



# Governance

## Appendix Corporate Governance Report

- I Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information
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The following is the Corporate Governance Report updated on April 4, 2022, which was submitted to the Tokyo Stock Exchange. The latest reports regarding corporate governance of the Company, Corporate Governance Report and Marubeni's Corporate Governance Code Initiatives, are available on our website.

[https://www.marubeni.com/en/company/governance/index.html?id=anc\\_01&](https://www.marubeni.com/en/company/governance/index.html?id=anc_01&)

[Translation]

\*This document is an English translation of materials originally prepared in Japanese.  
The Japanese original shall be considered the primary version.

## Corporate Governance Report

Last Update: April 4, 2022

Marubeni Corporation

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

The corporate governance of Marubeni Corporation (the “Corporation”) is described below.

### **I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information**

#### **1. Basic Views**

The officers and employees of the Marubeni Group shall comply with laws, regulations and internal rules in accordance with the spirit grounded in the Corporation’s Company Creed “Fairness, Innovation, and Harmony” as well as the Marubeni Corporate Principles and engage in corporate activities conforming to business ethics and the Marubeni Management Philosophy and endeavor to enhance corporate governance. Further, the Corporation’s Board of Directors resolved on the Basic Internal Control Policy regarding the system, etc. for ensuring that the execution of duty by the Directors to comply with laws, regulations and the articles of incorporation. Its overview is described in IV.1 Basic Views on Internal Control System and the Progress of System Development in this report.

##### 1- Company Creed and Marubeni Management Philosophy

Company Creed: Fairness (To be fair and bright)

Innovation (To be active and innovative)

Harmony (To respect each other and cooperate)

Marubeni Management Philosophy:

“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.”

##### 2- Marubeni Corporate Principles

The Corporation, as a business enterprise, will actively pursue its business interests through the exercise of fair and lawful competition. As a company, the Corporation will also continue to play its part in the growth of the global

economy, while always striving to enrich the society within which it operates. In order to achieve these goals, the Corporation is committed to the following six basic principles of business:

(a) Conduct Fair and Open Business Activities

Comply with laws and promote fair transactions.

Maintain sound relationship with the politics and administration in Japan and abroad and ensure sales activities in free competition.

Take a firm stand against antisocial activities and forces.

(b) Develop a Globally Connected Company

Respect the culture of all countries and regions and contribute to the prosperity of local economies through business activities.

Aim for development that is in harmony with the local communities through a management system that is accepted globally.

(c) Create New Value Through Business Vision

In addition to responding to changes in markets and industries, create changes ourselves and offer new products and services to markets and customers.

Always take on new challenges without being constrained by existing practices or frameworks.

(d) Respect and Encourage Individuality and Originality

Foster a free and vibrant corporate culture that respects the individuality of each person and allows them to fully demonstrate their originality.

Act proactively, under self-management, to achieve goals.

(e) Promote Good Corporate Governance

Proactively disclose information to the shareholders and society and improve the transparency of management.

Respect proposals related to improvement, etc. of management and aim for a management that is open to the shareholders and society.

(f) Safeguard Ecological and Cultural Diversity

Recognize the responsibility as a corporate citizen in international society and engage positively in social contribution activities.

Pay attention to environmental problems to pass on a sound global environment to the future generations.

### 3- Stakeholders

The Marubeni Group conducts business with the support of various stakeholders throughout the world. The Marubeni Group recognizes the importance of diligently listening to the opinions of stakeholders, and working together to move forward, based on an understanding of stakeholder interests and concerns, as well as the impact of the Marubeni Group's activities on society and the environment. The Marubeni Group's concept of each stakeholder is as follows:

(a) Customers and business partners

The Marubeni Group aims to become a company that can be trusted and relied upon by its customers and business

partners. The Marubeni Group will develop and offer socially useful products and services, by giving full consideration to safety and striving at all times to improve the satisfaction and earn the trust of its customers and business partners through conducting sincere and honorable business practices.

(b) Shareholders and Investors

The Marubeni Group is dedicated to meeting shareholders' expectations. The Marubeni Group strives thus to enhance its corporate value by responding to changes in the business environment and maintaining stable profitability. In addition, the Marubeni Group works to boost corporate value from social and environmental perspectives, and also disclose pertinent information in a fair and timely manner.

(c) Local Community

The Marubeni Group aims to become a valued member of the local communities where it do business, and to contribute to the creation of robust local districts through improvement of living standards, creation of job opportunities for the local community, including youths, and offering employment with diversity and inclusion, being aware of gender and disabilities.

Overseas, the Marubeni Group respects local laws, cultures and customs, and strives to operate its businesses in a way that contributes to local development. Furthermore, the Marubeni Group is firmly opposed to antisocial forces and groups that threaten the order and safety of society.

(d) Employees

The Marubeni Group shall respect the individual values and life goals of each and every employee. The Marubeni Group also works to eliminate all forms of discrimination and foster an atmosphere that is pleasant for all.

**[Reasons for Non-compliance with the Principles of the Corporate Governance Code]**

The Corporation is implementing all the principles of the Corporate Governance Code dated June 11, 2021, including principles for the Prime Market, based on the above-mentioned basic concepts.

**[Disclosure Based on the Principles of the Corporate Governance Code]**

Please refer to the Corporation's status of initiatives and policies related to all the 83 principles that are consist of Basic Principles, Principles, and Supplementary Principles and include disclosure items based on the principles of the Corporate Governance Code dated June 11, 2021, including principles for the Prime Market. This information is attached to this report and is posted on the Corporation's webpage.

(<https://www.marubeni.com/en/company/governance/>)

## 2. Capital Structure

Foreign Shareholding Ratio	More than 30%
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### [Status of Major Shareholders]

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	165,540,400	9.53
Custody Bank of Japan, Ltd. (Trust account)	123,732,900	7.12
BNYM AS AGT/CLTS NON TREATY JASDEC	98,570,158	5.68
Meiji Yasuda Life Insurance Company	41,818,718	2.41
Mizuho Bank, Ltd.	30,000,000	1.73
Sompo Japan Insurance Inc.	30,000,000	1.73
Custody Bank of Japan, Ltd. (Trust account 5)	29,781,700	1.71
Custody Bank of Japan, Ltd. (Trust account 6)	26,399,100	1.52
STATE STREET BANK WEST CLIENT - TREATY 505234	25,448,103	1.47
The Dai-ichi Life Insurance Company, Limited	24,859,500	1.43

Controlling Shareholder (except for Parent Company)	—
Parent Company	None

### Supplementary Explanation

Nothing particular to be mentioned.

## 3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange Prime Market
Fiscal Year-End	March
Type of Business	Wholesale Trade
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	More than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	More than 300

## 4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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## **5. Other Special Circumstances which may have Material Impact on Corporate Governance**

The Corporation has many group companies that span a wide variety of businesses all across the globe. As such, the Corporation respects the autonomy of these group companies, while also remaining responsible for the business management and monitoring of them as shareholder and business owner, and striving for the improvement and optimization of corporate value for the entire Marubeni Group. Furthermore, the group companies are also responsible for executing management, based on the policies, strategies and goals of the Marubeni Group, that will contribute to improving and optimizing corporate value. The Corporation (i) shares and disseminates Marubeni Group management policy, (ii) builds and strengthens group governance through the clarification of the abovementioned responsibilities, and (iii) maintains and plans the codification of necessary systems, policies and rules. As such, the Corporation established and adopted the “Marubeni Group Governance Policy” in April, 2017 for group companies, and is advancing the dissemination and credentials of group governance.

Arteria Networks Corporation, a listed subsidiary of the Corporation, uses its own high-capacity optical fiber networks to provide cutting edge services to domestic corporations and condominiums in Japan. Arteria Networks Corporation, as a listed company, maintains a strong and transparent governance system. Meanwhile, the Corporation guarantees Arteria Networks Corporation’s ability to execute flexible decision making, and also believes that synergy creation between access to the Corporation’s customers and partners and the Arteria Networks Corporation’s network assets and cutting-edge services, and collaboration across a diversity of industries, including those in which the Corporation’s subsidiaries operate, are all connected to raising and optimizing corporate value for the entire Marubeni Group.

As consideration is given to Arteria Networks Corporation’s independence as a listed subsidiary, the “Marubeni Group Governance Policy” does not apply to them. However, avoiding a conflict of interest with Arteria Networks Corporation’s general stockholders, the Corporation gives appropriate guidance and advice as the parent company, propagates the appropriate level of governance as the Marubeni Group, and plans for the improvement and optimization of corporate value for the entire Marubeni Group.

Furthermore, in order to ensure effective governance policy building and execution, a written agreement was concluded between the Corporation and Arteria Networks Corporation. By virtue of this agreement, important information for internal controls is reported by Arteria Networks Corporation to the Corporation, and Arteria Networks Corporation receives opinions on these items from the Corporation in advance of decision making. Additionally, the Corporation provides Arteria Networks Corporation with support and guidance necessary for Arteria Networks Corporation’s internal controls system maintenance. It should be noted that advice and opinions by the Corporation to Arteria Networks Corporation as per the aforementioned agreement is not meant to be restrictive, but to be used as reference in Arteria Networks Corporation’s own final decision-making process, thereby guaranteeing autonomy. Arteria Networks Corporation maintains a governance policy that protects the interests of minority shareholders from unfair treatment through such measures as appointing independent outside directors and voluntarily establishing a Nomination and Remuneration Committee of which the majority of members are independent outside directors.

