

[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: July 16, 2020

Marubeni Corporation

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<http://www.marubeni.com>

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 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 Corporation 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 Corporation's activities on society and the environment. The Marubeni Group's concept of each stakeholders is as follows:

(a) Customers and business partners

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

partners, and shall endeavor to offer products and services with high satisfaction, promote fair transaction and enhance service functions. The Corporation will develop and offer socially useful products and services, reflecting the requirements of its customers and business partners, by giving full consideration to safety and striving at all times to improve their satisfaction and win their trust through sincere measures.

(b) Shareholders and Investors

Marubeni Group shall work to ensure management transparency, enhance disclosure system and strengthen group governance. Marubeni Group is dedicated to meeting shareholders' expectations. The Corporation strives thus to enhance our corporate value by responding to changes in the business environment and maintaining stable profitability. In addition, 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

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

(d) Employees

Marubeni Group shall respect the individual values and life goals of each and every employee and strive to improve the work environment and offer appropriate treatments. The Corporation also works hard 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]

Marubeni Group is implementing all the principles of the Corporate Governance Code 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 regarding initiatives, which are related to all the 78 principles that are consist of Basic Principles, Principles, and Supplementary Principles and include disclosure items based on the principles of the Corporate Governance Code. 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	From 20% to less 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)	144,607,900	8.33
Japan Trustee Services Bank, Ltd. (Trust account)	110,175,300	6.35
BNYM RE NORWEST/WELLS FARGO OMNIBUS	69,529,900	4.01
Meiji Yasuda Life Insurance Company	41,818,718	2.41
Japan Trustee Services Bank, Ltd. (Trust account 5)	41,745,500	2.40
Japan Trustee Services Bank, Ltd. (Trust account 9)	37,491,900	2.16
Mizuho Bank, Ltd.	30,000,000	1.73
Sompo Japan Nipponkoa Insurance Inc.	30,000,000	1.73
Japan Trustee Services Bank, Ltd. (Trust account 7)	28,802,600	1.66
JP MORGAN CHASE BANK 385151	27,369,664	1.58

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 First Section, Nagoya Stock Exchange First Section
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

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.

The Corporation has acquired Arteria Networks Corporation which, as 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 guarantee 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. Most importantly, advice and opinions received from the 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 external directors and voluntarily establishing a Nomination and Remuneration Committee of which the majority of members are independent external 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	Chairman (except when also serving as President)
Number of Directors	11
Appointment of External Directors	Appointed
Number of External Directors	5
Number of Independent Directors	5

External 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												

* 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 external 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

External 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 and specialist viewpoint. As the Chief External 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>In view of the above and the report by the Nomination Committee, the Board of Directors appointed Mr. Kitabata as an External Director candidate, and then he was appointed as an External Director by resolution of the General Meeting of Shareholders. 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 & 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	Mr. Takahashi was an executive of Showa Denko K.K. There is a	Mr. Takahashi has profound insight cultivated through involvement in corporate management at an

		<p>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 fiscal year 2016 to fiscal year 2018 account for 0.02% of the consolidated revenue of the Corporation during said three-year period, whereas net sales of Showa Denko to the Corporation account for 0.12% of the consolidated revenue of the Corporation during said three-year period; both of these percentages are insignificant .</p>	<p>international company. He vigorously stated opinions at meetings of the Board of Directors from a practical viewpoint. As an External 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 and a member of the Nomination Committee, he vigorously stated his opinions in order to enhance soundness, transparency, and efficiency of the Corporation's management. In view of the above and the report by the Nomination Committee, the Board of Directors appointed Mr. Takahashi as an External Director candidate, and then he was appointed as an External Director by resolution of the General Meeting of Shareholders. 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 & 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 external officer at various companies, and experience based on extensive activities as a member of government committees, such as the Industrial Structure Council, the Financial System Council. She vigorously stated opinions at meetings of the Board of Directors from a specialist and multifaceted viewpoint in order to</p>

