returns. Marubeni aims to increase dividends by realizing profit growth, and, by growing profit even more over the medium and long term, management is keen to raise the level of shareholder returns higher.

## Strengthening initiatives in human capital, aiming for an organization where diverse talents work together

Amid significant changes, such as decarbonization, digital technology, the rise of the next generation of consumers, and diversifying values, the challenges faced by Marubeni are becoming increasingly complex. It is increasingly important to cultivate and support the activities of human capital to drive our business strategy forward. At Marubeni, we need to expand the capabilities and breadth of our human capital to the fullest, not just focusing on HR development or optimal placement, but also on improving engagement, ensuring diversity, and changing work styles as longer-term themes. This is not merely about managing employees. It is about management understanding the multifaceted and changing nature of our human capital, and building human capital that can maximize its potential in driving business strategy forward. In the fiscal year ending March 31, 2024, the Company created the position of Chief Human Resources Officer (CHRO) to formulate and promote an HR strategy that contributes to the management strategy. We are reinforcing our efforts so that our human capital, the most significant capital and driving force behind value creation for the Marubeni Group, can put all of its efforts into executing our business strategy.

To resiliently respond to changes in the business environment, we believe it is essential to secure and leverage the diversity of our human capital. For the Marubeni Group, which is proud to have 46,000 employees worldwide, diversity is especially important. Diversity encompasses various aspects of life, such as gender, age, life stage, nationality, race, social, religious, and cultural backgrounds, and disabilities. Marubeni aims to be a group of companies where everyone respects and admires colleagues of different backgrounds, and anyone with the skills and motivation is given opportunities to rise to new challenges. In 2022, Marubeni declared its intent to focus on long-term growth opportunities for women through the “Female Empowerment at Work 2.0” initiative. Furthermore, we would like to create a workplace environment where anyone regardless of age can enthusiastically work together, such as by training and encouraging young employees, as well as seniors. Marubeni aims for an organization where diverse talents intermingle and work together to address conflicting propositions, such as stability vs. growth and caution vs. boldness.



Management also places importance on having dialogues with employees. Since opportunities are limited for direct conversations, I encourage communication through Opinion Box. Using Opinion Box, I can relay my own video messages about important management topics to Group employees, including employees at consolidated subsidiaries, and directly respond to all feedback and questions from employees. Since my appointment as president in 2019, I have personally responded to about 1,200 queries over approximately four years. Employees attentively view the content of these videos, and they quickly point out any incomplete responses. While no company may be perfect, I think that most people would prefer to work in a place where they feel that they receive and understand explanations, and this might increase their motivation to work harder. I therefore sense there is meaning in directly responding to questions from employees, and will continue to do so with the belief that it is a thread of communication with employees.

### Pursuing higher corporate value through co-creation with all stakeholders

The fiscal year ended March 31, 2023, the first year of GC2024, was a fantastic year marked not only by a second consecutive year of record-high profit but also by the Company's share price reaching an all-time high. As we entered the fiscal year ending March 31, 2024, amid the robust Japanese stock market, the Company's share price continued to rise, setting new historical records one after the other. I am deeply grateful to the investors that view Marubeni in such a positive light, and I am keenly aware of the high expectations set by our shareholders.

In pursuit of further growth in corporate value, we see the importance of aligning our position more closely with that of shareholders. As such, we proposed a major revision to the

executive compensation system at this year's General Meeting of Shareholders, which was approved. By adopting relative Total Shareholder Returns (TSR) as one of the evaluation metrics for executives, which compares our total shareholder returns to stock market performance, we believe the foundation for improving corporate value has been reinforced.

Our corporate philosophy states that the Marubeni Group is proudly committed to social and economic development and safeguarding the global environment by conducting fair and upright corporate activities. This is an everlasting philosophy for Marubeni. While a simple mission, simplicity does not mean it is easy. Given the world's increasingly complex and diverse challenges, what we can accomplish solely on our own is limited. The Marubeni Group has adopted “Global crossvalue platform” as its vision. Even if the contribution of one individual might seem small, when the capabilities of various professionals are marshalled together, most problems can be solved. This is the future that Marubeni envisions: “Share the challenge.” I am confident that by collaborating with stakeholders worldwide, even the most daunting challenges can be overcome.

Compared to its past, when shoring up the financial foundation was a challenge and we could not take all the actions toward adequate growth that we wanted to, Marubeni now enjoys a much greater degree of management freedom and strength. Standing on a new stage, the Marubeni Group is focused on raising its share price and TSR and building corporate value over the medium and long term by seeking to address societal issues in partnership with all stakeholders, whether individuals, companies, or other entities, and to create value.

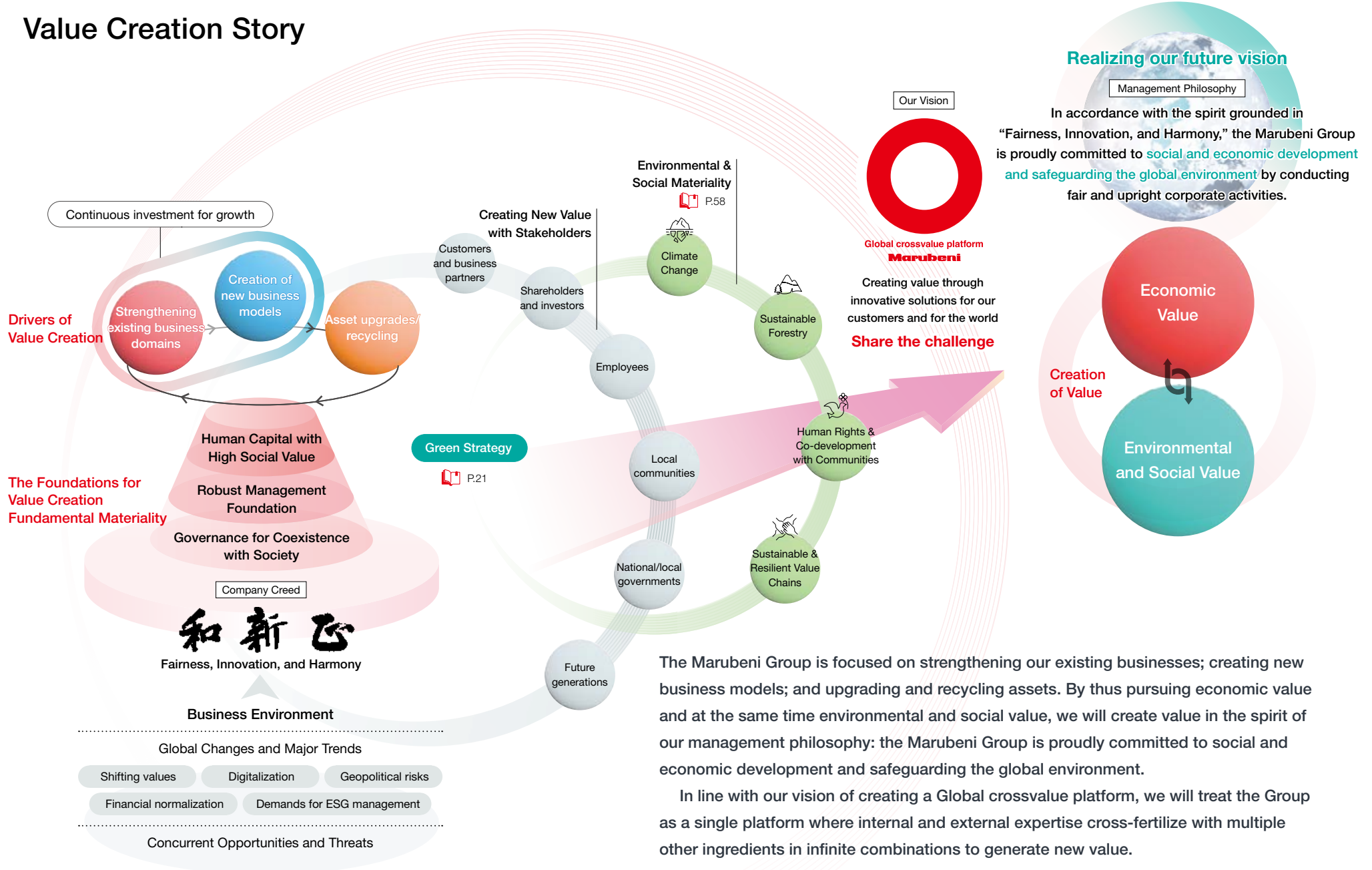
August 2023

**Masumi Kakinoki**

President & CEO

















# Value Creation Story



# Management Capital

In the 165 years since its establishment, the Marubeni Group has created value by contributing to the resolution of social issues, adjusting and expanding its role with the changing times. We will continue to strengthen the management capital built up in our involvement and investment as a general trading company in a wide range of industries and regions, leveraging these assets for still greater value creation.

	Overview	FYE 3/2023 Overview	Examples of Strengthening Measures
Internal capital	 <p><b>Human Capital</b></p> <p>Our greatest management capital and the engine behind value creation. Continue to develop the human capital foundation to drive business activity.</p>	<ul style="list-style-type: none"> <li>• No. of Group employees (Consolidated) Approx. <b>46,000</b></li> <li>• No. of employees (Non-Consolidated) <b>4,340</b></li> <li>• Participation rate of employees' shareholding association <b>86.2%</b></li> </ul>	<ul style="list-style-type: none"> <li>• HR Strategy</li> <li>• Appointment of Chief Human Resources Officer  P.41 HR Strategy</li> <li>• Female Empowerment at Work 2.0</li> </ul>
	 <p><b>Financial Foundation</b></p> <p>Maintain a stable financial foundation and support business operations by ensuring appropriate capital allocation and balance sheet management and by strengthening profitability.</p>	<ul style="list-style-type: none"> <li>• Total assets <b>¥8 trillion</b></li> <li>• Shareholders' equity <b>¥3 trillion</b></li> <li>• ROE <b>22%</b></li> <li>• Core operating CF <b>¥584.2 billion</b></li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate risk management and stronger investment discipline</li> <li>• Credit rating upgrades</li> <li>• Continuous strengthening of profitability  P.53 Message from the CFO</li> </ul>
	 <p><b>Business Portfolio</b></p> <p>Well-balanced portfolio with many highly competitive businesses and the majority of profit earned in non-resource fields. Continue to strengthen the portfolio through ongoing growth investments and upgrading and recycling existing assets.</p>	<ul style="list-style-type: none"> <li>• No. of consolidated companies: <b>480</b></li> <li>• Ratio of net profit from non-resource fields: over <b>60%</b></li> <li>• Proportion of net profit from U.S. operations: approx. <b>30%</b></li> </ul>	<ul style="list-style-type: none"> <li>• Discussion of growth strategy by business domain</li> <li>• Strengthening Existing Business Domains  P.26 Strengthening Existing Business Domains</li> <li>• Monitoring of ROIC and other efficiency metrics, PDCA cycle  P.39 Business Investment Process</li> </ul>
	 <p><b>Business Expertise</b></p> <p>Advanced business expertise accumulated in business activities across diverse fields. Co-create value by combining expertise with the knowledge of customers and partners to generate solutions.</p>	<ul style="list-style-type: none"> <li>• <b>165<sup>th</sup></b> anniversary of establishment</li> <li>• <b>16</b> business segments</li> </ul>	<ul style="list-style-type: none"> <li>• Cross-departmental initiatives targeting new business domains</li> <li>• Use of DX to accelerate growth strategy  P.49 DX Strategy</li> <li>• In-house sharing of unsuccessful measures</li> </ul>
External capital	 <p><b>Sales Foundation and Network</b></p> <p>Relationships of trust built up with many customers and partners in a wide variety of sectors and regions. This forms the foundation not only for conducting routine business but also for launching initiatives in new business domains.</p>	<ul style="list-style-type: none"> <li>• <b>Relationships of trust</b> with numerous customers, partners, and suppliers worldwide</li> <li>• <b>Over 70-year</b> track record of business activity in U.S.</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthening of networks through diverse business opportunities</li> <li>• Building of relationships of trust with blue-chip partners</li> <li>• Building of sustainable and resilient value chains</li> </ul>
	 <p><b>Natural Resources</b></p> <p>Marubeni deals in metals, energy, food products, forestry assets, and other natural resources. As well as ensuring a stable supply of these resources, pursue business opportunities arising from the trend toward decarbonization.</p>	<ul style="list-style-type: none"> <li>• Forest plantation: <b>130,000 hectares</b></li> <li>• Net profit of Metals &amp; Mineral Resources Div. <b>¥199.4 billion</b></li> <li>• Avoided emissions from renewable energy power generation: approx. <b>1.12 million t-CO<sub>2</sub></b></li> </ul>	<ul style="list-style-type: none"> <li>• Green Strategy  P.21 Green Strategy</li> <li>• The Marubeni Long-Term Vision on Climate Change  P.60 Climate Change</li> <li>• Sustainable Forest Management  P.62 Sustainable Forestry</li> </ul>

## Message from the CSO



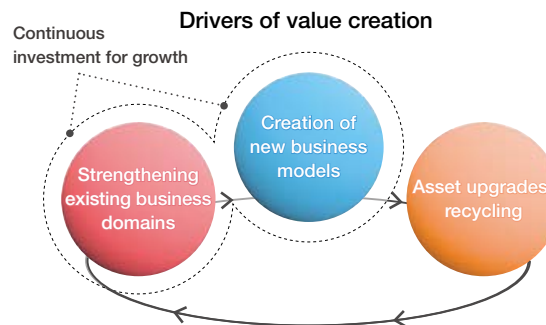
### Kenichiro Oikawa

Senior Managing Executive Officer  
Chief Strategy Officer (CSO);

Regional CEO for East Asia; Regional CEO for Japan Business;  
Vice Chairman of Investment and Credit Committee

### Initiatives for Medium- to Long-Term Growth of Corporate Value

Strengthening our sustained earnings power is essential for the medium- to long-term improvement of our corporate value. To this end, we are constantly working to strengthen our existing businesses domains and explore new business models. While pursuing steady growth now and layering on future-oriented initiatives, we are keen to develop and establish new pillars of earnings.



### Strengthening Our Existing Business Domains Bore Fruit in the Fiscal Year Ended March 2023

Strengthening our existing business domains is where we place the most emphasis. Of our investments in growth, we allocate 80% to 90% of our management resources to this priority, throwing in the weight of the entire Group. We identify competitive advantages in each individual business and upgrade them through ongoing investments in growth. At the same time, we are reinforcing competitiveness by aiming to expand revenue and asset scale, improve profitability, and reduce costs. Investing to further strengthen already strong businesses has not only a high probability of success, but also the added benefit of avoiding the premium paid when acquiring new businesses. We also anticipate further growth through expansion within the same business domain, horizontal development in other regions, and diversification into adjacent business domains.

In the fiscal year ended March 31, 2023, Marubeni achieved record-high profits for a second consecutive year. We believe this is the result of past investments in growth. Growth stood out in the food, agri business and finance domains. The fruits of our consistent efforts in the past are also evident in many other business domains.

P.26 Strengthening Existing Businesses Domains

### Steady Implementation of Strategy

We place importance on discipline and precision when making investments to ensure that growth investments translate into profit expansion. To guarantee returns, we have created Business Policies SPP (see P.38) as a common set of basic principles for all business models. We prioritize growth investments that are needed in business strategies for realizing the future vision set forth by each business division.

Marubeni is keen to steadily expand profits over the medium and long term while adhering to this approach as an organization, and also responding appropriately to change.

### Deepening Business in the Domestic Market

While Marubeni has strengths in its business foundation for the U.S. market overseas, we also view the domestic market in Japan as vitally important. From my standpoint as Regional CEO for Japan Business, I have been strengthening our domestic initiatives since 2020. In Japan, the world's third-largest market by GDP, there are plenty of new growth domains being brought about by global trends and social issues that are appearing in Japan before the rest of the world, such as a declining birthrate and aging population. We believe we can address diverse demand and contribute to solving challenges by leveraging the expertise and talent we have cultivated through various businesses over the years. The outcome of our initiatives has already begun to appear in fields such as the FemTech services business and regional revitalization. We will continue to deepen our presence in each existing business while also advancing in multiple directions, developing new businesses, including through M&A, and forming partnerships with universities and local governments.



# Mid-Term Management Strategy GC2024 (April 2022 – March 2025) – Three Years of Putting Strategy into Practice

**Characteristics of Business Environment**

**Discontinuous changes and disruptions of existing business models will only accelerate**

- Rapid expansion of digital technology
- Weaker international cooperation and concerns over geopolitical risks
- End of ultra-easy monetary policy
- Contribution to SDGs, rising demands for ESG management

**Basic Policies**

**Three years of putting strategy into practice**

**[1] Develop and establish a stable earnings base by strengthening current business domains and exploring new business models**

Reinforce/build Marubeni Group strengths in existing businesses (Horizon 1 & 2) while also creating new business models (Horizon 3) in domains with high growth potential

**[2] Lead the transition to a Green economy by expanding “Green Business” and “Greening” in all business domains**

P.21 Green Strategy

**Marubeni Group HR Strategy**

**Marubeni HR Ecosystem**

Promoting the growth and success of the Marubeni Group's human capital, the critical source of our corporate value

P.41 HR Strategy

**Financial Targets**

<b>Consolidated net profit</b> (FYE 3/2025) <b>¥400.0 billion</b>	<b>Core operating CF</b> (Three-year cumulative) <b>¥1,300.0 billion</b>	<b>ROE</b> <b>15%</b>
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**Pursuing long-term growth of corporate value**

<b>Sustain and improve cash generation</b>	<b>Sustain and improve ROE</b>	<b>Reduce cost of equity</b>
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P.09 Initiatives to Improve Corporate Value over the Medium and Long Term

**While working to strengthen and enhance our financial foundation, the focus will be on Growth and Shareholder Returns**

- Maximizing core operating CF
- Maintaining positive FCF after shareholder distributions (three-year cumulative FCF, excluding effects from changes in working capital)

**Capital Allocation Policy**

**New shareholder returns policy (announced Feb. 2023)**

	Previous policy	New policy
<b>Basic dividend policy</b>	<ul style="list-style-type: none"> <li>• Link dividends to the Company's business results for each fiscal year</li> </ul>	<ul style="list-style-type: none"> <li>• Pay a stable dividend over the long term</li> <li>• Increase dividends in response to medium- and long-term profit growth</li> </ul>
<b>GC2024 shareholder returns</b>	<ul style="list-style-type: none"> <li>• Dividend payout ratio of “25% or more”</li> <li>• ¥60 per share to be set as the minimum annual dividend</li> <li>• Flexible share buybacks</li> </ul>	<ul style="list-style-type: none"> <li>• Progressive dividend policy*1 initially setting ¥78 per share as an annual dividend</li> <li>• Flexible share buybacks conducted by targeting a total payout ratio of around 30-35%</li> </ul>

- Adopt a progressive dividend policy aiming to pay a stable dividend over the long term
- Continue to strive for medium- to long-term profit growth and improvement of TSR\*2 through optimal capital allocation and strategy implementation

\*1. Progressive dividend policy: No reduction in dividends, but maintenance or increase of dividends.  
\*2. Total Shareholder Return: (Capital gains + Dividends) / Purchase price (Invested amount).

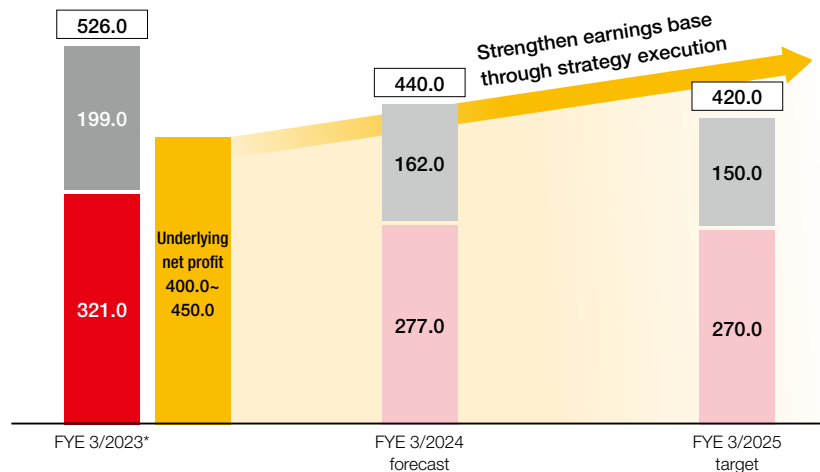
## Progress of Mid-Term Management Strategy GC2024 (FYE 3/2023 performance)

### Sustain and improve cash generation

- Adjusted net profit\* in the year ended March 2023 set a new record of ¥526.0 billion.
- We benefited from increased opportunities to profit from rising prices and our functions as a trading company due to the impact of the COVID-19 pandemic and the Russia-Ukraine situation. Disregarding these and other tailwinds in the operating environment, we believe underlying net profit to be around ¥400.0-450.0 billion.
- Going forward, we will focus capital allocation on existing business domains where we enjoy a competitive advantage, mainly in non-resource fields, enabling us to maintain a solid earnings base at the ¥400.0 billion level during the GC2024 period and continue with efforts to reinforce profitability.

\* Adjusted net profit: Net profit excluding one-time items, shown in an approximate figure.

Adjusted net profit (Billions of yen) ■ Non-resources ■ Resources ■ Consolidated total



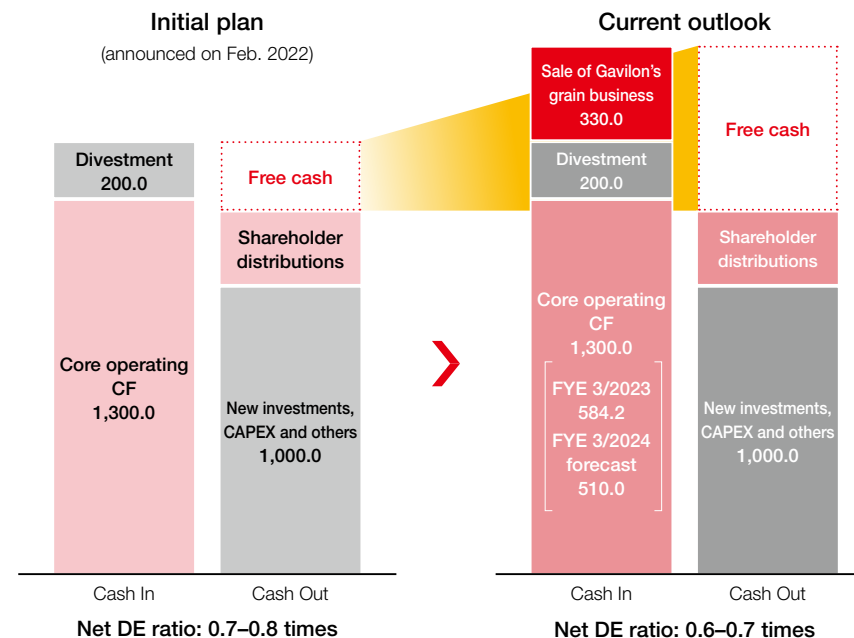
	FYE 3/2023 results	FYE 3/2024 forecast	FYE 3/2025 (GC2024 targets)
Core operating CF (Billions of yen)	584.2	510.0	Three-year cumulative 1,300.0
Adjusted net profit (Billions of yen)	526.0	440.0	420.0
ROE	22%	Approx. 15%	15%
Net DE ratio	0.52 times	Approx. 0.6-0.7 times	Approx. 0.6-0.7 times

\* Based on FYE 3/2024 organization. Figures for FYE 3/2023 have been reclassified.

### Capital allocation

- In October 2022, we completed the sale of Gavilon's grain business, which was not included in GC2024, recovering approximately ¥330.0 billion. Additionally, there is significant potential to improve on the initial GC2024 target for core operating cash flow of ¥1.3 trillion over three years. The resulting growth in free cash will further enhance management's freedom of action.
- In February 2023, we announced a new shareholder returns policy.
- During the GC2024 period, free cash will be used to repay a certain level of debt, with the rest allocated to growth investment and enhancing shareholder returns.

GC2024 three-year cumulative capital allocation (excluding changes in working capital, etc.) (Billions of yen)



Capital Allocation Policy

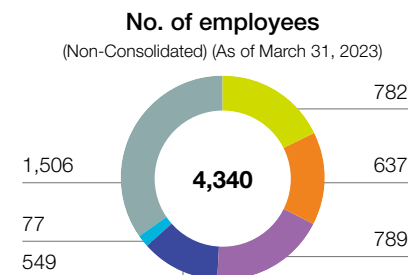
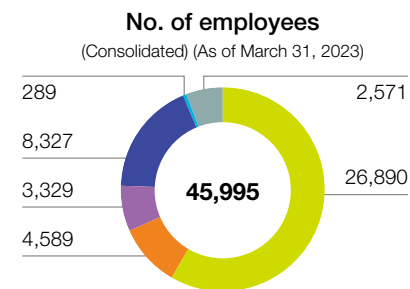
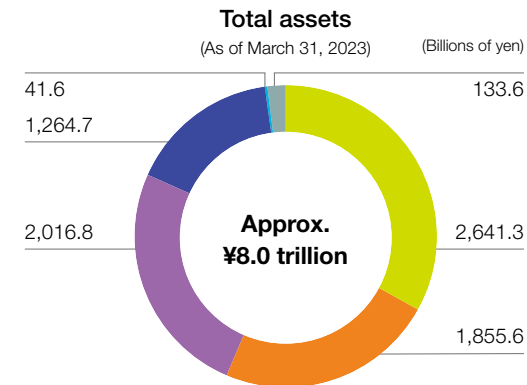
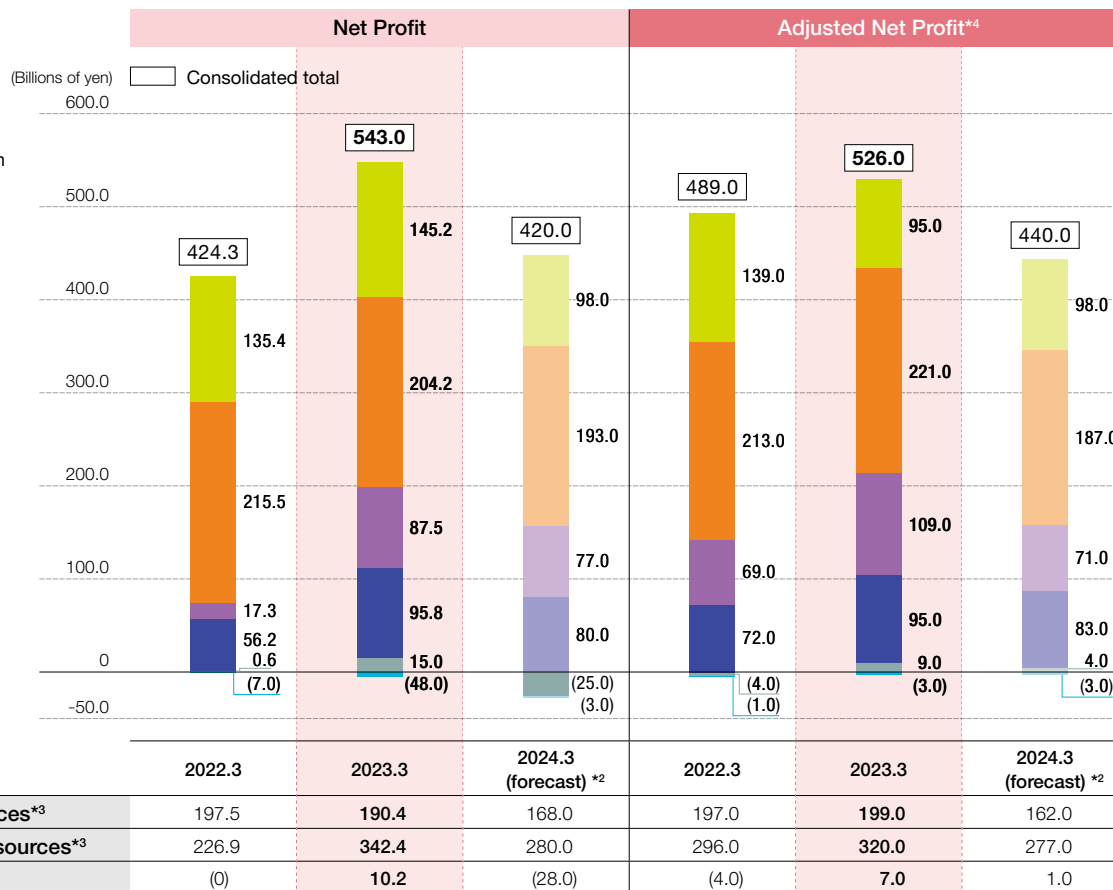
Financial Targets

Values of the Marubeni Group / History of Value Creation / Marubeni's Accumulated Strengths / Initiatives to Improve Corporate Value over the Medium and Long Term / Message from the President & CEO / Value Creation Story / Management Capital / Message from the CSO / Mid-Term Management Strategy GC2024 / Progress of Mid-Term Management Strategy GC2024 / Performance by Business Group / Green Strategy / Improving the Corporate Value of Marubeni from the Perspective of an Outside Director

# Performance by Business Group (FYE 3/2023)

## Business Groups\*1

- Consumer Products
- Materials
- Energy & Infrastructure Solution
- Transportation & Industrial Machinery, Financial Business
- CDIO (Chief Digital Innovation Officer)
- Others



\*1. Composition of Business Groups (based on FYE 3/2023 organization)

Consumer Products Group: Lifestyle Div., ICT Business & Logistics Div., Food Div.- I, Food Div.- II, Agri Business Div. / Materials Group: Forest Products Div., Chemicals Div., Metals & Mineral Resources Div. / Energy & Infrastructure Solution Group: Energy Div., Power Div., Infrastructure Project Div. / Transportation & Industrial Machinery, Financial Business Group: Aerospace & Ship Div., Finance, Leasing & Real Estate Business Div., Construction, Industrial Machinery & Mobility Div. / CDIO (Chief Digital Innovation Officer): Next Generation Business Development Div., Next Generation Corporate Development Div.

P.100 Data by Operating Segment

\*2. From FYE 3/2024 the name of the ICT Business & Logistics Div. was changed to IT Solutions Div. Additionally, the following organizational transfers were carried out: transfer of parts of the Lifestyle Div. to the Finance, Leasing & Real Estate Business Div. and the Next Generation Business Development Div., respectively; part of the ICT Business & Logistics Div. to the Next Generation Business Development Div.; part of the Energy Div. to the Power Div.; part of the Next Generation Business Development Div. to the Chemicals Div.; and part of the Other segment to the IT Solutions Div.

\*3. Classification by business field is as follows: Resources: Total of Energy Div. and Metals & Mineral Resources Div. excluding Steel Products Dept.; Other: Total of Next Generation Business Development Div., Next Generation Corporate Development Div., and Other; Non-resource: All other than above.

\*4. Adjusted net profit: net profit excluding one-time items, shown in an approximate figure. The totals of the various operating segments and Business Groups and the overall total may not match due to rounding.

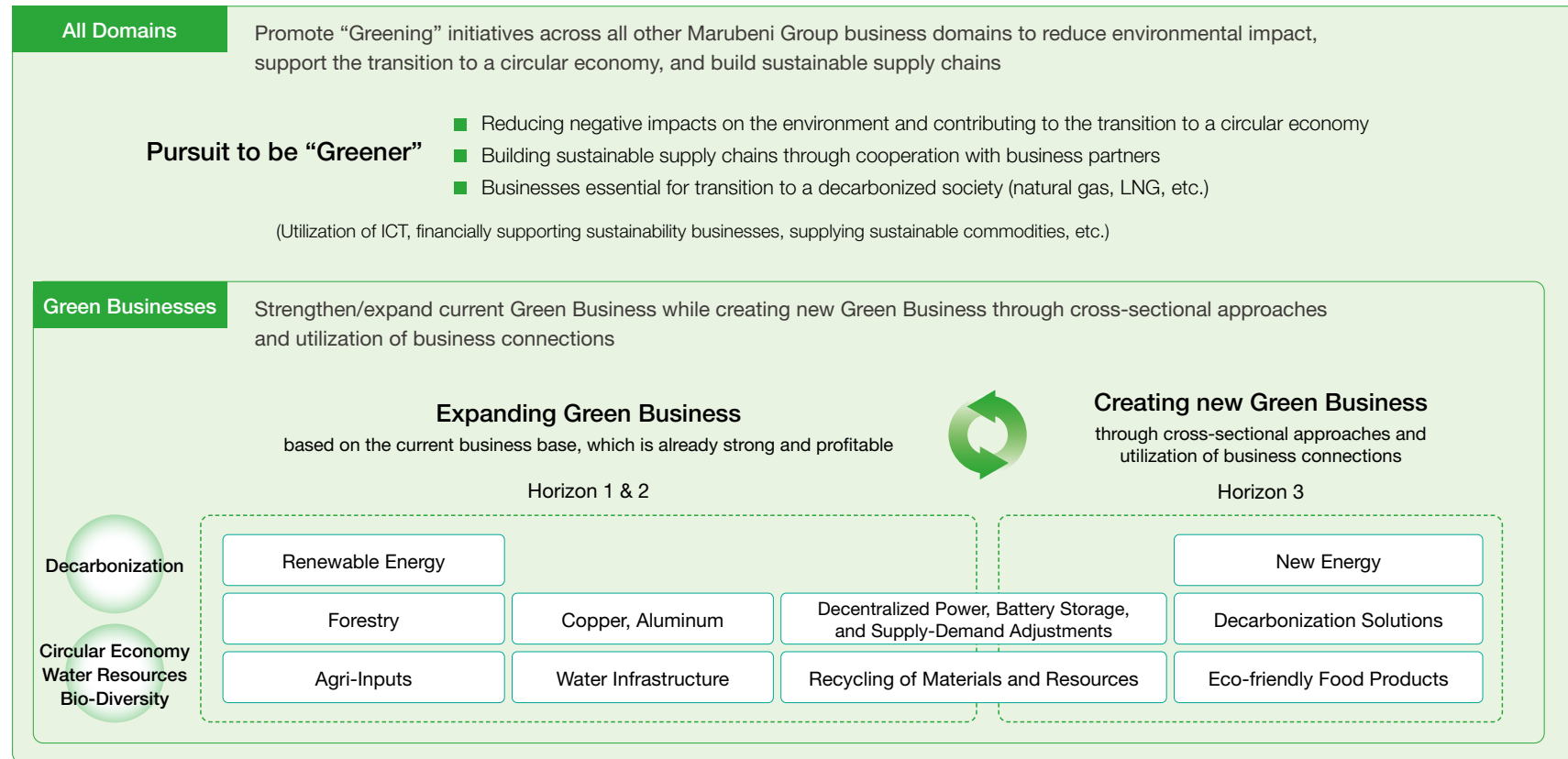


# Green Strategy

## Aspiring to become a Forerunner in Green Business

Taking advantage of the high multiplier effect inherent in the diversity and breadth of the Marubeni Group's operations, we aim to build sustainability across all our supply chains. In this way, we aspire to become a forerunner in Green business in realizing a sustainable society.

 [P.102 State of Major Green Business Initiatives](#)  
[P.105 Major Progress in Greening All Business Domains](#)




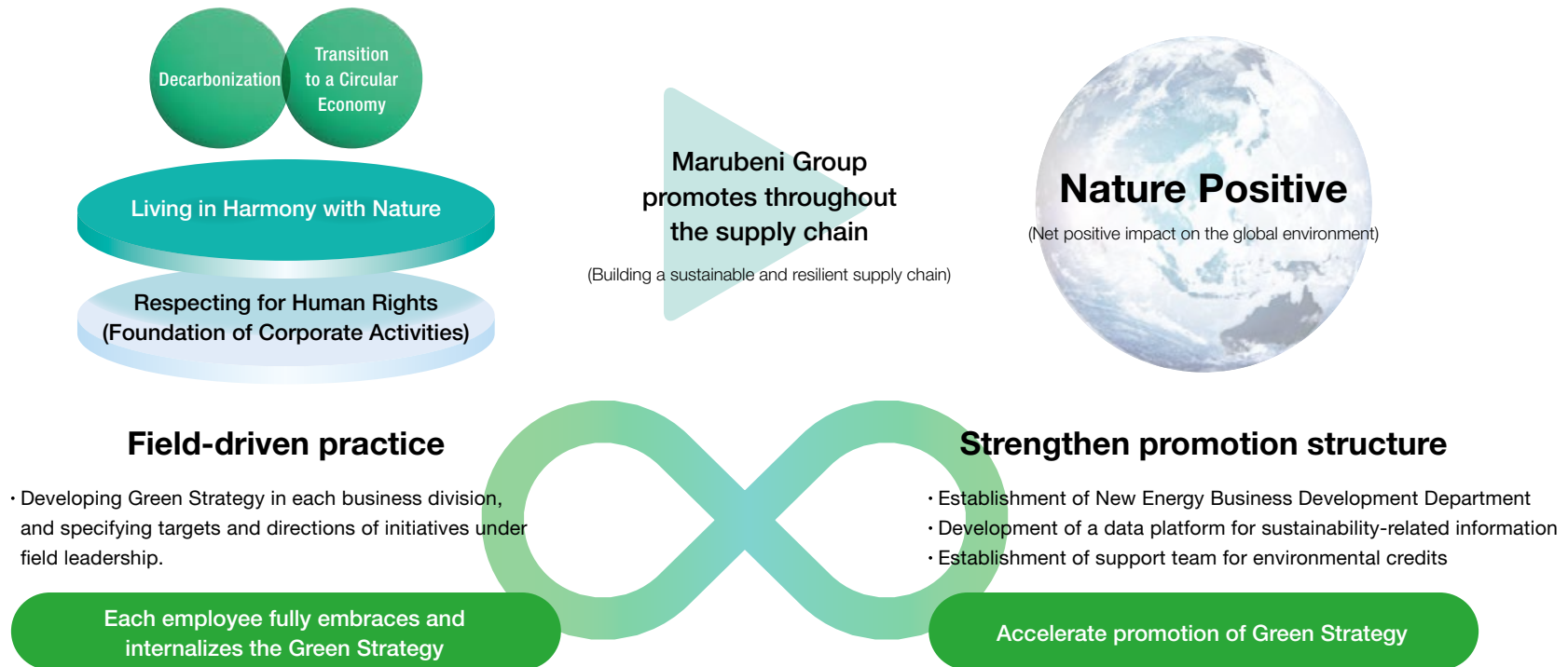
\* Green Business: Sustainable businesses which have positive effects on the environment such as decarbonization and the circular economy, and adjacent businesses which supply those businesses with non-substitutable materials, etc.

## Green Strategy

### Goals of the Marubeni Group

The “Green” that the Marubeni Group aims to achieve means that business activity should have a net positive impact on the global environment (nature positive) and promote the transition to a decarbonized society and a circular economy in order to contribute to the international goal\* of realizing a society living in harmony with nature. Concerted efforts to strengthen our green businesses and advance greening in all business domains are steadily progressing everywhere at the front-line level, while we also work to strengthen our internal framework for advancing the green strategy. To orient toward nature positive business activities, we will continue to reinforce and expand initiatives to address Environmental and Social Materiality.

 P.58 The Material Issues for Sustainability (Materiality)



\* International goals of the Kunming-Montreal Global Biodiversity Framework

The 15th Conference of the Parties to the UN Convention on Biological Diversity (COP15) of December 2022 states its Nature Positive mission for the year 2030 as being "to take urgent action to halt and reverse biodiversity loss to put nature on a path to recovery." The "Green" envisaged by the Marubeni Group aligns with the international goal for 2030 of becoming nature positive and the vision of living in harmony with nature by 2050.

## Improving the Corporate Value of Marubeni from the Perspective of an Outside Director



### Yuri Okina

Outside Director

Ms. Okina has extensive experience in public office, including posts on the Financial System Council at the Financial Services Agency and the Council of New Form of Capitalism Realization at the Cabinet Office. She has also served as a member of the Council of Experts Concerning the Follow-up of Market Restructuring at the Tokyo Stock Exchange

### Management Aware of Cost of Capital and Return on Capital

For a company to achieve sustained growth and longer-term improvement in corporate value, management needs to be more aware of the cost of capital and return on capital. With a firm understanding of the cost of capital at one's own company, management is expected to take steps to realize capital efficiency in excess of the cost of capital.

In order to increase capital efficiency, management must allocate business resources in an optimal way that creates added value, while considering measures from multiple angles, such as ideal portfolios and business models, in addition to reviewing existing assets, such as reducing low-efficiency assets. It is also important to invest in intangible assets, such as human capital essential to advancing business strategy, leverage digital technology to enhance competitiveness, and work to improve sustainability.

### Marubeni's Initiatives to Improve Corporate Value

In its Mid-Term Management Strategy GC2024, Marubeni has set its sights on improving corporate value over the medium and long term by sustaining and improving cash generation, ROE and the cost of equity, and has focused efforts on improving return on capital and the cost of capital. In addition to steadily advancing its growth strategy, Marubeni has taken distinctive actions recently, such as selling the grain business of Gavilon and stabilizing dividends with a progressive dividend policy. Looking at the results, I highly commend the Company for the considerable progress made on improving its earnings power, ROE and credit rating over these past few years.

Management is taking steps to clarify and improve return on capital in each business by using ROIC and other indicators of efficiency. I believe management is taking an appropriate approach to instilling these important KPIs in the workplace for the purpose of making improvements on a Companywide level.

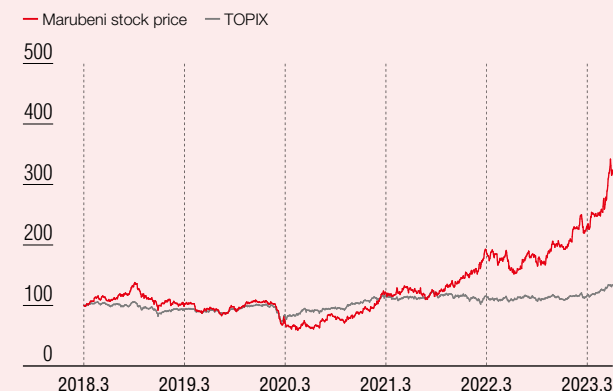
Marubeni's share price has also increased considerably as a result of these measures. While taking these initiatives to a deeper level, I hope that management will further lift growth expectations by realizing profit growth over the longer term and enhancing corporate value.

### Stock Price and TSR

With the aim of increasing corporate value, we are making steady progress with measures to sustain and improve cash generation and ROE and reduce the cost of equity. By maintaining these efforts into the future, we envisage further increases in stock price, TSR, and medium- to long-term corporate value.

March 30, 2018–June 30, 2023

(Price movement based on value of 100 at March 30, 2018)



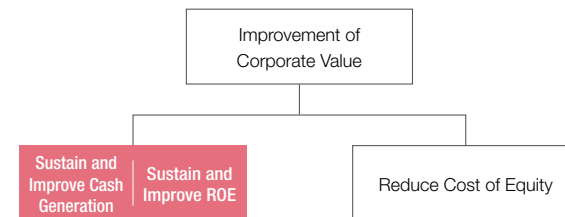
### Stock Price, TSR, PBR

	FYE 3/2021	FYE 3/2022	FYE 3/2023
Close	¥920.8	¥1,426.0	¥1,795.5
High	¥958.3	¥1,507.0	¥1,933.0
Low	¥456.2	¥842.0	¥1,142.0
5-year TSR	188.9%	236.5%	264.6%
(including dividends; TOPIX)	(162.3%)	(144.3%)	(131.8%)
PBR	1.02	1.17	1.11

\* TSR = Total shareholder return: (Capital gain from price increase + dividends) / Invested amount (share purchase price)

\* PBR = Price-to-book ratio: (Fiscal year-end (March) closing price) / (Assets attributable to owners of the parent per share in relevant fiscal year)





## Realizing Value Creation

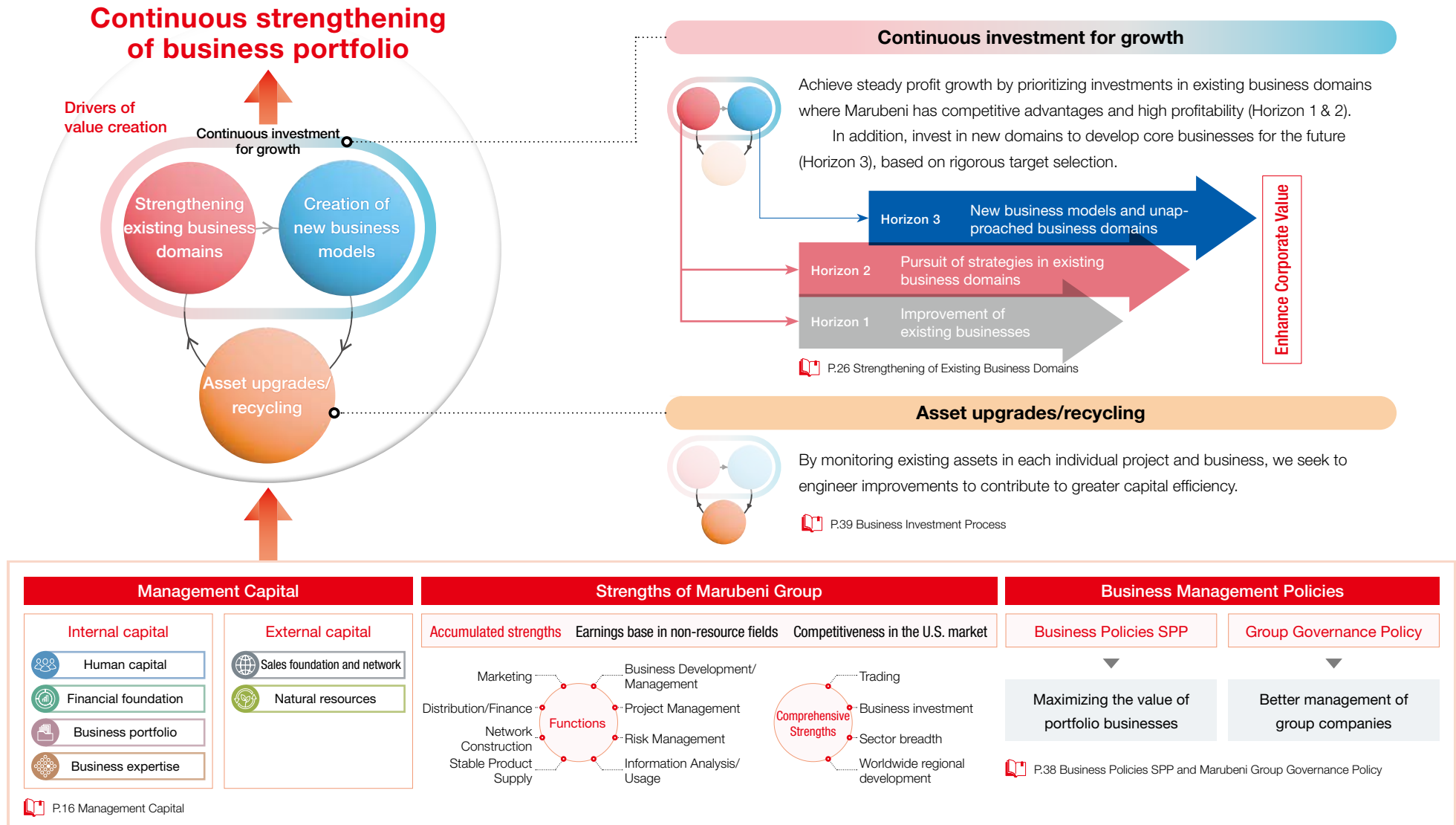
We explain the various measures we are taking aimed at sustaining and improving cash generation and ROE in a bid to enhance corporate value, providing specific examples of our initiatives.

- 25** Value Creation Model
- 26** Strengthening Existing Business Domains
- 27** Initiatives to Create Value
  - 27** 01 Food & Agri: Helena Agri-Enterprises
  - 29** 02 Food & Agri: Creekstone Farms Premium Beef
  - 30** 03 Finance, Leasing: Nowlake Technology
  - 31** 04 Finance, Leasing: Fleet Management Business in North America, Aircastle
  - 32** 05 Renewable Energy: Renewable Energy Generation Business
  - 33** 06 Resources: Metals Mining Business
  - 34** 07 Trade
  - 35** 08 Initiatives for the Next Generation (1):  
Next Generation Business Development Division
  - 36** 09 Initiatives for the Next Generation (2):  
Next Generation Corporate Development Division
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- 38** Business Policies SPP and Marubeni Group Governance Policy
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- 49** Message from the CDIO
- 50** Marubeni's System for Promoting Utilization of Digital Technology
- 51** Developing/Upgrading Our Digital Talent Base and IT Infrastructure

**Value Creation Model** / Strengthening Existing Business Domains / Initiatives to Create Value / 01 Food & Agri: Helena Agri-Enterprises / 02 Food & Agri: Creekstone Farms Premium Beef / 03 Finance, Leasing: Nowlake Technology / 04 Finance, Leasing: Fleet Management Business in North America, Aircastle / 05 Renewable Energy: Renewable Energy Generation Business / 06 Resources: Metals Mining Business / 07 Trade / 08 Initiatives for the Next Generation (1): Next Generation Business Development Division / 09 Initiatives for the Next Generation (2): Next Generation Corporate Development Division / 10 New Energy: Initiatives in New Energy / Business Policies SPP and Marubeni Group Governance Policy / Business Investment Process / Message from the CAO / HR Strategy / Message from the CDIO / Marubeni's System for Promoting Utilization of Digital Technology / Developing/Upgrading Our Digital Talent Base and IT Infrastructure

# Value Creation Model

We constantly refine our business portfolio through continuous investments for growth and upgrading and recycling of assets. Cash generated by our businesses is reinvested for growth or allocated to shareholder returns with the aim of further driving profit growth and medium- to long-term corporate value enhancement.

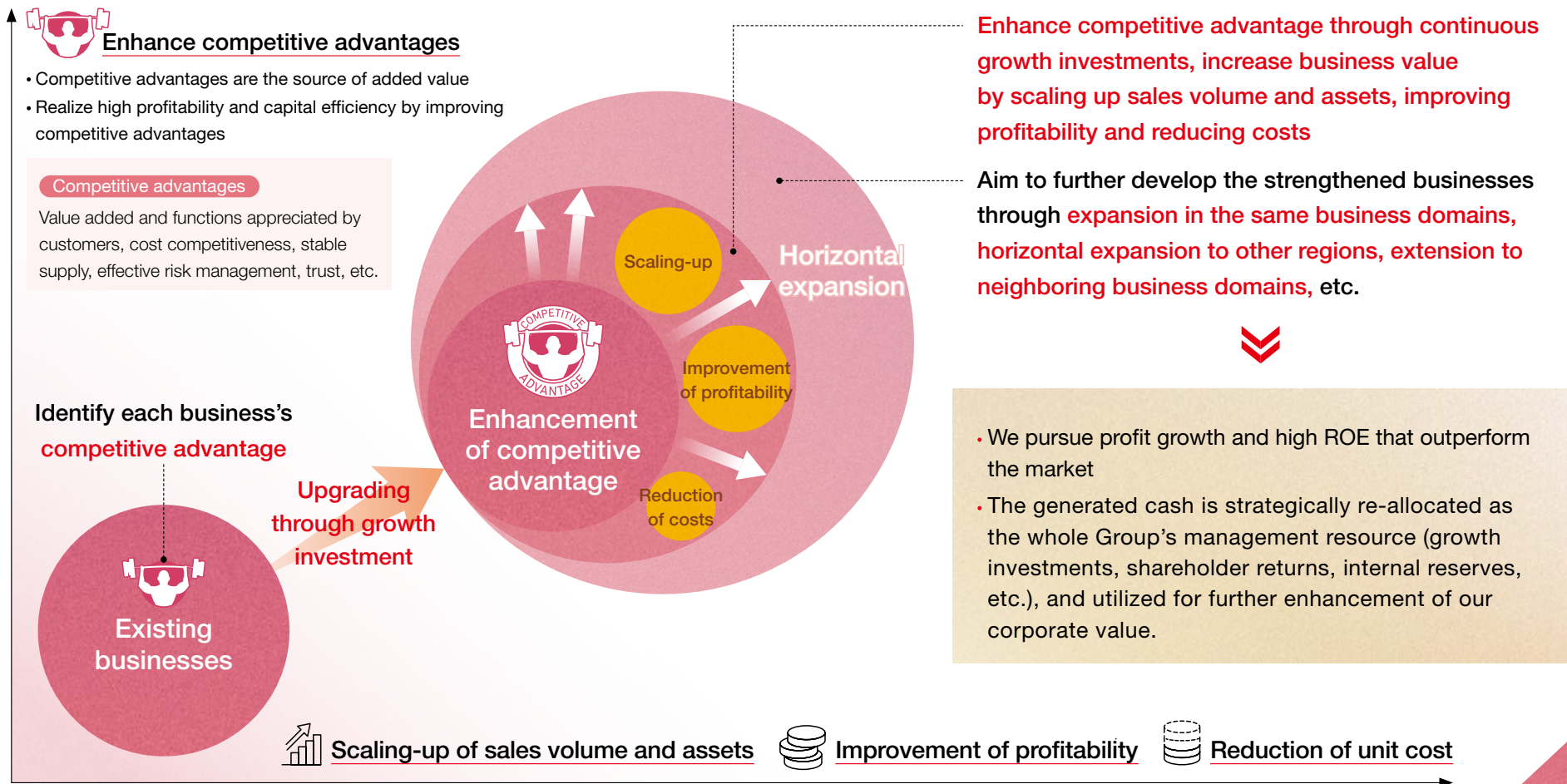




## Strengthening Existing Business Domains

Marubeni emphasizes further strengthening and enhancing its existing businesses by allocating growth investments to the existing business domains where it has competitiveness, mainly in the non-resource fields. Investment in existing strong business domains increases chances of success. It is also expected to contribute to sustaining and improving cash generation and ROE.

This longstanding policy is a strong driver of our value creation.





Value Creation Model / Strengthening Existing Business Domains / Initiatives to Create Value / 01 Food & Agri: Helena Agri-Enterprises / 02 Food & Agri: Creekstone Farms Premium Beef / 03 Finance, Leasing: Nowlake Technology / 04 Finance, Leasing: Fleet Management Business in North America, Aircastle / 05 Renewable Energy: Renewable Energy Generation Business / 06 Resources: Metals Mining Business / 07 Trade / 08 Initiatives for the Next Generation (1): Next Generation Business Development Division / 09 Initiatives for the Next Generation (2): Next Generation Corporate Development Division / 10 New Energy: Initiatives in New Energy / Business Policies SPP and Marubeni Group Governance Policy / Business Investment Process / Message from the CAO / HR Strategy / Message from the CDIO / Marubeni's System for Promoting Utilization of Digital Technology / Developing/Upgrading Our Digital Talent Base and IT Infrastructure

Initiatives to Create Value **01** Food & Agri

# Helena Agri-Enterprises



U.S. No. 2 agri-inputs retailer

Competitive Advantages

Value added and functions appreciated by customers, cost competitiveness, reliable supply, risk management, trust, etc.