## II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

### 1. Organizational Composition and Operation

Organization Form	Company with auditors
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#### [Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	No upper limit has been set forth.
Term of Office Stipulated in Articles of Incorporation	One year
Chairperson of the Board	Chairperson (except when also serving as President)
Number of Directors	13
Appointment of Outside Directors	Appointed
Number of Outside Directors	6
Number of Independent Directors	6

#### Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*											
		a	b	c	d	e	f	g	h	i	j	k	
Takao Kitabata	Other												
Kyohei Takahashi	From another company									△			
Yuri Okina	From another company												
Takashi Hatchoji	From another company									△			
Masato Kitera	Other												
Shigeki Ishizuka	From another company									○			

\* Categories for "Relationship with the company"

- \* "○" when the director presently falls or has recently fallen under the category;
- "△" when the director fell under the category in the past
- \* "●" when a close relative of the director presently falls or has recently fallen under the category;
- "▲" when a close relative of the director fell under the category in the past

- a. Executive of the company or its subsidiaries
- b. Non-executive director or executive of a parent company of the company
- c. Executive of a fellow subsidiary company of the company
- d. A party whose major client or supplier is the company or an executive thereof
- e. Major client or supplier of the listed company or an executive thereof
- f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the company besides compensation as a director/Audit & Supervisory Board Members
- g. Major shareholder of the company (or an executive of the said major shareholder if the shareholder is a legal entity)
- h. Executive of a client or supplier company of the company (which does not correspond to any of d, e, or f) (the director himself/herself only)
- i. Executive of a company, between which and the company outside directors/ Audit & Supervisory Board Members are mutually appointed (the director himself/herself only)

- j. Executive of a company or organization that receives a donation from the company (the director himself/herself only)  
k. Others

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Takao Kitabata	Yes	Mr. Kitabata concurrently serves as President, KAISHI PROFESSIONAL UNIVERSITY, Niigata Sogo Gakuin Academic Corporation, with which the Corporation has no transactions.	<p>Mr. Kitabata served in key positions in the government and has profound insight about economic trends in Japan and overseas. He vigorously stated opinions at meetings of the Board of Directors from an objective, specialist viewpoint. As the Chief Outside Director of the Corporation, he has been providing advice to management and appropriately supervising business execution. He is also well-versed in corporate governance. As the chairperson of the Nomination Committee, he vigorously stated opinions in order to enhance soundness, transparency, and efficiency of the Corporation's management.</p> <p>Because he is expected to continue to fulfill the role stated above and in view of the report by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Outside Director, and then he was appointed as an Outside Director by resolution of the General Meeting of Shareholders.</p> <p>No personal, capital or transaction relationships between Mr. Kitabata and the Corporation existed in the past or exist currently, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation" (as set forth on II.3). Hence, the Corporation has appointed him as an Independent Director stipulated by the financial instruments exchanges and notified the financial instruments exchanges of such appointment.</p>



Kyohei Takahashi	Yes	<p>Mr. Takahashi was an executive of Showa Denko K.K. There is a continuous transaction relationship between Showa Denko and the Corporation, in which the Corporation sells raw materials to Showa Denko and the Corporation purchases Showa Denko's products and so on. Net sales of the Corporation to Showa Denko for the three business years from FY 2017 to FY 2019 account for 0.01% of the consolidated revenue of the Corporation during said three-year period, whereas net sales of Showa Denko to the Corporation account for 0.08% of the consolidated revenue of the Corporation during said three-year period; both of these percentages are insignificant.</p>	<p>Mr. Takahashi has profound insight cultivated through involvement in corporate management at an international company. He vigorously stated opinions at meetings of the Board of Directors from a practical viewpoint. As an Outside Director of the Corporation, he has been providing advice to management and appropriately supervising business execution. He is also well-versed in corporate governance. As the chairperson of the Governance and Remuneration Committee, he vigorously stated opinions in order to enhance soundness, transparency, and efficiency of the Corporation's management.</p> <p>Because he is expected to continue to fulfill the role stated above and in view of the report by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Outside Director, and then he was appointed as an Outside Director by resolution of the General Meeting of Shareholders.</p> <p>No personal, capital or transaction relationships between Mr. Takahashi and the Corporation result in conflicts of interest that could harm the interests of the general shareholders, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation" (as set forth on II.3). Hence, the Corporation has appointed him as an Independent Director stipulated by the financial instruments exchanges and notified the financial instruments exchanges of such appointment.</p>
Yuri Okina	Yes	Not applicable	<p>Ms. Okina has profound insight about economic and financial matters cultivated through her many years of research at a research institute. She also has experience as an outside officer at various companies, and experience based on extensive activities as a member of government committees,</p>

			<p>such as the Industrial Structure Council, the Financial System Council and the Tax Commission. She vigorously stated opinions at meetings of the Board of Directors from a specialist and multifaceted viewpoint. As an Outside Director of the Corporation, she has been providing advice to management and appropriately supervising business execution. Additionally, she has been proactively expressing her opinions as a Nomination Committee member in order to enhance soundness, transparency, and efficiency of the Corporation’s management and as an advisor to the Sustainability Management Committee to reinforce the sustainability promotion structure.</p> <p>Because she is expected to continue to fulfill the role stated above and in view of the report by the Nomination Committee, the Board of Directors decided to reappoint her as a candidate for Outside Director, and then she was appointed as an Outside Director by resolution of the General Meeting of Shareholders.</p> <p>No personal, capital or transaction relationships between Ms. Okina and the Corporation existed in the past or exist currently, and she satisfies the requirements in the “Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation” (as set forth on II.3). Hence, the Corporation has appointed her as an Independent Director stipulated by the financial instruments exchanges and notified the financial instruments exchanges of such appointment.</p>
Takashi Hatchoji	Yes	Mr. Hatchoji was an executive of Hitachi, Ltd. There is a continuous transaction relationship between Hitachi Ltd. and the Corporation in diverse areas, such as sales and purchases of products	Mr. Hatchoji has profound insight cultivated through his involvement in corporate management at an international company and has a wealth of experience in providing advice for and supervising business execution, serving as an outside officer of other companies. He was an Outside Audit &

		<p>and construction contracts. Net sales of the Corporation to Hitachi, Ltd. for the three business years from FY 2017 to FY 2019 account for 0.02% of the consolidated revenue of the Corporation during said three-year period, whereas net sales of Hitachi, Ltd. to the Corporation account for 0.01% of the consolidated revenue of the Corporation during said three-year period; both of these percentages are insignificant.</p>	<p>Supervisory Board Member of the Corporation from June 2017 to June 2020 and has a good knowledge of the Corporation's business. He vigorously stated opinions at meetings of the Board of Directors from objective and specialist perspectives with an emphasis on practicality. As an Outside Director of the Corporation, he has been providing advice to management and appropriately supervising business execution. Additionally, he has been proactively expressing his opinions as a Nomination Committee member in order to enhance soundness, transparency, and efficiency of the Corporation's management and as an advisor to the Sustainability Management Committee to reinforce the sustainability promotion structure.</p> <p>Because he is expected to continue to fulfill the role stated above and in view of the report by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Outside Director, and then he was appointed as an Outside Director by resolution of the General Meeting of Shareholders.</p> <p>No personal, capital or transaction relationships between Mr. Hatchoji and the Corporation result in conflicts of interest that could harm the interests of the general shareholders, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation" (as set forth on II.3). Hence, the Corporation has appointed him as an Independent Director stipulated by the financial instruments exchanges and notified the financial instruments exchanges of such appointment.</p>
Masato Kitera	Yes	Not applicable	<p>Mr. Kitera served in key positions in the government, mainly in the Ministry of Foreign Affairs. He has a wealth of international experience and profound insight concerning international affairs</p>

			<p>cultivated through his involvement in diplomacy. He also has in-depth understanding and experience related to diversity, which is indispensable in management of the Corporation. He vigorously stated opinions at meetings of the Board of Directors from objective and specialist perspectives in light of the rapidly changing world situation. As an Outside Director of the Corporation, he has been providing advice to management and appropriately supervising business execution. Additionally, he has been proactively expressing his opinions as a Governance and Remuneration Committee member in order to enhance soundness, transparency, and efficiency of the Corporation's management. Because he is expected to continue to fulfill the role stated above and in view of the report by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Outside Director, and then he was appointed as an Outside Director by resolution of the General Meeting of Shareholders. No personal, capital or transaction relationships between Mr. Kitera and the Corporation existed in the past or exist currently, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation" (as set forth on II.3). Hence, the Corporation has appointed him as an Independent Director stipulated by the financial instruments exchanges and notified the financial instruments exchanges of such appointment.</p>
Shigeki Ishizuka	Yes	Mr. Ishizuka is an executive of Sony Group Corporation (former Sony Corporation). There were no transactions between former Sony Corporation and the Corporation during the three business years from FY 2017 to FY	Mr. Ishizuka has profound insight cultivated through his involvement in corporate management at an international company. As he has a background as a technology and development engineer, he has in-depth understanding and experience in the digital and IT fields, which are indispensable in management of the Corporation. The Corporation

		<p>2019. He was also an executive of former Sony Imaging Products &amp; Solutions Inc. and former Sony Electronics Corporation (both companies were integrated with current Sony Corporation). There were no transactions between these two companies and the Corporation during the three business years from FY 2017 to FY 2019.</p>	<p>expects him to provide advice to management and appropriately supervise business execution from objective and specialist perspectives in light of the rapidly changing world situation in order to enhance soundness, transparency, and efficiency of the Corporation's management.</p> <p>In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint him as a new candidate for Outside Director, and then he was appointed as an Outside Director by resolution of the General Meeting of Shareholders.</p> <p>No personal, capital or transaction relationships between Mr. Ishizuka and the Corporation result in conflicts of interest that could harm the interests of the general shareholders, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation" (as set forth on II.3). Hence, the Corporation has appointed him as an Independent Director stipulated by the financial instruments exchanges and notified the financial instruments exchanges of such appointment.</p>
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Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established
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Committee's Name, Composition, and Attributes of Chairperson

	Committee Corresponding to Nomination Committee	Committee Corresponding to Remuneration Committee
Committee's Name	Nomination Committee	Governance and Remuneration Committee
All Committee Members	4	6
Full-time Members	1	2
Internal Directors	1	2
Outside Directors	3	2
Outside Experts	0	0

Other	0	2
Chairperson	Outside Director	Outside Director

Supplementary Explanation
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- A voluntary committee equivalent to the Nomination Committee
  - Nomination Committee (to be convened as necessary): The memberships of the committee are composed so as to ensure independence, as Independent Outside Directors/Audit & Supervisory Board Members constitutes the majority of the members and the committee is chaired by an Independent Outside Director as well. The Nomination Committee mainly deliberates on proposals regarding the selection of candidates of Director and Audit & Supervisory Board Member, proposals regarding the selection of the President for the next term, and successor plans formulated and operated by the President (including plans related to necessary qualities and requirements, successor candidate groups, and training), and reports to the Board of Directors. In FY 2021, two Committee meetings were held for deliberations regarding candidates of Director and Audit & Supervisory Board Member and successor plans, and all the Committee members attended all the meetings.

