Disclosure in Line with the Recommendations of the TCFD

April 2025

Marubeni Corporation

Disclaimer Regarding Forward Looking Statements and Original Language

This material 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.

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This material is an English language translation of the materials originally written in Japanese. In case of discrepancies, the Japanese version is authoritative and universally valid.

Contents

Environment

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

Disclosure in Line with the Recommendations of the TCFD

Recognizing the importance of climate-related financial disclosures, the Marubeni Group affirmed the recommendations of the TCFD[*1] in February 2019. We are endeavoring to identify climate-related risks and opportunities and to enhance related disclosure. In addition, we joined TCFD Consortium[*2] of Japanese companies that affirm the recommendations of the TCFD.

*1 The Task Force on Climate-related Financial Disclosures (TCFD) was established by the Financial Stability Board (FSB).

*2 Click here to view the TCFD Consortium website

Click here to view the past disclosures.

- Disclosure in 2021 (September 2021) [620KB]
- Disclosure in 2022 (September 2022) [374KB]
- Disclosure in 2023 (September 2023) [344KB]

Strategy

Long-Term Strategy on Climate Change

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 our Management Philosophy. The Marubeni Group’s long-term strategy is to put our Management Philosophy into practice and to create value and grow by anticipating the challenges of customers and society and providing solutions.

The challenges faced by customers and society are diverse and constantly evolving. To stay ahead of these changes, the Marubeni Group continues to evolve, using four key aspects of diversity—1. > human capital, 2. > regions, 3. > sectors, and 4. > business models—as an important differentiator. This is major strength and source of value creation for the Marubeni Group. To further enhance this strength, we have identified the "Fundamental Materiality (1. Human Capital That Creates New Value, 2. Robust Management Foundation, 3. Governance That Supports Coexistence with Society)" and are committed to its continuous strengthening.

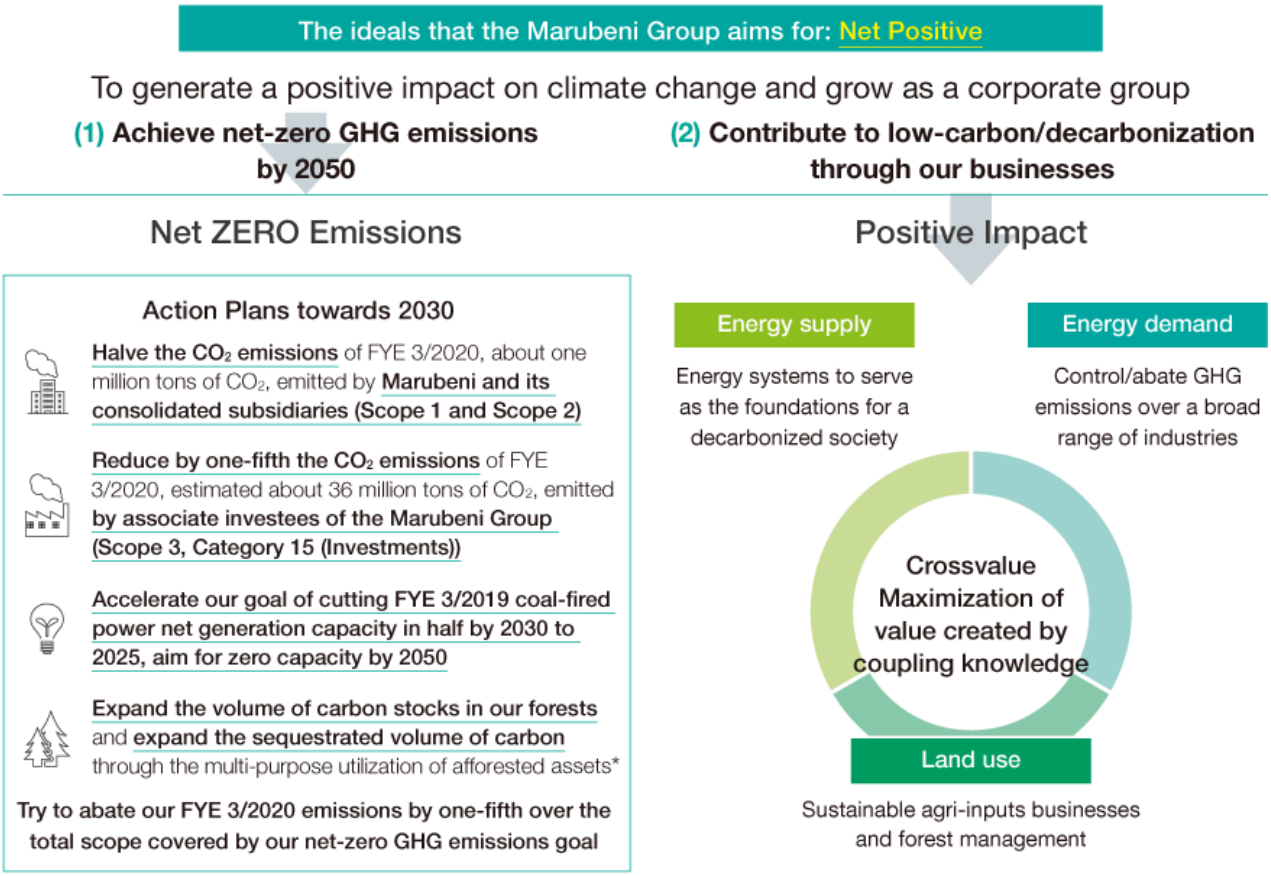
Climate change is a key factor that impacts the growth of the Marubeni Group and, as such, has been identified as one of the issues under "Environmental & Social Materiality." To anticipate the societal issues posed by climate change and provide solutions, we have formulated "The Marubeni Long-Term Vision on Climate Change." In alignment with the Paris Agreement, the Marubeni Group aims to reduce GHG emissions and views the transition to a low-carbon and decarbonized society, both within and outside the Group, as a growth opportunity.

* Marubeni categorizes time horizons for its climate change initiatives into short-term (up to 3 years), medium-term (3 to 10 years), and long-term (10 to 30 years). Regarding the financial implications in the long term, the high degree of uncertainty in measurement renders quantitative information less useful. Therefore, qualitative information is provided in the sections "Long-Term Strategy on Climate Change" and "Marubeni Group's Initiatives Leading the Transition to a Low-Carbon and Decarbonized Society."

* For details on "Fundamental Materiality" and "Environmental & Social Materiality," please refer to the > Materiality for the Marubeni Group.

* **"The Marubeni Long-Term Vision on Climate Change"**

The Marubeni Group formulated the Long-Term Vision on Climate Change in March 2021. This vision is built on two pillars, the first being the achievement of net-zero GHG emissions by the Marubeni Group (including reductions in CO_2 emissions from Scope 1, Scope 2, and Scope 3 Category 15 (Investments); for details, please refer to the " > Metrics and Targets" section). The second is contributing to the transition to a low-carbon and decarbonized society through business activities (including the calculation of reductions across all Scope 3 categories and contributions to decarbonization; for details, please refer to the " > Contribute to Low-Carbon/Decarbonization Through Our Businesses" section). By proceeding with both at the same time, we aim to generate a positive impact on climate change and grow as a corporate group.



* Estimated volume of carbon stocks will be about 19 million tons of CO_2 equivalents by 2030.

> The Marubeni Long-Term Vision on Climate Change: Towards Net-Zero GHG Emissions [721KB]

* The following, with some exceptions, is based on the information available as of December 2024.

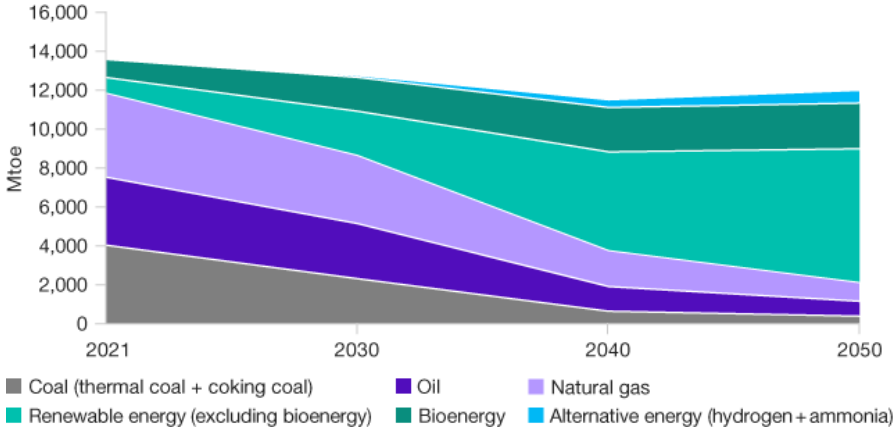
Marubeni Group's Initiatives Leading the Transition to a Low-Carbon and Decarbonized Society

Leveraging the strengths of the Marubeni Group, we present three examples of how the transition to a low-carbon and decarbonized society is being seized as an opportunity for growth.

1) Initiatives in the Resources and Energy Sector

By leveraging the diversity of sectors and business models, we are driving sustainable growth through the rebalancing of our business portfolio to anticipate the transition to a low-carbon and decarbonized society. Specifically, in the energy supply sector, we contribute to the transition from fossil fuels to renewable and alternative energy, while continuing to support the natural gas business in line with transition needs. In addition, in the resources sector, we are increasing copper production capacity, which is essential for promoting electrification, a key component of decarbonization. This strategy helps maintain the overall profitability of the Group in the resource and energy sectors, while positively influencing the financial impacts associated with the transition.

Global Forecast of Primary Energy Demand by Source



* Based on the IEA "World Energy Outlook 2023" NZE Scenario, prepared by Marubeni

■ Description related to coal (thermal coal + coking coal)

- The Marubeni Long-Term Vision on Climate Change
- Policy for Coal-Related Business
- Scenario Analysis
  "Power Generation Business (Coal-Fired Power Generation / Gas-Fired Power Generation / Renewable Energy Power Generation)"
- Scenario Analysis
  "Iron Ore Mine and Coking Coal Mine Investment Business"
- Metrics and Targets

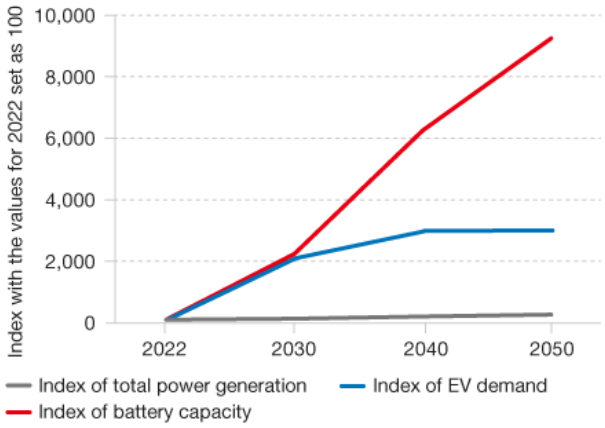
■ Description related to natural gas

- Scenario Analysis
  "Energy Resource Investment Business (Oil/Gas/LNG)"

■ Description related to renewable energy (excluding bioenergy)

- Scenario Analysis "Alternative Energy Business"
- Scenario Analysis
  "Power Generation Business (Coal-Fired Power Generation / Gas-Fired Power Generation / Renewable Energy Power Generation)"
- Marubeni Corporation Integrated Report 2024 (P. 24) (P. 39) [35.5MB]

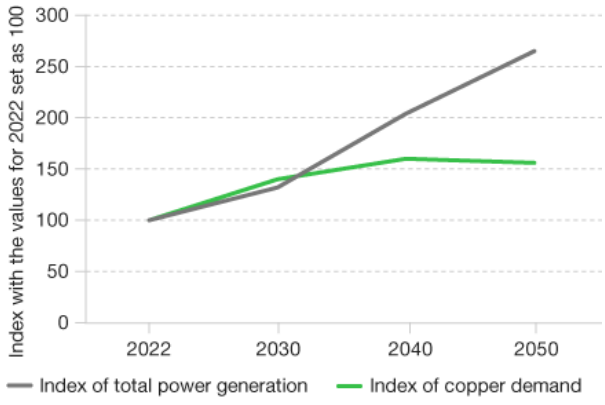
Index of Total Power Generation / EV Demand / Battery Capacity (Global)



* Based on the IEA "World Energy Outlook 2023" NZE Scenario, prepared by Marubeni

* Index with the 2020 value of EV demand set as 100

Index of Total Power Generation / Index of Copper Demand (Global)



* Based on the IEA "World Energy Outlook 2023" NZE Scenario, prepared by Marubeni

■ Description related to index of copper demand

- Scenario Analysis "Copper Mine Investment Business"
- Marubeni Corporation Integrated Report 2024 (P. 24) (P. 40) [35.5MB]

2) Initiatives in the Electric Power Sector

In the electric power sector, as society transitions toward carbon neutrality, we meet the diverse needs of our customers by integrating a range of capabilities. These include top-tier achievements as an Independent Power Producer (IPP), extensive experience in Engineering, Procurement, and Construction (EPC) coordination, and deep expertise in power wholesale and retail. By leveraging these strengths, we provide comprehensive solutions to enhance energy efficiency and facilitate the transition to a low-carbon, decarbonized society, all while generating added value.

In particular, a noteworthy initiative supporting the transition to a low-carbon and decarbonized society is the work of SmartestEnergy Ltd. (SEL). SEL was established from scratch in 2001 by the Marubeni Group and has since been involved in wholesale procurement and retail operations in the UK electricity market, with a primary focus on renewable energy sources.

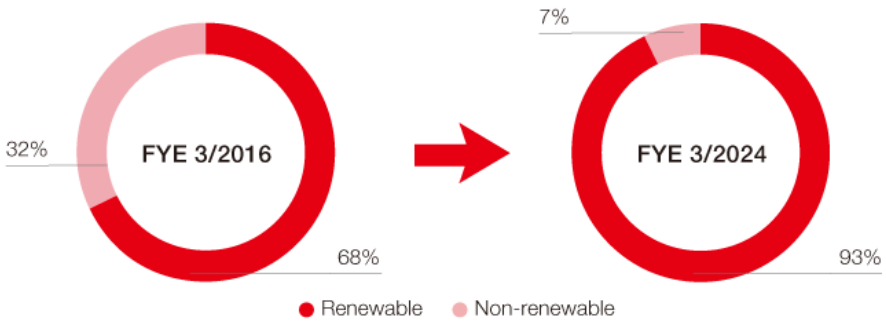
In 2015, it pioneered industry-first initiatives, such as providing electricity bundled with renewable obligation certifications for the industrial sector. SEL rapidly grew into a major power service provider, ranking sixth in retail sales volume, on par with major UK electric utilities, and continues to expand today.