- We develop and provide high-value-added services and products that meet customer needs.
- We have grown alongside our customers, enhancing our competitive edge by continually improving.
- We pursue further growth through continuous expansion of locations and market share.

Helena has grown considerably from the fiscal year ended March 31, 1988, when Marubeni invested in a stake, up to the fiscal year ended March 31, 2023.

	FYE 3/1988	FYE 3/2023
Sales	Approx.0.5 billion dollars	<b>Approx. 7.0 billion dollars</b>
Number of locations	Approx. 100	<b>Approx. 500</b>
Employees	Approx. 800	<b>Approx. 6,000</b>

This is a reflection of the high regard and trust that Helena has earned by consistently engaging in dialogue with customers, understanding their challenges, and collaboratively developing and providing solutions. Helena's market share across the U.S. currently stands at just under 10%. Helena will continue to pursue further growth by expanding its locations through growth investments, increasing its market share, and leveraging growth in sales of value-added products.



Providing high-value-added products and services from the viewpoint of customers

“AGRIIntelligence®” consulting service utilizing digital technology

- Consulting service utilizing digital technology.
- The AGRIIntelligence program includes systems for collecting and analyzing soil data for agricultural producers (customers) to select the most suitable agri-inputs for the customer.
- Services include soil sample analysis, harvest yield measurement using satellite data, and measurement of nutrient levels in plants for providing seed and fertilizer recommendations, crop and cultivation history management, water quality analysis and harvest analysis.



Proprietary product brand “Helena Products”

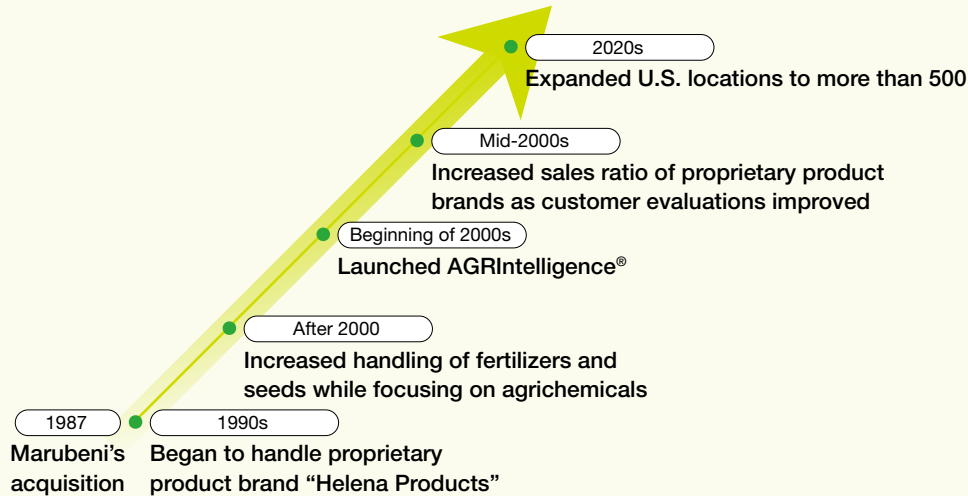
- Helena provides high-quality products that meet the needs of agricultural producers through its own development and manufacturing.
- Helena has human capital with expertise in various areas, including agronomy, chemistry and biology, and develops and markets its proprietary brand of fertilizers and crop protection products.
- In addition to selling agrichemicals, fertilizers and seeds, Helena provides solutions to issues discovered in dialogue with customers, who are agricultural producers. To do so, Helena designs product concepts and independently develops products based on these concepts.



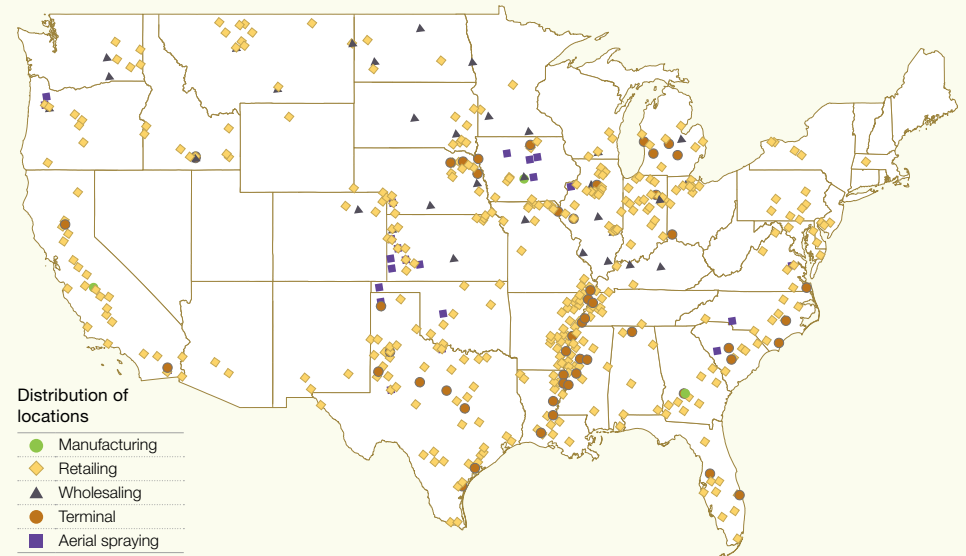
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## Initiatives to Create Value 01 Food & Agri

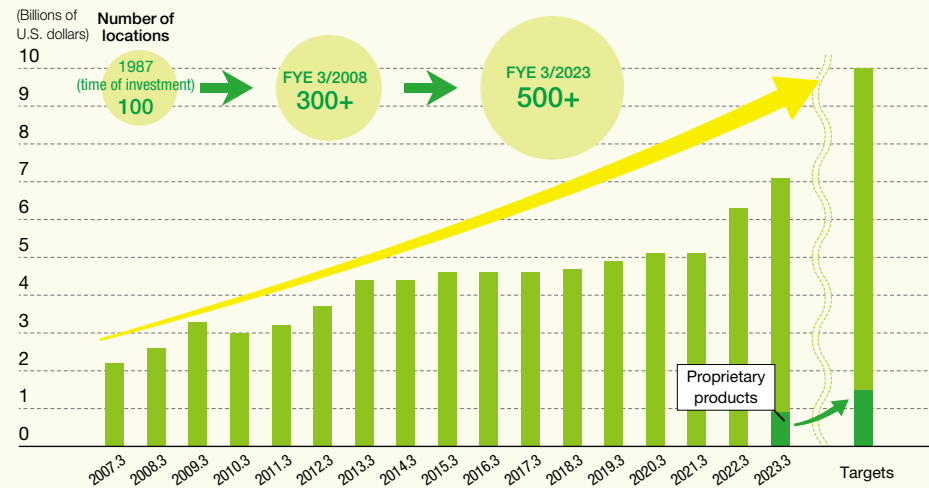
### Initiatives to Create Value at Helena



### Helena's U.S. network



### Helena Sales



Helena has expanded the number of locations through capital expenditures and acquisitions of small-and medium-sized competitors. As sales grew, Helena increased sales of proprietary value-added products.

## Adubos Real:

### Cross-Deployment of Helena's Model



For more than 40 years since its founding, Adubos Real S.A. has contributed to improving the profits of local farmers in the southeastern state of Minas Gerais in Brazil through the sale of agri-inputs and consulting services for these inputs.

After Marubeni's equity participation, Adubos Real S.A. has been executing investment plans in line with its growth strategy, and continues to expand operations into neighboring states, such as São Paulo and Espírito Santo. The expertise cultivated by Helena is being leveraged in markets with high agricultural similarities between the U.S. and Brazil.



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Initiatives to Create Value **02** Food & Agri

# Creekstone Farms Premium Beef

U.S. beef packer with an established premium beef brand

**Competitive Advantages**

Value added and functions appreciated by customers, cost competitiveness, reliable supply, risk management, trust, etc.



- Acquisition of highly acknowledged Creekstone premium beef brand
- Excellent plant operations by utilizing the Marubeni Group's knowledge and know-how, and quality improvements and production efficiency gains from suitable capital investments
- Further expansion of processing capacity by additional investment and reduction of production costs
- Expanded business field in the premium beef category and conduct effective marketing



## Acquisition of Creekstone in 2017

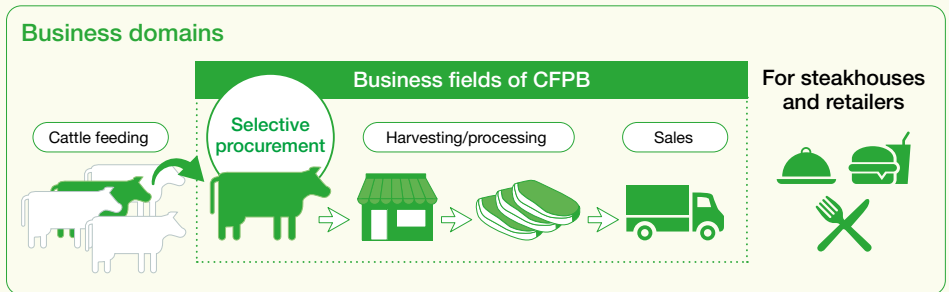
Creekstone Farms Premium Beef LLC operates its own meat processing plant in Kansas, U.S., and sells this beef to high-end steak houses and retailers across the U.S. Creekstone's beef comes exclusively from high-quality Black Angus cattle, which have been raised in the U.S., fed on high-quality grains. Creekstone is supplying high-value-added products and executing a business model that draws on the know-how of the Marubeni Group.

Creekstone is operating an excellent plant, utilizing the Marubeni Group's knowledge of the meat and livestock business. Additionally, in the cattle feeding business field, we are exploring ways to further enhance value through the mutual dispatch of employees and exchange of information with Rangers Valley, our cattle fattening business in Australia.

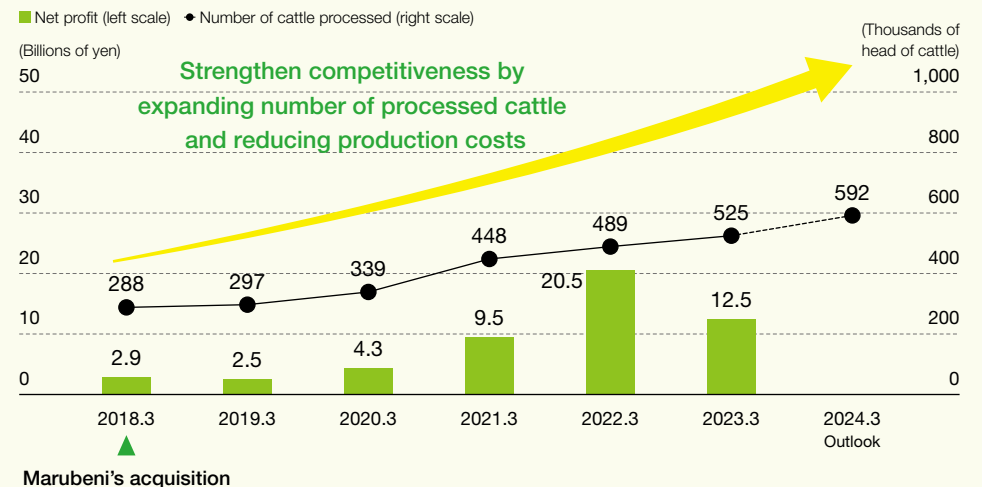
## Advancing Strategy with Additional Investments

Marubeni continues capital investment in expansion after the acquisition, increasing the number of cattle processed through additions to processing lines and building a new distribution warehouse. We are also proactively investing in facilities that improve the work environment and employee welfare, such as expanding wastewater treatment facilities at the plant to help preserve the environment, upgrading air conditioning systems in work areas, and opening childcare facilities for employees' children.

We aim to further improve profitability through value-adding sales of by-products and offal other than beef.



## Net Profit / Number of Cattle Processed





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Initiatives to Create Value **03** Finance, Leasing

# Nowlake Technology



Used car retail financing that utilizes digital technology

Nowlake Technology, LLC (Marubeni's ownership is 21.7%), which has headquarters in California, U.S, operates a used car retail financing business in all 50 states. Nowlake is the third largest used-car finance provider and the first among nonbank lenders in the U.S.\* Nowlake has partnerships with more than 40,000 dealers nationwide and provides auto loans to used car buyers. Its unique credit scoring system, based on accumulation and analysis of huge historical data, allows it to provide loan approval/disapproval and terms and conditions in a few seconds, **24 hours a day, 7 days a week. Frequent updates to this system based on performance and adaption to changes in the business environment enable advanced operations that optimize risk-return and develop Nowlake's competitive strengths.**

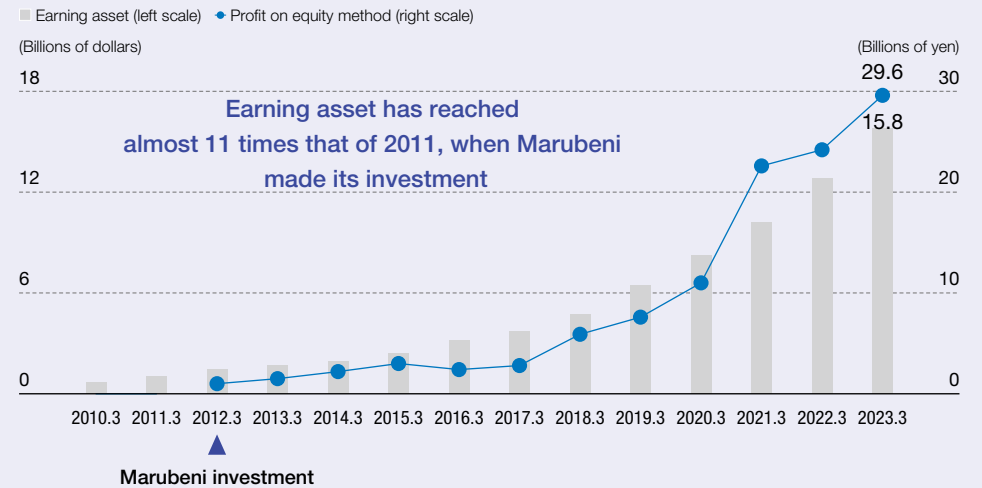
Since Marubeni's investment in 2011, Nowlake has provided approximately 3.5 million auto loans, meeting the needs of numerous customers in the U.S., where automobiles are essential to daily life. Nowlake will continue to explore new areas, such as expansion outside of the U.S. and diversifying the types of products, while aiming for further expansion of financial assets through the utilization of digital technologies.

**Competitive Advantages**

Value added and functions appreciated by customers, cost competitiveness, reliable supply, risk management, trust, etc.



## Earning Asset and Profit on Equity Method



### Dealership network, earning asset balance, number and amount of transactions

- Number of dealerships exceed 40,000 in total for all 50 U.S. states
- Earning asset balance: \$15.8 billion\*
- Number of auto finance loan leads: approx. 7 million/year
- Number and amount of loan originations: approx. 500,000/year, approx. \$9.0 billion/year

**In-house data analysis and automated approval system**

Nowlake has over 700 IT engineers who increase efficiency in not only customer loan reviews, but also in loan execution, debt collection and vehicle disposal processes by utilizing data analysis and systems.



\* As of March 31, 2023

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Initiatives to Create Value **04** Finance, Leasing

# Fleet Management Business in North America

## PLM Fleet

Refrigerated trailer leasing and rental business (U.S., Marubeni's ownership is 50%)



PLM Fleet is the largest company specializing in the refrigerated trailer leasing and rental business in the U.S. PLM Fleet has been expanding its asset scale and continuously increasing profits through trailer leasing, rental and maintenance services, as well as temperature management and monitoring services.

## TDF Group

Commercial vehicle rental/leasing and sales business (Canada, U.S., Marubeni's ownership is 46.1%)



TDF Group has bases across Canada and has been engaged in the commercial vehicle rental, leasing, and sales business, with a focus on pickup trucks, for over 40 years. The company's strengths lie in its longstanding relationships built on trust with key customers, such as those in the natural resource and construction-related sectors. Recently, TDF Group has also been diversifying its customer base to include the logistics and film industry. In 2021, the company expanded into the U.S. and aims to expand business scale further.

## Midwest Railcar Corporation

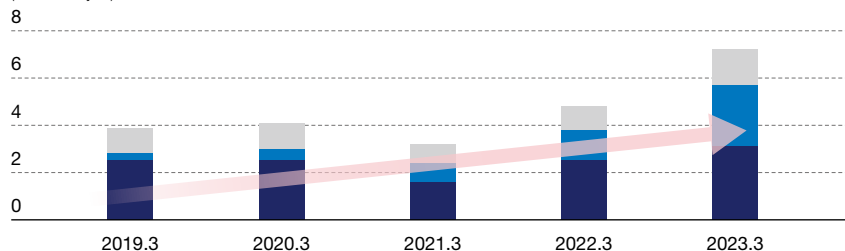
Railcar leasing, brokerage, and asset management business (U.S., Marubeni's ownership is 50%)



Midwest Railcar Corporation has been operating its railcar leasing business for over 25 years, with major U.S. railroad companies, grain majors, chemical companies, and construction material companies as its primary customers. To satisfy customer needs, the company has been increasing its railcars assets, primarily in railcars that excel in versatility and durability. As of the fiscal year ended March 31, 2023, it had approximately 25,000 railcars on an average annual basis.

## Steady Growth in Net Profit for Marubeni Group as Assets Expanded at Three Companies

(Billions of yen) ■ PLM ■ TDF ■ MRC



\* Marubeni's ownership in PLM was 100% until March 2020, and 50% thereafter.

\* TDF and MRC show net profit of investment-purpose SPCs. TDF shows net profit of Marubeni Fuyo Auto Investment (Canada) and MRC shows net profit of Marubeni SuMIT Rail Transport.

# Aircastle



## Additional Investments to Accelerate Growth in Aircraft Leasing Business

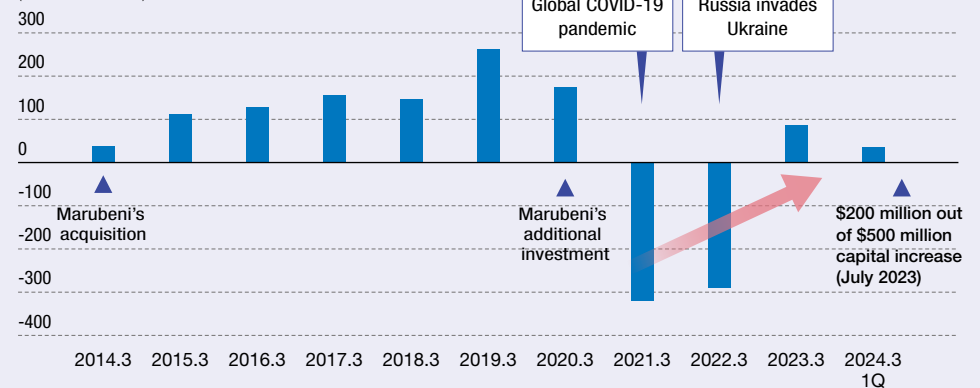
Aircastle operates an aircraft leasing business with 73 airlines as customers in 44 countries worldwide. Since the joint acquisition of Aircastle by Marubeni and Mizuho Leasing Co., Ltd. in March 2020, the business environment has been challenging due to factors such as the decline in passenger demand caused by the COVID-19 pandemic and the loss of some aircraft leased to Russia due to the Russia-Ukraine situation. However, earnings have gradually improved as passenger demand recovers.

In July 2023, Marubeni and Mizuho Leasing entered into an agreement for a joint capital increase of \$500 million to further accelerate the growth of Aircastle, providing funds for the purchase of aircraft, among other uses.

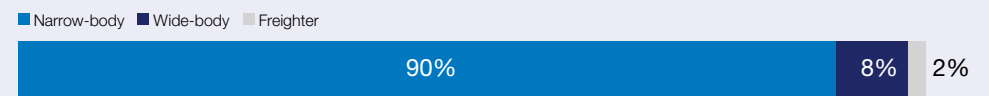
Global passenger demand for air travel is projected to grow at an average annual rate of 3% through 2040. Aircastle intends to contribute to decarbonization and lower carbon emissions in the world by leasing to the airlines new technology aircraft that feature low environmental impact amid strong customer demand.

## Non-Consolidated Pretax Profit of Aircastle

(Millions of dollars)



## Portfolio Composition by Aircraft Type (as of end-February 2023)



Approx. 20% of narrow-body aircraft are new technology aircraft

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Initiatives to Create Value **05** Renewable Energy

# Renewable Energy Generation Business

Aiming to create new value by leveraging accumulated expertise and networks

- Since the 1990s, we have been engaged in renewable energy generation business, leveraging the knowledge we have accumulated to develop a diverse range of businesses.
- In addition to capturing profits from the power generation business, our business model aims to enhance profitability by creating and offering value (including environmental value) realized at the project development stage through partial equity sales.

## Engaging in value creation with accumulated strengths and new initiatives

Marubeni is a leading player in the independent power producer (IPP) business, with a high level of knowledge and trusted relationships with a wide range of customers, suppliers, and governments.

In the renewable energy power generation business, we are undertaking a variety of initiatives, such as offshore wind power in Japan and the U.K., large-scale solar power in the Middle East, small- to medium-sized hydroelectric power and biomass power in Japan, and decentralized power generation through rooftop solar power for commercial and industrial customers overseas.

Additionally, we are actively involved in new renewable energy-related businesses that leverage our strengths, such as handling renewable energy sourced electricity in our growing power retail business, and offering services related to renewable energy, like electric vehicles (EVs) that use these renewable energy sources, and the efficient use of transmission lines to promote the introduction of renewable energy.

In the global trend toward decarbonization and low carbon emissions, Marubeni, in collaboration with other partners and suppliers, is in a position to make a variety of proposals to our trusted customers, leveraging its cultivated domestic and international networks. We will continue to contribute to society and our customers through businesses that leverage these strengths.

## Value creation from the project development stage using our expertise

One of our strengths is that we can lead projects from the early stages of development, using our accumulated knowledge and know-how, and create value as the project progresses. We aim to improve profitability by incorporating the gains from partial equity sales into our business model.

## Realized an Avoided Emissions of Approximately 1.12 Million Tons of CO<sub>2</sub> from Renewable Energy Generation



Offshore wind farm project at Akita Port and Noshiro Port



SmartestEnergy (U.K.)

Note: Avoided emissions are calculated based on the amount of power generated (net power output) of the major solar, wind, geothermal, hydro, and offshore wind power projects as of March 31, 2023, using the following formula: installed generation capacity × 24 hours × 365 days × capacity factor (%) × the average emission factor of the country or region of location available × equity ratio (%)



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Initiatives to Create Value **06** Resources

# Metals Mining Business

## Copper Mining Projects in Chile and Roy Hill Iron Ore Project in Australia

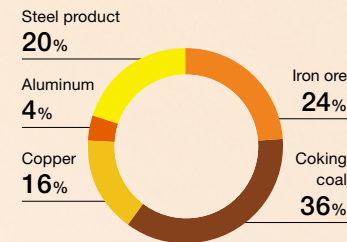
### Portfolio of Base Metals Likely to See Demand

Our metals business portfolio is composed of copper, iron ore, coking coal, and aluminum. We have meticulously selected high-quality projects and accumulated competitive assets to establish a well-balanced revenue base.

Copper and aluminum are metals indispensable for the realization of a carbon-free society. Demand for these metals is likely to grow significantly amid the transition towards an electrified society and the shift to renewable energy.

Demand for steel is also projected to increase along with economic growth. At the same time, while there is a growing demand for direct reduced iron that contributes to reduction in CO<sub>2</sub> emissions, numerous challenges await the implementation of electric arc furnaces and hydrogen reduction technologies that are necessary for decarbonization. Consequently, iron ore and high-grade coking coal have remained essential materials during this transition to a carbon-free society.

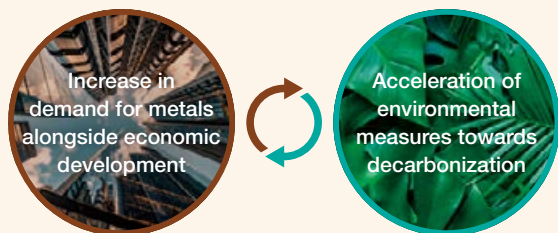
**Metals & Mineral Resources Division  
Breakdown of Net Profit from  
FYE 3/2021 to FYE 3/2023**



### Promoting Business to Address Both Strengthening Demand for Metals along with Economic Growth and Environmental Measures for Realizing a Sustainable Society

Marubeni's policy is to strengthen cost competitiveness while maintaining and expanding its production share through the enhancement and expansion of existing assets and the development of new projects.

In response to the two social demands for a reliable supply of metals and environmental measures, Marubeni will continue to stably procure and supply base metals, the demand for which is likely to grow.



### Copper Mining Projects in Chile

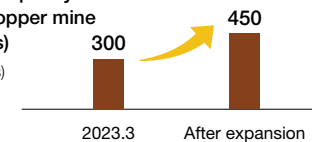
Joint development with partner Antofagasta PLC of the Centinela district, which has more than six billion tons of resource deposits

**Expansion Strategy ①** Copper Mining Projects in Chile  
Centinela Expansion Project

Marubeni has a 30% interest in the Centinela copper mine. Marubeni is studying the construction of a new plant with a capacity equivalent to the existing plant to achieve more stable operations and to enhance production capacity. This project would enable us to expand production capacity at the Centinela copper mine by 1.5x its current level to 450,000 tons annually.

This expansion would reduce overall mine production costs by more than 10% (it is scheduled to finish after 2026).

**Production capacity of Centinela copper mine (100% basis)**  
(Thousand tons)



**Green Initiatives to Increase Corporate Value**

All Chilean copper mines in which Marubeni invests have obtained Copper Mark\*1 certification. Sources of power for operating these mines have been converted to 100% renewable energy, from coal-fired power plants.

The mines are committed to achieving zero groundwater extraction by operating with seawater and constructing desalination plants. Through the automation of dump trucks and remote mining operation, the mines have achieved safe and highly efficient operations.



\*1. A framework established by the International Copper Association (ICA) that indicates the copper industry's responsible production practices and industry contribution to the United Nations' SDGs.

### Roy Hill Iron Ore Project

Development of future mining areas drawing on the advantages of owning integrated railway and port infrastructure

**Expansion Strategy ②** Roy Hill Iron Ore Project  
Enhancing and Maximizing Use of Existing Infrastructure and Developing Mines of the Future

At the Roy Hill iron ore mine in Australia, where we have a 15% interest, we are studying the enhancement of existing infrastructure, such as railways and ports, to make full use of the infrastructure.

Together with our business partner, Hancock Prospecting, we are also studying the development of potential mining areas close to existing operations to maintain the supply of high-grade ores that will be depleted in the future. This project also enables us to strengthen our cost competitiveness by making maximum use of the capacity of the existing infrastructure.

**Green Initiatives to Enhance Corporate Value**

At the Roy Hill iron ore mine, we have been working on further improvement of operational stability and efficiency, such as the remote management and automation of mining trucks. Additionally, we are proactively working on the electrification of dump trucks and transitioning to renewable energy sources.

Furthermore, in collaboration with Hancock and WAPRES\*2, Marubeni has been advancing afforestation projects aimed at generating carbon credits.

\*2. WA Plantation Resources Pty., Ltd. (WAPRES) is a 100% subsidiary of Marubeni that engages in forest plantation and the production of wood chips in Australia.

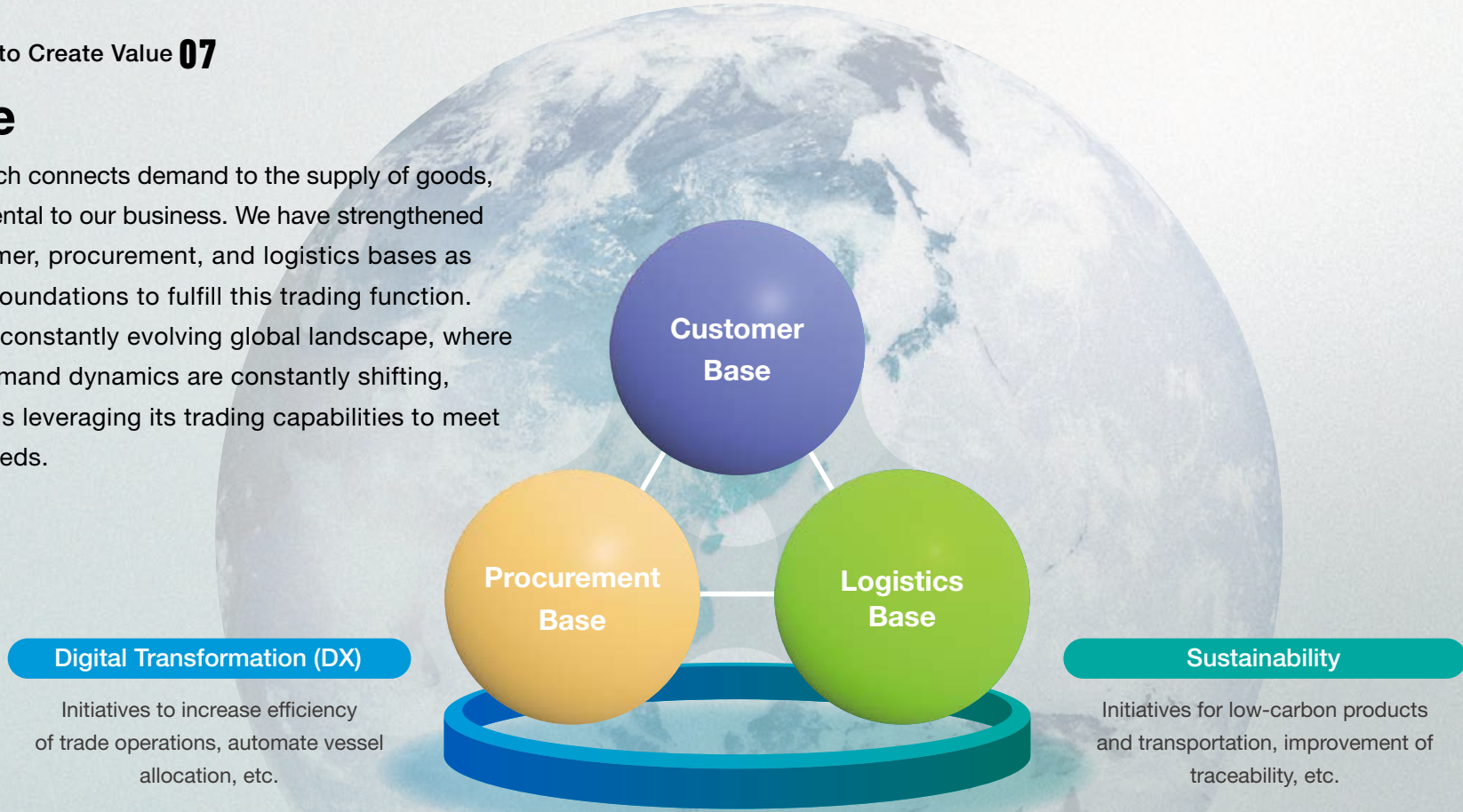


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## Initiatives to Create Value 07

# Trade

Trade, which connects demand to the supply of goods, is fundamental to our business. We have strengthened our customer, procurement, and logistics bases as essential foundations to fulfill this trading function. In today's constantly evolving global landscape, where supply-demand dynamics are constantly shifting, Marubeni is leveraging its trading capabilities to meet diverse needs.



### Examples of Major Trades

#### Grains

- Marubeni has grain collection networks in the major producing regions of North and South America, and ensures a stable supply to primarily Asia.
- Marubeni has storage and feed production functions in Japan that consistently create value.

#### Beverages

- Marubeni is trading approx. **30%** of domestic consumption of coffee beans in Japan.
- Marubeni is strengthening efforts toward sustainable coffee.

#### Energy

- In addition to existing products like oil, natural gas, LNG, and uranium, Marubeni is expanding new business scope such as biofuels and carbon credit trading.
- Marubeni utilizes our infrastructure and networks in Japan and overseas to meet energy demand during the transition period to a carbon-free society.

#### Olefins

- Marubeni has an approximately **30%** share of the global maritime trade market for olefins.
- Marubeni has long-term off-take agreements, as well as storage and export service contracts in the U.S., ensuring the flexibility to meet global demand.



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Initiatives to Create Value **08** Initiatives for the Next Generation (1)

# Next Generation Business Development Division

Focusing on business development for the next generation in growth areas that Marubeni has not yet tapped into, the Next Generation Business Development Division serves as the core of our Horizon 3 strategy, which aims to create new business models.

Marubeni established the Next Generation Business Development Division based on the recognition of the risk that existing businesses, its current revenue base, will eventually become obsolete. Within the Marubeni Group, there are universal and enduring “winning formulas” in business that have become major sources of revenue. We aim to apply this accumulation of winning formulas to next-generation growth domains with the intention of capturing growth through 2030, and increase the corporate value of Marubeni.

1. Create Businesses the Next-Generation Will Value

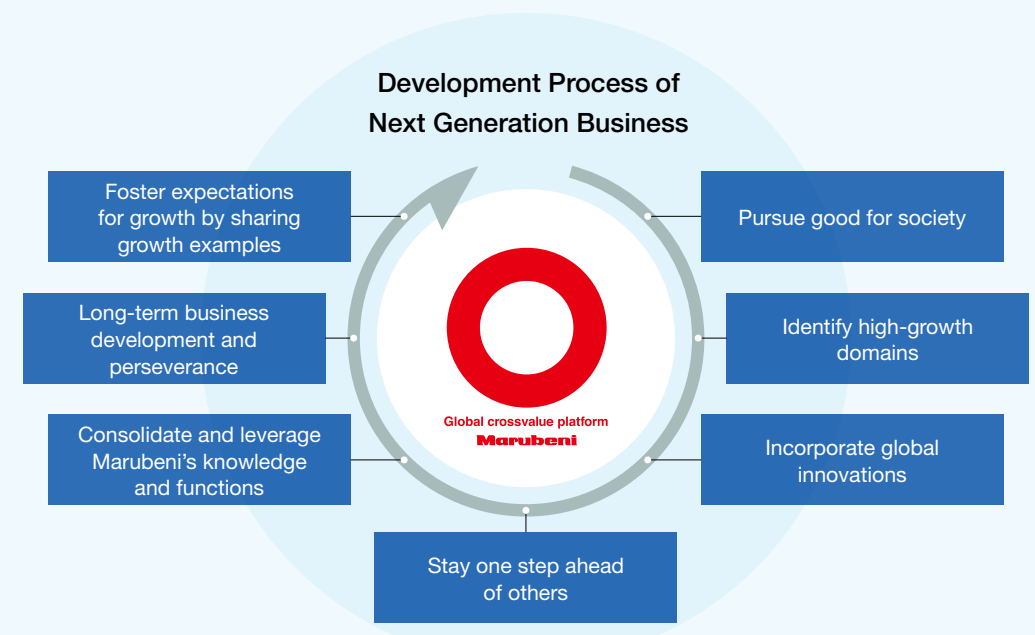
The goal of next-generation business development is to create businesses that will become pillars in the future. The starting point for this is identifying growth themes that are ahead of the curvature of change in society. We adopt a demand-pull approach, unbounded by product lines, in our pursuit of a positive impact on society. In long-term growth domains, our basic approach to the business development process entails observing global trends in innovation while leveraging regional and time differences to rapidly create next-generation businesses for our customers from a long-term perspective.

2. Growth Themes for Leapfrogging into the Next Generation

Marubeni engages in business development and investments in the healthcare/medical, next-generation social infrastructure, and wellness fields.

- Healthcare/medical: We are advancing businesses that target the healthcare market, which is expected to see further growth due to aging populations, increasing health awareness, and advancements in medical technology, among other reasons.
- Next-generation social infrastructure: We are exploring the construction of social infrastructure for the next generation, focusing on areas like new decarbonization technologies, offshore DX, and next-generation industrial parks.
- Wellness: Targeting next-generation consumers in Asia, we are pursuing growth businesses in the beauty and consumer brand fields.

Moreover, we are constantly searching for new signs of change and growth themes around the world, and linking them to business development.



Business case examples

## Lunatus: Middle East Pharmaceuticals & Medical Devices Sales Business

In 2022, Marubeni acquired an equity stake in Lunatus Marketing & Consulting FZCO (Lunatus), a company that distributes and sells pharmaceuticals and medical devices in the Middle East and the Gulf region.

In Middle Eastern countries, there are growing needs for more advanced pharmaceuticals and medical devices, driven by increasing health consciousness against the backdrop of lifestyle changes. After Marubeni made this investment, we have been negotiating with Japanese pharmaceutical companies and medical device manufacturers, supporting the creation of a one-stop system that ranges from drug approval applications to marketing, sales, distribution and after-sales services.

We will actively pursue business value expansion by obtaining licenses for our own products, and setting up clinical trials and research functions in response to local pharmaceutical regulations and sales needs.





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Initiatives to Create Value **09** Initiatives for the Next Generation (2)

# Next Generation Corporate Development Division

Marubeni aims to ensure the growth of the Group by supporting the medium- to long-term expansion of investee companies with strong growth potential in consumer-related businesses in Southeast Asia and the U.S.

Within the scope of Horizon 3, the Next Generation Corporate Development Division focuses on areas that have the potential for significant growth by capturing the needs of next-generation consumers. While executing sizeable investments, we aim to build a business portfolio that contributes to the enhancement of Marubeni's corporate value.

**1. Background**

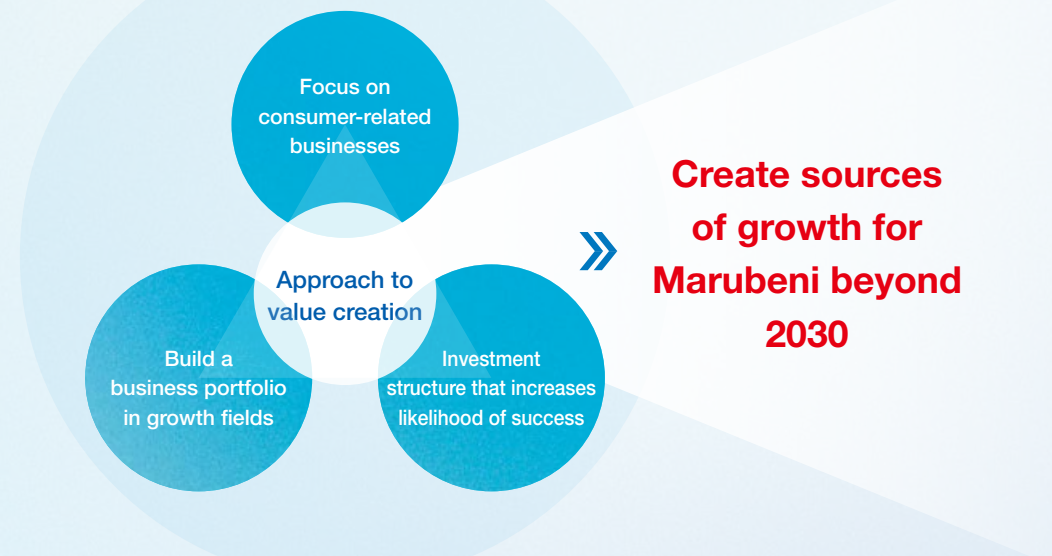
The Next Generation Corporate Development Division was established in April 2022 for the purpose of stepping up initiatives undertaken by the Next Generation Business Development Division, which had been in operation for three years. Its overriding objective is to use investment to build new businesses with strong growth potential that will drive Marubeni's future growth beyond 2030.

**2. New Approach: Corporate Development**

The Next Generation Corporate Development Division targets consumer-related business domains with high growth potential in Southeast Asia, investing in businesses and companies that harness major trends, such as macroeconomic shifts and lifestyle changes. Similarly, investments are made in complementary domains in the U.S., with the aim of creating synergies between the two regions through an understanding of the latest business models and consumer trends. As a medium- to long-term strategic partner of the investee companies, Marubeni supports their business expansion by offering access to Marubeni Group's global network, which in turn allows their growth to drive growth for the overall Marubeni Group.

Investment firms were established in Singapore and the U.S. to serve as platforms for these initiatives. Led by highly skilled specialized investment professionals, these firms handle everything from project sourcing to investment execution and post-investment business management. This integrated approach aims to increase the likelihood of investment success in order to create value for Marubeni.

**Approach to Value Creation**



**Investment Example**

**Tim Hortons® Franchise Business**

In February 2023, Marubeni entered into a franchise agreement with Restaurant Brands International to participate become a franchisee of Tim Hortons®, a leading Canadian coffee brand, in Singapore, Malaysia and Indonesia.

Tim Hortons® is one of the world's top three global coffee brands, and is admired by consumers for its high-quality coffee and extensive food menu. It operates over 5,600 stores in 14 countries worldwide.

The cafe market in Southeast Asia is expected to experience significant growth as a result of greater coffee consumption amid expanding populations and rising incomes, as well as changes in the way cafes are used, especially among younger people. Through this business, we aim to expand operations in the food and beverage service sector in Southeast Asia, a market with high growth potential.



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## Initiatives to Create Value **10** New Energy

# Initiatives in New Energy

Marubeni has established the New Energy Business Development Department as an organization dedicated to advancing the development of the new energy domain, where significant demand is anticipated amid the movement toward decarbonization. We are proceeding with work aimed at investment, such as feasibility studies and basic design, in collaboration with many partners and potential customers.

## Development of Green Hydrogen Production Project in Queensland, Australia

In May 2023, Marubeni entered into an agreement related to the Front-End Engineering Design (FEED) for a green hydrogen production and liquefaction project in Queensland, Australia, in a five-company\* collaboration with Stanwell (Australia), Iwatani, Kansai Electric Power and Keppel Infrastructure (Singapore).

This project includes the supply of liquefied hydrogen to Kansai Electric Power and green hydrogen for ammonia production facilities under consideration by Keppel and others.

The total expected FEED cost is 117 million Australian dollars, and it will receive 20 million Australian dollars of funding support from the Australian Renewable Energy Agency (ARENA). The project aims to target an initial capacity of 200 tons per day by around 2028 and 800 tons per day by around 2031.

Through the activities of the project, we will contribute to the realization of a large-scale hydrogen supply chain championed and supported by the Japanese and Australian governments and thereby contribute to the realization of a carbon neutral society.

\* Stanwell and Keppel Infrastructure are energy infrastructure companies.



Image of hydrogen production site

## Feasibility Study for Low-Carbon Ammonia Business in Alberta, Canada

In May 2023, Marubeni was pleased to announce the conclusion of a Memorandum of Agreement (MOA) with Pembina Pipeline Corporation, Canada's major energy infrastructure operator, to co-develop a full-fledged feasibility study for the establishment of a low-carbon ammonia supply chain.

At Pembina's site located near Edmonton in Alberta Province, Canada, we plan to produce approximately one million tons per year of low-carbon ammonia, starting in the latter half of 2028. using the abundant natural gas available in the province. CO<sub>2</sub> emissions from the production process will be reduced through CCS and CCU\*.

The produced ammonia, classified as low-carbon ammonia, will be transported via rail for export from ports on Canada's west coast and then shipped by sea to areas of demand, including power plants in East Asia, such as Japan and South Korea. Through the activities of the project, we aim to contribute to Japan's energy security and a low carbon society in both Japan and Canada.

\* Technology to capture and store (CCS: Carbon dioxide Capture and Storage) or effectively utilize (CCU: Carbon dioxide Capture and Utilization) CO<sub>2</sub>



MOA signing ceremony

## Proof of Concept Project for Green Hydrogen Production and Utilization in Australia

Using excess power generated from renewable energy sources is an issue in Australia. As part of a project under Japan's Ministry of the Environment, Marubeni intends to reliably produce affordable green hydrogen in South Australia, utilizing surplus renewable energy, and offer power grid stabilization functions through an energy management system. The produced green hydrogen will be transported to industrial parks in the vicinity of Jakarta, Indonesia, using hydrogen by metal hydride\* tanks, contributing to decarbonization through the supply of heat and electricity through fuel cells.

\* Technology to store hydrogen (absorbs hydrogen through cooling and pressurizing, discharges hydrogen through heating and decompression).



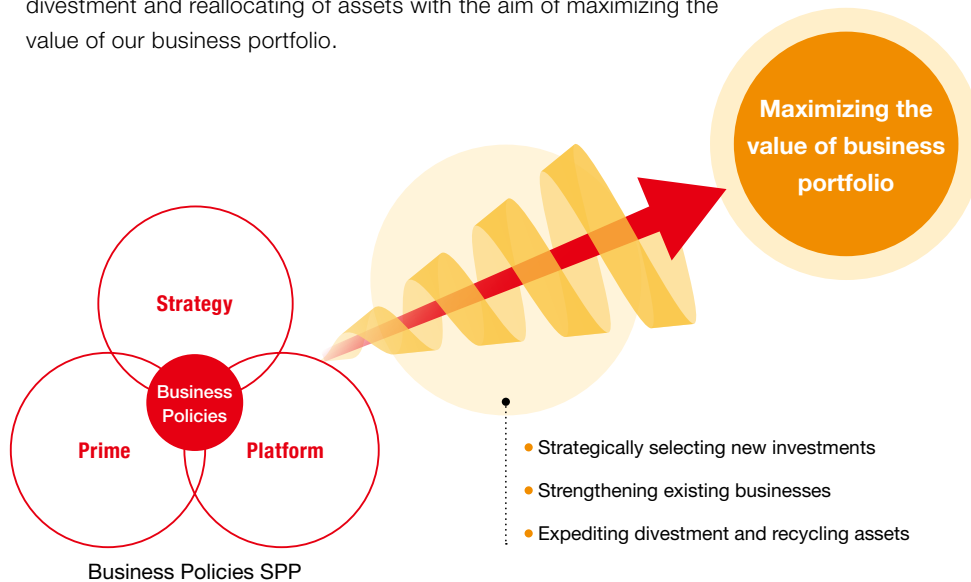
Demonstration facility under construction

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# Business Policies SPP and Marubeni Group Governance Policy

## Business Policies SPP SPP (Strategy × Prime × Platform)

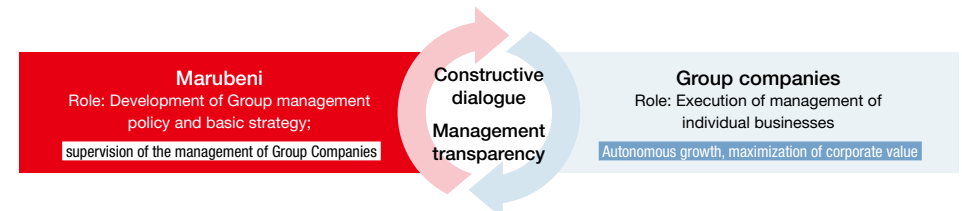
Business Policies SPP is the basic concept common to all Marubeni Group business models. By making Strategy-Focused business investments based on SPP, we focus on making better targeted, more rigorously selected investments, and by taking into account SPP in business operations we monitor and strengthen existing businesses and expedite the divestment and reallocating of assets with the aim of maximizing the value of our business portfolio.



- Strategy**
  - Strategy policies involve closing the gap between our future vision and the present in each business field. It expresses our renewed commitment to staying intensely strategy-focused
  - This includes exploiting dynamic value creation via digital transformation ("DX")
- Prime**
  - Prime policies involve taking the initiative to execute the strategies across all Marubeni Group businesses.
  - If we were to merely invest in businesses, we would have much fewer opportunities to create solutions to the challenges and issues facing society and customers. We would also have less growth potential. We have accordingly made a commitment which means proactively formulating and executing with the aim of increasing the value of our businesses.
- Platform**
  - Platform policies involve leveraging the Marubeni Group's platform to substantially grow its businesses
  - We treat businesses with promising prospects of geographic, market or product-line expansion as platforms. We will pursue expansion of such businesses through M&As and/ or organic growth with the aim of long-term earnings growth
  - In addition, we will employ the Group's knowledge, know-how, and assets to create new value by synergistically combining a wide variety of internal and external expertise

## Marubeni Group Governance Policy

The overall growth of Marubeni is linked to that of the businesses conducted by the large number of companies in the Group. To enable each Group company to pursue growth independently, Marubeni oversees the business management of every Group company as the shareholder and business owner, based on a common set of Group policies and strategies. This system of operational execution and management is designed to help maximize corporate value. Marubeni Group Governance Policy is a policy shared by the entire group that ensures this system in terms of governance.



- Group Governance Policy**
- (i) to share and disseminate Marubeni Group management policies
  - (ii) to build and strengthen Group governance by clarifying the roles and responsibilities of the Corporation (as shareholder/ business owner) and Group companies
  - (iii) to maintain and plan the codification of necessary systems, policies, and rules

## Implementing SPP, Group Governance Policy — U.S. Automotive Aftermarket Business

Marubeni Group's automotive aftermarket business works to implement Business Policies SPP and Group Governance Policy through MAIHO III, LLC, which oversees three operating companies—XL Parts, LLC (Texas), TPH Holdings, LLC (Florida), and Automotive Parts and Services Holdings, LLC (Virginia).

**Strategy:** In the U.S., where automobiles are important infrastructure supporting people's lives, we pursue business expansion and transformation by strengthening customer service and our delivery network, which provides rapid delivery of repair parts.

**Prime:** After acquiring XL Parts, LLC and TPH Holdings, LLC, Marubeni carried out strategic area expansion through the opening of new locations and acquisitions of other firms within the industry and secured differentiation with an extensive inventory lineup and flexible delivery network.

**Platform:** We have newly acquired Automotive Parts and Services Holdings, LLC, which provides mobile inspections and conducts online sales of repair parts, and we are expanding corresponding markets and business areas.

**Group Governance Policy:** In the process of integrating each company, we foster PMI best practices including for IT systems, regulations, and process management, based on Marubeni Group Governance Policy to achieve autonomous growth.



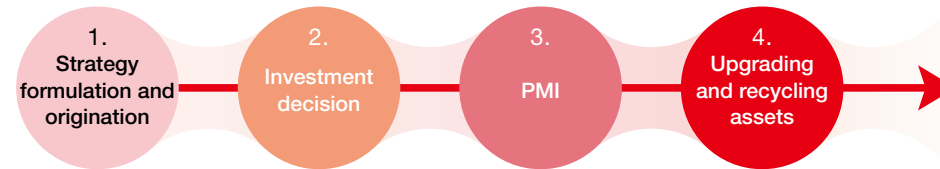
**Hitoshi Kimura**  
Chairman, MAIHO III, LLC



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# Business Investment Process

To strengthen our business portfolio, we make business investments as a means to acquire functions, human resources, knowledge, and other assets that our group does not have. We carry out business investments by implementing the following process for each project, maintaining investment discipline while selecting projects, and after execution, by utilizing our functions to improve the quality of assets, developing a business portfolio that allows for sustainable profit growth over the medium to long term.

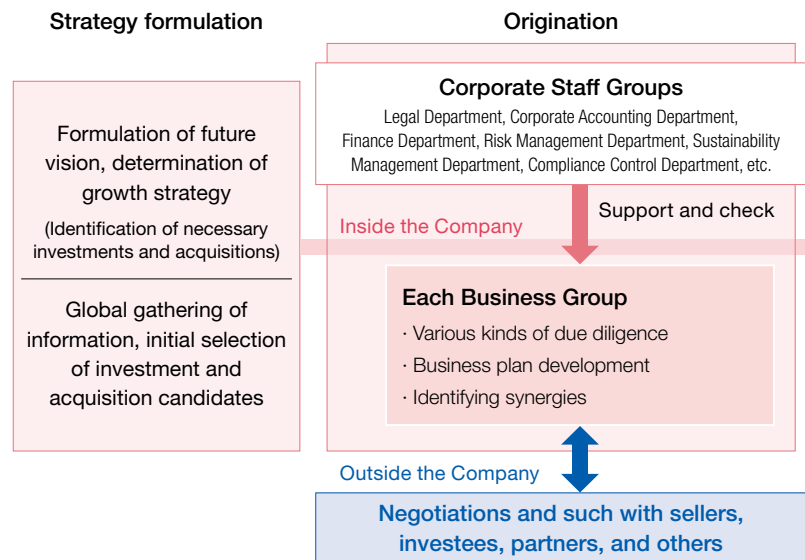


## 1. Strategy formulation and origination

We define a future vision for each business area and formulate growth strategies to achieve it. In order to make Strategy-Focused investments, we emphasize origination that is in line with the growth strategies of each business area and agrees with Business Policies SPP (see page 38).

Corporate Staff Groups participate in the examination of each project as appropriate, using their expertise to assist in project origination, and also analyzing and examining each project from a check perspective.

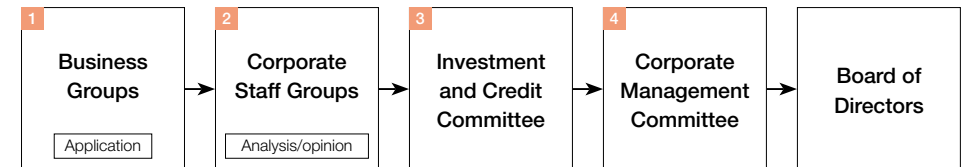
### Decision-making Process



## 2. Investment decision

### Decision-making Process

We have created a multilayered decision-making process to help pursue investment returns and control risks, while also delegating authority to each Business Group to support faster decision-making.



- 1 Business Groups (business divisions/business departments) submit business investment contents and business plans for approval.
- 2 The relevant Corporate Staff Group submits opinions on the result of risk analyses from both a quantitative and qualitative perspective.
- 3 The Investment and Credit Committee\*1 reviews the feasibility and analysis-based risk profile of each project, including any concentrations of risk at the Group level. The major quantitative evaluation criteria used are the IRR, payback period and PATRAC\*2. Virtual costs are calculated with reference to Internal Carbon Pricing (ICP).
- 4 The project is forwarded to the Corporate Management Committee and approved by the President. Projects exceeding a materiality threshold require deliberation by the Board of Directors.

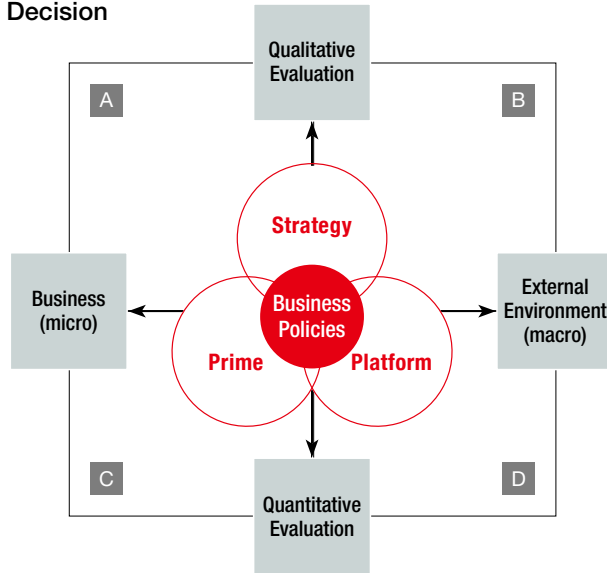
\*1. Besides the Chair and Vice Chair, the members of the Investment and Credit Committee include the department heads for Corporate Planning & Strategy, Legal, Corporate Accounting, Finance, and Risk Management.

