




SOCIAL

1. SUPPLY CHAIN: SOCIETY

Policy

To build a better tomorrow, the Marubeni Group has identified Sustainable and Resilient Value Chains as an essential category of Environmental and Social Materiality, and formulated a Basic Supply Chain Sustainability Policy. In addition to managing the supply chain, we will also involve buyers of our products and enhance the strength and competitiveness of our entire supply chain, including our business partners.

Social data is updated periodically on our website.

-  Basic Supply Chain Sustainability Policy, see page 16.
-  Forest Management Policy, see page 10.
-  Product Procurement Policy (Forest-derived Products), see page 12.


Initiatives (Examples)

ESG Risk Assessment/Analysis

In FYE 3/2018, as part of efforts to strengthen ESG risk management, the Marubeni Group conducted an assessment and analysis of all products and projects handled by the company to identify potential ESG risks. This assessment and analysis incorporated objective perspectives and methods in collaboration with an external consultant with specialized expertise. For the risk analysis, we referred to the ESG risk-related data and information published by international organizations, government organizations, research institutions, NGOs and other organizations, then narrowed the focus to approximately 30 products and projects likely to have ESG risks, and applied detailed risk analysis to them.

Supply Chain Risk Assessment

The Marubeni Group shares its Basic Supply Chain Sustainability Policy (the “Basic Policy”) with suppliers, and requests that they thoroughly understand, cooperate and comply with it. We conduct due diligence and risk assessment through communication, questionnaires and on-site inspections for new and existing suppliers alike, and provide guidance and review the business relationship if any violations are confirmed. By ensuring that the Basic Policy is applied throughout our operations, the Marubeni Group reduces social and environmental risks.


-  Basic Supply Chain Sustainability Policy, see page 16.

Supply Chain Sustainability Survey and On-site Inspections

For compliance matters in the Basic Policy, a representative from the Marubeni Group conducts on-site inspections of suppliers who are based in countries that carry a high risk of non-compliance, and who trade in sectors such as apparel and agriculture. A representative from the Marubeni Group directly visits the manufacturing or production sites of the suppliers to conduct such inspections. The inspections survey the supplier’s efforts regarding the Marubeni Group’s Basic Supply Chain Sustainability Policy.


Multifaceted surveys designed to fit the supplier’s business situation and regional characteristics are conducted on-site, covering areas such as respect for human rights, legal and regulatory compliance, environmental preservation, fair trade, safety and health, quality control, and disclosure of information. Issues targeted by the survey and the survey methods are constantly reviewed, including through third-party opinions, in an effort to keep the survey relevant to the current circumstances. Survey results are reported back to the inspected sites, and information relevant to improvement of the relevant issues is shared. In addition, if there are cases of violation or of not meeting the Marubeni Group’s regulations, or cases that are likely to have a negative impact, we encourage proactive reports and initiatives for impact mitigation from the supplier. By doing so, we are working to reduce environmental and social impacts throughout the supply chain.

If violations are found, we take steps to help suppliers improve. For example, we conduct training and awareness activities, provide support and make recommendations for improvement, and promote environmental and social response measures. If no improvement is seen even after these steps are implemented, we will give notice that we are reviewing our business with the supplier.

-  For further information on the supply chain sustainability survey, please refer to Marubeni’s website:
https://www.marubeni.com/en/sustainability/supply_chain/survey/

Japan REIT Advisors Co., Ltd. Becomes a Signatory of the Principles for Responsible Investment

Japan REIT Advisors Co., Ltd. (JRA), a Marubeni Group company in the real estate asset management business, conducts asset management for United Urban Investment Corporation (UUR), a J-REIT (Japanese Real Estate Investment Trust) listed on the Tokyo Stock Exchange. In November 2018, JRA became a signatory to the Principles for Responsible Investment (PRI).

-  For further information on the PRI, please refer to Marubeni’s website:
<https://www.marubeni.com/en/news/2018/release/00045.html>

For UUR, one of the largest diversified J-REITs, JRA aims to reduce various risks and secure mid-to-long-term stable earnings by making real estate investments in varied types of use and geographical locations. JRA is also working to improve sustainability by considering ESG factors for sound management to coexist with society and the environment. When considering real estate investments, JRA carefully examines the impact on the environment (asbestos, soil contamination/pollution, etc.), tenants (anti-social forces, work environment, etc.), and neighborhood (relationship with community, traffic congestion, etc.), in addition to the profitability of the relevant property.

Due to JRA’s efforts to find environmental issues before acquisition and to improve environmental performance after acquisition, UUR has earned comprehensive environmental performance evaluations for its properties such as CASBEE (Comprehensive Assessment System for Built Environment Efficiency). Additionally, as of 2018, UUR has earned the Green Star for four consecutive years in the survey for the Global Real Estate Sustainability Benchmark (GRESB), the annual benchmark that assesses sustainability practices in the real estate sector.

For UUR, JRA will continue to keep eyes on ESG issues and make further efforts to conduct sustainable asset management.

-  United Urban Investment Corporation
<http://www.united-reit.co.jp/en/>
-  United Urban Investment Corporation
Initiatives for External ESG Recognition
<http://www.united-reit.co.jp/en/feature/esg/environment.html>
-  Japan REIT Advisors Co., Ltd.
<http://www.j-reitad.co.jp/en/>

Cooperation with External Organizations

Support for WWF Japan

Sustainable Production and Consumption

Taking into account the impact of the Marubeni Group's business activities on the natural environment, we cooperate with various stakeholders throughout the supply chain in efforts to preserve biodiversity and maintain sustainable production and consumption.

One such example is our support for WWF Japan, an international environmental organization. Furthermore, Marubeni participates in certification systems for forest products, marine products, vegetable oil, and other categories, and handles certified biodiversity-friendly products.

Supplier Capacity Building

The Marubeni Group offers regular training to suppliers to ensure that they correctly understand our Basic Policy on Supply Chain Sustainability and to deepen their understanding of environmental and social problems. We provide broad guidance to suppliers and facilitate the expansion of supplier capacity through a number of initiatives. These initiatives include sharing of best practices from the Marubeni Group and suppliers, including initiatives that address environmental and social issues, and secondment of employees from suppliers to Marubeni Group companies.



For further information on supplier capacity building, please refer to Marubeni's website:
https://www.marubeni.com/en/sustainability/supply_chain/

2. LABOR PRACTICES

To build a better tomorrow, the Marubeni Group has identified "Human Capital with High Social Value" as an essential category of Fundamental Materiality.

We regard human capital as our most valuable asset in meeting environmental and social demand, and proactively providing solutions. We define "Human Capital with High Social Value" as individuals who are essential not only to the company but also to society. We will nurture Human Capital with High Social Value, and thereby bring about innovation and provide solutions.

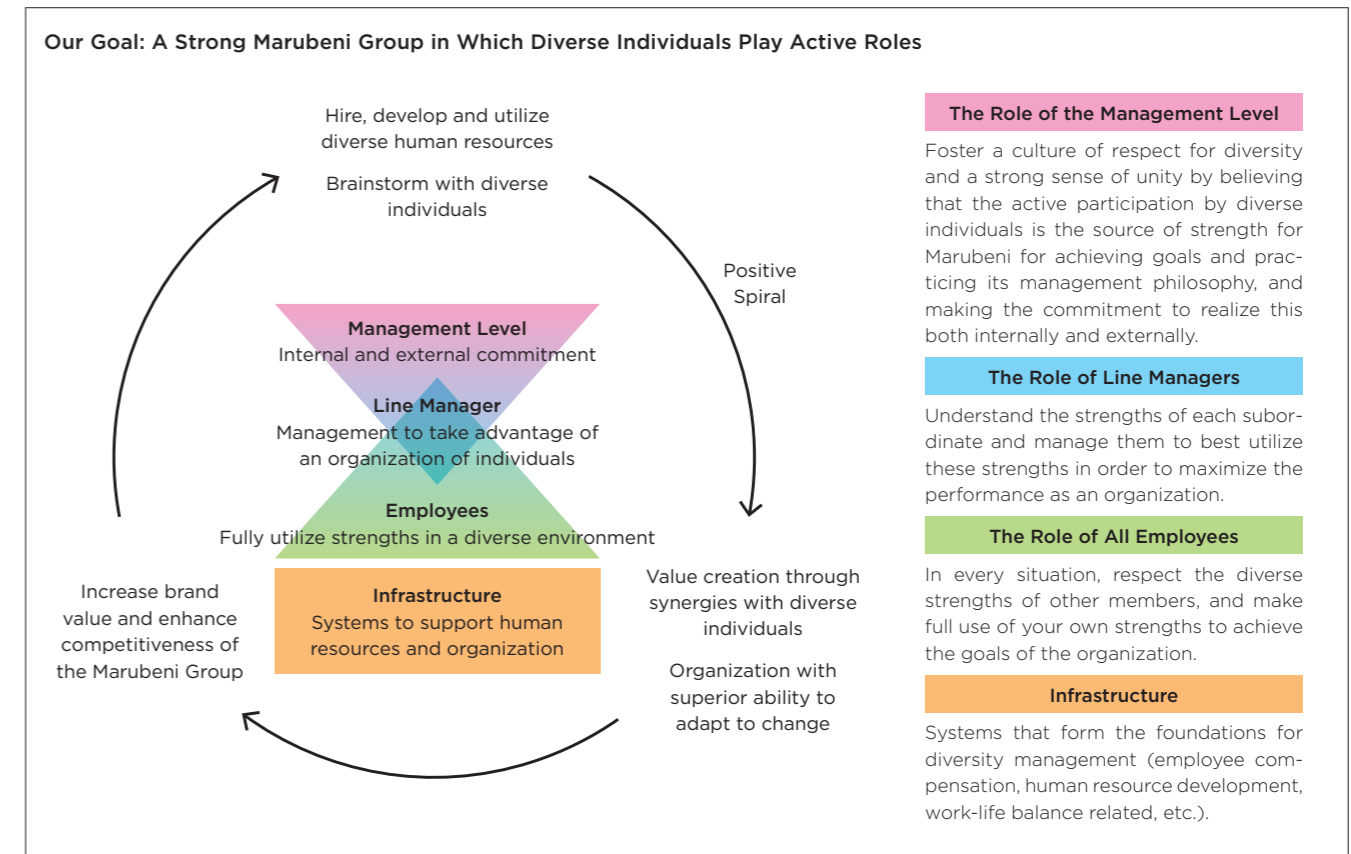
We have identified Robust Management Foundation as the second category of Fundamental Materiality, as we believe it is necessary both for maximizing the potential of our human capital and for maximizing corporate value. We must build a foundation that facilitates the activities of our human capital and establish a truly Robust Management Foundation. If we cannot accomplish this, our human capital will not be able to continue innovating and providing solutions. Enabling our human capital to use our management foundation to the fullest will ultimately lead to maximizing corporate value.