			<p>enhance soundness, transparency, and efficiency of the Corporation's management. As an External Director of the Corporation, she has been providing advice to management and appropriately supervising business execution. Also, as an advisor of the Sustainability Management Committee, she has been proactively sharing her opinions with the aim of strengthening the sustainability management systems of the Corporation.</p> <p>In view of the above and the report by the Nomination Committee, the Board of Directors appointed Ms. Okina as an External Director candidate, and then she was appointed as an External Director by resolution of the General Meeting of Shareholders. 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 & 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	<p>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 and construction contracts. Net sales of the Corporation to Hitachi, Ltd. for the three business years from fiscal year 2016 to fiscal year 2018 account for 0.06% of the consolidated revenue of the Corporation during said</p>	<p>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 has been an Outside Audit & Supervisory Board Member of the Corporation since June 2017. He has a good knowledge of the Corporation's business and has been providing advice to management and appropriately supervising business execution from objective and specialist perspectives with an emphasis on practicality, in order to enhance soundness, transparency, and</p>

		<p>three-year period, whereas net sales of Hitachi, Ltd. to the Corporation account for 0.02% of the consolidated revenue of the Corporation during said three-year period; both of these percentages are insignificant.</p>	<p>efficiency of the Corporation's management. Additionally, he has been proactively expressing his opinions as an advisor of the Sustainability Management Committee to reinforce the Corporation's sustainability promotion structure. In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint Mr. Hatchoji as a new candidate for External Director, and then he was appointed as an External Director by resolution of the General Meeting of Shareholders. 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 & 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>
<p>Masato Kitera</p>	<p>Yes</p>	<p>Not applicable</p>	<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 cultivated through his involvement in diplomacy. He also has in-depth understanding of diversity, which is indispensable in management of the Corporation. The Corporation believes that he will be able to provide advice to management and appropriately supervise business execution, based on an understanding of international affairs and from an objective and specialist viewpoint, in order to enhance soundness, transparency, and efficiency of the Corporation's management. In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint Mr. Kitera as</p>

			<p>a new candidate for External Director and then he was appointed as an External 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 & 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
External Directors	3	2
External Experts	0	0
Other	0	2
Chairperson	External Director	External Director

Supplementary Explanation

- A voluntary committee equivalent to the Nomination Committee
- Nomination Committee (to be convened as necessary): The Nomination Committee is an advisory body to the Board of Directors and the majority of its members are External Directors/Audit & Supervisory Board Members. The Nomination Committee 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.

- Composition of Committee

Chairperson	Takao Kitabata	External Director
Members	Masumi Kakinoki	President and CEO, Member of the Board
	Yuri Okina	External Director
	Takashi Hatchoji	External Director

- A voluntary committee equivalent to the Remuneration Committee

- Governance and Remuneration Committee (to be held as necessary): The Governance and Remuneration Committee is an advisory body to the Board of Directors and the majority of its members are External Directors/Audit & Supervisory Board Members. 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. The committee also conducts evaluation and review concerning the overall Board of Directors, including its composition and operation, and reports to the Board of Directors.

- Composition of Committee

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

- Committee members falling under “Other” in the committee composition are External 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 fiscal year through March 31, 2021 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.

Appointment of External Members of Audit & Supervisory Board	Appointed
Number of External Members of Audit & Supervisory Board	3
Number of External 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 external 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 external officer of another company. Therefore, the Corporation believes that he will appropriately fulfill duties as an External Audit & Supervisory Board Member of the Corporation from a neutral and objective stance with a practical viewpoint and contribute to improvement of corporate governance and enforcement of audits by the Audit & Supervisory Board. In view of the above, consent of Audit & Supervisory Board and the report by the Nomination Committee, Mr. Yoneda was appointed as an External Audit & Supervisory Board Member by resolution of the General Meeting of Shareholders. 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 & 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 External Audit & 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</p>

			<p>corporate governance and the enrichment of audits by the Audit & Supervisory Board. In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint Mr. Kikuchi as a new candidate for External Audit & Supervisory Board Member, and then he was appointed as an External Audit & 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 & 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>
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 External Audit & 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 & Supervisory Board. In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint Mr. Nishiyama as a new candidate for External Audit</p>

			<p>& Supervisory Board Member, and then he was appointed as an External Audit & 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 & 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>
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[Independent Directors/Audit & Supervisory Board Members]

Number of Independent Directors/Audit & Supervisory Board Members	8
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Matters relating to Independent Directors/Audit & Supervisory Board Members

The Corporation appoints all External 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 / Stock Options
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Supplementary Explanation

The remuneration of Directors other than External 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, and stock compensation-type stock options with market value conditions.