- Composition of Committee

Chairperson	Yuri Okina	Outside Director
Members	Masumi Kakinoki	President and CEO, Member of the Board
	Takashi Hatchoji	Outside Director
	Shigeki Ishizuka	Outside Director

- A voluntary committee equivalent to the Remuneration Committee
  - Governance and Remuneration Committee (to be held as necessary): The memberships of the committee are composed so as to ensure independence, as Independent Outside Directors/Audit & Supervisory Board Members constitutes the majority of the members and the committee is chaired by an Independent Outside Director as well. The Governance and Remuneration Committee deliberates on the policy for determining remuneration for Directors and Executive Officers as well as appropriateness of the level of remuneration, and reports to the Board of Directors. In FY2021, five Committee meetings were held for deliberations regarding remuneration for Directors and Executive Officers, review of stock-based compensation plans, evaluation of the effectiveness of the Board of Directors, and disclosure of information on Directors/Audit & Supervisory Board Members. All Committee members attended all of the meetings.

- Composition of Committee

Chairperson	Kyohei Takahashi	Outside Director
Members	Masumi Kakinoki	President and CEO, Member of the Board
	Mutsumi Ishizuki	Senior Managing Executive Officer, Member of the Board
	Masato Kitera	Outside Director
	Tsuyoshi Yoneda	Outside Audit & Supervisory Board Member
	Yoichi Kikuchi	Outside Audit & Supervisory Board Member

- Committee members falling under “Other” in the committee composition are Outside Audit & Supervisory Board Members.

### [Audit & Supervisory Board Members]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	No upper limit has been set forth.
Number of Audit & Supervisory Board Members	5

### Cooperation among Audit & Supervisory Board Members, Accounting Auditors and Internal Audit Departments

The Audit & Supervisory Board Members and the Accounting Auditor are striving to grasp the audit status of each other through measures such as exchanging information at monthly meetings. The Corporation’s Accounting Auditor for the FY through March 31, 2022 is Ernst & Young ShinNihon LLC. The Audit & Supervisory Board and the Audit Department, a department which performs internal audits, exchange opinions at monthly meetings and implement audit operations through close cooperation. In the FY ended March 31, 2022, the Audit & Supervisory Board met 16 times, and all Audit & Supervisory Board Members were present at all meetings of the Audit & Supervisory Board during their terms of office, excluding Mr. Kida, who was absent for 1 meeting.

Appointment of Outside Members of Audit & Supervisory Board	Appointed
Number of Outside Members of Audit & Supervisory Board	3
Number of Outside Members of Audit & Supervisory Board who are designated as an Independent Audit & Supervisory Board Members	3

### Audit & Supervisory Board Members’ Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Tsuyoshi Yoneda	Other													
Yoichi Kikuchi	Lawyer													
Shigeru Nishiyama	Professor													

\* Categories for “Relationship with the company”

\* “○” when the director presently falls or has recently fallen under the category;

“△” when the director fell under the category in the past

\* “●” when a close relative of the director presently falls or has recently fallen under the category;

“▲” when a close relative of the director fell under the category in the past

a. Executive of the company or its subsidiaries

- b. Non-executive director or accounting advisor of the company or its subsidiaries
- c. Non-executive director or executive of a parent company of the company
- d. Audit & Supervisory Board Members of a parent company of the company
- e. Executive of a fellow subsidiary company of the company
- f. A party whose major client or supplier is the company or an executive thereof
- g. Major client or supplier of the listed company or an executive thereof
- h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the company besides compensation as a director/Audit & Supervisory Board Members
- i. Major shareholder of the company (or an executive of the said major shareholder if the shareholder is a legal entity)
- j. Executive of a client or supplier company of the company (which does not correspond to any of f, g or h) (the director himself/herself only)
- k. Executive of a company, between which and the company outside directors/Audit & Supervisory Board Members are mutually appointed (the director himself/herself only)
- l. Executive of a company or organization that receives a donation from the company (the director himself/herself only)
- m. Others

Audit & Supervisory Board Members' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Tsuyoshi Yoneda	Yes	Not applicable	<p>Mr. Yoneda has a wealth of experience serving in key positions in the government from which he gained profound insight. He also has experience of serving as an outside officer of another company. As an Outside Audit &amp; Supervisory Board Member of the Corporation, he has been appropriately supervising management from objective and specialist perspectives in light of the rapidly changing world situation in order to enhance soundness, transparency, and efficiency of the Corporation's management. Additionally, he vigorously stated opinions as a Governance and Remuneration Committee member.</p> <p>In view of the above and the report by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Outside Audit &amp; Supervisory Board Member, and then he was appointed as an Outside Director by resolution of the General Meeting of Shareholders.</p>



			<p>Further, no personal, capital or transaction-related relationships existed between Mr. Yoneda and the Corporation in the past or exist currently, he satisfies the requirements in the “Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation” (as set forth on II.3). Hence, the Corporation appointed him as an Independent Auditor stipulated by the financial instruments exchanges and notified the financial instruments exchanges of such appointment.</p>
Yoichi Kikuchi	Yes	Not applicable	<p>Mr. Kikuchi has a wealth of experience in legal circles and excellent expertise and profound insight cultivated through his experience. The Corporation believes that he will appropriately fulfill duties as an Outside Audit &amp; Supervisory Board Member from a specialist, objective and neutral viewpoint in order to enhance soundness, transparency and efficiency in the Corporation’s management, by monitoring and supervising management, contributing to improvement of corporate governance and the enrichment of audits by the Audit &amp; Supervisory Board.</p> <p>In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint Mr. Kikuchi as a candidate for Outside Audit &amp; Supervisory Board Member, and then he was appointed as an Outside Audit &amp; Supervisory Board Member by resolution of the General Meeting of Shareholders. No personal, capital or transaction relationships between Mr. Kikuchi and the Corporation existed in the past or exist currently, and he satisfies the requirements in the “Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation” (as set forth on II.3). Hence, the Corporation appointed him as an Independent Auditor</p>

			stipulated by the financial instruments exchanges and notified the financial instruments exchanges of such appointment.
Shigeru Nishiyama	Yes	Not applicable	<p>Mr. Nishiyama has a high degree of expertise and a wealth of experience in accounting and finance and profound insight cultivated through such experience, as well as abundant experience as outside director/auditor of various companies. The Corporation believes that he will appropriately fulfill duties as an Outside Audit &amp; Supervisory Board Member from a specialist, objective and neutral viewpoint in order to enhance soundness, transparency and efficiency in the Corporation's management in monitoring and supervision of management and contribute to improvement of corporate governance of the Corporation and enrichment of audits by the Audit &amp; Supervisory Board.</p> <p>In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint Mr. Nishiyama as a candidate for Outside Audit &amp; Supervisory Board Member, and then he was appointed as an Outside Audit &amp; Supervisory Board Member by resolution of the General Meeting of Shareholders. Further, no personal, capital or transaction-related relationships existed between Mr. Nishiyama and the Corporation in the past or exist currently, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation" (as set forth onII.3). Hence, the Corporation has appointed him as an Independent Director stipulated by the financial instruments exchanges and notified the financial instruments exchanges of such appointment.</p>

## [Independent Directors/Audit & Supervisory Board Members]

Number of Independent Directors/Audit & Supervisory Board Members	9
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### Matters relating to Independent Directors/Audit & Supervisory Board Members

The Corporation appoints all Outside Directors/Audit & Supervisory Board Members who satisfy the requirements for Independent Directors/Audit & Supervisory Board Members as Independent Directors/Audit & Supervisory Board Members.

## [Incentives]

Incentive Policies for Directors	Performance-linked Remuneration / Other
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### Supplementary Explanation

As described in “Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods” the remuneration of Directors other than Outside Directors (“Eligible Directors”) consists of basic remuneration, which is a fixed amount that is in accordance with the roles of the Eligible Directors, performance-linked remuneration, which is linked to consolidated business results in the previous fiscal year, additional pay and personal evaluation pay, and shares with restriction on transfer subject to market-capitalization-based exercisability conditions (“Performance Share Units”). Form of payment consists of cash, shares with restriction on transfer (“Restricted Stock”) and Performance Share Units.

Performance based compensation:

If the “sum of 50% of consolidated net income (profit attributable to the owners of the parent) and 50% of core operating cash flow in the previous business year” is below 100 billion yen, performance-linked remuneration is made 0, and if it is 100 billion yen or more, it is made an amount calculated by multiplying the amount of base annual compensation by a multiplication factor that proportionally increases (an increase of approximately 2% per increase of 5 billion yen). In order to achieve a balanced format for compensation that is linked with the Corporation’s performance, up to FY2018, only consolidated net income (profit attributable to owners of the parent) for the previous business year was used as an indicator. From FY2019 the “sum of 50% of consolidated net income (profit attributable to owners of the parent) and 50% of core operating cash flow in the previous business year” is used an indicator, and the aim of this is to further strengthen alignment between the compensation system and the management targets of the previous Medium-Term Management Strategy “GC2021.” As for consolidated net income (profit attributable to owners of the parent) and core operating cash flow in FY2020, which were used for the calculation of performance-linked remuneration in FY2021, the target value of each at the beginning of the year (announced on May 6, 2020) was 100 billion yen and 240 billion yen. The actual value was  $\Delta$ 225.3 billion yen and 369.6 billion yen.

Stock-Based Compensation:

Beginning in FY2021, the Corporation has introduced Restricted Stock and Performance Share Units (the “Plan”) to Eligible Directors. The purpose of the Plan is to give the Eligible Directors an incentive to work to sustainably enhance the corporate value of the Corporation in the medium to long term, thereby enhancing future market value, and promoting greater value sharing with shareholders.