2-1. Work Environment for Diverse Individuals – Promotion of Diversity Management

Policy

With the goal of being "a strong Marubeni Group in which diverse individuals play active roles," the Marubeni Group is further promoting diversity within the Group with a view to creating a corporate culture and workplaces where employees

with various characteristics, experience, capabilities, and values can leverage their "diverse individual strengths." Moreover, we promote work-life management as the infrastructure that will enable employees with various backgrounds to succeed.



Framework

Supervising Director	Yukihiko Matsumura (Senior Executive Vice President; CAO; CIO; Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Chairman of Compliance Committee; Chairman of Internal Control Committee; Chairman of IT Strategy Committee)
Secretariat	Human Resources Department

Initiatives

Marubeni International Women's Day

In celebration of International Women's Day, Marubeni International Women's Day FYE 3/2018 was held on March 8 and 9, 2018. In order to create business that is not merely an extension of the past, people with diverse views, values, and ideas are required. The event was held to share this perspective not only within the Head Office but across the whole Marubeni Group, and to further promote diversity within the Group. Female Group executives and employees from more than 10 countries gathered and attended various programs including keynote speeches, panel discussions, and group discussions.

The keynote speeches and panel discussions were open to all Group employees regardless of gender, and many people including male employees attended. President Fumiya Kokubu offered encouragement in his opening video message, stating "We aim to be a Group where strong individuals with diverse values and ways of thinking can work even more effectively, regardless of characteristics like nationality, age, or gender. If there is any problem related to being in the minority, I hope that people will actively speak out." In the keynote speech, External Director Yuri Okina spoke about how she balanced work with pregnancy and parenting, and her career and management experiences. Her message to the female employees in the Group was "There are various events in your life, so take a long-term perspective, and don't give up working." In a panel discussion, President and CEO Yumiko Noda of Veolia in Japan (Japanese subsidiary of major global water management company Veolia Environnement S.A. of France), Ms. Okina, and Executive Officer Yutaka Shimazaki, talked about their diverse experiences and exchanged opinions on various topics, such as career turning points that had affected their way of living and thinking, and experiences of sharing workplaces with people of other cultures and different nationalities.

Additionally, everyone in the Marubeni Group helped set the mood for the event by exchanging Thank You cards and mimosa flowers (following the Italian custom of men giving mimosa flowers to the women around them as a sign of appreciation), expressing gratitude to those close-by, including bosses, colleagues, and subordinates of any gender.

Promoting Opportunities for Women

Since FYE 3/2007, Marubeni has had a strong focus on recruiting more women for management class. As of October 1, 2018, there are 323 women in management class (9.6% of all management class) playing an active role in operations in Japan and other countries around the world. Many of these women are in the early to mid-stage of their careers and are viewed as potential candidates for executive positions in the future. As such they are expected to play an even greater role in the years to come. Furthermore, in FYE 3/2015, Marubeni started new programs designed to increase opportunities for women in management class. The BENInnovation Program is one example. It focuses on opportunities for female employees and their immediate managers. In conjunction with other human capital policies for junior employees that emphasize the acquisition of overseas and frontline experience, such programs are contributing to the steady cultivation of female talent and the career progress of women in management class. Moreover, we have established an action plan in response to the promulgation of the Act on Promoting Women's Empowerment in the Workplace. Under this plan, we are continuing efforts to increase the ratio of women in management class to more than 10% and raise the ratio of women in managerial positions to above 7% by March 31, 2021. The plan also defines the period leading up to March 31, 2021, as a time for creating foundations for incorporating diversity into decision-making. Looking toward the future, Marubeni will enhance hiring, overseas dispatch, and education activities based on this plan.

BENInnovation Program

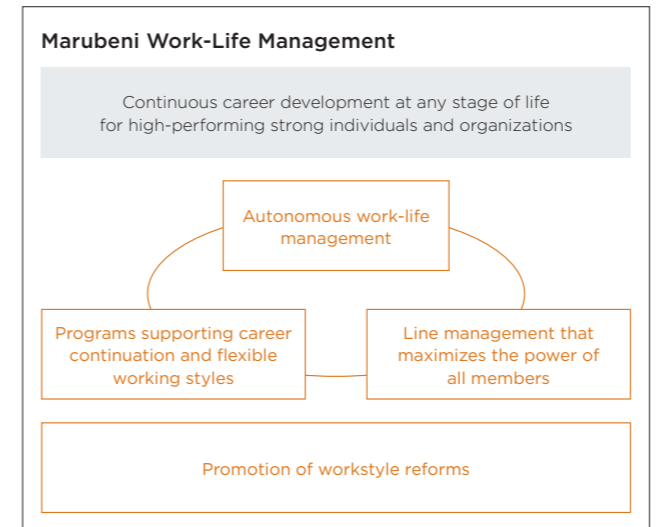
The BENInnovation Program is an initiative to further promote the activity and success of women in management class by focusing on those in the early to mid-stage of their careers and their immediate managers. In FYE 3/2018, the scope of the program was expanded to include new junior managers.

Trial Measures to Support Overseas Postings after Childbirth

Working styles and family circumstances are diversifying, and this includes an increasing number of families where both parents work. Marubeni is therefore taking steps to appropriately allocate and appoint human capital, and to promote continuous career and skills development. These steps include providing the necessary support and environment when employees posted overseas are accompanied by their children. Specifically, we provide support to ensure trouble-free overseas postings and help to prepare a suitable environment for the posting by providing a pre-posting visit, creating childcare check-sheets for posting destinations, and covering part of the cost of essential childcare services. We introduced these measures on a trial basis in April 2018, and will consider full-scale introduction after conducting reviews and revisions.

Promotion of Work-Life Management

Since 2005, Marubeni has gradually expanded support measures for maternity, childcare, and for nursing care, going beyond simply what is required by law. In January 2017, we shifted from a "support for balance" phase to "support for success," moving the focus from "work-life balance" to "work-life management" with the goal of being a company where it is fulfilling to work. With this shift in focus, we aim to achieve "continuous career development" and "continuous performance" for employees at any stage of life. We also carry out various follow-up measures that enable employees to utilize the programs they need, when they need them.



Main Measures Related to Work-Life Management Maternity and Childcare Support Measures

In addition to self-management by program users, we promote cooperative frameworks that build understanding of the available programs among supervisors and other employees and that encourage mutual respect, enabling workers to make effective use of these programs regardless of gender.

Improving Awareness of Programs

We provide information to broaden understanding of support programs. In addition to distributing a Pregnancy and Childcare Support Handbook, we hold three-way interviews between the employee going on maternity leave, their immediate manager, and a human resources representative (if the spouse of the employee is also a Marubeni employee, then the spouse and spouse's immediate manager are also included). Furthermore, we hold an interview three months prior to return to work, and provide a checklist to the immediate manager of the relevant department that covers items relating to before and after the employee's return.

Securing Places at Childcare Facilities

A current social issue in Japan is the increasing number of children on waiting lists for places at day-care centers. In FYE 3/2011, Marubeni introduced a childcare support allowance for returning employees, which covers part of the cost of childcare services so that employees can return to work when they want to. In FYE 3/2019, we began a trial of securing permanent places at a day-care center near our Tokyo Head Office.