(For more details, please refer to the › Marubeni Corporation Integrated Report 2024 (P. 39) [35.5MB].)

Today, these initiatives have been expanded to the United States and Australia, while domestically, they are being implemented by Marubeni Power Retail Corporation (hereinafter, “Marubeni Power Retail”). The Marubeni Group entered the electricity retail business in 2000 as a pioneer in the new power sector and established Marubeni Power Retail in 2011. In line with the liberalization of Japan’s electricity market, the Group has remained committed to ensuring a stable supply of electricity. Marubeni Power Retail offers a variety of products and plans tailored to meet the needs of its customers, including various renewable energy retail options for end-users. Additionally, it provides wholesale renewable energy supply services, which bundle renewable electricity procured from multiple power producers and deliver it to retail electricity providers.

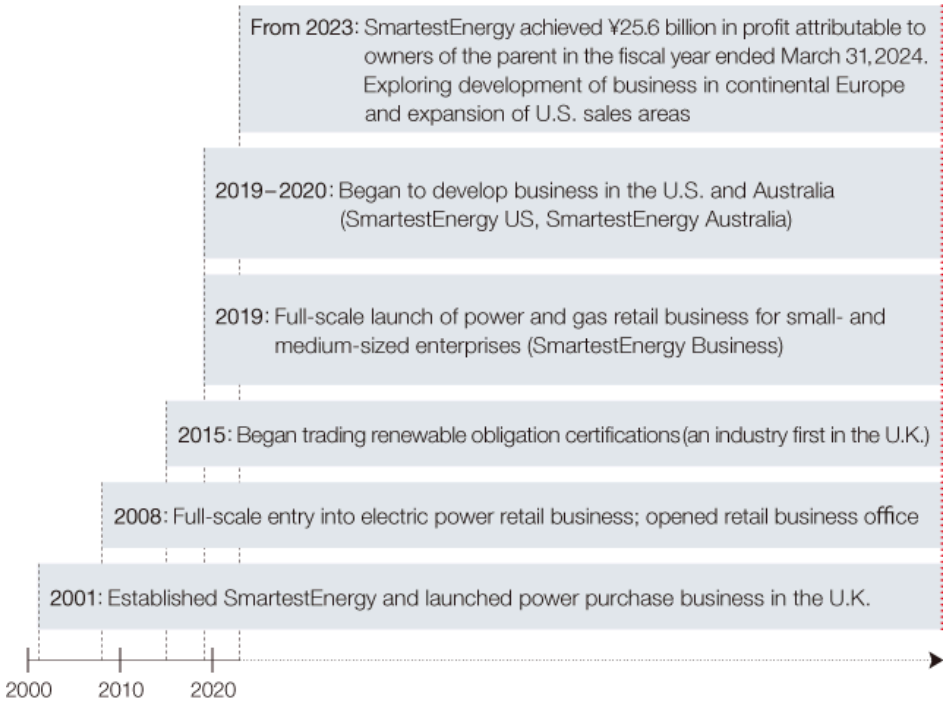
Breakdown of Power Source for Offered Products

Over 90% of products handled in its portfolio are derived from renewable energy.



* The capacity of renewable energy-derived increased from 1,674 MW in FYE 3/2016 (total capacity: 2,456 MW) to 3,420 MW in FYE 3/2024 (total capacity: 3,688 MW).

Evolution of Growth at SmartestEnergy Group



3) Initiatives in the Forestry and Afforestation Sector

In the forestry and afforestation sector, we manage approximately 120,000 hectares of afforestation projects in two countries, Indonesia and Australia (about twice the size of the 23 wards of Tokyo), with a total gross project area of around 300,000 hectares. In particular, we believe that our afforestation project in Indonesia (PT. Musi Hutan Persada, or MHP) holds significant potential, as it spans vast areas in the tropical rainforest climate zone, characterized by abundant precipitation and sunlight, which are ideal conditions for tree growth.

Currently, the business primarily focuses on paper production applications. However, while closely monitoring the transition to a low-carbon and decarbonized society, we aim to maximize profits through environmental value. This includes exploring the utilization of wood resources for other applications and leveraging the Marubeni Group's long-standing expertise in forest management to generate forest carbon credits in Japan, India, the Philippines, and other regions.

Contribute to Low-Carbon/Decarbonization Through Our Businesses

We view GHG emissions across the value chain as opportunities to contribute to their reduction and have calculated all relevant Scope 3 categories. A distinctive characteristic of the Marubeni Group is that its Scope 3 emissions (89 million t-CO_2e) are more than 70 times greater than its Scope 1 and Scope 2 emissions (1.2 million t-CO_2e).

Scope 1, Scope 2, and the Main Categories of Scope 3 for Our Group (for details, please refer to the "› Data" section)

(Unit: Million t-CO_2e)

		FYE 3/2024
Scope 1, 2	Scope 1	0.9
	Scope 2	0.3
	Total	1.2
Scope 3	Category 1 (Purchased goods and services)	36
	Category 11 (Use of sold products)	18
	Category 15 (Investments)	25
	Other categories	11
	Total	89

* The total of each category and the overall total may not match due to rounding.
* Category 1: Includes fertilizers, grains, chemicals, and other products.
* Category 11: Includes fossil fuels and other products.
* Category 15: Includes power generation projects and other projects.

The entities responsible for Scope 3 emissions span a wide variety of sectors. Providing low-carbon and decarbonization solutions to these entities not only significantly contributes to climate change mitigation but also represents a transition opportunity to a low-carbon and decarbonized society, and a driver of growth for the Marubeni Group.
In the energy supply sector, solutions include the development of energy systems that serve as the foundation for a decarbonized society. On the energy demand sector, efforts to reduce and mitigate GHG emissions over a broad range of industries are crucial. In the land use sector, initiatives such as sustainable agri-inputs businesses and forest management are also key solutions being promoted.
Furthermore, to quantitatively evaluate the effectiveness of these solutions, we calculate both avoided emissions and volume of carbon stocks. These also serve as indicators of how the Marubeni Group is capitalizing on business opportunities.

Specific Examples of Solutions

Products and areas	Solutions	Initiatives	Domains of contribution		
			Energy supply	Energy demand	Land use
Fertilizers and chemicals	Energy-saving, efficiency improvements	Sales of green ammonia		●	
	Support more efficient fertilizer use	Optimization of fertilizer usage through soil data analysis services			●
	Carbon dioxide capture, utilization and storage (CCUS)	Sales of methanol produced from CO_2 (transition from fossil resource-based raw materials)		●	
Fossil fuels	Transition energy	Expansion of sales of natural gas and LNG, which are essential for the transition to a decarbonized society	●		
	Alternative energy	Production and sales of next-generation fuels (hydrogen, ammonia, SAF, biomethane, etc.)	●		
	Alternative energy	Ownership and operation of an ammonia transport carrier	●		
	Alternative energy Sustainable forest management	Production and sales of biomass fuel (wood pellets and chips)	●		●
	Promotion of electrification (including EVs)	Leasing of EVs, fleet management for commercial use, and battery reuse/recycling		●	
	Promotion of electrification (including EVs) Energy-saving, efficiency improvements	Production and sales of copper and aluminum (promoting electrification and lightweighting of transportation vehicles)		●	
	Energy-saving, efficiency improvements	Logistics efficiency through container round-use and pallet round-use		●	
	CCUS	Developing a business for Carbon dioxide capture, utilization, and storage		●	
Power generation	Renewable energy power generation	› Expansion of renewable energy-related businesses	●		
	Battery storage Promotion of electrification (including EVs)	Grid stabilization battery storage Development, manufacturing, and sales of next-generation batteries		●	
Cross-sectoral products and areas	Sustainable forest management	Afforestation projects for carbon credit creation			●
	Cross-sectoral domains	Creation and sale of environmental value (certificates and carbon credits)	●	●	●

Avoided Emissions

Evaluation target	Unit	FYE 3/2024	Calculation method
Renewable energy power generation	Thousand t-CO_2e	Approximately 1,429	The formula for calculation: Installed generation capacity × 24 hours × 365 days × capacity factor (%) × the average emission factor of the country or region of location available x equity share (%). * Only the avoided emissions from the operational phase, which account for the majority of the emissions, are calculated. Baseline: Energy mix of each country Emission factors: The country-specific CO_2 emission factors (CO_2 emissions per kWh from electricity generation) published by the International Energy Agency (IEA) are referenced.

* Avoided emissions refer to a metric that quantifies how the company's products and services contribute to the overall emission reduction of society.
In the calculation, actual data and publicly available information are used whenever possible. However, when such data is difficult to obtain, reasonable assumptions or scenarios are applied.
As a reference, we primarily use the "Guidance on Avoided Emissions" from the World Business Council for Sustainable Development (WBCSD). However, as international discussions on calculation rules continue, we will regularly review and update our calculation and disclosure methods in accordance with these developments.

Volume of Carbon Stocks

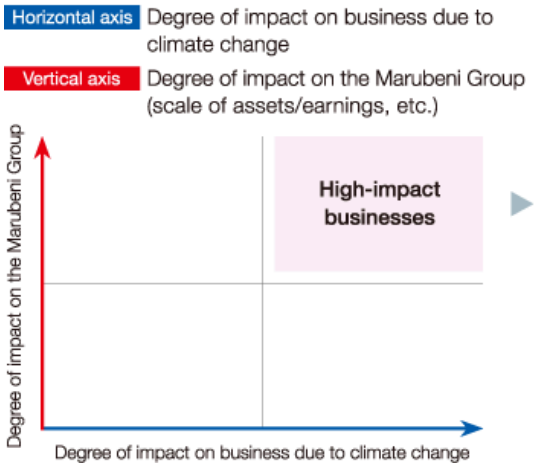
Evaluation target	Unit	FYE 3/2024	Calculation method
Afforestation and managed forests	Million t-CO_2e	Approximately 14	The calculation of above/below ground biomass is based on the Tier 2 approach in Chapter 4, "Forest Land," in Volume 4 of the "2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories."

Scenario Analysis

We identified businesses with relatively high impacts on operations due to climate change, as well as those with a significant impact on the Marubeni Group (such as scale of assets, earnings, etc.). After defining short-term (up to 3 years), medium-term (3 to 10 years), and long-term (10 to 30 years) time horizons, we conducted scenario analysis in line with TCFD recommendations. This analysis took into account the business environment under both the baseline and transition scenarios, considering transition risks/opportunities, physical risks/opportunities, and time horizons. It focused on the financial impacts and response strategies for the medium term.
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.



Businesses selected for scenario analysis using process outlined on left

- Power generation (coal-fired power generation / gas-fired power generation / renewable energy power generation)
- Energy resource investment (oil/gas/LNG) and alternative energy
- Copper mine investment
- Iron ore mine and coking coal mine investment
- Aircraft leasing (Aircastle)
- Ship
- Agri-inputs (North America)
- Forestry

Results of Scenario Analysis

The results of the scenario analysis for each selected business are as follows.
The scenarios and business environment overviews represent the understanding of the Marubeni Group based on major scenarios as developed by IEA (International Energy Agency) and other international organizations, but do not provide an outlook for the Group.

Analysis Process

Business environment overview (Transition risks/opportunities, physical risks/opportunities, time horizons (short-term, medium-term, long-term))

■ Baseline scenarios

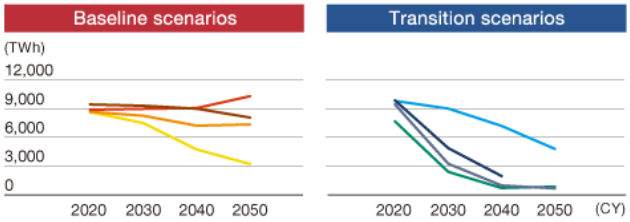
Expected changes in conditions for the selected businesses based on demand projections under baseline scenarios.

■ Transition scenarios

Expected changes in conditions for the selected businesses based on demand projections under transition scenarios.

- The data show demand projections for the selected business under each scenario as conditions evolve (all data are global, unless otherwise noted).
- If there is no significant difference between the baseline and transition scenarios, the information is presented in a summarized format.

Example: Coal-fired power generation (graph represents a sample)



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:
- IEA B2DS(+1.75°C)
- IEA SDS(+1.65°C)
- IPCC RCP2.6(+1.6°C)
- IEA NZE(+1.5°C)
- IPCC RCP1.9(+1.5°C)

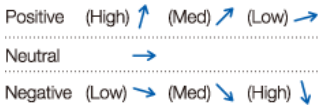
* Data for 2020 are scenario-based projections rather than actual figures.
* Data for IEA RTS are referenced from 2014 rather than 2020.
* Data for IEA SDS are referenced from 2019 rather than 2020.
* In the forestry business, IPR FPS + Nature (+1.5°C) is referenced as the transition scenario. For grain yield in the agri-inputs business, FAO BAU Overall (+4°C) is referenced as the baseline scenario, and FAO TSS Overall (+1.5°C) as the transition scenario.

- For each item of business environment overviews, we describe transition risks/opportunities, physical risks/opportunities, and time horizons (short-term, medium-term, and long-term).
- Climate-related “transition risks” refer to the risks arise from efforts to transition to a lower-carbon economy, including policy, legal, technological, market, and reputational risks.
- Climate-related “physical risks” refer to risks resulting from climate change that can be event-driven (acute physical risks) or from longer-term shifts in climatic patterns (chronic physical risk).

Financial implications [medium-term]

- The outlook on climate-related risks and opportunities in the selected businesses is provided, focusing on their expected impact on our financial position, financial performance, and cash flows over the medium-term horizon. Due to the high level of uncertainty in estimating the impact, qualitative information is presented using the following structure.

One of seven possible arrows is used to indicate the overall assessment.