\*2. PATRAC (Profit After Tax less Risk Asset Cost): A performance indicator to measure the extent to which returns exceed a minimum risk-adjusted return target.

\* To aid faster decision-making, there is scope within the process for authorization by the relevant Group CEO or head of the business division, depending on deal size.

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### Important Deliberation Points in Investment Decision



- A**
  - Positioning of investment concerned in medium- to long-term growth strategy
  - Understanding of investee's business model
  - Added value created by / significance of Marubeni's participation
  - Investee's competitive advantage and its continuity
  - Action plan for realization
  - PMI (Post-merger integration process)
  - Completion risk/Technological risk

- B**
  - Social trends (megatrends, technological innovation, risk of obsolescence)
  - Changes in potential needs/values
  - Industry trends/industry knowledge
  - Sustainability/ESG Opportunities and risks related to climate change, biodiversity, supply chains, etc.
  - Compliance
  - Related regulations (finance, taxation, foreign investment regulations, etc.)

- C**
  - Internal rates of return (IRR), payback period, PATRAC
  - Validity of acquisition price
  - KPI
  - Exit criteria

- D**
  - IRR premium (country risk, currency risk, etc.)
  - Liquidity of acquired assets
  - Probability of assumptions used for future predictions

### 3. PMI (Post Merger Integration)

Learning from large earlier impairment losses, we are focused on strengthening our organizational capabilities for business investment.

We have established a support system for the business departments handling the business in question using Corporate Staff Groups, ensuring the early establishment of management infrastructure and the realization of synergies.

### 4. Upgrading and recycling assets

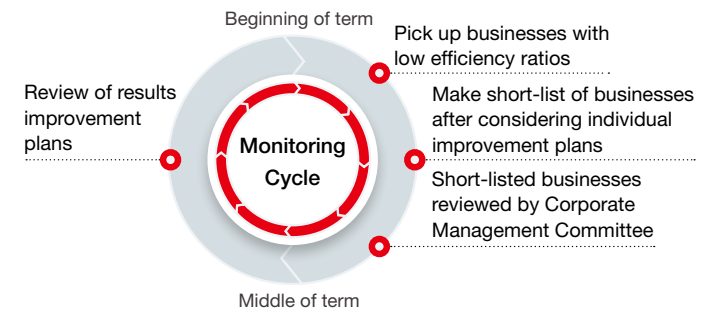
#### Monitoring process

Monitoring focuses on new and significant projects in the post-investment phase, the aim being to identify problems and formulate solutions as quickly as possible. An internal process is used to decide if a project with specific issues should be restructured or exited after the consideration of multiple factors relating to the strategic value, growth potential and profitability of the business.

Monitored projects: ① Within three years of initial investment ② Negative PATRAC three years running ③ Other criteria (low returns, project peak anticipated, etc.)

#### PDCA cycle for strengthening the earnings base

Under GC2024, with the aim of improving the return on our existing assets we began utilizing PDCA cycles for the periodic evaluation of capital efficiency and risk/return ratio (based on ROIC/CROIC and RORA) of each business division/ department and operating company. Formulating and executing action plans, we will work to optimize the quality of our assets and improve ROE.



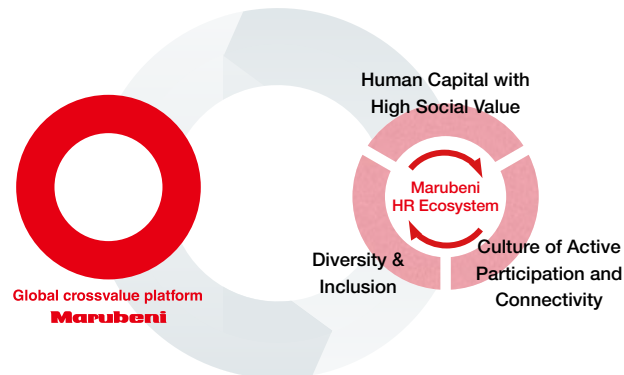
Main divestments in GC2024: Gavilon grain business (low efficiency), cross-shareholdings

# Message from the CAO



## Mutsumi Ishizuki

Senior Managing Executive Officer  
 Chief Administrative Officer (CAO); Chief Operating Officer,  
 Human Resources Dept.; Senior Operating Officer, Audit Dept.;  
 Senior Operating Officer, Executive Secretariat; Vice Chairman of  
 Investment and Credit Committee; Chief Compliance Officer (CCO);  
 Chairman of Internal Control Committee; Chief Information Officer (CIO)



## Human Capital as Our Most Valuable Asset

The Marubeni Group regards human capital as our most valuable asset. It is our greatest asset for continuing to create value in a diverse and uncertain society and is the driving force for value creation.

The Marubeni Group has grown by creating and providing solutions for customers and society. When the Mid-Term Management Strategy GC2021 was created, there was a deeply rooted organizational culture of groupthink arising from each business group focusing on their respective products. With the need for new value creation in a rapidly changing society and environment, there was a strong sense of crisis that if we did not act promptly to reform, we would not be able to respond to changes in the environment and survive another decade.

Accordingly, we established the “Global crossvalue platform” as our vision of the future, aimed for every single employee to go beyond existing frameworks and to endeavor to create new value, and adopted the “Marubeni HR Ecosystem” as our HR strategy.

## The Marubeni HR Ecosystem: Where Diverse Human Capital Comes Together, Becomes Energized, and Connects

The “Marubeni HR Ecosystem” is a human capital strategy where Marubeni Group employees with diverse backgrounds and high social value gather, thrive, and connect to create a cycle of providing new value to meet the needs of customers and society.

Under the current Mid-Term Management Strategy GC2024, the Marubeni Group is aiming to further develop the “Marubeni HR Ecosystem,” and several measures have been created to achieve this goal.

## Strengthening the Link between Management Strategy and Human Capital Strategy

The starting point for the idea behind the “Marubeni HR Ecosystem” is linking management strategy with human capital strategy. By continuously bringing management and the HR Department together to discuss human capital-related issues, we are aiming for a human capital strategy that aligns with management strategy. In addition to invigorating communication between employees and management and permanently establishing a Talent Management Committee (a human capital strategy committee comprised of members from management), the Marubeni Group in 2023 newly established a CHRO position in order to strengthen the creation and promotion of HR-related systems and measures that contribute to the execution of management strategies.

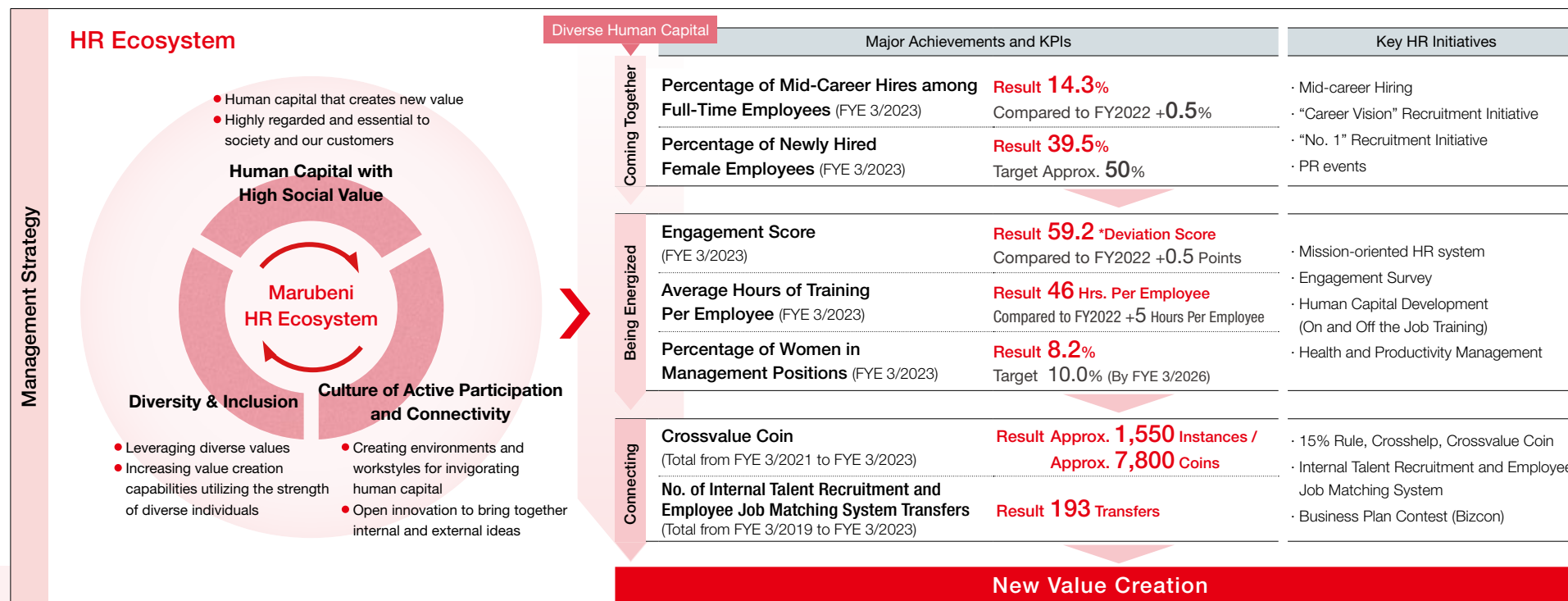
## Developing the Marubeni HR Ecosystem to Continue Providing Value to Society

Five years have passed since the establishment of the “Marubeni HR Ecosystem.” Our belief remains that human capital is the source of the Marubeni Group’s value, and that the key to growth is for each and every employee to demonstrate their full potential. Even in an era of rapid change, we will continue to develop the Marubeni HR Ecosystem by bringing together truly diverse human capital, working proactively, and connecting with each other, so that we can become a corporate group that continues to provide value to society.



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# HR Strategy



## Aligning with Management



**Koji Kashima**

Executive Officer  
CHRO (Chief Human Resources Officer)

### Message from the CHRO

I became Chief Human Resources Officer (CHRO) in April 2023. This role involves formulating and promoting human capital strategies that contribute to management strategy. For the Marubeni Group, human capital is our greatest asset and the driving force behind value creation. To execute our business strategy, we will continue to advance and develop the "Marubeni HR Ecosystem" to ensure that each and every employee can utilize their abilities to the fullest potential.

### Talent Management Committee

To promote human capital strategy that aligns with our management strategy, we hold human capital strategy meetings featuring the CEO, CAO, CSO and CHRO as key members. Members not only discuss HR-related systems and measures but also high-priority agenda items related to our human capital strategy, such as leader development, employee engagement, and diversity and inclusion.

### Dialogs between Management and Employees

We are increasing opportunities for direct communication between management and employees to discuss and share thoughts on management philosophy, visions and strategies. In addition to regularly holding meetings to exchange opinions between the CEO and employees, we also have a direct question-and-answer system for employees called the Opinion Box. To date, we have received approximately 1,200 questions through this system.

### Employee Stock Ownership Program

As a result of the Talent Management Committee and dialogs between management and employees, employees' interest and participation in company management has been increasing yearly, with an employee stock ownership plan enrollment rate of 86.2% (as of FYE 3/2023). By having more employees join the stock ownership plan and increase their shareholdings, we not only contribute to employees' asset building but also aim to foster a stronger sense of collective responsibility towards enhancing corporate value. Since the fiscal year ending March 31, 2023, we have been providing special initiatives for employees who join this plan.

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## HR Strategy

# Coming Together



To adequately address diverse social issues and customer needs, it is essential to have human capital from diverse backgrounds and move away from conventional uniformity and groupthink. In order to become an even more diverse workforce, the Marubeni Group is strengthening its approach and outreach to appeal to diverse talent.

### Securing Diverse Talent

While incorporating distinctive hiring methods, we engage with a diverse pool of talent who can become the drivers of new value creation by leveraging their expertise, capabilities and individuality.

	Details	
<b>Mid-career Hiring</b> Mid-career Hires	Based on the needs of each department, we recruit and hire talent throughout the year who possess new insights and experiences. Marubeni hires approximately 30 to 50 mid-career employees every year, and 34 individuals joined during the fiscal year ended March 31, 2023.	
<b>Career Vision Recruitment</b> New Graduates Mid-career Hires	Career Vision is a job-based hiring program for recruiting people who have indicated the responsibilities and department that they want to apply for within our company. Employees in the Recruiting Section lead the advertising and assessment processes, which includes planning advertising campaigns to the actual candidate selections, and approximately 25 to 30 departments participate each year.	
<b>"No. 1" Recruitment</b> New Graduates	This hiring program involves applicants demonstrating their experience as a leading expert in their respective fields. Candidates "audition" by creating a self-promotional video that highlights their "No. 1" qualities. Approximately 740 internal stakeholders participated in the evaluations, including the CEO and other executives.	

### Promoting Marubeni's Appeal

We are focusing on sharing information that attracts talent with high market value. Our recruitment website features numerous interviews with employees and introduces various career paths within our company. In addition, taking advantage of opportunities to directly convey our appeal, we participated in approximately 140 PR events and connected with over 50,000 potential candidates in the fiscal year ended March 31, 2023. We also hosted about 70 company events, which had more than 6,000 participants in total. Recognized as a company that hosts attractive recruiting events, we have received awards such as the Hyakumeisha Marunouchi Area Gold Award from ONE CAREER Inc.



Special Recruitment Page: 100 Multifaceted Marubeni Employees (Japanese Website Only)

### Diversity Management

At the Marubeni Group, we aim to establish a corporate culture and values that leverage the strengths of diverse individuals, where everyone can work proactively regardless of gender, nationality, age, employment history, and disabilities.

Main Initiatives

- Marubeni Global Mobility Program (seconding employees from overseas Marubeni Group companies to locations outside of their home country for a set period)
- Marubeni Diversity Days (an event to deepen understanding about workplace diversity, including new graduate and mid-career hires)

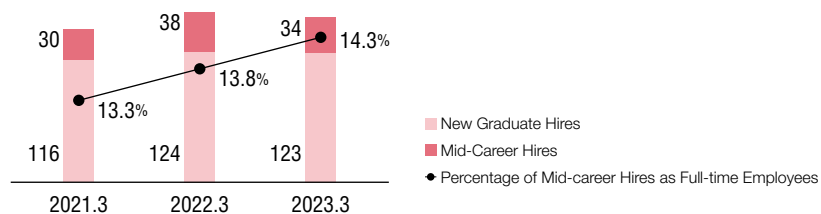
### Promoting Employment of People with Disabilities

To promote the employment of people with disabilities, we established the Marubeni Office Support Corporation in 2008, which is certified as a special subsidiary company. In 2020, we were the first company in Tokyo to obtain the "Monisu Certification," awarded to small and medium-sized enterprises that excel in the employment of persons with disabilities. Additionally, in March 2021, we were recognized by the Tokyo Metropolitan Government as a barrier-free best practice company.



### New Graduates / Mid-career Hires

Ratio of Mid-career Applicants Hired as Full-time Employees (March of Each Year)



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## HR Strategy

### Being Energized

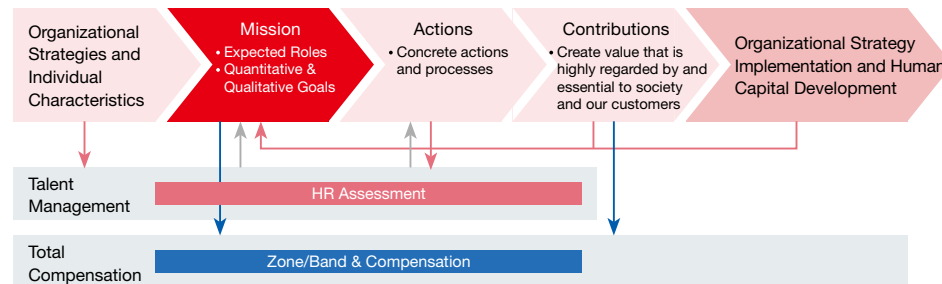


The Marubeni Group aims to create a positive cycle where each employee sets their own missions, endeavors to achieve challenging objectives, and contributes more to the organization. To enable our personnel to thrive, we focus on initiatives such as human capital development and health and productivity management, while implementing a mission-oriented HR system.

#### Mission-oriented HR System

At Marubeni, each employee is given a mission (role) based on their skills and characteristics. The goal of this is to enhance the strategic execution capabilities of the organization by augmenting each individual's contribution. Furthermore, we believe that employees taking on bold challenges toward more significant missions and striving for excellence will lead to their further growth and their increased market value.

The idea that “the mission of each employee is at the core of organizational strategy execution and talent growth” has been incorporated into our HR system and is reflected in performance evaluations and compensation. Regarding the implementation of our HR system, an emphasis is placed on active communication between supervisors and their employees in order to allow employees to take on more challenging roles and objectives. A cycle has been established where the supervisor and the employee agree on the mission, maintain regular communication in daily operations, and then set the mission for the next fiscal year based on year-end evaluations and feedback to the individual.



#### Engagement Survey

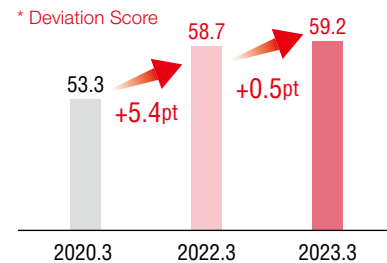
Marubeni defines engagement as “a relationship where individuals and the organization come together and contribute to each other's growth.” To improve organizational management and various organizational systems and to create a dynamic workplace, an internal survey is used to measure the engagement score\* of employees. In the fiscal year



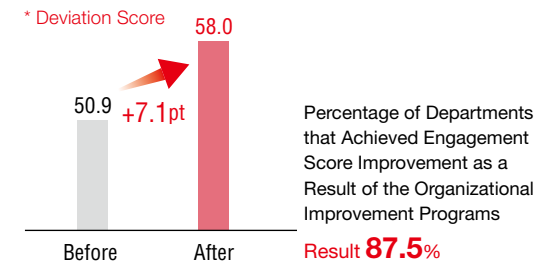
ended March 31, 2023, our engagement score improved compared with the previous survey. Also, regarding Link and Motivation Inc.'s Best Motivation Company Awards 2023, Marubeni received the Third Place Award in the large companies category (over 2,000 employees).

\* The engagement score (deviation score) reflects conditions in the organization. A deviation score of 50 is the average for companies that use services provided by Link and Motivation Inc.

#### Engagement Score

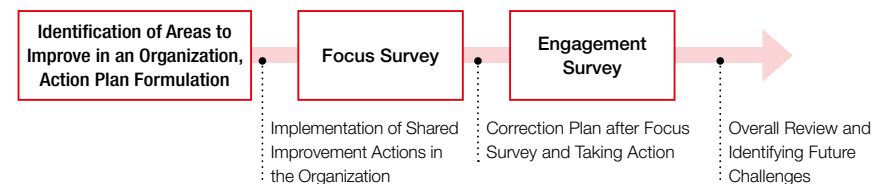


#### Improvement in Engagement Score as a Result of the Organizational Improvement Program (Average)



Based on the results of the survey, Marubeni provides organizational programs to departments that seek to improve. After creating and executing improvement action plans, each action plan's effectiveness is evaluated and reviewed through focus surveys and engagement surveys. Several departments that participated in this program achieved higher engagement score results.

#### Organizational Improvement Program





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## HR Strategy

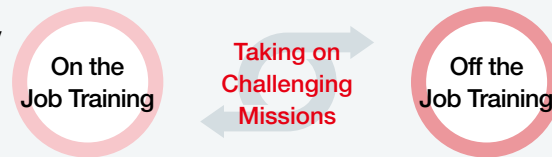
### Being Energized



### Human Capital Development

To promote the growth and active involvement of the Marubeni Group's employees, the source of our corporate value, we are driving talent development through a dual approach: on the job training as the core and off the job training as a supportive function.

#### Human Capital Development Policy



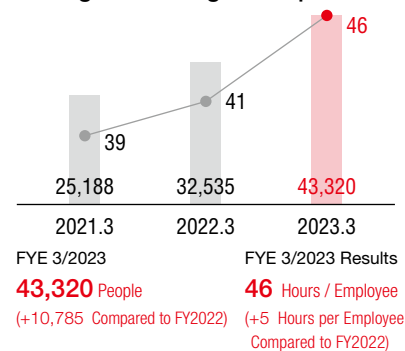
- Considering Missions and Career Plans Based on **Talent Assessments**
- Seconding Early Career Employees Overseas
- Experience-enhancing Assignments

- Marubeni Global Academy
- Training for Each Organization
- Individual Learning Support

#### Talent Assessment

Through multifaceted observations and self-assessments, we visualize each employee's distinct behaviors, strengths, and challenges. A total of 64.9% of all employees were assessed by the fiscal year ended March 31, 2023, and we plan to further expand the scope in the future. The visualized information is utilized by each organization for transfers/placements, assigning missions, and daily team management. Individuals can also use this information for self-reflection and to help guide decisions on future skills training and plans for career development.

#### Average Training Hours per Employee among All Training Participants



#### Individual Learning Support

To further enhance the autonomy of motivated employees, we offer support for skills development, acquiring knowledge and experience that cannot be gained through regular work activities, and employee skill development. We offer support for obtaining qualifications, approximately 60 cases annually, and have a track record of assisting around 1,800 employees with business knowledge-related learning services.

### Marubeni Global Academy

This training system covers business skills, leadership and management, and individual specializations. In addition to position-specific and open-application training programs, we integrate selection programs in collaboration with domestic and international business schools. Through these efforts, we provide growth opportunities tailored to each employee's career.



#### Off-the-Job Training Overview



#### I Marubeni Executive LEAD Program

Under the theme of cultivating the next generation of leaders to lead the Marubeni Group, this selection program includes sessions customized exclusively for Marubeni by IMD, a business school based in Switzerland. Participants learn about cutting-edge management theories and leadership.



Lead Engage Accelerate Develop

#### II Marubeni Master Course

Professors are invited from Japan-based business schools to provide lectures on essential knowledge for business management, such as management strategy, accounting, finance, organizational management and marketing. Employees from various departments and of various ages participate in this program, which includes lectures, case studies, and discussions to enhance their skills.

#### Talent Development for Digital Literacy

To strengthen talent that drives digital transformation (DX) within the Marubeni Group, we conduct various training programs and workshops.

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## HR Strategy

### Being Energized



### Health and Productivity Management

#### Marubeni Group Initiatives for Health and Productivity Management

We regard employee health maintenance and improvement as important management issues. As the Chief Administrative Officer (CAO), I take the utmost responsibility for supporting the vitality of our employees, the source of the Marubeni Group's growth. We are advancing health and productivity management initiatives, such as improving health literacy, measures to combat cancer and lifestyle-related diseases, mental health support, and strengthening efforts in women's health maintenance and improvement.

**Mutsumi Ishizuki**

Senior Managing Executive Officer,  
Chief Health Management Officer

#### Using FemTech

In order to create an environment where women can work actively from the time they join the company until they retire, Marubeni offers seminars tailored to stages in women's lives. We also provide online medical consultations, advice, medication guidance, and prescriptions for issues related to menstruation and menopause. Among program participants, work performance during periods of discomfort associated with menstruation and menopause has improved by 17% compared to before their participation in this program.



#### Initiatives for the Early Detection and Prevention of Cancer

We have made tests for Hepatitis B, Hepatitis C, helicobacter pylori, and tumor markers mandatory items for regular health checkups. Additionally, for employees of specific ages, Marubeni offers neurological checkups and colonoscopies at company expense and subsidizes the cost of comprehensive medical checkups at external medical institutions. In case of employee illness, we have systems in place so that employees can continue working with peace of mind, such as medical cost assistance, job security during treatment, and income protection provided by support from the Marubeni Health Insurance Association.

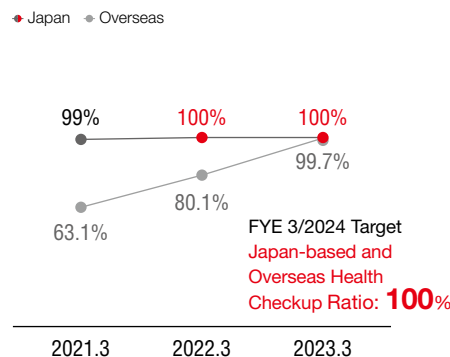


Notification Emails for Employees about Each Policy

#### Health and Productivity Management Strategy Map



#### Ratio of Participation in Regular Health Checkups (Japan and Overseas)



#### External Recognition

Marubeni's efforts in health and productivity management have been recognized by external organizations. In 2023, Marubeni was listed on the Health & Productivity Stock Selection, and for six consecutive years running to 2023, Marubeni has been listed in Health and Productivity Management in the large enterprise (White 500) category.



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## HR Strategy

# Connecting



We believe that talent exchanges across different businesses strengthen internal collaboration and generate new value, and we have established mechanisms to encourage collaboration among our employees. Globally, we are expanding efforts aimed at interactions with employees outside one's own department and fostering a culture of innovation.

### Foundation for Innovation

#### 15% Rule, Crosshelp, Crossvalue Coin

The 15% Rule allows employees to allocate 15% of their working hours to activities outside of their regular work responsibilities that contribute to value enhancement within the Marubeni Group. Crosshelp is a system where organizations can solicit internal assistance from other employees on a part-time basis. Crossvalue Coin is a reward system that grants coins to employees who have contributed to other organizations or regional strategies. These various initiatives are organically linked to encourage the creation of new value across business units.

Coins Granted (one coin = ¥10,000)



Contribution to Division A's strategy

#### Crossvalue Coins Granted

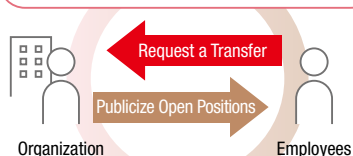
Three-year Total (FYE 3/2021 to FYE 3/2023):

Approx. **1,550** Instances / Approx. **7,800** Coins

### Internal Talent Recruitment / Employee Job Matching System

Marubeni has an Internal Talent Recruitment System where organizations can publicize job positions and an Employee Job Matching System where employees can request transfers to other organizations. These systems promote autonomous career development for employees and foster an open community where talent can freely move across different departments.

#### Employee Job Matching System



#### Internal Job Matching Program

#### Cumulative Transfers

**Five-year Total** (FYE 3/2019 to FYE 3/2023):

**193** Transfers

### Innovation Creation

#### Marubeni Academia

The Marubeni Academia program aims to nurture global innovation leaders who will lead the Marubeni Group. Diverse talent who are excelling globally are chosen for this program to engage in discussions on various themes over the course of a year.



#### Business Plan Contest (Bizcon)

This global contest is an open call for business proposal projects within the Marubeni Group. Now in its fifth year, this contest has led to proposed projects being evaluated and commercialized, such as a digital maternal and child health record business in Indonesia, which was assessed and developed into a business. This project will continue to play an important role as a platform for fostering a culture of innovation.



### Workreation — Promoting Crossvalue through a Workplace Where Diverse Talent Connects

Completed in 2021, the concept of our head office in Tokyo is based on the idea of a workplace creating a connection and growth "Chain." We have adopted an Activity Based Working (ABW) approach that allows employees to individually choose their work location. Aiming to improve productivity and create new value through connections in the workplace, we are enhancing and optimizing our working environment through the activities of the "Workreation" internal task force.



**Circle**  
Spaces that build trust and create organizational unity

**Huddle**  
Spaces to gather and converse with a shared purpose

**Round**  
Spaces that create new value with diversity





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## HR Strategy

# Female Empowerment at Work 2.0

At the Marubeni Group, we are committed to promoting the active participation of female employees as a top priority in our diversity initiatives. In August 2022, we established “Female Empowerment at Work 2.0” as our new policy and set clear numerical targets. We are also placing greater emphasis on “expanding the talent pipeline,” which is aimed at enhancing growth opportunities for women and making their career paths leading to decision-making roles more robust and broader.



Marubeni received Eruboshi and Platinum Kurumin certifications from the Minister of Health, Labour, and Welfare.



### Further Strengthening Recruitment

We aim to increase the total proportion of female employees at Marubeni, including all new graduates and mid-career hires, to reflect society's gender ratio of around 50%. (FYE 3/2023 Result: 39.5%)



### Expanding Growth Opportunities, and Advancing Planned Assignments and Promotions

#### Advancing Planned Assignments and Promotions

We are setting targets regarding the number and ratio of women at each level in every organization and establishing a system for planning and implementing measures to achieve these targets.

#### External Training Participation

With the aim of providing growth opportunities that cannot be gained internally and networking opportunities with female employees from outside organizations, we have sent a total of 64 women to external training programs.



### Fostering Awareness and Corporate Culture and Strengthening Promotion Systems

#### Marubeni International Women's Day (MIWD)

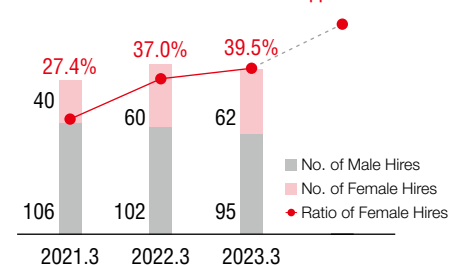
Since 2018, Marubeni has been holding events across the entire Group for International Women's Day (March 8), a day of encouragement and support for active working women.



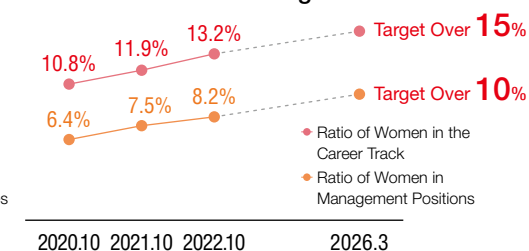
#### Talent Management Committee

Human capital strategy meetings with the CEO, CAO, CSO, and CHRO as key members are held to advance overall measures.

#### No. of Hires by Gender



#### Ratio of Women in the Career Track / Ratio of Women in Management Positions



## VOICE Sharing Experiences and Perspectives



#### Miwa Koga

Joined Marubeni in 2021 (Career Vision Hire)  
Next Generation Business Development Div.  
Wellness Business Dept.

My motto is to work in a way that delivers smiles while also

enjoying the work myself. While imagining the smiles of customers who pick up our products, I have been involved in significant work projects, from product development to marketing and sales, since my first year at Marubeni. Marubeni is a welcoming place that provides young employees with opportunities to gain experience and take on challenges, and more veteran employees provide passionate support.



#### Eriko Hayashi

2009 Mid-career Hire  
Marubeni ASEAN Pte. Ltd. (Singapore)

Since 2020, I have been seconded to Singapore with my mother and two children, making use of company measures that support

overseas secondments after childbirth\*. Marubeni has a working environment where various types of families and working styles are respected and supported by a number of measures and systems, which underscore the company's messages about promoting diversity and include messages from the CEO as well.

\* Measures for employees seconded abroad accompanied only by their children, including allowances for accompanying spouses and assistance towards childcare costs.

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## Message from the CDIO



### Masayuki Omoto

Executive Officer

Chief Digital Innovation Officer (CDIO), Chief Operating Officer, Next Generation Business Development Div.

The times are rapidly changing, as seen with the sudden adoption of generative AI technology around the world. This change threatens to make existing businesses obsolete while presenting new business opportunities at the same time. I am confident that measures we are taking to stay one step ahead of this change to transform Marubeni into a corporation that is always fresh and new will become a source of perpetual improvement in corporate value.

The GC2024 Mid-Term Management Strategy covers a period of three years for putting strategy into practice. Since setting up an internal organization dedicated to DX in the fiscal year ended March 31, 2018, we have continued to implement basic measures that have brought Marubeni to the stage of taking new, bolder measures to renew itself.

Marubeni's DX strategy entails accelerating the strategies in each business with digital technologies. We formulate strategies for each business domain, taking into account the threat of

obsolescence due to the emergence of disruptors\*, and are committed to implementing business strategies through the use of digital technology. As CDIO, I am constantly mindful of 1) identifying the seeds of change, such as new business models and new technologies, at innovation hubs around the world for global comparison, 2) actively adopting cutting-edge technologies such as generative AI and the metaverse, and 3) maximizing the power of digital technologies that can be used on-site. We have established our own digital talent development program aimed at accelerating on-site implementation of this strategy. To date, we have produced a total digital talent base of 350 people, making digital a "given" in daily operations.

We will continue to steadfastly implement Horizon 3 initiatives to capture new business opportunities brought about by the changing times. In the fiscal year ended March 31, 2020, we established the Next Generation Business Development Division in Tokyo. In the fiscal year ended March 31, 2023, we

launched the Next Generation Corporate Development Division in Singapore and the United States with professional talent. With these two business divisions starting from scratch, we are already pursuing the dramatic enhancement of corporate value through the creation of next-generation businesses with an eye on 2030. We feel a strong sense of progress on the ground, where talented personnel and strong teams are in position for the creation of next-generation businesses.

To deliver "fair" businesses for the next generation, we believe that making Marubeni "harmonious" with changes of the times through "innovative" changes to ourselves is the essence of putting into practice "Fairness, Innovation, and Harmony," our company creed for the next generation.

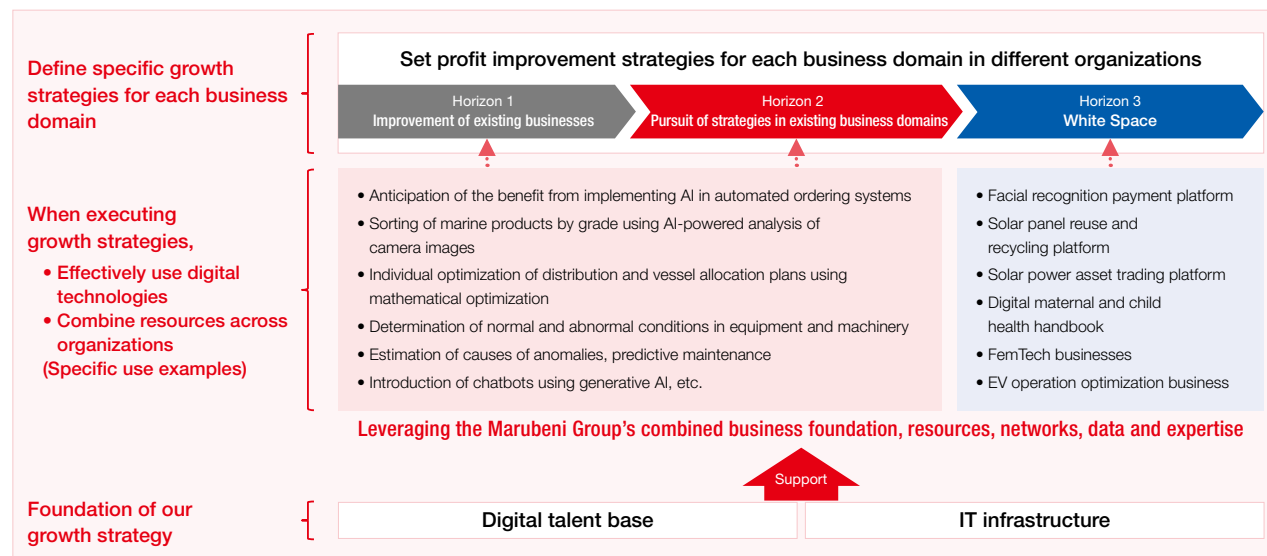
I hope our supporters raise their expectations as Marubeni takes a leap forward towards 2030.

\* Disruptor: A disruptor is an element or market participant that tears down business models and existing industry order by deploying digital technologies, for example.

### DX Strategy

Execute growth strategies by (1) updating and enhancing digital talent base, IT infrastructure, and (2) leveraging necessary digital technologies.

▶ The Marubeni Group encourages vertical evolution and horizontal expansion through its combined business foundation, resources, networks, data and knowledge.



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# Marubeni's System for Promoting Utilization of Digital Technology

The Digital Innovation Office (DI Office), reporting directly to the CDIO, oversees and directs the teams promoting the DX Strategy across the Marubeni Group. It works in partnership with DOLBIX Consulting Inc.\*, a DX-based business subsidiary that we set up in 2020. Altogether, we have a digital talent base of more than 100 people promoting the Group-wide DX Strategy.

Regarding the utilization of digital technology, we provide meticulous support at every stage, from issue management to business integration, to ensure that projects do not end as proof-of-concept experiments. We also collaborate with the DX promotion organizations set up in each division, and strive to solve issues as close to the front lines as possible, providing support that leads to value creation.

By adopting this promotion system, we have put in place a mechanism that provides the essential "agility × Marubeni perspective × expertise" needed for the effective use of digital technology.



\* DOLBIX Consulting: Marubeni sees the many different business domains in which it operates as rich opportunities to develop DX worldwide. Through engagement with all Group strategic or technical DX-related projects, from business/IT strategies to system implementation and maintenance, as a wholly owned subsidiary, DOLBIX provides DX consulting services.

## Examples of DX Support by the DI Office

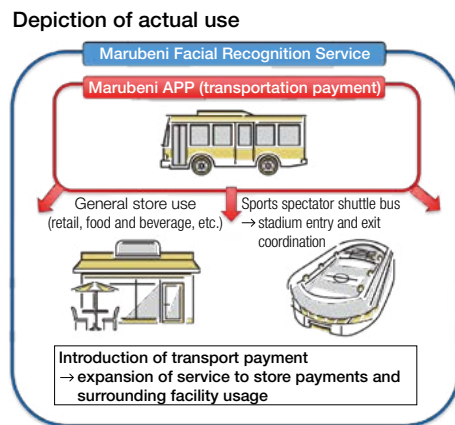
### — Building a Facial Recognition Payment Platform —

The facial recognition payment system being promoted by the Infrastructure Project Division is expected to modernize payment methods for railways, buses, and surrounding facilities.

In the DI Office, we are utilizing our expertise in image-related AI, system development, and marketing to support efforts at commercialization, such as designing services and building various systems.



When it comes to fare payment, all a customer has to do is look at the facial recognition tablet without holding anything in their hands.



## Use of Generative AI

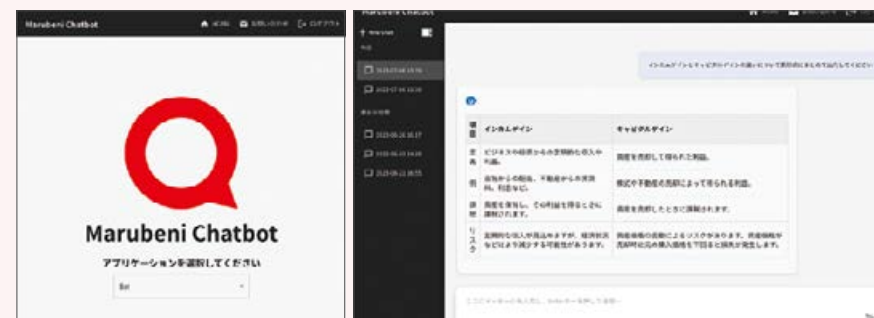
### — Increasing Work Efficiency with Marubeni Chatbot —

The DI Office is leading the development of the Marubeni Chatbot, a generative AI tool designed by Marubeni. Utilization of this AI tool, which incorporates generative AIs like ChatGPT, is expected to significantly improve efficiency in document creation and knowledge sharing.

Development of Marubeni Chatbot began in response to the high performance of ChatGPT (GPT-4), which was released in April 2023. Marubeni Chatbot was rolled out Companywide in July 2023. This app automatically and instantly responds to users' questions and requests for document creation. As a result, it helps improve work efficiency by automating tasks that previously required manual labor.

We continue to test Marubeni Chatbot's ability to respond to a variety of questions about information scattered throughout the Company, and to accept input in formats other than text, such as PDF and audio. Various improvements are planned to further enhance work efficiency with Marubeni Chatbot.

Marubeni Chatbot





# Developing/Upgrading Our Digital Talent Base and IT Infrastructure

Developing the digital talent base is one of the keys to the success of our growth strategy. This entails adding skills in Design Thinking and Data Analysis in Data Science, which help us identify issues and create new value for our customers, to the traditional strengths of Marubeni employees in terms of Business Knowledge. We define our target profile for the digital talent base in terms of cultivating all three skill sets, and we have accelerated efforts to develop this base.

## The Marubeni Digi-Challenge

Since the fiscal year ended March 2021, we have focused especially on the field of Data Science through the Marubeni Digi-Challenge initiative. This program emphasizes acquiring Data Science skills via practical, hands-on application rather than theoretical study. Participants use digital technology such as programming to address real business and operational issues that we source from Marubeni Group operations worldwide.

From 'intellectual' to 'practical' engagement



### Details of Digi-Challenge

- This practical technology program lasts for several weeks to months, covering specific technologies and topics, with minimal classroom learning and a focus on **hands-on training**.
- Topics and data are taken from actual business cases with an **emphasis on practical application**.
- **Courses are segmented by difficulty levels** to accommodate a broad range of participants.

### Digi-Challenge: Examples in FYE 3/2023

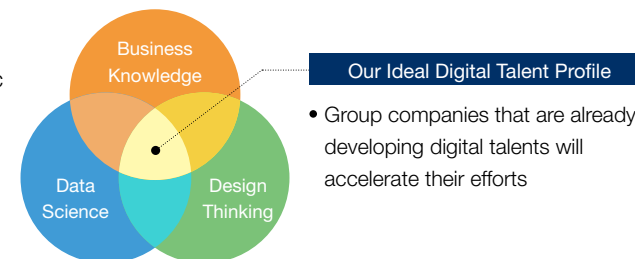
Area	Main technical area	Details
Optimal vessel dispatching	Mathematical optimization	Aim to contribute to revenue by creating mathematical optimization algorithms and minimizing costs in trading by deploying multiple owned ships
EC site construction	UI*1/UX*2	Aim to expand beverage sales by designing and implementing marketing strategies and building an e-commerce website
Simple data analysis	Excel	Aim for effective credit-setting by building a trading partner sales forecast model

\*1. The user interface (UI) mainly refers to the sight of screens by which a user interacts with a computer.  
 \*2. UX stands for "User Experience": ease of use and other aspects of the experience of a user of a web-based service.

## Internal certifications for digital/DX talent

As of the end of July 2023, at Marubeni headquarters, we had trained more than 350 digital talents, i.e., people who can apply their digital skills on the front lines, exceeding our goal of 200 individuals by 2023.

In the future, we aim for all employees to acquire basic digital-related knowledge.



- Group companies that are already developing digital talents will accelerate their efforts

### Outline of internal certifications for digital/DX talent

	Qualification	Capabilities
Advanced	Acquire advanced digital technical capabilities and related knowledge + complete multiple DX projects, etc.	Ability to promote advanced DX strategies in various fields
Intermediate	Acquire digital technical capabilities and wide range of digital knowledge + complete a DX project, etc.	Specialist knowledge, and the ability to promote DX strategies beyond the organization to which the individuals belong
Basic	Acquire general digital knowledge	Possesses digital knowledge required for business, can manage DX strategy promotion within own part of the organization

## Initiatives for Effective Utilization of Digital Talent

In 2023, we internally launched the Marubeni Digital Talent Profile website. By making these digital talents and their respective skills more visible within the Company, it has become possible to reach out to the right person at the right time, facilitating collaboration across departments.

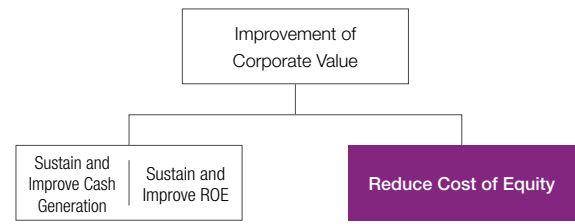


Marubeni Digital Talent Profile website



# 03

SECTION



## Initiatives for More Sustainable Value Creation

In the context of medium-to long-term improvement in corporate value, we discuss our efforts to reduce the cost of equity along with non-financial initiatives to enhance sustainability. We also explain our approach to corporate governance and risk management.

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## Message from the CFO



### Strategically allocating cash generated to enhance corporate value

#### Takayuki Furuya

Senior Managing Executive Officer, Member of the Board  
 CFO; Chief Operating Officer, Investor Relations and Credit Ratings;  
 Chairman of Investment and Credit Committee; Chief Sustainable  
 Development Officer (CSDO); Chairman of Disclosure Committee

### Second consecutive year of record-high profit achieved by strengthening the earnings base

For the fiscal year ended March 31, 2023, we reported net profit of ¥543.0 billion, our second consecutive year of record-high profit. ROE also surpassed 20% for the second year in a row, and core operating cash flow, which indicates cash being generated by the business, also reached a record-high ¥584.2 billion. We believe ongoing efforts to strengthen the earnings base have boosted our earnings capacity to a higher level.

I would like first of all to say a word about what I consider most important: non-resources adjusted net profit\*. Until the fiscal year ended March 31, 2021, non-resources adjusted net profit was never able to surpass the ¥200 billion mark. However, we were making constant progress in setting strategies for expanding the individual businesses and carrying out the growth investments needed to achieve this.

\* Adjusted net profit: Net profit excluding one-time items, shown in an approximate figure.

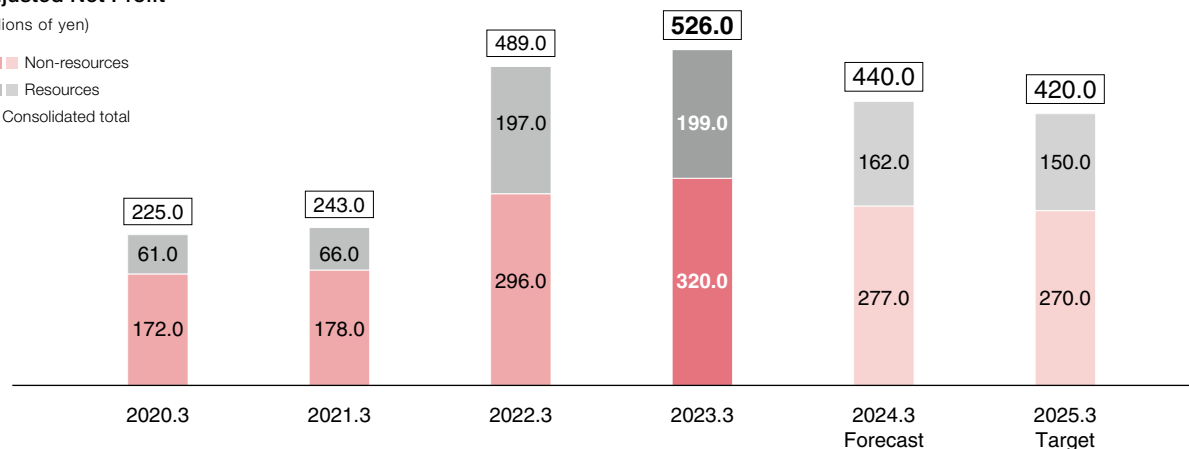
Growth in non-resources adjusted net profit starting in the fiscal year ended March 31, 2022 was the fruit of these patient efforts, which was reflected across a broad range of businesses, not only the U.S. food and agri business where we are typically strong, but also in power, infrastructure projects, machinery, and finance and leasing. Non-resources adjusted net profit was ¥320.0 billion in the fiscal year ended March 31, 2023, surpassing the ¥300 billion mark for the first time. Nevertheless, business conditions for the year benefitted from tailwinds such as higher demand for some products due to the COVID-19 pandemic and the Russia-Ukraine situation, and we gauge our current actual earnings power at around ¥250 billion–¥300 billion.

Performance in resources is inevitably significantly impacted by changing commodity prices, but in non-resources the impact is small. So long as our businesses are competitive and we are able to provide added value, we can secure solid profit and aim to achieve growth. Our policy is to continue to strengthen non-resources to enhance corporate value and grow

#### Adjusted Net Profit

(Billions of yen)

- Non-resources
- Resources
- Consolidated total





## Message from the CFO

profits over the medium to long term, and we consider the KPI for this to be non-resources adjusted net profit.

In resources, improved commodity prices acted as a tailwind, but our efforts to date to reinforce our various business bases were what allowed us to maximize the margin of profit growth. One example is energy trading. We excel in the global trading of grains and chemicals and other products, but also have strengths in energy trading, including LNG, crude oil, and petroleum products. To enhance our role in filling global supply and demand gaps, for a long period of time we have built up customer bases and procurement and logistics bases in locations around the world. Over the last few years, the COVID-19 pandemic and the Russia-Ukraine situation have increased energy supply and demand gaps, creating more opportunities to draw on these bases to play an active role in supply, feeding into significant growth in profit.

Our GC2024 Mid-Term Management Strategy targets adjusted net profit of ¥420.0 billion for the fiscal year ending March 31, 2025, and we have been making steady progress toward this target. We will not be content with simply achieving this target, however. Rather, we will aim for growth in profit over the longer term by continuously enhancing the earnings base.

### Sale of Gavilon’s grain business and improving credit ratings to prepare for U.S. dollar interest rate hikes

One assumption when drafting GC2024 was that the normalization of an ultra-accommodative monetary environment would cause interest rates to rise and bring back risk premiums that had been at low levels. Subsequently, interest rates in the U.S. did in fact start to rise, but in October 2022 we were able to sell the grain business of Gavilon Agriculture Investment, Inc. in a timely manner and repay a significant portion of debt.

Gavilon’s grain business used a lot of working capital; thus, in addition to recovering approximately ¥330.0 billion, the disposal also had the effect of reducing net interest-bearing debt by about ¥500 billion (including the reduction in working capital) compared with the end of March 2022. We believe this was a smart move, as we not only improved the financial foundation but also repaid a large amount of U.S. dollar-denominated debt, which allowed us to avoid a substantial rise in interest payments as a result of higher interest rates.

As of the end of March 2023, our net debt-to-equity ratio was down to 0.52x. Recognizing the improvement in our earnings base and financial foundation, since the fiscal year ended March 31, 2023, all four agencies that rate us (Moody’s, S&P, R&I, and JCR) have upgraded our credit ratings. We are now in the best financial shape we have ever been. Amid rising interest rates and risk premiums, we have reached a rock-solid financial foundation free of funding concerns.

#### Credit rating upgrades by major rating agencies since April 2022

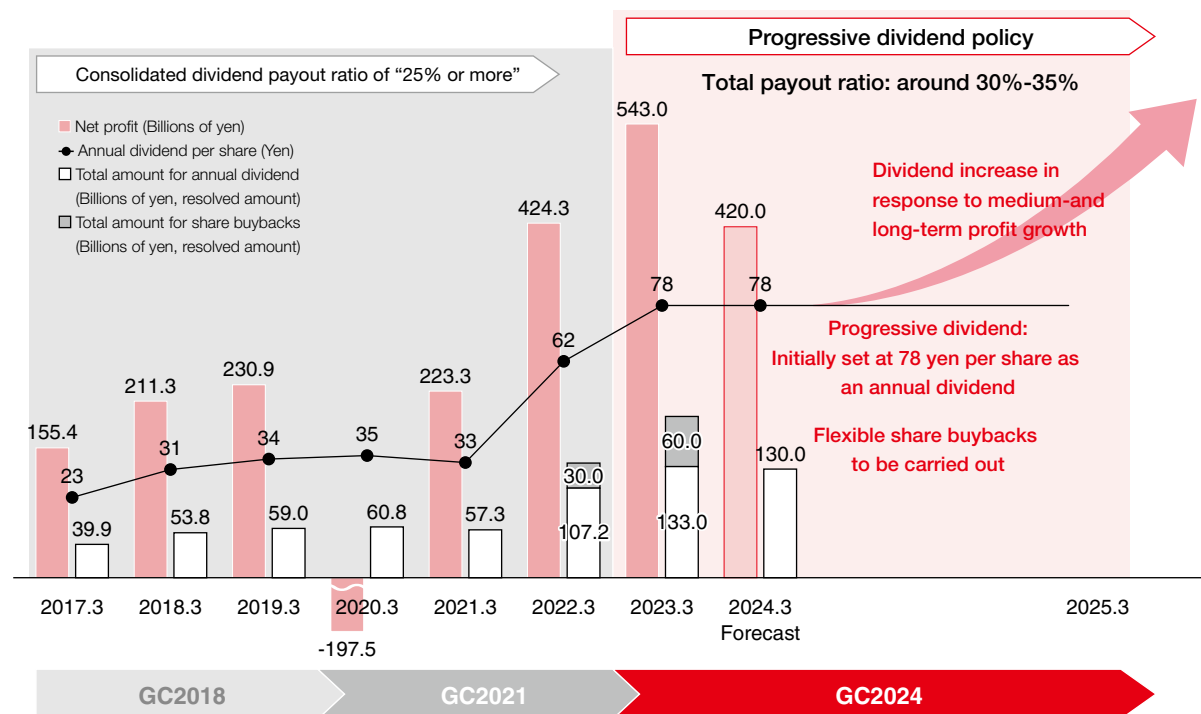
	JCR	R&I	S&P	Moody’s
AA/Aa2				
AA-/Aa3	Upgrade	Upgrade		
A+/A1	↑	↑		
A/A2		↑		
A-/A3				
BBB+/Baa1			Upgrade	Upgrade
BBB/Baa2			↑	↑
BBB-/Baa3				

### Implementing a progressive dividend policy, announcing a new shareholder returns policy

In February 2023, we announced a new shareholder returns policy and succeeded in expanding returns to shareholders. When we unveiled GC2024 in February 2022, in addition to a dividend policy for a consolidated dividend payout ratio of 25% or more, we set a floor for annual dividends of ¥60 per share over the three years of GC2024. In other words, if we saw a jump in profits in a particular year, we could raise the dividend that year, but could potentially reduce it the following year up to the lower limit. Under our new shareholder returns policy, we have switched to a progressive dividend policy for the period of GC2024, under which we will not lower dividends from the fixed point of its record-high ¥78 per share. We have also set the total payout ratio at around 30%–35% of profits, including dividends and share buybacks. Our rationale for introducing the progressive dividend policy was our desire, in an extremely uncertain global business and economic environment involving highly volatile commodity prices, to promise to keep a stable dividend for shareholders. We also think a stable dividend can help us lower the cost of equity over time.

We carried out share buybacks for the first time in February 2022, buying back a total of ¥60.0 billion in shares for the fiscal year ended March 31, 2023. Going forward we will continue to consider carrying out share buybacks in a flexible manner to contribute to enhancing corporate value, while keeping in mind the need to maintain and improve ROE, improve per-share metrics (EPS/BPS/DPS), and foster enhanced supply and demand dynamics for Marubeni shares. As we do so, we will take account of the progress of new investments, as well as the state of cash flow and the balance sheet in terms of shareholders’ equity and the net debt-to-equity ratio.

## Message from the CFO



### Strategic capital allocation under GC2024

The business model of a general trading company is to cultivate strong operations with a business portfolio that meets the needs of customers and society, generate cash, apply that cash to further growth and shareholder returns, and via this cycle to enhance corporate value. The mission of the management team, including the CFO, is to consider the strategic allocation of capital to this end.