Marubeni Family Day

Since FYE 3/2011, we have held Marubeni Kids Project - Visiting Mom and Dad at Work as an annual event mainly for children of elementary school age. In FYE 3/2019, we expanded this event at the Tokyo Head Office into Marubeni Family Day, featuring additional events for employees and their spouses and for junior high and high school students. Moreover, several of our overseas subsidiaries held similar events. These events are an opportunity for deepening understanding of the companies and work that employees are involved with, thereby cultivating Marubeni Group supporters, and for companies, employees, and their families to consider the balance between work and private life.

Maternity/Parenting			
	Pregnancy/Maternity	Childcare leave	Balancing work and childcare
System	Maternity leave (early stages of pregnancy)	Parental leave	Childcare support allowance for returning workers
	Maternity time (during pregnancy)	Childcare leave for first 8 weeks after birth (paternity leave)	Childcare work hours (shorter work hours)
	Maternity select time (during pregnancy)	Self-development/welfare program	Select time work (staggered hours) for childcare
	Maternity flex-time (during pregnancy)		Childcare flex-care leave
	Exemption from overtime/holiday/late night work		Exemption from overtime/holiday/late night work
	Maternity leave		Limitations on overtime
	Family support leave (to attend birth of a child)		Childcare leave
	Special leave for fertility treatment		Family support leave
		Special medical leave (childcare/nursing)	
Follow-up	Maternity and Childcare Support Handbook		
	Birth/Childcare support interview	Interview before return to work	Career consultation
	Career consultation	Support supervisor of returning worker	Mission-setting meeting
	Mission-setting meeting	Regular business contact from supervisor	
		Information from HR department	
Services offered	Benefit Station (services related to childcare)		
	Employee Assistance Program Consulting by phone/mail/interview (mental health)		
	Return to work "Concierge"	Securing childcare facilities and support	
		Discounts for baby sitting services, etc.	

Nursing Care Support Programs

We live in a world characterized by declining birthrates, an aging population, fewer siblings, more people remaining single, and more working couples. This means that nursing care, which was traditionally taken care of mostly by stay-at-home family members, is now an issue that working family members must take the initiative in addressing. Marubeni has established support programs so that employees can balance work and care of relatives, while playing an active work role in the medium and long term.

Improving Awareness of Programs

Marubeni has created and distributes a Family Care Handbook and has also been holding nursing care seminars on various topics since FYE 3/2011, with a cumulative total of 1,200 participants. The handbook and seminars not only explain our

programs, but also strongly encourage employees to seek external professional help rather than trying to take on nursing care themselves, so that they can better manage their situation and balance work with nursing care.

Provision of External Services Including Personal Consultations and Remote Nursing Care

We provide free consultation by telephone, email, or in person in collaboration with the NPO Umi wo Koeru Care no Te. We have also concluded contracts with various companies to make senior monitoring services available to employees. As part of such services, online security systems are installed at the homes of parents who live far away or are alone during the day, thereby enabling 24-hour monitoring and emergency call-outs.

Family Care				
	Preparation	Start of care	Balance between work and care	Family care leave
System	Family care leave		Family care work hours (shorter hours)	Nursing care leave
	Family support leave		Select-time work (staggered hours)	Self-development welfare program
	Special medical leave (for family care)		Nursery care flex-time	*Used to ensure a care system at the start of family care and prepare for a balanced work and care life
			Exemption from overtime/holiday/late night work	
			Limitations on overtime	
			Family care leave	
			Family support leave	
			Special medical leave (for family care)	
Follow-up	Family Care Support Handbook			
	Family care seminars			
	Individual interviews			
	Career consultation	Interview before return to work		
Mission-setting meeting	Support supervisor of returning worker			
	Regular business contact from supervisor			
	Information from HR department			
Services offered	NPO home care consultation (phone/mail/interview) Seacare program (individual support, fee-based)			
	Benefit Station (services related to family care/nursing care)			
	SECOM Co. Protective monitoring service (fee-based)			
	Employee Assistance Program Consulting by phone/mail/interview (mental health)			

Other Life Event Support Programs

Leave and Reemployment System for Employees Accompanying a Spouse on Overseas Posting

Marubeni has introduced a spouse relocation leave system that allows employees to take a leave of absence from their

jobs when accompanying a spouse on an overseas posting. In April 2018, we also introduced a system for reemploying people under certain conditions after accompanying their spouses, in response to requests from those wishing to continue working during their stay overseas.

Other	
System	Special leave for relocation of a spouse
	Rehire employees who temporarily left company in order to relocate with spouse

Fair Recruiting and Hiring

Marubeni's basic hiring policy is to select applicants solely according to their capability and competence based on a fair recruitment process in which no form of discrimination is tolerated.

For example, we use an "open entry" system that offers employment opportunities to applicants regardless of nationality, place of birth, gender, disability, or alma mater. Moreover, the job application form does not ask for details such as place of birth, religion, family circumstances, or any other information not required for us to determine an applicant's capability and competence. During interviews, we respect each applicant's basic human rights by avoiding inappropriate questions and selected employees based only on capability and competence.

To ensure that fair recruiting activities are conducted across the entire Marubeni Group, we have prepared the Marubeni Recruiting Manual, and strive to ensure that our policies are thoroughly understood across Marubeni Group companies.

Expanding Employment That Accommodates the Needs of Persons with Disabilities

Marubeni Office Support Corporation

Marubeni Office Support Corporation was established in 2008 as a special-purpose subsidiary of Marubeni designed to provide workplaces that accommodate the needs of persons with disabilities. Today, the Company has a combined staff of 53 persons with disabilities and 5 persons without disabilities in Tokyo and Osaka. They aim to create a company that grows through mutual assistance.

Employees with physical, mental, or intellectual disabilities engage in various office services, such as pay calculation, business card production, internal mail, and cleaning. In March 2016, Marubeni Office Support Corporation was certified by the Ministry of Health, Labour and Welfare as a Superior Company for employing persons with disabilities. This certification is granted to superior companies that actively employ individuals who have mental or other disabilities.

As of October 2018, the employment rate for persons with disabilities stood at 2.62% (up from 2.47% as of April 2018), higher than the legal minimum rate. Marubeni will continue striving to create workplaces where all people can work, regardless of disabilities.

Promoting Active Roles for People of All Nationalities

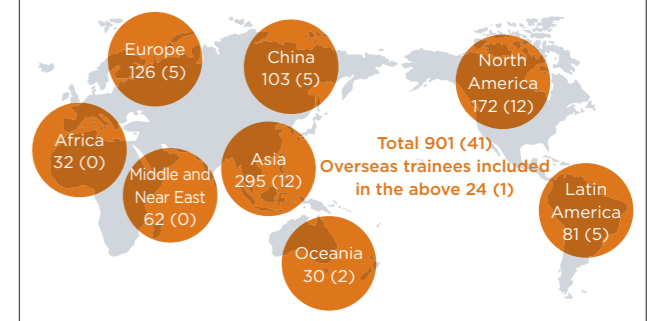
Under the Marubeni Global Mobility Program launched in April 2017, overseas Group employees who are management candidates are posted for a period to Group companies in other countries, including the Head Office. By providing opportunities to work in a broader range of roles at Head Office or Group companies in Japan or other countries, we enable diverse human capital within the Group to play an active role in different countries.

Related Data

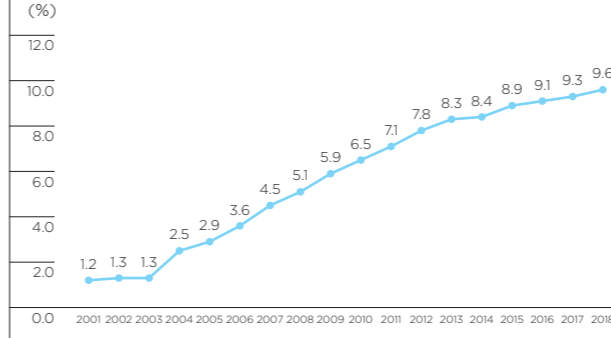
Composition of Corporate Officers (As of June 30, 2018)

	Male	Female
Directors	9	1
(External directors)	(3)	(1)
Audit & Supervisory Board members	5	0
(External Audit & Supervisory Board members)	(3)	(0)
Executive officers	29	0

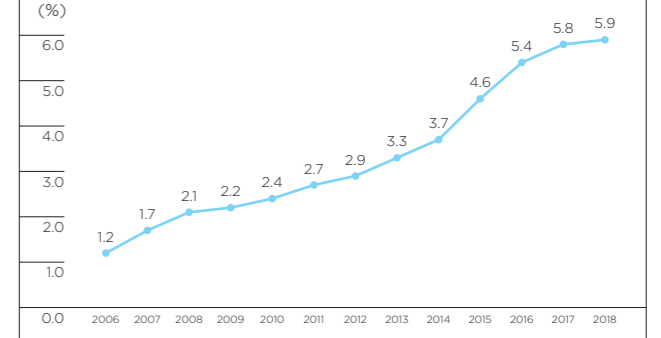
Employees Posted Overseas (As of April 1, 2018)
Numbers of female staff are shown in parentheses



Ratio of Women in Management Class (As of October 1)



Ratio of Women in Managerial Positions (As of October 1)



External Evaluation

Marubeni Selected as a Nadeshiko Brand

The Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE) jointly selected Marubeni as a Nadeshiko Brand in 2015 and 2017. Marubeni was one of 47 companies selected in 2017. The Nadeshiko Brand began in FYE 3/2013, with METI and TSE jointly selecting and announcing listed companies that showed excellence in promoting women's empowerment in the workplace. Evaluations are made based on the two criteria of "promoting women's career development" and "support in balancing work and family life," and companies are selected after additional consideration of financial performance. The selected companies have "management capabilities for utilizing diversified human capital" and "the ability to adapt to environmental changes," and therefore can be considered to be "companies with strong growth potential."