## 1. Restricted Stock

20% of the base annual remuneration and performance-based compensation is granted as Restricted Stock to the Eligible Directors with a certain no transfer period. An Eligible Director may not transfer, create security interest over, or otherwise dispose of the Corporation's common shares which were allotted to them under the Allotment Agreement during the period from the day the shares were allotted to them under the Allotment Agreement until immediately after the time the Eligible Director resigns or retires from their position as Director, Executive Officer, or other officer or employee of the Corporation or the Corporation's subsidiary that the Corporation's Board of Directors designates. The purpose of the no transfer period is to promote greater value sharing with shareholders in the medium to long term.

## 2. Performance Share Units

Up to 1.5 times an amount equivalent to 10% of base annual compensation is allotted as Performance Share Units on top of the base compensation. Performance Share Units refers to the Corporation's common shares that the Corporation will issue to Eligible Directors (or dispose of) in accordance with the achievement of targets linked to market value growth rate and other performance indicators predetermined by the Corporation's Board of Directors.

Subject to introduction of the Plan, the Corporation abolishes the authorization resolved by the above shareholders meeting regarding the amount of remuneration for allotting subscription rights to shares as stock options to Directors (excluding Outside Directors), and will not issue subscription rights to shares as stock options in the future based on the said authorization, except for those that have already been granted.

Recipients of Stock Options	Other
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### Supplementary Explanation

By resolution of the 97th Ordinary General Meeting of Shareholders held on June 24, 2021, the Corporation abolishes the authorization resolved by the above shareholders meeting regarding the amount of remuneration for allotting subscription rights to shares as stock options to Directors (excluding Outside Directors), and will not issue subscription rights to shares as stock options in the future based on the said authorization, except for those that have already been granted.

As an exception, the Corporation will issue subscription rights to shares as stock options to Executive Officers who are working overseas and non-residents of Japan, to the extent such subscription rights were reserved.

### [Director Remuneration]

Disclosure of Individual Directors' Remuneration	Selected Directors
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## Supplementary Explanation

(a) The total of remuneration and other payments for Directors and Audit & Supervisory Board Members in the FY ended March 31, 2021 are as follows:

Category	Number of recipients	Amount of payment (Millions of yen)	Breakdown (Millions of yen)				
			Basic compensation*	Performance-based compensation*	Stock-compensation-type stock options	Stock-compensation-type stock options subject to market-capitalization-based exercisability conditions	
Directors	Internal Directors	7	374	292	0	70	12
	Outside Directors	6	86	86	—	—	—
	Total	13	460	378	0	70	12
Audit & Supervisory Board Members	Internal Audit & Supervisory Board Members	2	80	80	—	—	—
	Outside Audit & Supervisory Board Members	5	51	51	—	—	—
	Total	7	131	131	0	0	0

Note 1. The amounts less than 1 million yen are rounded off.

Note 2. By resolution of the General Meeting of Shareholders, the maximum annual amount of remuneration for Directors has been set at “1,100 million yen (including 120 million yen for Outside Directors)” (by resolution of the 96th Ordinary General Meeting of Shareholders held on June 19, 2020, with 11 Directors related to the decision [including five Outside Directors]), the maximum monthly remuneration for Audit & Supervisory Board Members has been set at “12 million yen” (by resolution of the 88th Ordinary General Meeting of Shareholders held on June 22, 2012, with 5 Directors related to the decision), and the maximum annual amount of compensation concerning stock compensation-type stock options for Directors (excluding Outside Directors) has been set at 220 million yen (by resolution of the 92nd Ordinary General Meeting of Shareholders held on June 24, 2016, with 6 Directors related to the decision).

Note 3. The Corporation introduced the Restricted Stock and Performance Share Unites in FY2021. The total amount of remuneration and other payments used for Restricted Stock and Performance Share Units will be within the above amount specified for remuneration and other payments for Directors, with the amount for Restricted Stock capped at a maximum of 180 million yen per year, and Performance Share Units capped at a maximum of 120 million yen per year.

Note 4. The Corporation abolished the retirement remuneration plan at the close of the 83rd Ordinary General Meeting of Shareholders held on June 22, 2007, and resolved on making a final payment of retirement remuneration accompanying the abolishment of the retirement remuneration plan. In accordance with the resolution, the Corporation decided to pay retirement remuneration to each Director who is eligible to receive the final payment either at the time of retirement as Director or at the time of retirement as Executive Officer, whichever is later, and to each Audit & Supervisory Board Member who is eligible to receive the final payment at the time of retirement as Audit & Supervisory Board Member. In the FY ended March 31, 2020, retirement

remuneration which paid to Directors/Audit & Supervisory Board Members who are eligible to receive a final payment in relation to the abolition of the Retirement Remuneration plan was 0.

(b) No individuals to whom the total amount of compensation paid exceeded 100 million yen in the FY ended March 31, 2021:

Policy on Determining Remuneration Amounts and Calculation Methods	Established
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**Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods**

The maximum total remuneration shall be determined for all Directors by resolution at a General Meeting of Shareholders. The Governance and Remuneration Committee chaired by an Outside Director/Audit & Supervisory Board Member, with the majority of its members consisting of Outside Directors/Audit & Supervisory Board Members, deliberates on the policies for compensation decisions and the appropriateness of the compensation levels, and provides reports to the Board of Directors. The remuneration amount is determined by resolution of the Board of Directors. The remuneration of Directors other than Outside Directors consists of basic remuneration, which is a fixed amount that is in accordance with the roles of the Directors, performance-linked remuneration, which is linked to consolidated business results in the previous fiscal year, additional pay, and personal evaluation pay, Performance Share Units. Additional Pay consists of director bonuses and representative director bonuses, and personal evaluation pay consists of an organization performance evaluation and a qualitative evaluation. For the organization performance evaluation, the evaluation item is whether the consolidated net income target is achieved or not. The amount in which the organization performance evaluation is reflected is calculated by multiplying base annual compensation by the ratio determined by the Board of Directors corresponding to the achievement/non achievement of the target. Qualitative evaluation takes into consideration business results in the fiscal year, medium- to long-term contributions (such as efforts and initiatives for new value creation toward the future) and other such measures. The amount in which qualitative evaluation is reflected is calculated by multiplying base annual compensation by a ratio which has been determined by the Board of Directors to reflect the qualitative evaluation. Concerning the individuals' evaluation-based compensation, the President who is the chief executive officer is judged to be most suitable for conducting qualitative evaluation and the Board of Directors has given President & CEO Masumi Kakinoki the authority for the said evaluation (hereinafter referred to as the "qualitative evaluation by the President"). In order to ensure appropriate exercise of this authority, the ratio to reflect the qualitative evaluation by the President is within the range determined by the Board of Directors.

The performance-based compensation is described in the above Incentive Policies for Directors, all of whom are independent from business execution, consists entirely of base annual compensation, and does not include performance-linked remuneration.

**[Supporting System for Outside Directors and/or Independent Audit & Supervisory Board Members]**

System for supporting Outside Directors: The General Managers of Corporate Planning & Strategy Department and Legal Department explain all the agenda items for the Board of Directors Meeting in advance, and secretaries are assigned to support in daily communication, etc. with Outside Directors as in the case with other Directors.

System for supporting Outside Audit & Supervisory Board Members: The General Managers of Corporate Planning & Strategy Department and Legal Department explain all the agenda items for the Board of Directors Meeting in advance, and the Audit & Supervisory Board Member's Office supports in daily communication, etc. with the Outside Audit & Supervisory Board Members as in the case with other Audit & Supervisory Board Members.

**[Status of Those Who Retired as President and CEO, etc.]**

Name, etc. of Advisors, Counselors, etc. Who Are Former President and CEO, etc.					
Name	Title	Duties	Working form, conditions (Full-time, part-time, compensation, etc.)	Date of retirement as President, etc.	Term
Toru Tsuji	Honorable Corporate Advisor	None	Part-time, no compensation	March 2008 (Retirement as Chairman of the Board)	Not set
Nobuo Katsumata	Honorable Corporate Advisor	None	Part-time, no compensation	March 2013 (Retirement as Chairman of the Board)	Not set
Teruo Asada	Honorable Corporate Advisor	External activities	Part-time, compensation	March 2019 (Retirement as Chairman of the Board)	March 2023

Number of Advisors, Counselors, etc. Who Are Former Presidents and CEOs, etc.	3
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Matters relating to Former Presidents and CEOs, etc.

- The Corporation abolished the advisor system on April 1, 2019. (It has been decided by the meeting of Board of Directors on June 22, 2018.)
- The Corporation may appoint a Corporate Advisor, who would not engage in business execution but will engage in activities in the business community and activities with high social significance.
- The President appoints those who retired as officers of the Corporation as Corporate Advisors. When those who have retired from the posts of Chairman or President of the Corporation are appointed to the post of Corporate Advisor, they are called Honorable Corporate Advisors.

## **2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration**

The details of the organizations of the Corporation are as follows:

### **(a) Board of Directors**

The Board of Directors comprises 13 Directors (including six Outside Directors; 12 males and one female), and makes decisions regarding management policy and other important matters and supervises the execution of duties by Directors. To clearly segregate management and execution, in principle, the Chairman of the Board, who does not have representative rights or the authority for business execution, serves as the chair of Board of Directors Meetings.

### **(b) Audit & Supervisory Board**

The Audit & Supervisory Board comprises five Audit & Supervisory Board Members (including three Outside Audit & Supervisory Board Members). The Corporation adopts a corporate audit governance system and each of Audit & Supervisory Board Members is responsible for overseeing Directors in the execution of their duties by attending important meetings, such as the Board of Directors Meetings, and by monitoring business activities and financial conditions in accordance with the auditing policies and plans set by the Audit & Supervisory Board.

### **(c) Corporate Management Committee**

The Corporate Management Committee has been established as an advisory committee for the President, and consists of five Representative Directors including the President, one Senior Managing Executive Officer, two Managing Executive Officers, and one Executive Officer. It deliberates management-related policies and company-wide important matters.

### **(d) Committee of Chief Operating Officers**

The members of the Committee of Chief Operating Officers are the President, the Representative Directors, Chief Operating Officers, and Regional CEOs and COOs appointed by the President. They discuss matters pertaining to budgeting, account settlement and financial planning as well as other issues related to the execution of business.