Currently, our approximately ¥8 trillion in total assets generates about ¥500 billion in cash (core operating cash flow), which funds capital allocation every year. As of March 2023, with the proceeds of the sale of Gavilon’s grain business and accumulated cash generated by our businesses, we have an additional ¥550.0 billion or so of what we call free cash to fund capital allocation, giving us an extremely high degree of freedom in allocation. Our policy is to enhance growth investments and shareholder returns while allocating a portion of our free cash to

debt repayment, but our highest priority at present is growth investments. Enhancing shareholder returns is also an important goal, and we believe we have incorporated shareholder returns that are feasible at this point into our new policy, so the next step is to further reinforce the earnings base and raise profit levels. We want to further enhance shareholder returns as we make headway in these areas. Naturally, we do not blindly make growth investments: we will proceed while maintaining our emphasis on investment discipline.

### Initiatives to widen equity spreads

To enhance corporate value over the longer term, GC2024 calls us to sustain and improve cash generation, sustain and improve ROE, and reduce cost of equity. As I mentioned at the beginning, with record-high profit in the fiscal year ended March 31, 2023, we made good progress in sustaining and improving cash generation and ROE. We were also able to take certain measures to enhance the financial foundation, receive upgraded credit ratings, and reduce the cost of equity by stabilizing dividends. As a result, our share price reached a new record high by a wide margin on the back of highly favorable performance. This was just a waypoint on our journey to greater corporate value, however. Going forward, we will continue to steadfastly carry out what is needed to enhance corporate value.

First, we will continue to enhance our earnings base to sustain and improve cash generation and ROE. In addition to creating new business models and strengthening our existing businesses via growth investment, upgrading and recycling assets is essential. We monitor the earnings base using ROIC/CROIC/RORA to regularly confirm capital efficiency and risk-return efficiency. If there are issues, we run

## Message from the CFO

a PDCA cycle to take response measures and make improvements. To maintain ROE of 15%, a key target, we carefully shape a response for each asset, and consider strategic divestment for any businesses that show signs of peaking out. The business portfolio contains numerous highly competitive businesses, and we have a good profit balance whereby over half of profit is generated by non-resources. In addition, we have multiple core group companies in the U.S.; this region generates about 30% of net profit for the group overall, and we can say that the geopolitical risks are also low. We believe we have a

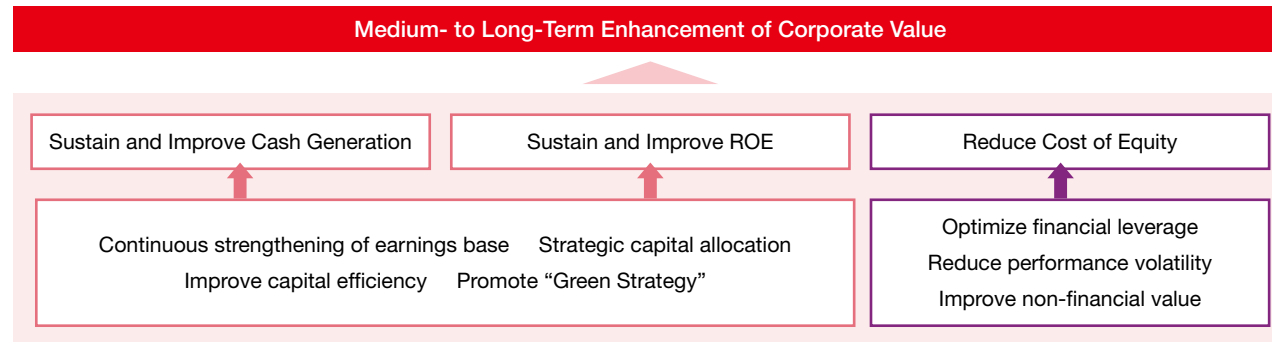
distinctive, outstanding portfolio even now, but will continue to enhance the portfolio even further.

There are no shortcuts for reducing the cost of equity, and going forward we must continue to take steady measures to optimize financial leverage, reduce performance volatility, and enhance sustainability and other non-financial value to lower the beta of our stock. We have made great strides in improving performance volatility compared with previous years by enhancing asset quality. We will continue efforts to further improve cash generation so that our shareholders will look forward to continued profit growth.

consider both opportunities and threats together.

Thus, working now on greening in all business domains is extremely important. Moving forward with greening builds confidence in our supply chains, products, and services among society and customers. At the same time, we want to take the lead in businesses generating added value from greening and bringing about innovation. We have planted deep roots for green thinking in our company that will tie into a more thorough consideration of customer needs, economic value, and enhancing our earnings base for the future.

We have established a promotion framework and risk management methods for building sustainable and resilient supply chains and engaging in business activities with respect for human rights. While continuing to run PDCA cycles in these areas, we will also evolve the initiatives by continuing to broaden the scope of engagement in our supply chains. We maintain an MSCI ESG top rating of AAA for our sustainability-related initiatives. Amid the overarching trend for society as a whole to shift toward greater sustainability, we will continue to work to increase our sustainability by expanding our growth potential and simultaneously mitigating risk, while identifying opportunities and threats, working with our customers and partners with a sense of urgency.



### Leading the way in making society sustainable, engaging customers and partners, and becoming a forerunner in green businesses

As measures to increase the sustainability of operations and reduce cost of equity, sustainability initiatives are also one of my key tasks. Our Sustainability Management Committee spearheads initiatives to address our four categories of

Environmental and Social Materiality\* at the Group-wide level (see p. 58). Each segment itself also pursues green strategies to reinforce environmental and social materiality initiatives as well as the simultaneous pursuit of economic and environmental and social value.

Our green strategies include expanding green businesses and greening in all business domains. Expanding green businesses is important from the point of view of capturing emerging opportunities, but over the longer term we have to

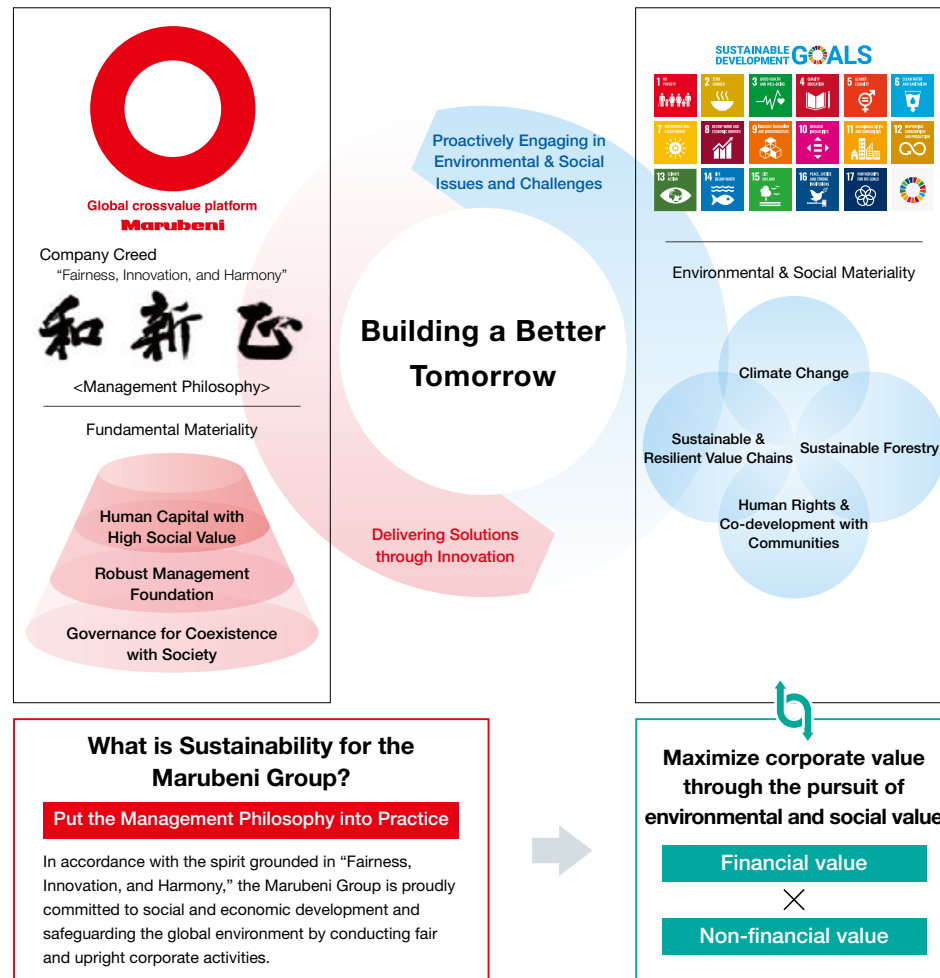
\* Climate Change, Sustainable Forestry, Human Rights & Co-development with Communities, and Sustainable & Resilient Value Chains.



# Sustainability for the Marubeni Group

For the Marubeni Group, sustainability is about putting our Management Philosophy into practice by anticipating environmental and social demands and then proactively providing solutions. We identify three categories of Fundamental Materiality relating to the creation of environmental and social value. Building on Fundamental Materiality, we also identify four categories of Environmental and Social Materiality.

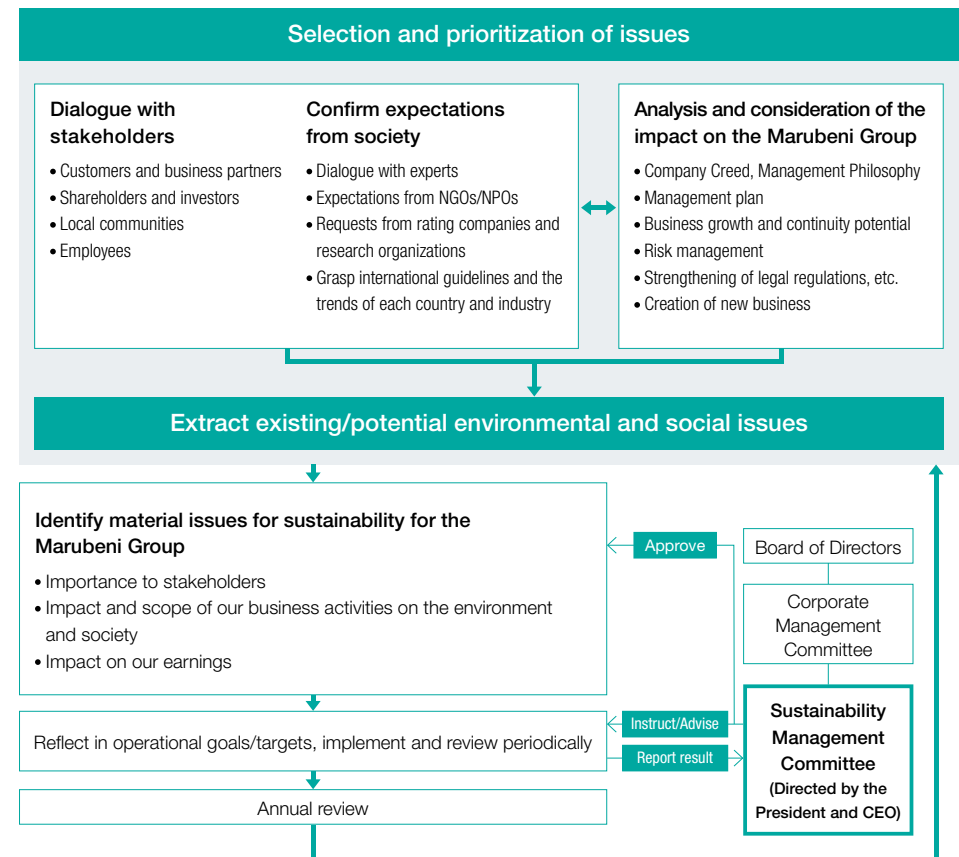
## Marubeni Group's Sustainability Conceptual Diagram



## Identification and Review Process of Materiality










We believe that the material issues for sustainability (materiality) must be constantly reviewed as the society and environment surrounding the company continue to change. Specifically, we perform regular reviews through dialogue with stakeholders and confirmations of the expectations from society, as well as constantly analyzing the impact on the Marubeni Group.








### Identification and Review Process



# The Material Issues for Sustainability (Materiality)

The Marubeni Group is taking multi-layered initiatives for each materiality. By deepening and expanding our efforts in each category of Environmental and Social Materiality, we aim to realize sustainable value creation as the entire Group engages in nature positive business activities. We will contribute to the economic and social development, as well as the conservation of the global environment, in line with our management philosophy.

Environmental & Social Materiality	Marubeni Group Initiatives	Examples of Green Strategy  P.21 Green Strategy
 <b>Climate Change</b>  P.60	<ul style="list-style-type: none"> <li>• Halve net generation capacity in coal-fired power generation business (by 2025)</li> <li>• Expand ratio of power generated by renewable energy sources to approximately 20% (by 2023)</li> <li>• Net-zero GHG emissions by 2050 — Action Plans towards 2030</li> </ul>	<ul style="list-style-type: none"> <li>• Initiatives in renewable energy business</li> <li>• Initiatives in new energy business</li> <li>• Initiatives in battery-related business</li> <li>• Offer various low-carbon products</li> </ul>
 <b>Sustainable Forestry</b>  P.62	<ul style="list-style-type: none"> <li>• Operation of afforestation projects in Indonesia and Australia (totaling about 130,000 hectares)</li> <li>• Aim to increase carbon dioxide sequestration of afforestation projects and create negative emissions</li> </ul>	<ul style="list-style-type: none"> <li>• Maximize value of forest resources — Maximize economic value through material utilization — Pursuit of environmental value with an eye on the trading of emissions credits</li> <li>• Domestic packaging goods manufacturing and sales business</li> </ul>
 <b>Human Rights &amp; Co-development with Communities</b>  P.63	<ul style="list-style-type: none"> <li>• Formulate and disclose our human rights policy, disseminate it to and ask for the cooperation from relevant business partners</li> <li>• Establish and implement a human rights due diligence process</li> <li>• Establish and operate a grievance mechanism (redress) (develop internal process and establish a dedicated contact point)</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct human rights investigations in collaboration with independent external investigative bodies aimed at eliminating forced and child labor</li> <li>• Establish a process to assess human rights issues targeting new suppliers in high-risk sectors</li> </ul>
 <b>Sustainable &amp; Resilient Value Chains</b>  P.64	<ul style="list-style-type: none"> <li>• Reinforce sustainability of Group companies, the “starting point” of the supply chain</li> <li>• Conduct surveys on Tier 1 suppliers in stages</li> <li>• Formulate procurement policies for individual commodities</li> </ul>	<ul style="list-style-type: none"> <li>• Thorough quality control framework and support for suppliers in trade activities <a href="#">(Example: Sustainability coffee initiatives)</a></li> <li>• Expand handling of certified products</li> <li>• Establish and strengthen traceability</li> </ul>

Fundamental Materiality		
 <b>Human Capital with High Social Value</b>	The source of value creation for the Marubeni Group lies in its human capital and every employee’s foresight, ability to anticipate and self-transform to proactively provide advanced solutions for environmental and social issues.	 P.41 HR Strategy
 <b>Robust Management Foundation</b>	In addition to the credibility and business foundation we have built through our business activities, and the financial foundation that supports our operations, our corporate climate and culture, which cultivates our value-creating abilities, also serve as a foundation for innovation at Marubeni.	 P.53 Financial Strategy (Message from the CFO) P.41 HR Strategy
 <b>Governance for Coexistence with Society</b>	By deepening engagement with diverse stakeholders, enhancing the effectiveness of the supervisory functions of the Board of Directors and improving the transparency of management, we aim to build a governance system that coexists with society while striving to realize sustainability.	 P.68 Corporate Governance  P.59 Sustainability Management

# Sustainability Management

## Governance

Our governance structure ensures adequate Board supervision of important sustainability-related issues (policy, targets, action plans, etc.) for the Marubeni Group, which are deliberated and decided by the Corporate Management Committee and the Board of Directors. In the fiscal year ending March 31, 2024, we have revised the compensation system for directors. In the individuals' qualitative evaluation, we consider contributions to the plans and efforts related to sustainability measures including the Green Strategy, etc. We are advancing efforts to enhance linkage with director compensation to medium- to long-term corporate value.

The Sustainability Management Committee, which reports directly to the President, holds discussions about a broad range of matters related to sustainability. With regard to climate change, for example, it leads the process of evaluating opportunities and risks as identified in our TCFD\*1 climate-related disclosure; formulating, revising and monitoring strategy, risk management, metrics and targets; and reviewing progress in climate-related innovation and changes in the external environment. The committee deliberates and reports regularly (at least once a year) on these matters to the Board of Directors. In the fiscal year ended March 31, 2023, the Sustainability Management Committee was held three times and discussed the Mid-Term Management Strategy (GC2024 and the Green Strategy) and TCFD disclosures.

The Chief Sustainable Development Officer (Member of the Board) chairs the Sustainability Management Committee. Outside Officers are also members of the committee in an advisory role to support the management and supervision of sustainability-related matters from an independent external perspective.

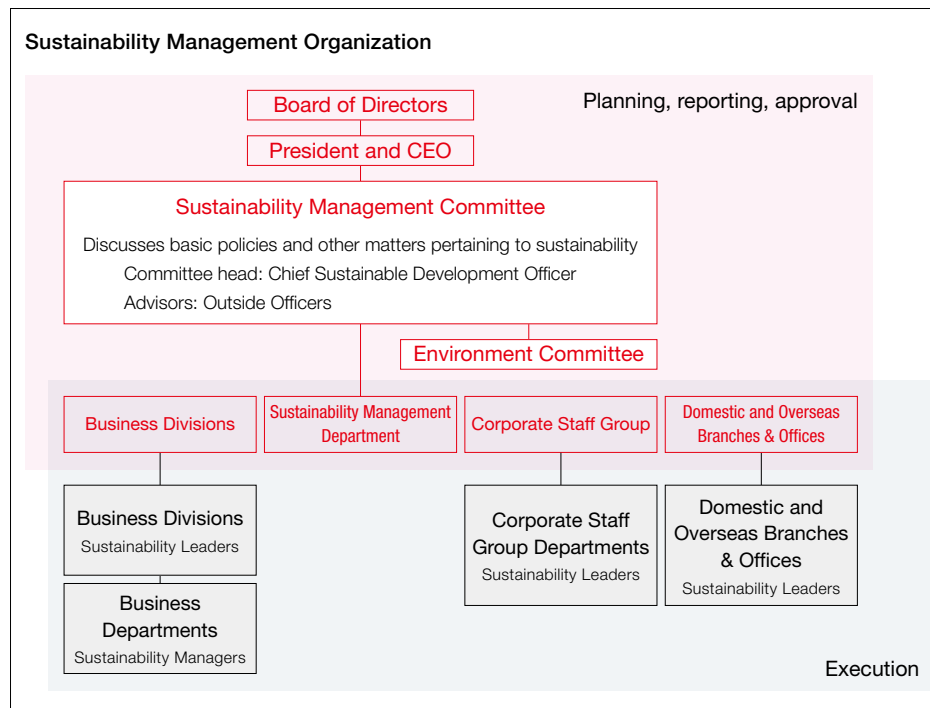
\*1. The Task Force on Climate-related Financial Disclosures

## Risk Management

The Marubeni Group manages and monitors climate change-related and other opportunities and risks that are highly important from the perspective of sustainability by the Sustainability Management Committee.

The Marubeni Group is assessing potential risks in business from a sustainability perspective. We have developed an assessment framework to support the multifaceted analysis of 27 items across the three risk categories of environmental, health and safety, and social. In addition, we assess the importance and impact of potential risks in each assessment category. We use this risk assessment approach in sustainability survey methods for the Group and our suppliers. It is also part of the process used to make any investment and financing decisions. Besides monitoring existing businesses, we use this approach to gauge the value of Group businesses on an ongoing basis from a sustainability perspective. Whenever necessary, our business domains identified as high-risk are deliberated by the Investment and Credit Committee, the Corporate Management Committee, and the Board of Directors. For these risk management systems\*2, we review basic internal control policy every year and report the status of operation in the previous fiscal year to the Board of Directors, evaluating their effectiveness.

\*2. P.65 Risk Management



### Risk assessment items by category (27 items across 3 categories)

<b>Environmental</b>	Climate change / environmental pollution / bio-diversity / resource management / mitigation measures and administrative procedures (environmental)
<b>Health and Safety</b>	Machine safety / fires and explosions / toxic substance exposure / infection / hazardous operations / mitigation measures and administrative procedures (health and safety)
<b>Social</b>	Forced labor and human trafficking / child labor / working hours / wages and employment contracts / discrimination / harassment at work and disciplinary measures / respect for diversity / freedom of association and the right to collective bargaining / land issues / negative social impact on local communities / indigenous peoples and cultural heritage / conflict minerals / privacy / animal welfare / responsible marketing / mitigation measures and administrative procedures (social)



# Climate Change (Disclosure in Line with the Recommendations of the TCFD)

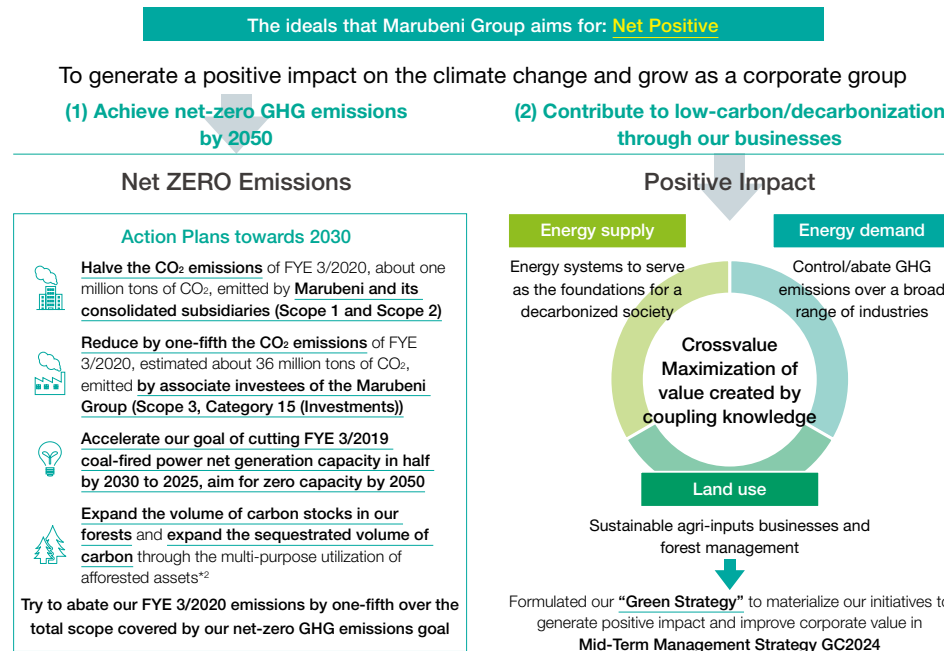
The Marubeni Group recognizes climate change as a global and highly urgent social issue, and identifies it as one of its Environmental and Social Materiality issues. In February 2019, the Marubeni Group affirmed the TCFD recommendations, striving to anticipate shifts in society linked to climate change and to create growth opportunities while mitigating related risks. We will consider alternatives, including exiting a sector, in cases where Marubeni Group businesses are expected to face obsolescence or downward earnings pressure due to climate change. We see appropriately scaled and timed revisions to our business portfolio as supporting the growth in corporate value over time.

## Strategy

### The Marubeni Long-Term Vision on Climate Change

The Marubeni Group disclosed the Long-Term Vision on Climate Change in March 2021. Our long-term vision envisages two pillars: first, to achieve net-zero GHG emissions by the Marubeni Group; second, contribute to the transition to a low-carbon or decarbonized society through business activities. By proceeding with both at the same time, we aim to generate a positive impact on climate change and grow as a corporate group. In our GC2024 Mid-Term Management Strategy announced in February 2022, we formulated our Green Strategy\*1 to further materialize our positive impact.

\*1. P.21 Green Strategy



\*2. Estimated volume of carbon stocks will be about 19 million tons of CO<sub>2</sub> equivalents by 2030.

### Scenario Analysis

We identify businesses with a relatively high degree of impact on the Marubeni Group in terms of asset and earnings scale, and the likelihood of being affected by climate change. In line with TCFD disclosure recommendations, considering related business conditions under baseline and transition scenarios, we perform scenario analysis of risks, opportunities and earnings impact through 2030 using a time horizon to 2030.

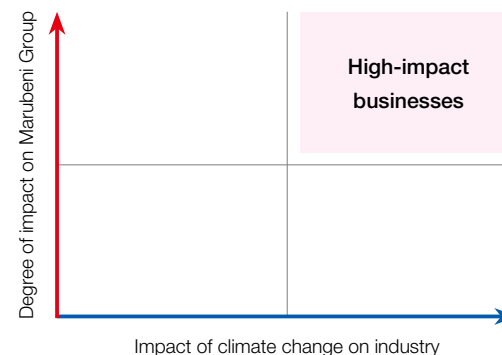
The highly diversified nature of the Group's business portfolio provides a high degree of resilience to climate change. While the potential impacts on the Group's finances due to the risks within specific industries or businesses are expected to be limited, we will continue to improve risk management on an ongoing basis and further increase our resilience to climate change.

#### Business selection for scenario analysis:

Businesses in the upper-right quadrant of the matrix shown below are selected for the scenario analysis.

**Horizontal axis**: Business domains with high financial impact due to climate change

**Vertical axis**: Degree of impact on Marubeni Group (scale of assets/earnings, etc.)



- Businesses selected for scenario analysis using process outlined on left**
- Power generation
  - Energy resource investment (oil/gas/LNG)
  - Alternative energy
  - Coking coal mine investment
  - Iron ore mine and copper mine investment
  - Aircraft leasing (Aircastle)
  - Ship
  - Agri-inputs (North America)
  - Forestry
- P.106 Scenario Analysis of Climate Change Risks and Opportunities in Line with the TCFD Recommendations

## Metrics and Targets

### Climate Change-Related Metrics and Targets

The Marubeni Group has formulated the following metrics and targets as part of our response to the opportunities and risks associated with climate change.

Metrics and targets	Results
1. Cut Group's coal-fired power net generation capacity from FYE 3/2019 value of approx. 3GW in half by 2025, with further abatement to approx. 1.3GW by 2030, and aim for zero capacity by 2050	Approx. 2.4GW (as of March 31, 2023)
2. Expand the ratio of power generated by renewable energy sources in Group's own net power supply to approx. 20% by 2023	Approx. 21% (including seabed leasing rights for the development of the ScotWind project) Approx. 16% (excluding the project) (as of March 31, 2023)
3. Expand "Green Revenue" to around ¥1,300 billion by FYE 3/2024	Approx. ¥1,080 billion (FYE 3/2023)
4. Achieve net-zero GHG emissions*1 by 2050 By 2030: (1) Reduction of 50% in Scope 1 & 2 CO <sub>2</sub> emissions from FYE 3/2020 level (about 1 million t-CO <sub>2</sub> ) (2) Reduction of 20% in Scope 3 CO <sub>2</sub> emissions (Category 15: Investment) from FYE 3/2020 level (estimated CO <sub>2</sub> emissions about 36 million t-CO <sub>2</sub> *2)	(1) Scope 1 & 2 CO <sub>2</sub> emissions: approx. 1.07 million t-CO <sub>2</sub> (FYE 3/2023) (2) Scope 3 CO <sub>2</sub> emissions (Category 15: Investment): approx. 22 million t-CO <sub>2</sub>  Breakdown Power generation*3 approx. 19 million t-CO <sub>2</sub> Resource projects approx. 2 million t-CO <sub>2</sub> Other businesses approx. 1 million t-CO <sub>2</sub> (FYE 3/2023)

\*1. Includes Scope 1, Scope 2, and Scope 3 (Category 15: Investment) emissions

\*2. This emissions volume comprises the FYE 3/2020 performance of existing investees plus the estimated emissions from projects already contracted as of March 2021 (as for power generation projects, projects for which associate investees of the Marubeni Group have entered into power purchase agreements but have not yet achieved the commercial operations)

\*3. Results exclude estimated emissions from projects that have entered into power purchase agreements but have not yet achieved the commercial operations. Actual emissions after the commencement of commercial operations are reflected in results.

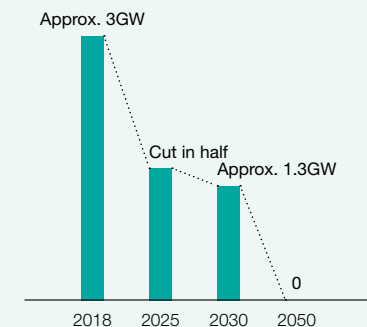
### Initiatives for Coal-fired Power Generation Business

In September 2018, Marubeni announced business policies in relation to the coal-fired power generation business, and announced it would not engage in any new coal-fired power generation projects.

We will continue to consider our management policies regarding coal-fired power generation projects that have already been contracted to fulfill our responsibilities to host countries and other stakeholders. At the same time, we will accelerate our decarbonization process by contributing to energy policies of host countries aimed at achieving decarbonization.

We expect to achieve our reduction targets for net power generation capacity in accordance with the completion of power purchase agreements.

Group's coal-fired power net generation capacity



### Other

#### 1 Internal Carbon Pricing (ICP)

On considering the potential impact from a carbon tax on its businesses and carbon prices in the trading of emissions credits, the Marubeni Group is quantifying and visualizing the impact of GHG in the future based on estimates of GHG emissions and the price of emissions credits (EU ETS\*4, etc.) when investment and financing projects are submitted for approval (average annual price of carbon was about €80/t-CO<sub>2</sub> using estimates for the fiscal year ended March 31, 2023).

#### 2 Green Bonds

In September 2021, Marubeni issued a total of US\$500 million in senior unsecured bonds denominated in U.S. dollars due 2026. These bonds are green bonds, where the funds raised have been allocated to businesses to help solve environmental problems. The bonds were issued\*5 to raise funds for advancing efforts toward low-carbon and decarbonization through our business activities.

#### 3 Directors' Compensation from the Fiscal Year Ending March 31, 2024

In the fiscal year ending March 31, 2024, we have revised the compensation system for directors. In the individuals' qualitative evaluation, we consider contributions to the plan and efforts related to sustainability measures including the Green Strategy, etc. We are advancing efforts to enhance linkage with director compensation to medium- to long-term corporate value.

\*4. EU Emissions Trading System.

\*5. Green Bond  
<https://marubeni.disclosure.site/en/themes/35/>

## Sustainable Forestry

The Marubeni Group currently owns around 130,000 hectares of tree plantations across the world (total gross project area: around 300,000 ha). Using sustainable forestry management methods, we recognize contribution to conservation of forestry resources as one of our Environmental and Social Materiality issues.

We strive to create value by addressing social issues, based on the supply of sustainable forestry resources that meet the needs of consumers and business partners. We also aim to contribute to the establishment of a circular economy by fostering innovation in the utilization of forest resources.

Forest Management Policy	We formulated the Forest Management Policy to drive our commitments to sustainable forest management and the protection of forests with high conservation value in our business activities.
Procurement Policy (Forest-derived Products)	We formulated the Product Procurement Policy to promote the procurement of timber and related products produced from appropriately managed forests, thereby realizing the sustainable use of forest resources.

Sustainable Forestry  
<https://marubeni.disclosure.site/en/themes/16/>

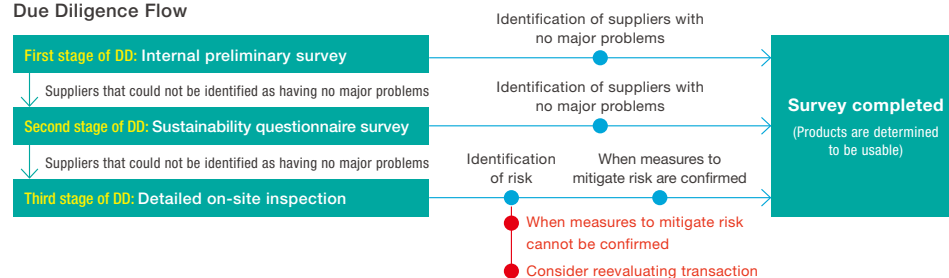
### Forest Management and Forestry Certification at Marubeni Group

Group company	Location	Nature of business	Forestry certification
PT. Musi Hutan Persada (MHP)	Indonesia	Forest plantation business	Indonesian Forestry Certification Cooperation*1 • Sustainable Forest Management certification FSC® certification*3
WA Plantation Resources Pty., Ltd. (WAPRES)	Australia	Forest plantation/ wood chips production business	• FM (Forest Management) certification • CoC (Chain of Custody, processing/distribution processes) certification Responsible Wood*4 • Sustainable Forest Management certification

### Initiatives toward Forest-derived Products (Supplier Due Diligence)

In the supplier survey conducted in the fiscal year ended March 31, 2023, we selected eight companies in the Group’s supply chain for timber and related products based on certain quantitative and qualitative criteria and conducted written surveys at those companies. No issues were identified within the scope of the survey. Procedures were reviewed at the end of the survey process as part of a continuous PDCA improvement cycle to enhance the effectiveness of the survey.

#### Due Diligence Flow



### Initiatives to Expand the Volume of Carbon Stocks and Create Negative Emissions in Forestry Business

#### 1 Initiatives to expand the volume of carbon stocks in existing forestry resources

##### Conclusion of a strategic partnership agreement for an afforestation project in Indonesia, Nippon Paper Industries Co., Ltd. and PT. MHP, a Group company that operates plantation business

Under the terms of the agreement, Marubeni is improving forest stock per unit area at MHP’s forests through provision of support and guidance on Nippon Paper Industries’ proprietary forestry technologies, including genetic analysis technology and breeding/propagation technology.

#### 2 Consider projects for forest-derived negative emissions

##### Indonesia/PT. TEL decarbonization projects

We are working on the joint development of a wide range of decarbonization projects, including a biomass-derived carbon capture and storage business generated by PT. Tanjungenim Lestari Pulp and Paper (PT. TEL), a Group company that operates pulp manufacturing business in Indonesia, the so-called Bio-Energy with Carbon Capture and Storage, or ‘BECCS,’ project, the creation of carbon credits, and biomass resource utilization.

##### Consider forest management and afforestation projects aiming for carbon dioxide sequestration

We have begun to consider an industrial and environmentally conscious afforestation projects through reforestation with an eye to expanding the market as a result of the development and spread of the forest-based carbon credit system, and we plan to explore the use of forest funds in the future. We are advancing efforts with the intention of establishing a carbon credit program entailing the sequestration of carbon dioxide in forests located in the Philippines and Angola.

\*1. Indonesian Forestry Certification Cooperation is a forest certification system in Indonesia endorsed and mutually recognized under the PEFC\*2.

\*2. The Programme for the Endorsement of Forest Certification (PEFC) is an international system for forest certification that is based on a framework for mutual recognition of national forestry certification schemes. (PEFC/31-32-80)

\*3. The Forest Stewardship Council® (FSC®) is a non-profit organization that operates an international forest certification scheme with the aim of promoting the worldwide adoption of responsible forest management practices. (FSC® C016260)

\*4. Responsible Wood is an Australian forest certification scheme endorsed and mutually recognized under the PEFC\*2.



# Human Rights & Co-Development with Communities

The Marubeni Group respects the human rights of stakeholders who are related to the Marubeni Group’s business and closely monitors relevant circumstances. The Marubeni Group identifies “Human Rights & Co-Development with Communities” as one of its Environmental and Social Materiality issues. At the same time, respect for human rights in business is the premise upon which we are advancing our Green Strategy in GC2024.

Marubeni Group Basic Policy on Human Rights	Marubeni Group Basic Policy on Human Rights incorporates three basic principles from the UN Guiding Principles on Business and Human Rights, namely: 1) respect for human rights, 2) due diligence on human rights, and 3) redress.
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Respect for Human Rights  
<https://marubeni.disclosure.site/en/themes/21/>

## Establishment of Human Rights Policy and Enhancing Understanding of This Policy

Recognizing the utmost importance of respecting the human rights of all individuals affected by our business activities and to make every effort to fulfill this responsibility, we have established the Marubeni Group Basic Policy on Human Rights based on the UN Guiding Principles on Business and Human Rights. To ensure the dissemination of this policy, we are raising awareness, constantly engaging in dialogues and visiting with approximately 23,000 suppliers, striving to foster a shared understanding of respect for human rights and cultivate a foundation for cooperative action. Through continuous training, we are also raising awareness within the Company about respect for human rights.

## Establish and Conduct Human Rights Due Diligence

Marubeni has established a framework for human rights due diligence that reflects dialogues with external experts and diverse stakeholders, based on the UN Guiding Principles on Business and Human Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work (including the five categories of fundamental principles and rights at work), and the OECD Guidelines for Multinational Enterprises and Due Diligence Guidance for Responsible Business Conduct, ISO 26000, SA8000, etc.

### 1 Business (New)

We have established internal procedures for new investment and financing projects to assess the risk of human rights violations and confirm whether any human rights issues exist.

### 2 Business (Existing)

Through written survey of all consolidated subsidiaries and on-site inspections, we have assessed the risk of human rights violations and confirm whether any human rights violations (incidents) had actually occurred. Subsequently, we continue to investigate any changes in business conditions and circumstances that could affect our risk assessments. Based on those investigations, we confirm whether additional controls have been implemented accordingly and provide support and advice for improvement.

### 3 Supply Chain (New)

For prospective suppliers with whom we plan to start doing business (limited to certain high-risk sectors, products, and geographies), we confirm the absence of human rights issues, while using external expertized databases.

### 4 Supply Chain (Existing)

We have identified the elimination of forced labor (including slave labor) and child labor in the supply chain as priority human rights issues that require immediate actions. We conduct investigations using the following methods (these investigations are carried out in collaboration with independent external (third-party) investigative bodies that have specialized expertise).

**(i) Identification of our Salient Human Rights Issues through the Identification of Significant Risks in the Supply Chain**  
 Identification of the elimination of forced labor (including slave labor) and child labor as salient human rights issues that our company should address as a priority

**(ii) Review of Sector, Product, and Geographic as well as Enterprise-Level Risks (Prioritization of Sectors, Products, Geographies, and Stages in Trade-Flow as Subjects for Investigation)**  
 We determine the priority areas for investigation during each fiscal year based on various international indicators, statistics, etc. (such as those listed below), as well as relevance to our company and the potential for effective corrective action

- (a) Risk sectors designated in the draft EU Corporate Sustainability Due Diligence (CSDD) Directive
- (b) EBRD’s categorization of risk by sector
- (c) Sectors investigated by international human rights NGOs (such as CHRB and KnowTheChain)
- (d) US Department of Labor’s “List of Goods Produced by Child Labor or Forced Labor”
- (e) List of prohibited and restricted items published by US Customs and Border Protection
- (f) Modern slavery statistics (Global Slavery Index)
- (g) UNICEF child labor statistics

**(iii) Desktop Research**  
 Conduct investigations based on publicly available information, in collaboration with external investigative bodies that have specialized expertise

**(v) Remediation Measures and Requests for Improvement (if necessary) based on Results of Investigations, as well as Evaluation of Effectiveness and Selection of Subsequent Subjects for Investigation**

**(iv) On-Site Investigations (Additional Investigations)**  
 Conduct additional investigations (on-site visits or site inspections) for specific suppliers where risk indicators are identified through desktop research

## Grievance Mechanism (Redress)

In line with the Marubeni Group Basic Policy on Human Rights, we have instituted an internal process and a dedicated contact point that serves as a grievance mechanism (redress) related to human rights, and continue to maintain its operation.

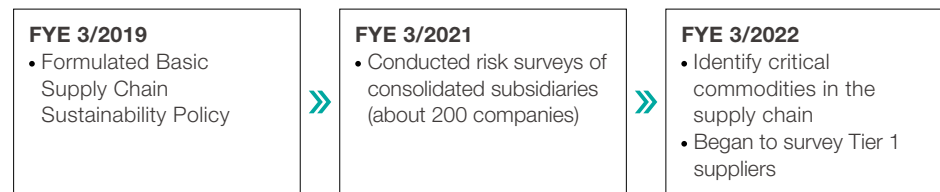
## Sustainable & Resilient Value Chains

The Marubeni Group has identified “Sustainable & Resilient Value Chains” as one of its Environmental and Social Materiality issues. Amid increasing needs in international society for sustainable supply chains, we are engaged in initiatives throughout the supply chain to conserve the global environment while promoting sustainable development of society. We see such efforts contribute directly to enhancing competitiveness and differentiation of the Marubeni Group in our Green Strategy under GC2024. By collaborating with our business partners, we aim to increase business opportunities while building trust from our stakeholders.

**Basic Supply Chain Sustainability Policy** We have formulated the Basic Supply Chain Sustainability Policy to promote supply chain management in a highly effective way in cooperation with business partners.

Supply Chain  
<https://marubeni.disclosure.site/en/themes/22/>

### Expanded and Deeper Focus on Supply Chain Management



### Procurement Policies for Individual Commodities and Critical Commodities in Supply Chain

#### Critical commodities in the supply chain

Work with external experts to identify critical commodities in the Marubeni Group’s supply chain, including food, apparel, metals, ‘conflict minerals’, and forest products, that have relatively high sustainability-related risks.

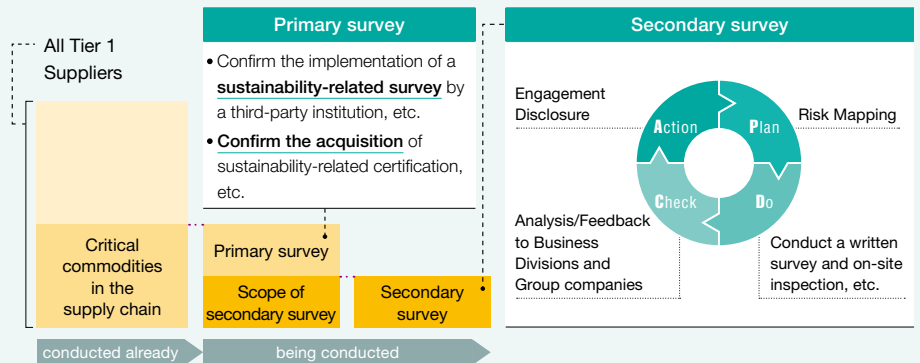
As part of our handling of critical commodities in the supply chain, we have established policies for individual commodities. In the fiscal year ended March 31, 2023, we established new procurement policies for coffee beans, in addition to procurement policies for forest-derived products, palm oil and beef. We will continue to advance our procurement policies for individual commodities.

#### Basic Policy for Procurement of Coffee Beans

The Marubeni Group’s basic policy is to procure coffee beans from suppliers who comply with the following Seven Principles\*, and to obtain written confirmation before conducting transactions. In addition, confirmation regarding the status of compliance with these principles is conducted on a regular basis.

\* Seven Principles: (1) Compliance with laws and regulations, (2) Respect for human rights, (3) Environmental protection, (4) Quality control, (5) Safety and security, (6) Fairtrade, (7) Social contribution

### Supplier Survey



#### Notification to Tier 1 Suppliers

From the fiscal year ended March 31, 2021 to the fiscal year ended March 31, 2023, we notified all 23,000 Tier 1 suppliers, including our consolidated subsidiaries, of the “Basic Supply Chain Sustainability Policy” and the “Marubeni Group Basic Policy on Human Rights.”

#### Primary survey

We conduct a primary survey of suppliers of critical commodities in the supply chain, including confirmation of the implementation of a sustainability-related survey by a third-party institution, etc., and confirmation of the acquisition of sustainability-related certification, etc.

#### Secondary survey

We conduct a secondary survey for those surveyed companies that could not be confirmed. For the secondary survey, we manage risks in a PDCA cycle based on the results of risk mapping. In the fiscal year ended March 31, 2023, we conducted on-site surveys of three suppliers (one in Côte d’Ivoire, two in Vietnam). Based on the outcome of these surveys, we did not find any major non-compliance with our basic policies.

# Risk Management

Marubeni’s competitiveness ties in directly with our ability to clearly identify a succession of opportunities and risks as they emerge and respond appropriately to change. The Company has had a basic policy and internal rules in place for managing risks from each perspective, and keeps up to date its organizations, management structures and management methods to enable effective risk management.

These days, we must operate our business with more attention than ever to geopolitical risk, global inflation, and the economic recession it has caused. We approach risk management with a sense of urgency, increasing our sensitivity and sharing up-to-date information within the Group.

## Main Risk Factors

1. Changes in the Global Economy and Industrial Structure	4. Ability to Procure Funds and Funding Cost	7. Laws and Regulations	10. Risks from Natural and Other Disasters
2. Credit Risks Regarding Business Partners	5. Market Risks	8. Significant Lawsuits	11. Country Risks
3. Investment Risk	6. Risks Associated with Long-lived Assets	9. Environmental and Social Risks	12. Risks Related to Information Systems and Information Security

Consolidated Financial Statements with Independent Auditors' Report: Business Risks  
[https://www.marubeni.com/en/ir/reports/security\\_reports/](https://www.marubeni.com/en/ir/reports/security_reports/)

## Integrated Risk Management to Calculate and Manage Risks for the Group as a Whole

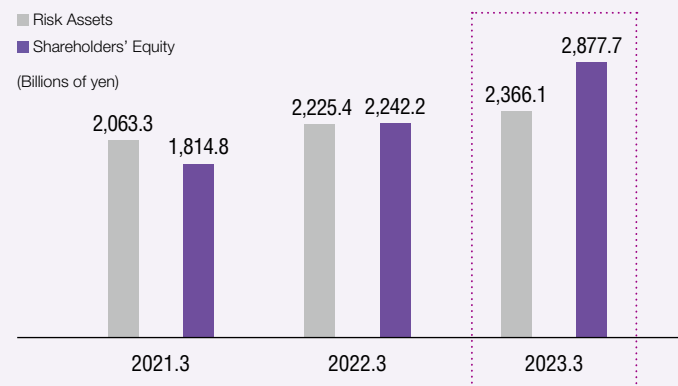
To obtain a bird’s-eye view of business risks across diverse operations in a disciplined manner, we practice integrated risk management that encompasses the entire Marubeni Group, in addition to responding to individual risks.

In conducting integrated risk management, the Marubeni Group calculates the maximum downside risk (risk assets) applying multipliers based on the risk profile of each asset type, to understand the exposure to risks on a consolidated basis. The Group’s basic risk management policy is to keep risk assets within equity, which represents its risk-bearing capacity.

In the fiscal year ended March 31, 2022, we changed our approach to estimated maximum loss\*, introducing a strict measure excluding the risk diversification effect within the portfolio that we had previously included in the calculation. The re-calculated risk assets for the fiscal year ended March 31, 2021 were higher than equity. However, with the subsequent increase in equity from profits and the reduction in risk assets following the disposal of Gavilon’s grain business, we have maintained risk assets within equity from the fiscal year ended March 31, 2022.

In addition, by monitoring RORA (return on risk assets), we work to strengthen earnings capacity against the potential risks tied to our assets, maintain and increase ROE, and reduce the cost of equity.

## Risk Assets



\* Our portfolio has correlations and diversification effects among the assets it holds. Previously, the impact of risks was calculated using the Value at Risk method, but after the change starting with the fiscal year ended March 31, 2022, Marubeni now calculates risk assets as the sum of the maximum downside risk of individual assets to prepare for the risk of major changes in asset values in the same direction due to volatility in external business conditions.



## Risk Management

### Response to Individual Risks

#### ■ Country Risks

Constraints on our business activities can arise due to political, economic, social, military, or other conditions in particular countries or regions, and in some cases, there is the risk of damage to the value of our assets. We conduct country risk management as shown on the right to prevent this kind of risk from becoming excessive.

As of the end of March 2023, about half of our long-term exposure was to Japan and the U.S., which have low country risk. Given the Russia-Ukraine situation, we have lowered the asset valuations in Russia, which has limited our exposure to Russia to a small size. We have a ¥79 billion exposure to Taiwan (mainly in the power generation business); we plan to continue our business while closely monitoring political and international developments.

In order to respond quickly to changes in the global situation, our Economic Research Institutes, which function as think tanks for the Company, constantly gather and analyze information, and share the results of their analysis on a daily basis within the Group via internal platforms and other means.

#### Country Risk Management Policy

- (1) Evaluate each country on political, economic, and external payment capacity, etc., measures, place them in country categories according to risk, and implement overall framework management for each category. Establish upper limit guidelines for each country according to its country classification (with country classifications reviewed annually in principle)
- (2) Establish investment criteria that consider appropriate returns regarding the respective country's business risks
- (3) Appropriate risk hedges, such as the use of trade insurance and investment insurance

#### Exposure by Region

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Country/region	End of March 2023	Percentage
Japan	¥1,159.2 billion	28%
U.S.	¥911.5 billion	22%
Chile	¥373.4 billion	9%
Australia	¥352.5 billion	8%
Brazil	¥187.6 billion	4%
Indonesia	¥156.4 billion	4%
Taiwan	¥79.0 billion	2%
China	¥36.1 billion	1%
Russia	¥0.6 billion	0%
<b>Total</b>	<b>¥4,181.9 billion</b>	<b>100%</b>

#### ■ Commodity Price Risk

Fluctuations in commodity prices have a major impact on the Company's earnings in resource fields. When our businesses have positions in commodities, including in non-resource fields, price fluctuations affect the profitability of transactions.

At Marubeni, we utilize commodities futures and/or forward transactions to mitigate the risk of price fluctuations. We also conduct commodity position management centered on setting of limits on positions in each commodity and timely monitoring. Net profit for resource projects for the fiscal year ended March 31, 2023 is as shown on the right.

To reduce earnings volatility and achieve stable profit growth, we give priority to growth investments in existing business areas where we are competitive, especially non-resource fields.

Products	Net profit	Main operations
Copper	¥18.5 billion	Equity-method investment (Chile)
Iron ore	¥28.5 billion	Equity-method investment (Australia)
Coking coal	¥98.8 billion	Equity-method investment/Property, plant and equipment (Australia)
Crude oil and gas	¥8.3 billion	Property, plant and equipment (incl. US Gulf of Mexico)
LNG	¥8.1 billion	Equity-method investment (incl. Papua New Guinea)
<b>Total</b>	<b>¥162.2 billion</b>	

\* Net profit in relevant businesses and operating companies in relevant businesses for the fiscal year ended March 31, 2023  
 (Reference) Sensitivity to annual net profit for the fiscal year ending March 31, 2024  
 : Crude oil price about ¥300 million [\$/barrel]  
 : Copper price about ¥1.3 billion [\$/100ton]

#### ■ Supply Chain Risk

With sustainability issues surrounding supply chains becoming more diverse, engaging in supply chain management aimed at constructing sustainable and resilient value chains leads to differentiation and enhanced competitiveness for the Group.

The Company conducted a survey of its consolidated subsidiaries in the fiscal year ended March 31, 2021, and has been surveying Tier 1 suppliers since the fiscal year ended March 2022. The Company continues to work with business partners when we find that there are issues.

P. 64 Sustainable & Resilient Value Chains

We have established individual procurement policies for products that have relatively high sustainability-related risks (products derived from forests, palm oil, beef, coffee beans).

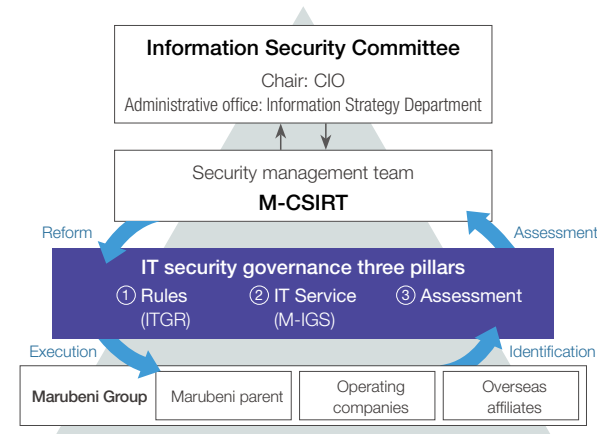
## Risk Management

### IT Security

**System** Marubeni aims to reduce Groupwide security risks through an IT security governance framework. Marubeni has established the Information Security Committee, chaired by the CIO, to formulate response policies and identify security issues. The Company has also created systems for responding to security incidents with security management teams (M-CSIRT) that comprehensively take care of incidents.

**Specific Measures** Marubeni takes a three-pronged approach to IT security. ① IT governance rules for information security are shared among and strictly followed by Group companies. ② In principle, all Group companies are provided with secure, shared IT services based on these rules. ③ Assessments of compliance with IT governance rules are periodically conducted.

### IT Security Governance Framework



### Compliance

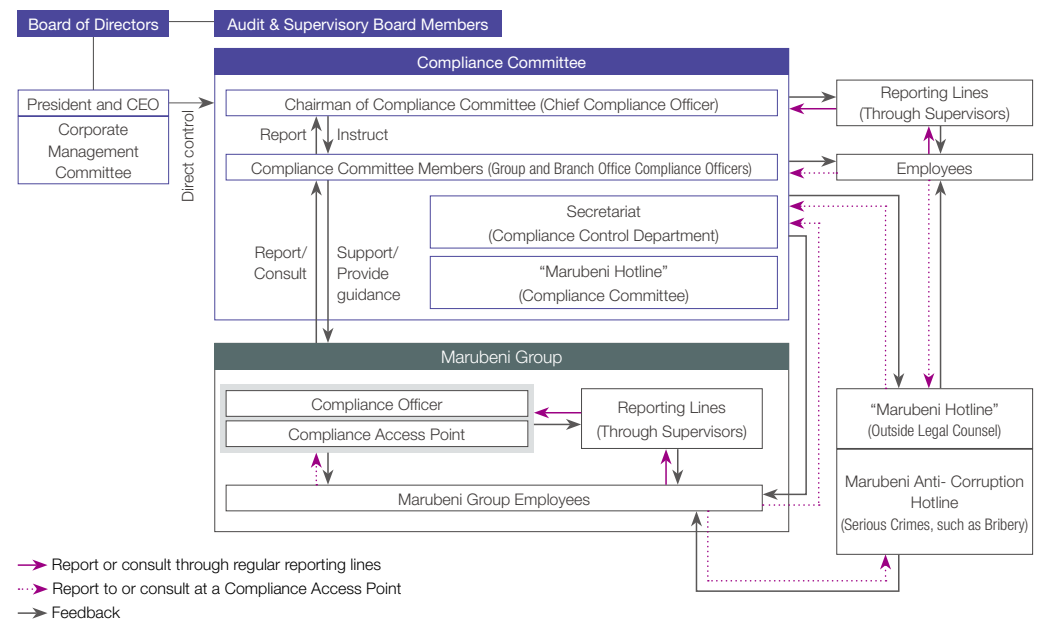
**System** Business activities cannot be carried out without trust, and the Marubeni Group considers compliance to be a major premise of business. Under the guidance of the Compliance Committee (chaired by the Chief Compliance Officer), which is directly overseen by the President and CEO, we continually strive to strengthen the system and seek to improve by reviewing and sharing any cases where there were violations.