Marubeni Certified as an "Eruboshi" Company

Marubeni has been certified as an "Eruboshi" company by the Ministry of Health, Labour and Welfare for its efforts in promoting women's participation in the workplace. The "Eruboshi" certification is granted to companies that apply for it based on the Act on Promoting Women's Empowerment in the Workplace, which entered into force on April 1, 2016. Marubeni received the second highest rank out of the three ranks.

With the Act having entered into force, Marubeni has stipulated action plans for promoting women's participation, and is working to strengthen the recruitment and human capital development of female employees.



Marubeni Receives “Platinum Kurumin” Certification

Marubeni has received “Platinum Kurumin” certification from the Minister of Health, Labour and Welfare as an exemplary company that offers a higher standard of support for childrearing. Through our efforts to promote “work-life management,” we will help individual employees at all life stages to grow through continuous career development, and provide an even better environment for continuing to perform at a high level.



Received Award for Excellence at the HR Award 2018 Held by Nihon no Jinjibu

Marubeni’s strategy for “Going beyond the boundaries of ‘Human Capital,’ ‘Mechanisms,’ and ‘Time’” received the Award for Excellence in the Corporate HR Category at the HR Award 2018 held by the HR portal website, Nihon no Jinjibu, which has 120,000 registered members.

2-2. Communication with Employees

Policy

Communication between Management and Employees, and Among Employees

With the aim of creating a greater sense of unity, we provide regular opportunities for direct dialogue between management and employees as well as interaction between employees. This dialogue energizes and deepens communication within the Company.

Relationship with Labor Union

The Company and the Marubeni Employees’ Union share common goals, namely to improve the prosperity of the Company and the socioeconomic status of employees. Both parties are committed to respecting each other’s positions and engaging in sincere dialogue to build orderly labor-management relations.

Employee Awareness Survey

Marubeni conducts employee awareness surveys to promote improvements in the organization, and to formulate and improve human resources systems and initiatives. Survey results are used to score employee engagement, defined as “a relationship in which individuals and the organization come together to contribute to each other’s growth,” and to identify issues to be addressed.

Framework

Supervising Director	Yukihiko Matsumura (Senior Executive Vice President; CAO; CIO; Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Chairman of Compliance Committee; Chairman of Internal Control Committee; Chairman of IT Strategy Committee)
Secretariat	Executive Secretariat, Human Resources Department

Initiatives

Internal Exchange Meetings

Marubeni holds roundtable meetings between the President and small groups of employees to deepen mutual understanding between management and employees through forward-looking dialogue. Participants are drawn from a wide range of career stages, from managers to new recruits, and engage in lively conversation across generations and roles, facilitated by the President. In FYE 3/2019, we held 13 meetings.

Meetings between the Labor Union and Management

Each year, opportunities for dialogue between the labor union and management, including the President, are provided in the form of discussion meetings. Six meetings were held in FYE 3/2019. Furthermore, negotiations with various organizations and opinion exchange meetings with labor union subcommittees were held eight times. In this way, Marubeni proactively engages in communication with the labor union about the introduction of systems and measures related to the working environment, and their ongoing implementation.

Engagement Survey

Marubeni conducts an engagement survey to gather feedback from employees and identify management issues at each organization, with a view to making improvements.

Survey results are used to score engagement, defined as “a relationship in which individuals and the organization come together to contribute to each other’s growth.” Having identified issues for improvement, we organize lectures by external experts for line managers and intensive programs to transform the management of each organization. Based on the survey results, we implement measures that will improve the abilities of management, energize organizations, and promote performance enhancement.

The results of the survey are referenced in the formulation and improvement of human resources systems and initiatives.

The most recent survey was conducted in July 2018.

Related Data

About the Marubeni Employees’ Union

Established: 1949

Membership*: 2,645 members (60% of the organization)

*As of March 31, 2018


3. HUMAN RIGHTS AND LOCAL COMMUNITIES

Policy

Policy Regarding Human Rights

To build a better tomorrow, the Marubeni Group has identified Human Rights & Co-development with Communities as an essential category of Environmental and Social Materiality. In our Basic Policy on Human Rights, we have included the three basic principles of the UN's Guiding Principles on Business

and Human Rights: 1) respect for human rights, 2) due diligence on human rights, and 3) redress.

 Basic Policy on Human Rights, see page 13.

Basic Policy on Contribution to Local Communities

The Marubeni Group recognizes that contribution to local communities is vital for conducting and growing business. Our sales activities contribute to the establishment and expansion of economic and social infrastructure in each country and region, and social investment via business activities and various regional support activities contribute to the development of local communities. Specifically, we help to address wealth inequality and regional

unemployment by creating employment in the areas where we do business. We also help to stimulate local economies by procuring goods and services within the region as far as possible. Furthermore, we engage proactively with the community to promote regional development as we conduct business activities that promote mutual growth of the Marubeni Group and the region.

Policy on Environmental and Social Initiatives in the Real Estate Business


The Marubeni Group's business activities contribute to solving environmental and social issues with the aim of providing people with comfortable places to live.

For the environment, in design, construction and property management, we not only apply existing environmental measures, but also take steps to improve energy efficiency and energy-saving performance in materials procurement as well as our various facilities and systems. In this way, we are helping to realize a low-carbon society and curb global warming.

For society, in every aspect of design, construction, and property management, we build relationships with tenants, the region, and communities, working together with them to tackle social issues. In urban redevelopment projects, we cooperate with stakeholders to create neighborhoods that contribute to the local community as a whole, thereby contributing to sustainable regional development.

Japan REIT Advisors Co., Ltd. Becomes a Signatory of the Principles for Responsible Investment

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For UUR, one of the largest diversified J-REITs, JRA aims to reduce various risks and secure mid-to-long-term stable earnings by making real estate investments in varied types of use and geographical locations. JRA is also working to improve sustainability by considering ESG factors for sound management to coexist with society and the environment. When considering real estate investments, JRA carefully examines the impact on the environment (asbestos, soil contamination/pollution, etc.), tenants (anti-social forces, work environment, etc.), and neighborhood (relationship with community, traffic congestion, etc.), in addition to the profitability of the relevant property.

Due to JRA's efforts to find environmental issues before acquisition and to improve environmental performance after

acquisition, UUR has earned comprehensive environmental performance evaluations for its properties such as CASBEE (Comprehensive Assessment System for Built Environment Efficiency). Additionally, as of 2018, UUR has earned the Green Star for four consecutive years in the survey for the Global Real Estate Sustainability Benchmark (GRESB), the annual benchmark that assesses sustainability practices in the real estate sector.

For UUR, JRA will continue to keep eyes on ESG issues and make further efforts to conduct sustainable asset management.

Initiatives

Participation and Cooperation in Human Rights Initiatives

The Marubeni Group has declared its support for the UN Global Compact, the principles of which include support and respect for human rights.

We also participate in the annual UN Forum on Business and Human Rights, and strive to share our experience and grasp the latest trends for promoting respect for human rights among corporations, based on the UN's Guiding Principles on Business and Human Rights.

Furthermore, we participate in the theme-based working groups of the Global Compact Network Japan. Through the Human Rights Due Diligence Working Group, we study due diligence best practices for preventing human rights violations and apply these in initiatives for ensuring respect for human rights within the Company and throughout our supply chain.




Dialogue with External Stakeholders regarding Human Rights Risk and Impact

The Marubeni Group conducts dialogues with external stakeholders about the risks and impacts of human rights violations in the Group's business through organizations such as the NGO Business & Human Rights Resource Centre. The results of these dialogues are reflected in the spirit of the Marubeni Group's Basic Policy on Human Rights.