If the “sum of 50% of consolidated net income 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 basic compensation by a multiplication factor that increases proportionally according to performance (by approximately 2% for each 5 billion yen). In order to achieve a balanced format for compensation that is linked with the Corporation’s performance, up to FY2018, 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 as an indicator, and the aim of this is to further strengthen alignment between the compensation system and the management targets of the Medium-Term Management Strategy “GC2021.” As for consolidated net income (profit attributable to owners of the parent) and core operating cash flow in FY2018, which were used for the calculation of performance-linked remuneration in FY2019, the target value of each at the beginning of the year (announced on May 8, 2018) was 230 billion yen and 300 billion yen. The actual value was 230.9 billion yen and 373.2 billion yen. For this, an amount corresponding to 80% of the aggregation of basic compensation and performance-linked remuneration is granted in cash, and an amount corresponding to 20% of that amount is granted as stock compensation-type stock options. Stock compensation-type stock options have been introduced with the aim of sharing the benefits and risks of stock price fluctuations with shareholders and further boosting motivation to improve the Corporation’s stock price and corporate value. Also, in FY2019 the Corporation newly introduced stock compensation-type stock options with market value conditions, and this is with the aim of boosting the incentive to improve future market value. These stock options are allocated as stock acquisition rights with a format in which, based on 10% of basic compensation, a maximum of a 1.5-fold amount is added to the current amount of compensation. The starting date for the exercising of rights is set as three years after the allocation, and at such time, such rights can only be exercised if the Corporation’s market value is above its level at the time of allocation, and the Corporation’s market value growth rate is equal to or above the TOPIX (Tokyo Stock Price Index) growth rate.

Recipients of Stock Options	Internal Directors / Other
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Supplementary Explanation

As described above, instead of cash, 20% of the aggregation of basic compensation and performance-linked remuneration for Directors other than External Directors and Executive Officers is granted as stock compensation-type stock options, in order to share the benefits and risks of stock price fluctuations with shareholders and further boost motivation for contributions to improve the Corporation’s stock price and corporate value.

Also, in FY2019, the Corporation newly introduced stock compensation-type stock options with market value conditions, and this is with the aim of boosting the incentive to improve future market value. These stock options are allocated as stock acquisition rights with a format in which, based on 10% of basic compensation, a maximum of a 1.5-fold amount is added to the current amount of compensation. The starting date for the exercising of rights is set as three years after the allocation, and at such time, such rights can only be exercised if the Corporation’s market value is above its level at the time of allocation, and the Corporation’s market value growth rate is equal to or above the TOPIX (Tokyo Stock Price Index) growth rate.

[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 fiscal year ended March 31, 2020 are as follows:

- Directors (other than External Directors) -- seven people: the total of remuneration, etc. -- 804 million yen
- Audit & Supervisory Board Members (other than External Audit & Supervisory Board Members) -- three people: the total of remuneration, etc. -- 87 million yen
- External Directors/Audit & Supervisory Board Members -- seven people: the total of remuneration, etc. -- 106 million yen

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 External 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 External 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 External 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 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 fiscal year 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 13 million yen.

(b) Individuals to whom the total amount of compensation paid exceeded 100 million yen in the fiscal year ended March 31, 2020:

- Fumiya Kokubu (Director): The total of remuneration and other payments – 162 million yen (cash compensation of 126 million yen and stock compensation-type stock options worth 36 million yen).
- Masumi Kakinoki (Director): The total of remuneration and other payments – 201 million yen (cash compensation of 153 million yen and stock compensation-type stock options worth 48 million yen).
- Kunihiro Matsumura (Director): The total of remuneration and other payments – 127 million yen (cash compensation of 97 million yen and stock compensation-type stock options worth 30 million yen).