This section explains the assessment in more detail.

Policies and initiatives

This section outlines Group policies and initiatives for the businesses, based on the business environment overview from the scenarios.

Financial information

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.

* Exposure includes investments, loan receivables, tangible fixed assets, and guarantees.

Power Generation Business (Coal-Fired Power Generation / Gas-Fired Power Generation / Renewable Energy Power Generation)

Energy Resource Investment Business (Oil/Gas/LNG) and Alternative Energy Business

Copper Mine Investment Business

Iron Ore Mine and Coking Coal Mine Investment Business

Aircraft Leasing Business (Aircastle)

Ship Business

Agri-Inputs Business (North America)

Forestry Business

Power Generation Business (Coal-Fired Power Generation / Gas-Fired Power Generation / Renewable Energy Power Generation)

Business environment overview (Transition risks/opportunities, physical risks/opportunities, time horizons (short-term, medium-term, long-term))

■ Baseline scenarios

[Opportunities]

- Short to long term: Global electricity demand is expected to increase.
- Short to long term: Gas-fired power generation and renewable energy are expected to increase.

[Transition risks]

- Short to medium term: If dependence on fossil fuels continues, coal-fired power generation will remain stable or show a declining trend.

[Physical risks]

- Short to long term: According to the IPCC Sixth Assessment Report, the global proportion of major tropical cyclone occurrence has increased over the last four decades.
- Short to long term: 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.

■ Transition scenarios

[Opportunities]

- Short to long term: Global electricity demand is expected to increase.
- Short to long term: Demand for renewables is expected to grow significantly.
- Short to long term: The capacity of renewable energy electricity will expand in the wholesale and retail power businesses, as well as in decentralized power generation businesses. The trade of renewable energy-related products, including environmental certificates, will expand. The demand for energy management businesses, including battery storage and power supply-demand adjustments, is rising.
- Medium to long term: The demand for hydrogen and ammonia as alternative energy sources is increasing.

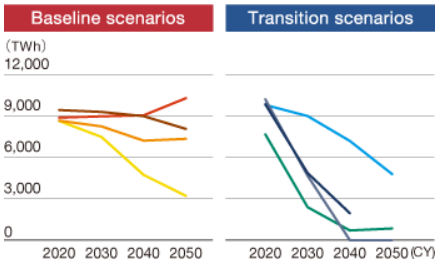
[Transition risks]

- Short to medium term: Progress in low-carbonization and decarbonization efforts will lead to a significant reduction in coal-fired power generation.
- Medium to long term: Gas-fired power generation is expected to maintain current levels until 2030. After 2030, it will decline, though in certain scenarios, it may remain unchanged.
- Medium to long term: The implementation and enhancement of carbon pricing are expected to increase the costs associated with coal-fired power generation.

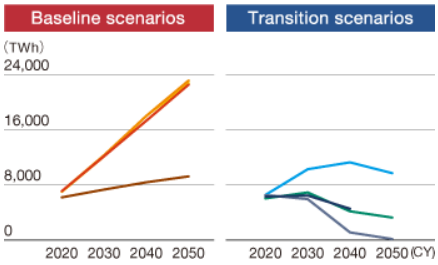
[Physical risks]

- Short to long term: According to the IPCC Sixth Assessment Report, the global proportion of major tropical cyclone occurrence has increased over the last four decades.
- Short to long term: 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.

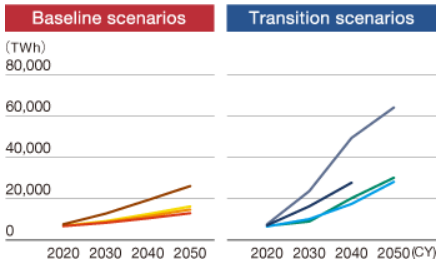
Coal-fired power generation



Gas-fired power generation



Renewable energy power generation



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Financial implications [medium-term]		
Coal-fired power	→ Negative(Low)	Most of our power generation business is based on long-term power purchase agreements, where compensation is paid based on generation capacity. As a result, the impact of reduced demand for coal-fired power on existing businesses is limited. However, earnings from coal-fired power generating businesses will diminish as assets are retired.
Gas-fired power	→ Positive(Low)	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.
Renewable energy	↑ Positive(High)	The business environment is expected to experience increased demand under the baseline scenario, with a significant rise under the transition scenario. As a result, new developments and the expansion of renewable energy-related businesses—such as the capacity of renewable energy in wholesale and retail power businesses, decentralized power generation, environmental certificate trading, and energy management businesses, including battery storage and power supply-demand adjustments—will have a significant positive impact on revenue.

Policies and initiatives

- We will respond to rising global electric power demand by expanding the Group's power generation business, focusing especially on the renewables sector.
- We will expand the renewable energy power business. We will promote the expanded use of renewable energy and environmental certificates in the power wholesale and retail business to meet customer needs, as well as in the decentralized power generation business, to contribute to the realization of a low-carbon society.
- We will promote energy management businesses including decentralized power generation, battery storage, and power supply-demand adjustments, and expand decarbonization solutions through smart city / new businesses.
- We 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 approximately 3 GW in half, with further abatement to approximately 1.3 GW by 2030, and aim for zero by 2050.
- 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_2 emissions from thermal power generation utilizing new technologies based on the co-combustion of hydrogen and ammonia.
- The analysis identifies the risk of higher costs of CO_2 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.

[Physical risk response]

- We are working to realize project design and operation that takes account of a wide range of risk including natural disasters.
- We are working on a range of measures to avoid or mitigate direct damage to buildings or other assets.
- Property damage insurance and business interruption insurance, depending on the business, are procured for each building or asset.
- Since its foundation, the Marubeni Group company Marnix Corporation, has built a track record as an insurance broker for overseas infrastructure projects, for which, depending on the case, it can help implement a comprehensive risk analysis and assessment, and help build an appropriate risk management program.

Financial information

Power Division

- Power Division relevant segment net profit (FYE 3/2024): approx. ¥47.3 billion
  (Power IPP business reported a net profit* of approx. ¥55.8 billion.)
- Relevant segment assets (as of March 31, 2024): approx. ¥1,281.1 billion

* Total profits of consolidated subsidiaries and share of associates and joint ventures of our IPP business.

Reference: Capacity of power generation assets was approx. 2.4 GW for coal-fired power generation, approx. 1.8 GW for renewable energy power generation, and approx. 7.2 GW for gas-fired power generation, and others (as of March 31, 2024)

Energy Resource Investment Business (Oil/Gas/LNG) and Alternative Energy Business

Business environment overview (Transition risks/opportunities, physical risks/opportunities, time horizons (short-term, medium-term, long-term))

■ Baseline scenarios

[Opportunities]

- Short to long term: The share of oil and natural gas in total primary energy is expected to be on the rise.
- Short to long term: Oil demand and production are expected to increase until 2030, then flatten out, with demand and supply in equilibrium.
- Short to long term: Gas demand and production are expected to increase until 2040, with supplies of gas generally tightening over time.
- Short to long term: Demand for alternative energy will remain on a gradual uptrend.

[Transition risks]

- Short to long term: Changes in carbon pricing across various countries could lead to shifts in commercial distribution.
- Short to long term: Due to the uncertainty surrounding the growth of demand for alternative energy, manufacturing costs may remain high as a result of reduced investment in technological development and stagnation in innovation.

[Physical risks]

- Short to long term: According to the IPCC Sixth Assessment Report, the global proportion of major tropical cyclone occurrence has increased over the last four decades.
- Short to long term: 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.

■ Transition scenarios

[Opportunities]

- Short to medium term: Demand for gas will remain almost flat until 2030.
- Short to long term: Demand for alternative energy will gradually increase until 2030, and then rise steadily after 2030.

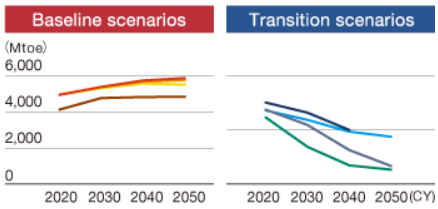
[Transition risks]

- Short to long term: Changes in carbon pricing across various countries could lead to shifts in commercial distribution.
- Medium to long term: Gas is expected to decrease after 2030, with production also declining. Supply and demand will be in equilibrium or shift slightly to undersupply.
- Medium to long term: The demand of oil and natural gas in total primary energy is expected to be on a declining trend.
- Short to long term: Oil 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.

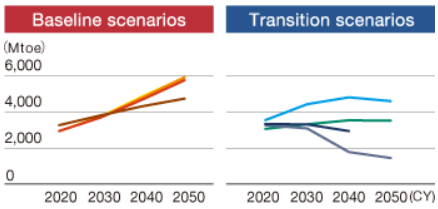
[Physical risks]

- Short to long term: According to the IPCC Sixth Assessment Report, the global proportion of major tropical cyclone occurrence has increased over the last four decades.
- Short to long term: 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.

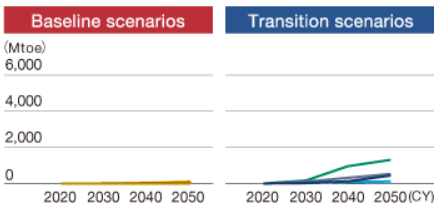
Oil demand



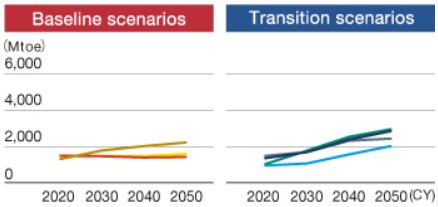
Natural gas demand



Hydrogen demand



Bioenergy demand



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:
IEA B2DS(+1.75°C) IEA SDS(+1.65°C) IPCC RCP2.6(+1.6°C)
IEA NZE(+1.5°C) IPCC RCP1.9(+1.5°C)

* Data for 2020 are scenario-based projections rather than actual figures.
* Data for IEA RTS are referenced from 2014 rather than 2020.
* Data for IEA SDS are referenced from 2019 rather than 2020.
* In the forestry business, IPR FPS + Nature (+1.5°C) is referenced as the transition scenario. For grain yield in the agri-inputs business, FAO BAU Overall (+4°C) is referenced as the baseline scenario, and FAO TSS Overall (+1.5°C) as the transition scenario.

Financial implications [medium-term]		
Oil	→ Neutral	The impact of decreasing demand on the Group's performance is expected to be limited until 2030.
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.

Policies and initiatives

- While evaluating the progress of technological innovations and climate change measures, we will view the transition to a low-carbon society as an opportunity for new business creation. By actively promoting the expansion of fuels with lower environmental impact (such as biofuels and synthetic fuels) and the development and trading of environmental value, we will work to reduce and limit GHG emissions. Simultaneously, we will continue to prioritize the stable supply of existing fuels, including natural gas and LNG, whose demand is expected to rise, thereby contributing to energy security while balancing these objectives.
- We will actively develop, produce, and trade energy sources, 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.
- In the year ended March 31, 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 & 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.
- 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.

* Carbon dioxide Capture, Utilization and Storage

[Physical risk response]

- We are working to realize project design and operation that takes account of a wide range of risk including natural disasters.
- We are working on a range of measures to avoid or mitigate direct damage to buildings or other assets.
- Property damage insurance and business interruption insurance, depending on the business, are procured for each building or asset.
- Since its foundation, the Marubeni Group company Marnix Corporation, has built a track record as an insurance broker for overseas infrastructure projects, for which, depending on the case, it can help implement a comprehensive risk analysis and assessment, and help build an appropriate risk management program.

Financial information

- Relevant segment net profit including energy resource investment business (oil/gas/LNG) (FYE 3/2024): approx. ¥39.2 billion for Energy Division (including net profits of approx. ¥8.4 billion for LNG projects and approx. ¥12.2 billion for oil/gas exploration and production business)
- Exposure of energy resource investment business (oil/gas/LNG) (as of March 31, 2024): approx. ¥90.0 billion for oil/gas interests and approx. ¥50.0 billion for LNG interests
- Establishment of New Energy Business Development Department in FYE 3/2024
- 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, Chemicals Division, and Aerospace & Ship Division.

Copper Mine Investment Business

Business environment overview (Transition risks/opportunities, physical risks/opportunities, time horizons (short-term, medium-term, long-term))

■ Baseline scenarios

[Opportunities]

・Short to long term: Demand for copper is expected to increase due to population growth, economic expansion, and the promotion of decarbonization and electrification.

[Transition risks]

・The potential for increased costs of fuels, materials, and other resources due to the introduction of new regulatory frameworks, such as carbon taxes or emissions trading schemes

[Physical risks]

・The potential for disruptions to mining operations and transportation due to extreme weather events such as droughts, heavy rainfall, or snowfall

■ Transition scenarios

[Opportunities]

・Short to long term: Demand for copper is expected to increase significantly due to population growth, economic expansion, and the promotion of decarbonization and electrification.

[Transition risks]

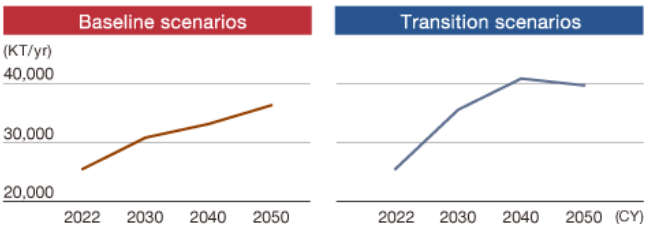
・The potential for increased costs of fuels, materials, and other resources due to the introduction of new regulatory frameworks, such as carbon taxes or emissions trading schemes

・The difficulty of new developments is increasing due to environmental permits and stricter regulations.

[Physical risks]

・The potential for disruptions to mining operations and transportation due to extreme weather events such as droughts, heavy rainfall, or snowfall

Copper demand



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:

■ IEA B2DS(+1.75°C) ■ IEA SDS(+1.65°C) ■ IPCC RCP2.6(+1.6°C)
■ IEA NZE(+1.5°C) ■ IPCC RCP1.9(+1.5°C)

* Data for 2020 are scenario-based projections rather than actual figures.
* Data for IEA RTS are referenced from 2014 rather than 2020.
* Data for IEA SDS are referenced from 2019 rather than 2020.