Risks to Human Rights in the Supply Chain


Marubeni has established a Basic Supply Chain Sustainability Policy, which includes respect for human rights in its guidelines, and continues to work diligently to obtain the understanding and cooperation of business partners. In line with the provisions of the Modern Slavery Act in the U.K. that entered into force in October 2015, Marubeni Europe plc, some Group companies in England, and the Marubeni Head Office, which has a certain level of control over the business


 United Urban Investment Corporation
<http://www.united-reit.co.jp/en/>


 United Urban Investment Corporation
Initiatives for External ESG Recognition
<http://www.united-reit.co.jp/en/feature/esg/environment.html>

 Japan REIT Advisors Co., Ltd.
<http://www.j-reitad.co.jp/en/>

of these companies, had each issued a statement by the end of September 2018.

 For our FY2017 Slavery and Human Trafficking Statement, please refer to Marubeni's website:
<https://www.marubeni.com/en/news/2018/release/00024.html>

 For our FY2016 Slavery and Human Trafficking Statement, please refer to Marubeni's website:
<https://www.marubeni.com/en/news/2017/release/00013.html>

 For our FY2015 Slavery and Human Trafficking Statement, please refer to Marubeni's website:
<https://www.marubeni.com/en/news/2016/release/00046.html>

The U.K. Modern Slavery Act applies to companies that operate within the U.K. with annual worldwide turnover of 36 million GBP or more. Companies are required to implement step-by-step measures, and to issue a statement by the following fiscal year, in order to confirm that there are no abuses of human rights, such as instances of slavery or human trafficking, within the companies themselves or their supply chain.

In addition, the Marubeni Group uses supply chain sustainability surveys to investigate the status of supplier efforts related to risks to human rights, such as forced labor and child labor. We are taking measures to prevent the manifestation and impact of risks, including identifying risks involving human rights. Since February 2011, supply chain sustainability surveys also cover the status of human rights risks at our suppliers based on the results of questionnaires and on-site assessment. No cases of violation of human rights or labor standards have been found in these surveys.

Compliance Manual

The first matter highlighted in the Compliance Manual is "respect for human rights and prohibition of any form of discrimination, sexual harassment and workplace bullying." Here, the notion of human rights includes the fundamental human rights stipulated in the Constitution of Japan, the Labor

Standards Act, the UN's Universal Declaration of Human Rights and its Guiding Principles on Business and Human Rights, as well as the human rights prescribed in the ILO's International Labour Standards.*1

*1. The International Labour Standards prescribed by the International Labour Organization establish fundamental standards for labour. The standards are comprised of eight conventions in four categories, namely: (1) freedom of association, (2) prohibition of forced labor, (3) prohibition of discrimination in employment, and (4) prohibition of child labor.

For further information on the Compliance Manual, please refer to Marubeni's website:
<https://www.marubeni.com/en/company/governance/measure/compliance/>

Marubeni Hotline (formerly, "Door of Courage")

To facilitate counseling and reporting outside the regular channels, the Marubeni Group has established the Marubeni Hotline.

Respect for Employees' Right to Unionize and Bargain Collectively

Marubeni has declared its commitment to the 10 principles of the UN Global Compact, which calls for the support and practice of universal principles concerning human rights, labor, and other areas. Accordingly, Marubeni respects the right of employees to unionize and bargain collectively in conducting negotiations between labor and management on working conditions, wage levels, and other matters.

Contribution to Local Communities

Initiatives for Global Health Issues

At our operating company in the Philippines, Maynilad Water Services, Inc. (Maynilad), we run programs related to health issues and prevention of infectious diseases for our employees and local residents.

For employees, we provide an annual health check and monitor individual results.

Since 2009, we have provided low-priced access to vaccinations, including for influenza, pneumonia, hepatitis A and B, meningitis, chicken pox, rabies, tetanus and cervical cancer. In 2017, 1,703 employees received vaccinations. We also provide free vaccinations against rabies and tetanus for employees working at wastewater treatment facilities.

In 2012 and again in 2015, in order to prevent dengue fever, we distributed mosquito trap kits to residents of our service area, which covers the cities of Quezon, Paranaque, and Muntinlupa, and we are looking into continuing this initiative. Maynilad aims to reduce dengue fever infection rates in its concession service area by raising disease awareness and implementing anti-mosquito measures.

Elsewhere, from December 2018, at Myanmar Japan Thilawa Development Ltd., which has been developing an industrial park project in Myanmar, we began providing tuberculosis testing for every employee at tenant companies (2,463 people

Human Rights and Discrimination Issues Committee

This committee (established in 1981) is chaired by the CAO,*2 and its members comprise the senior managers of the Corporate Staff Group and Business Division planning and strategy departments, as well as the general managers and deputy general managers of branches.

*2. CAO: Chief Administrative Officer

Selection of Officers for the Promotion of Fair Recruitment and Human Rights Awareness

Officers for the Promotion of Fair Recruitment and Human Rights Awareness are appointed at the Tokyo Head Office and three branches. This process contributes to the Company's fair recruitment system.

Awareness Raising and Training on Human Rights

Marubeni conducts in-house training that includes "Training for new executive officer," "Training for new GM for Dept.," "Training for new GM for Sec.," "Corporate examination (Promotion to "M" grade)," "Basic business knowledge," "Package program for new employee," and "Training for Administrative Class."

Marubeni also works continuously to raise awareness of human rights issues by updating the Company intranet with training materials and information that includes the Company's Basic Policy on Human Rights, and by holding regular awareness campaigns, for example by soliciting human rights slogans from employees and publicizing them.

as of December 2018). We will continue to conduct testing at the start of each month and take measures to prevent the spread of tuberculosis.

The Marubeni Group will continue taking measures to address health issues among employees and local residents, and to prevent infectious diseases.

Information about our initiatives to contribute to local communities is updated periodically on our website.



Lecture for neighboring communities held by Maynilad

Maynilad's initiatives:
<http://www.mayniladwater.com.ph/company-csr.php>

4. HEALTH AND SAFETY

Policy

Marubeni Group Basic Policy on Occupational Health and Safety

The Marubeni Group recognizes that ensuring healthy, safe working environments for all Group employees and executives, as well as contractors working at labor sites, business partners, and other related parties, is fundamental to the viability of our business. We conduct our business based on this policy, aiming to realize zero occupational accidents and illnesses. Furthermore in cases directly connected to Marubeni Group business activities where our affiliates, business partners, or other related parties are not taking steps to ensure occupational health and safety, we ask them to take appropriate measures in line with this policy.

1. Continuous Improvement of Occupational Health and Safety Management System

We build and continuously improve our occupational health and safety management system under the leadership of top management.

2. Compliance with Applicable Laws and Regulations

We comply with laws and regulations, rules, and agreements related to occupational health and safety in each country and region where we conduct business activities. We also develop relevant internal regulations in accordance with the level of risk.

3. Fostering Safety Awareness through Training

We foster safety awareness by continuously providing adequate training necessary for ensuring health and safety.

4. Risk Reduction and Continuous Improvement of Work Environment

We identify and specify hazards and sources of harm related to our business activities, and eliminate or reduce them. We also maintain and continuously improve the workplace environment by ensuring smooth communication within our organization.

5. Support for Maintaining and Promoting Health

We continuously support the maintenance and promotion of health for all Group employees and executives.

6. Information Disclosure

The Marubeni Group discloses accurate and highly transparent information regarding this policy and related initiatives through the Group's official website and other avenues.

The Marubeni Group has established the Marubeni Group Basic Policy on Occupational Health and Safety, and conducts occupational health and safety risk assessments for new and existing projects.

Health, Safety, Environmental and Quality Policy Initiatives of the Power Business Division

Marubeni's Power Business Division conducts diverse power businesses and is a global leading player as an Independent Power Producer (IPP) in terms of power generation assets. The Division has established a standard code of conducts on health, safety, environment and quality that includes prioritizing safety in all operations, making ceaseless efforts to achieve zero occupational accidents, and creating a culture that puts safety first. We establish and implement appropriate health, safety, environment, and quality management systems in coordination with our operating companies and other relevant parties. We have also established the Integrity Management Application (IMA) as concrete guidelines for the execution of the standard code of conducts. Through education and other means we are working to ensure that the IMA is understood

and implementation is enforced by all relevant personnel within and outside the Power Business Division.

In the Power Business Division, we work to ensure project safety by emphasizing a risk-based approach with a target of zero occupational accidents. This entails continuous improvement via a PDCA cycle that identifies, evaluates, manages and monitors risk. Specifically, we work together with people on the project side to achieve targets by identifying project safety risks through visits by safety management experts at sites where we manage power generation assets, through audits conducted by the Power Business Division, among other means, by promoting risk reduction from the project side, and managing the progress of improvement plans. We audit new and existing projects in terms of both systematic and implementation aspects, making reference to our Health, Safety, Environment, and Quality Management Systems to evaluate appropriate response to risk in accordance with business scale and operations. The audits look at items such as initiatives to reduce occupational accidents, operation risk assessments, appropriate investigation of accidents and implementation of prevention measures, and emergency response drills.