- Nobuhiro Yabe (Director): The total of remuneration and other payments – 103 million yen (cash compensation of 83 million yen and stock compensation-type stock options worth 20 million yen).

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 with the majority of its members consisting of External Directors 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 External 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, stock compensation-type stock options with market value conditions. The performance-based compensation is described in the above Supplementary Explanation. Remuneration for External Directors and Audit & Supervisory Board Members, all of whom are independent from business execution, consists entirely of basic compensation, and does not include performance-linked remuneration.

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

System for supporting External 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 External Directors as in the case with other Directors.

System for supporting External 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 External 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	Corporate Advisor	External activities	Full-time, compensation	March 2019 (Retirement as Chairman of the Board)	March 2021

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.

- While the Corporation originally has in place an advisor system, it currently does not have advisors. If it appoints an advisor, the advisor would not be involved in business execution of the Corporation and instead engage in activities in the business community and activities with high social significance. 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 engage in activities in the business community and activities with high social significance, roles used to be played by advisors.
- 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 11 Directors (including five External Directors; 10 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 External 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 four Representative Directors including the President, one Senior Executive Vice President, one Senior Managing Executive Officer, and three Managing Executive Officers. It deliberates important matters related to management.

(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 34 Executive Officers (four 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, 28 times in FY 2019)

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 2019)

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, 10 times in FY 2019)

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 operates in areas related to sustainability, including ESG support.

- Internal Control Committee (held as necessary, 3 times in FY 2019)

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, 9 times in FY 2019)

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 fiscal year ended March 31, 2020 is as follows: in the said fiscal year, the Board of Directors met 17 times to make decisions regarding execution of duties by the Corporation. At the same time, the Board of Directors received reports regularly from

Directors to supervise their execution of duties. The Audit & Supervisory Board met 15 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 34 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 4 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 (3 dedicated staff members) to support the Audit & Supervisory Board Members, which work together with the Audit Department (82 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 Kazuro Gunji)

Mr. Gunji successively held the posts of the CFO of Marubeni Europe plc and Managing Executive Officer, General Manager of Corporate Accounting Department and has considerable knowledge of finance and accounting.

(Audit & Supervisory Board Member Hikaru Minami)

Mr. Minami successively held the posts of Member of the Board, Managing Executive Officer, CAO and Senior Operating Officer of Audit Department, and has considerable knowledge regarding finance and accounting.

In order to enable each of the External Directors, namely Messrs. Takao Kitabata, Kyohei Takahashi, Ms. Yuri Okina, Messrs. Takashi Hachoji, Masato Kitera and each of External Audit & Supervisory Board Members, who are Messrs. Tsuyoshi Yoneda, Yoichi Kikuchi and Shigeru Nishiyama to fully perform his or her duty as External Director or External 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 External 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 External Directors that account for a third or more of the members of 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 External Directors and External Audit & Supervisory Board Members.

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

(a) Introduction of diverse external 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 External Directors and External 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 External Directors and External Audit & Supervisory Board Members based on the Standards and Policies for the Independence of External Directors/Audit & Supervisory Board Members of the Corporation so as to facilitate External Directors and External Audit & Supervisory Board Members to appropriately exercise the above roles and functions.

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

The Corporation shall determine that a person who is an External 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 financial instruments exchanges, such as 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 External 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"> ▪ Post the convocation notice, business report and financial statements on the Corporation's website ahead of sending them to the shareholders ▪ Visualize reporting items on the day of the General Shareholders Meeting ▪ Appoint a narrator for part of the reporting items on the day of the General Shareholders Meeting ▪ On-demand distribution of the reporting items on the day of the General Shareholders Meeting on the Internet