The Compliance Committee formulates a compliance manual, shares the importance of compliance, reviews its appropriateness and effectiveness according to legal and social developments, and revises its contents annually.

### Marubeni Group Anti-Corruption Policy

The Company was sanctioned by the U.S. Department of Justice in 2012 and 2014 for alleged violations of the U.S. Foreign Corrupt Practices Act. With the aim of helping officers and employees of the Marubeni Group all over the world to soundly deliver on their anti-bribery commitment, we have established the "Anti-Corruption Handbook" which should be commonly observed by all officers and employees to prevent recurrence. In addition, to thoroughly manage the bribery risk, we distribute the following policy to our business partners and ask for their cooperation in our anti-corruption due diligence. Moreover, Group companies are subject to periodic audits and theme-based audits by the Audit Department to ensure measures to prevent bribery are being properly implemented across the Marubeni Group.

### Organizational Diagram for the Marubeni Group Compliance System



# Corporate Governance



Corporate Governance Report:  
[https://www.marubeni.com/en/company/governance/data/cg\\_en.pdf](https://www.marubeni.com/en/company/governance/data/cg_en.pdf)



Marubeni's Corporate Governance Code Initiatives  
 (Revised on June 11, 2021):  
[https://www.marubeni.com/en/company/governance/data/cgcod\\_en.pdf](https://www.marubeni.com/en/company/governance/data/cgcod_en.pdf)



## Timeline of Changes in Corporate Governance

Red items: Strengthening supervisory functions  
 Blue items: Enhancement of management transparency and soundness

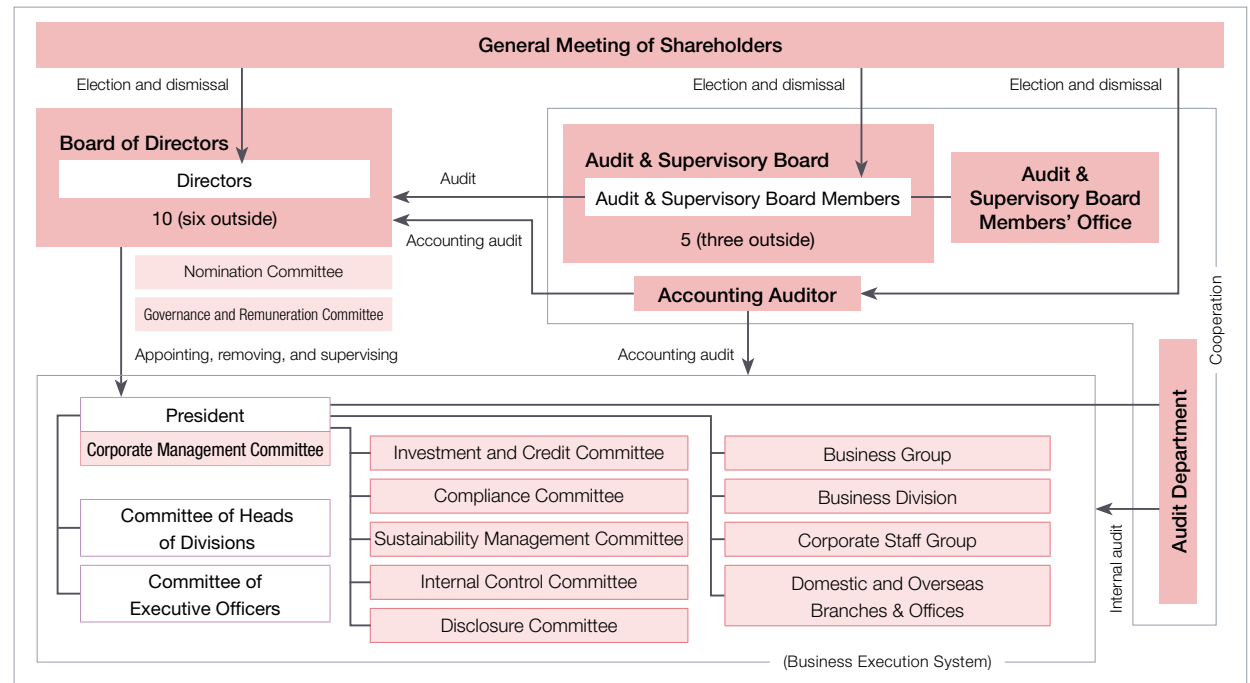


\* As of June 23, 2023

## Corporate Governance Chart

Organizational design	Company with auditor system
Directors	10 (including six outside)
Audit & Supervisory Board members	5 (including three outside)
Term of office for directors	One year
Executive officer system adopted	Yes
Number of meetings of the Board of Directors (FYE 3/2023)	16
Number of meetings of the Audit & Supervisory Board (FYE 3/2023)	17
Advisory bodies to the Board of Directors (voluntary)	Nomination Committee, Governance and Remuneration Committee
Executive compensation system (FYE 3/2024)	① Monthly remuneration
	② Short-term incentive remuneration
	③ Medium- and long-term incentive remuneration
Independent auditor	Ernst & Young ShinNihon LLC

## Corporate Governance System





## Corporate Governance



Reasons for appointing officers:

See the Corporate Governance Report

[https://www.marubeni.com/en/company/governance/data/cg\\_en.pdf](https://www.marubeni.com/en/company/governance/data/cg_en.pdf)



### Members of the Board and Audit & Supervisory Board Members

Position	Name	Responsibilities / Main career and qualifications	No. of years in office (cumulative No. of years in office)	Nomination Committee	Governance and Remuneration Committee	Attendance at meetings of the Board of Directors and Committees in FYE 3/2023 (attendance count/session count)				Specialty and Experience						
						Board of Directors	Nomination Committee	Governance and Remuneration Committee	Audit & Supervisory Board	Corporate management	Finance and accounting	Legal, compliance and risk management	Science & Technology /DX	International experience	Public institutions	
Director	Inside	Fumiya Kokubu	11 years (12 years and 9 months)			(16/16)				○				○		
		Masumi Kakinoki	5 years (5 years and 9 months)	Member	Member	(16/16)	(6/6)	(7/7)		○				○		
		Akira Terakawa	Senior Executive Vice President; Chief Executive Officer, Consumer Products Group	2 years (4 years)		Member	(16/16)		(7/7)		○				○	
		Takayuki Furuya	Senior Managing Executive Officer, CFO	3 years			(16/16)				○	○			○	
	Outside	Kyohei Takahashi	Former CEO, Showa Denko (currently, Resonac)	7 years Outside Audit & Supervisory Board Member 2 years*1		Chair	(16/16)		(7/7)		○				○	
		Yuri Okina	Formerly with Bank of Japan; Chairman, The Japan Research Institute	6 years		Chair	(16/16)	(6/6)				○		○	○	○
		Masato Kitera	Former Deputy Minister, Ministry of Foreign Affairs; Former Ambassador to China; Former Ambassador to France	3 years		Member	(16/16)		(7/7)						○	○
		Shigeki Ishizuka	Former Vice Chairman, Representative Corporate Executive Officer, Sony (Currently, Sony Group)	2 years		Member	(16/16)	(6/6)			○			○	○	
Hisayoshi Ando	Former Vice-Minister of Economy, Trade and Industry	1 year			Member	(13/13)*2							○	○		
Mutsuko Hatano	Former Chief Researcher, Hitachi; Professor, School of Engineering / Senior Aide to the President, Tokyo Institute of Technology	—		Member								○	○	○		
Audit & Supervisory Board Member	Full-time	Takao Ando	—									○		○		
		Toshiaki Kida	Former General Manager, Audit Dept. of the Company	2 years			(16/16)						○		○	
	Outside	Tsuyoshi Yoneda	Former Commissioner General, National Police Agency	6 years		Member	(16/16)		(7/7)	(17/17)			○	○		○
		Yoichi Kikuchi	Former Head of Hiroshima High Court, Attorney-at-law	3 years			(15/16)		(7/7)	(16/17)			○		○	○
		Shigeru Nishiyama	Certified Public Accountant; Professor, Waseda University Graduate School	3 years			(16/16)			(17/17)		○			○	

\*1. Number of years served as Outside Audit & Supervisory Board Member of the Corporation before assuming office as Member of the Board

\*2. The attendance at meetings held following his assumption of office as Director on June 24, 2022.

## Corporate Governance

### The Board

Composition	Directors 10 (including six Outside Directors, two female Directors) 
Number of Meetings (FYE 3/2023)	16
Main Agenda Items (FYE 3/2023)	<ul style="list-style-type: none"> <li>• Policy to enhance the corporate governance system (revision of criteria for submission to the Board of Directors, improvement of organizational capability in business investments, etc.)</li> <li>• Investment and financing projects (reorganization of Group companies in the ICT field, etc.)</li> <li>• Monitoring of individual businesses</li> <li>• Financial results and other finance-related matters (shareholder returns policy, etc.)</li> <li>• Matters related to sustainability</li> <li>• Matters relating to compensation for officers</li> <li>• Reporting on Nomination Committee activities</li> <li>• Evaluation of the effectiveness of the Board of Directors, internal control-related matters, etc.</li> </ul>

#### » Reinforcement of supervisory functions of the Board of Directors

- To enhance the effectiveness of the Board of Directors, the Corporation appoints personnel who have diverse experience, knowledge, expertise, and insight, etc., and are well-versed in business activities as Directors. (Increase in female Directors from one to two persons from the fiscal year ending March 31, 2024)
- Further enhance monitoring functions of the Board of Directors and promote a greater sense of urgency on the executive side by having a majority of Independent Outside Directors from the fiscal year ended March 31, 2023, and further strengthen governance by clarifying the functions of the Board of Directors/Corporate Management Committee.
- To further improve supervisory functions, we have transferred authority to the executive side through the review of matters referred to the Board of Directors to implement measures to focus on material management issues\*.
  - \* Issues such as Marubeni Group Vision, Group Governance, and issues relating to HR.
- In addition, to further enhance deliberation and oversight of important managerial issues by the Board of Directors, we utilize forums other than the Board of Directors to hold free discussion on themes meriting further discussion by the Board, and continue to discuss matters to be brought up with the Board. We implement processes that reflect the intent of the Board—including Outside Directors—in selecting agenda items, and continue to review the operations of the Board.

### Outside Director Message



**I have high hopes for Marubeni, which aspires to cutting-edge initiatives and aims to create new business models while generating results in its existing businesses.**

**Hisayoshi Ando**

Outside Director

#### Evaluation of the effectiveness of the Board of Directors

A year has passed since I joined Marubeni's Board of Directors. My impression over that time is that discussions of the Board are extremely open and free-flowing. The environment is one in which members can express their views from varied perspectives based on their respective positions, as inside or outside directors and as people involved in execution or supervision. This makes for spirited discussion. On the other hand, the Board also holds calm discussions. When discussing the impact on business activities and management, points of discussion are organized into short- and medium-term categories, so that there is a matter-of-fact aspect to discussions of response measures. I think this is conducive to highly effective discussions. Even proposals where opinions are divided are not left unresolved or unambiguous, but are managed in a way that ensures that everyone, including outside directors, has the opportunity to express their intentions clearly.

#### Working to pursue long-term growth of corporate value

Cultivating human capital is absolutely essential in working to pursue long-term growth of corporate value. We are living through a major historical turning point, with the shift toward a carbon-neutral society, technical innovations including generative AI, and heightened geopolitical risks as seen in Russia's invasion of Ukraine. For Marubeni to fulfill the functions of a general trading company in contributing to social and economic development in society going forward, it will be necessary both to incorporate solutions to various issues into Group businesses, as well as to further cultivate human capital with the imagination to create new businesses and the ability to follow through in implementing those businesses.


#### My expectations for Marubeni

While Marubeni continues to steadily generate results in its existing business domains, at the same time I look for the Group to set its sights on cutting-edge initiatives and create new business models. For example, Japan and many other countries and regions face the problem of a low birthrate and societal aging. I believe that this opens up many opportunities to create new businesses that address issues and demand spanning a range of industries involving the elderly, including medical devices and services, apparel, food, housing, and healthcare. I think the creation of new businesses that bring together these diverse sectors is precisely the kind of area where Marubeni can capitalize on the strengths it has built up as a general trading company. From this perspective, I would also like to use my own knowledge and experience to contribute creating value at Marubeni.


## Corporate Governance

### Advisory bodies to the Board of Directors

#### Nomination Committee

<b>Composition</b>	<p><b>Directors four</b> (including three outside) Chair: Yuri Okina, Director (Outside)</p>  <p>Percentage of Outside Directors <b>[ 75% ]</b></p>
<b>Purpose</b>	<p>The Nomination Committee deliberates on candidates proposed for appointment as directors and Audit &amp; Supervisory Board members as well as for the next CEO, and on succession plans formulated and enacted by the CEO (including qualifications, requirements, successor candidate groups, and training and development plans), and reports its findings to the Board.</p>
<b>Number of Meetings</b> (FYE 3/2023)	<p>Six (all members attended all meetings)</p>
<b>Main Agenda Items</b> (FYE 3/2023)	<ul style="list-style-type: none"> <li>• Candidates for directors and Audit &amp; Supervisory Board members</li> <li>• Successor development plan</li> </ul>

#### Governance and Remuneration Committee

<b>Composition</b>	<p><b>Directors five, Audit &amp; Supervisory Board member one</b> (including four outside) Chair: Kyohei Takahashi, Director (Outside)</p>  <p>Percentage of Outside Directors <b>[ 67% ]</b></p>
<b>Purpose</b>	<ul style="list-style-type: none"> <li>• The Governance and Remuneration Committee deliberates on decision-making policies and the suitability of standards regarding compensation for directors and executive officers, and reports its findings to the Board.</li> <li>• Also assesses and reviews the Board of Directors as a whole, including Board composition and operations, deliberating important matters of Corporate Governance accordingly, and reports its findings to the Board.</li> </ul>
<b>Number of Meetings</b> (FYE 3/2023)	<p>Seven (all members attended all meetings)</p>
<b>Main Agenda Items</b> (FYE 3/2023)	<ul style="list-style-type: none"> <li>• Compensation for directors and executive officers</li> <li>• Revisions to compensation systems</li> <li>• Evaluation of the effectiveness of the Board of Directors</li> <li>• Enhancing disclosure of information on directors and Audit &amp; Supervisory Board members</li> </ul>


### Message from the Chairperson of the Governance and Remuneration Committee



**We have revised our compensation system to be more closely linked to medium- to long-term corporate value and to further share value with shareholders.**

**Kyohei Takahashi**

Outside Director  
Chairperson, Governance and Remuneration Committee

 P.74 Remuneration for Directors and Audit & Supervisory Board Members

Marubeni's Governance and Remuneration Committee consists of two inside directors and four outside directors, including myself as Chairperson. Since the majority of members are outside directors, this advisory body maintains a high degree of independence. The committee held deliberations in the fiscal year ended March 31, 2023 regarding remuneration for directors and executive officers, review of compensation plans, evaluation of the effectiveness of the Board of Directors, and disclosure of information on directors and Audit & Supervisory Board members.

Marubeni recently significantly revised the compensation system for directors and executive officers. The purpose of the compensation system is to encourage management to realize Marubeni's vision for the future, the Global crossvalue platform, and create new value in partnership with all of its stakeholders, as well as to further share value with shareholders while linking performance more fully with longer-term corporate value.

The challenge in designing a compensation system is incorporating incentive systems linked to a company's management strategy and longer-term vision that will generate suitable motivation to realize this strategy and vision. The need to ensure objectiveness, fairness, and transparency also goes without saying.

In the GC2024 Mid-Term Management Strategy now under way, Marubeni is pursuing a Green Strategy and continues to make efforts to help sustain and improve cash generation, ROE, and reduce cost of equity, targeting improvements in the share price and total shareholder return (TSR) and enhanced longer-term corporate value. We have designed the compensation system to reflect these goals.

An overview of the revised compensation system is as follows:

- The system consists of monthly remuneration, short-term incentive remuneration, and medium- and long-term incentive remuneration.

- Monthly remuneration is fixed monetary compensation.
- Short-term incentive remuneration is variable monetary compensation to give incentives for enhancing performance within a single fiscal year.
- Medium- and long-term incentive remuneration is variable stock-compensation that is linked to and shared with shareholder value to give incentives for enhancing corporate value over the medium term.

Short-term incentive remuneration, aiming to match the periods of execution of duties and performance evaluation, is compensation based on performance evaluation in the fiscal year corresponding to the period of execution of duties, paid in a lump-sum after the close of the relevant fiscal year. In addition, for individuals' evaluation-based compensation in short-term incentive remuneration, evaluations are made in consideration of contributions to new initiatives in each fiscal year to create value for the future, such as sustainability-related initiatives including the Green Strategy.

Furthermore, the revised compensation system introduces relative total shareholder return (TSR) as an evaluation measure for medium- and long-term incentive remuneration. TSR reflects the ratio of capital gains and dividends divided by the investment amount (stock price), and is an indicator measuring return on invested capital during the evaluation period. Relative TSR is the ratio of Marubeni's TSR divided by the TOPIX growth rate (including dividends) for the same period. Comparing Marubeni's TSR with TOPIX is designed to exclude market factors and allow a more appropriate assessment of market value from a shareholder perspective.

At the same time, we revised the weightings of each form of compensation and optimized compensation levels to further enhance objectiveness, fairness, and transparency. The result, we believe, is a system that is easier to understand. Under the new compensation system, I expect directors and executive officers to pursue more initiatives to enhance corporate value while further sharing value with Marubeni shareholders.



## Corporate Governance

### Evaluation of the Effectiveness of the Board of Directors

Since the fiscal year ended March 31, 2017, the Corporation has evaluated the effectiveness of the Board of Directors on an annual basis, and worked continuously to improve its effectiveness by implementing improvement measures to address issues identified as a result of the analysis of the effectiveness evaluation.

**POINT** Our evaluations of the effectiveness of the Board of Directors were featured in the Financial Services Agency's "Collection of Good Examples of Disclosure of Descriptive Information 2022" as offering excellent disclosure on the status of our response to issues brought up in the previous fiscal year and policies for addressing issues in the fiscal year under review.

<b>Target</b>	All Directors and Audit & Supervisory Board members
<b>Frequency</b>	Once a year

#### Questionnaire survey and interviews (anonymous responses)

An external specialized agency was utilized for implementation.

#### Evaluation items

Roles of the Board of Directors	Composition of the Board of Directors	Discussion at the Board of Directors
Utilization of committees	Accountability to stakeholders	

#### Evaluation and review

After analyzing the responses to surveys and interviews, review the analysis results at the Governance and Remuneration Committee and deliberate them at the Board of Directors

#### Verification of issues

Issues in evaluation results were verified (refer to issues identified for the fiscal years ended March 31 in 2022 and 2023)

#### Improvements

These findings were used to improve operations of the Board of Directors. Marubeni aims to improve medium- to long-term corporate value by maintaining and enhancing the effectiveness of the Board of Directors. (Refer to initiatives in the fiscal year ended March 31, 2023, and the policy for future initiatives)

### Response to issues identified by the evaluation of effectiveness of the Board of Directors conducted in the fiscal year ended March 31, 2022

#### Issues in the fiscal year ended March 31, 2022

Enhancement of discussions in the Board of Directors meetings regarding key material management issues, changes in external environment, and risks

Discussions regarding HR strategy and allocation of management resources to human capital

Supporting the Outside Directors to further utilize their expertise

#### Initiatives in the fiscal year ended March 31, 2023

We discussed changes in the external environment, the response to energy security issues, and international affairs, among other topics, through the facilitation of meetings outside of ordinary Board of Directors meetings  
 ⇒ ○ Evaluation score has improved in questionnaires and interviews compared to the fiscal year ended March 31, 2022.

To further strengthen the supervisory functions of the Board of Directors, we transferred the authority to the executive side through the review of matters referred to the Board to implement measures to focus on material management issues.

We monitored the progress of the HR strategy under the Mid-Term Management Strategy "GC2024" and held discussions regarding the direction, etc., of HR strategy through the facilitation of meetings outside of ordinary Board of Directors meetings.

We enhanced support for Outside Directors through the provision of opportunities for dialogue and opinion exchange with executive officers, in addition to the conventional information-sharing and support systems.  
 ⇒ ◎ High evaluations in surveys and interviews

### Major issues identified by the evaluation conducted in the fiscal year ended March 31, 2023, and the policy for future initiatives

#### Issues in the fiscal year ended March 31, 2023

Deepening discussions regarding the direction the Board of Directors should take to enhance its supervisory functions

Examining the agenda selection process and the supervision of key issues regarding group management

#### The policy for future initiatives

To enhance supervisory functions, we believe it is important to deepen discussions on the direction and supervision of the Board of Directors in the context of the Group's future vision and the Mid-Term Management Strategy "GC2024."

We utilize forums other than the Board of Directors, creating opportunities for Board members to discuss these matters, continuing deliberations aimed at constructing a situation congruent with the idea of what Marubeni's governance system should be based on the current status and features of Marubeni.

We believe that we must select agenda items for the Board of Directors according to a role emphasizing its supervisory functions, and to strengthen oversight from the perspective of the Group as a whole regarding important themes in group management (group governance, human capital-related issues, etc.).

Reflecting the intention of the Board of Directors including Outside Directors in the agenda selection process of the Board, and strengthening oversight of issues to be discussed from a group management perspective through the review of the Mid-Term Management Strategy "GC2024," among others.

## Corporate Governance

### Training for Directors and Audit & Supervisory Board Members

Directors and Audit & Supervisory Board members are provided with the information they need to perform their duties in an appropriate and timely manner, by the Corporate Planning & Strategy Department, Executive Secretariat, Audit & Supervisory Board Members' Office, and so on, playing central roles in this regard. Also, directors and Audit & Supervisory Board members are able to participate in meetings and seminars as necessary, at the Corporation's cost. In addition, in advance of meetings of the Board of Directors, Outside Directors/Audit & Supervisory Board members are given briefings regarding management issues, execution status, agenda, and so on.

Furthermore, at the Committee of Executive Officers and so on, reports on the economic situation are given on a regular basis by Economic Research Institutes, and an effort is made to share information. Outside Directors/Audit & Supervisory Board Members are also given opportunities to receive explanations regarding distributions of operations, issues, and project implementation status at each business division and each corporate staff department.

#### FYE 3/2023 Key Achievements

##### Training and provision of information to deepen understanding of the external environment

- Lectures by outside attorneys for Outside Directors and outside Audit & Supervisory Board members about "Topics relating to this year's annual general meeting of shareholders and Board 3.0" (June 2022)
- Provision of information about economic conditions from Marubeni Research Institute to directors and Audit & Supervisory Board members (weekly and as needed)

**Topics** The situation in Ukraine, the economic outlook in response to monetary normalization in Europe and the U.S., Japan's semiconductor industrial policy, the 2023 global economic outlook, etc.

##### Training and provision of information to deepen understanding of the Corporation

- Explanation from each business division and each corporate staff department to new Outside Directors of distributions of operations, issues, and project implementation status at each division (June 2022)
- Status updates on the Corporation and promotion of mutual understanding through Audit & Supervisory Board members' regular meetings with the Chairman of the Board, the President, CSO, CFO, and CAO respectively (held nine times in total, including six times with attendance by Outside Directors)

**Topics** Corporate governance of Marubeni and the Marubeni Group, issues in Group internal controls and compliance, etc.

- Free discussions among Outside Directors, chairman and president (total of two times)

**Topics** The functions and roles that our Board of Directors should carry out given changes in the external environment, the direction of HR strategy and HR development, etc.

- The holding of meetings between Outside Directors and chief operating officers of each division (total of six times)

**Topics** What issues we face now as we look ahead to 10 years in the future, and such

- Restarting visits of Outside Directors to group companies  
Meetings with the management team of Marubeni Nisshin Feed Co., Ltd., which makes and sells compound feed, a Chita Plant tour (December 2022), etc.
- Explanation of agendas in advance of Board of Directors meetings to Outside Directors/Audit & Supervisory Board members from the Corporate Planning & Strategy Department and Legal Department (as necessary)
- Sharing of details of interviews of executive departments conducted by inside Audit & Supervisory Board members to outside Audit & Supervisory Board members (as necessary)

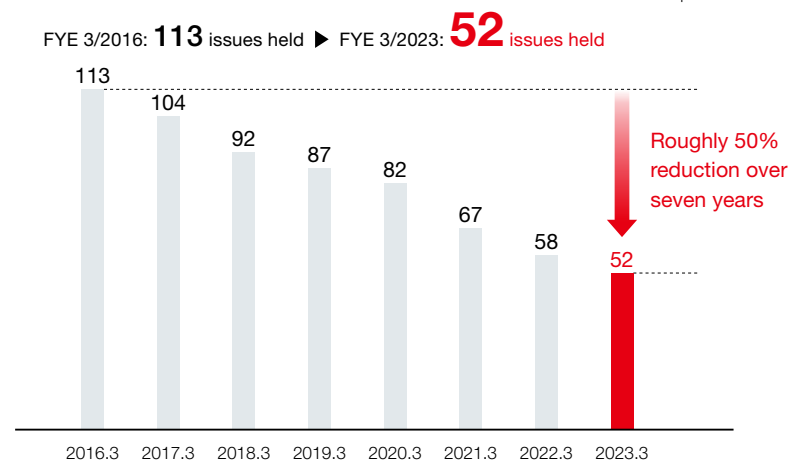
\* Site visits were not held after FYE 3/2021 due to the COVID-19 pandemic, but we resumed site visits in stages from FYE 3/2023.

### Policy on the Holding and Reduction of Cross-Shareholdings (Listed General Investment Shares\*)

Marubeni Group conducts diversified business activities across a broad range of sectors through domestic and overseas networks. Cooperative relationships with a variety of companies are essential to its operations. The Company annually reviews the overall significance of holding each of its cross-shareholdings based on a comprehensive assessment of quantitative metrics (return on investment (profit/loss divided by acquisition cost) compared against the Company's weighted average cost of capital) and qualitative factors (e.g., maintaining or strengthening relationships with investee companies through equity ownership). The Board of Directors verifies the findings of this review. In principle, cross-shareholdings are sold if it is decided that holding them is no longer significant. Sales of cross-shareholdings are reported to the Board of Directors afterwards.

#### Trends in Cross-Shareholdings (Listed General Investment Shares)

\* General investment shares are equity investments owned for a purpose other than as a pure investment.



### Policy Relating to Listed Subsidiaries

When considering the IPO of subsidiaries, the Company makes decisions from the perspective of increasing the corporate value of the entire Group, based on the premise of increasing the investee company's corporate value. We discuss cases carefully in terms of corporate governance in light of issues such as the parent-subsidary relationship.

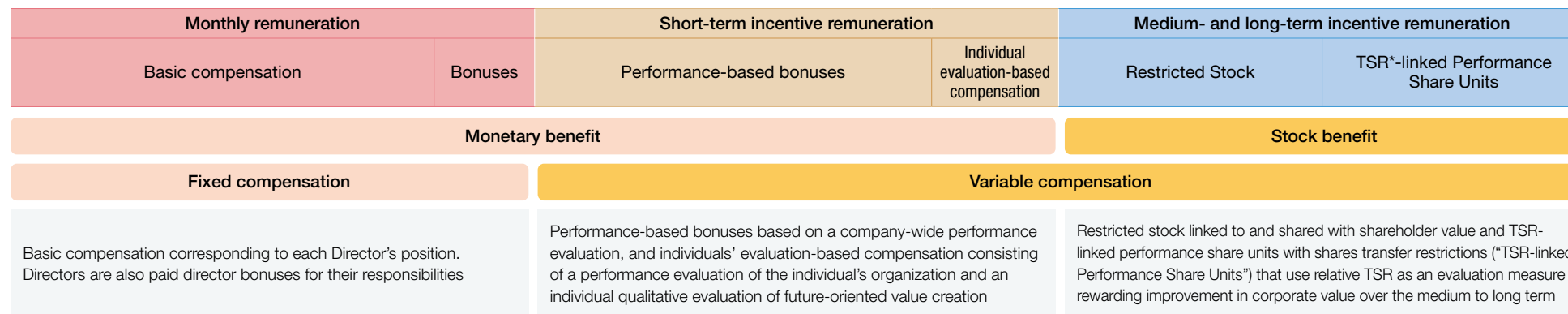
The Company conducted a tender offer for the common shares of ARTERIA Networks Corporation, its only listed subsidiary, in the fiscal year ended March 31, 2023; the tender offer was completed in August 2023. The subsidiary will be delisted after the necessary procedures are completed, such that the number of listed subsidiaries of the Company will be zero.

## Corporate Governance

### Remuneration for Directors and Audit & Supervisory Board Members

#### New policy for determining remuneration for Directors (revised in March 2023)

The Corporation revised the remuneration plan for Directors of the Corporation with the aim of enhancing linkage with medium- to long-term corporate value, and further promoting value sharing with our shareholders.



\* TSR: Total Shareholder Return (ratio of dividends and capital gains from share price appreciation divided by investment amount (share price))

#### Key points of changes in policy for determining remuneration for Directors

##### Clarification of the type of remuneration and restructuring of the current remuneration system

We have unified the types of compensation and payment formats, restructuring the system as follows.

- (1) Monthly compensation, composed of basic compensation and bonuses
- (2) Short-term incentive remuneration, consisting of performance-based bonuses and individuals' evaluation-based compensation
- (3) Medium- and long-term incentive remuneration, consisting of Restricted Stock and TSR-linked Performance Share Units

##### Improvement of the incentive function Short-term incentive remuneration

Regarding performance-based bonuses, the previous system used the previous fiscal year's performance as an evaluation measure, but now we have had the periods of execution of duties and performance evaluation coincide.

##### Medium- and long-term incentive remuneration

The previous evaluation indicator for shares with restriction on transfer subject to market-capitalization-based exercisability conditions was changed from Marubeni's market value growth rate to relative TSR, and a new payment coefficient has been adopted to ensure an appropriate incentive function corresponding to the business results.

##### Rectification of the composition ratio of incentive remuneration

We have corrected the balance of the composition ratio of short-term incentive remuneration and medium- and long-term incentive remuneration to strengthen the link with medium- to long-term improvement in corporate value.

For the President & CEO, the composition ratio of monthly remuneration/the short-term incentive remuneration/the medium- and long-term incentive remuneration shall be set as approximately 1:1:1

##### Setting of more appropriate remuneration levels

To ensure that compensation levels of Directors are competitive so as to secure and maintain excellent human capital, the compensation levels are examined by comparing them with objective research data on compensation provided by outside specialized organizations and other sources to determine the appropriate compensation levels.

##### Introduction of Malus and Clawback clause

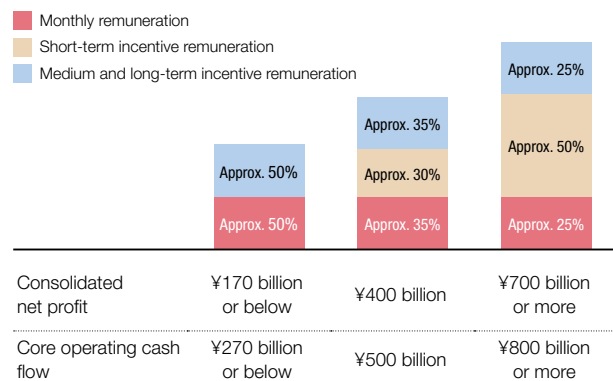
The short-term and the medium- and long-term incentive remuneration shall be the subject of the clauses that allow the Corporation to reduce or cancel the remuneration (Malus) and request the return of the paid remuneration (Clawback) based on the resolution of the Board of Directors when there was an adjustment of financial results after an announcement due to a significant revision of financial statements or there was a significant violation or breach of internal rules by an officer.

## Corporate Governance

### ① Remuneration for Directors

To ensure that compensation levels of Directors are competitive so as to secure and maintain excellent human capital, the compensation levels are examined by comparing them with objective research data on compensation provided by outside specialized organizations and other sources to determine the appropriate compensation levels. As for the composition ratio of remuneration and other payments, it shall focus on the medium- and long-term improvement of corporate value. For the President & CEO, the composition ratio of monthly remuneration/the short-term incentive remuneration/the medium- and long-term incentive remuneration shall be set as approximately 1:1:1 when consolidated net profit is 400 billion yen and core operating cash flow is 500 billion yen.

#### Composition of President & CEO remuneration

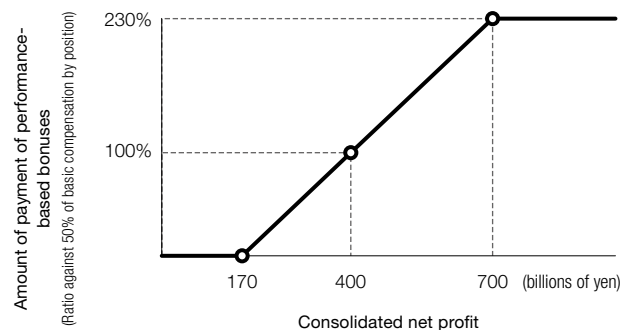


\* Excluding individuals' evaluation-based compensation and when the payment coefficient of TSR-linked Performance Share Units is 100%

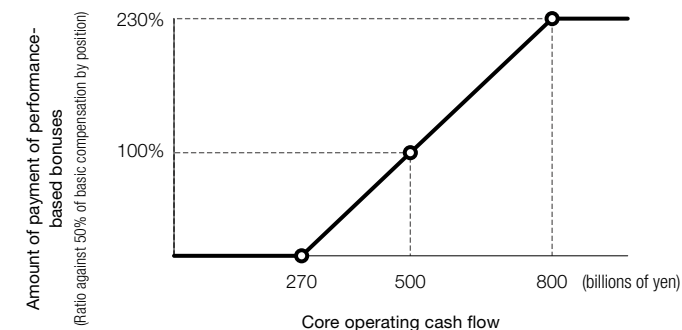
#### Performance-based bonuses/ Incentive curve

The evaluation indicators for performance-based bonuses shall be decided based on consolidated net profit (profit attributable to owners of the parent) and core operating cash flow, which are important KPIs.

Amount of payment of performance-based bonuses according to the results of consolidated net profit



Amount of payment of performance-based bonuses according to the core operating cash flow



### ② Remuneration for Audit & Supervisory Board Members

Compensation for Audit & Supervisory Board Members are determined by discussions among Audit & Supervisory Board Members. Compensation for Audit & Supervisory Board Members, all of whom are completely independent from business execution, consists entirely of fixed compensation and no performance-based compensation is paid.

### ③ Maximum total amount of remuneration and other payments for Directors and that for Audit & Supervisory Board Members

At the 99th Ordinary General Meeting of Shareholders held June 23, 2023, limits on total remuneration for directors and Audit & Supervisory Board members were determined as follows.

	Type of compensation	Resolution	Number of members present for the resolution
Directors	Monthly remuneration	Up to ¥650 million per year (of which ¥150 million per year for Outside Directors)	Ten Directors (of which, 6 Outside Directors)
	Short-term incentive remuneration	Up to ¥700 million per year	Three Directors (of which, zero Outside Directors)
	Restricted Stock	Up to ¥200 million per year (up to 450,000 shares per year) *	Four Directors
	TSR-linked Performance Share Units	Up to ¥850 million per year (up to 650,000 shares per year) *	(of which, zero Outside Directors)
Audit & Supervisory Board members	Total Amount of Compensation	Up to ¥170 million per year	Five Audit & Supervisory Board members

\* If any event arises that requires an adjustment of the total number of shares of common stock of the Corporation to be issued or disposed of, such as a stock split, gratis allotment, or consolidation of shares of common stock of the Corporation, such total number shall be adjusted to the extent reasonable.



# Corporate Management

As of June 23, 2023

\* Current shareholdings in the Corporation: As of the end of March 2023 (rounded down to the nearest thousand). Potential shareholdings correspond to unexercised subscription rights to shares granted as stock-compensation-type stock options and stock compensation-type stock options subject to market-capitalization-based exercisability conditions.

\*1. Attendance at meetings of the Board of Directors: The attendance at meetings held following his assumption of office as Director on June 24, 2022.

## Members of the Board



### Fumiya Kokubu

Chairman of the Board

No. of years served as Director	11 years
Attendance at meetings of the Board of Directors	100% (16/16)
Current shareholdings in the Corporation	284 thousand shares
Potential shareholdings in the Corporation	200 thousand shares
Total shareholdings in the Corporation	484 thousand shares

Apr. 1975: Joined the Corporation  
 Apr. 2005: Executive Officer  
 Jun. 2008: Managing Executive Officer, Member of the Board  
 Apr. 2010: Senior Managing Executive Officer  
 Jun. 2012: Senior Executive Vice President, Member of the Board  
 Apr. 2013: President and CEO, Member of the Board  
 Apr. 2019: Chairman of the Board (Current)

Status of Important Concurrent Occupations or Positions at Other Organizations:  
 Member of the Board, TAISEI CORPORATION Director, Honda Motor Co., Ltd.



### Masumi Kakinoki

Representative Director, President and CEO

No. of years served as Director	5 years
Attendance at meetings of the Board of Directors	100% (16/16)
Current shareholdings in the Corporation	300 thousand shares
Potential shareholdings in the Corporation	63 thousand shares
Total shareholdings in the Corporation	364 thousand shares

Apr. 1980: Joined the Corporation  
 Apr. 2010: Executive Officer  
 Jun. 2013: Managing Executive Officer, Member of the Board  
 Apr. 2014: Managing Executive Officer  
 Apr. 2017: Senior Managing Executive Officer  
 Jun. 2018: Senior Executive Vice President, Member of the Board  
 Apr. 2019: President and CEO, Member of the Board (Current)



### Akira Terakawa

Representative Director,  
 Senior Executive Vice President

No. of years served as Director	2 years
Attendance at meetings of the Board of Directors	100% (16/16)
Current shareholdings in the Corporation	114 thousand shares
Potential shareholdings in the Corporation	122 thousand shares
Total shareholdings in the Corporation	237 thousand shares

Apr. 1981: Joined the Corporation  
 Apr. 2010: Executive Officer  
 Apr. 2013: Managing Executive Officer  
 Jun. 2014: Managing Executive Officer, Member of the Board  
 Jun. 2016: Managing Executive Officer  
 Apr. 2018: Senior Managing Executive Officer  
 Jun. 2021: Senior Executive Vice President, Member of the Board  
 Apr. 2022: Senior Executive Vice President, Member of the Board, Chief Executive Officer, Consumer Products Group (Current)



### Takayuki Furuya

Representative Director,  
 Senior Managing Executive Officer

No. of years served as Director	3 years
Attendance at meetings of the Board of Directors	100% (16/16)
Current shareholdings in the Corporation	93 thousand shares
Potential shareholdings in the Corporation	31 thousand shares
Total shareholdings in the Corporation	124 thousand shares

Apr. 1987: Joined the Corporation  
 Apr. 2018: Executive Officer  
 Jun. 2020: Managing Executive Officer, Member of the Board  
 Apr. 2023: Senior Managing Executive Officer, Member of the Board; CFO;  
 Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Investment and Credit Committee;  
 Chief Sustainable Development Officer (CSDO); Chairman of Disclosure Committee (Current)

## Corporate Management

### Outside Director



#### Kyohei Takahashi

Outside Director

No. of years served as Director	7 years
Attendance at meetings of the Board of Directors	100% (16/16)
Current shareholdings in the Corporation	—
Potential shareholdings in the Corporation	—
Total shareholdings in the Corporation	—

Mar. 2002: Managing Director, Showa Denko K.K.  
 Mar. 2004: Senior Managing Director, Showa Denko K.K.  
 Jan. 2005: Representative Director, President, Showa Denko K.K.  
 Jan. 2007: Representative Director, President and Chief Executive Officer (CEO), Showa Denko K.K.  
 Jan. 2011: Representative Director, Chairman of the Board, Showa Denko K.K.  
 Jun. 2014: Audit & Supervisory Board Member of the Corporation  
 Mar. 2015: Director, Chairman of the Board, Showa Denko K.K.  
 Jun. 2016: Member of the Board of the Corporation (Current)  
 Jul. 2016: Audit & Supervisory Board Member, Fukoku Mutual Life Insurance Company (Current)  
 Mar. 2017: Advisor, Showa Denko K.K.  
 Jan. 2023: Executive Advisor, Resonac Holdings K.K. (former Showa Denko K.K.) (Current)



#### Yuri Okina

Outside Director

No. of years served as Director	6 years
Attendance at meetings of the Board of Directors	100% (16/16)
Current shareholdings in the Corporation	—
Potential shareholdings in the Corporation	—
Total shareholdings in the Corporation	—

Jun. 2006: Counselor, The Japan Research Institute, Limited  
 Mar. 2014: Director, Bridgestone Corporation (Current)  
 Jun. 2014: Vice Chairman, The Japan Research Institute, Limited  
 Jun. 2017: Member of the Board of the Corporation (Current)  
 Apr. 2018: Chairperson, The Japan Research Institute, Limited (Current)



#### Masato Kitera

Outside Director

No. of years served as Director	3 years
Attendance at meetings of the Board of Directors	100% (16/16)
Current shareholdings in the Corporation	—
Potential shareholdings in the Corporation	—
Total shareholdings in the Corporation	—

Jul. 2008: Director-General, International Cooperation Bureau  
 Jan. 2010: Deputy Minister  
 Sep. 2012: Assistant Chief Cabinet Secretary  
 Nov. 2012: Ambassador and Plenipotentiary to People's Republic of China  
 Jun. 2016: Ambassador and Plenipotentiary to France, Andorra, and Monaco (Resigned in Dec. 2019)  
 Jun. 2020: Member of the Board of the Corporation (Current) Director, Member of the Board, NIPPON STEEL CORPORATION  
 Mar. 2021: Member of the Board, Japan Tobacco Inc. (Current)  
 Jun. 2022: Director, Audit & Supervisory Committee Member, NIPPON STEEL CORPORATION (Current)



#### Shigeki Ishizuka

Outside Director

No. of years served as Director	2 years
Attendance at meetings of the Board of Directors	100% (16/16)
Current shareholdings in the Corporation	—
Potential shareholdings in the Corporation	—
Total shareholdings in the Corporation	—

Apr. 2017: Representative Director and President, Sony Imaging Products & Solutions Inc.  
 Jun. 2018: Senior EVP, Sony Corporation  
 Apr. 2020: Representative Director and President, CEO, Sony Electronics Corporation  
 Jun. 2020: Vice Chairman, Representative Corporate Executive Officer, Sony Corporation (Currently, Sony Group Corporation)  
 Apr. 2021: Director, Sony Corporation  
 Jun. 2021: Member of the Board of the Corporation (Current)  
 Jun. 2022: Vice Chairman, Sony Group Corporation  
 Jun. 2023: Director, LIXIL Corporation (Current)



#### Hisayoshi Ando

Outside Director

No. of years served as Director	1 year
Attendance at meetings of the Board of Directors	100% (13/13)
Current shareholdings in the Corporation	—
Potential shareholdings in the Corporation	—
Total shareholdings in the Corporation	—

Jun. 2013: Director-General of Kanto Bureau of Economy, Trade and Industry of Ministry of Economy, Trade and Industry  
 Jul. 2015: Director-General of Commerce and Information Policy Bureau of Ministry of Economy, Trade and Industry  
 Jul. 2017: Director-General of Small and Medium Enterprise Agency of Ministry of Economy, Trade and Industry  
 Jul. 2019: Vice-Minister of Economy, Trade and Industry of Ministry of Economy, Trade and Industry (Resigned in Jul. 2021)  
 Dec. 2021: Executive Advisor, Nippon Life Insurance Company  
 May. 2022: Director, Audit & Supervisory Committee Member, Nitori Holdings Co., Ltd. (Current)  
 Jun. 2022: Member of the Board of the Corporation (Current)  
 Jun. 2023: President & CEO, Tokyo Small and Medium Business Investment & Consultation CO., LTD. (Current)



#### Mutsuko Hatano

Outside Director

No. of years served as Director	—
Attendance at meetings of the Board of Directors	—
Current shareholdings in the Corporation	—
Potential shareholdings in the Corporation	—
Total shareholdings in the Corporation	—

Sep. 1997: Visiting Researcher, University of California, Berkeley (UCB)  
 Apr. 2005: Chief Researcher of Central Research Laboratory, Hitachi, Ltd.  
 Jul. 2010: Professor, Graduate School of Science and Engineering, Tokyo Institute of Technology  
 Apr. 2016: Professor, Department of Electrical and Electronic Engineering, School of Engineering, Tokyo Institute of Technology (Reorganized) (Current)  
 Mar. 2020: Representative Director and President, The Japan Society of Applied Physics  
 Mar. 2022: Senior Aide to the President, Tokyo Institute of Technology (Present Position) Adjunct Executive Member, Council for Science, Technology and Innovation, Cabinet Office (Current)  
 Apr. 2022: Auditor, The Japan Society of Applied Physics (Current)  
 Jun. 2023: Member of the Board of the Corporation (Current)

## Corporate Management

### Audit & Supervisory Board Members



#### Takao Ando

Audit & Supervisory Board Member

No. of years served as Director	—
Attendance at meetings of the Audit & Supervisory Board	—
Current shareholdings in the Corporation	71 thousand shares
Potential shareholdings in the Corporation	24 thousand shares
Total shareholdings in the Corporation	95 thousand shares

Apr. 1985: Joined the Corporation  
 Jun. 2019: Executive Officer  
 Apr. 2022: Managing Executive Officer  
 Jun. 2023: Audit & Supervisory Board Member (Current)



#### Toshiaki Kida

Audit & Supervisory Board Member

No. of years served as Director	2 years
Attendance at meetings of the Audit & Supervisory Board	100% (17/17)
Current shareholdings in the Corporation	33 thousand shares
Potential shareholdings in the Corporation	—
Total shareholdings in the Corporation	33 thousand shares

Apr. 1984: Joined the Corporation  
 Jun. 2021: Full-time Audit & Supervisory Board Member of the Corporation (Current)



#### Tsuyoshi Yoneda

Outside Audit & Supervisory Board Member

No. of years served as Director	6 years
Attendance at meetings of the Audit & Supervisory Board	100% (17/17)
Current shareholdings in the Corporation	—
Potential shareholdings in the Corporation	—
Total shareholdings in the Corporation	—

Jun. 2009: Commissioner-General's Secretariat, National Police Agency  
 Oct. 2011: Deputy Directors-General, National Police Agency  
 Jan. 2013: Commissioner General, National Police Agency (Retired in Jan. 2015)  
 Jun. 2015: Director, Japan Exchange Group, Inc.  
 Jun. 2017: Audit & Supervisory Board Member of the Corporation (Current)  
 Oct. 2020: President, Council for Public Policy (Current)



#### Yoichi Kikuchi

Outside Audit & Supervisory Board Member

No. of years served as Director	3 years
Attendance at meetings of the Audit & Supervisory Board	94% (16/17)
Current shareholdings in the Corporation	—
Potential shareholdings in the Corporation	—
Total shareholdings in the Corporation	—

Mar. 2010: Head of Tokushima District Court & Family Court  
 Sep. 2011: Head of Kyoto District Court  
 Jun. 2013: Chief Judge of Division, Tokyo High Court  
 Oct. 2017: Head of Hiroshima High Court (Resigned in Aug. 2018)  
 Nov. 2018: Registered as attorney-at-law (Current)  
 Jun. 2020: Audit & Supervisory Board Member of the Corporation (Current)  
 Jul. 2021: Audit & Supervisory Board Member, Asahi Mutual Life Insurance Company (Current)



#### Shigeru Nishiyama

Outside Audit & Supervisory Board Member

No. of years served as Director	3 years
Attendance at meetings of the Audit & Supervisory Board	100% (17/17)
Current shareholdings in the Corporation	2 thousand shares
Potential shareholdings in the Corporation	—
Total shareholdings in the Corporation	2 thousand shares

Apr. 2006: Professor, Waseda University Graduate School (Business School) (Currently, Waseda Business School (Graduate School of Business and Finance)) (Current)  
 Aug. 2018: Specially Appointed Professor, Shizenkan University Graduate School of Leadership & Innovation (Current)  
 Sep. 2018: Director, Chairman of the Audit Committee, Macromill, Inc. (Current)  
 Jun. 2020: Audit & Supervisory Board Member of the Corporation (Current)  
 Jun. 2021: Director, Member of the Board, TOKYO ENERGY & SYSTEMS INC. (Current)  
 Jun. 2022: Audit & Supervisory Board Member (Outside), NH Foods Ltd. (Current)

## Corporate Management

### Corporate Management Committee member

#### Executive Officers (40; of which 10 are members of the Corporate Management Committee)

##### President and CEO

#### Masumi Kakinoki

##### Senior Executive Vice President

#### Akira Terakawa

Chief Executive Officer, Consumer Products Group

##### Senior Managing Executive Officer

#### Mutsumi Ishizuki

CAO; Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Vice Chairman of Investment and Credit Committee; Chief Compliance Officer; Chairman of Internal Control Committee; Chief Information Officer

#### Jun Horie

Chief Executive Officer, Materials Group

#### Kenichiro Oikawa

CSO; Regional CEO for East Asia; Regional CEO for Japan Business; Vice Chairman of Investment and Credit Committee

#### Takayuki Furuya

CFO; Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Investment and Credit Committee; Chief Sustainable Development Officer (CSDO); Chairman of Disclosure Committee

##### Managing Executive Officers

#### Yoshiaki Yokota

Chief Executive Officer, Energy & Infrastructure Solution Group

#### Hidekazu Futai

Chief Operating Officer, Agri Business Div.

#### Jiro Itai

Chief Executive Officer, Transportation & Industrial Machinery, Financial Business Group

#### Kosuke Takechi

Regional CEO for the Americas; Regional COO for North & Central America; President and CEO, Marubeni America Corporation

#### Seiichi Kuwata

Regional CEO for Europe & CIS; Regional COO for Europe; Managing Director and CEO, Marubeni Europe plc

#### Naoshi Hirose

Senior Operating Officer for CSO

#### Tsuyoshi Teragaki

Chief Operating Officer, Forest Products Div.

#### Satoru Ichinokawa

Chief Operating Officer, Chemicals Div.

#### Takeshi Mamiya

Regional CEO for ASEAN & Southwest Asia; Regional COO for ASEAN; Managing Director, Marubeni ASEAN Pte. Ltd.

##### Executive Officers

#### Minoru Tomita

General Manager, Osaka Branch

#### Takashi Imamura

General Manager, Research Institute

#### Takashi Yao

Regional CEO for Oceania; Managing Director, Marubeni Australia Ltd.

#### Koichi Ariizumi

General Manager, Legal Dept.

#### Koji Kashima

Senior Operating Officer for CAO,CHRO

#### Taro Kawabe

Chief Operating Officer, Finance, Leasing & Real Estate Business Div.

#### Koichi Uchida

Chief Operating Officer, Energy Div.

#### Satoru Harada

Chief Operating Officer, Power Div.

#### Masayuki Omoto

CDIO; Chief Operating Officer, Next Generation Business Development Div.; Vice Chairman of Investment and Credit Committee

#### Satoru Yokoshiki

General Manager, Business Accounting Dept.

#### Hideyoshi Iwane

General Manager, Corporate Accounting Dept.

#### Chijo Tajima

General Manager, Finance Dept.

#### Hiromitsu Morishima

Chief Operating Officer, Lifestyle Div.

#### Hiromichi Mizuno

General Manager, Corporate Planning & Strategy Dept.

#### Yasuhiko Ogura

General Manager, Executive Secretariat

#### Kei Tomomi

Chief Operating Officer, Infrastructure Project Div.

#### Toshio Shinoda

Regional CEO for China; President, Marubeni (China) Co., Ltd.

#### Tomonobu Miki

Chief Operating Officer, Food Division -I

#### Daisuke Tsuchiya

Chief Operating Officer, Metals & Mineral Resources Div.

#### Toru Okazaki

Chief Operating Officer, Aerospace & Ship Div.

#### Hidefumi Oya

Chief Operating Officer, Food Division -II

#### Toshihiro Fukumura

Chief Operating Officer, Next Generation Corporate Development Div.

#### Atsushi Suzuki

General Manager, Chubu Branch

#### Takashi Fujinaga

Chief Operating Officer, IT Solutions Div.

#### Kazuhiro Kondo

Chief Operating Officer, Construction, Industrial Machinery & Mobility Div.



# 04

## SECTION

## Business Portfolio

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Consumer Products Group



# Lifestyle Division



## Hiromitsu Morishima

Chief Operating Officer,  
Lifestyle Div.

### Major Products and Areas

Apparel, footwear / Lifestyle products / Textile materials, industrial materials / Nursing care products and services / Rubber products (tires and conveyor belts) / Rubber raw materials (natural and synthetic rubber)

### Lifestyle Division Strengths

- Diverse product lines from apparel, footwear and lifestyle products to industrial materials, textile materials and tire/rubber materials globally
- Procurement networks and production bases for apparel, footwear and other products cultivated in the OEM<sup>1</sup>/ODM<sup>2</sup> business
- Eco-friendly business, aging society-related business, diverse product trades, from raw materials to finished products, in field of functional materials, such as textile materials and leather materials
- Wide range of business development, encompassing upstream (rubber raw material sales) to downstream (car maintenance and conveyor belt distribution) business

\*1. OEM: Original Equipment Manufacturer; manufacturing of products sold under the name or brand of the contractee.

\*2. ODM: Original Design Manufacturer. An ODM does everything from the development and design to the production of a product that is eventually sold under another firm's name or brand.



## Global Business Portfolio



### Growth-oriented Opportunities/Risks

Opportunities
■ Expansion of the consumer class in the wake of global population growth and rising standards of living in emerging economies
■ Diversifying customer and consumer needs, purchasing behavior and methods
■ Growth in demand for eco-friendly materials, products and services amid a trend toward sustainability
■ Rapid structural changes in logistics linked to adoption of digital/ IoT technologies

Risks
■ Rising costs in key production regions amid economic growth in emerging economies
■ Country risks in the regions and countries where we operate, including deterioration in economic and social conditions

### Business Strategy

<b>Strengthen Lifestyle Business</b>	<ul style="list-style-type: none"> <li>■ In the OEM/ODM business, strengthen sales by leveraging capabilities in planning, proposals and short lead-time production</li> <li>■ Boost efficiency from production to sales by utilizing digital technologies</li> <li>■ Initiatives in new business models that reflect diversifying customer and consumer needs and buying behaviors</li> </ul>
<b>Build circular supply chains in eco-friendly business</b>	<ul style="list-style-type: none"> <li>■ Build circular supply chains using textile recycling technology developed by Circ, Inc.</li> </ul>
<b>Expand car maintenance business and conveyor belt distribution business</b>	<ul style="list-style-type: none"> <li>■ Expand store network in car maintenance business across Thailand, Mexico, Indonesia and Cambodia</li> <li>■ Strengthen maintenance services and increase number of bases in conveyor belt distribution business in mainly North America</li> <li>■ Initiatives to recycle end-of-life tires</li> </ul>

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**Consumer Products Group**



**IT Solutions Division**

**Takashi Fujinaga**

Chief Operating Officer,  
IT Solutions Div.