In addition to site visits and audits, we strive to inculcate a culture of prioritizing safety throughout the Group. These efforts include holding forums for sharing safety initiatives, distributing safety-related study materials about accidents to relevant personnel at operating companies, and presenting safety awards to projects that implement outstanding safety measures.

The Power Business Division will continue striving to achieve zero accidents by steadily implementing and continuously improving its management systems based on the standard code of conducts on health, safety, environment, and quality. Through these efforts we will meet the expectations and demands of customers and society, and contribute to the economic growth of countries throughout the world, as well as development of local communities.

Framework

Marubeni Health Promotion Structure

Marubeni has established the Marubeni Health Promotion Structure, under the responsibility of the director in charge of the Human Resources Department. The system promotes health and productivity management through the coordination of four groups: occupational physicians (Internal Medical Clinics), the Health Insurance Association, the Human Resources Department, and health and productivity management promotion officers selected from among the Company's employees. Representatives of these groups meet at a Health Management Promotion Meeting to review health management measures and discuss future initiatives. The Health Management Promotion Committee, which is made up of representatives from the Internal Medical Clinics (occupational physicians), the Health Insurance Association, and the Human Resources Department, meets twice a year to discuss health projects of the Health Insurance Association and various health management initiatives, and other matters relating to occupational health and safety.

In addition, a legally mandated Health Committee is chaired by the Chief Health and Safety Supervisor (General Manager of the Human Resources Department) and comprises members including health and productivity management promotion officers in each Business Division and the Corporate Staff Group; the Internal Medical Clinics (occupational physicians);

Marubeni Group Health Declaration

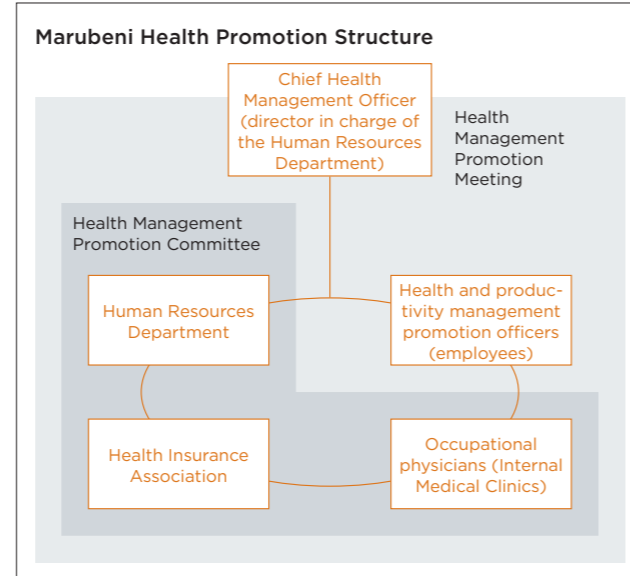
The Marubeni Group has established the Marubeni Group Health Declaration based on the Marubeni Group Basic Policy on Occupational Health and Safety, as follows.

Marubeni Group Health Declaration

Employees are a vital asset for the Marubeni Group, and their health is of paramount importance. The Group has therefore positioned maintaining and promoting employee health as a top management priority.

The Marubeni Group supports employees' success by working to create an environment where each individual can autonomously and proactively take steps to maintain and promote his or her health. These efforts will lead to the growth of the Marubeni Group.

and representatives of the labor union and the Health Insurance Association. The committee meets once a month to discuss various issues including health management and health and productivity management initiatives, improving the working environment, measures to tackle long working hours, and countermeasures for occupational accidents.



Initiatives

Marubeni Health Project

Under the Marubeni Health Project, we will continuously roll out various initiatives based on four key themes: 1) Improving health literacy, 2) Strengthening countermeasures against

cancer and lifestyle diseases, 3) Strengthening mental health measures, 4) Strengthening initiatives for maintaining and promoting women's health.

1) Improving health literacy

In cooperation with the Health Insurance Association and occupational physicians, Marubeni conducts initiatives to improve employees' health literacy.

Measures (Initial fiscal year)	Overview
Setting and announcement of KPIs for health (FYE 3/2020)	Set and announced focus health indicators as Company KPIs. Used indicators for discussing integrated measures based on regular reviews.
Introduction of health management app and distribution of app-linked body composition monitor on voluntary basis (FYE 3/2020)	Distributed health management app and app-linked body composition monitor to improve health literacy of employees and their families.
Walking events (FYE 3/2019)	Held walking events in conjunction with health management app. Held in-house award presentation.
Strengthening of efforts to achieve 100% participation in regular health examinations (FYE 3/2019)	Focused efforts on ensuring participation in legally mandated regular health examinations, which play a significant role in early discovery and treatment of disease. Recommended participation to every employee yet to have a health examination to achieve 100% participation every year.
Strengthening of initiatives to provide healthy menu options at staff cafeterias (FYE 3/2019)	Held a health promotion campaign, provided special menu options in support of blood donors, and labeled nutritional information, among other measures.

2) Strengthening countermeasures against cancer and lifestyle diseases

Among our measures to maintain and promote health, we focus intensively on countermeasures against cancer and lifestyle diseases, which include the following.

Measures (Initial fiscal year)	Overview
Expansion of cancer screening subsidy (FYE 3/2020)	Expanded screening subsidies for prostate cancer, cervical cancer, and breast cancer to support early detection.
Strengthening of smoking cessation measures (FYE 3/2019)	Expanded subsidies for smoking cessation therapy, began smoking cessation therapy program at our Internal Medical Clinics, and ran smoking cessation campaign.
Strengthening of measures for employees eligible for specific health guidance (FYE 3/2019)	Provided health and nutrition guidance from occupational physicians, public health nurses, and registered dietitians at our Internal Medical Clinics, not only for employees aged 40 and above, who qualify for specific health guidance, but also for younger employees. Increased guidance participation rate by sending health examination recommendations from the Human Resources Department to eligible employees.
Participation in trial program using IoT for type 2 diabetes (Ministry of Economy, Trade and Industry; PRISM-J) (FYE 3/2019)	Provided information to target individuals about participation in a clinical study using IoT on preventing the exacerbation of diabetes.
Sleep apnea syndrome treatment program at Internal Medical Clinics (FYE 3/2018)	Started sleep apnea syndrome screening and treatment at our Internal Medical Clinics.
Practical Health Seminars; Three-month Intensive Program (FYE 3/2018)	Ran a program aimed at improving lifestyle and exercise habits. The three-month intensive program involves eight lectures and workshops, and aims to eliminate metabolic syndrome through guidance on daily meals and exercise.
Introduced fully subsidized brain checkups (FYE 3/2016) and full-panel medical checkups (FYE 3/2015)	Fully subsidized full-panel medical checkups for employees in the fiscal year in which they reach ages 35, 40, 45, 50, and 55, as well as brain checkups for employees in the fiscal year in which they reach ages 45, 50, and 55. (Implemented ongoing partial subsidy for full-panel medical checkups for employees aged 35 and over, other than at the ages specified above.) Also began offering fully subsidized full-panel medical checkups and brain checkups for employees who have retired at the mandatory retirement age.
Enhancement of health guidance from registered dietitians (FYE 3/2011)	Established a system for registered dietitians to provide specialist diet management and guidance, etc., at our Internal Medical Clinics.
Enhancement of health guidance from public health nurses (FYE 3/2009)	Established a system for public health nurses to provide individual health guidance and consultations, etc., at our Internal Medical Clinics.
Introduction of <i>H. pylori</i> testing (FYE 3/2009)	Added <i>H. pylori</i> test to health examination to enhance early detection of and treatment for diseases such as stomach cancer.
Introduction of Hepatitis B and Hepatitis C testing (late 1990s)	Added viral hepatitis testing to health examination to enhance prevention and early detection of cirrhosis and liver cancer.
Smoking cessation measures (late 1990s)	Implemented full indoor smoking ban at Tokyo Head Office and Osaka Branch, and introduced designated smoking areas at other branch offices. Implemented smoking bans or designated smoking areas at overseas offices, in accordance with local laws and regulations.

3) Strengthening mental health measures

Marubeni has recognized mental health as an important issue for improving occupational health and safety, and is taking the following measures for employees and their families.

Measures (Initial fiscal year)	Overview
Introduction of support services to assist people who have had mental health issues returning to work (FYE 3/2019)	Provided support for the return to work of people who have had mental health issues through counseling before and after returning.
Expansion of employee assistance program (EAP) services; promotion of service use; trial counseling (FYE 3/2019)	Offered counseling sessions on a trial basis to all new employees and newly appointed junior managers in order to raise awareness of EAP services and strengthen self-care and line care. Also, provided self-check and mental health study programs and articles on the intranet to promote accurate knowledge and awareness regarding mental health care and to assist employees in monitoring their own mental condition.
Stress checks (FYE 3/2017)	Conducted stress checks for employees at all offices in Japan and overseas (including employees on assignment), also covering offices where there is no legal requirement.
Introduction of EAP services (FYE 3/2007)	Established consultation desk at our Internal Medical Clinics and in the Human Resources Department. Established external counselor consultation desk, available to employees and their families on a 24-hour, year-round basis.
Expansion of examination times for mental health outpatients at Internal Medical Clinics (FYE 3/2007)	Increased number of examination times for mental-health related outpatients from one to two a week.
Mental health care-related training (FYE 3/2007)	Conducted training related to mental health care for new employees, line managers, employees posted overseas and their families. Created and distributed a manual with information about mental health care and consultation desks.