### **(e) Committee of Executive Officers**

The Committee of Executive Officers consists of 39 Executive Officers (five of whom also serve as Director), and it communicates management policies issued by the President and other information, and gives reports on matters that affect business execution such as financial performance and the results of internal audits.

Further, the Corporation has established various committees for strengthening of corporate governance. Main committees and their roles are as follows:

- Investment and Credit Committee (once a week as a rule, 22 times in FY 2021)

The committee discusses projects subject to the internal approval (“Ringi”). Chairman of Investment and Credit Committee makes decisions on proposals to be submitted to the Corporate Management Committee through discussions in Investment and Credit Committee.

- Compliance Committee (four times a year, as a rule, and whenever necessary, 4 times in FY 2021)

The committee provides support and guidance with regard to practicing compliance as well as establishment, maintenance and management of the compliance system of the Marubeni Group.



- Sustainability Management Committee (once a year, as a rule, and whenever necessary, 4 times in FY 2021)

The committee deals with the identification and periodic review of “Materiality” which takes into account the ESG (environmental value, social value and governance) point of view as it pertains to business fields as a whole and also deliberates matters related to sustainability, including ESG support and report it to the Board of Directors.

- Internal Control Committee (held as necessary, 3 times in FY 2021)

The committee confirms and reviews status of formulation and operation of basic internal control policy in accordance with the Companies Act, drafts their revision proposals, develops and operates system and evaluates effectiveness regarding financial reporting in accordance with the Financial Instruments and Exchange Act and prepares internal control report drafts.

- Disclosure Committee (held as necessary, 13 times in FY 2021)

The committee formulates principles and basic policy drafts regarding disclosure, establishes and improves the internal system regarding statutory disclosure and timely disclosure and judges the significance and appropriateness regarding statutory disclosure and timely disclosure.

Moreover, the status of holding the Corporation’s organization and committee meetings in the FY ended March 31, 2022 is as follows: in the said FY, the Board of Directors met 17 times to make decisions regarding execution of duties by the Corporation and all members of the Board of Directors were present at all meetings during their terms of office. At the same time, the Board of Directors received reports regularly from Directors to supervise their execution of duties. In FY2021, the Board of Directors mainly deliberated as below:

- The Medium-Term Management Strategy “GC2024” (Business Environment, Green Strategy, Improving Profitability, Marubeni Group HR Strategy, Capital Allocation Policy, Shareholder Returns Policy, etc.)
- Investment and financing projects (share transfer of subsidiary, which owns oil and gas fields in the UK North Sea; development of a floating offshore wind farm in Scotland; and the reorganization of Gavilon and transfer of Gavilon's shares)
- Financial results and other finance related matters (share repurchases, etc.), remuneration for Directors/Audit & Supervisory Board Members
- Evaluation of the effectiveness of the Board of Directors, internal control related matters, and how to enhance the corporate governance system (to respond to revisions to Japan's Corporate Governance Code, etc.).

The Audit & Supervisory Board met 16 times to formulate audit policy and plan and report audit results. In accordance with the auditing policies and plans, each Audit & Supervisory Board member audited Directors’ execution of duties by attending the Board of Directors Meetings and other important meetings and investigating the status of operation and assets. The Corporate Management Committee met 35 times and discussed and made decisions regarding management-related policies and company-wide important matters. In addition, the Committee of Chief Operating Officers met 3 times, and the Committee of Executive Officers met 2 times.

The status of measures related to enhancement of the functions of the Audit & Supervisory Board Members

- (1) Human resources and system supporting the Audit & Supervisory Board Members

The Corporation has in place the Audit & Supervisory Board Member's Office (4 dedicated staff members) to support the Audit & Supervisory Board Members, which work together with the Audit Department (87 people) directly under the President and the Accounting Auditor, ensuring the human resources and systems for supporting the audits by the Audit & Supervisory Board Members.

(2) Knowledge regarding finance and accounting

The following Audit & Supervisory Board Members are judged to have considerable knowledge regarding finance and accounting as described below:

(Audit & Supervisory Board Member Mr. Hikaru Minami)

Mr. Minami served as Managing Executive Officer, Member of the Board; CAO; Senior Operating Officer, Audit Dept. Hence, he has considerable knowledge about finance and accounting.

(Audit & Supervisory Board Member Mr. Shigeru Nishiyama)

Mr. Nishiyama is a certified public accountant and a professor of Waseda Business School (Graduate School of Business and Finance). Hence, he has considerable knowledge about finance and accounting.

In order to enable each of the Outside Directors, namely Messrs. Takao Kitabata, Kyohei Takahashi, Ms. Yuri Okina, Messrs. Takashi Hatchoji, Masato Kitera, Shigeki Ishizuka and each of Outside Audit & Supervisory Board Members, who are Messrs. Tsuyoshi Yoneda, Yoichi Kikuchi and Shigeru Nishiyama to fully perform his or her duty as Outside Director or Outside Audit & Supervisory Board Member, the Corporation has entered into an agreement with each of them in which the liability for damages provided for in Article 423, Paragraph 1 of the Companies Act is limited to the sum of the amounts specified in each item of Article 425, Paragraph 1 of the Companies Act, if he or she has acted in good faith and without gross negligence in performing his or her duties.

### **3. Reasons for Adoption of Current Corporate Governance System**

The Corporation conducts a diverse range of business globally. Accordingly, the Corporation has established a corporate governance model of a company with auditors in which the Board of Directors consisting of Internal Directors and Outside Directors in order to ensure rapid and efficient decision-making and appropriate supervisory functions in management. The Corporation has determined that this governance model is functioning effectively as set forth in items (a) and (b) below. Therefore, the Corporation will retain the current governance structure.

(a) Rapid and efficient decision-making

The Corporation ensures rapid and efficient decision-making by appointing Directors who serve concurrently as Executive Officers and are well-versed in the Corporation's diverse business activities.

(b) Appropriate supervisory functions

The Corporation ensures appropriate supervisory functions by implementing various measures. These include appointing Outside Directors that account for a third or more of candidates for the Board of Directors; establishing the Audit & Supervisory Board Member's Office; fostering collaboration among the Audit & Supervisory Board Members, the Audit Department, and the Accounting Auditor; and carrying out advance briefings, on the same occasion, on matters referred to the Board of Directors for both Outside Directors and Outside Audit & Supervisory Board Members.

The Corporation sets forth the roles and functions of Outside Directors and Outside Audit & Supervisory Board Members as follows:

(a) Introduction of diverse outside perspectives

Vitalize the Board of Directors and Audit & Supervisory Board by receiving advices and recommendations based on profound insight and expertise cultivated in his or her professional field, and useful opinions from a perspective independent of the corporate culture and custom of the Corporation.

(b) Enhancement of check and supervisory functions

Enhance the function of check and supervision over Representative Directors through discussions and decision-making that are based on fair and clear logics and standards convincing to those Outside Directors and Outside Audit & Supervisory Board Members.

(c) Check of conflict of interest

In a situation where conflict of interests exists between the management and stakeholders including shareholders, check whether the management is executing their duties fairly by fully taking into consideration the interest of the stakeholders.

The Corporation appoints Outside Directors and Outside Audit & Supervisory Board Members based on the Standards and Policies for the Independence of Outside Directors/Audit & Supervisory Board Members of the Corporation so as to facilitate Outside Directors and Outside Audit & Supervisory Board Members to appropriately exercise the above roles and functions.

<Standards and Policies for the Independence of Outside Directors/Audit & Supervisory Board Members of the Corporation>

The Corporation shall determine that a person who is an Outside Director or Audit & Supervisory Board Member is not independent if he or she currently falls, or in the past three business years has fallen, under any of the following times 1 to 7, as well as any provision of the standards for independence set forth by the Tokyo Stock Exchange, on which the Corporation's stock is listed.

1. A major shareholder of the Corporation (who directly or indirectly holds 10% or more of the voting rights in the Corporation) or an executive person thereof\*.
2. An executing person of a lender, from which the borrowed amount exceeds 2% of the Corporation's consolidated total assets.
3. An executing person of a business partner with which the transaction amount exceeds 2% of the Corporation's consolidated revenue.
4. A representative partner or a partner of the auditing firm that is the Accounting Auditor of the Corporation.
5. A person who receives money from the Corporation of which the value exceeds 10 million yen per business year, which derives from a business consultancy and/or an advisory agreement.
6. A person who belongs to an organization that has received a donation from the Corporation of which the amount exceeds 10 million yen per business year.

7. A Director/Executive Officer/Audit & Supervisory Board Member among the executing persons of the Corporation and its subsidiaries, as well as a coresident or relative within the second degree of kinship of such Director/Executive Officer/Audit & Supervisory Board Member.

Even if a person falls under any of the items 1 to 7 above, if the Corporation judges that said person substantially maintains his or her independence, the Corporation shall explain and disclose the reason for his or her election as a candidate for Outside Director/Audit & Supervisory Board Member.

\*An “executing person” refers to an Executive Director, an Executive Officer, an employee or any other personnel.