**Major Products and Areas**

Digital Solutions / Mobile Solutions / Network Solutions / Supply Chain Solutions

**IT Solutions Division Strengths**

- Ability to provide comprehensive IT services that address customer and societal needs from many angles, including consulting services for solving business issues faced by customers, and system solutions featuring the latest technologies
- Ability to provide wide-ranging mobile phone-related services, centered on industry-leading smartphone sales agency and SDG-conscious handset reuse businesses
- Development of network business leveraging our wealth of technical expertise in data communications, based on our involvement in the field since the dawn of data communications in the 1990s, assets such as our national optical fiber network, and industry-leading Internet services for condominiums
- Ability to develop and provide optimized supply chain solutions utilizing multiple data sources, including logistics, and information from the field, based on our wealth of experience and strong track record

**Global Business Portfolio**

- ARTERIA Networks Corporation**  
Nationwide optical fiber network
- MX Mobiling Co., Ltd.**  
Docomo shop Miyamaedaira (Japan)
- au Telecom Co., Ltd.**  
au Style JOYPARK Izumigaoka (Japan)
- Delivery business (U.S.)**
- GOM GmbH**  
Automated 3D Coordinate Measuring System (Germany)
- Logistics Center (Japan)**
- Sole agent for exports of Konica Minolta multifunction printers, commercial printers and industrial printers to the Americas (U.S., Mexico, Brazil)**

**Growth-oriented Opportunities/Risks**

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Growth in opportunities to provide new DX solutions in response to changes in the everyday environment and the economy linked to evolution of digital technologies</li> <li>■ Rising demand for smart devices, network equipment and security due to support for the use of remote working environments and drive for greater operational efficiency</li> <li>■ Growth in corporate/personal data traffic, development of new communications technologies and expansion in use scenarios for IoT</li> <li>■ Growth in e-commerce volume and increasing interest in building sustainable supply chains</li> </ul>	<ul style="list-style-type: none"> <li>■ Contraction in domestic demand and markets in the wake of low birthrate, societal aging, and a shrinking population in Japan</li> <li>■ Stiffer competition to acquire IT personnel and higher fluidity in the job market with the advancement of DX</li> <li>■ Obsolescence of products, services and distribution channels due to technological innovations</li> <li>■ Labor shortages (drivers/other workers) and higher logistics costs due to growth of small-package deliveries, continued contraction in population and changes in labor environment</li> </ul>

**Business Strategy**

<b>Reinforce functions and invest in growth in digital solutions field</b>	<ul style="list-style-type: none"> <li>■ Strengthen existing businesses and operating companies (maximize business value of Marubeni I-DIGIO)</li> <li>■ Further augment functions to provide cutting-edge IT and services, investment in growth fields and advance strategic partnerships</li> </ul>
<b>Expand business in mobile solutions field</b>	<ul style="list-style-type: none"> <li>■ Increase value added in business by leveraging customer interactions in mobile phone sales agency business</li> <li>■ Promote smart device reuse businesses as circular economy develops</li> </ul>
<b>Strengthen competitiveness and expand services in network solutions field</b>	<ul style="list-style-type: none"> <li>■ Strengthen the competitiveness of communications business by leveraging data communications infrastructure including fiber-optic networks</li> <li>■ Start new initiatives in cutting-edge technologies with growth potential, network security fields and overseas markets</li> </ul>
<b>Expand business in supply chain solutions field</b>	<ul style="list-style-type: none"> <li>■ Promote development of category-specific logistics platforms business</li> <li>■ Strengthen digital SCM* business, initiatives in publishing industry supply chain business aimed at realizing sustainable publishing supply chains</li> </ul>

\* Digital SCM: Digital Supply Chain Management. A business that leverages digital technologies to provide solutions that help improve the supply chain, including inventory optimization and improved logistics efficiency.





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**Food Division- I**



**Tomonobu Miki**

Chief Operating Officer,  
Food Div.- I

**Major Products and Areas**

Processed foods for retail and food service, dairy products / Food ingredients such as flour, sugar, fats and oils / Beverage ingredients such as coffee, tea and juices / Ingredients and processed foods used in fresh produce (agricultural, marine) sector

**Food Division- I Strengths**

- No. 1 in sales in Japan in confectionary wholesaling sector, advanced product development capabilities in confectionary production field
- Approx. 30% share of Japan's green coffee imports
- Approx. 10% share of global market for B2B soluble coffee
- Global procurement and sales capabilities for oils and fats, marine and agricultural produce, based on worldwide network of operating companies

**Global Business Portfolio**

- Danish Salmon A/S** (Denmark – Land-based recirculating aquaculture systems for salmon farming)
- YAMABOSHIYA Co., Ltd.** (Japan – Wholesale of confectionery products to retail and convenience stores)
- Eastern Fish Company LLC** (U.S. – Import and sales of seafood products, primarily shrimp)
- Iguacu Vietnam Co., Ltd.** (Vietnam – Manufacturing and sales of soluble coffee)
- BENIREI CORPORATION** (Japan – Wholesale of seafood products and warehousing)
- Cia. Iguacu de Cafe Soluvel** (Brazil – Manufacturing and sales of soluble coffee)
- Marubeni Foods Corporation** (Japan – sales of coffee, tea, fruit juice, agricultural products, processed foods, food ingredients, etc.)
- COLORADO Corporation** (Japan – Coffee roaster)
- Atrion Co., Ltd.** (Japan – Ramune candies, gumi drops and other confectionary production)
- Acecook Vietnam Joint Stock Company** (Vietnam – Processing and sales of wheat flour noodles, rice flour noodles, bean starch vermicelli, and other food products)

**Growth-oriented Opportunities/Risks**

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Growing demand across China, Asia and other emerging markets for high-quality food products (such as coffee), driven by emergence of middle class</li> <li>■ Growing global interest in sustainable and stable food supply, environmentally friendly food business</li> <li>■ Increasing importance of food science as consumer needs diversify, e.g., demand for ethical sourcing</li> </ul>	<ul style="list-style-type: none"> <li>■ Changes in political/economic conditions within global supply chains (geopolitical risk)</li> <li>■ Risk of natural disasters such as crop failures due to abnormal weather</li> <li>■ Difficulties sourcing raw materials due to resource depletion or tighter environmental protection regulation</li> </ul>

**Business Strategy**

**Strengthen marketing of specialty foods**

- Build sustainable sourcing scheme for green coffee beans in cooperation with production origins and customers; expand the business of specialty coffee
- Expand, including handling of specialty oils and fats, notably olive oil and high oleic sunflower oil; strengthen related marketing
- Respond to diverse consumer needs, such as in health/environment and strengthen environmentally friendly foods ingredients business

**Expand downstream from trading into manufacturing/processing sector**

- Acquire manufacturing and processing capabilities to establish a superior position in areas of strength such as confectionery, oils and fats, and fresh produce
- Establish an optimized global supply chain in soluble coffee business based on ownership of manufacturing facilities in Brazil and Vietnam, two major producing regions that supply over half the world's coffee beans





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# Food Division- II



## Hidefumi Oya

Chief Operating Officer,  
Food Div.- II

### Major Products and Areas

Meat and processed meat products / origination, sale, import/export handling of grains and oilseeds (such as corn, wheat, barley, soybean, rapeseed, pulses/legumes) / Feed supplements (meal made from soy, rapeseed or fish) / compound feed

### Food Division- II Strengths

- Owns high-quality beef suppliers in the U.S. and Australia, two top beef-producing countries
- Domestic share of 98% for parent stock used in broiler production; owns production facilities for poultry/pork
- Owns broiler integration in China (at two sites), and producing further processed products to suit customer needs
- A global network extending from origination through sales of grain
- Reliable supply of large volumes of grains to customers from grain silos positioned throughout Japan



## Global Business Portfolio



## Growth-oriented Opportunities/Risks

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Growing demand across China, Asia and other emerging markets for high-quality food products (such as beef), driven by emergence of middle class</li> <li>■ Rising global demand for grains and meat</li> <li>■ Changes in the business environment and demand due to environmental problems and rising awareness of health</li> <li>■ Expectations of productivity growth across farming and livestock industries coupled with more opportunities to innovate using new technology</li> </ul>	<ul style="list-style-type: none"> <li>■ Changes in political/economic conditions within global supply chains (geopolitical risk)</li> <li>■ Risk of natural disasters such as crop failures due to abnormal weather</li> <li>■ Labor shortages due to aging of population and growth of non-working population</li> <li>■ Difficulties sourcing raw materials due to resource depletion or tighter environmental protection regulation</li> </ul>

## Business Strategy

<b>Ensure stable supplies of foods and feed</b>	<ul style="list-style-type: none"> <li>■ Sustainably provide stable supplies of raw materials for flour milling and oil extraction (food chain staples) and feed materials for use in animal protein and livestock feeds</li> </ul>
<b>Strengthen U.S. production for processed meat products</b>	<ul style="list-style-type: none"> <li>■ Increase volumes, income and exports by expanding facility at Creekstone Farms Premium Beef LLC (U.S.)</li> </ul>
<b>Strengthen broiler integration in Japan</b>	<ul style="list-style-type: none"> <li>■ Develop production systems and reinforce sales strategy to support increased scale of operations at WELLFAM FOODS (Japan)</li> </ul>
<b>Strengthen grains and feed business, and establish grain DX business</b>	<ul style="list-style-type: none"> <li>■ Strengthen North/South America grain origination and Asian grain trading operations, advance grain processing business for U.S. customers</li> <li>■ Expand functions in domestic feed and silo business</li> <li>■ Address social issues via adoption of digital technology for grain trading process and commercialization of feed and dairy husbandry platform business</li> </ul>

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Consumer Products Group



# Agri Business Division

## Hidekazu Futai

Chief Operating Officer,  
Agri Business Div.



### Major Products and Areas

Sales of Agri-inputs products (fertilizers, crop protection products, seeds, proprietary products) / Subcontracting services for fertilization and crop protection product application / Provision of precision agriculture and other technical services / Contract of crop protection product formulation / Fertilizer trading

### Agri Business Division Strengths

- Capability to supply high-quality solutions to agricultural producers through operating companies based around the world such as Helena Agri-Enterprises, LLC ("Helena"), the second-ranked Agri-inputs supplier in North America by market share



## Global Business Portfolio

- Agri-inputs business**  
Mertens Holding B.V. (Netherlands)  
Agronomist checking strawberry leaves
- Agri-inputs business**  
Marubeni Myanmar Fertilizer Co., Ltd. (Myanmar)  
Fertilizer processing and shipment sites
- Agri-inputs business**  
MacroSource, LLC (U.S.)  
Fertilizer spreading
- Agri-inputs business**  
Agrovista UK Ltd. (U.K.)  
Monitoring of barley cultivation conditions
- Agri-inputs business**  
Helena Agri-Enterprises, LLC (U.S.)  
Verification of crop growth conditions with customers
- Agri-inputs business**  
Adubos Real S.A. (Brazil)  
Potato fields in Minas Gerais

## Growth-oriented Opportunities/Risks

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Need to improve agricultural productivity as global demand for foodstuffs increases while the expansion of arable land area is limited</li> <li>■ New needs relating to farming and food due to increasing concerns regarding environmental issues and healthy lifestyles</li> </ul>	<ul style="list-style-type: none"> <li>■ Risk of changes in grower income levels due to lower market prices for agricultural products, weather risks</li> <li>■ Country risk due to changes in political or economic conditions</li> </ul>

## Business Strategy

<b>Expansion of Agri-inputs sales business in North America</b>	<ul style="list-style-type: none"> <li>■ Increase quality of customer-oriented services by Helena as a comprehensive solutions provider for agricultural producers, promote Agri-inputs retail business by expanding sales areas by increasing number of bases</li> <li>■ Strengthen fertilizer wholesale business through MacroSource, LLC, building on purchasing power created by network of around 70 bases in North America along with trust and expertise developed over more than 40 years in the business</li> </ul>
<b>Development of Agri-inputs business in Brazil</b>	<ul style="list-style-type: none"> <li>■ Since acquisition in 2019 of Adubos Real S.A., development of Agri-inputs retail business in Brazil, a market with major potential due to ability to help satisfy global grain demand coupled with high internal demand for crops</li> <li>■ Focus on expanding business by applying know-how developed by Helena in U.S. due to similar agricultural conditions in both countries</li> </ul>
<b>Increase efficiency of agricultural land by strengthening Agri-inputs business</b>	<ul style="list-style-type: none"> <li>■ Reduce environmental impact and improve agricultural productivity through the development of proprietary products and services that meet diverse needs in the agricultural sector</li> </ul>

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Materials Group



# Forest Products Division

## Tsuyoshi Teragaki

Chief Operating Officer,  
Forest Products Div.



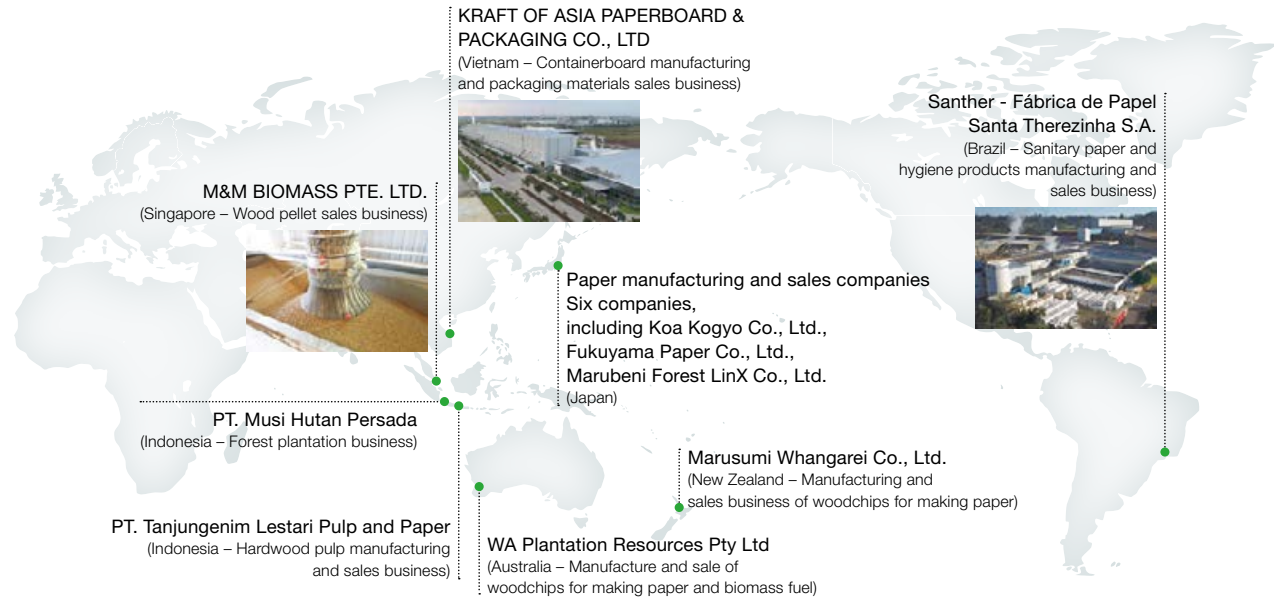
### Major Products and Areas

Wood chips and biomass fuel / Pulp and recovered paper / Paper, paperboard, hygiene products / Building & construction materials and wood products

### Forest Products Division Strengths

- Value chain encompassing everything from forest plantation through paper end-product sales
- Massive forest plantations in Indonesia and Australia, related forestry know-how, and pulp plant
- Sales networks in paper, paperboard, pulp and woodchip markets
- Containerboard manufacturing/sales subsidiaries' production technology/know-how
- Feedstock supply network for biomass power plants that help promote the spread of renewable energy
- Manufacturing/sales business for burgeoning sanitary paper market

## Global Business Portfolio



## Growth-oriented Opportunities/Risks

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Trend toward ESG and SDGs, most notably decarbonization and reduction of plastic usage</li> <li>■ Growing packaging demand in emerging economies</li> <li>■ Burgeoning sanitary paper and hygiene products market</li> <li>■ Eco-friendly materials that effectively utilize wood components</li> </ul>	<ul style="list-style-type: none"> <li>■ Contraction in domestic demand in the wake of low birthrate and societal aging</li> <li>■ Faster decline in demand for printing and information paper due to changes in business environment, including online and teleworking</li> <li>■ Risk of change in profitability due to fluctuations in pulp prices</li> </ul>

## Business Strategy

<b>Pursue economic value and related environmental value by using materials from forests</b>	<ul style="list-style-type: none"> <li>■ Plantation business in Australia and Indonesia contributing to local communities and environment through sustainable forestry management</li> <li>■ Working to stimulate Japanese forestry industry in cooperation with landowners, governments, cooperatives and other stakeholders</li> <li>■ Generating carbon credits using forestry management know-how by focusing on the environmental value of forests</li> </ul>
<b>Enhance business value in manufacturing and sales of hygiene products</b>	<ul style="list-style-type: none"> <li>■ Focusing on creating additional value at Santher - Fabrica de Papel Santa Therezinha S.A. by promoting sales of premium products and developing sales channels</li> <li>■ Development of hygiene products manufacturing/sales business in other regions</li> <li>■ Expand products and services that help customers maximize their lifetime value, starting with the hygiene products manufacturing/sales business</li> </ul>
<b>Strengthen growth in containerboard manufacturing/sales business in Vietnam</b>	<ul style="list-style-type: none"> <li>■ Initiatives to stimulate growing demand for containerboard in Vietnam</li> <li>■ Focus on early monetization by continuing stable operations and reducing costs</li> <li>■ Making operations eco-friendly through considerations of the installation of solar power and boilers for waste incineration</li> </ul>





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# Chemicals Division

## Satoru Ichinokawa

Chief Operating Officer,  
Chemicals Div.



### Major Products and Areas

Basic petrochemical products and plastic derivatives / Salt, PVC and chlor-alkali products / Life science-related products such as food functional ingredients, feed additives, oleochemicals and personal care ingredients / Electronic materials, inorganic mineral resources, fertilizer materials and inorganic chemicals

### Chemicals Division Strengths

- Broad trading platform with links to many industries
- Roughly 30% share of global marine ethylene trade
- PVC, chlor-alkali trade with capacity to respond to changes in global markets
- The high industry presence of Orffa International Holding B.V. in the feed additives market
- Spice-based, natural and tasty total solutions for food industry partners by Euroma Holding B.V.
- Value-chain businesses from scarce resources to downstream in electronics field
- Partnerships with top players in trading of diverse chemical products



## Global Business Portfolio

→ Commodity trade (olefin, PVC resins, caustic soda, etc.)

**Expanding operations with a focus on life sciences**



Orffa International Holding B.V. (Netherlands – Feed additives distributor)

Euroma Holding B.V. (Netherlands – Spices/seasonings manufacturer)

**Roughly 30% share of global marine trade in olefin products**



World's largest shipment of U.S. ethylene in one lot

**Expanding environmentally attuned businesses such as electronic materials and renewable energy**



Energy Storage Systems Batteries

Tomioka Solar Farm (Japan)

**Global chlor-alkali trader with integrated supply chain extended from feedstock salt business**



Dampier Salt Limited (Australia – Production and sales of solar salt and gypsum)

## Growth-oriented Opportunities/Risks

### Opportunities

- Development of life sciences and related businesses set to grow in tandem with population growth
- Entry into solar power-related businesses that will spur uptake of renewable energy
- Development of AI-based diagnostic support businesses to solve social challenges such as physician shortages and regional gaps in healthcare provision

### Risks

- Trade in petrochemical and other products highly sensitive to market price changes
- Downturn in global trade caused by geopolitical and economic risks
- Credit risks caused by decline in operating rates and deteriorating earnings at trading partners, due to global economic slowdown

## Business Strategy

### Reinforcing initiatives in life sciences field

- Orffa International Holding B.V., based in the Netherlands, is driving global business expansion in the feed additives industry through new investments and business partnerships in North America and Asia
- Expand food ingredients business, leveraging strategic partnership with Euroma, one of Europe's leading spice and seasoning companies

### More advanced trading operations

- Advanced supply/demand adjustments functions in petrochemicals, PVC and chlor-alkali trade, build a high-value-added logistics platform to ensure reliable transactions and supply in the sulfur trade
- Promote high-quality service-providing businesses in specialty fields, such as electronics represented by storage batteries, displays, and solar power generation equipment

### Strengthen Green Business

- Marubeni's long-term chartered ethylene carriers use a fuel mix with 25% biodiesel made from waste cooking oil, and voyage between the Netherlands and U.S.
- Contribute to reliably supply of electricity through ownership and operation of battery systems for power grids, help accelerate introduction of renewable energy batteries



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Materials Group



# Metals & Mineral Resources Division



## Daisuke Tsuchiya

Chief Operating Officer,  
Metals & Mineral  
Resources Div.

### Major Products and Areas

Mine development, production and sale of copper, iron ore, coking coal / Smelting and refining of aluminum, magnesium / Trading of steel and related raw materials, ferroalloys, and cement-related materials / Trading of non-ferrous metals, ingots, and related products / Trading of battery materials / Steel product trading and business investment / Leasing of temporary steel construction materials / Recycling of scrap iron, non-ferrous metals, rare metals and used batteries

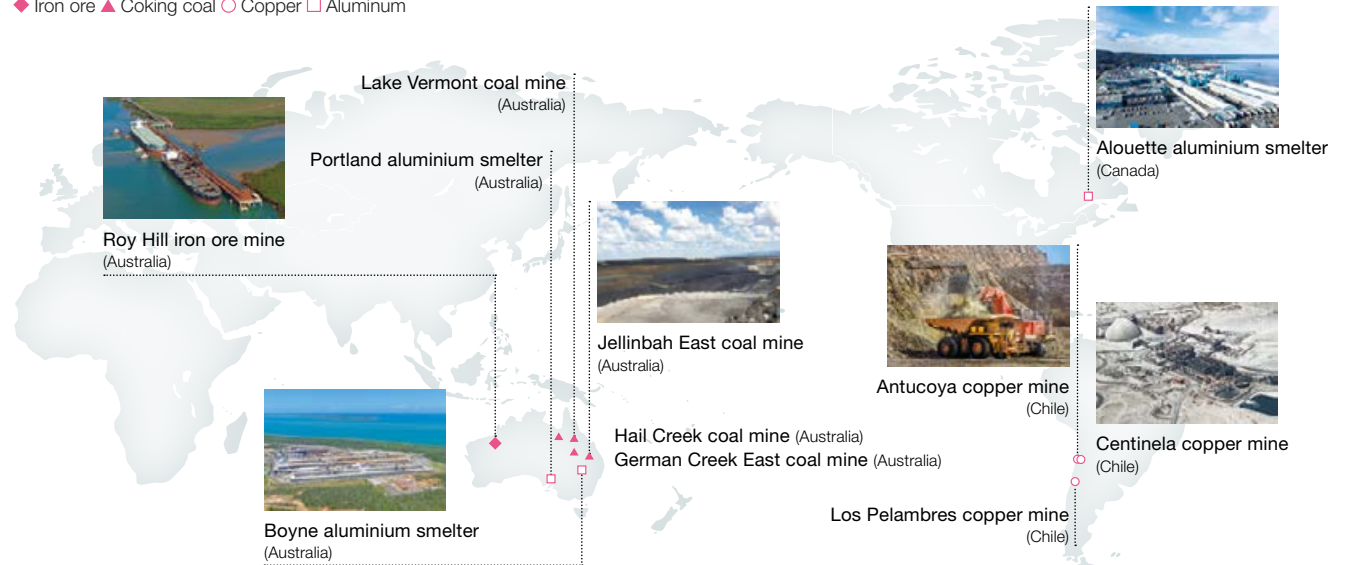
### Metals & Mineral Resources Division Strengths

- Development of copper, iron ore and aluminum businesses with blue-chip partners, all fields that are essential to economic development and decarbonization
- Strong earnings base anchored by equity stakes in globally cost-competitive mines and smelters, coupled with world-leading efforts to promote greener operations via adoption of renewable energy, automation and electrification
- World-class trading base handling broad range of products, including eco-friendly recycled materials to contribute to the creation of a circular economy
- Worldwide steel distribution network leveraging a business base, know-how and networks built up over many years



### Global Business Portfolio

◆ Iron ore ▲ Coking coal ○ Copper □ Aluminum



### Growth-oriented Opportunities/Risks

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Long-term growth in demand for metals and mineral resources supported by global economic growth and decarbonization</li> <li>■ Growth in demand for non-ferrous metals driven by digitalization of society and the adoption of renewable energy and electric vehicles (EVs)</li> <li>■ Growing emphasis on sustainability worldwide</li> </ul>	<ul style="list-style-type: none"> <li>■ Changes in commodity prices and other market fluctuations that directly impact earnings</li> <li>■ National policies and geopolitical factors that affect the investment and trading businesses</li> <li>■ Changes in business environments due to societal transition to a carbon-free, circular economy</li> </ul>

### Business Strategy

<b>Strengthen, expand and greenify core businesses</b>	<ul style="list-style-type: none"> <li>■ Ensure stable operations and reinforce cost competitiveness for existing assets through introduction of advanced technology and automation</li> <li>■ Organic growth via investments to expand Centinela copper mine in Chile, expand future mining tenements and maximize use of infrastructure held by Roy Hill iron ore mine in Australia, and develop new mines from medium- and long-term perspective</li> <li>■ Greenify operations by procuring renewable energy, electrifying trucks and preserving water resources</li> </ul>
<b>Strengthen and advance decarbonization and environmental/recycling business initiatives</b>	<ul style="list-style-type: none"> <li>■ Supplying materials (copper, aluminum, scrap, battery metals, etc.) for which demand is projected to grow due to global transitions such as decarbonization and development of circular economy</li> <li>■ Participation in lithium-ion battery recycling business through investment in Cirba Solutions, LLC in the U.S., initiatives in production of magnesium from mine tailings</li> <li>■ Initiatives in CCS projects</li> </ul>
<b>Address customer needs and social issues through materials business and trading</b>	<ul style="list-style-type: none"> <li>■ Expand trading by tapping into consumer needs and delving into issues in industry networking by interfacing with broad range of industries that use metals</li> <li>■ Help customers with "responsible procurement," proactively obtain certifications from third parties and international institutions for existing assets, including copper and aluminum, and develop sustainable supply chains by ensuring traceability</li> </ul>

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Energy & Infrastructure Solution Group



# New Energy Business Development Department



## Wataru Ikushima

General Manager,  
New Energy Business  
Development Dept.

In the fiscal year ending March 31, 2024, the New Energy Business Development Department was established in the Energy & Infrastructure Solution Group to reinforce initiatives in new energy-related businesses.

### Major Products and Areas

Hydrogen and fuel ammonia production business, trading and marketing / hydrogen retail business (hydrogen refueling station business) / synthetic fuels production business (such as SAF\*1 and e-methane\*2), trading and marketing

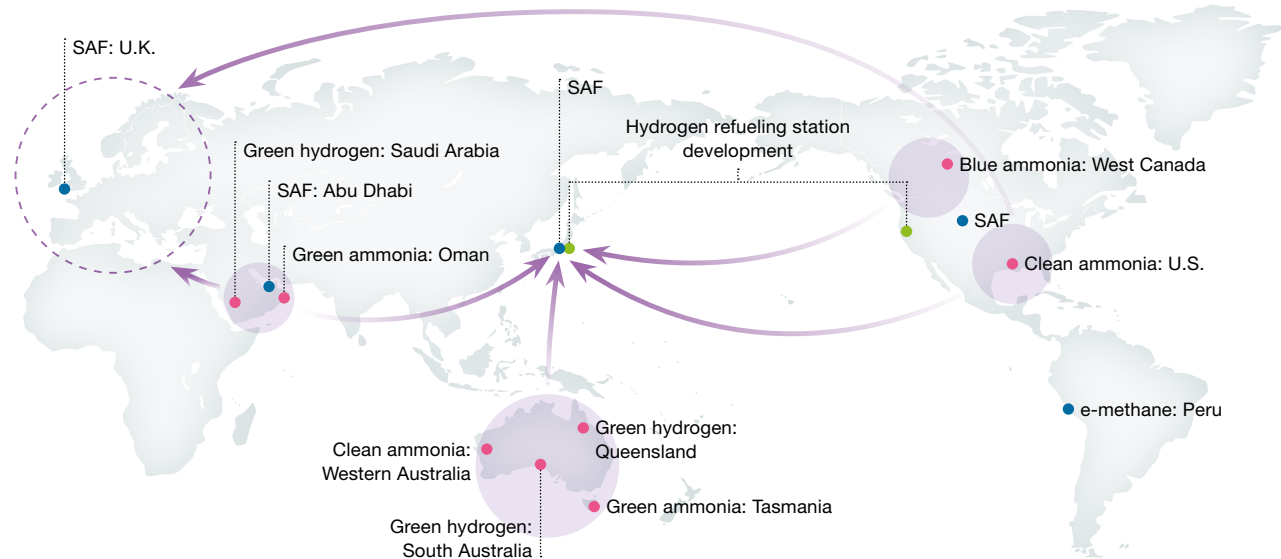
\*1. SAF: Sustainable Aviation Fuel. Aviation fuel derived from non-fossil raw materials that satisfy low-carbon standards.  
\*2. e-methane: Synthetic methane produced derived from non-fossil energy.

### New Energy Business Development Department Strengths

- Leveraging the business foundations and strengths of the Energy Division, the Power Division, and the Infrastructure Project Division, we will establish a new energy supply chain from production to utilization
- Creating new businesses by bringing together human capital with diverse backgrounds and expertise
- Utilizing our knowledge, know-how, and network in the new energy field acquired through demonstration projects in Japan and overseas

### Global Business Portfolio

- Hydrogen and ammonia production (global supply chain)
- Hydrogen local production for local consumption supply chain
- Sustainable Aviation Fuel (SAF) and e-methane production



### Growth-oriented Opportunities/Risks

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Market expansion in new energy (hydrogen, fuel ammonia, synthetic fuels, etc.) amid decarbonization movement in Japan and overseas</li> <li>■ Development of new energy technologies and advances in system designs</li> </ul>	<ul style="list-style-type: none"> <li>■ Increase in new energy production and transportation costs, including operating costs for production facilities and new energy</li> <li>■ Stall in momentum, changes in government policies toward decarbonization in countries</li> <li>■ Changes in business environment due to changes in decarbonization-related standards and systems</li> </ul>

### Business Strategy

<b>Development of hydrogen and fuel ammonia production business</b>	<ul style="list-style-type: none"> <li>■ Initiatives in large-scale hydrogen and ammonia production business to meet demand for fuels used in power generation based on expectations to contribute to decarbonization</li> <li>■ Screen for prime projects among those from business bases and existing transactions in Japan and overseas; build a diversified business portfolio in terms of regions and production methods</li> <li>■ Business development leveraging experiences, knowledge and networks accumulated in development of power generation business and infrastructure business</li> </ul>
<b>Trading and marketing of hydrogen and fuel ammonia</b>	<ul style="list-style-type: none"> <li>■ Business development utilizing experiences and knowledge in trading and marketing of petroleum products, LNG and chemicals</li> <li>■ Collaboration with partners in Japan and overseas, including customers such as Japanese electric power companies</li> <li>■ Tap into demand, including captive demand of Group power plants</li> </ul>
<b>Business expansion in synthetic fuels, such as SAF and e-methane</b>	<ul style="list-style-type: none"> <li>■ Initiatives in business development in partnership with customer airline companies to meet expanding demand for SAF in airline sector</li> <li>■ Initiatives in renewable energy-rich countries, such as e-methane production business that contributes to carbon neutrality in city gas industry</li> </ul>

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**Energy & Infrastructure Solution Group**



**Energy Division**



**Koichi Uchida**

Chief Operating Officer,  
Energy Div.

**Major Products and Areas**

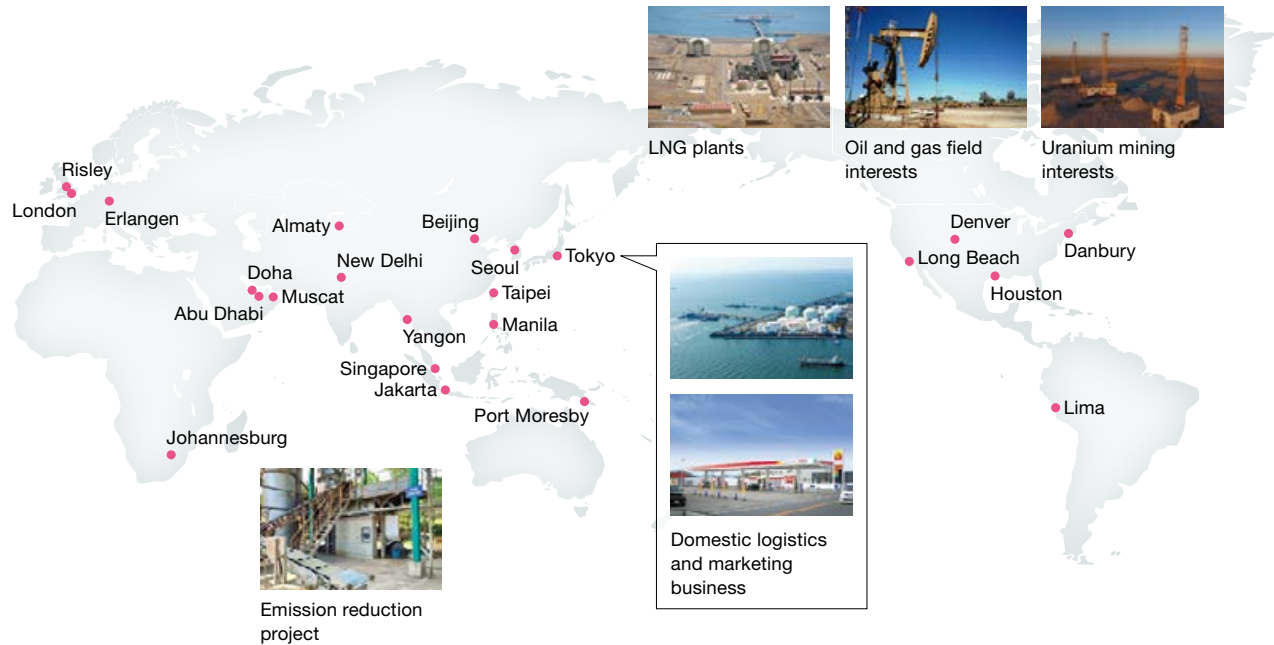
Natural gas business (production, liquefaction, and trading) / Exploration, development, and production of oil and gas / Petroleum and LPG trading, distribution, and marketing business / Nuclear energy business (development of uranium mining, nuclear fuel cycle, and related equipment sales and services) / Development of emission reduction project and carbon credit trading

**Energy Division Strengths**

- Capability to meet energy demand in Japan and overseas through production, trade, logistics, and marketing of oil, natural gas, LNG, and other fuels
- Nuclear energy business that adds value throughout the supply chain
- Initiatives at decarbonization, such as carbon credit trading and development of emission reduction project, expansion of biofuel trading



**Global Business Portfolio**



**Growth-oriented Opportunities/Risks**

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Amid transition to low-carbon and carbon-free societies, expansion in natural gas, LNG, nuclear power and related business</li> <li>■ Initiatives at decarbonization, such as carbon credit trading and development of emission reduction project, expansion of biofuel trading</li> </ul>	<ul style="list-style-type: none"> <li>■ Volatilities in natural resource prices and changes in the regulatory framework and geopolitical conditions</li> <li>■ Changes in business environment from shift to renewable energy and low-carbon energy</li> </ul>

**Business Strategy**

<b>Expansion growth in oil and gas upstream and LNG business</b>	<ul style="list-style-type: none"> <li>■ With the energy sector entering a transition period on the path to a carbon-free society, where natural gas and LNG continue to play an important role, we will expand and increase the value of existing businesses from upstream through to downstream in the supply chain</li> </ul>
<b>Strengthening transactions and expand scope in trading and marketing business</b>	<ul style="list-style-type: none"> <li>■ We aim to utilize our infrastructure and networks in Japan and overseas to expand trading in oil, natural gas, LNG, and other fuels to meet demand for energy. We also intend to expand business scope by increasing biofuel trading, carbon credit trading, and development of an emission reduction project</li> </ul>
<b>Provide total solutions in nuclear power supply chain business</b>	<ul style="list-style-type: none"> <li>■ Provide equipment and services related to nuclear business, implement uranium trading and nuclear fuel cycle business, participate in uranium upstream development business, and strengthen initiatives throughout the supply chain</li> </ul>



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**Energy & Infrastructure Solution Group**



**Power Division**



**Satoru Harada**

Chief Operating Officer,  
Power Div.

**Major Products and Areas**

Power generation business (Renewable energy generation / Fuel to Power\*1 projects / Gas-fired and other thermal power generation) / Power service and retail business (Retail power sales / Decentralized power generation / Smart cities and community-based multi-utility services / Storage, VPP, V2X\*2, and aggregation business / New businesses / EPC\*3 business and O&M business)

\*1. Fuel to Power: Integrated business from procurement of fuel (gas) to storage and power generation.  
\*2. V2X (Vehicle-to-X): Using the storage batteries of EVs to supply electricity to buildings (Vehicle to Building), and to provide supply and demand adjustment to power grids (Vehicle to Grid).  
\*3. EPC: Engineering, Procurement and Construction.

**Power Division Strengths**

- Active development of renewable energy generation projects to help realize a low-carbon society
- In Japan and overseas, strong regional marketing capabilities, industry top-class IPP\* track record, EPC management capabilities, excellent asset management organizations
- Vast experience in wholesale and retail power sales, diverse track record in electric power services business
- Through a combination of these functions, provide comprehensive energy solutions that solve complex issues of customers

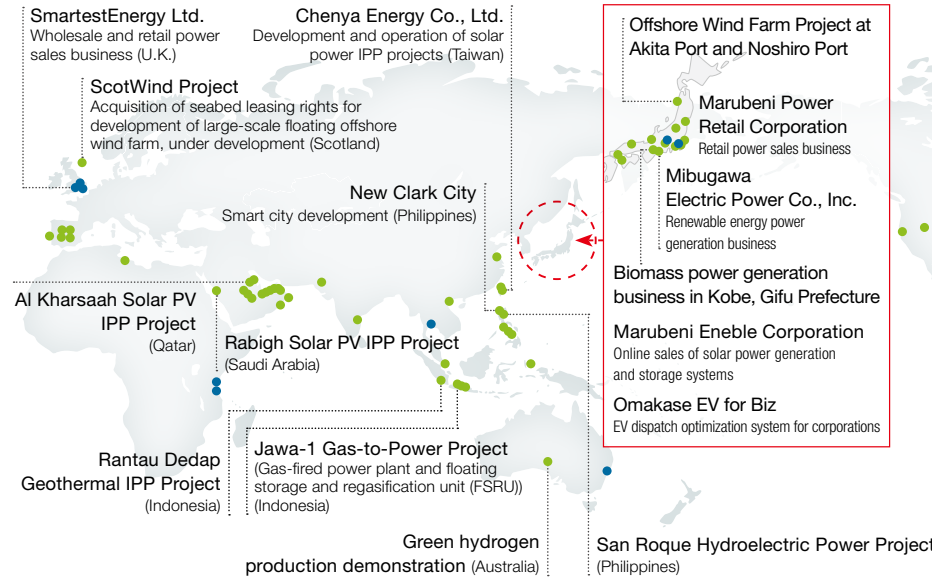
\* IPP: Independent Power Producers.



Courtesy of Akita Offshore Wind Corporation

**Global Business Portfolio**

● Power generation business ● Power service and retail business



**Business Development in Japan**

Marubeni's Global Generation Assets	
Net Generation Capacity	<b>11,550 MW</b>
Gross Generation Capacity	<b>36,512 MW</b>

(As of March 31, 2023)

**Growth-oriented Opportunities/Risks**

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Strong demand for renewable energy worldwide</li> <li>■ Importance of resilient and reliable electricity supply and supply-demand adjustment functions</li> <li>■ Changes in energy policy, such as expansion of liberalization in electric power sector</li> <li>■ Introduction of digital technologies in electric power sector</li> <li>■ Demand for new power-related services as society transitions to carbon neutrality</li> </ul>	<ul style="list-style-type: none"> <li>■ Rapid shift to low-carbon energy in society</li> <li>■ Heightened global supply and price volatility affecting natural resources and energy</li> <li>■ Greater volatility in power supply-demand balance as renewables increase</li> <li>■ Weather and geopolitical risks that would affect electric power supply-demand and market prices</li> <li>■ Supply chain disruptions</li> </ul>

**Business Strategy**

<b>Strengthen growth in renewables-led power IPP business</b>	<ul style="list-style-type: none"> <li>■ Expand renewable energy generation projects in Japan and overseas, including offshore and onshore wind, solar, biomass and hydroelectric power</li> <li>■ Promote LNG to Power and other gas-fired power generation projects to satisfy needs of society transitioning to carbon neutrality</li> <li>■ Co-firing of biomass and green hydrogen/ammonia for low-carbon future</li> </ul>
<b>Strengthen growth in retail power sales business, decentralized power generation businesses</b>	<ul style="list-style-type: none"> <li>■ Reinforce and expand target market for retail power sales business/decentralized power generation businesses in and outside of Japan, as well as creating their business platforms</li> <li>■ Reinforce trading and supply/demand adjustment functions / Expand product lineup</li> <li>■ Upgrade product lineup, including menu of renewable energy options</li> </ul>
<b>Provide comprehensive energy solutions that solve complex issues of customers</b>	<ul style="list-style-type: none"> <li>■ Expand community-based power services by developing packaged models including decentralized renewable energy and hydrogen, and urban decarbonization</li> <li>■ New projects in efficient power utilization by applying digital technologies</li> <li>■ Supply/demand adjustment using battery storage and ancillary services for power grids where renewable energy is introduced</li> <li>■ Provision of energy management services for consumers to enable peak shifting, demand controls, optimized EV charging, etc.</li> </ul>



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**Energy & Infrastructure Solution Group**



**Infrastructure Project Division**

**Kei Tomomi**

Chief Operating Officer,  
Infrastructure Project Div.



**Major Products and Areas**

Water business (water supply, wastewater treatment, desalination, etc.) / Transportation infrastructure (railways, roads, ports, etc.) / Social infrastructure (hospitals, schools, arenas, etc.) / Energy infrastructure (gas distribution & retail, oil & gas production, processing, transportation, storage, etc.) / Decarbonization and circular economy business (waste-to-energy & fuel, carbon capture, etc.) / Infrastructure-related EPC\*, operation, maintenance (railway systems, water, energy, industrial plants, waste-to-energy power plants, etc.) / Management of infrastructure funds

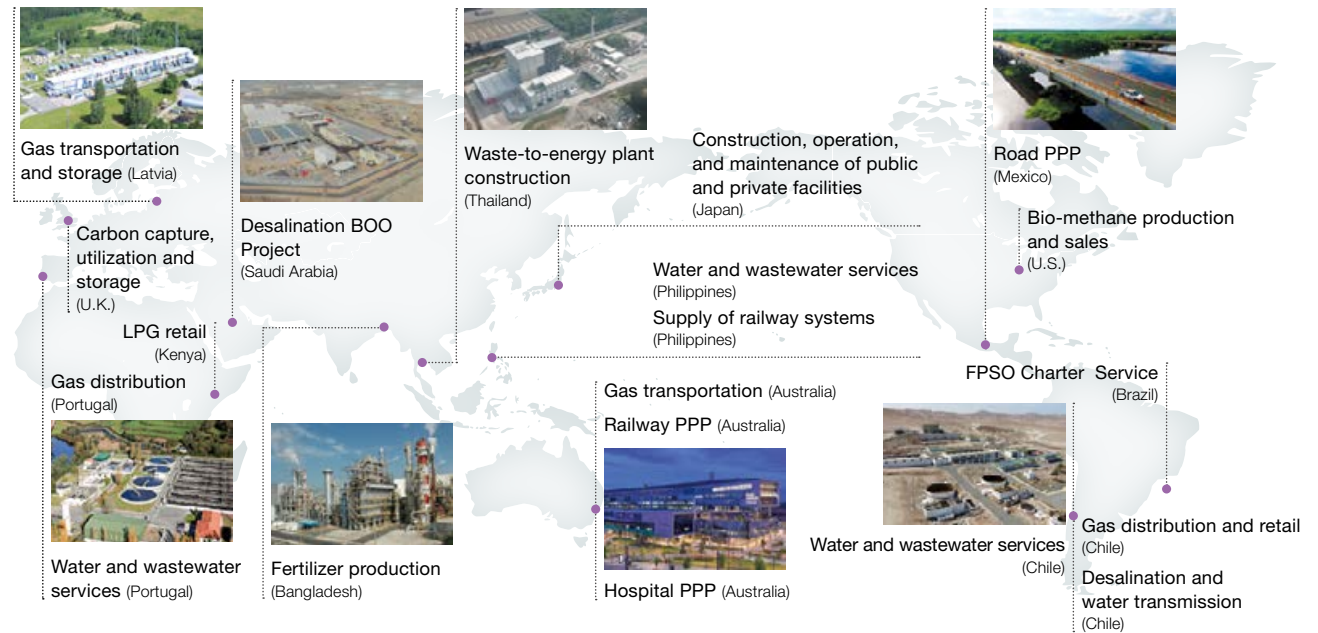
\* EPC: Engineering, Procurement and Construction.

**Infrastructure Project Division Strengths**

- Project origination capabilities leveraging networks with various stakeholders such as customers, engineering firms, contractors, financial institutions, and institutional investors
- Project development, structuring, execution, and management capabilities in infrastructure backed by extensive track records of investment, EPC, and trade
- Wide range of functions covering the entire value chain from project planning, feasibility studies, financing, EPC, operation, maintenance, business operation, to asset (including fund) management



**Global Business Portfolio**



**Growth-oriented Opportunities/Risks**

- | Opportunities  | Risks   |
|--|---|
| <ul style="list-style-type: none"> <li>■ Growing demand for development and renewal of social infrastructure as well as know-how and financial resources from private sector</li> <li>■ Improvement in the appetite for investment of long-term and stable assets by institutional investors</li> <li>■ Growing business opportunities related to decarbonization and circular economy due to greater environmental awareness</li> <li>■ Increase in value of infrastructure service linked with technological innovation</li> </ul> | <ul style="list-style-type: none"> <li>■ Increase in costs due to higher interest rates</li> <li>■ Change of national policies and regulations that impact business development in the infrastructure field</li> <li>■ Decline in demand for fossil fuels (including natural gas) as decarbonization accelerates</li> </ul> |

**Business Strategy**

- |  |   |
|--|---|
| <p><b>Expand water and wastewater infrastructure business</b></p> <ul style="list-style-type: none"> <li>■ Improve profits from existing concessions by boosting operational stability/efficiency</li> <li>■ Build stable long-term earnings base by developing new BOT/BOO*1 projects</li> <li>■ Growth/expansion, including entering new markets through operating companies</li> <li>■ Initiatives to effectively use water resources by digital innovations</li> </ul> | <p><b>Expand energy infrastructure business</b></p> <ul style="list-style-type: none"> <li>■ Grow/expand existing gas infrastructure business, initiatives in decarbonization-related opportunities through customer base</li> <li>■ Participate in receiving terminals business for the gas (LNG/LPG) needed as transitional fuel</li> <li>■ Speedy development of initiatives relating to decarbonization and circular economy</li> </ul> |
| <p><b>Expand transportation infrastructure business</b></p> <ul style="list-style-type: none"> <li>■ Participate in O&amp;M*2 concession businesses in railway field</li> <li>■ Expand railway maintenance business using existing and extended EPC projects</li> <li>■ Expand PPP*3 business by leveraging track record in Australia</li> </ul>   | <p><b>Expand infrastructure funds and social infrastructure business</b></p> <ul style="list-style-type: none"> <li>■ Complete investments in #1 Fund, manage #1 Fund, establish and invest in #2 Fund</li> <li>■ Expand social infrastructure PPP business (venue business*4, hospital facility management, etc.)</li> </ul>   |

\*1. BOT: Build, Operate and Transfer; BOO: Build, Operate and Own.

\*2. O&M: Operation and Maintenance.

\*3. PPP: Public-Private Partnership.

\*4. Venue business: private sector-led development of regional facilities.

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**Transportation & Industrial Machinery, Financial Business Group**



**Aerospace & Ship Division**



**Toru Okazaki**

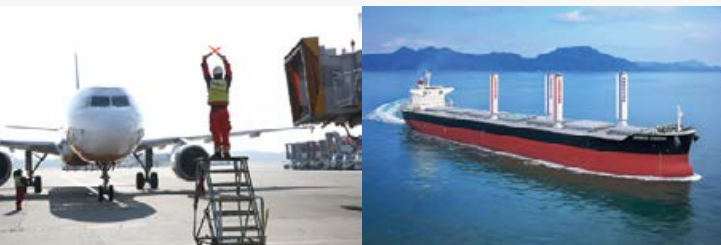
Chief Operating Officer,  
Aerospace & Ship Div.

**Major Products and Areas**

Aircraft & engine parts trading business, asset management, development investment / Sales representatives for commercial aircraft and defense equipment / Space-related projects / Air mobility field / Business jet sales agency and related operations / Airport-related business / Sale, purchase, chartering of merchant ships / Ownership and operation of ships / Shipping pool business and ship fund business / LNG and other liquefied gas carriers business / New businesses related to ships

**Aerospace & Ship Division Strengths**

- Increasing the value of aviation assets through lifecycle-attuned business development of aircraft
- Deep insights into customer/market needs and solutions proposal capabilities gained from operating a broad array of businesses in the aerospace and defense industries
- Business capabilities in management of ownership and operation of vessels ranging from merchant ships to LNG carriers
- Solutions development and consulting, based on advanced expertise and networks in ship trading, investing and financing



**Global Business Portfolio**

**Civil Aviation Sector**

Swissport Japan Ltd.  
(Japan – Ground handling business)

HondaJet Elite

Magellan Aviation Group LLLP  
(U.S. – Aircraft parts trading business)

**Ship Sector**

Merchant ships  
(Trading, fleet ownership/operation)

LNG carriers  
(Fleet ownership/operation)

MaruKlav  
(Shipping pool business)

**Defense/Security Environment/Space Sector**

Interstellar Technologies Inc.  
(Japan – Development and manufacture of small rockets and launch service business)

**Growth-oriented Opportunities/Risks**

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Recovery in demand for aircraft passenger and operating &amp; maintenance-related services</li> <li>■ Future potential of space-related business across wide range of sectors</li> <li>■ Growth in ship demand driven by growth in seaborne cargo amid trend toward borderless global economy</li> <li>■ Business initiatives utilizing innovative green and digital technologies within the shipping sector</li> </ul>	<ul style="list-style-type: none"> <li>■ Fall in demand for air travel and increases in jet fuel prices due to risk of events such as terrorism, regional conflicts, wars, and epidemics</li> <li>■ Volatility in new-build ship pricing and/or marine freight rates</li> <li>■ Higher manufacturing and operational costs for aircraft and ships due to stricter environmental regulations</li> </ul>

**Business Strategy**

<p><b>Try new business fields in Aerospace &amp; Ship Division</b></p>	<ul style="list-style-type: none"> <li>■ Try to rapidly expand into new business domains while seizing opportunities provided by changes in the aerospace and shipping business environment</li> <li>■ In aviation field, advance creation of businesses in air mobility field and aerospace domain while developing autonomous vehicles for use in airports</li> <li>■ In ship field, advance efforts to create businesses related to autonomous ship, wind propulsion systems and digital platform for ship crews</li> </ul>
<p><b>Expand business in aviation, airports and defense fields</b></p>	<ul style="list-style-type: none"> <li>■ Reinforce operations through development of sector businesses in aircraft parts trading, maintenance, and related asset management</li> <li>■ In airport ground handling, strengthen and expand cargo shed business and launch a new lounge business</li> <li>■ Besides developing sales agency business for aircraft, helicopters and varied types of defense equipment, expand into new areas of the security arena</li> </ul>
<p><b>Expand business in fleet ownership / operating and trading field</b></p>	<ul style="list-style-type: none"> <li>■ Supply broad range of functions from the creation of ownership structures to the management of fleet operations and related revenues for merchant ships and LNG carriers</li> <li>■ Pursue initiatives aimed at building up the division as a ship service provider by upgrading quality and profitability of shipping assets</li> <li>■ Develop trading of new and secondhand vessels, charter brokerage, as well as finance and fleet asset management businesses</li> </ul>

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**Transportation & Industrial Machinery, Financial Business Group**



# Finance, Leasing & Real Estate Business Division



## Taro Kawabe

Chief Operating Officer,  
Finance, Leasing & Real Estate  
Business Div.