* In the forestry business, IPR FPS + Nature (+1.5°C) is referenced as the transition scenario. For grain yield in the agri-inputs business, FAO BAU Overall (+4°C) is referenced as the baseline scenario, and FAO TSS Overall (+1.5°C) as the transition scenario.

Financial implications [medium-term]

↗ Positive(Med)	By capturing the growing demand, the impact on earnings is expected to be positive. Specifically, the promotion of electrification is likely to further boost copper demand and drive additional earnings growth.

Policies and initiatives

・We aim to seize the growing demand for copper and contribute to its stable supply through our copper mining business in Chile.
・The conversion of electricity used in our Chilean copper mining operations to 100% renewable energy has been completed, and we are committed to sustainable mining business management by thoroughly reducing environmental impact, including the electrification of heavy machinery and using seawater for operational water.
・To address the medium- to long-term increase in demand and enhance cost competitiveness, we will focus on maintaining mineral resources and exploring opportunities for future expansion.
・We will continue to maintain and promote operations and infrastructure development in compliance with local laws and regulations, while prioritizing environmental resilience and the safety and health of employees and local communities.

[Physical risk response]

・We are working to realize project design and operation that takes account of a wide range of risk including natural disasters.
・We are working on a range of measures to avoid or mitigate direct damage to buildings or other assets.
・Property damage insurance and business interruption insurance, depending on the business, are procured for each building or asset.

Financial information

Metals & Mineral Resources Division

・Relevant segment net profit (FYE 3/2024): approx. ¥163.5 billion (including net profit of approx. ¥10.1 billion by Marubeni LP Holding*)
・Exposure (as of March 31, 2024): approx. ¥390.0 billion for copper mine investment business

* Chile-based Group company managing investments in copper business

Iron Ore Mine and Coking Coal Mine Investment Business

Business environment overview (Transition risks/opportunities, physical risks/opportunities, time horizons (short-term, medium-term, long-term))

■ Baseline scenarios

[Opportunities]

- Short to long term: Steel production is expected to grow steadily as populations and economies expand, with existing blast furnace production at a consistent level.
- Medium to long term: The promotion of decarbonization is anticipated to drive an increase in demand for high-grade iron ore and direct reduced iron (DRI).
- Short to long term: Coking coal demand is expected to remain stable due to increased steel demand driven by population growth and economic expansion, as well as the continued use of imported coking coal for blast furnace production at a consistent level.

[Transition risks]

- The potential for increased costs of fuels, materials, and other resources due to the introduction of new regulatory frameworks, such as carbon taxes or emissions trading schemes

[Physical risks]

- The potential for disruptions to mining operations and transportation due to extreme weather events such as droughts, heavy rainfall, or snowfall

■ Transition scenarios

[Opportunities]

- Short to long term: Steel production is expected to either remain steady or increase as populations and economies grow.
- Medium to long term: The promotion of decarbonization is anticipated to drive an increase in demand for high-grade iron ore and direct reduced iron.
- Short to long term: Coking coal supply is expected to decrease due to delays in new development and expansion plans, driven by reduced demand resulting from the promotion of decarbonization. As a result, the competitiveness of our assets will be maintained. Additionally, demand for decarbonization solutions, such as Carbon dioxide Capture and Storage (CCS), is expected to increase.

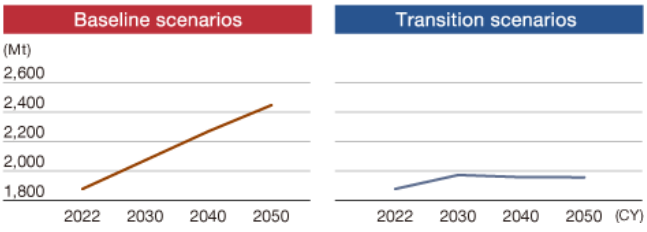
[Transition risks]

- Medium to long term: The shift from blast furnaces to electric arc furnaces, along with the development of new technologies (such as using scrap in large blast furnaces and utilizing hydrogen in blast furnace hydrogen reduction), are being pursued to achieve carbon neutrality in the steel industry.
- Medium to long term: The rise in the share of electric arc furnaces is expected to decrease the demand for iron ore used in blast furnaces and coking coal.
- Medium to long term: The rising difficulty of investment in the coking coal supply side is expected to weaken the stability of supply.

[Physical risks]

- The potential for disruptions to mining operations and transportation due to extreme weather events such as droughts, heavy rainfall, or snowfall

Steel production



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:
IEA B2DS(+1.75°C) IEA SDS(+1.65°C) IPCC RCP2.6(+1.6°C)
IEA NZE(+1.5°C) IPCC RCP1.9(+1.5°C)

* Data for 2020 are scenario-based projections rather than actual figures.
* Data for IEA RTS are referenced from 2014 rather than 2020.
* Data for IEA SDS are referenced from 2019 rather than 2020.

* In the forestry business, IPR FPS + Nature (+1.5°C) is referenced as the transition scenario. For grain yield in the agri-inputs business, FAO BAU Overall (+4°C) is referenced as the baseline scenario, and FAO TSS Overall (+1.5°C) as the transition scenario.

Financial implications [medium-term]

Iron ore	→ Positive(Low)	Led by the iron ore mining business in Australia, we expect a positive impact on earnings due to rising demand.
Coking coal	→ Neutral	Under the baseline scenarios, coking coal demand is expected to remain stable. Under the transition scenarios, while a decline in demand for coking coal is anticipated, a certain level of blast furnace production is expected to continue, leading to a limited impact on earnings.

Policies and initiatives

Iron ore

- Going forward, while closely monitoring trends in the steel industry's transition to carbon neutrality, we will seize the growing demand for steel driven by population growth and economic expansion, contributing to the stable supply of iron ore through our iron ore mining business in Australia.
- To address the medium- to long-term increase in demand and strengthen cost competitiveness, we will focus on replenishing mineral reserves, exploring opportunities for future expansion and pursuing the potential for a direct reduction iron business.
- We will continue to maintain and promote operations and infrastructure development in compliance with local laws and regulations, while prioritizing environmental resilience and the safety and health of employees and local communities.

Coking Coal

- In the future, while closely monitoring trends in the steel industry's carbon neutrality efforts and the global supply-demand environment for coking coal, we will work to strengthen the competitiveness of our coking coal assets and strive to ensure a stable supply to customers.
- At the same time, we will continue to reduce the carbon intensity of our coking coal operations and focus on providing decarbonization solutions such as CCS, contributing to the resolution of societal challenges related to decarbonization and low-carbon goals.
- We will continue to maintain and promote operations and infrastructure development in compliance with local laws and regulations, while prioritizing environmental resilience and the safety and health of employees and local communities.

[Physical risk response]

- We are working to realize project design and operation that takes account of a wide range of risk including natural disasters.
- We are working on a range of measures to avoid or mitigate direct damage to buildings or other assets.
- Property damage insurance and business interruption insurance, depending on the business, are procured for each building or asset.

Financial information

Metals & Mineral Resources Division

- Relevant segment net profit (FYE 3/2024): approx. ¥163.5 billion
  (including net profits of approx. ¥63.0 billion by Marubeni Resources Development* and ¥42.4 billion by the Roy Hill Iron Ore Project)
- Exposure (as of March 31, 2024): approx. ¥110.0 billion for coking coal mine investment business and approx. ¥190.0 billion for iron ore mine investment business

* Australia-based Group company managing investments in steelmaking material business

Aircraft Leasing Business (Aircastle)

Business environment overview (Transition risks/opportunities, physical risks/opportunities, time horizons (short-term, medium-term, long-term))

■Baseline scenarios ■Transition scenarios

* The risks and opportunities of the airline customers, as outlined below, may impact on the lease demand and profitability of this business.

[Opportunities]

- Short to long term: The demand for air travel is anticipated to steadily grow, with the gradual introduction of new aircraft with lower environmental impact.
- Short to long term: Technological advancements in aircraft equipment are expected to improve fuel efficiency, resulting in progress in fuel cost reduction.
- Medium to long term: The stable supply of aviation fuels with lower environmental impact, such as Sustainable Aviation Fuel (SAF), is expected to advance, resulting in a reduction of environmental management costs.

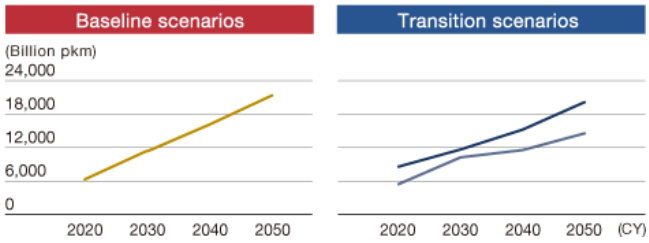
[Transition risks]

- Short to long term: The tightening of GHG emissions regulations is expected to result in increased costs due to the replacement of aircraft with newer models and the purchase of environmental credits.
- Medium to long term: A certain decrease in air travel by passengers is expected due to changes in people's behavior.
- Medium to long term: Impact on financial performance due to supply shortages, regional imbalances, and high prices resulting from delays in the development, production, and adoption of SAF.
- Medium to long term: Delays in responding to climate change may affect consumer awareness, leading to a decline in demand for air travel. Additionally, the modal shift in domestic and short-distance transportation may result in reduced demand for aviation.

[Physical risks]

- Short to long term: The worsening of extreme weather events and major natural disasters could lead to a decrease in passenger numbers and an increase in flight cancellations, negatively impacting revenue.
- Short to long term: The costs for recovering aircraft and facilities damaged by disasters are expected to increase, along with rising capital investment costs for disaster preparedness and mitigation measures.

Distance transported by air



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:
IEA B2DS(+1.75°C) IEA SDS(+1.65°C) IPCC RCP2.6(+1.6°C) IEA NZE(+1.5°C) IPCC RCP1.9(+1.5°C)

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* Data for IEA SDS are referenced from 2019 rather than 2020.
* In the forestry business, IPR FPS + Nature (+1.5°C) is referenced as the transition scenario. For grain yield in the agri-inputs business, FAO BAU Overall (+4°C) is referenced as the baseline scenario, and FAO TSS Overall (+1.5°C) as the transition scenario.

Financial implications [medium-term]

↗ Positive(Med)	With demand expected to grow even under the transition scenarios, we expect a positive impact on earnings as we seek to mitigate environmental impact.

Policies and initiatives

- Based on the projected growth in air passenger demand in the medium and long term, our business management policy focuses on handling new aircraft models with lower environmental impact, aiming to expand revenue.
- Since the introduction of emission regulations and carbon pricing in the airline industry could affect the industry environment, we will closely monitor future developments.

Financial information

Finance, Leasing & Real Estate Business Division

- Relevant segment net profit (FYE 3/2024): approx. ¥43.9 billion
  (including net profit of approx. ¥2.6 billion by Aircastle)
- Exposure (as of March 31, 2024): approx. ¥186.2 billion for Aircastle (carrying amount of equity interests)

Ship Business

Business environment overview (Transition risks/opportunities, physical risks/opportunities, time horizons (short-term, medium-term, long-term))

■Baseline scenarios ■Transition scenarios

[Opportunities]

- Short to long term: Maritime transport volume will continue to increase in tandem with global economic growth and population growth.
- Short to medium term: The need to transition to fuel-efficient ships or next-generation low-carbon fuel ships is expected to create more opportunities for ship brokerage and the sale of fuel efficiency enhancement devices.
- Medium to long term: As power generation fuels become increasingly decarbonized, the maritime transport volume of clean energy sources such as ammonia and hydrogen, along with LNG used as a transition and backstop fuel, is expected to expand. Furthermore, the demand for vessels supporting offshore wind power, including those for installation and maintenance, is likely to rise.

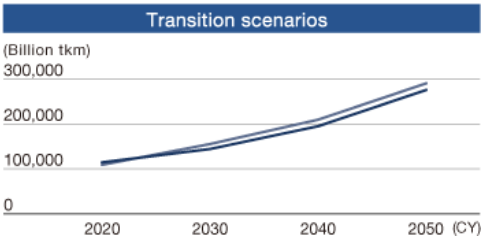
[Transition risks]

- Medium to long term: The introduction of carbon taxes and stricter environmental regulations is expected to drive up operating costs, while the market competitiveness of older, less fuel-efficient vessels will gradually diminish.

[Physical risks]

- No specific remarks

Distance transported by vessel



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)

* Data for 2020 are scenario-based projections rather than actual figures.
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* Data for IEA SDS are referenced from 2019 rather than 2020.

Transition scenarios:
■ IEA B2DS(+1.75°C) ■ IEA SDS(+1.65°C) ■ IPCC RCP2.6(+1.6°C)
■ IEA NZE(+1.5°C) ■ IPCC RCP1.9(+1.5°C)

* In the forestry business, IPR FPS + Nature (+1.5°C) is referenced as the transition scenario. For grain yield in the agri-inputs business, FAO BAU Overall (+4°C) is referenced as the baseline scenario, and FAO TSS Overall (+1.5°C) as the transition scenario.

Financial implications [medium-term]

↗ Positive(Med)	As environmental regulations tighten, the replacement of older vessels with newer, fuel-efficient ships, improvements in fleet deployment efficiency, and the adoption of energy-saving technologies in existing vessels will contribute to better fuel efficiency and increased profits.

Policies and initiatives

- We will view the growth in maritime transport demand as a business opportunity, working to expand our operations and boost profitability.
- While considering environmental regulations, customer needs, and market trends, we will replace older vessels with newer, fuel-efficient ships, improve fleet deployment efficiency, and introduce energy-saving technologies in existing vessels to enhance fuel efficiency.
- Although next-generation fuel ships are still in development, we will focus on growth opportunities in new business ventures related to these ships and new fuel transport vessels, considering long- to medium-term demand, technological advancements, and price trends.
- By focusing on “decarbonization, operational optimization, and labor reduction,” we will engage in and expand into new business areas through the use of new technologies.