4) Strengthening initiatives for maintaining and promoting women's health

Marubeni recognizes maintaining and promoting women's health as an issue to be addressed, and will strengthen the following initiatives going forward.

Measures (Initial fiscal year)	Overview
Expansion of subsidies for cervical and breast cancer screening (FYE 3/2020)	Expanded subsidies for cervical and breast cancer screening.
Women's health maintenance and promotion literacy seminars (FYE 3/2019)	Held seminars by external experts to increase awareness of all employees with regard to maintaining and promoting women's health.
Establishment of dedicated health consultation desk for women (FYE 3/2019)	Established a consultation desk for women's health issues.
Dissemination of articles on "Women's Health Maintenance and Promotion" to all employees (FYE 3/2019)	Used Company-wide notification system to spread knowledge about maintaining and promoting women's health to all employees.

Establishment of Internal Medical Clinics

The Internal Medical Clinics at the Tokyo Head Office and Osaka Branch play an important role in promoting health management. At the Tokyo Head Office Internal Medical Clinic, specialist departments for internal medicine, dermatology, radiology, neuropsychiatric, and dental services are available for employee consultations at any time. Regular annual and specified health examinations are conducted by the Internal Medical Clinics, and based on the results, employees can receive follow-up services including re-testing and other treatment for lifestyle diseases, as well as health guidance from an occupational physician, public health nurse or registered dietician.

Initiatives on Global Health Issues

Marubeni is expanding its business globally, with business sites in 66 countries/regions around the world.

HIV/AIDS, tuberculosis, and malaria are serious problems in some of these countries/regions.

Marubeni adopts a proactive approach to these and other global health issues. We take appropriate and timely measures against infectious diseases such as HIV/AIDS, tuberculosis, and malaria, overseas and in Japan.

Overseas, we strive to collect information and understand the situation regarding the outbreak and spread of infectious diseases in collaboration with occupational physicians, based on information provided by the WHO and local authorities, and on-site surveys. Employees and their families receive health

examinations prior to travel overseas, as well as vaccinations against infectious diseases that pose a risk at overseas postings. Furthermore, when employees based in Japan travel to areas where there is a high risk of infection, they are given appropriate cautions and business trips are restricted if necessary.

In Japan, we offer vaccinations against influenza to all employees, and our Internal Medical Clinics offer vaccinations against infectious diseases such as measles, rubella, and mumps. Furthermore, the Health Insurance Association subsidizes employee vaccinations at external medical institutions.

Initiatives on Crisis Management

We recognize that people at every business site of the Marubeni Group in Japan and overseas are exposed to various risks, including acts of terrorism, natural disasters, civil unrest, robbery, traffic accidents, aviation accidents, injury, and disease. In particular, we have positioned crisis management at overseas locations as a highly important Company measure. When an incident occurs, we make the safety of employees and their families our primary concern. As such, we strive to foster everyday awareness of crises, and we have established a permanent Overseas Crisis Management Headquarters that is able to respond immediately should a crisis occur.

Specifically, the Overseas Crisis Management Headquarters has prepared a manual summarizing crisis management measures, such as initial actions to be taken in the event of a crisis, and conducts crisis management training for employees who are

assigned overseas and their accompanying family members. We have a system in place for gathering and analyzing the latest public security information from areas around the world and share it with the relevant people. When an incident occurs, the Headquarters solely controls related information about the incident coordinating with overseas offices to make and implement appropriate judgments and countermeasures.

Support for Overseas Assignees and Their Families

Currently, there are approximately 900 Marubeni employees and around 900 of their family members living overseas on assignment from Japan. Ensuring the health of employees and their families is essential for enabling overseas assignees to perform at their best.

Before and during overseas assignments, we conduct health examinations and training for employees and their families to get an accurate appraisal of their health status and raise their awareness about disease prevention and health maintenance. We place particular emphasis on health examinations in order to achieve prevention and early treatment of diseases, and in addition to the legally mandated examination for employees assigned overseas, we require each employee to undertake annual health examinations during their assignments. We aim to achieve 100% participation by following up on employees who have not had their examinations. We also offer annual health examinations and examinations after repatriation to accompanying family members. If health examination services are not available at the assignment location, our system for subsidizing travel to a nearby area with advanced medical facilities or to Japan ensures employees' peace of mind. We encourage both employees and their families to consult with occupational physicians regarding examination results and their daily health status.

We have systems in place to transport people to a nearby area with advanced medical facilities or Japan in the case of an emergency so that they can receive the necessary treatment. We also partner with specialist organizations to provide nursing care support for employees' family members living apart from them in Japan.

Management of Working Hours and Encouraging Use of Vacation Time

The Marubeni Group has established guidelines for the management of working hours to enable working styles that ensure the health and safety of employees, as well as the Company's sustainable growth through improved productivity. The guidelines specifically call for working hours to be properly ascertained from the perspectives of observing labor-management agreements under Article 36 of the Labor Standards Act, eliminating long working hours, and properly managing working hours. The guidelines also call on those in management and supervisory roles outside the scope of working hour management to track working hours to ensure occupational safety (i.e. health management). In addition, Marubeni holds individual interviews with departments that consistently register long working hours and takes steps to reduce chronic long working hours.

In addition to compliance with all laws and regulations, Marubeni conducts the Marubeni Cool & Smart (MaCS) Work

Project. The aim of the project is to strengthen competitiveness by making all companies, organizations, and employees fully aware that time is a finite resource, and encouraging them to pursue higher levels of efficiency and productivity. The project designates times for which overtime is prohibited and promotes a shift toward morning-oriented working times. Work after 8 p.m. is not permitted in principle, and prohibited after 10 p.m. Measures to encourage morning-oriented working times include providing breakfast at Company cafeterias, and paying overtime rates for early morning work at the same rate as late-night overtime.

With regard to the use of vacation time, Marubeni encourages employees to maintain and promote their health, and seeks to ensure employees have the mental health and good physical condition to efficiently produce high-quality results. To this end, in addition to annual paid holidays, the Company also offers its own unique special leave systems, such as all-season special leave, family support leave, and recharge leave. Every employee is encouraged to concentrate fully on work during work hours, and to take the time to fully relax during vacation periods.

Occupational Accidents

Marubeni strives to prevent the incidence of occupational accidents. In the event that an accident does occur, we ensure that it is promptly reported to the Human Resources Department in every case. Accidents are also reported to the Health Committee, and every effort is made to prevent recurrence. Accidents and incidents at Marubeni Corporation or any of its Group companies are reported as appropriate through the compliance incident reporting channel. Depending on the nature of the incident, we carry out follow-up investigations and checks and implement measures to prevent recurrence.

Targets

- Zero fatal accidents
- Zero lost-time injuries
- 100% participation in health examinations by employees assigned overseas

OHSAS 18001 Occupational Health and Safety Management System Certification Status

A number of Marubeni Group companies have acquired OHSAS 18001 certification. OHSAS 18001 Occupational Health and Safety Assessment Series, a management system for managing occupational health and safety risks, stipulates requirements for continuously improving performance. The system prescribes a series of processes: setting an occupational health and safety policy, establishing targets and action plans, evaluating initiatives taken to achieve the targets, and improving on them. As of March 31, 2018, 14 of 430 Marubeni Group companies, or 3.3%, had acquired certification. By continuing to encourage acquisition of the certification within the Group, and thereby ensuring due consideration for occupational health and safety, we are working toward creating an organization where each employee can achieve their full potential with a view to increasing corporate value.

Related Data

Occupational Health and Safety Data

	FYE 3/2018	FYE 3/2017	FYE 3/2016
Lost-time injuries frequency rate*1	0.36	0	0
Occupational illness frequency rate*2	0	0	0
No. of occupational accidents or incidents leading to injuries or fatalities*1	5	4	0
No. of fatal occupational accidents*3	0	0	0

All the indicators for FYE 3/2018 are assured by an external assurance provider based on the international standard ISAE 3000.

*1. Figures for Marubeni Corporation. The lost-time injuries frequency rate is the frequency rate of occupational injury cases that result in one or more days of employee absence. Lost-time injuries frequency rate = Lost-time injuries / Total working hours × 1 million. As for occupational injuries, there were no cases that required revisions in the labor safety and health system or improvement in the work environment. There were other cases of falling accidents in stairways or corridors, but none which required corporate measures.

*2. Figures for Marubeni Corporation. Occupational illness frequency rate = No. of occupational illnesses / Total working hours × 1 million

*3. Figures for Marubeni Corporation.