### III. Implementation of Measures for Shareholders and Other Stakeholders

#### 1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	Will have been sent about three weeks ahead of a General Shareholder Meeting.
Scheduling AGMs Avoiding the Peak Day	Held by avoiding the peak day.
Allowing Electronic Exercise of Voting Rights	The Corporation utilizes a system operated by the administrator of shareholders' register.
Participation in Electronic Voting Platform	The Corporation uses the voting platform for institutional investors by ICJ.
Providing Convocation Notice in English	English translations of the convocation notice, business report, financial statements, and so on are posted on the Corporation's website on or before the date of sending out the convocation notice.
Other	<p>The Corporation is also implementing the following measures to vitalize General Shareholders Meetings and ensure smooth exercising of voting rights.</p> <ul style="list-style-type: none"> <li>• Post the convocation notice, business report and financial statements on the Corporation's website ahead of sending them to the shareholders</li> <li>• On-demand distribution of the reporting items on the day of the General Shareholders Meeting on the Internet</li> </ul>

#### 2. IR Activities

	Supplementary Explanations	Explanation by the representative
Preparation and Publication of Disclosure Policy	The basic policies regarding information disclosure and policies regarding IR activities are posted on the Corporation's website. It also stipulates the Disclosure Committee Regulations to inculcate its thorough awareness in the Corporation.	
Regular Investor Briefings for Individual Investors	About twice briefings a year held for individual investors.	Yes
Regular Investor Briefings for Analysts and Institutional Investors	In addition to quarterly earnings briefings (including conference calls), the management holds regular meetings for securities analysts and institutional investors. (The President or Director in charge of IR explains at these meetings.)	Yes
Regular Investor Briefings for Overseas Investors	English translations of materials used in quarterly earnings briefings (including conference calls) are posted on the Corporation's website. Management holds regular meetings for overseas investors. (The President or Director in charge of IR explains overview of business results and business outlook at these meetings.)	Yes
Posting of IR Materials on Website	Business results information, integrated reports, shareholder reports, quarterly reports, annual securities reports, earnings result briefing materials, the convocation notice of General Shareholders	

	Meetings, and business operation materials are posted on the Corporation's website.	
Establishment of Department and/or Manager in Charge of IR	The Corporation appoints a Director in charge of IR and has in place the IR Section, Finance Department as a division in charge of IR.	

### 3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	Described in 1. of I Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information of this report.
Implementation of Environmental Activities, CSR Activities etc.	<p>In each field of CSR including environment, the Corporation is engaged in a wide range of activities.</p> <p>&lt;Creation of environmental and social values through business activities&gt;  In FY2018, the Corporation established the Sustainability Management Committee. Outside Directors and Outside Audit &amp; Supervisory Board Members are appointed as advisors, providing the system an external point of view. In April 2019, as part of system strengthening, the Chair of the Sustainability Management Committee was made the Chief Sustainable Development Officer, and the Sustainability Management Department was newly established. Furthermore, Sustainability Leaders and Sustainability Managers overseeing sustainability management were appointed at each organization, and thus the entire group is working together to push forward initiatives regarding sustainability. The details of such activities are introduced in the Integrated Report issued every year.</p> <p>&lt;Social contribution activities, etc.&gt;  The Corporation has been actively promoting social contribution activities by supporting the activities of the social welfare corporation, Marubeni Foundation, established in 1974 with donations from the Corporation. For details of the activities, please see the following URL on the Corporation's website.  <a href="https://www.marubeni.com/en/sustainability/contribution/">https://www.marubeni.com/en/sustainability/contribution/</a></p>
Development of Policies on Information Provision to Stakeholders	The Marubeni Corporate Principles and the Compliance Manual stipulate proactive, timely and appropriate information disclosure to the society in general including stakeholders and they are disclosed.
Other	<p>In its Medium-Term Management Strategy "GC2024", the Corporation has set diversity as an element of the Group HR Strategy, where promoting the growth and success of the Marubeni Group's human capital is the source of our corporate value. The Corporation will further promote the development of a corporate culture and workplace that encourages the active participation of diverse human capital.</p> <p>The Corporation also is promoting work-life management as an infrastructure for employees with various backgrounds to produce results. Aiming to achieve "sustainable career development" and "sustained performance" regardless of life stage or attribute, the Corporation is developing measures so that employees can use necessary systems when they are needed. To view the status of these various systems, please refer to the following (in Japanese only):  <a href="https://www.marubeni.com/jp/sustainability/social/diversity/pdf/seido_riyou.pdf">https://www.marubeni.com/jp/sustainability/social/diversity/pdf/seido_riyou.pdf</a></p>

<Striving to Understand and Promote Diversity>

During FY2021, “Marubeni Diversity Days” were held over five days under the themes of the importance of diversity, unconscious bias, people with disabilities, multicultural co-creation, and LGBTQ, providing an opportunity for all employees to consider diversity from various aspects. In addition to these events, the Corporation will continue its efforts to understand and promote diversity in the future.

<Appointing Women to Managerial Positions>

In the second phase of its five-year action plan (phase 2) enacted on April 1, 2021, the Corporation set four quantitative targets, including increasing the ratio of women in all career-track positions to at least 15% (11.9% as of October 1, 2021) and the ratio of women in all management positions to at least 10% (7.5% as of October 1, 2021), by the end of March 2026. The Corporation is focusing on “strengthening the comprehensive HR pipeline from the hiring of women to female employee career development,” “continuing to strengthen health management and workstyle reforms that contribute to improved productivity,” and “building a corporate culture and workplace that leverages the strengths of diverse individuals.”

Action Plan for Empowering Female Employees (in Japanese only):

<https://positive->

[youritsu.mhlw.go.jp/positivedb/planfile/202103251414514613827\\_1.pdf](https://youritsu.mhlw.go.jp/positivedb/planfile/202103251414514613827_1.pdf)

In addition, in conjunction with International Women’s Day, the Corporation is making group-wide efforts to foster a corporate culture that supports the activities of women by holding Marubeni International Women’s Day since 2017 and doing initiatives such as providing a message from the CEO at this event. For details of each measure, please refer to the following website:

<https://www.marubeni.com/en/sustainability/social/diversity/>

<Appointing Foreign Nationals to Management Positions>

As of March 2022, the Corporation has approximately 60 non-Japanese employees, of which 30 are in managerial positions. Going forward, the Corporation will ensure diversity in managerial and core positions in accordance with the Marubeni Group HR Strategy. Having a large number of group companies in various countries and regions, the Marubeni Group has an array of human capital, diverse in terms of nationality and other aspects of identity, who play an active role in their respective workplaces and contribute to the enhancement of the Group's corporate value.

<Appointing Mid-Career Hires to Management Positions>

The Corporation is diversifying its human capital hiring processes and implementing career vision hiring, which is a job-based hiring system targeting newly graduated and early-career applicants, in addition to conventional mid-career hiring.

Mid-career recruits accounted for 22.5% of its total hires for the fiscal year ended March 31, 2022, and as of October 2021, mid-career hires accounted for 17.7% of management positions. The Corporation’s mid-career hiring is based on the needs of the workforce, and although the Corporation does not have a numerical target, it will continue to promote diversity in management and core human capital in accordance with the Marubeni Group HR Strategy.

<Other Initiatives>

In order to further promote the activities of its senior human capital, the Corporation introduced a continued employment scheme and established the Career Counselling Section within the Human Resources Department. Additionally, the Corporation has enhanced measures to support senior

careers in the personnel management reform for the fiscal year ended March 31, 2021. For another initiative, the Corporation disclosed in “GC2021 >> DX,” its DX strategy released in February 2021, a series of programs designed to develop and enhance our digital human resources infrastructure.

•Health and productivity management and workstyle reforms

The Corporation has positioned maintaining and promoting employee health as a top management priority. The Corporation continuously rolls out various initiatives such as improving health literacy, strengthening countermeasures against cancer and lifestyle diseases, and strengthening mental health measures.

Furthermore, to promote and support autonomous work styles that will allow the Corporation’s diverse human capital to create new value, the Corporation utilizes the “Work Anywhere” system, which allows employees to do remote work from places other than the main office. The aim of this is to help prevent the spread of COVID-19 and to raise the performance of the entire organization by pursuing best mix of working at the office and “Work Anywhere”.



## **IV. Matters Related to the Internal Control System**

### **1. Basic Views on Internal Control System and the Progress of System Development**

In accordance with the Companies Act and the Regulation for Enforcement of the Companies Act, the Corporation has established a basic policy for systems necessary to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation and other systems necessary to ensure the properness of company's operations (hereinafter referred to as the "Basic Internal Control Policy") as described below.

#### <Basic Internal Control Policy>

The Corporation seeks to steadily increase and maximize corporate value through business activities that are in accordance with its Company Creed and Management Philosophy\*, and to build a stable and sustainable group business foundation. To this end, the Corporation, in accordance with the Companies Act and the Regulation for Enforcement of the Companies Act, establishes the policy described below (hereinafter referred to as the "basic internal control policy") to ensure that all business activities of Corporation and the business group (hereinafter referred to as the "Marubeni Group") made up of Corporation and all Marubeni Group companies (Corporation's consolidated subsidiaries and companies deemed as equivalent to subsidiaries; the same shall apply hereinafter) are conducted appropriately. The Corporation regularly reviews the basic internal control policy in response to changes in social conditions so as to realize a system that is more appropriate and efficient.

\*Company Creed: Fairness (To be fair and bright)

Innovation (To be active and innovative)

Harmony (To respect each other and cooperate)

Marubeni Management Philosophy:

"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."

1. System necessary to ensure that the execution of duties by Directors and employees complies with laws and regulations and the Articles of Incorporation

(1) Corporate governance

1- Directors and Board of Directors

The Board of Directors, in accordance with laws and regulations and the Articles of Incorporation, sets the important matters related to management and supervises the execution of duties by Directors. To clearly segregate execution and supervision, the Chairman of the Board without representative rights and the authority for business execution, as a rule, chairs the Board of Directors Meetings. Executive Directors execute business operations decided by the Board of Directors, in accordance with the laws, regulations and Articles of Incorporation and report the situation of their

duty execution to the Board of Directors once every three months or more often. The term of office of Directors is one year to clarify management responsibility and flexibly build optimum management structure in response to changing management environment. The Corporation appoints Outside Directors to ensure effectiveness of corporate governance. The Corporation adopts the executive officer system to improve efficiency of business execution, and it takes a system where its Group CEOs and its CDIO participate in the company's overall management and instruct, supervise, support, and manage the overall operation of the respective business divisions in charge by complying with the company's management policy.

## 2- Audit & Supervisory Board Members and the Audit & Supervisory Board

Audit & Supervisory Board Members audit execution of duties by the Directors in accordance with the Rules of the Audit & Supervisory Board and the Standards for Audit by the Audit & Supervisory Board Members by exercising their statutory authority in collaboration with the Audit Department and Accounting Auditor.

## (2) Compliance

### 1- Compliance system

The Corporation sets forth code of conduct common for the Marubeni Group such as Marubeni Corporate Principles and Compliance Manual for its Directors and Executive Officers (hereinafter referred to as the "officers") and employees to practice corporate activities in accordance with compliance. To achieve the goal, it establishes various committees including Compliance Committee and takes various measures.