Financial information

Aerospace & Ship Division

- Relevant segment net profit (FYE 3/2024): approx. ¥26.4 billion
- Relevant segment assets (as of March 31, 2024): approx. ¥379.1 billion

Agri-Inputs Business (North America)

Business environment overview (Transition risks/opportunities, physical risks/opportunities, time horizons (short-term, medium-term, long-term))

■ Baseline scenarios

[Opportunities]

- Short to long term: Global grain demand is expected to rise.
- Short to long term: In line with rising grain demand, cultivation area is also expected to expand by converting land from other applications.
- Medium to long term: 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.
- Medium to long term: Overall, there are many regions with precipitation increases, and this tendency is more remarkable in the baseline scenarios.

[Transition risks]

- Medium to long term: The water stress across North America is expected to be high in the western region, but relatively low in the eastern region.

[Physical risks]

- Medium to long term: 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.
- Medium to long term: The worsening of extreme weather conditions could disrupt logistics functions, potentially impacting business operations.

■ Transition scenarios

[Opportunities]

- Short to long term: As global grain demand is expected to increase, grain yields are also anticipated to grow through environmentally sustainable production methods driven by technological innovations, including research and development investments.
- Short to long term: In line with rising grain demand, cultivation area is also expected to expand by converting land from other applications.
- Medium to long term: 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.

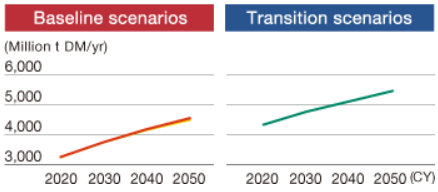
[Transition risks]

- Medium to long term: Overall, there are many regions with precipitation increases, but it will tend to decline in the southwestern and central regions.
- Medium to long term: 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.

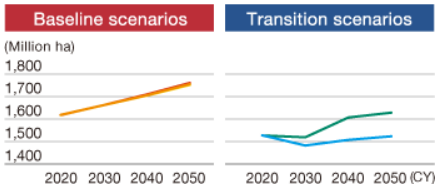
[Physical risks] (The impact of the following two points is expected to be lower than in the baseline scenarios.)

- Medium to long term: 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.
- Medium to long term: The worsening of extreme weather conditions could disrupt logistics functions, potentially impacting business operations.

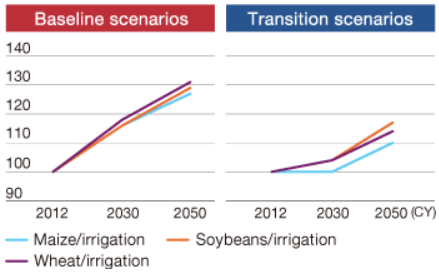
Grain demand



Cultivation area



Grain yield (index with 2012 yield set as 100)



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:

IEA B2DS(+1.75°C) IEA SDS(+1.65°C) IPCC RCP2.6(+1.6°C) IEA NZE(+1.5°C) IPCC RCP1.9(+1.5°C)

* Data for 2020 are scenario-based projections rather than actual figures.
* Data for IEA RTS are referenced from 2014 rather than 2020.
* Data for IEA SDS are referenced from 2019 rather than 2020.
* In the forestry business, IPR FPS + Nature (+1.5°C) is referenced as the transition scenario. For grain yield in the agri-inputs business, FAO BAU Overall (+4°C) is referenced as the baseline scenario, and FAO TSS Overall (+1.5°C) as the transition scenario.

Financial implications [medium-term]

→ Positive(Low)	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.

Policies and initiatives

- Expand the agricultural support business by developing agri-input materials and providing services that contribute to enhancing productivity.
- 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.
- We will comprehensively manage risks by geographically diversifying and expanding the procurement and sales network, and diversifying products and services.

Financial information

Agri Business Division

- Relevant segment net profit (FYE 3/2024): approx. ¥41.5 billion
  (including net profit of approx. ¥39.4 billion by Helena Agri-Enterprises*)
- Relevant segment assets (as of March 31, 2024): approx. ¥1,222.4 billion

* Group company engaged in sales of agricultural materials and provision of various services in the U.S.

Forestry Business

Business environment overview (Transition risks/opportunities, physical risks/opportunities, time horizons (short-term, medium-term, long-term))

■Baseline scenarios

[Opportunities]

・Medium to long term: While forest area is projected to slightly decrease, yield per hectare is expected to gradually increase, especially in Southeast Asia.

・Short to long term: Carbon pricing systems in certain countries and the trading of voluntary carbon credits are bringing attention to CO_2 capture and sequestration. Within international climate change initiatives, there is a growing push to encourage CO_2 capture and sequestration efforts throughout supply chains.

[Transition risks]

・Short to long term: Rising fire insurance premiums due to the impacts of climate change, along with the implementation of related measures aimed at mitigating climate change, such as the mandatory use of biodiesel and the adoption of electric vehicles

[Physical risks]

・Medium to long term: The occurrence of wildfires, pest outbreaks, and other challenges resulting from extreme temperature increases, prolonged dry seasons, and more frequent lightning strikes due to climate change.

■Transition scenarios

[Opportunities]

・Medium to long term: The demand for wood-derived biomass fuels is expected to increase.

・Medium to long term: The implementation of policies to curb deforestation and degradation, along with efforts to promote forest restoration, is expected to lead to an expansion in forest areas, including protected areas.

・Medium to long term: With the acceleration and strengthening of carbon pricing implementation from 2030 onwards, the importance of CO_2 capture and sequestration through methods such as afforestation is expected to increase beyond current levels. Approaches like environmental conscious afforestation, bioenergy use, and storage (BECCS：Bioenergy with Carbon Capture and Storage) are anticipated. With increased investment in CO_2 capture and sequestration projects and the active trading of captured and sequestered CO_2 volumes, the forestry business will also need to shift toward providing value beyond just the supply of wood resources.

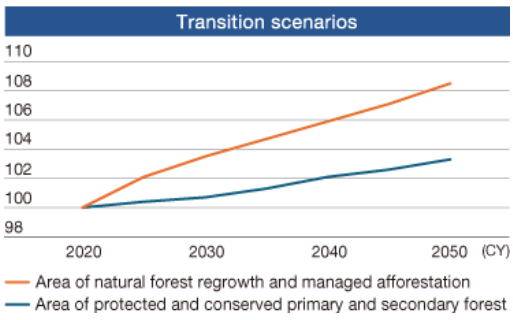
[Transition risks]

・Short to long term: Rising fire insurance premiums due to the impacts of climate change, along with the implementation of related measures aimed at mitigating climate change, such as the mandatory use of biodiesel and the adoption of electric vehicles

[Physical risks]

・Medium to long term: The occurrence of wildfires, pest outbreaks, and other challenges resulting from temperature increases, prolonged dry seasons, and more frequent lightning strikes due to climate change

Forest area (Forest area index, with the 2020 forest area set as 100)



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:
IEA B2DS(+1.75°C) IEA SDS(+1.65°C) IPCC RCP2.6(+1.6°C)
IEA NZE(+1.5°C) IPCC RCP1.9(+1.5°C)

* Data for 2020 are scenario-based projections rather than actual figures.
* Data for IEA RTS are referenced from 2014 rather than 2020.
* Data for IEA SDS are referenced from 2019 rather than 2020.

* In the forestry business, IPR FPS + Nature (+1.5°C) is referenced as the transition scenario. For grain yield in the agri-inputs business, FAO BAU Overall (+4°C) is referenced as the baseline scenario, and FAO TSS Overall (+1.5°C) as the transition scenario.

Financial implications [medium-term]

↗ Positive(Med)	Under the baseline scenarios, the reduction in forest area could lead to an increase in the value of existing afforestation assets. Under the transition scenarios, 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.

Policies and initiatives

- With an understanding of the challenges associated with reforestation, we will pursue opportunities not only in the traditional use of forest resources but also in areas such as the establishment of carbon credit programs through carbon absorption and sequestration by forests.
- In addition to appropriate management of two projects in two countries overseas with around 120,000 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.
- By raising the carbon sequestration of our afforestation areas 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.
- 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. 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.

Financial information

Forest Products Division

- Relevant segment net profit/loss (FYE 3/2024): net loss of approx. ¥14.2 billion
  (including net profits of approx. ¥0.3 billion by Musi Pulp Project*1 and approx. ¥1.3 billion by WA Plantation Resources*2)
- Relevant segment assets (as of March 31, 2024): approx. ¥338.6 billion

*1 Indonesia-based Group company engaged in forest plantation business (hardwood plantation) and manufacture/sales of pulp

*2 Australia-based Group company engaged in plantation forest management and manufacture/sales of wood chips for use in production of paper and biomass fuels

Power Generation Business (Coal-Fired Power Generation / Gas-Fired Power Generation / Renewable Energy Power Generation)

Energy Resource Investment Business (Oil/Gas/LNG) and Alternative Energy Business

Copper Mine Investment Business

Iron Ore Mine and Coking Coal Mine Investment Business

Aircraft Leasing Business (Aircastle)

Ship Business

Agri-Inputs Business (North America)

Forestry Business

Financial Implications [Current] [Short Term]

Based on the financial results for the fiscal year ended March 31, 2024, an assessment was conducted on the financial implications (impact on financial position, financial performance, and cash flows) of climate-related risks (cash flows, its access to finance or cost of capital that could reasonably be expected to affect the Marubeni Group) in the current period (1. total assets: ¥8,923.6 billion, 2. net profit: 471.4 billion, 3. core operating cash flow*1: ¥ 548.0 billion) and the short term (up to 3 years). This assessment, based on climate-related "transition risks" and "physical risks,"*2 concluded that the direct impact on the Marubeni Group within the current and short-term time horizon is less than 1% in each of the categories 1.–3., indicating that the impact is limited.

*1 Core operating cash flow: Operating cash flow excluding net increase/decrease in working capital and others

*2 Climate-related "transition risks" related to the risks arise from efforts to transition to a lower-carbon economy, including policy, legal, technological, market, and reputational risks. "Physical risks" refer to the risks resulting from climate change that can be event-driven (acute physical risk) or from longer-term shifts in climatic patterns (chronic physical risk).
In assessing "transition risks," we conducted calculations based on the trends in policies and laws related to carbon pricing in major countries where it has already been implemented. The calculations considered businesses that fall under carbon pricing systems currently in place or expected to be introduced within the next three years (short term) in the countries where the business operates, and where the risk of changes to these systems has not been hedged. As a result, the current financial implications are less than 1%, and even if the carbon pricing rate used for the calculation doubles within the short-term time horizon, the impact is still expected to be less than 1%.
As for the financial implications of "physical risks," the impact in the current and short-term periods is limited. However, the Marubeni Group has implemented various risk mitigation measures in response to these risks. These measures include assessing potential impacts on business base facilities, logistics, and supply chains at each business site, developing Business Continuity Plans (BCP), disaster prevention strategies, subscribing to various insurance policies, and conducting disaster awareness activities for relevant stakeholders (including employees and local communities), such as initiatives for wildfire prevention. For more details, please refer to the "Policies and initiatives" section in the "Scenario Analysis."

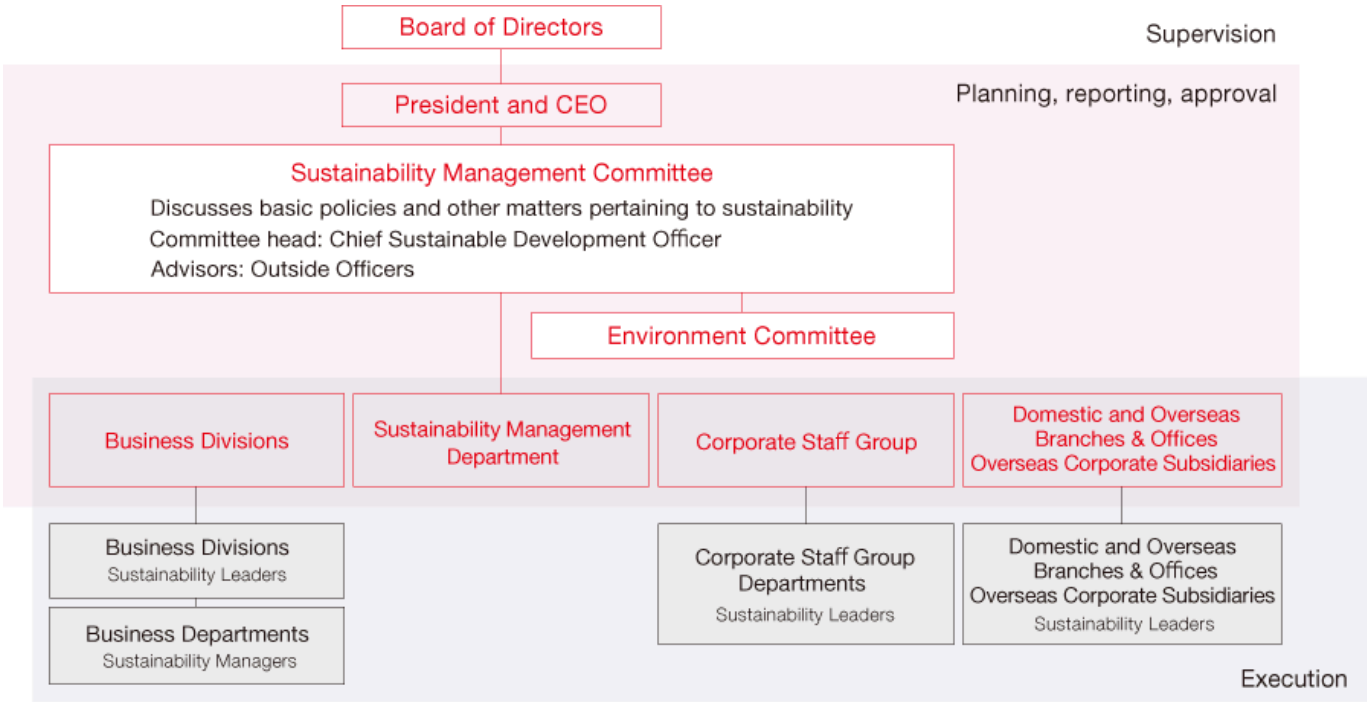
Governance

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 individuals' qualitative evaluation in the compensation system for directors, we consider contributions to the plans and efforts related to sustainability measures including the Green Strategy, etc. We have put into place a framework 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 measures, for example, it leads the process of evaluating opportunities and risks as identified in our TCFD 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, 2025, the Sustainability Management Committee was held twice and discussed the Mid-Term Management Strategy (GC2024 and the Green Strategy) and TCFD disclosures.