Usage of Internal Medical Clinics

Number of users in FYE 3/2018 (cumulative users)	For the year: Approx. 26,000 (Medical examination: 3,700; General treatment: 18,000; Specific health guidance: 700; Consultation and other: 3,600)
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Stress Checks

	FYE 3/2018	FYE 3/2017
Number of subjects	4,369	4,497
Number of respondents (response rate)	3,906 (89.4%)	4,027 (89.5%)

Regular Health Examinations

	FYE 3/2018	FYE 3/2017
Participation in health examinations in Japan (legally mandated)	97.6%	97.6%
Participation in health examinations overseas	95.3%	74.3%

Legally Defined Overtime and Use of Paid Vacation Time (Company-wide Average)

	FYE 3/2018
Number of hours legally defined overtime (monthly)	19.2 hours/month
Days of paid vacation time used (annual)	12.3 days

Training and Education

Program	Outline	Target	Number of participants (FYE 3/2018)	Number of participants (FYE 3/2017)
Package program for new graduates	Lecture by head of the medical clinic on "safety and health management"	New graduates	135	164
Mental health	Lecture by head of the medical clinic on "working hour management, health management, and mental health care" from the perspective of developing subordinates	Employees prior to becoming GM for Sec.	228	102
Training for new GM for Dept.	Lecture on "working hour management, health management, and mental health care"	New GM for Dept.	26	27
Promoted training for Administrative Class (upper tier)	Lecture on "working hour management, health management, and mental health care"	Employees promoted in Administrative Class (upper tier)	11	14
4th-year training for Junior Professional Grade	Lecture on "working hour management, health management, and mental health care"	Junior Professional Grade in their fourth year	104	117
4th-year training for Administrative Class	Lecture on "working hour management, health management, and mental health care"	Administrative Class in their fourth year	34	46
Career development	Lecture on "health management"	Employees aged 49-55	116	128

External Evaluation

Inclusion in Health & Productivity Stock Selection

In 2015, Marubeni was selected in the Health & Productivity Stock Selection Program by the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange (TSE). Launched in FYE 3/2015, this program recognizes TSE-listed companies that exhibit excellence in strategically practicing "health and productivity management," thereby making employee health a management issue. Marubeni has been developing more sophisticated healthcare management systems in order to help employees improve their health, while also supporting employees so that they can have more fulfilling social and private lives. Going forward, we will continue to invest in employee health to further boost our global competitiveness.



Marubeni Certified as a Health and Productivity Management Organization (White 500)

As an organization with an excellent track record of health and productivity management, Marubeni was certified as a Health and Productivity Management Organization (White 500) for 2019, by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi on February 21, 2019.

The Certified Health and Productivity Management Organization Recognition Program highlights outstanding enterprises

engaged in efforts to advance health and productivity management based on initiatives that align with regional health issues and health promotion endeavors supported by the Nippon Kenko Kaigi. Marubeni has been selected for a second consecutive year.

The Marubeni Group has formulated the Marubeni Group Health Declaration, and Marubeni has established the Marubeni Health Promotion Structure. Under the Marubeni Health Project, we are working to improve employees' health literacy, strengthen countermeasures against cancer and lifestyle diseases, strengthen mental health measures, and strengthen initiatives for maintaining and promoting women's health. The Marubeni Group supports employees' success by working to create an environment where each individual can autonomously and proactively take steps to maintain and promote his or her health. These efforts will lead to the growth of the Marubeni Group.



Ministry of Economy, Trade and Industry press release
https://www.meti.go.jp/english/press/2019/0221_002.html

For details about health and productivity management at Marubeni, please refer to Marubeni's website:
https://www.marubeni.com/en/sustainability/human_resources/health/

5. RESPONSIBILITY TO CUSTOMERS

Policy

Policy on Initiatives for Food Safety and Reliability

In the Food Business, the Marubeni Group supplies a wide range of products to meet the increasingly diverse needs of the times. In a number of our businesses, through our ownership of manufacturing and processing facilities, we have built an extensive value chain stretching from raw

material procurement to delivery of products and services to consumers. In this way, we are contributing to food safety and reliability, while addressing nutrition issues by providing food products with outstanding functionality.

As an example of our initiatives on food safety and reliability, at Group company Toyo Sugar Refining Co., Ltd. we produce and sell various types of sugar, as well as functional ingredients such as Rutin and Hesperidin that can be used in food products, beverages, supplements, and cosmetics.

We will proceed to develop new products, making full use of our proprietary enzyme processing technologies and

accumulated expertise, while addressing nutrition issues through the sale of these functional ingredients.

 Overview of Rutin
<http://www.toyosugar.co.jp/en/item/agrutin.html>

 Overview of Hesperidin
<http://www.toyosugar.co.jp/en/item/hesperidin.html>

Initiatives

Compliance System for Ensuring Safety and Reliability of Processed Food Products and Beverages

Marubeni strives to keep up with industry trends, including through membership of the Association for the Safety of Imported Food, Japan and the Japan Food Hygiene Association. At the same time, to improve our technology, we have been working in partnership with an external specialist organization since 2004, accumulating expertise on food safety and hygiene management. In particular, to ensure the safety of imported agricultural, livestock, and marine produce, as well as processed food products, we gather information and check safety ourselves. Furthermore, depending on product characteristics and risks, we may have external specialists perform plant inspections of local suppliers.

If a food safety-related incident does occur, we have systems in place to implement immediate response measures in communication with relevant government agencies and suppliers. These initiatives help to build awareness of food safety among overseas suppliers, leading to improvement of safety measures throughout our supply chain.

We ensure that employees receive appropriate training and that relevant information is shared. We hold internal Group training for all newly assigned employees twice annually, and quarterly Group compliance liaison meetings with Group companies.

Twice annually we hold seminars on selected topics and issues related to food safety, such as ensuring safety of food product imports. In FYE 3/2019, we invited an external expert to hold a seminar on the revised Food Sanitation Act in Japan. Group companies and suppliers were invited to participate in the seminar as part of our efforts to raise awareness of food safety.

Participation in Food Safety Initiatives and Associations, etc.

Marubeni aims to provide safe, reliable food products and ingredients, and to maintain and improve quality management functions. To achieve this, Marubeni Group companies participate in the activities of the following external organizations with the goals of gathering information and exchanging opinions.

Japan Food Additives Association

The Japan Food Additives Association (JAFA) is comprised of companies and organizations that are involved in the production, import, sale and use of food additives in Japan. The association is a successor to the Federation of Japan Food Additives Groups, established as a nationwide organization in October 1982 with the addition of new members.

JAFA works under the guidance of the Ministry of Health, Labour and Welfare and other related government agencies with the objectives of providing members with accurate knowledge pertaining to the production, sale, and use of food additives, and promoting consumer understanding of safety and utility. In addition, JAFA seeks to contribute to the sound development of food-related industries, and to better consumer dietary habits and public hygiene.

The Marubeni Group gathers information about the safety and functionality of food additives from JAFA, and conducts its businesses appropriately, receiving advice on matters such as labeling for food additives and interpretations of the relevant laws.

 Japan Food Additives Association
<https://www.jafaa.or.jp/13English>

All Japan Coffee Fair Trade Conference

The All Japan Coffee Fair Trade Conference formulated the Fair Competition Code for Labeling of Regular Coffee and Instant Coffee Products, designed to aid consumers in the purchase of regular coffee and instant coffee products. The code was recognized by the Japan Fair Trade Commission on November 13, 1991, and a notification was published in the *Kanpo* (the official gazette of the Japanese Government) on November 27, with full enforcement starting from May 28, 1993.

On November 29, 1991, the conference was inaugurated as a discretionary body with membership consisting of coffee-related business operators who agree with the objectives of the conference. It is dedicated to ensuring the fair labeling of coffee products.

The Marubeni Group receives advice regarding coffee labeling and related matters from the All Japan Coffee Fair Trade Conference.

 All Japan Coffee Fair Trade Conference
<http://www.ajcft.org/> (Japanese only)

Japan Soft Drink Association

The Japan Soft Drink Association is an industry organization that prioritizes shared benefit and public good. The association aims to ensure rigorous compliance with laws and regulations among soft drink manufacturers, sellers, and related businesses, and facilitates smooth coordination of activities between association members and the government. It also promotes, supports, and provides guidance on corporate social responsibility, encourages healthy consumption of soft drinks, and spreads awareness and knowledge relating to soft drinks.

Through the Japan Soft Drink Association, the Marubeni Group receives advice on matters such as beverage labeling and quality management.

 Japan Soft Drink Association
<http://j-sda.or.jp/about-jsda/english.php>

Society of Soft Drink Technologists, Japan

The Society of Soft Drink Technologists, Japan was launched in 1992 with the objective of providing a forum for soft drink technologists and researchers to meet and exchange information, while furthering technological innovation and skill development. The society works to provide technical support so that the soft drink industry can continue to develop in harmony with the public interest.

Through the Society of Soft Drink Technologists, the Marubeni Group receives advice on matters such as beverage labeling and quality management.