### 2- Internal whistle-blowing system

To provide for a situation in which a person learns of a questionable act from the perspective of compliance and the organizational reporting line does not function for some reason, the Corporation establishes the following compliance reporting and consulting points for the entire Marubeni Group.

#### (a) Marubeni Hotline (Compliance Committee line and external legal counsel line)

The Compliance Access Point for general compliance matters for the Marubeni Group.

#### (b) Marubeni Anti-Corruption Hotline

The Compliance Access Point for concerns relating to bribery and other serious crimes involving the Marubeni Group and its business partners.

### 3- Blocking relationship with anti-social forces

The Corporation will stand firm against anti-social activities and forces to social order and public security, and will never form or foster relationships with any organization that poses such threats.

## (3) Internal audit

The Corporation establishes the Audit Department as an organization directly under the President to study the appropriateness of duty execution by executing persons and compliance status, and implements internal audits through the Audit Department and company-wide self-inspections with support, cooperation, and advisement from the Audit Department. The result of internal audit is reported to the Board of Directors on a regular basis.

#### (4) Disciplinary actions

When the execution of duty by an officer or employee results in violation of law or regulation, the Corporation shall seek judgement of the Governance and Remuneration Committee, an advisory committee to the Board of Directors with the majority of members being Outside Directors/Audit & Supervisory Board Members, in the case of an officer, and the Award and Disciplinary Committee in the case of an employee and take strict actions in accordance with relevant regulations.

### 2. Systems to preserve and manage information related to the execution of duties by Directors

#### (1) Preservation and management of information and prevention of information leakage

Based on the Regulation for Management of Information Assets, the Corporation sets forth the assets subject to storage, storage period and employees in charge of managing the information regarding information related to execution of duties by officers and employees to develop a system to store and manage information and prevent information leakage.

#### (2) Browsing information

The officers and Audit & Supervisory Board Members may browse such information assets at all time.

### 3. Internal regulations for the risk management of losses and other related systems

#### (1) Principle of authority and duties

Officers and employees with titles are given necessary authority for executing their duties based on the resolution by the Board of Directors and the Regulation of Authority and Duties and manage risks associated with execution of duties within the given scope and take responsibility for the result.

#### (2) Approval system

Individual projects such as important investment are deliberated by the Investment and Credit Committee, submitted to the Corporate Management Committee and approved by the President based on the Regulations of Job Authority and Ringi Approval Procedure Regulations. However, in the case of any special provisions set forth in these regulations applying, such special provisions shall take precedence in application. They become subject of approval by the Board of Directors depending on laws and regulations, Articles of Incorporation and the importance of the project. The progress of important projects such as a new business is required to be reported on a regular basis to the Corporate Management Committee to strengthen individual risk management.

#### (3) Risk evaluation

Risk management such as credit risk, country risk, market risk, foreign exchange and interest rate risk, investment risk, etc. shall be conducted under the management policy and rules for each risk. In addition, the Corporation continues to implement integrated risk management in order to grasp the amount of risk to which the Marubeni Group

is exposed. The Corporation implements management of qualitative risks including reputation risks and information security risks, which are difficult to quantify, through enhancement of compliance structure.

#### (4) Emergency management

In preparation for occurrence of a serious issues such as a natural disaster, epidemics of infectious diseases and situations in which the Tokyo Head Office loses its ability to function, the Corporation formulates a business continuity plan. When a serious situation actually occurs, the Corporation establishes an emergency task force with the President as the head based on the said plan and makes decisions on and implement concrete measures to limit the damage and loss to the minimum.

### 4. Systems necessary to ensure the efficient execution of duties by Directors

#### (1) Management policy, management strategy and management plan

To ensure efficient execution of duties by Directors, the Corporation sets forth goals shared by all officers and employees at the Marubeni Group such as management policy, management strategy and management plan and instill them, while establishing concrete targets which individual officers and employees should implement for achieving the goals.

#### (2) Corporate Management Committee

To ensure efficient execution of duties, the Corporation establishes the Corporate Management Committee and deliberates on the highest-order policy regarding management and important company-wide matters.

#### (3) Business Group and Corporate Staff Group

The Corporation delegates authority to Group CEOs, the CDIO, and Division COOs to create a system that enables swift decision-making regarding jurisdictional products in Japan and abroad. Further, the Corporate Staff Group manages, checks and supports the Business Group in each specialized fields to enable efficient execution of duties.

#### (4) Clarification of authorities, duties and responsibilities

The Board of Directors decide Directors in charge and clearly stipulates of each officer's and each employee's roles, authorities, responsibilities and rules for decision making in various regulations.

### 5. Systems necessary to ensure the appropriateness of operations by the Group

#### (1) Marubeni Group operation structure

The Corporation shall stipulate necessary systems including a system for appropriate reporting to the Corporation regarding managers in charge of grasping business status of Marubeni Group companies, giving instructions and supervising, guidelines regarding the management system of Marubeni Group companies and execution of duties by Directors etc. of each Marubeni Group company, a system regarding appropriate management of risk of losses at Marubeni Group companies, a system for ensuring efficient execution of duties by Directors, etc. of Marubeni Group

companies and a system for ensuring Marubeni Group companies' compliance with laws and regulations in order to enhance internal control of the entire Marubeni Group, improve business performance and progress management. Marubeni Group companies shall ask for advice from the Corporation regarding important management-related matters and report to the Corporation.

#### (2) Compliance

The Compliance Committee and other committees shall support and give guidance regarding compliance activities by Marubeni Group companies. Marubeni Hotline and Marubeni Anti-Corruption Hotline shall be available for officers and employees of all Marubeni Group companies.

#### (3) Development of system for ensuring appropriateness of financial reporting and safeguarding of assets

Marubeni Group shall develop, through activities, etc. of the Internal Control Committee, necessary systems for ensuring reliability and continuous monitoring of financial reporting such as consolidated financial statements as well as a system for ensuring appropriate acquisition, storage and disposal of assets held by Marubeni Group companies. It shall also establish the Disclosure Committee and develop a necessary system for information disclosure in an appropriate and timely manner.

#### (4) Audit

The Audit Department carries out visiting audit at Marubeni Group companies and reports the result to the Board of Directors. The Audit & Supervisory Board Members and Accounting Auditor independently carry out audit or accounting audit at Marubeni Group companies.

6. Matters concerning employees assisting the duties of Audit & Supervisory Board Members, and matters concerning the independence of these employees from Directors

##### (1) Establishment of Audit & Supervisory Board Member's Office

The Corporation establishes the Audit & Supervisory Board Member's Office and appoints dedicated staff members to assist in the duties of the Audit & Supervisory Board Members.

##### (2) Personnel affairs of the Audit & Supervisory Board Member's Office staff

The Officer in charge of personnel affairs shall implement personnel affairs of the Audit & Supervisory Board Member's Office (personnel changes, evaluation, disciplinary actions, etc.) by hearing the opinions of the Audit & Supervisory Board Members in advance and upon receiving their consent.

7. Systems for Directors and employees to report to Audit & Supervisory Board Members and other systems for reports to Audit & Supervisory Board Members

##### (1) The Audit & Supervisory Board Members attending important meetings

The Audit & Supervisory Board Members shall attend the Board of Directors Meetings and receive reports from Directors on execution of duties and other important matters and also attend the Corporate Management Committee and other important meetings.

(2) Reporting by officers and employees to the Audit & Supervisory Board Members

The President holds meetings with the Audit & Supervisory Board Members on a regular basis, reports on execution of duties and exchange opinions. Other Directors, Group CEOs, the CDIO, Division COOs and Corporate Staff Group General Managers report their duty execution status to the Audit & Supervisory Board Members every year. Officers immediately report to the Audit & Supervisory Board Members when they discover that there is a concern that the Corporation will suffer significant damage. The Corporation develops a system for Directors, Audit & Supervisory Board Members and employees of Marubeni Group companies, or those who received a report from them, to report directly or indirectly to the Audit & Supervisory Board Members. Notwithstanding the above, the Audit & Supervisory Board Members may seek report from officers and employees whenever necessary. The Corporation has in place a system to ensure that the person who made a report to the Audit & Supervisory Board Members would not be treated unfairly at the Corporation or Marubeni Group companies because of the concerned report.

8. Other systems necessary to ensure effective audits by Audit & Supervisory Board Members

(1) Collaboration with the Audit Department, Accounting Auditor and Audit & Supervisory Board Members of Marubeni Group companies

The Audit & Supervisory Board Members receive respective audit plans in advance from the Audit Department and Accounting Auditor, hold regular meetings to exchange opinions regarding audit policy and audit result reports. The Audit & Supervisory Board Members collaborate with Audit & Supervisory Board Members of Marubeni Group companies through Group Auditor Liaison Meeting and exchange information regarding the development of internal control at each company and their operations.

(2) Appointment of external experts

The Audit & Supervisory Board Members can appoint lawyers, certified public accountants, and other external advisors when they deem it necessary.

(3) Audit-related expenses

The Corporation shall pay expenses arising from the execution of duties by the Audit & Supervisory Board Members, including the cost of having external experts described above in response to request by the Audit & Supervisory Board Members, through a prescribed procedure and allocate for it in budget.

## **2. Basic Views on Eliminating Anti-Social Forces**

The Corporation's basic policies for eliminating anti-social forces and the status of their improvement are as follows:

<The Basic policy for eliminating anti-social forces>

The Corporation's basic policy towards eliminating anti-social forces is to stand firm against anti-social activities and forces threats to the social order and public security and will never form or foster relationships with any organization that poses such threats.

<Status of development towards elimination of anti-social forces>

The Corporation clearly states its basic policy towards elimination of anti-social forces (an official term used by the Japanese government to refer to organized crime) in the Basic Internal Control Policy and has been implementing measures to block relationship with anti-social forces based on the Marubeni Corporate Principles and the Compliance Manual. The Corporation encourages the introduction of a contract clause for the purpose of eliminating anti-social forces (in other words, an organized crime elimination clause) and is working with external advisors on improving its systems for taking quick action against unexpected events, including creating a policy for eliminating anti-social forces and responding to wrongful demands.