The Sustainability Management Committee is chaired by the Chief Sustainable Development Officer, who is Managing Executive Officer. 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.

Sustainability Management Organization



Risk Management

The Marubeni Group manages and monitors high-priority risks and opportunities from the perspective of sustainability—including those related to climate change, natural capital, and supply chain management—through the Sustainability Management Committee.

We have developed an assessment framework to support the multifaceted analysis of 27 items across the three risk categories (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 within the Group and for our suppliers, as a 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.

Regarding the significant impacts of climate change, the Marubeni Group leverages various scenario analyses, including those by the IEA, to identify high-risk situations. In such cases, we consider factors such as projected GHG emission reduction plans, decarbonization strategies in project host countries, and alignment with long-term climate change visions. These evaluations, alongside climate-related risks, opportunities, and business priorities, inform our investment and financing decisions. Business domains with high risks, including those related to the impacts of climate change, are deliberated by the Investment and Credit Committee, the Corporate Management Committee, and the Board of Directors as needed. The status of these risk management systems is reported to the Board of Directors during the annual review of the basic policy for internal control to evaluate their effectiveness.

Regarding climate-related “physical risks,” the Marubeni Group continuously evaluates the effectiveness of individual measures and works to establish a system that can address all potential crises. In April 2022, the Marubeni Group updated its Business Continuity Plan (BCP) from a scenario-based approach to an All-Hazards BCP, an impact-based approach preparing for natural disasters and other calamities. To ensure the effective functioning of the BCP and to establish and promote the Business Continuity Management (BCM) system, the Marubeni Group has set up a dedicated organization within the General Affairs Department of the Head Office. This system is designed to respond swiftly in the event of a disaster affecting employees, systems, offices (buildings), payment functions, or other critical resources related to the management of Group companies, with the highest priority given to ensuring the safety of human lives.

Risk Assessment Items in Business (27 Items Across 3 Categories)

Environmental	Climate change / Environmental pollution / Biodiversity / Resource management / Mitigation measures and administrative procedures (environmental)
Health & Safety	Machine safety / Fires and explosions / Toxic substance exposure / Infection / Hazardous operations / Mitigation measures and administrative procedures (health & safety)
Social	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)

Metrics and Targets

Climate Related Metrics and Targets

The Marubeni Group has formulated the following metrics and targets as part of our response to its climate-related risks and opportunities.

Metrics and targets	Results
1. Cut Group's coal-fired power net generation capacity from FYE 3/2019 value of approx. 3 GW in half by 2025, with further abatement to approx. 1.3 GW by 2030, and aim for zero capacity by 2050	Approx. 2.4 GW (as of March 31, 2024)
2. Expand "Green Revenue" to around ¥1,300 billion by FYE 3/2024	Approx. ¥1,070 billion (FYE 3/2024)
3. Achieve net-zero GHG emissions*1 by 2050 By 2030: (1) Reduction of 50% in Scope 1 & 2 CO_2 emissions from FYE 3/2020 level (about 1 million t-CO_2) (2) Reduction of 20% in Scope 3 CO_2 emissions (Category 15: Investments) from FYE 3/2020 level (estimated CO_2 emissions about 36 million t-CO_2e*2)	(1) Scope 1 & 2 CO_2 emissions: 1.05 million t-CO_2*3 (FYE 3/2024) (2) Scope 3 CO_2 emissions (Category 15: Investments): 25 million t-CO_2e (FYE 3/2024) Breakdown Power generation*4 23 million t-CO_2e Resource projects 2 million t-CO_2e Other businesses 1 million t-CO_2e
*1 Includes Scope 1, Scope 2, and Scope 3 (Category 15: Investments) 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 The combined value of Scope 1 and Scope 2 does not include non-energy-related GHG emissions (6.5 gas). Numbers below the unit are rounded for display. *4 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.

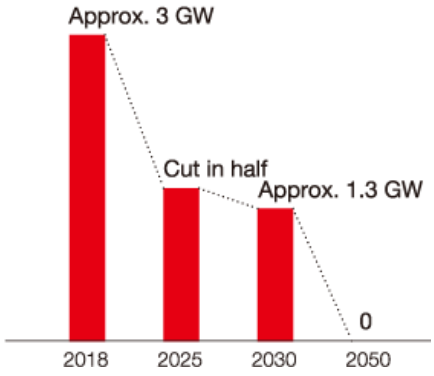
* For the emissions data of Scope 1 to 3, please refer to the › Data.
* The actual values for Scope 1, Scope 2, and Scope 3 Category 15 (Investments) have received third-party assurance. For further details, please refer to the › Environmental Data.

Policy for Coal-Related Business

Initiatives for Coal-Fired Power Generation Business

In 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



› Business Policies for Our Coal-Fired Power Generation Business and Renewable Energy Power Business [50KB]

Initiatives for Equity Interests in Thermal Coal

In 2020, Marubeni established a policy on thermal coal equity interests, stating that it does not hold any such interests and will not acquire any in the future.

Internal Carbon Pricing (ICP)

Regarding the potential impact of a carbon tax and carbon prices in emissions trading on its businesses, the Marubeni Group quantifies and visualizes future GHG impacts. The Group sets an internal carbon price (Internal Carbon Pricing, ICP) based on estimated GHG emissions and the price of emissions credits (such as EU ETS[*1]) when investment and financing projects are submitted for approval. The average annual carbon price used for estimates in the fiscal year ended March 31, 2024, was approximately €80/t-CO_2.

*1 EU Emissions Trading System

Data

› Click here to view more details on Environmental Data

Greenhouse Gas Emissions

<Click here [721KB] to view greenhouse gas emissions metrics and targets>

〈Scope 1 & 2 Greenhouse Gas Emissions〉

(Unit: t-CO_2e)

		FYE 3/2020	FYE 3/2021	FYE 3/2022	FYE 3/2023	FYE 3/2024
Scope 1	Marubeni Corporation's principal offices	4	12	75	120	121
	Marubeni Corporation's other offices + consolidated subsidiaries	773,194	797,963	1,016,412	1,000,004	948,704
	Sub total	773,198	797,975 (Including non-energy-related GHG emissions[*1]) (683,025 (Excluding non-energy-related GHG emissions[*1]))	1,016,487 (Including non-energy-related GHG emissions[*1]) (896,877 (Excluding non-energy-related GHG emissions[*1]))	1,000,124 (Including non-energy-related GHG emissions[*1]) (849,910 (Excluding non-energy-related GHG emissions[*1]))	948,825 (Including non-energy-related GHG emissions[*1]) (790,865 (Excluding non-energy-related GHG emissions[*1]))
Scope 2	Marubeni Corporation's principal offices	2,307	2,146	0	0	0
	Marubeni Corporation's other offices + consolidated subsidiaries	308,193	280,025	222,559	221,821	254,928
	Sub total	310,500	282,171	222,559	221,821	254,928
Grand total		1,083,698	1,080,146 (Including non-energy-related GHG emissions[*1]) (965,196 (Excluding non-energy-related GHG emissions[*1]))	1,239,046 (Including non-energy-related GHG emissions[*1]) (1,119,436 (Excluding non-energy-related GHG emissions[*1]))	1,221,946 (Including non-energy-related GHG emissions[*1]) (1,071,731 (Excluding non-energy-related GHG emissions[*1]))	1,203,753 (Including non-energy-related GHG emissions[*1]) (1,045,793 (Excluding non-energy-related GHG emissions[*1]))

・CO_2 emission factors for fuels and steam
CO_2 emission factors stipulated by the Act on Promotion of Global Warming Countermeasures (version before April 2024 enforcement) are used.

- CO_2 emission factors for electricity
  Emission factors (adjusted emission factors) for each electric power provider released by the Ministry of the Environment are used for Marubeni Corporation.
  Alternative emission factor stipulated by the Act on Promotion of Global Warming Countermeasures was replaced by Emission factors (adjusted emission factors) for each electric power provider for the domestic consolidated subsidiaries from FYE 3/2021. The impact on emissions due to the change in emission factors is a decrease of 7,627 t-CO_2e.
  Country-specific emission factors (CO_2 emissions per kWh from electricity generation) published by the International Energy Agency are used for the overseas consolidated subsidiaries. A zero-emission factor is applied to purchased electricity derived from renewable energy in calculating Scope 2 greenhouse gas emissions since FYE 3/2021.
- Emission factors of non-energy-related GHG
  Emission factors stipulated by the Act on Promotion of Global Warming Countermeasures (version before April 2024 enforcement) are used.
- Non-energy-related GHG emissions are not included in GHG emissions before FYE 3/2020.
  From FYE 3/2021, non-energy-related GHG emissions are included in GHG emissions, however, Scope 1 emissions excluding non-energy-related GHG emissions and grand total emissions excluding non-energy-related GHG emissions are also presented separately.
- Since FYE 3/2022 Marubeni Corporation's principal offices have achieved zero Scope 2 by purchasing 100% renewable energy for electricity at domestic offices of Marubeni Corporation and procuring J-credits derived from renewable energy heat for steam and cold water purchased as energy at the Tokyo Head Office.

〈Scope 1 Greenhouse Gas Emissions (Components of non-energy-related GHG emissions[*1])〉

(Unit: t-CO_2e)

		FYE 3/2021	FYE 3/2022	FYE 3/2023	FYE 3/2024
Total amount		114,950	119,610	150,214	157,960
Components	Carbon dioxide (CO_2)	5,203	9,500	31,740	31,192
	Methane (CH_4)	72,081	71,658	75,149	76,979
	Dinitrogen monoxide (N_2O)	36,602	38,096	42,612	49,196
	Hydrofluorocarbons (HFCs)	1,064	355	712	593
	Perfluorocarbons (PFCs)	0	0	0	0
	Sulphur hexafluoride (SF_6)	0	0	0	0
	Nitrogen trifluoride (NF_3)	0	0	0	0

*1 Non-energy-related GHG emissions cover carbon dioxide from the use of dry ice, carbon dioxide, methane, and dinitrogen monoxide from waste incineration or use in the manufacture of products and the use of waste fuels, methane and dinitrogen monoxide from the use of fuel in facilities and machinery used for fuel combustion, livestock waste management, methane from livestock feeding (fermentation in the digestive tract of livestock), hydrofluorocarbons in the recovery and encapsulation of HFCs in the maintenance of commercial refrigeration and air-conditioning equipment, and sulfur hexafluoride in the use of electrical machinery and equipment such as transformers. There are no emissions of perfluorocarbons and nitrogen trifluoride. For sulfur hexafluoride, there are no companies obliged to report based on the Act on Promotion of Global Warming Countermeasures.

* The total of each breakdown and the overall total may not match due to rounding.

〈Scope 3 Greenhouse Gas Emissions〉

Marubeni is voluntarily disclosing a part of the data by categorizing its supply chain activities and calculating the GHG emissions in each category in line with the GHG Protocol guidelines.

(Unit: million t-CO_2e)

Category		FYE 3/2020	FYE 3/2021	FYE 3/2022	FYE 3/2023	FYE 3/2024
1	Purchased goods and services	-	-	-	-	36
2	Capital goods	-	0.3	0.3	0.3	0.4
3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	-	0.2	0.2	0.2	4
4	Upstream transportation and distribution	-	0.02	0.01	0.01	1
5	Waste generated in operations	-	0.01	0.02	0.1	0.1
6	Business travel	-	0.01	0.01	0.01	0.01
7	Employee commuting	-	0.01	0.01	0.01	0.01
8	Upstream leased assets	-	Included in Scope 1 and 2	Included in Scope 1 and 2	Included in Scope 1 and 2	Included in Scope 1 and 2
9	Downstream transportation and distribution	-	Included in Category 4	Included in Category 4	Included in Category 4	Included in Category 4
10	Processing of sold products	-	-	-	-	1
11	Use of sold products	-	-	-	-	18
12	End-of-life treatment of sold products	-	-	-	-	3
13	Downstream leased assets	-	-	-	-	0.3
14	Franchises	-	Not applicable	Not applicable	Not applicable	Not applicable
15	Investments	26	25	25	22	25
Breakdown	Power generation	22	21	21	19	23
	Resource projects	3	3	2	2	2
	Other businesses	1	1	1	1	1
Total		26	25	25	23	89

* The breakdowns of Category 15 and the total value for Category 15 may not match due to rounding.
* The total of each category and the overall total may not match due to rounding (the data was updated on March 19, 2025, with additional categories added, excluding Scope 3 Category 15).
* The calculation categories: Until FYE 3/2023, the calculation included only Categories 2 to 9 and 15. Starting from FYE 3/2024, Categories 1 and 10 to 13 have been included in the calculation.

Applicable to Categories 1 to 14:

- The boundary of calculation: The calculation includes both Marubeni Corporation and consolidated subsidiaries. For Categories 3 and 4, the boundary has been expanded starting from FYE 3/2024.
- Double counting between companies included in the calculation is excluded when clearly identified.
- In trading, transactions with purchases from or sales to collectors, import/export agents, wholesalers, or intermediaries (i.e., transactions with traders) are excluded when clearly identified.
- Emissions factors: Primarily using the Inventory Database for Environmental Analysis (IDEA) from the National Institute of Advanced Industrial Science and Technology (AIST). Additionally, values from the IEA's country-specific CO_2 emission factors (CO_2 emissions per kWh from electricity generation), the Ministry of the Environment's emission intensity database, and LCA literature for various industries are also used.
- References: Corporate Value Chain (Scope 3) Accounting and Reporting Standard (GHG Protocol), Technical Guidance for Calculating Scope 3 Emissions (GHG Protocol), Estimating Petroleum Industry Value Chain (Scope 3) Greenhouse Gas Emissions (International Petroleum Industry Environmental Conservation Association, IPIECA), The Product Carbon Footprint Guideline for the Chemical Industry (Together for Sustainability), etc.

Category 1: Includes fertilizers, grains, chemicals, and other products.

Category 4: Until FYE 3/2023, the calculation covered only domestic contracted transportation as a consignor for Marubeni Corporation within Japan. Starting from FYE 3/2024, the calculation includes international maritime transportation, both departing from and arriving in Japan, for Marubeni Corporation as well as its consolidated subsidiaries basis within Japan.