### Major Products and Areas

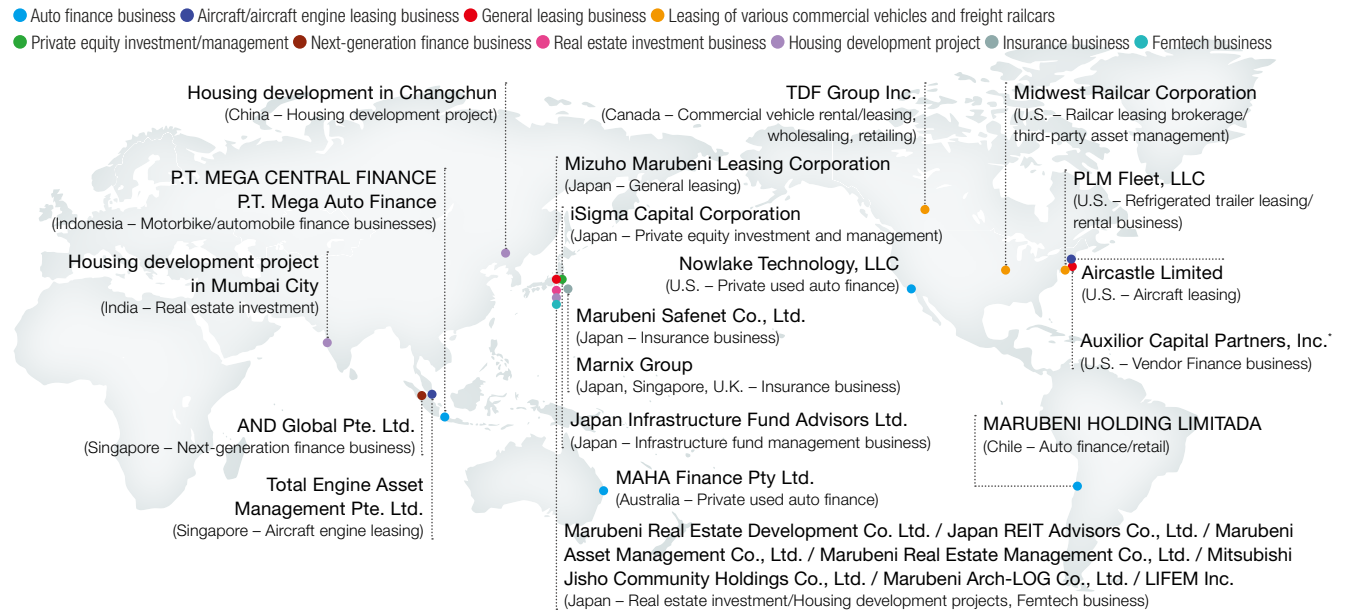
Auto finance business / Aircraft and aircraft engine leasing business / Fleet management business (rental and leasing business of refrigerated trailers, commercial vehicles, and freight railcars) / General leasing & non-bank business / Next generation finance business, Femtech-related services / Private equity fund investment and management business, domestic investment business / Domestic and overseas real estate development / REIT, fund management business / U.S. real estate asset management service business / Insurance business

### Finance, Leasing & Real Estate Business Division Strengths

- Tight alliances with top-caliber partners worldwide, including Mizuho Leasing Company, Limited
- Profound expertise in general leasing operations and specialized leasing, business development in growth fields such as mobility financing and aircraft leasing
- Know-how in improving corporate value in private equity fund business, ability to propose solutions in insurance business
- Real estate management and development leveraging Marubeni's global network
- New businesses that utilize DX, such as next-generation finance



### Global Business Portfolio



\* Investment via Mizuho Marubeni Leasing

### Growth-oriented Opportunities/Risks

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Expansion of market share in auto finance business in N. America, expansion of commercial vehicle fleet management services and business domains</li> <li>■ Recovery in demand for air passenger transportation, growth alongside economic development in emerging countries</li> <li>■ Solutions for management issues at domestic companies via M&amp;A, growth in business succession needs</li> <li>■ Robust investment needs from property investors worldwide for revenue-generating properties, growth in housing demand in developing countries</li> <li>■ Growth in DX-based next-generation financial fields, more efficient distribution in architectural and construction sectors, response to greenification</li> </ul>	<ul style="list-style-type: none"> <li>■ Higher credit risk and increase in interest rates to reign in inflation, slowdown in consumer spending due to inflation in countries around the world</li> <li>■ Stalled recovery in demand for air passenger travel due to emergence of new wars and conflicts, spread of infectious diseases, and rising fuel costs</li> <li>■ Decline in housing demand due to population/market contraction linked to low birthrates and higher life expectancy in Japan; increased development costs due to higher material prices</li> <li>■ Obsolescence of business models due to DX and technological innovation, decrease in asset values due to higher awareness of environmental problems</li> </ul>

### Business Strategy

<b>Alliances with business partners, promote green tech and DX, human resource strategy</b>	<ul style="list-style-type: none"> <li>■ Reinforce alliances with our leading partners worldwide including Mizuho Leasing Company, Limited, mutually share know-how and resources</li> <li>■ Provide services and build up assets in line with Marubeni Group's environmental strategy, strengthen earnings power in businesses by leveraging DX</li> <li>■ Development of talent with global leadership capabilities and development of change leadership ability at organizational level</li> </ul>
<b>Growth strategy in finance, leasing, corporate investment, and insurance fields</b>	<ul style="list-style-type: none"> <li>■ Expand assets in auto loans, augment mobility-related businesses, such as fleet management services that contribute to environmental strategies</li> <li>■ Accumulate quality assets in leasing (such as aircraft, aircraft engines, refrigerated trailers, and freight railcars)</li> <li>■ Expand private equity fund management operations, provide services throughout value chain in insurance field</li> </ul>
<b>Growth strategy for real estate business</b>	<ul style="list-style-type: none"> <li>■ Expand scale of asset management for listed J-REITs and private REITs, develop multiple earnings streams, including in related operations</li> <li>■ Promote development of real estate in Japan and overseas using wealth of expertise gained across housing, office, commercial and logistics sectors</li> </ul>



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**Transportation & Industrial Machinery, Financial Business Group**



# Construction, Industrial Machinery & Mobility Division

## Kazuhiro Kondo

Chief Operating Officer,  
Construction, Industrial Machinery  
& Mobility Div.



### Major Products and Areas

Construction/mining equipment sales and related services, financing / Automotive aftermarket sales, dealerships and used car sales / Commercial EV fleet management / MaaS (Mobility as a Service), Autonomous vehicles / Sales, services and related peripheral businesses of auto production equipment and machine tools, industrial equipment / Distribution of electronic components and machine parts

### Construction, Industrial Machinery & Mobility Division Strengths

- Sales, marketing, investment, and operational know-how amassed over decades through business activities in Japan and overseas
- Workforce of professionals well versed in their respective industries
- Diverse lineup of products and services, including trading, wholesaling, and retailing, that meet a wide range of customer needs both domestically and internationally
- Strong relationships of trust with global top-tier manufacturers
- Global information network linking domestic and overseas operating companies, overseas corporate subsidiaries and the Tokyo Head Office
- Driving force for creating new businesses from zero to one while actively taking on challenges in new fields



### Global Business Portfolio

**Automotive sales and after-sales service businesses, mobility service businesses**

Aftermarket business (U.S.)

Auto dealerships (U.K.)

EV fleet management (Japan, ASEAN)

EV fast-charging equipment (U.S.)

**Distributor/product support business for construction and mining equipment**

Product support business for mining (Australia, South America, Mongolia, Ukraine)

Distributor business (U.K., Turkey, Philippines, Vietnam)

**Contributions to manufacturing around the world in a broad range of industries**

Electronic component distribution business (Japan)

Machine tool sales, DX for industrial machinery (U.S., Japan)

### Growth-oriented Opportunities/Risks

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Stronger demand for vehicles as population grows and middle-income class expands, stronger demand for logistics vehicles as e-commerce grows, and stronger demand for social infrastructure maintenance and updates</li> <li>■ Expansion of new demand due to decarbonization, demographic changes, digitalization and other changes in society</li> <li>■ Diversification of supply chains and expansion of business domains in which AI, IoT, automation, and other new technologies are used</li> </ul>	<ul style="list-style-type: none"> <li>■ Emergence of manufacturers in emerging countries, decline in advantages of handled products</li> <li>■ Obsolescence of and changes in existing markets due to technological innovation, risk of competition from new entrants from other sectors</li> <li>■ Country risks in the regions and countries where we operate, including deterioration in economic and social conditions</li> </ul>

### Business Strategy

<b>Expand business related to construction machinery</b>	<ul style="list-style-type: none"> <li>■ Expand scope of sales and distributor business to include handling-related and peripheral products</li> <li>■ Develop general construction machinery leasing operations in Japan and around the world</li> <li>■ Develop new businesses to leverage DX, decarbonization and electrification trends</li> </ul>
<b>Expand business related to industrial systems and mobility</b>	<ul style="list-style-type: none"> <li>■ Expansion of U.S. auto aftermarket business and expansion of business domains</li> <li>■ Expansion and transformation of U.K. auto dealership business and used vehicle sales business</li> <li>■ Realize on-demand transportation and self-driving cars to solve social issues, such as driver shortages, and an aging society</li> <li>■ Promote green business, such as sales of commercial EVs and EV fleet management business</li> </ul>
<b>Expand business related to industrial machinery</b>	<ul style="list-style-type: none"> <li>■ Realize labor savings and automation at manufacturing sites with IoT and DX services</li> <li>■ Expand electronic components business and expand business domains</li> <li>■ Propose new solutions for decarbonization and supply chain diversification</li> <li>■ Enter into machinery parts distribution, new materials and paper container field</li> </ul>



Consumer Products Group / Lifestyle Division / IT Solutions Division / Food Division- I / Food Division- II / Agri Business Division / Materials Group / Forest Products Division / Chemicals Division / Metals & Mineral Resources Division / Energy & Infrastructure Solution Group / New Energy Business Development Department / Energy Division / Power Division / Infrastructure Project Division / Transportation & Industrial Machinery, Financial Business Group / Aerospace & Ship Division / Finance, Leasing & Real Estate Business Division / Construction, Industrial Machinery & Mobility Division / **CDIO / Next Generation Business Development Division** / Next Generation Corporate Development Division

CDIO



# Next Generation Business Development Division



## Masayuki Omoto

Chief Operating Officer,  
Next Generation Business  
Development Div.

### Major Products and Areas

Pharmaceuticals and medical devices / Medical services / Next generation industrial park / New technologies / Offshore DX\* / Wellness and beauty / Consumer brands / Metaverse / Education / Other high-growth domains

\* Offshore DX refers to the outsourcing to or ordering of a part of system development from an overseas company.

### Next Generation Business Development Division Strengths

- Structured to operate with agility and speed and to specialize in growth domains
- Development and construction of new business models focusing on solving social/ customer issues regardless of the product verticals of existing businesses
- Systems capable of drawing on Marubeni's strengths
- Search for and pursue new high-growth fields around the world



## Global Business Portfolio



## Growth-oriented Opportunities/Risks

- | Opportunities   |
|---|
| ■ Expansion of consumption power due to the rise of the middle-income demographic in Asia |
| ■ Expansion of next generation social infrastructure (urbanization/smartification)        |
| ■ Carbon-free society/circular economy  |
| ■ Expansion in high-quality medical needs and rise in health awareness                    |
| ■ Shifts in consumption trends and values among millennials/Gen Z* consumers              |
- \* Millennials: General term for the generation of people born from the early 1980s to the mid-1990s.  
Gen Z: General term for the generation of people born after the mid-1990s.

- | Risks  |
|--|
| ■ Risk of players with innovative technologies and business models appearing faster than expected    |
| ■ Country risks in business regions/countries due to evolving political, economic and social factors |

## Business Strategy

- |   |   |
|---|---|
| <b>Expand business in next-generation social infrastructure field</b> | <ul style="list-style-type: none"> <li>■ Participate in smart city development projects using smart technologies in environment and digital; seek to expand/upgrade operation of next generation industrial parks</li> <li>■ Seek to build upscaled operations entering new technology domains such as offshore DX and ultracapacitors (next generation storage batteries)</li> </ul>   |
| <b>Expand business in healthcare/medical field</b>                    | <ul style="list-style-type: none"> <li>■ Strengthen global network for high-quality pharmaceutical and medical device products through sales to Japanese manufacturers and by leveraging sourcing capabilities and sales functions in China and the Middle East</li> <li>■ Develop hospital-related services business by applying knowledge gained from clinical laboratory testing service (Philippines), hospital (Indonesia) operations</li> </ul> |
| <b>Expand business foundation, brand portfolio in wellness field</b>  | <ul style="list-style-type: none"> <li>■ Expand business in brands and distribution by leveraging knowledge in management of cosmetics retailing business in Malaysia with AINZ &amp; TULPE and capital relationship with SHIGETA PARIS, a beauty brand</li> <li>■ Develop new brands and expand scope of existing consumer brands</li> </ul>   |
| <b>Look for opportunities to create next-generation businesses</b>    | <ul style="list-style-type: none"> <li>■ Pursue opportunities to create next generation businesses in blockchain, metaverse and other high-growth fields</li> <li>■ Mainly develop solutions for schools and educational institutions throughout Asia based on our partnerships with educators and education content providers</li> </ul>   |

Consumer Products Group / Lifestyle Division / IT Solutions Division / Food Division- I / Food Division- II / Agri Business Division / Materials Group / Forest Products Division / Chemicals Division / Metals & Mineral Resources Division / Energy & Infrastructure Solution Group / New Energy Business Development Department / Energy Division / Power Division / Infrastructure Project Division / Transportation & Industrial Machinery, Financial Business Group / Aerospace & Ship Division / Finance, Leasing & Real Estate Business Division / Construction, Industrial Machinery & Mobility Division / CDIO / Next Generation Business Development Division / Next Generation Corporate Development Division

CDIO



# Next Generation Corporate Development Division



## Toshihiro Fukumura

Chief Operating Officer,  
Next Generation Corporate  
Development Div.

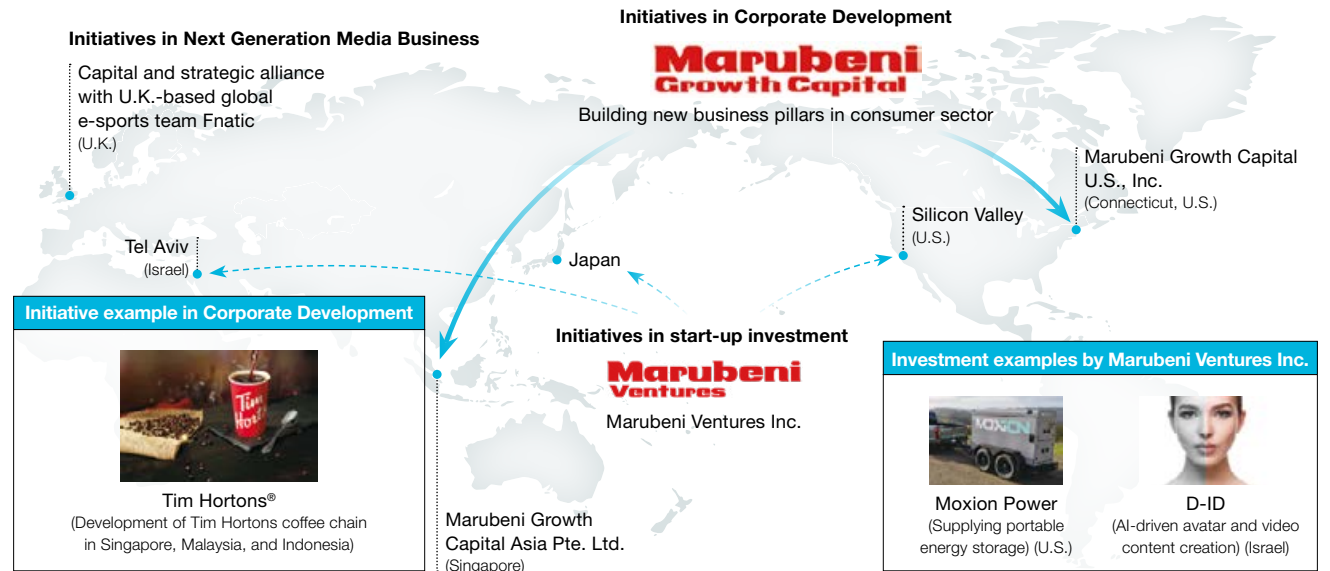
### Major Products and Areas

Corporate development / Start-up investment / Next generation media business

### Next Generation Corporate Development Division Strengths

- New investment platform with professional investment teams that have local networks in Southeast Asia and the U.S.
- Access to/incorporation of the world's most advanced technology and innovation through start-up investment.
- Know-how and network in the next generation media business industry
- Synergies among divisional initiatives in corporate development, start-up investment and next generation media business

## Global Business Portfolio



## Growth-oriented Opportunities/Risks

Opportunities	Risks
<ul style="list-style-type: none"> <li>■ Expansion of consumption power in Southeast Asia driven by population growth and increase in incomes</li> <li>■ Increase in opportunities to invest in Southeast Asian companies that need long-term partners to diversify and expand their businesses</li> <li>■ Propagation of cutting-edge U.S. consumer businesses around the world</li> </ul>	<ul style="list-style-type: none"> <li>■ Faster than expected emergence of players with innovative technologies and business models</li> <li>■ Heightened market volatility and sudden changes in investment conditions due to shifts in global circumstances</li> </ul>

## Business Strategy

<b>Corporate development</b>	<ul style="list-style-type: none"> <li>■ Building a portfolio of new revenue sources for Marubeni through investment in growing companies in high growth consumer business areas in which Marubeni does not have a strong presence</li> <li>■ Promote agile investment through newly established Marubeni Growth Capital Asia in Singapore and Marubeni Growth Capital U.S. in the U.S. as investment platform comprised of local investment experts</li> <li>■ Deepen our understanding of the consumer sector through investments in consumer trends and cutting-edge business models in the U.S., and deploy this knowledge in Southeast Asia</li> </ul>
<b>Start-up investment</b>	<ul style="list-style-type: none"> <li>■ Invest in domestic/overseas start-ups with innovative technology/business models</li> <li>■ Provide information and insights from investment activities for Marubeni (as an 'antenna' for new business development) and collaborate with division activities</li> <li>■ Cooperate with corporate development activities, utilizing information and networks gained in start-up investment activities</li> </ul>
<b>Next generation media business</b>	<ul style="list-style-type: none"> <li>■ Develop a next generation media business through capital alliances and business partnerships with media companies, focusing on business fields such as e-sports and video games, which provide content that appeals to next generation consumers</li> </ul>



# 05

## SECTION

### Corporate Data

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## Financial Data

	(Billions of yen) (Millions of U.S. dollars)*9												
	SG-12		GC2015			GC2018			GC2021			GC2024	
	U.S. GAAP		IFRS										
	2012.3	2013.3	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3	2020.3	2021.3	2022.3	2023.3	2023.3
<b>Business Results</b>													
Revenue, Total volume of trading transactions*1	¥10,584.4	¥10,509.1	¥7,055.7	¥7,834.3	¥7,300.3	¥7,128.8	¥7,540.3	¥7,401.3	¥6,827.6	¥6,332.4	¥8,508.6	¥9,190.5	¥68,586
Gross trading profit	541.5	528.2	651.1	707.3	670.1	613.9	677.2	729.7	696.8	675.4	895.3	1,051.3	7,845
Operating profit*2	157.3	122.9	157.5	160.7	104.2	91.6	118.1	173.0	133.9	141.6	284.5	340.8	2,543
Dividend income	27.4	30.1	34.9	35.0	18.6	17.5	21.3	37.3	27.6	16.2	24.4	10.4	77
Share of profits of associates and joint ventures	81.5	87.8	99.4	89.9	31.8	114.7	148.5	85.3	(55.2)	141.3	236.6	286.8	2,140
Profit for the year attributable to owners of the parent (Net profit)	172.1	205.7	210.9	105.6	62.3	155.4	211.3	230.9	(197.5)	223.3	424.3	543.0	4,052
Adjusted net profit*3	—	—	225.0	231.0	162.0	171.0	230.0	256.0	225.0	243.0	489.0	526.0	3,925
<b>Financial Position</b>													
Total assets	¥ 5,129.9	¥ 5,965.1	¥7,256.1	¥7,673.1	¥7,117.7	¥6,896.7	¥6,877.1	¥6,809.1	¥6,320.0	¥6,935.7	¥8,255.6	¥7,953.6	¥59,355
Net interest-bearing debt	1,755.7	1,785.2	2,491.0	2,887.6	2,762.5	2,099.9	1,915.8	1,858.8	1,859.1	1,687.9	1,860.0	1,483.1	11,068
Shareholders' equity	852.2	1,131.8	1,383.4	1,518.5	1,317.1	1,683.7	1,771.5	1,977.7	1,515.5	1,814.8	2,242.2	2,877.7	21,476
<b>Cash flows</b>													
Net cash provided by operating activities	¥ 172.6	¥ 295.7	¥ 291.2	¥ 170.9	¥ 359.1	¥ 324.3	¥ 253.4	¥ 284.9	¥ 327.0	¥ 397.1	¥ 311.9	¥ 606.3	¥4,525
Net cash provided by (used in) investing activities	(273.7)	(210.9)	(706.6)	(331.4)	(174.6)	46.5	(49.7)	22.5	(209.8)	(11.6)	(79.7)	156.8	1,170
Free cash flow	(101.1)	84.9	(415.4)	(160.5)	184.5	370.8	203.7	307.4	117.2	280.8	232.3	763.1	5,695
Net cash provided by (used in) financing activities	171.9	129.0	196.8	(70.7)	(36.3)	(258.1)	(269.5)	(427.4)	(93.3)	(68.5)	(419.6)	(766.6)	(5,721)
Core operating cash flow*4	—	—	—	—	—	264.2	324.0	373.2	363.8	369.6	570.5	584.2	4,360
<b>Amounts per share (¥, \$U.S.)</b>													
Basic earnings*5	¥ 99.13	¥ 118.48	¥121.52	¥ 60.85	¥ 35.88	¥ 88.08	¥119.43	¥130.74	¥(116.03)	¥126.32	¥242.89	¥316.11	\$2.36
Cash dividends	20	24	25	26	21	23	31	34	35	33	62	78	0.58
<b>Ratios</b>													
ROA (%)	3.5	3.7	3.2	1.4	0.8	2.2	3.1	3.4	(3.0)	3.4	5.6	6.7	
ROE (%)	21.2	20.7	16.7	7.3	4.4	11.1	14.0	13.9	(13.4)	15.5	23.0	22.4	
Net debt-equity (DE) ratio*6 (Times)	2.06	1.58	1.80	1.90	2.10	1.25	1.08	0.94	1.23	0.93	0.83	0.52	
Total shareholder return*7 (%)	—	—	—	—	—	—	—	103.8	79.0	132.8	206.5	264.6	

\*1. Reflecting "Total volume of trading transactions" until FYE 3/2013 and "Revenue" from FYE 3/2014 onward. "Total volume of trading transactions" includes all transactions involving the Company and its consolidated subsidiaries regardless of transaction type.

\*2. Operating profit = Gross trading profit + SGA expenses + Provision for doubtful accounts. "Operating profit" is presented in accordance with Japanese accounting practices for investors' convenience and is not required by IFRS.

\*3. Adjusted net profit: Net profit excluding one-time items, shown in an approximate figure.

\*4. Core operating cash flow: Operating cash flow excluding net increase/decrease in working capital and others

\*5. "Basic earnings per share attributable to owners of the parent" is based on "Profit attributable to owners of the parent" excluding the amount not attributable to ordinary shareholders.

\*6. Effective from FYE 3/2023, the denominator in the formula for calculating the net DE ratio has been changed from "total equity" to "equity attributable to owners of the parent." The net DE ratio for past years has been adjusted accordingly.

\*7. Total shareholder return for fiscal year N = (Share price at the end of fiscal year N + cumulative amount of dividends per share of up to fiscal year N from four fiscal years prior to FYE 3/2022)/share price at the end of the five fiscal years prior to FYE 3/2022 (fiscal year N = any fiscal year between FYE 3/2018 - FYE 3/2022)

\*8. Due to the early application of IAS 12, figures for FYE 3/2021 have been adjusted retroactively.

\*9. U.S. dollar amounts above and elsewhere in this report are converted from yen, for the convenience of readers only, at ¥134 to U.S.\$1, the exchange rate prevailing on March 31, 2023.

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## Data by Operating Segment

Based on FYE 3/2023 organization

(Billions of yen)

Business Division	Segment	Net Profit		Adjusted Net Profit*2		Total Assets		Number of Employees (As of March 31, 2023)	
		2022.3	2023.3	2022.3	2023.3	2022.3	2023.3	Consolidated	Non-Consolidated
Consumer Products Group	Lifestyle Div.	5.5	4.5	7.0	8.0	155.4	183.7	5,217	204
	ICT Business & Logistics Div.	9.2	9.5	8.0	10.0	351.2	372.0	8,218	146
	Food Div.- I	14.5	11.6	12.0	12.0	403.3	426.0	2,324	225
	Food Div.- II	46.4	76.9	47.0	25.0	1,344.5	560.4	4,279	155
	Agri Business Div.	59.8	42.7	66.0	39.0	988.6	1,099.3	6,852	52
Materials Group	Forest Products Div.	7.6	(9.4)	8.0	5.0	315.5	323.2	3,099	176
	Chemicals Div.	17.2	14.3	17.0	14.0	313.1	322.9	1,038	247
	Metals & Mineral Resources Div.	190.7	199.4	188.0	201.0	1,070.1	1,209.5	452	214
Energy & Infrastructure Solution Group	Energy Div.	37.7	38.3	41.0	46.0	718.2	555.0	938	239
	Power Div.	(27.7)	40.3	22.0	54.0	1,122.2	1,179.6	1,760	336
	Infrastructure Project Div.	7.3	9.0	7.0	9.0	237.8	282.2	631	214
Transportation & Industrial Machinery, Financial Business Group	Aerospace & Ship Div.	26.6	28.2	28.0	31.0	296.0	334.6	418	120
	Finance, Leasing & Real Estate Business Div.	7.0	43.8	25.0	40.0	494.8	550.4	1,182	236
	Construction, Industrial Machinery & Mobility Div.	22.5	23.8	19.0	23.0	315.9	379.8	6,727	193
CDIO (Chief Digital Innovation Officer)	Next Generation Business Development Div.	(1.5)	(2.8)	(2.0)	(1.0)	16.7	28.1	265	63
	Next Generation Corporate Development Div.	0.9	(2.0)	1.0	(2.0)	11.1	13.4	24	14
	Other	0.6	15.0	(4.0)	9.0	101.1	133.6	2,571	1,506
	Consolidated total	424.3	543.0	489.0	526.0	8,255.6	7,953.6	45,995	4,340
	Resources*1	197.5	190.4	197.0	199.0				
	Non-resources*1	226.9	342.4	296.0	320.0				
	Other*1	(0.0)	10.2	(4.0)	7.0				

\*1. Classification by business field is as follows: Resources: Total of Energy Div. and Metals & Mineral Resources Div. excluding Steel Products Dept.; Other: Total of Next Generation Business Development Div., Next Generation Corporate Development Div., and Other; Non-resources: All other than above.

\*2. Adjusted net profit: net profit excluding one-time items, shown in an approximate figure. The total of the various operating segments and the overall total may not match due to rounding.

Financial Data / [Non-Financial Data](#) / State of Major Green Business Initiatives / Major Progress in Greening All Business Domains / Scenario Analysis of Climate Change Risks and Opportunities in Line with the TCFD Recommendations / Net Profit of Major Group Companies / Outstanding Balance of Country Exposure / Organization / IR Activities / External Evaluation / Company Profile / Stock Information

## Non-Financial Data

### Environmental Data

		(Thousand metric tons CO <sub>2e</sub> )			
		2021.3	2022.3	2023.3	
Total	Including non-energy-related GHG emissions	1,080	1,239	<b>1,222</b>	
	(Excluding non-energy-related GHG emissions)	(965)	(1,119)	<b>(1,072)</b>	
Components	Scope 1	Including non-energy-related GHG emissions	798	1,016	<b>1,000</b>
		(Excluding non-energy-related GHG emissions)	(683)	(897)	<b>(850)</b>
	Scope 2		282	223	<b>222</b>

Scope 1 Greenhouse Gas Emissions (Components of non-energy-related GHG emissions) *1, *2		(Thousand metric tons CO <sub>2e</sub> )		
		2021.3	2022.3	2023.3
Total amount		115	120	<b>150</b>
	Carbon dioxide (CO <sub>2</sub> )	5	10	<b>32</b>
	Methane (CH <sub>4</sub> )	72	72	<b>75</b>
	Dinitrogen monoxide (N <sub>2</sub> O)	37	38	<b>43</b>
Components	Hydrofluorocarbons (HFCs)	1	0	<b>1</b>
	Perfluorocarbons (PFCs)	0	0	<b>0</b>
	Sulphur hexafluoride (SF <sub>6</sub> )	0	0	<b>0</b>
	Nitrogen trifluoride (NF <sub>3</sub> )	0	0	<b>0</b>

Scope 3 Category 15 (Investment)*2		(Million metric tons CO <sub>2</sub> )		
		2021.3	2022.3	2023.3
Total		approx. 25	approx. 25	<b>approx. 22</b>
	Power generation	approx. 21	approx. 21	<b>approx. 19</b>
Components	Resource projects	approx. 3	approx. 2	<b>approx. 2</b>
	Others businesses	approx. 1	approx. 1	<b>approx. 1</b>

### Other environmental data

		2021.3	2022.3	2023.3
Water withdrawal and discharge data	Water withdrawal (Thousand m <sup>3</sup> )*1	298,340	308,498	<b>272,325</b>
	Water discharge (Thousand m <sup>3</sup> )*1	285,693	296,047	<b>260,902</b>
Waste generated (Thousand metric tons)*1		119	175	<b>207</b>
Energy consumption (Thousand GJ)*1		13,771	17,515	<b>16,992</b>

\*1. Total for Marubeni Corporation and consolidated subsidiaries.

\*2. The total of each breakdown and the overall total may not match due to rounding.

### Social Data

	2021.3	2022.3	2023.3
No. of employees (Consolidated)*3	45,470	46,100	<b>45,995</b>
No. of employees (Non-Consolidated)*4	4,389	4,379	<b>4,340</b>
Of which, Male	3,203	3,179	<b>3,115</b>
Of which, Female	1,186	1,200	<b>1,225</b>
Average service years*5	17.5	17.6	<b>17.6</b>
Ratio of females in career-track positions (%)*5	10.8	12.0	<b>13.2</b>
No. of employees in management positions*5	2,304	2,433	<b>2,466</b>
Ratio of females in management positions (%)*5	6.4	7.5	<b>8.2</b>
Directors, Audit & Supervisory Board Members*5	18	15	<b>15</b>
Ratio of female officers (%)*5	5.56	6.67	<b>13.33</b>
Employment rate of people with disabilities (%)*6	2.58	2.60	<b>2.57</b>
Average overtime hours per month*5	20.0	20.3	<b>18.4</b>
Use of annual paid leave (%)*5	41.0	50.0	<b>55.0</b>
No. of employees who took maternity leave*5	58	70	<b>76</b>
No. of employees who took childcare leave*5	100	111	<b>129</b>
Of which, Male	48	54	<b>59</b>
Return rate (following childcare leave) (%)*5	98.9	97.3	<b>98.0</b>
No. of hires*5	146	162	<b>157</b>
No. of new graduate recruitment*5	116	124	<b>123</b>
Of which, Male	79	74	<b>65</b>
Of which, Female	37	50	<b>58</b>
Ratio of mid-career recruitment in hires (%)*5	20.5	23.5	<b>21.7</b>
Employee development data*5			
Number of participants trained per year	25,188	32,535	<b>43,320</b>
Total number of training days per year	23,393	24,340	<b>27,029</b>
Total number of training hours per year	170,000	177,000	<b>196,000</b>
Annual training hours (days) per employee	39 (5.3)	41 (5.6)	<b>46 (6.3)</b>

\*3. Consolidated employee figure as of March 31.

\*4. Total figures include the number of Marubeni employees assigned to other companies and exclude secondees to Marubeni Corporation from other companies (as of March 31).

\*5. Figures for Marubeni Corporation.

\*6. The figures shown combined total for Marubeni Corporation and the certified special-purpose subsidiary, Marubeni Office Support Corporation (as of March 1).

Detailed information, including notes on the environmental and social data, is available on the sustainability website. Of the indicators disclosed on the website, those marked with asterisks have received third-party assurance from KPMG AZSA Sustainability Co., Ltd. For detailed information, please refer to the website.

Environmental Data  
<https://marubeni.disclosure.site/en/themes/19/>

Social Data  
<https://marubeni.disclosure.site/en/themes/28/>





# State of Major Green Business Initiatives\*1

We are promoting Green Business initiatives in Horizon 1 & 2 and Horizon 3 defined in GC2024 Mid-Term Management Strategy

**Horizon 1 & 2**

Expanding Green Business based on the current business, which is already strong and profitable

**Horizon 3**

Creating new Green Business through cross-sectional approaches and utilization of business connections

## Horizon 1 & 2

### Renewable energy

Develop offshore wind farm projects (U.K., Japan), domestic biomass and micro-scale hydro-power generation projects and others

- Commencement of full-scale commercial operation for offshore wind farm project at Akita Port and Noshiro Port in Akita Prefecture
- Completion of Al Kharsaah Solar PV IPP project (Qatar)
- Rabigh Solar PV IPP project (Saudi Arabia) (currently under construction)
- Development of a floating offshore wind farm, ScotWind Project (Scotland)
- Development of a wood-based biomass power plant in Ishikari City, Hokkaido
- Start of service for “SOLACLE”, a trading platform for domestic solar power plants
- Strengthening retail power sales business of [SmartestEnergy Limited \(U.K.\)](#) and [Marubeni Power Retail Corporation](#)
- Expanding supply-demand adjustment functions including battery storage, strengthening marketing capability such as renewable energy aggregation, enhancement of trading capability for Renewable Energy Certificates



Offshore wind farm project at Akita Port and Noshiro Port (photo courtesy of Akita Offshore Wind Corporation)

## Horizon 3

### New energy

- Pursuit of development and commercialization of projects related to hydrogen, fuel ammonia, etc. (Australia, Middle East, North America and other regions)
- Development of green hydrogen-related projects (U.K., the Middle East and Australia, etc.)
- Commercialize hydrogen refueling station for truck fleet (U.S.)
- Production and sales of SAF in Fulcrum BioEnergy, Inc., commencement of production (U.S.)
- Commencement of production and sales of biomethane derived from dairy manure (U.S.)
- Joint study for methanation project (Peru)



Hydrogen and fuel ammonia supply chain (Hydrogen liquefaction and loading facilities (photo courtesy of HEA))

• **Target ratio of power generated by renewable energy sources**

Target to expand the ratio of power generated by renewable energy source (in Group’s own net power supply to approx. 20% by 2023)

Performance as of March 31, 2023: Approx. 21% (including seabed leasing rights for the development of the ScotWind project), approx. 16% (excluding the ScotWind project)

• **Avoided emissions from renewable energy generation\*2: approx. 1.12 million t-CO<sub>2</sub>**

(The amount of power generated (net power output) from major solar, wind, geothermal, hydro, wind farm projects as of March 31, 2023, using the following formula: Installed capacity × 24 hours × 365 days × capacity factor (%) × the average emission factor of the country or region of location available × equity share (%))

\*1. Figures and other data are the most recent available as of March 31, 2023.

\*2. The Group is exploring the disclosure of quantitative indicators of contribution to a low-carbon or decarbonized society, such as avoided emissions, in view of the most recent guidance and other factors.

## State of Major Green Business Initiatives

### Horizon 1 & 2

#### Water infrastructure

Strengthen and promote the water projects, such as seawater desalination BOT/BOO projects in the Middle East and South America, and water/wastewater concession businesses (Europe, South America and Southeast Asia)

- Conclusion of a water purchase agreement, achievement of financial close and start construction for a desalination and water transmission project for Corporación Nacional del Cobre de Chile (Chile)
- Stable water supply and operational improvement of existing water/wastewater concession businesses (AGS, Aguas Nuevas, Aguas Decima, Maynilad, etc.)  
Existing water projects (BOT/BOO: 3, concession: 4, total service population: 17 million)



Water and wastewater services

#### Copper, aluminum\*

- The Minera Centinela copper mine expansion (Chile)
- All three copper mines in which Marubeni participates have completed 100% conversion to renewable energy sources and have been awarded the Copper Mark. Marubeni became a partner of the Copper Mark
- Aluminerie Alouette, the aluminium smelter has been awarded the ASI Chain of Custody (Canada)
- Building a stronger and more responsible aluminium supply chains through the sales of carbon neutral and low-carbon aluminum ingot
- Strengthening and expanding copper and aluminium trading



Copper mining business in Chile

### Horizon 3

#### Decarbonization solutions

- Development of CCS and CCUS projects (U.S. and Australia)
- Development of waste-to-fuel and waste-to-energy projects (Middle East and Southeast Asia)
- Concluded a joint venture agreement on the establishment of a company to enter the district cooling business (Saudi Arabia)
- Formed strategic capital and business alliance with folofly Inc., which develops and sells commercial EVs
- Signed contracts for a car-sharing PoC project on EV using electricity derived from reuse solar panels in Gunma Prefecture
- Conducted demonstration flight of flying car
- Investing in and establishing strategic partnership with LineVision, Inc., a U.S. provider of monitoring and analysis solutions for transmission lines
- Promotion of smart city business



Carbon capture and utilization

#### Decentralized power, battery storage, and supply-demand adjustments





- Global development of decentralized power generation business (solar PV generation project with power purchase agreement to commercial and industrial customers in Mexico, Thailand and Vietnam)
- Development of domestic grid-scale battery business
- Expanding renewable energy aggregation business and utilization of the FIP scheme
- Investment in Cirba Solutions, LLC participating in the lithium-ion battery recycling industry (North America)
- Development of next generation energy storage business



Decentralized power generation business (Mexico – Rooftop solar PV system)

\* Contributing to decarbonization by supplying critical minerals used for EVs and other clean technologies.


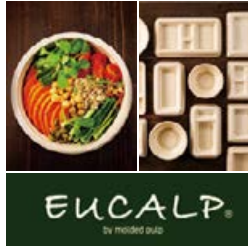

## State of Major Green Business Initiatives

Horizon 1 & 2	Horizon 3
<p><b>Forestry</b></p> <ul style="list-style-type: none"> <li>• Improve growth potential of pulp wood in MHP, extend afforestation area, expand the volume of carbon stocks through maintenance of managed forest (Indonesia)</li> <li>• Promote environmentally conscious afforestation services in WA Plantation Resources Pty., Ltd. (Australia)</li> <li>• Developing a reforestation carbon credit program (Philippines)</li> <li>• Joint afforestation project for wood-derived biomass materials (fast-growing tree planting) in Shunan city, Yamaguchi Prefecture</li> </ul>  <p style="text-align: center;">Forest plantation business</p>	<p><b>Recycling of materials and resources</b></p> <ul style="list-style-type: none"> <li>• Additional investment in Circ, Inc. with textile product recycling technology (U.S.)</li> <li>• Promotion of appropriate reuse and recycling business of used solar panels</li> <li>• Establishment of joint venture company (PubteX Co., Ltd.) to reform the supply chain of the Japanese publishing industry</li> <li>• Providing paper bags through closed recycling of used corrugated containers</li> </ul>  <p style="text-align: center;">Textile products recycling business</p>
<p><b>Agri-inputs*</b></p> <ul style="list-style-type: none"> <li>• Growing Helena Agri-Enterprises, LLC business through environmental impact mitigation (reduction of fertilizer and subsequent nitrogen leaching, etc.) and improvement of agricultural productivity, while providing solutions with proprietary products and services. Considering and evaluating the potential of agri-inputs products which contribute to the expansion of regenerative practices in agriculture and carbon sequestration (e.g., biochar) (U.S.)</li> </ul>  <p style="text-align: center;">Agri-inputs business</p>	<p><b>Eco-friendly food products</b></p> <ul style="list-style-type: none"> <li>• Initiatives related to land-based aquaculture in Japan and overseas</li> <li>• Investment in food tech incubator KitchenTown, commencement to support startup companies solving sustainability issues such as alternative proteins</li> <li>• Collaboration with SAS Ÿnsect, the world's largest insect protein manufacturer and distributor, to enter the Japanese market</li> <li>• Japan's first creation of J-credit through converting the measure to manage livestock excrement in the livestock industry</li> </ul>  <p style="text-align: center;">Land-based recirculating aquaculture systems for salmon farming business</p>

\* Contributing to climate change measures and conservation of bio-diversity by supporting efficient land use.

# Major Progress in Greening All Business Domains

In all areas where action is essential to live in harmony with nature, the Marubeni Group advances greening, aiming to contribute to this goal through our business.

Subjects	Directions	Major Examples
<p><b>Decarbonization</b></p>	<p>Promoting efforts to put the “Marubeni Long-Term Vision on Climate Change” into practice:</p> <ol style="list-style-type: none"> <li>1 Achieve net-zero GHG emissions by 2050 (Action Plans towards 2030)</li> <li>2 Contribute to low-carbon/decarbonization through our businesses</li> </ol>	<ul style="list-style-type: none"> <li>• Transportation efficiency, supply chain optimization</li> <li>• GHG reduction in manufacturing business</li> <li>• Development of carbon neutral products and services</li> <li>• Initiatives for gas-fired power generation projects focusing on the needs in the low-carbon transition, acceleration of decarbonization process</li> <li>• Utilization of EV, renewable energy</li> </ul> 
<p><b>Transition to a Circular Economy</b></p>	<p>Advancing greening in all five processes*1 that promote the effective use of resources</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="border: 1px solid black; background-color: #00a68f; color: white; padding: 5px; margin: 5px;">Share</div> <div style="border: 1px solid black; background-color: #00a68f; color: white; padding: 5px; margin: 5px;">Maintain/Prolong</div> <div style="border: 1px solid black; background-color: #00a68f; color: white; padding: 5px; margin: 5px;">Reuse/Redistribute</div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;"> <div style="border: 1px solid black; background-color: #00a68f; color: white; padding: 5px; margin: 5px;">Refurbish/ Remanufacture</div> <div style="border: 1px solid black; background-color: #00a68f; color: white; padding: 5px; margin: 5px;">Recycle</div> </div>	<ul style="list-style-type: none"> <li>• Promote initiatives focusing on “Sharing” (EV battery sharing service in the logistics industry, rental and leasing of refrigerated trailers, commercial vehicle fleet management, etc.)</li> <li>• Strengthen maintenance-related business</li> <li>• Waste reduction and reuse</li> <li>• Energy conservation and reduction of environmental impact in refurbish/remanufacture-related business</li> <li>• Strengthen de-plasticization-related initiatives</li> </ul> 
<p><b>Living in Harmony with Nature</b></p>	<p>Advancing greening in all six business areas*2 toward “nature positive” outcomes</p> <div style="display: grid; grid-template-columns: repeat(3, 1fr); gap: 10px;"> <div style="border: 1px solid black; background-color: #00a68f; color: white; padding: 5px; text-align: center;">Improving agricultural productivity while avoiding soil degradation and water pollution</div> <div style="border: 1px solid black; background-color: #00a68f; color: white; padding: 5px; text-align: center;">Sustainable and multi-purpose use of forest resources</div> <div style="border: 1px solid black; background-color: #00a68f; color: white; padding: 5px; text-align: center;">Sustainable use of marine and coastal areas</div> <div style="border: 1px solid black; background-color: #00a68f; color: white; padding: 5px; text-align: center;">Sustainable use of fresh water</div> <div style="border: 1px solid black; background-color: #00a68f; color: white; padding: 5px; text-align: center;">Enhancement of sustainability of cities</div> <div style="border: 1px solid black; background-color: #00a68f; color: white; padding: 5px; text-align: center;">Sustainable energy use and infrastructure development</div> </div>	<ul style="list-style-type: none"> <li>• Formulated procurement policy for sustainable coffee, strengthen and expand handling of sustainable coffee</li> <li>• Recycling of pulp and forest residues</li> <li>• Reduction of environmental impact in manufacturing business (water-saving, water recycling, waste reduction, recycling)</li> <li>• Obtaining environmental certifications for real estate development business and for properties owned and managed</li> <li>• Improve efficiency of construction equipment with digital technologies</li> </ul> 

\*1. Five processes in material flows in a circular economy (Source: Ellen MacArthur Foundation)

\*2. Six areas recommended corporate initiatives toward “nature positive” outcomes in the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES).



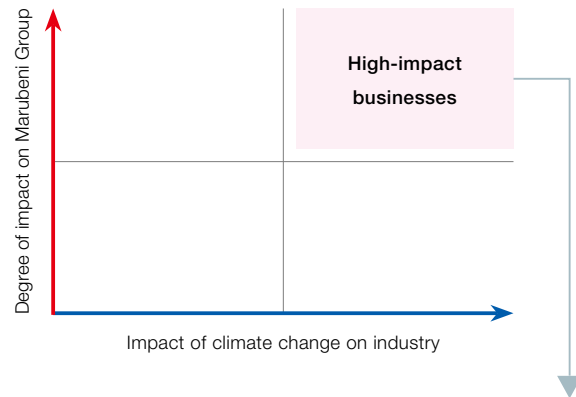
# Scenario Analysis of Climate Change Risks and Opportunities in Line with the TCFD Recommendations

## Business selection for scenario analysis

Businesses in the upper-right quadrant of the matrix shown below are selected for the scenario analysis.

**Horizontal axis** Business domains with high financial impact due to climate change

**Vertical axis** Degree of impact on Marubeni Group (scale of assets/earnings, etc.)



Businesses selected for scenario analysis using process outlined above

- Power generation
- Energy resource investment (oil/gas/LNG)
- Alternative energy
- Coking coal mine investment
- Iron ore mine and copper mine investment
- Aircraft leasing (Aircastle)
- Ship
- Agri-inputs (North America)
- Forestry

## Results of scenario analysis

The chart below summarizes the results of the scenario analysis for each business selected.

The scenarios and business environment overviews represent the understanding of the Marubeni Group based on major scenarios as developed by the IEA and other international organizations, but do not provide an outlook for the Group.

### How to read the charts

Name of selected business	<p><b>Business environment overview</b></p> <p><b>Baseline scenarios</b> Expected changes in conditions for the selected businesses based on demand projections under baseline scenarios</p> <p><b>Transition scenarios</b> Expected changes in conditions for the selected businesses based on demand projections under transition scenarios</p> <p>The data show demand projections for the selected business under each scenario as conditions evolve (all data are global, unless otherwise noted).</p> <p>Example: Coal-fired power generation (graph represents a sample)</p> <p>Legend:</p> <table border="0"> <tr> <td>■ Baseline scenarios:</td> <td>■ Transition scenarios:</td> </tr> <tr> <td>■ IEA RTS (+2.7°C)</td> <td>■ IEA B2DS (+1.75°C)</td> </tr> <tr> <td>■ IEA STEPS (+2.7°C)</td> <td>■ IEA SDS (+1.65°C)</td> </tr> <tr> <td>■ IPCC RCP8.5 (+4.3°C)</td> <td>■ IPCC RCP2.6 (+1.6°C)</td> </tr> <tr> <td>■ IPCC RCP6.0 (+2.8°C)</td> <td>■ IEA NZE (+1.5°C)</td> </tr> <tr> <td>■ IPCC RCP4.5 (+2.4°C)</td> <td>■ IPCC RCP1.9 (+1.5°C)</td> </tr> </table> <p>Figures in parentheses correspond to the projected temperature rise by 2100 under each scenario. Note: Data for IEA RTS referenced from 2014 rather than 2020. Note: Data for IEA SDS referenced from 2019 rather than 2020. Note: Data for 2020 are scenario-based projections rather than actual figures.</p>	■ Baseline scenarios:	■ Transition scenarios:	■ IEA RTS (+2.7°C)	■ IEA B2DS (+1.75°C)	■ IEA STEPS (+2.7°C)	■ IEA SDS (+1.65°C)	■ IPCC RCP8.5 (+4.3°C)	■ IPCC RCP2.6 (+1.6°C)	■ IPCC RCP6.0 (+2.8°C)	■ IEA NZE (+1.5°C)	■ IPCC RCP4.5 (+2.4°C)	■ IPCC RCP1.9 (+1.5°C)
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■ IPCC RCP4.5 (+2.4°C)	■ IPCC RCP1.9 (+1.5°C)												
<p><b>Responses to future business risks/opportunities</b></p> <p>This section outlines Group policies and initiatives for the businesses, based on the business environment overview from the scenarios.</p> <p>Note: Unless otherwise stated, the analysis target is up to 2030.</p>													
<p><b>Impact on performance up to 2030</b></p> <p>The impact on the performance of the selected businesses up to 2030 is summarized graphically in overall terms.</p> <p>One of seven possible arrows is used to indicate the overall assessment. This section explains the assessment in more detail.</p> <p>Positive (High) ↑ (Med) ↗ (Low) →</p> <p>Neutral →</p> <p>Negative (Low) ↘ (Med) ↓ (High) ↓</p>													
<p><b>Financial information</b></p> <p>This section shows the net profit/loss for the relevant period attributable to owners of the parent for the selected businesses of the relevant segment (division) and the financial exposure* or segment assets.</p> <p>* Exposure includes investments, loan receivables, tangible fixed assets, and guarantees.</p>													

## Scenario Analysis of Climate Change Risks and Opportunities in Line with the TCFD Recommendations

Power generation business	<p><b>Business environment overview</b></p>	<p><b>Baseline scenarios</b></p> <ul style="list-style-type: none"> <li>Global electric power demand is expected to increase.</li> <li>Coal-fired power will stay flat or fall if fossil fuel dependence continues, while demand will grow for gas-fired power and renewables.</li> </ul>	<p><b>Transition scenarios</b></p> <ul style="list-style-type: none"> <li>Global electric power demand is expected to increase.</li> <li>Coal-fired power will fall significantly if the world progresses toward becoming a low-carbon or decarbonized society. Gas-fired power is expected to stay flat until 2030, before starting to fall. Demand for renewables is expected to grow significantly.</li> <li>The costs of using fossil fuels will rise if carbon pricing is introduced or enforced more rigorously.</li> </ul>
	<p><b>Coal-fired power generation</b></p> <p><b>Gas-fired power generation</b></p> <p><b>Renewable energy power generation</b></p>	<p><b>Responses to future business risks/opportunities</b></p> <p>Note: Unless otherwise stated, the analysis target is up to 2030.</p> <ul style="list-style-type: none"> <li>We will respond to rising global electric power demand by expanding the Group's power generation business, focusing especially on the renewables sector.</li> <li>We will expand the renewable power generation business (ratio of renewable energy sources in net generation capacity as of March 31, 2023: approx. 21% including seabed leasing rights for the ScotWind project; approx. 16% excluding the project). We will promote expanded use of renewable energy in the power wholesale and retail business and in the de-centralized power generation business to help contribute to a low-carbon society.</li> <li>We will promote energy management businesses including decentralized power generation, battery storage, and power supply-demand adjustments, and expand decarbonization solutions through smart city/community-based multi-utility service businesses.</li> <li>Marubeni will no longer enter into any new coal-fired power generation business. By 2025, we also aim to cut our FYE 3/2019 coal-fired power net generation capacity of approx. 3GW in half, with further abatement to approx. 1.3GW by 2030, and aim for zero by 2050.</li> <li>We will continue to develop gas-fired power generation businesses in response to the needs of society transitioning to a low-carbon society. We will also seek to mitigate CO<sub>2</sub> emissions from thermal power generation utilizing new technologies based on the co-combustion of hydrogen and ammonia.</li> <li>The analysis identifies the risk of higher costs of CO<sub>2</sub> emissions due to the adoption of carbon taxes or emissions trading schemes. The risk of regulatory change is already hedged in the long-term power purchase agreements that govern most of our power generation business.</li> </ul>	
	<p><b>Impact on performance up to 2030</b></p>	<p>Coal-fired power</p> <p style="text-align: center;">➔ Negative (Low)</p> <p>Gas-fired power</p> <p style="text-align: center;">➔ Positive (Low)</p> <p>Renewable energy</p> <p style="text-align: center;">⬆️ Positive (High)</p>	<p>The impact of lower demand on existing businesses is limited by the long-term power purchase agreements governing most of our power generation business. However, earnings from coal-fired power generating businesses will diminish as assets are retired.</p> <p>New project development should have a positive impact on earnings since electric power demand is projected to increase under the baseline scenarios and some new demand is projected over the short and medium term under the transition scenarios.</p> <p>New project development should have a significantly positive impact on earnings since power demand is projected to rise under the baseline scenarios and expand rapidly under the transition scenarios.</p>
	<p><b>Financial information</b></p> <p>Power Division</p> <ul style="list-style-type: none"> <li>Relevant segment net profit (FYE 3/2023): approx. ¥40.3 billion (power IPP business reported a net profit* of approx. ¥42.2 billion)</li> <li>Relevant segment assets (as of March 31, 2023): approx. ¥1,179.6 billion</li> </ul> <p>* Total profits of consolidated subsidiaries and share of associates and joint ventures of our IPP business.</p> <p>Reference: Capacity of power generation assets was approx. 2.4GW for coal-fired power generation, approx. 1.9GW for renewable energy power generation, and approx. 7.3GW for gas-fired power generation, and others (as of March 31, 2023)</p>		

• Baseline scenarios: IEA RTS (+2.7°C) IEA STEPS (+2.7°C) IPCC RCP8.5 (+4.3°C) IPCC RCP6.0 (+2.8°C) IPCC RCP4.5 (+2.4°C) • Transition scenarios (below 2°C): IEA B2DS (+1.75°C) IEA SDS (+1.65°C) IPCC RCP2.6 (+1.6°C) (1.5°C): IEA NZE (+1.5°C) IPCC RCP1.9 (+1.5°C)

Figures in parentheses correspond to the projected temperature rise by 2100 under each scenario. Note: Data for IEA RTS referenced from 2014 rather than 2020. Note: Data for IEA SDS referenced from 2019 rather than 2020. Note: Data for 2020 are scenario-based projections rather than actual figures.