## V. Other

### 1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation
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Nothing particular to be mentioned.

### 2. Other Matters Concerning to Corporate Governance System

Corporate Governance System:

The Corporation aims to realize more appropriate and efficient system by constantly reviewing its corporate governance system in response to changes in the society. Please refer to Figure 1 for Corporate Governance System of the Corporation.

Overview of Timely Disclosure:

#### 1. Purpose

The Corporation has a basic policy on information disclosure to all our stakeholders, including investors, regarding the appropriate disclosure of information concerning the Marubeni Group. Please refer to Figure 2 for information on the disclosure system.

#### 2. Basic Policy of Disclosure

The following is the Corporation's basic policy when it discloses information.

##### (1) Complying with Relevant Laws and Regulations

Comply with relevant laws such as Financial Instruments and Exchange Act and Companies Act and regulations of stock exchanges.

##### (2) Timeliness

Disclose in a timely manner without delay any facts which should be disclosed are found.

##### (3) Transparency

Always disclose factual information regardless of its content.

##### (4) Accuracy

Disclose necessary and sufficient information without creating misunderstanding.

##### (5) Integrity • Fairness

Consistently disclose information by a method which is equally accessible to stakeholders, while giving full consideration to prevent any selective disclosure.

##### (6) Continuity

Maintain continuity of content of disclosed information.

##### (7) Confidentiality

No information is to be leaked to a third party before an official disclosure is made.

#### 3. Information Subject to Disclosure



This basic policy applies to the following information disclosure.

### **(1) Statutory Disclosure**

Disclosure in accordance with Financial Instruments and Exchange Act

- Disclosure of corporate information (securities reports, quarterly reports, internal control reports and extraordinary reports, etc.)
- Disclosure of tender offer (tender offer notification and position statements, etc.)
- Disclosures related to ownership of a large volume of shares (large shareholding reports and holdings change reports, etc.)
- Disclosures based on Fair Disclosure Rule

ii Disclosure in accordance with Companies Act (notices of ordinary general meeting of shareholders, financial statements, consolidated financial statements, business reports and supplementary schedules, etc.)

### **(2) Timely Disclosure**

Disclosures in accordance with regulations of stock exchanges

- Decision Information (issuance of stock, acquisition of own stock, dividends, mergers, demergers, stock swap, business transfer, acquisitions, business alliances and takeover bids, etc.)
- Occurrence Information (loss or damage caused by disaster, filing of lawsuits or court decisions, bad debts, suspension of trade with business partners, etc.)
- Earnings Information (content of financial results, revision of earnings and dividends forecasts, etc.)
- Information on Subsidiaries
- Information on Corporate Governance

### **(3) Voluntary Disclosure**

Integrated Reports/Annual Reports, Shareholders' Reports, Medium-Term Management Strategy, etc.

## **4. Disclosure Committee**

The Corporation's Disclosure Committee has been set up in order to construct, maintain and manage a proper information disclosure system. The committee is chaired by a representative Director nominated by the President, and operates under the direct control of the President. The committee formulates general rules and basic policies for disclosure, constructs and adjusts the company structure concerning statutory disclosure and timely disclosure, and also assesses the significance and validity of statutory disclosure and timely disclosure.

## **5. Other**

### **(1) Dealing with Rumors in the Market**

As a general rule, the Corporation does not comment on inquiries regarding rumors in the market. However, if it is determined that there may be a significant impact on the Corporation caused by ignoring a specific rumor, appropriate action will be taken, such as issuing voluntary news releases.

### **(2) Handling of Information Related to Forecasts and Future Projections**

In order to enable investors to make appropriate assessments of the Corporation's business and future performance,

information related to business result forecasts and other future projections will be accompanied by a forward-looking statements disclaimer to clearly indicate that the actual future results may differ.

Figure 1: Corporate Governance System

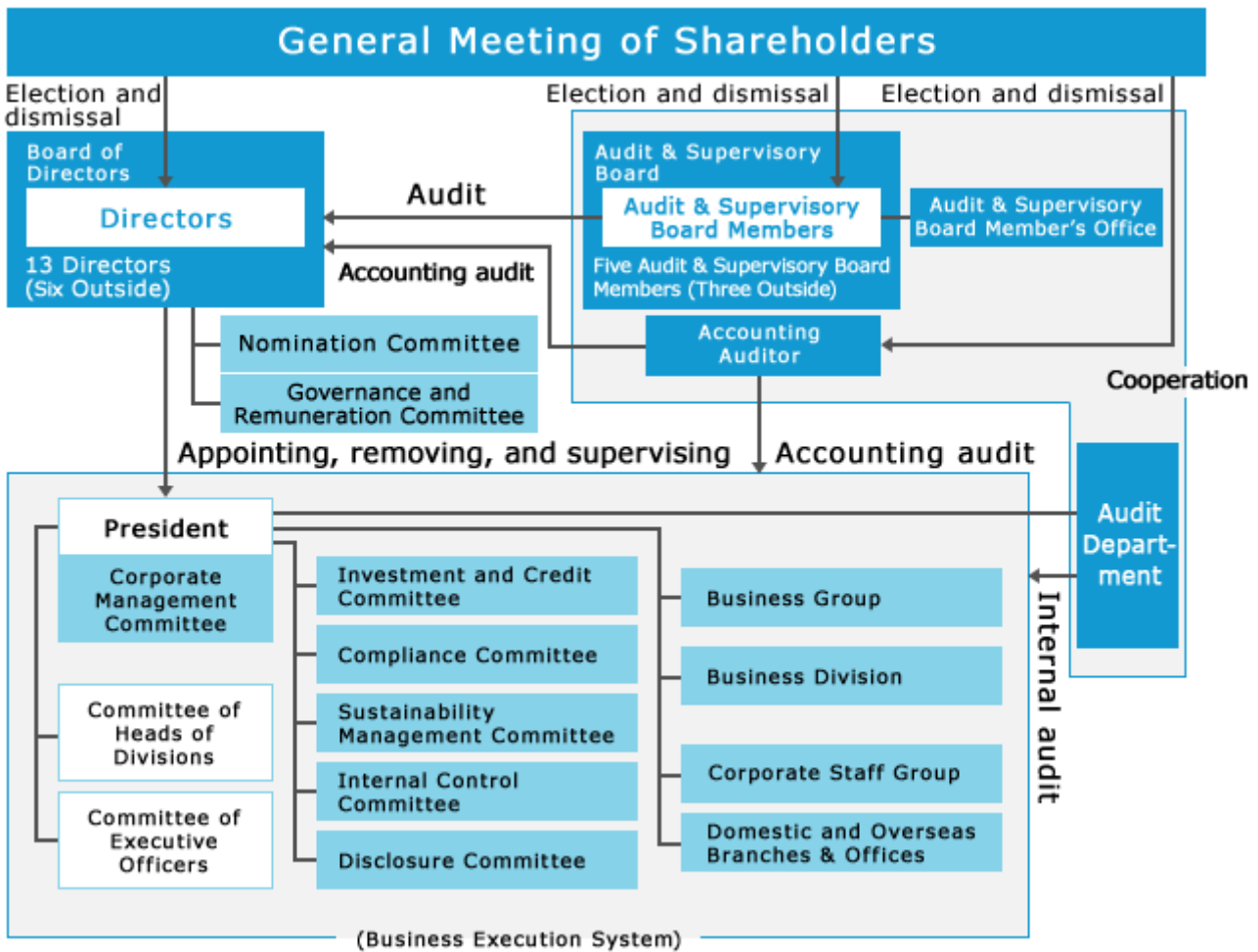
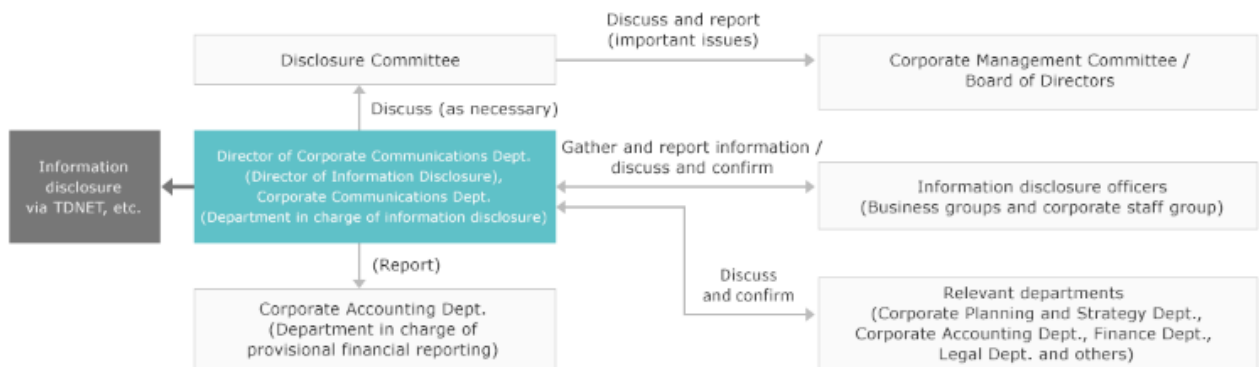


Figure 2: Information Disclosure System



### **(1) Information Gathering Process**

Officers responsible for information disclosure will make efforts to gather information. If any information requiring timely disclosure is grasped, the officer will report it to the Corporate Communications Department (department in charge of information disclosure).

The Corporate Communications Department reports all information requiring timely disclosure to the Corporate Accounting Department who is in charge of provisional financial reporting.

### **(2) Analysis and Decision Process**

The necessity to disclose information is discussed and confirmed with the relevant divisions and departments.

If necessary, the matter is discussed by the Disclosure Committee.

Important matters are discussed by the Corporate Management Committee and/or Board of Directors.

### **(3) Disclosure Process**

After obtaining approval by director of the Corporate Communications Department (and after being resolved by the Corporate Management Committee and/or the Board of Directors on important matters), timely disclosure information is submitted to securities exchanges via TDNET. Statutory disclosures excluding disclosures based on Fair Disclosure Rules are provided via EDINET. The information that is disclosed in accordance with Fair Disclosure Rules is posted on the Corporation website.