Category 10: Sales of intermediate products and raw materials are excluded when the processing stages up to the final product cannot be traced.

Category 11: Includes fossil fuels and other products.

Category 15:

- Category 15 covers Scope 1 and Scope 2 emissions for associate investees of the Marubeni Group accounted for using the equity method, (hereinafter, “associate investees”), which are not included in the Scope 1 and Scope 2 emissions of Marubeni Corporation and its consolidated subsidiaries. The emissions are calculated by multiplying by our equity share. Emissions from businesses designated to be liquidated or sold, renewable energy businesses, and businesses which consist of office operations only are not included.
- Generally, emissions are calculated using the same methods as Scope 1 and Scope 2 for Marubeni Corporation and its consolidated subsidiaries. However, in some cases, emissions reported by associate investees and estimated emissions are included.
- For overseas power generation projects, emission factors from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories are used, including CO_2, CH_4, and N_2O. All emissions from coal are calculated assuming weight on an air-dried basis.

Energy and Electricity Consumption

＜Click here to view Tokyo Head Office’s targets to be achieved by FYE 3/2026＞

	FYE 3/2020	FYE 3/2021	FYE 3/2022	FYE 3/2023	FYE 3/2024
Electricity consumption of Marubeni Corporation’s principal offices (Unit: MWh)	5,227	4,629	8,888	8,956	9,086
Energy consumption of Marubeni Corporation and consolidated subsidiaries (Unit: TJ)	15,303	13,771	17,515	16,992	16,056

- 3.6 GJ/MWh is used for heat value per unit for electricity.
- For fuels, the heat values stipulated by the Act on Promotion of Global Warming Countermeasures (version before April 2024 enforcement) are used.
- Biomass energy is not included.
- From FYE 3/2022, Marubeni Corporation’s principal offices have been purchasing 100% renewable energy for electricity at domestic offices of Marubeni Corporation and procuring J-credits derived from renewable energy heat for steam and cold water purchased as energy at the Tokyo Head Office.

Environmental Impact of Transport

	FYE 3/2020	FYE 3/2021	FYE 3/2022	FYE 3/2023	FYE 3/2024
Amount transported (Thousand ton-km)	484,678	364,538	266,675	220,170	207,757
CO_2 emissions from upstream transportation (Scope 3 Category 4) (t-CO_2e)	22,617	17,516	13,768	11,787	10,246
Intensity (kl crude oil equivalent per thousand ton-km)	0.0173	0.0178	0.0192	0.0199	0.0182

- This table shows the impacts associated with the domestic outsourced shipment (upstream transportation) of goods consigned by Marubeni Corporation.

Costs Associated with Climate Change

(Unit: thousands of yen)

Data	Contents	FYE 3/2022	FYE 3/2023	FYE 3/2024
Cost of climate change risk aversion	Emergency power generation and flood countermeasures due to extreme weather conditions	5,732	6,255	6,519
Research and development expenses for climate change risk aversion	Research and development expenses related to forest conservation and reduction of greenhouse gas, etc.	5,830	8,127	11,204

【The boundary of the environmental data】

- Marubeni Corporation's principal offices
  It covers Tokyo Head Office, Hokkaido Branch, Chubu Branch, Osaka Branch, and Kyushu Branch.
- Marubeni Corporation (excluding principal offices)
  Excluding Marubeni Corporation's principal offices, it covers domestic branches and offices, other facilities such as Tama Center, overseas branches and offices, and overseas corporate subsidiaries including their branches and offices.
- Domestic offices of Marubeni Corporation
  It covers Marubeni Corporation's five principal offices, and Tohoku Branch, Shizuoka Branch, Hamamatsu Branch, Hokuriku Branch, Chugoku Branch, Okinawa Branch, Tama Center among Marubeni Corporation's (non-principal) offices.
- Consolidated subsidiaries
  The subsidiaries that are designated to be liquidated or sold are excluded.
  From FYE 3/2021, water discharge figures include agricultural material sales company based in the southeastern United States (waste generated does not include it).
- Some of the aggregated data includes results from January to December.

Participation in International Initiatives

Marubeni Corporation participates in various industry groups and initiatives to contribute to measures addressing climate change, which we have identified as one of our Environmental and Social Materiality.
In the process of developing policies on climate change and other related issues, we express our opinions based on the Company's policies, including the "› The Marubeni Long-Term Vision on Climate Change [721KB]". If there is a difference of opinion between the parties involved in the policy formulation process, we coordinate with the parties concerned and take appropriate measures to avoid any conflict with the Company's policy.

Endorsement of ISSB's Statement "Championing the ISSB's climate global baseline"

Marubeni endorsed the following statement on climate-related disclosure standards*1 issued by the International Sustainability Standards Board (ISSB) at the 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28).

*1 International Financial Reporting Standards (IFRS) Standard 1 (S1): General Requirements for Disclosure of Sustainability-related Financial Information and IFRS Standard 2 (S2): Climate-related Disclosures

Statement : "Championing the ISSB's climate global baseline"

Climate risks are increasingly having a real effect on companies and capital. Therefore — in response to calls for climate action at COP28 — we support the establishment of market infrastructure to enable consistent, comparable climate-related disclosures at a global level. We are committed to advancing the adoption or use of the ISSB's Climate Standard as the climate global baseline.

› For more details, please see the IFRS website

CDP

Marubeni was selected by CDP*2, an international non-profit organization, as an A-list company in the areas of "Climate Change" and "Water Security," and received an A - in the area of "Forests" (as of March 2025). Since we started to participate in the initiatives of CDP in 2007, the Company has been selected for the A-list in the area of "Water Security" four consecutive times since 2021, and has been recognized as a leading company in the disclosure of environmental information.

*2 CDP: global non-profit organization that runs the world's environmental disclosure system for companies, cities, states and regions.

› CDP A-List 2024 and other published scores can be found here

Joining the GX League to Address Climate Change

Marubeni has joined the Green Transformation League (GX League) established by the Ministry of Economy, Trade and Industry (METI). The GX League includes companies working towards decarbonization as well as government bodies, academia, and the financial sector, and aims to bring about changes in economic and social systems. As such it will focus on emissions trading (GX-ETS) and the creation of sustainable markets. Marubeni will contribute to decarbonization and the reduction of Japan's greenhouse gas emissions by participating in the GX League's discussions on the formation of market rules (regarding voluntary credits and carbon offsets, etc.), utilizing our global expertise and know-how spanning a broad range of sectors, which is one of the strengths of a general trading company.

Plan for Achieving a Low-Carbon Society

As a member of the Japan Foreign Trade Council (JFTC), Marubeni agrees with the Low-Carbon Society Plan proposed by Japan Business Federation (Keidanren), and takes part in the working groups and public meetings on climate change held by Keidanren and JFTC. Marubeni takes climate change countermeasures in accordance with the policies of Keidanren's commitment to a Low-Carbon Society. We have set the goal of reducing the energy use (electricity and gas) at the Tokyo Head Office by 10% or more in FYE 3/2026 relative to FYE 3/2016, by introducing energy-saving facilities etc.

Sustainability Promotion Committee

Marubeni takes part in discussions related to environmental initiatives of trading companies, as a member of the Sustainability Promotion Committee and its affiliated Environmental Working Group of the Japan Foreign Trade Council (JFTC). At the Committee, we make plans for the Voluntary Action on the Environment (Commitment to a Decarbonized Society and a Recycling-Based Society) for the trading company industry and grasp the progress of the plan. In recent years, the Committee has also been disseminating its views to relevant organizations in response to climate change and other sustainability information disclosure.

Committee on Environment

We participate in the Committee on Environment, an environment- and energy-related committee of the Japan Business Federation (Keidanren) which promotes the mainstreaming of climate change countermeasures, circular economy, biodiversity, and the improvement of environmental regulations and systems, and works towards the realization of environmental policies that are compatible with the economy.

Japan Climate Initiative

The Marubeni subsidiary Mibugawa Power Company takes part in the Japan Climate Initiative and promotes renewable energy projects with the aim of creating a society that leaves a minimal carbon footprint.

Eco Action 21

Since 2005, Mibugawa Power Company has been participating in Eco Action 21, a program of the Ministry of the Environment. In registering for certification under this system, the company continues to "establish and operate effective and efficient methods for environmental initiatives, set environmental goals, take action, summarize, evaluate, and report results." In 2015, the Eco Action 21 Central Secretariat presented the company with a letter of appreciation and a commemorative gift in recognition of these efforts. The company will continue to take positive action to protect the global environment by reducing waste, maintaining water quality, conserving energy and resources, and conducting local environmental activities.

〈Targets and Achievements (Excerpts)〉

	Achievements (FYE 3/2024)	Targets (FYE 3/2025)	Action Plan
Reduction of fuel consumption by company vehicles	Average fuel consumption for all company cars: 12.97km/L	Average fuel consumption for all company cars: 14.04km/L or higher	・Preferential use of fuel-efficient vehicles according to the purpose of use, use of idling stop function ・Data collection by fleet management system
Reduction of electricity used at business sites	Electricity used at Centralized Control Room: 130,438kWh	Electricity used at Centralized Control Room: up to 147,291kWh	Continue to control air conditioning temperature settings and operating hours, and work on appropriate use of air conditioning equipment. Ensure proper use of air conditioning and turn off unused lights
Reduction of general emissions	・Percentage of recyclable waste: 67.5% ・Amount discharged at the end of the fiscal year: 1,115.5kg ・Final disposal amount: 362.7kg	・Percentage of recyclable waste: 75% or more ・Amount of waste generated at the end of the fiscal year: 1,062kg or less ・Final disposal amount: 270kg or less	・Reduce overall waste through reuse ・Ensure thorough separation of waste

› Please see the Mibugawa Power Company's website for details of initiatives other than those mentioned above. (Japanese Only)

Japan Sustainable Fashion Alliance (JSFA)

We have a full membership of the Japan Sustainable Fashion Alliance (JSFA), a platform for corporate collaboration that aims to jointly find solutions to sustainable fashion issues. With the goals of achieving "zero fashion loss through proper quantity of production, purchasing and recycling" and "carbon neutral of the fashion and textile industries in 2050," we collaborate to identify solutions to the common issues that arise in the fashion and textile industries, and promote the transition to a sustainable fashion industry. As a company that identifies climate change as one of the categories of Environmental & Social Materiality, we participate within a leading role in the JSFA as a full member and will contribute to the transition to a sustainable fashion industry through the activities of the alliance.

› Click here to view the JSFA website (Japanese only)

ACT FOR SKY

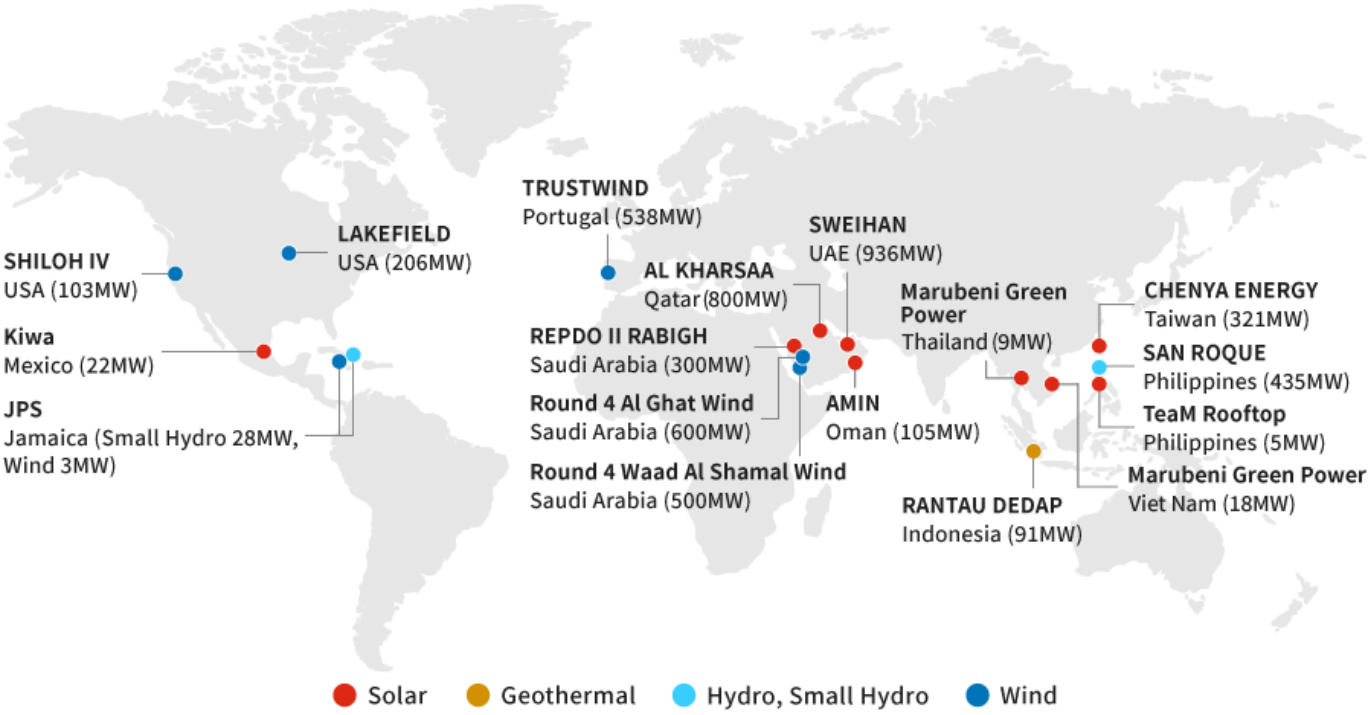
Marubeni is a member of "ACT FOR SKY", an organization dedicated to the commercialization, dissemination, and expansion of domestically produced Sustainable Aviation Fuel (SAF). With the urgent need to reduce CO_2 emissions globally in order to tackle global warming, the aviation industry must accelerate the technological development, production, distribution, and use of SAF. Also, in response to the growing global demand for SAF, a stable supply of domestically produced SAF is essential in Japan. Marubeni has identified "contribution to climate change countermeasures" as one of four categories of our Environmental and Social Materiality, and through "ACT FOR SKY" we will accelerate the commercialization, dissemination, and expansion of domestically produced SAF. At the same time, companies, local governments and others are acting together in cooperation and collaboration to promote the importance of SAF, carbon neutrality, and resource recycling, and to bring about new behaviors through changing the thinking of citizens and companies.