## Scenario Analysis of Climate Change Risks and Opportunities in Line with the TCFD Recommendations

Energy resource investment business (oil/gas/LNG) and alternative energy business	Business environment overview	<p><b>Baseline scenarios</b></p> <ul style="list-style-type: none"> <li>The share of oil and natural gas in total primary energy is expected to be on the rise.</li> <li><b>Oil</b> demand and production are expected to increase until 2030, then flatten out, with demand and supply in equilibrium.</li> <li><b>Gas</b> demand and production are expected to increase until 2040, with supplies of gas generally tightening over time.</li> <li>Demand for <b>alternative energy</b> will remain on a gradual uptrend.</li> </ul> <p><b>Transition scenarios</b></p> <ul style="list-style-type: none"> <li>The share of oil and natural gas in total primary energy is expected to be on a declining trend.</li> <li><b>Oil</b> demand and production are expected to decrease slightly until 2030 and then decline. The supply and demand balance will see a slight shift to oversupply.</li> <li>Demand for <b>gas</b> will remain almost flat until 2030 and then decline. Production of gas will decrease. Supply and demand will be in equilibrium or shift slightly to undersupply.</li> <li>Demand for <b>alternative energy</b> will gradually increase until 2030, and then rise steadily after 2030.</li> </ul>	<p><b>Oil demand</b></p>	<p><b>Natural gas demand</b></p>									
	Responses to future business risks/opportunities	<ul style="list-style-type: none"> <li>We will consider an appropriate and timely review of our oil upstream portfolio by comprehensively taking into account a variety of factors, including future supply and demand trends and progress in climate change countermeasures.</li> <li>With natural gas and LNG interests, we will assess trends in transition needs, particularly in Asia, and seek to increase customers' value by increasing value throughout the value chain.</li> <li>With new energy, we will actively develop, secure, produce, and handle new energy resources, such as hydrogen and ammonia, which will be needed in large quantities in the future, aiming at improving profitability and taking steps to play an appropriate role in society.</li> <li>In the year ending March 2024, we established the New Energy Business Development Department to take over centralized control of alternative energy-related projects from the Energy, Power, and Infrastructure Project divisions of the Energy &amp; Infrastructure Solution Group. The new department will leverage the business foundation of the other divisions to build on our strengths in existing fields, assembling a supply chain from manufacture to utilization in the alternative energy domain to contribute to decarbonization.</li> <li>In addition, we will actively consider and promote the production and sales of other alternative energies, such as biofuels and bio-methane and synthetic fuels, along with the development of the CCUS* business.</li> </ul> <p>* Carbon dioxide Capture, Utilization and Storage</p>	<p><b>Hydrogen demand</b></p>	<p><b>Bioenergy demand</b></p>									
	Impact on performance up to 2030	<table border="0"> <tr> <td>Oil</td> <td style="text-align: center;">→ Neutral</td> <td>The impact of decreasing demand on the Group's performance is expected to be limited until 2030, even under the transition scenarios.</td> </tr> <tr> <td>Natural gas/LNG</td> <td style="text-align: center;">→ Positive (Low)</td> <td>As demand is expected to remain almost unchanged or even slightly increase until 2030, the impact on our business affected by the external environment will be neutral or slightly positive.</td> </tr> <tr> <td>Alternative energy</td> <td style="text-align: center;">↗ Positive (Med)</td> <td>We plan to engage more deeply in this sector in anticipation of the expansion of the market over the medium and long term. The impact on earnings is expected to be fairly positive, depending on technological progress.</td> </tr> </table>	Oil	→ Neutral	The impact of decreasing demand on the Group's performance is expected to be limited until 2030, even under the transition scenarios.	Natural gas/LNG	→ Positive (Low)	As demand is expected to remain almost unchanged or even slightly increase until 2030, the impact on our business affected by the external environment will be neutral or slightly positive.	Alternative energy	↗ Positive (Med)	We plan to engage more deeply in this sector in anticipation of the expansion of the market over the medium and long term. The impact on earnings is expected to be fairly positive, depending on technological progress.		
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Natural gas/LNG	→ Positive (Low)	As demand is expected to remain almost unchanged or even slightly increase until 2030, the impact on our business affected by the external environment will be neutral or slightly positive.											
Alternative energy	↗ Positive (Med)	We plan to engage more deeply in this sector in anticipation of the expansion of the market over the medium and long term. The impact on earnings is expected to be fairly positive, depending on technological progress.											
Financial information	<ul style="list-style-type: none"> <li>Relevant segment net profit including energy resource investment business (oil/gas/LNG) (FYE 3/2023): approx. ¥38.3 billion for Energy Division (including net profits of approx. ¥8.1 billion for LNG projects and approx. ¥8.3 billion for oil/gas exploration and production business)</li> <li>Exposure of energy resource investment business (oil/gas/LNG) (as of March 31, 2023): approx. ¥70.0 billion for oil/gas interests and approx. ¥50.0 billion for LNG interests</li> <li>Establishment of New Energy Business Development Department in FYE 3/2024</li> <li>Our alternative energy businesses are operated by multiple segments, including New Energy Business Development Department, Energy Division, Infrastructure Project Division, Power Division, Forest Products Division, and Chemicals Division.</li> </ul>												

• Baseline scenarios: ■ IEA RTS (+2.7°C) ■ IEA STEPS (+2.7°C) ■ IPCC RCP8.5 (+4.3°C) • Transition scenarios (below 2°C): ■ IEA B2DS (+1.75°C) ■ IEA SDS (+1.65°C) ■ IPCC RCP2.6 (+1.6°C)  
 ■ IPCC RCP6.0 (+2.8°C) ■ IPCC RCP4.5 (+2.4°C) (1.5°C): ■ IEA NZE (+1.5°C) ■ IPCC RCP1.9 (+1.5°C)

Figures in parentheses correspond to the projected temperature rise by 2100 under each scenario. Note: Data for IEA RTS referenced from 2014 rather than 2020. Note: Data for IEA SDS referenced from 2019 rather than 2020. Note: Data for 2020 are scenario-based projections rather than actual figures.

## Scenario Analysis of Climate Change Risks and Opportunities in Line with the TCFD Recommendations

Coking coal mine investment business	<p><b>Business environment overview</b></p> <p><b>■ Baseline scenarios</b></p> <ul style="list-style-type: none"> <li>Steel production is expected to increase as populations and economies grow.</li> <li>Demand for coking coal will increase slightly to 2030, before growing further.</li> </ul> <p><b>■ Transition scenarios</b></p> <ul style="list-style-type: none"> <li>Steel production is expected to increase more slowly than in the baseline scenarios, due to efforts such as extending the life of buildings and reducing the weight of vehicles.</li> <li>Demand for coking coal will decline slightly to 2030, before falling faster.</li> </ul>	<p><b>Coal demand in steel industry</b></p> <p>(Mtoe)</p> <p>2020* 2030 2040 2050 (CY) * Refer to chart legend below.</p>	
	<p><b>Responses to future business risks/opportunities</b></p> <p>Note: Unless otherwise stated, the analysis target is up to 2030.</p> <ul style="list-style-type: none"> <li>We plan to maintain and continue existing businesses as we head towards 2030, based on projected growth in steel demand and progress in new technological development. In the long term, we will flexibly consider our portfolio, based on progress on decarbonization by the steel industry.</li> </ul>		
	<p><b>Impact on performance up to 2030</b></p> <p style="text-align: center;">➔ Neutral</p> <p>The impact of decreasing demand on the Group's performance is expected to be limited until 2030, even under the transition scenarios.</p>		
	<p><b>Financial information</b></p> <p>Metals &amp; Mineral Resources Division</p> <ul style="list-style-type: none"> <li>Relevant segment net profit (FYE 3/2023): approx. ¥199.4 billion (including net profit of approx. ¥98.8 billion by Marubeni Resources Development*)</li> <li>Exposure (as of March 31, 2023): approx. ¥90.0 billion for coking coal mine investment business</li> </ul> <p>* Australia-based Group company managing investments in steelmaking material business</p>		
Iron ore mine and copper mine investment business	<p><b>Business environment overview</b></p> <p><b>■ Baseline scenarios</b></p> <ul style="list-style-type: none"> <li>Demand for <b>steel</b> is expected to be firm as populations and economies grow.</li> <li>Demand for <b>copper</b> is expected to increase due to population and economic growth, as well as boosts from progress on decarbonization and electrification.</li> </ul> <p><b>■ Transition scenarios</b></p> <ul style="list-style-type: none"> <li>Demand for <b>steel</b> is expected to be firm as populations and economies grow.</li> <li>Demand for <b>copper</b> is expected to increase significantly due to population and economic growth, as well as boosts from progress on decarbonization and electrification.</li> </ul>	<p><b>Steel production</b></p> <p>(Mt)</p> <p>2020* 2030 2040 2050 (CY) * Refer to chart legend below.</p>	<p><b>Steel/copper demand related to energy technologies such as power infrastructure (rate of change)</b></p> <p>(%)</p> <p>2020* 2050 (CY)</p>
	<p><b>Responses to future business risks/opportunities</b></p> <p>Note: Unless otherwise stated, the analysis target is up to 2030.</p> <ul style="list-style-type: none"> <li>We plan to contribute to stable supplies of iron ore and copper to cater to growing demand through our iron ore mining business in Australia and copper mining business in Chile.</li> <li>We have completed the conversion to renewable energy sources in our Chilean mining operations and are involved in other initiatives to reduce their environmental impact such as electrification of heavy machinery and processing of seawater for use in operations.</li> <li>We will pursue the possibility of the replenishment and future expansion of ore reserves to respond to the increase in demand over the medium to long term and to strengthen cost competitiveness.</li> </ul>		
	<p><b>Impact on performance up to 2030</b></p> <p>Iron ore <span style="margin-left: 20px;">➔</span> Positive (Low) <span style="margin-left: 20px;">Led by the iron ore mining business in Australia, we expect a positive impact on earnings due to rising demand.</span></p> <p>Copper <span style="margin-left: 20px;">➔</span> Positive (Med) <span style="margin-left: 20px;">Led by the copper mining business in Chile, we expect a positive impact on earnings due to rising demand. Further boosts to earnings are anticipated under the transition scenarios due to increased demand for copper from electrification trends.</span></p>		
	<p><b>Financial information</b></p> <p>Metals &amp; Mineral Resources Division</p> <ul style="list-style-type: none"> <li>Relevant segment net profit (FYE 3/2023): approx. ¥199.4 billion (including net profits of approx. ¥28.5 billion by the Roy Hill Iron Ore Project and approx. ¥18.5 billion by Marubeni LP Holding*)</li> <li>Exposure (as of March 31, 2023): approx. ¥180.0 billion for iron ore mine investment business and approx. ¥310.0 billion for copper mine investment business</li> </ul> <p>* Chile-based Group company managing investments in copper business</p>		

• Baseline scenarios: ■ IEA RTS (+2.7°C) ■ IEA STEPS (+2.7°C) ■ IPCC RCP8.5 (+4.3°C) • Transition scenarios (below 2°C): ■ IEA B2DS (+1.75°C) ■ IEA SDS (+1.65°C) ■ IPCC RCP2.6 (+1.6°C)  
 ■ IPCC RCP6.0 (+2.8°C) ■ IPCC RCP4.5 (+2.4°C) (1.5°C): ■ IEA NZE (+1.5°C) ■ IPCC RCP1.9 (+1.5°C)

Figures in parentheses correspond to the projected temperature rise by 2100 under each scenario. Note: Data for IEA RTS referenced from 2014 rather than 2020. Note: Data for IEA SDS referenced from 2019 rather than 2020. Note: Data for 2020 are scenario-based projections rather than actual figures.



## Scenario Analysis of Climate Change Risks and Opportunities in Line with the TCFD Recommendations

Aircraft leasing business (Aircastle)	<p><b>Business environment overview</b></p> <p><b>■ Baseline scenarios</b></p> <ul style="list-style-type: none"> <li>Travel by air is expected to continue to grow, especially in the Asia-Pacific region and North America.</li> </ul> <p><b>■ Transition scenarios</b></p> <ul style="list-style-type: none"> <li>Travel by air is expected to continue to grow, especially in the Asia-Pacific region and North America.</li> <li>A certain decrease in air travel by passengers is expected due to changes in people's behavior.</li> <li>Use of biofuels and synthetic fuels is expected to increase within the aviation sector.</li> </ul>	<p><b>Distance transported by air</b></p> <p>(Billion pkm)</p> <p>2020* 2030 2040 2050 (CY) * Refer to chart legend below.</p>
	<p><b>Responses to future business risks/opportunities</b></p> <p>Note: Unless otherwise stated, the analysis target is up to 2030.</p> <ul style="list-style-type: none"> <li>Based on projected growth in passenger air travel in the medium and long term, our business management policy focuses on the new model narrow-body aircraft which have a lower environmental impact.</li> <li>Our aircraft leasing business could see a fall in profitability due to lower demand for leased aircraft, if airlines of our customers are negatively affected under any of the transition scenarios.</li> <li>Since the airline industry is susceptible to the impact of carbon pricing, we will monitor related trends closely.</li> </ul>	
	<p><b>Impact on performance up to 2030</b></p> <p>Positive (Med)</p> <p>With demand expected to grow even under the transition scenarios, we expect a positive impact on earnings as we seek to mitigate environmental impact.</p>	
	<p><b>Financial information</b></p> <p>Finance, Leasing &amp; Real Estate Business Division</p> <ul style="list-style-type: none"> <li>Relevant segment net profit (FYE 3/2023): approx. ¥43.8 billion (including net loss of approx. ¥1.0 billion by Aircastle)</li> <li>Exposure (as of March 31, 2023): approx. ¥141.7 billion for Aircastle (carrying amount of equity interests)</li> </ul>	
Ship business	<p><b>Business environment overview</b></p> <p><b>■ Baseline scenarios</b></p> <ul style="list-style-type: none"> <li>Demand for freight (ton-km) is expected to increase.</li> <li>Demand for bulk carriers is projected to grow slightly. Demand for LNG carriers will peak in 2040 and fall gradually thereafter.</li> </ul> <p><b>■ Transition scenarios</b></p> <ul style="list-style-type: none"> <li>Demand for freight (ton-km) is expected to increase.</li> <li>Demand for bulk carriers is projected to be flat. Demand for LNG carriers will tend to decline.</li> <li>Carbon pricing will push up the costs of using fossil fuels.</li> <li>Conversion to alternative fuels such as ammonia, biofuels, and hydrogen will be gradually implemented and these are expected to become the main fuels in the longer term.</li> </ul>	<p><b>Distance transported by vessel</b></p> <p>(Billion tkm)</p> <p>2020* 2030 2040 2050 (CY) * Refer to chart legend below.</p>
	<p><b>Responses to future business risks/opportunities</b></p> <p>Note: Unless otherwise stated, the analysis target is up to 2030.</p> <ul style="list-style-type: none"> <li>We will target higher earnings in this field, with growth in freight (ton-km).</li> <li>In accordance with the IMO (International Maritime Organization) GHG emission reduction target and the strategy with regard to fuel efficiency performance regulations, we will improve fuel efficiency by implementing high-efficiency vessels, improving the efficiency of vessel operation, and introducing energy-saving technology for existing vessels.</li> <li>We will support ongoing programs to develop and introduce next-generation vessels powered by carbon-recycled, bio-methane, hydrogen or ammonia fuels.</li> <li>Besides monitoring carbon pricing trends closely, we aim to create new businesses in the ship sector relating to green technologies, based on collaboration within the Group.</li> </ul>	
	<p><b>Impact on performance up to 2030</b></p> <p>Positive (Med)</p> <p>With demand expected to grow even under the transition scenarios, we expect a positive impact on earnings as we seek to mitigate environmental impact.</p>	
	<p><b>Financial information</b></p> <p>Aerospace &amp; Ship Division</p> <ul style="list-style-type: none"> <li>Relevant segment net profit (FYE 3/2023): approx. ¥28.2 billion</li> <li>Relevant segment assets (as of March 31, 2023): approx. ¥334.6 billion</li> </ul>	

• Baseline scenarios: ■ IEA RTS (+2.7°C) ■ IEA STEPS (+2.7°C) ■ IPCC RCP8.5 (+4.3°C) • Transition scenarios (below 2°C): ■ IEA B2DS (+1.75°C) ■ IEA SDS (+1.65°C) ■ IPCC RCP2.6 (+1.6°C)  
 ■ IPCC RCP6.0 (+2.8°C) ■ IPCC RCP4.5 (+2.4°C) (1.5°C): ■ IEA NZE (+1.5°C) ■ IPCC RCP1.9 (+1.5°C)

Figures in parentheses correspond to the projected temperature rise by 2100 under each scenario. Note: Data for IEA RTS referenced from 2014 rather than 2020. Note: Data for IEA SDS referenced from 2019 rather than 2020. Note: Data for 2020 are scenario-based projections rather than actual figures.

## Scenario Analysis of Climate Change Risks and Opportunities in Line with the TCFD Recommendations

Agri-inputs business (North America)	<b>Business environment overview</b>	<p><b>■ Baseline scenarios</b></p> <ul style="list-style-type: none"> <li>Global grain demand is expected to rise.</li> <li>In line with rising grain demand, cultivation area is also expected to expand by deforestation.</li> <li>In North America, it is expected that the cultivable period will be extended mainly in the western and southern regions due to the rise in temperature.</li> <li>Overall, there are many regions with precipitation increases, and this tendency is more remarkable in the baseline scenarios.</li> <li>The water stress across North America is expected to be high in the western region, but relatively low in the eastern region.</li> </ul> <p><b>■ Transition scenarios</b></p> <ul style="list-style-type: none"> <li>Global grain demand is expected to rise.</li> <li>In line with rising grain demand, cultivation area is also expected to expand by converting land from other applications.</li> <li>In North America, it is expected that the cultivable period will be extended mainly in the western and southern regions due to the rise in temperature.</li> <li>Overall, there are many regions with precipitation increases, but it will tend to decline in the southwestern and central regions.</li> <li>The water stress across North America is expected to be high in the western region, but relatively low in the eastern region. However, its impact will be smaller than the one in baseline scenarios.</li> </ul>	<p><b>Grain demand</b></p> <p><b>Cultivation area</b></p> <p>* Refer to chart legend below.</p>
	<b>Responses to future business risks/opportunities</b>	<ul style="list-style-type: none"> <li>We will continue to grow earnings by capturing the increase of grain and food demand. The extension of the cultivable period caused by global warming is also expected to contribute to our earnings increase.</li> <li>We will increase our competitiveness and expand our business by providing goods and services that support higher crop yields and lower environmental impact.</li> <li>To reduce physical risks associated with the impact on logistics functions due to the increase and intensification of natural disasters, we will diversify products and services, and respond to water stress by expanding networks in relatively unaffected regions.</li> </ul> <p><small>Note: Unless otherwise stated, the analysis target is up to 2030.</small></p>	
	<b>Impact on performance up to 2030</b>	<p style="text-align: center;">                   Positive (Low)             </p> <p>We expect a positive impact on our earnings due to rising grain demand. In the transition scenarios, the need for higher crop yields could bring fast growth to our agri-inputs business.</p>	
	<b>Financial information</b>	<p>Agri Business Division</p> <ul style="list-style-type: none"> <li>Relevant segment net profit (FYE 3/2023): approx. ¥42.7 billion (including net profit of approx. ¥47.0 billion by Helena Agri-Enterprises*)</li> <li>Relevant segment assets (as of March 31, 2023): approx. ¥1,099.3 billion</li> </ul> <p>* Group company engaged in sales of agricultural materials and provision of various services in the U.S.</p>	

• Baseline scenarios: ■ IEA RTS (+2.7°C) ■ IEA STEPS (+2.7°C) ■ IPCC RCP8.5 (+4.3°C) • Transition scenarios (below 2°C): ■ IEA B2DS (+1.75°C) ■ IEA SDS (+1.65°C) ■ IPCC RCP2.6 (+1.6°C)  
 ■ IPCC RCP6.0 (+2.8°C) ■ IPCC RCP4.5 (+2.4°C) (1.5°C): ■ IEA NZE (+1.5°C) ■ IPCC RCP1.9 (+1.5°C)

Figures in parentheses correspond to the projected temperature rise by 2100 under each scenario. Note: Data for IEA RTS referenced from 2014 rather than 2020. Note: Data for IEA SDS referenced from 2019 rather than 2020. Note: Data for 2020 are scenario-based projections rather than actual figures.

## Scenario Analysis of Climate Change Risks and Opportunities in Line with the TCFD Recommendations

Forestry business	<p><b>Business environment overview</b></p> <p><b>■ Baseline scenarios</b></p> <ul style="list-style-type: none"> <li>Paper/pulp-related production is expected to rise gradually.</li> <li>Forest area is expected to decrease.</li> </ul> <p><b>■ Transition scenarios</b></p> <ul style="list-style-type: none"> <li>Paper/pulp-related production is expected to rise gradually.</li> <li>Supplies of wood-derived biomass fuels are expected to increase.</li> <li>Forests and cultivated areas for bioenergy are expected to grow.</li> <li>Introduction and stricter enforcement of carbon pricing regimes from 2030 will boost the importance of forests for absorption and sequestration of CO<sub>2</sub>. This will focus attention on approaches that use plantation forests and bioenergy technologies such as BECCS*<sup>1</sup>.</li> </ul> <p>*1. Bio-Energy with Carbon Capture and Storage</p>	<p><b>Forest area</b></p> <p>*2. Refer to chart legend below.</p>
	<p><b>Responses to future business risks/opportunities</b></p> <p>Note: Unless otherwise stated, the analysis target is up to 2030.</p> <ul style="list-style-type: none"> <li>We will improve the sustainability of our forest plantation businesses and seek to increase the value of long-term stable supplies of forestry resources.</li> <li>By raising the carbon sequestration of our plantation and managed forests and utilizing the plantation forests for multiple purposes, we will boost carbon sequestration volumes, increase environmental value, and lead to the building of asset value.</li> </ul>	
	<p><b>Impact on performance up to 2030</b></p> <p>Positive (Med)</p> <p>Under the baseline scenarios, the reduction in forest area could lead to an increase in the value of existing afforestation assets. Under the transition scenario, climate change measures will improve forest value, and the expansion of forest area will increase opportunities for business expansion, which will have a positive impact on earnings.</p>	
	<p><b>Financial information</b></p> <p>Forest Products Division</p> <ul style="list-style-type: none"> <li>Relevant segment net profit/loss (FYE 3/2023): net loss of approx. ¥9.4 billion (including net profits of approx. ¥9.0 billion by Musi Pulp Project*<sup>3</sup> and approx. ¥1.8 billion by WA Plantation Resources*<sup>4</sup>)</li> <li>Relevant segment assets (as of March 31, 2023): approx. ¥323.2 billion</li> </ul> <p>*3. Indonesia-based Group company engaged in forestry (hardwood plantation) and manufacture/sales of pulp</p> <p>*4. Australia-based Group company engaged in plantation forest management and manufacture/sales of wood chips for use in production of paper and biomass fuels</p>	

• Baseline scenarios: ■ IEA RTS (+2.7°C) ■ IEA STEPS (+2.7°C) ■ IPCC RCP8.5 (+4.3°C) • Transition scenarios (below 2°C): ■ IEA B2DS (+1.75°C) ■ IEA SDS (+1.65°C) ■ IPCC RCP2.6 (+1.6°C)  
 ■ IPCC RCP6.0 (+2.8°C) ■ IPCC RCP4.5 (+2.4°C) (1.5°C): ■ IEA NZE (+1.5°C) ■ IPCC RCP1.9 (+1.5°C)

Figures in parentheses correspond to the projected temperature rise by 2100 under each scenario. Note: Data for IEA RTS referenced from 2014 rather than 2020. Note: Data for IEA SDS referenced from 2019 rather than 2020. Note: Data for 2020 are scenario-based projections rather than actual figures.

## Scenario Analysis of Climate Change Risks and Opportunities in Line with the TCFD Recommendations

The Marubeni Group conducts business activities globally and in a wide range of sectors. Our performance and financial position may be adversely affected due to the emergence of physical risks. According to the IPCC Sixth Assessment Report, every additional 0.5°C of global warming causes increases in the intensity and frequency of hot extremes, including heatwaves, heavy precipitation and droughts, and in the event of a 4°C scenario (SSP5-8.5) increases in sea levels may approach two meters by the end of the present century.

According to a report by the Emergency Event Database (EM-DAT), the number of floods, hurricanes, and other natural disasters worldwide and the value of the economic damage caused are higher than with other natural disasters. With wildfires, the value of the damage caused by each event is generally also thought to be great.

We anticipate impacts on every business, including on business base\*2 facilities, logistics, and supply chains. We are taking varied measures to mitigate risks, including the formulation of Business Continuity Plans (BCP) and disaster countermeasures, the use of various types of insurance, and awareness raising

activities for relevant stakeholders, including employees and local residents, in areas such as measures against wildfires. Meanwhile, some Marubeni Group businesses operate services that contribute to reducing and avoiding physical risk and we believe that demand for relevant services may rise.

We are evaluating whether individual measures are optimal and are considering establishment of a system to respond to any crisis. In April 2022, Marubeni Group updated the BCP, which was the scenario-based approach, and implemented an All-Hazards BCP, impact-based approach preparing for natural disasters and other calamities. We have founded a dedicated organization within the General Affairs Department of the Head Office to make the BCP function effectively and implement a Business Continuity Management (BCM) system for responding quickly in the event of a disaster damaging employees, systems, offices (buildings), payment functions, or other critical resources related to the management of Group companies\*3.

In businesses where the greatest impact is envisaged, we have taken the measures outlined below.

\*1. Physical risk consists of acute risk (including increased severity of extreme weather events such as cyclones and floods) and chronic risk (including changes in patterns of precipitation, extreme fluctuations in weather patterns, rising mean temperatures, rising sea levels). In addition to direct impacts in the form of loss of Marubeni Group assets and earnings, indirect impacts may also be experienced such as opportunity loss through supply chain interruption.

\*2. Global Business Portfolio: P.85 Agri Business Division, P.86 Forest Products Division, P.88 Metals & Mineral Resources Division, P.90 Energy Division, P.91 Power Division

\*3. P.65 Risk Management

### Power generation, metal and mineral resource investment, energy resource investment (oil/gas/LNG)

<b>Anticipated business impacts</b>	<ul style="list-style-type: none"> <li>According to the IPCC Sixth Assessment Report, the global proportion of major tropical cyclone occurrence has increased over the last four decades.</li> <li>In the case of a flood, typhoon or other event exceeding the envisaged strength, there is likely to be a certain degree of impact depending on the region.</li> </ul>
<b>Responses to future business risks/opportunities</b>	<ul style="list-style-type: none"> <li>We are working to realize project design and operation that takes account of a wide range of risk including natural disasters.</li> <li>We are working on a range of measures to avoid or mitigate direct damage to buildings or other assets.</li> <li>Property damage insurance and business interruption insurance, depending on the business, are procured for each building or asset.</li> <li>Since its foundation, the Marubeni Group company Marunix Corporation, has built a track record as an insurance broker for overseas infrastructure projects, for which, depending on the case, it can offer comprehensive analysis and assessment, and support for proposal and implementation of risk management programs.</li> </ul>
<b>Financial information</b>	Segment information: P.107 Power Division; P.109 Metals & Mineral Resources Division; P.108 Energy Division.

### Agri-inputs (North America)

<b>Anticipated business impacts</b>	<ul style="list-style-type: none"> <li>Poor harvests due to the change of climate patterns in North America, our main areas, could have significant impact on earnings of our agri-inputs business.</li> <li>Paralysis of logistics functions due to extreme weather conditions could affect our business.</li> </ul>
<b>Responses to future business risks/opportunities</b>	<ul style="list-style-type: none"> <li>Expansion of agricultural support business through sales of agri-inputs materials and providing services that contribute to improving productivity.</li> <li>We will comprehensively manage risks by geographically diversifying and expanding the procurement and sales network, and diversifying products and services.</li> </ul>
<b>Financial information</b>	Segment information: P.111 Agri Business Division

### Forestry

<b>Anticipated business impacts</b>	<ul style="list-style-type: none"> <li>Wildfires across areas of Southeast Asia and Western Australia due to the drier conditions and increased incidence of lightning strikes associated with climate change and global warming could have a significant impact on the earnings from our plantation forestry and wood-derived resources businesses.</li> </ul>
<b>Responses to future business risks/opportunities</b>	<ul style="list-style-type: none"> <li>To address the threat from wildfires, we are installing fire-fighting equipment, investing in systems for fire prevention and monitoring, and conducting activities to raise awareness in local communities.</li> <li>We are installing meters-wide firebreaks (gaps where trees are not planted) to help create separate blocks of plantation forest to better prevent fire from spreading.</li> <li>In addition to appropriate management of two projects in two countries overseas with around 130,000 hectares of forest (total gross project area around 300,000 hectares), we are engaged in research into forest resource utilization in anticipation of the decarbonized society of the future.</li> </ul>
<b>Financial information</b>	Segment information: P.112 Forest Products Division

Physical risks



Financial Data / Non-Financial Data / State of Major Green Business Initiatives / Major Progress in Greening All Business Domains / Scenario Analysis of Climate Change Risks and Opportunities in Line with the TCFD Recommendations /

Net Profit of Major Group Companies / Outstanding Balance of Country Exposure / Organization / IR Activities / External Evaluation / Company Profile / Stock Information

## Net Profit of Major Group Companies

Company Name	Consolidated/ Equity method*1	Equity Portion*1	2019.3	2020.3	2021.3*2	2022.3	2023.3	Description of business	(Billions of yen)
<b>Lifestyle Division</b>									
Marubeni Fashion Link	Consolidated	100%	1.0	0.9	0.2	0.2	<b>0.9</b>	Planning, manufacturing and sale of apparel and goods	
Saide Tekstil Sanayi ve Ticaret	Equity method	45.5%	0.3	0.1	0.2	0.3	<b>0.1</b>	Planning, manufacturing and sale of apparel and goods	
Marubeni Intex	Consolidated	100%	1.1	1.2	1.4	1.3	<b>1.4</b>	Sale of industrial materials, lifestyle materials and products	
B-Quik Business	Consolidated	90.0%	2.2	2.3	2.5	2.7	<b>3.8</b>	Car maintenance business in the ASEAN	
Conveyor belt distribution business	Consolidated	100%	—	—	—	1.5	<b>2.3</b>	Sale of and services for conveyor belts, parts, and other industrial use rubber products in North America	
<b>IT Solutions Division</b>									
Marubeni Information Systems	Consolidated	100%	1.8	1.7	1.6	1.4	<b>1.8</b>	IT solution provider for full range of IT lifecycle in every industry	
Marubeni IT Solutions	Consolidated	80.0%	0.7	0.9	0.9	1.0	<b>1.3</b>	Sales planning of information and communication systems, design, and development of software	
MX Mobiling	Consolidated	100%	6.2	6.6	5.8	3.7	<b>3.6</b>	Sale of mobile phones and related products	
ARTERIA Networks	Consolidated	50.1%	2.2	2.2	2.2	2.4	<b>2.6</b>	Provision of various network services for businesses and condominiums	
Marubeni Logistics	Consolidated	100%	1.0	1.0	1.2	1.5	<b>1.5</b>	International combined transport operation (NVOCC), 3PL (Third-party Logistics), ocean & air freight forwarding, consultancy relating to logistics	
<b>Food Division- I</b>									
Yamaboshiya	Consolidated	75.6%	1.4	1.3	0.7	1.0	<b>1.3</b>	Wholesale of confectionery products to mass-retail and convenience stores	
United Super Markets Holdings Inc.*3	—	—	0.8	0.2	1.3	0.8	<b>0.2</b>	Supermarket operators in the Tokyo metropolitan area	
The Nisshin OilIIO Group*4	Equity method	16.0%	1.4	1.3	1.4	1.4	<b>1.8</b>	Processing and sale of edible oil business	
Cia.Iguacu de Cafe Soluvel	Consolidated	100%	1.2	0.8	1.1	0.7	<b>(0.2)</b>	Manufacturing and sale of instant coffee in Brazil	
Marubeni Foods	Consolidated	100%	0.7	0.7	0.7	0.7	<b>0.7</b>	Import, export, and sale of food products	
Benirei	Consolidated	99.8%	0.6	0.3	0.6	1.2	<b>1.3</b>	Wholesale of seafood products and warehousing	
<b>Food Division- II</b>									
Creekstone Farms Premium Beef LLC	Consolidated	100%	2.5	4.3	9.5	20.5	<b>12.5</b>	Production, processing and sale of beef, etc. in the U.S.	
Wellfam Foods	Consolidated	100%	3.4	2.4	4.2	3.4	<b>3.6</b>	Marketing of livestock, meats and processed products	
Rangers Valley Cattle Station	Consolidated	100%	(0.1)	0.9	(0.6)	1.4	<b>0.2</b>	Cattle raising and beef sales business in Australia	
S FOODS*4	Equity method	15.3%	1.1	1.0	1.5	1.8	<b>1.6</b>	Wholesale, retail, and restaurant business of meats	
Gavilon Grain Business*5	Consolidated	100%	(6.8)	(87.5)	16.4	15.0	<b>4.2</b>	Origination, storage, export, and domestic sale of grain produced in North America	
Columbia Grain International	Consolidated	100%	(11.1)	(9.0)	3.6	2.2	<b>(1.8)</b>	Origination, storage, export, and domestic sale of grain produced in North America	
Marubeni Nisshin Feed	Consolidated	60.0%	1.4	1.8	2.1	2.1	<b>(1.4)</b>	Manufacture and sale of livestock feed	
Pacific Grain Terminal	Consolidated	78.4%	0.7	0.6	0.7	0.8	<b>0.9</b>	Warehousing, stevedoring and transportation operations	
<b>Agri Business Division</b>									
Helena Agri-Enterprises	Consolidated	100%	23.0	24.9	22.8	35.1	<b>47.0</b>	Sale of agricultural materials and provision of various services in the U.S.	
MacroSource (former Gavilon Fertilizer Business)	Consolidated	100%	2.1	(0.4)	5.0	30.0	<b>(6.3)</b>	Wholesale of fertilizer in the U.S., etc.	
<b>Forest Products Division</b>									
MUSI Pulp Project	Consolidated	TEL 85.1% MHP 100%	6.2	(3.7)	(4.4)	2.2	<b>9.0</b>	Forestry (afforestation of hardwood), production and sale of pulp in Indonesia	
WA Plantation Resources	Consolidated	100%	2.1	1.6	(0.3)	1.4	<b>1.8</b>	Wood chip production and plantation in Australia	
Kraft of Asia Paperboard & Packaging	Consolidated	100%	—	—	(0.5)	(1.0)	<b>(14.3)</b>	Manufacture and sale of containerboard in Vietnam	
Koa Kogyo	Consolidated	80.0%	1.1	2.0	2.4	2.1	<b>1.2</b>	Manufacture and sale of corrugating medium and linerboard	
Fukuyama Paper	Consolidated	55.0%	0.9	1.3	1.2	1.0	<b>1.0</b>	Manufacture and sale of corrugating medium and core board	
Marubeni Forest LinX	Consolidated	100%	2.1	2.3	1.6	1.6	<b>1.4</b>	Wholesale of forest products including all types of paper	
H&PC Brazil Participacoes (Santher)	Equity method	49.0%	—	—	(0.3)	0.4	<b>(0.2)</b>	Manufacture and sale of hygiene products in Brazil	

\*1. Status as of March 31, 2023.

\*2. Due to the early application of IAS 12, figures for FYE 3/2021 have been adjusted retroactively.

\*3. We hold 14.7% of the outstanding shares of this company through a holding company. Stated figures that are multiplications of disclosed figures of this company and our equity portion, are shown for reference.

\*4. Stated figures that are multiplications of disclosed figures of this company and our equity portion, are shown for reference.

\*5. The sale of Gavilon's grain business was completed on October 3, 2022.

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## Net Profit of Major Group Companies

Company Name	Consolidated/ Equity method <sup>*1</sup>	Equity Portion <sup>*1</sup>	2019.3	2020.3	2021.3 <sup>*2</sup>	2022.3	2023.3	Description of business	(Billions of yen)
<b>Chemicals Division</b>									
Marubeni Plax	Consolidated	100%	0.9	0.8	0.8	1.5	<b>2.2</b>	Domestic sale and foreign trade of plastic resins and products	
Olympus Holding (Orffa)	Consolidated	100%	1.4	0.4	1.0	1.2	<b>(0.1)</b>	Sale of feed additives	
Marubeni Chemix	Consolidated	100%	1.1	0.9	0.9	1.6	<b>2.0</b>	Domestic sale and foreign trade of organic chemicals and functional chemicals	
<b>Metals &amp; Mineral Resources Division</b>									
Roy Hill Iron Ore Project	Equity method	15.0%	2.9	15.4	30.1	49.2	<b>28.5</b>	Investment in iron ore business in Australia	
Marubeni Resources Development	Consolidated	100%	25.4	25.2	5.0	55.3	<b>98.8</b>	Investment in steelmaking material business in Australia	
Marubeni LP Holding	Consolidated	100%	7.0	(59.5)	16.4	43.5	<b>18.5</b>	Investment in copper business in Chile	
Marubeni Metals & Minerals (Canada)	Consolidated	100%	(0.6)	2.8	0.9	7.5	<b>3.7</b>	Smelting and sale of aluminum ingots and investment in manufacturing business of magnesium in Canada	
Marubeni Aluminium Australia	Consolidated	100%	(4.2)	(0.4)	(0.3)	3.2	<b>1.9</b>	Smelting and sale of aluminum ingots in Australia	
Marubeni-Itochu Steel	Equity method	50.0%	12.1	11.2	8.7	31.3	<b>47.8</b>	Sale and business management of steel products	
<b>Energy Division</b>									
LNG Projects <sup>*3</sup>	—	—	15.5	6.9	5.4	8.5	<b>8.1</b>	Liquefaction of natural gas overseas	
Oil & Gas E&P <sup>*4</sup>	Consolidated	100%	—	—	—	12.2	<b>8.3</b>	Total of oil and gas E&P at U.S. Gulf of Mexico, U.S. onshore and offshore India	
ENEOS GLOBE	Equity method	20.0%	0.9	0.6	1.9	2.7	<b>2.1</b>	Import and sale of LPG, and sale of new energy-related equipment	
MIECO	Consolidated	100%	7.0	3.3	4.1	2.5	<b>4.9</b>	Sale of all types of petroleum products and natural gas	
<b>Power Division</b>									
IPP Projects <sup>*5</sup>	—	—	—	35.5	35.8	33.3	<b>42.2</b>	Overseas and domestic power generation	
SmartestEnergy	Consolidated	100%	2.1	(0.8)	1.7	5.1	<b>27.8</b>	Electricity aggregation and retail business in the U.K.	
<b>Infrastructure Project</b>									
FPSO Projects <sup>*6</sup>	—	—	3.9	1.6	3.2	2.8	<b>5.3</b>	FPSO project investment and management	
Overseas Water/Wastewater Services and IWP Projects <sup>*7</sup>	—	—	4.3	(18.3)	6.1	6.0	<b>6.8</b>	Overseas water/wastewater services and IWP projects	
<b>Aerospace &amp; Ship Division</b>									
Marubeni Aviation Parts Trading	Consolidated	100%	0.9	2.6	(0.8)	(0.5)	<b>0.5</b>	Investment in aircraft parts trading business in the U.S.	
Vessel owning and operating business	Consolidated	100%	—	—	—	22.9	<b>24.5</b>	Owning and operating of vessels	
<b>Finance, Leasing &amp; Real Estate Business Division</b>									
Nowlake business	Equity method	21.7%	7.6	11.0	22.6	24.2	<b>29.6</b>	Investment in used car retail financing businesses in the U.S.	
PLM Fleet	Equity method	50.0%	2.5	2.5	1.6	2.5	<b>3.1</b>	Leasing and rental of refrigerated trailers in the U.S.	
Marubeni SuMIT Rail Transport	Equity method	50.0%	1.1	1.1	0.8	1.0	<b>1.5</b>	Investment in railcar leasing business in the U.S.	
Mizuho Marubeni Leasing	Equity method	50.0%	—	—	0.6	1.3	<b>2.0</b>	General leasing and related businesses	
Aircastle Business	Equity method	75.0%	7.3	(39.8)	(7.8)	(22.2)	<b>(1.0)</b>	Aircraft operating lease business in the U.S.	
Marubeni Real Estate Management	Consolidated	100%	1.2	0.7	0.3	0.9	<b>1.1</b>	Leasing and subleasing of real estate, management of office buildings and complex facilities	
Marubeni Safenet	Consolidated	100%	0.5	0.4	0.4	0.5	<b>0.5</b>	Insurance agency and lending business	
<b>Construction, Industrial Machinery &amp; Mobility Division</b>									
Construction Machinery Business	—	—	—	—	—	8.7	<b>14.3</b>	Sale of construction machinery and related services, financing	
Automotive Aftermarket Business	—	—	1.7	2.0	2.0	3.9	<b>3.3</b>	Automotive aftermarket business in the U.S.	
Marubeni Auto Investment (U.K.)	Consolidated	100%	1.1	0.7	0.9	2.2	<b>1.1</b>	Investment in retail sales business of automobiles in the U.K.	
Marubeni Techno-Systems	Consolidated	100%	1.3	2.0	1.3	1.4	<b>2.0</b>	Sale, export, and import of industrial machinery	
Marubeni Ele-Next	Consolidated	100%	0.6	0.5	0.6	1.3	<b>2.1</b>	Sale of electrical equipment connecting parts and materials	

\*1. Status as of March 31, 2023.

\*2. Due to the early application of IAS 12, figures for FYE 3/2021 have been adjusted retroactively.

\*3. The contract of Qatar LNG terminated in Q3 of FYE 3/2022.

\*4. Due to revision of the calculation method, U.S. onshore was added to the scope of the oil and gas development business from the FYE 3/2023 full-year results. FYE 3/2022 figures have also been adjusted accordingly.

\*5. Total IPP project profits from consolidated subsidiaries and equity-method associates and joint ventures. In line with reorganization implemented in FYE 3/2023, figures for FYE 3/2022 have been adjusted.

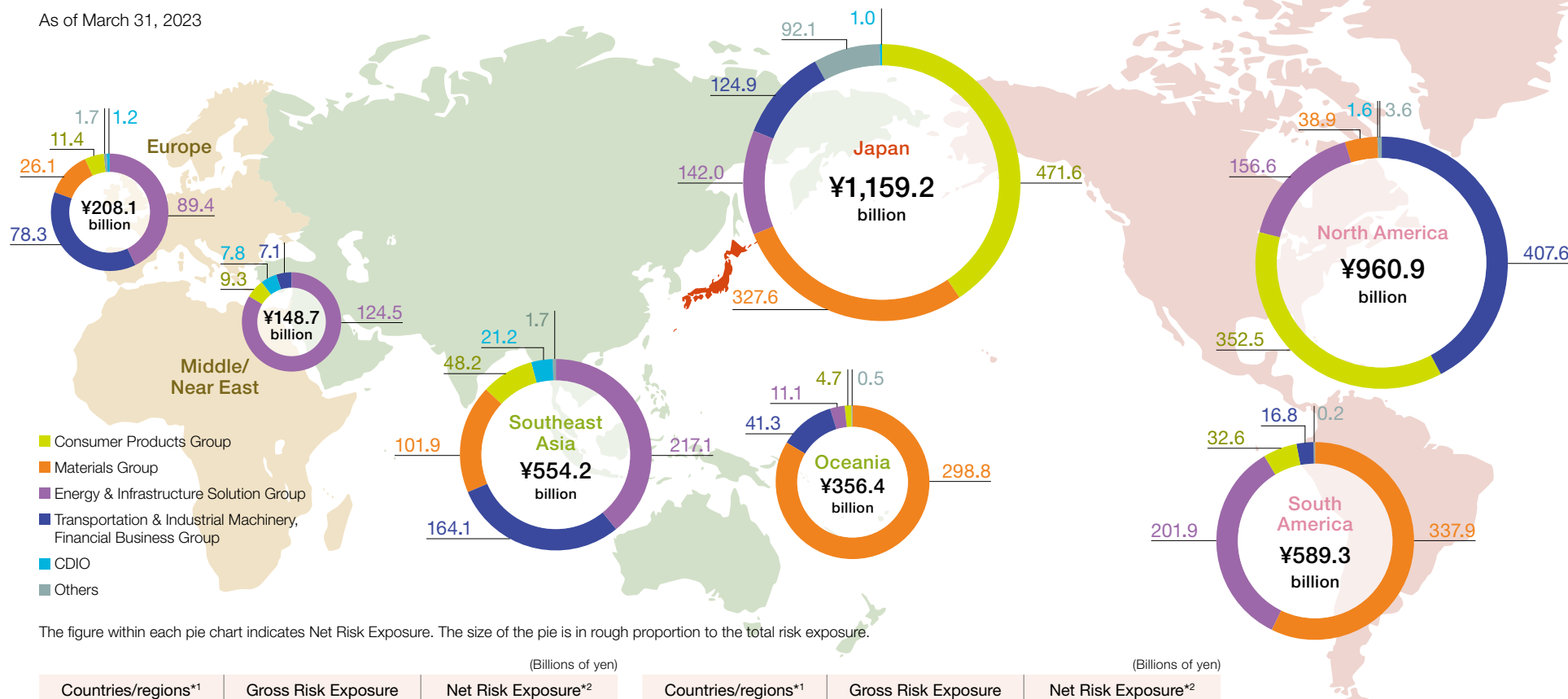
\*6. Total FPSO business profits from consolidated subsidiaries and equity-method associates and joint ventures.

\*7. Total overseas water/wastewater service and IWP project profits from consolidated subsidiaries and equity-method associates and joint ventures.

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# Outstanding Balance of Country Exposure

As of March 31, 2023



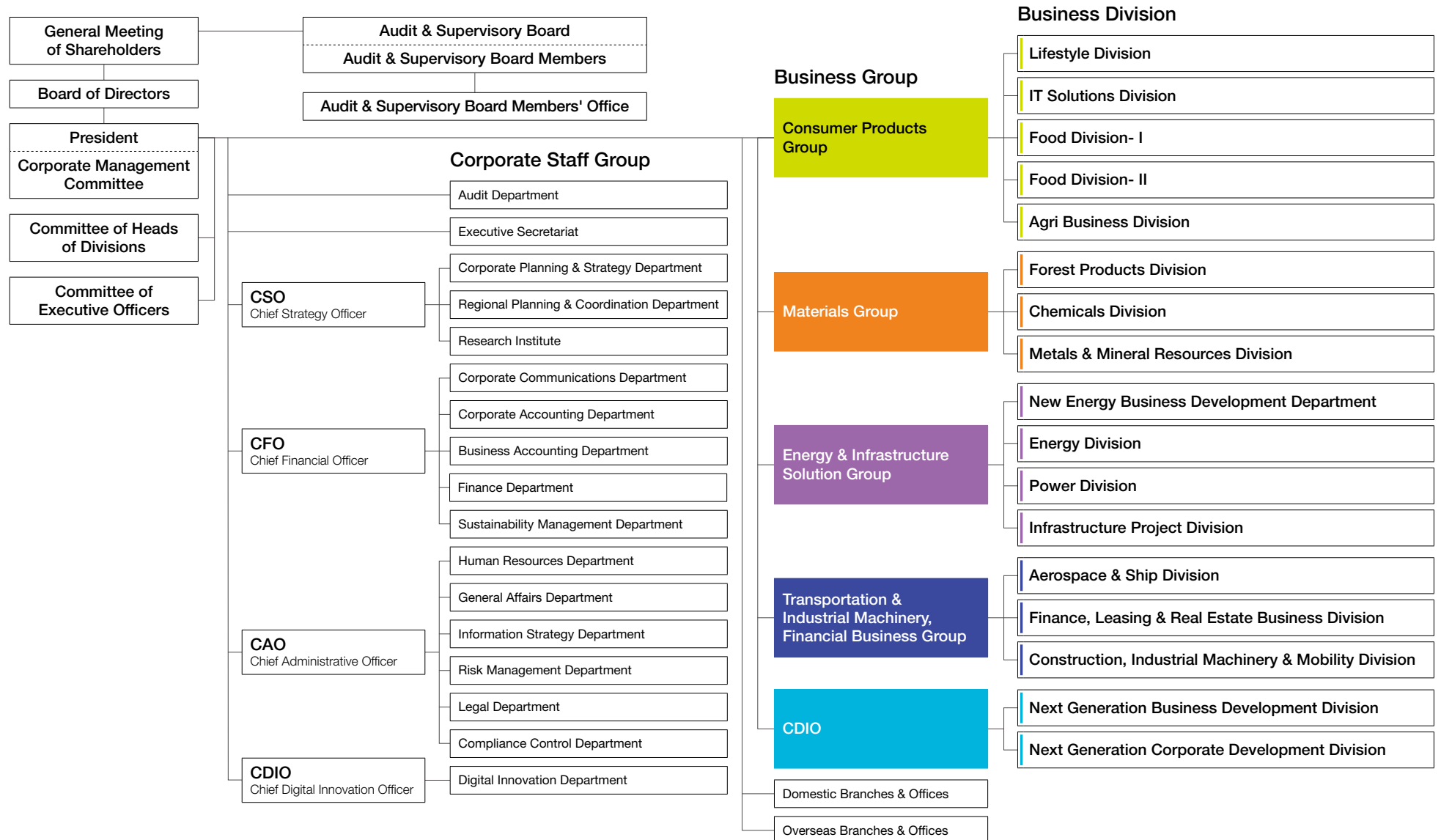
The figure within each pie chart indicates Net Risk Exposure. The size of the pie is in rough proportion to the total risk exposure.

Countries/regions*1	(Billions of yen)		Countries/regions*1	(Billions of yen)	
	Gross Risk Exposure	Net Risk Exposure*2		Gross Risk Exposure	Net Risk Exposure*2
Japan	1,159.2	1,159.2	UAE	60.1	60.1
USA	911.5	911.5	Portugal	59.5	59.5
Chile	373.4	373.4	Denmark	58.9	58.9
Australia	352.5	352.5	UK	52.7	44.4
Indonesia	221.3	156.4	Canada	49.3	49.3
Brazil	187.6	187.6	Jamaica	44.8	1.9
Singapore	170.3	170.3	Netherlands	41.5	41.5
Philippines	111.1	111.1	P.R. China	36.8	36.1
S.R. Viet Nam	104.5	89.7	Oman	32.1	20.0
Taiwan	79.0	79.0	Total	4,353.9	4,181.9

\*1. Among the assets held by Marubeni and its consolidated subsidiaries, long-term "Gross Risk Exposure" (the total amount of long-lived assets such as long-term credit, fixed assets, and investments) of over 30.0 billion yen.  
 \*2. Net Risk Exposure is Gross Risk Exposure minus the amount secured by insurance.

# Organization

As of April 1, 2023





## IR Activities

In keeping with the corporate creed of Fairness, Innovation, and Harmony, we strive to build relationships of trust with all stakeholders, including shareholders and investors, by providing information properly, fairly and in a timely manner, as well as in ways that are easy to understand. This information includes financial and business performance information as well as non-financial information needed to make investment decisions such as management strategy, in addition to the information that must be disclosed for statutory compliance. We aim to achieve sustainable growth in corporate value by obtaining remarks from stakeholders through an effective two-way dialogue, and sharing them within the Company including the management and directors.

### IR Activity Record

Activities	FYE 3/2021	FYE 3/2022	FYE 3/2023
Meetings for securities analysts and institutional investors*1	227 companies	353 companies	390 companies
Japanese	164 companies	241 companies	225 companies
Overseas	63 companies	112 companies	165 companies
IR Meeting on Financial Results for securities analysts and institutional investors	4 times	4 times	4 times
IR Meeting on Business Operation for securities analysts and institutional investors	1 time	2 times	1 time
Marubeni Sustainability Information Session for securities analysts and institutional investors	1 time	0 time	1 time
Overseas roadshows*2	0 time	0 time	3 times
Business Presentation Meetings for individual investors	2 times	4 times	4 times

\*1. Total no. of events, including meetings at overseas roadshows.

\*2. As a measure against COVID-19, overseas events were replaced with individual online meetings in FYE 3/2021 and FYE 3/2022.

### Main Dialogue Topics at FYE 3/2023 Meetings for Securities Analysts and Institutional Investors

- Impact of the global inflation and economic recession on the business results/performance
- Capital Allocation Policy
- Shareholder return policy (dividends, share buybacks)
- Investment policy and status of investment pipeline
- Drivers of growth and focus areas
- Usages of the funds collected through the sale of Gavilon's grain business
- Status of the core businesses and actions to improve unprofitable businesses
- Impact of market-fluctuations on the business results/performance
- Policy on holding and reduction of cross-shareholdings

Comments and concerns communicated to us by shareholders and institutional investors are regularly reported to the Board of Directors. Specifically at the time of the revision of the shareholder return policy in February 2023, we gathered opinions through dialogue and discussed them internally before making decisions.

### Change in Number of Shareholders

	March 31, 2021	March 31, 2022	March 31, 2023
Total number of shareholders	209,517	233,280	281,686
Individual shareholders	206,744	230,330	278,310

## External Evaluation

For details, please see our website:  
<https://marubeni.disclosure.site/en/themes/34/>



### ESG Evaluation

CDP: Selected as a Water Security A-list Company



MSCI ESG Rating: AAA



MSCI Japan ESG Select Leaders Index

2023 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

MSCI Japan Empowering Women Index (WIN)

2023 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

FTSE4Good Global Index Series



S&P/JPX Carbon Efficient Index



\* Marubeni is selected as a constituent of all six of the indices adopted by Japan's Government Pension Investment Fund for ESG investment in Japanese companies (as of August 2023).

### External Certification/Evaluation

Selected as a Nadeshiko Brand



Received "Eruboshi" certification



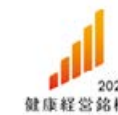
Received "Platinum Kurumin" certification



Recognized as 2023 Health and Productivity Management Outstanding Organization ("White 500" organization)






Inclusion in Health & Productivity Stock Selection



Selected as a "Digital Transformation Certified Business Operator"



## Company Profile As of March 31, 2023

Company Name	Marubeni Corporation
Securities Code	8002
Head Office	4-2, Otemachi 1-chome, Chiyoda-ku, Tokyo 100-8088, Japan Tel: 81-3-3282-2111 E-mail: tokb138@marubeni.com
Number of Branches and Offices (Including Tokyo Head Office) (As of April 1, 2023)	131 branches and offices, consisting of Head Office, 12 Japan branches and offices, 55 overseas branches and offices, and 29 overseas corporate subsidiaries with 34 associated branches and offices.
Founded	May 1858
Incorporated	December 1, 1949
Paid-in Capital	¥263,324 million
Number of Employees	4,340 (Marubeni Group: 45,995)
Corporate Website	 Top page <a href="https://www.marubeni.com/en/">https://www.marubeni.com/en/</a>   IR page <a href="https://www.marubeni.com/en/ir/">https://www.marubeni.com/en/ir/</a>   Sustainability page <a href="https://marubeni.disclosure.site/en/">https://marubeni.disclosure.site/en/</a>
Business Year	April 1 to March 31 of the following year
Regular General Meeting of Shareholders	June of each year

## Stock Information As of March 31, 2023

Number of Shares Authorized  
4,300,000,000

Number of Shares Issued and Outstanding\*<sup>1</sup>  
1,684,926,107

Stock Listings  
Tokyo

Number of Shareholders  
281,686

Share Unit  
100 shares

Record Date for Year-End Dividend  
March 31 of each year

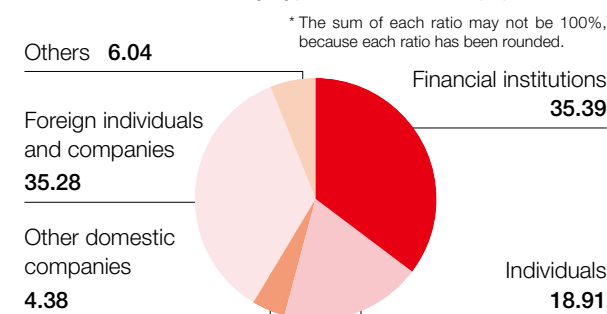
Record Date for Interim Dividend  
September 30 of each year

Transfer Agent of Common Stock  
Mizuho Trust & Banking Co., Ltd.

### Credit Rating\*<sup>1</sup>

Credit Rating Agency	Long term (Outlook)	Short term
Japan Credit Rating Agency (JCR)	AA- (Stable)	J-1+
Rating and Investment Information (R&I)	AA- (Stable)	a-1+
S&P Global Ratings	BBB+ (Stable)	—
Moody's	Baa1 (Stable)	—

### Distribution of Shares by Type of Shareholder (%)



### Our Major Shareholders

Name of Shareholder	Stake in the Corporation	
	Number of Shares Held (Thousands)* <sup>2</sup>	Shareholding Ratio (%) <sup>*3</sup>
The Master Trust Bank of Japan, Ltd. (Trust account)	269,050	15.86
Euroclear Bank SA/NV	127,969	7.54
Custody Bank of Japan, Ltd. (Trust account)	97,798	5.77
Meiji Yasuda Life Insurance Company	37,636	2.22
JPMorgan Securities Japan Co., Ltd.	32,661	1.93
Mizuho Bank, Ltd.	30,000	1.77
STATE STREET BANK WEST CLIENT-TREATY 505234	27,975	1.65
Sompo Japan Insurance Inc.	26,250	1.55
Nippon Life Insurance Company	23,400	1.38
JP MORGAN CHASE BANK 385632	20,749	1.22

\*1. As of August 31, 2023

\*2. The number of shares held of less than 1,000 shares was discarded.

\*3. The shareholding ratios are calculated after deducting the treasury stock from the number of shares issued and outstanding. The percentages are rounded to the nearest two decimal points.

**Marubeni**

<https://www.marubeni.com/jp/>