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	About five of individual visits to overseas investors is held a year and the President, Director in charge of IR, etc. explain overview of business results and business outlook.	Yes
Posting of IR Materials on Website	Business result information, integrated reports, shareholder reports, quarterly reports, annual securities reports, earnings result briefing materials and the convocation notice of General Shareholders Meeting 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.	
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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><Creation of environmental and social values through business activities> In FY2018, the Corporation established the Sustainability Management Committee. External Directors and External Audit & 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><Social contribution activities, etc.> 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. https://www.marubeni.com/en/sustainability/contribution/</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 the "Marubeni Group HR Strategy" of the Medium-Term Management Strategy "GC2021," the Corporation aims to create a "Marubeni HR Ecosystem" based on the concepts of "Human Capital with High Social Value," "Diversity & Inclusion," and "Culture for Individuals' Development and Productivity" in order to realize the "Global crossvalue platform". The Corporation has set "Employee development and Workplaces for diverse human resources" and "Health and productivity management and workstyle reforms" as priority measures and is working on additionally working on the following:</p> <ul style="list-style-type: none"> •Promotion of Diversity Management <p>The Corporation will further promote diversity within the group by building a corporate culture and workplace that utilizes the "strengths of the diverse individuals" of the Marubeni Group. The Corporation recognizes that the Marubeni Group is made up of employees with various personalities, experiences, capabilities, and values. Furthermore, the Corporation will promote work/life management as the infrastructure for employees with various backgrounds to succeed.</p>

•Female Employee Empowerment

In order to promote opportunities for female employees, in FY2006, the Corporation improved hiring practices specifically targeted at female employees being considered for managerial staff positions. Furthermore, since FY2014 the Corporation has been implementing the BENInnovation Program, which primarily targets early to mid-career female managerial track staff and their immediate managers and encourages these staff members to take on greater challenges and to strengthen diversity management. Also, the Corporation has designated “International Women’s Day” (March 8), observed by the United Nations, as “a day to support the vibrant female workforce” and holds its own “Marubeni International Women’s Day” to recognize the contributions and achievements of female employees of the Marubeni Group. In addition, in connection with the enforcement of the Act on Promotion of Women’s Participation and Advancement in the Workplace, the Corporation formulated and announced its Phase I Action Plan in March 2016. This plan aims to increase the ratio of female career-track employees to 10% or above and raise the ratio of female managers to 7% or above by the end of FY2020. The Corporation is pursuing the steady appointment of female employees to managerial positions by improving hiring practices for career-track women, actively assigning female employees to overseas dispatch, and enhancing education. In 2017, the Corporation received “Eruboshi” certification from the Minister of Health, Labour and Welfare. This system gives certification to companies that have met certain standards and are excelling with regard to the implementation of measures related to promoting opportunities for women. The Corporation has been working to enhance measures for the balancing of working and childrearing, and these include measures to support bringing along children during periods of residing overseas, and measures to support the finding of daycare upon returning to work after childcare leave. As such, the Corporation is further promoting opportunities for female employees based on developing environments in which women can continue to play active roles regardless of life events.

•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 has taken on a number of new initiatives beginning in FY2018 that operate based on the focal points of “Human Capital”, “Mechanisms” and “Time”. The initiatives include “Self-Biz” which is allowing each employee to select the business attire that they personally feel is appropriate and “Work Anywhere” which allows employees to do remote work from places other than the main office.

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. 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 External 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 participates in the company's overall management and supervise overall operation of the respective business groups 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-inspection under instructions by 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 External 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. 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

From the perspective of dispersing company-wide risks, the Corporation implements integrated risk management to grasp risks that can be quantified such as credit and investment risks regarding countries and regions, industries, markets and customers. 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, 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 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 Director 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, 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 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. As part of these initiatives, the Corporation prepared a sample of a contract clause for eliminating anti-social forces (a so-called organized crime elimination clause) and inculcates its thorough awareness in the Corporation. The Corporation's system towards elimination of anti-social forces is as described below:

1- Division in charge

The General Affairs Department is the division supervising the response if wrongful demand, etc. is made.

2- Development of database

Information regarding anti-social organizations is gathered at the General Affairs Department, which is building database of related information.

3- Use of information

The General Affairs Department confirms about doubtful organizations and individuals using the above database.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation

Nothing particular to be mentioned.

2. Other Matters Concerning to 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.