› Click here for the ACT FOR SKY website (Japanese only)

Initiatives

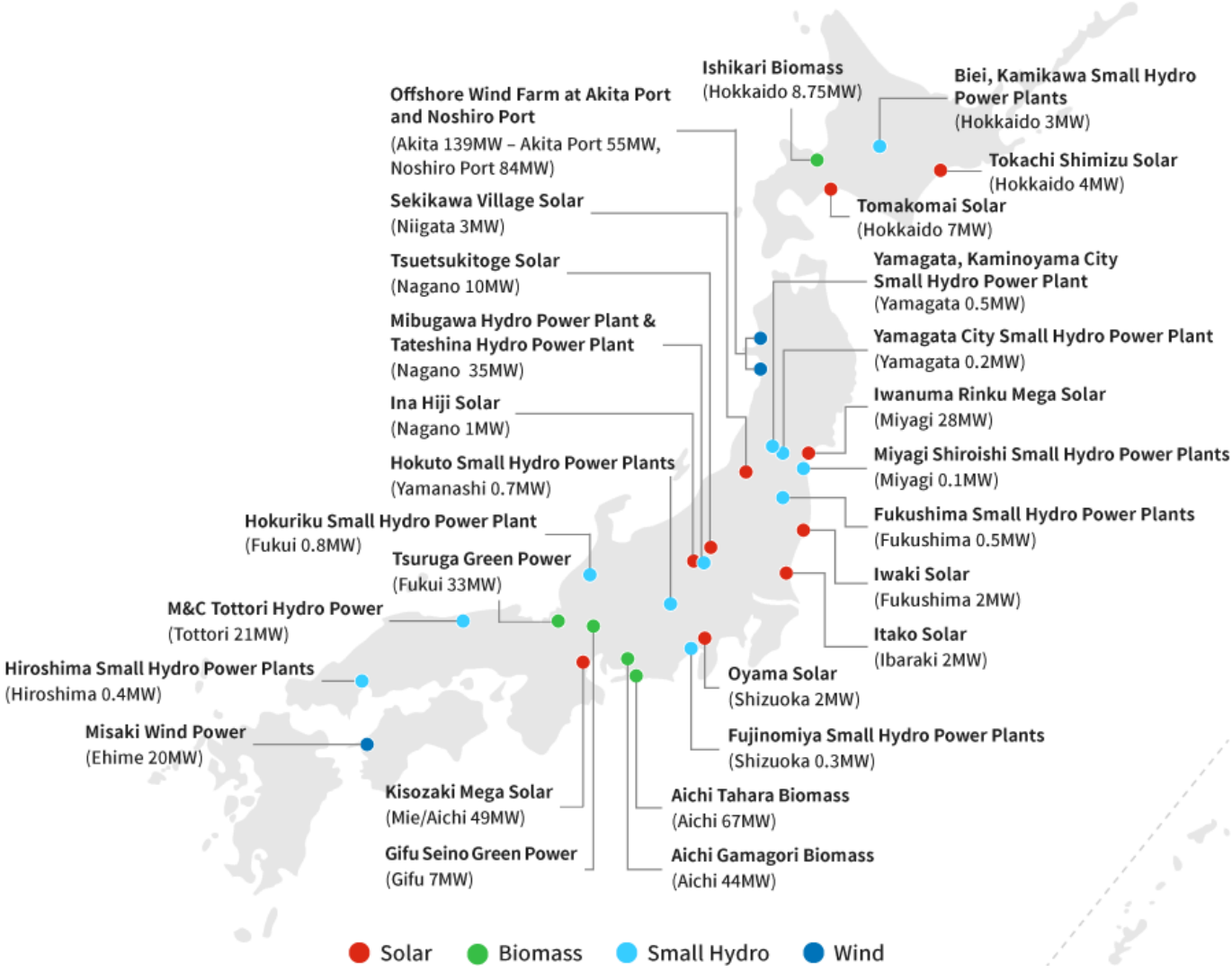
Initiatives for Renewable Energy Power Projects

In order to work toward a low-carbon society that mitigates the effects of climate change as part of sustainable development goals, Marubeni is actively pursuing and expanding renewable energy power projects.



Initiatives for Solar, Wind and Biomass Power Generation

Throughout Japan, in addition to the development of small hydropower generation projects, the Marubeni Group is actively working on generation of renewable energy that contributes to conservation of the global environment and biodiversity.



Initiatives for Small Hydropower Generation Business

The Marubeni Group considers small hydropower generation as an important business area, and has been conducting operations in this area through Group company, Mibugawa Power Company since 2006. As this business utilizes natural energy sources, consideration for the environment is essential, such as maintenance of water quality, reduction of waste materials, and conservation of energy, resources, and other local environment. The Marubeni Group aims to develop about 40 small hydropower generation facilities in Japan by 2025. Across Japan, we are actively working on generation of renewable energy that contributes to conservation of the local environment and biodiversity.

"Small hydropower generation" is a term used to refer to small-scale hydropower generation operations with output of less than 1,000 kW. These operations do not require the use of dams or other facilities that entail large-scale construction projects, but rather generate power by utilizing rivers or agricultural irrigation canals, thus minimizing the development footprint. The environmental impact on water quality and the water habitat is exceptionally low, and there is no impact on land features or scenic beauty. Once up and running, these operations emit almost no CO_2, thereby offering benefits in terms of minimal impact on biodiversity and environmental conservation. Since it utilizes local water resources, it has the potential to be an effective technology to realize the production and consumption of local energy, which will be beneficial for the independent development of the region. Moreover, to develop a power plant that coexists with the local community, we are trying to realize the project with the understanding and cooperation of local organization and people concerned through holding events on the theme of environment for residents, inviting lecturers, and deepening understanding of the history of the planned site.

In addition to the Mibugawa Power Station No. 1 and No. 2, the Marubeni Group currently operates the following small hydropower generation facilities.

Producing power locally: Mibugawa Power Company

Small hydropower station (Hokuto City, Yamanashi Prefecture)

Small Hydropower Generation Facilities (as of March 2024)

Facility	Location	Approved Output
Mibugawa Power Station No. 1*1	Ina, Nagano Prefecture	23,100kW
Mibugawa Power Station No. 2*1		10,800kW
Mibugawa Power Station No. 3		260kW
Mibugawa Power Station No. 4		480kW
Tateshina Power Station	Chino, Nagano Prefecture	260kW
Tateshina Power Station No. 2		141kW
Tateshina Power Station No. 3		93kW
Tateshina Power Station No. 4		145kW
Shingugawa Power Station	Komagane, Nagano Prefecture	195kW
Hokuto Nishizawa Power Station	Hokuto, Yamanashi Prefecture	220kW
Hokuto Kawakoishi Power Station		230kW
Hokuto Kurabara Power Station		200kW
Honmonji Power Station No. 1	Fujinomiya, Shizuoka Prefecture	120kW
Honmonji Power Station No. 2		140kW
Shiroishi Power Station	Shiroishi, Miyagi Prefecture	95kW
Hananosato Power Station	Shimogo, Fukushima Prefecture	175kW
Banyagawa Power Station		150kW
Himenuma Power Station	Inawashiro, Fukushima Prefecture	160kW
Minochigawa Power Station	Hiroshima, Hiroshima Prefecture	180kW
Sagotani Power Station		108kW
Toyohira Power Station	Kitahiroshima, Hiroshima Prefecture	112kW
Tsukuyone Power Station	Wakasa, Tottori Prefecture	7,890kW
Oshika Power Station No. 1	Misasa, Tottori Prefecture	3,700kW
Oshika Power Station No. 2	Misasa, Tottori Prefecture	4,990kW
Hinokawa Power Station No. 1	Hino, Tottori Prefecture	4,300kW
Hozawa Hotaru Power Plant	Yamagata, Yamagata Prefecture	170kW

*1 Mibugawa Power Station No. 1 and No. 2 fall under the category of medium-scale hydropower generation.

Collaborating with Stakeholders and Coexistence with Local Community

Initiatives for the Sequestration, Capture, and Storage of Carbon Dioxide

Marubeni is an investor in Japan CCS Co., Ltd., which was established in May 2008, in response to the Japanese government's call for the development of CCS[*1] technologies as a countermeasure to global warming. It was founded by major private-sector firms with expertise in CCS-related fields joining forces to meet the new demands. As a private-sector corporation that brings together and integrates CCS technologies, the company conducts surveys on how to commercialize technologies for the separation, capture, transport, and geological storage of CO_2, as well as R&D and testing in these fields.

*1 CCS is an acronym for Carbon dioxide Capture and Storage and refers to the capture and storage of carbon dioxide (CO_2). Specifically, it involves technologies for capturing CO_2 emitted by factories, power plants and the like before it is released into the atmosphere, transporting it to underground geological strata suited to storing it, and storing it in a stable manner over long periods of time.

- Japan CCS Co., Ltd.
- Shareholders

Coexistence with Local Community

Mibugawa Power Company, which specializes in small hydropower generation facilities, has obtained Eco Action 21[*1] certification in Mibugawa Power Station, the first hydropower facility to do so. Given that the intake of Power Station No. 2, which is located at the highest elevation, is next to a quasi-national park, and the facilities of the Mibugawa Power Station are in a region with high biodiversity value, we strive not only to avoid destruction of nature, but also to preserve it. As part of that effort, in addition to conducting river cleanup activities and facility maintenance and emergency response training to be prepared for possible oil spills, Mibugawa Power Station takes measures for protection of biodiversity by conducting water quality inspections twice a year, not only to determine whether pollutants are present, but also to check whether the water has the oxygen content required by living organisms. The facility also welcomes local elementary and junior high school students and over 100 residents each year for tours of the power station, and presents exhibits of hybrid power generation systems (wind, solar and hydropower). These and other activities help educate people about renewable energy and pass on the region's traditional culture.

At the Hokuto City Murayamarokkamuraseki- Waterfarm[*2], we use existing irrigation canals to supply renewable energy while making appropriate adjustments to the volume of water used to ensure adequate supplies of irrigation water for farmland and water for household use.

At the small hydropower station in Shiroishi City, Miyagi Prefecture, the elevation difference in water pipes of water supply facilities is used to generate electricity with minimal impact on the surrounding environment.
In addition, in selling power through Marubeni Power Retail Corporation, we are helping to improve biodiversity by allocating a portion of the electricity fees to forest maintenance and management.

M&C Tottori Hydro Power Co., Ltd. (hereafter, M&C Tottori Hydro Power) believes that building a trusting relationship through communication with local residents is essential for the safe, secure, and stable operation of hydroelectric power generation projects. To this end, M&C Tottori Hydro Power has appointed a “staff member in charge of community coexistence” and has made efforts to reflect residents’ opinions of its operations on its website. In addition, the company regularly communicates with local stakeholders, including six local municipalities (Wakasa, Yazu, Kurayoshi, Misasa, Nichinan and Hino Town) and various councils on important issues related to the environmental impacts, e.g., on rivers, that may arise from construction, inspections, etc. Thanks to these initiatives, M&C Tottori Hydro Power understands each municipality’s needs (including complaints) and business risks and incorporates them into its management strategy.
In addition, M&C Tottori Hydro Power plans to offer visiting lectures and work experience for elementary and junior high schools on the theme of hydroelectric power generation projects. M&C Tottori Hydro Power contributes to the economic development of the region by improving the knowledge of local residents and linking it to the development of the next generation of human resources.

Marubeni Clean Power Corporation (hereafter, Marubeni Clean Power) aims to promote “stable energy service businesses closely connected to the community, dedicated to addressing local social issues and fostering coexistence with local communities and the natural environment.” Therefore, Marubeni Clean Power is developing renewable energies, mainly biomass, with the aim of promoting a “stable energy supply business closely linked to the community.” As part of its business activities, Marubeni Clean Power is actively involved in interactions with local stakeholders, such as local environmental fairs and beautification campaigns, conducting power plant tours and distributing solar kits to local elementary school children, and participating in study sessions of the Chamber of Commerce and Industry.
Marubeni Clean Power participates in the “Biomass Power Association” (hereafter, the Association) as a regular member (Director Company) and serves as its representative director. The Association includes not only power generators, but also fuel suppliers, manufacturers, financial institutions, consulting firms, and other stakeholders from various industries. It promotes the biomass power generation business and the sound development of the biomass industry, working to help build a sustainable, recycling-oriented society and foster global environmental conservation.

Marubeni Ina Mirai Denki Corporation*3 provides electric power retail and energy-related services in and around Ina City, Nagano Prefecture, with the aim of offering services that address the challenges of daily life in the community. The company is a member of the Sustainable Environment Subcommittee of the New Industrial Technology Promotion Council under the jurisdiction of Ina City, and it is taking the initiative to work together to build a sustainable environment, including a focus on issues such as climate change and biodiversity. As part of the planning process for the implementation of global warming countermeasures promoted by the village of Minami-Minowa, Kamiina-gun, Nagano Prefecture, the company is also participating in the special committee formulating the action plan (area policy section) for the implementation of global warming countermeasures in Minami-Minowa Village. The company is working with the community to address climate change in the area surrounding Ina City, where the company’s head office is located.
The Marubeni Group’s Mibugawa Power Company also operates a hydroelectric power generation business in the area. As a group, the company will contribute to sustainable regional development by building a business portfolio that helps build a society in harmony with the local community.

*1 A system based on guidelines for environmental management systems and environmental reporting set by the Ministry of the Environment
*2 The four small hydropower stations at Murayamarokkamuraseki in Hokuto City (Hokuto Nishizawa Power Station, Hokuto Murayamarokkamuraseki Hydropower Station (municipally-owned), Hokuto Kawakoishi Power Station and Hokuto Kurabara Power Station)
*3 The company’s shareholders are Marubeni Corporation (56%), Chubu Electric Power Miraiz Co., Inc. (34%), and Ina City (10%). The company has established a system of monitoring against goals, deadlines, and results related to regional development through consultations among shareholders.

Marubeni

https://www.marubeni.com/en/