

Special Feature

Marubeni Pushing Ahead with Changes

The Marubeni Group is taking a number of actions that contribute to maintain and improve ROE and reduce cost of equity. Our unrelenting pursuit of change and steady progress in getting results will lead to an increase in corporate value.

30

More Targeted Investments Based on Enforced Investment Discipline

31 Putting Business Policies SPP into Practice
— Business Strategies Based on SPP Business Policies —

31 Agri-input Retailing Business

32 Containerboard Manufacturing Business

33 Beef Processing Business

34

Next Generation Business

Development Division Initiatives: Towards Explosive Growth

36

Message from the CAO

37

GC2021 Group HR Strategies

42

Message from the CDIO & CSO

43

Promotion of DX Strategy

46

Corporate Governance

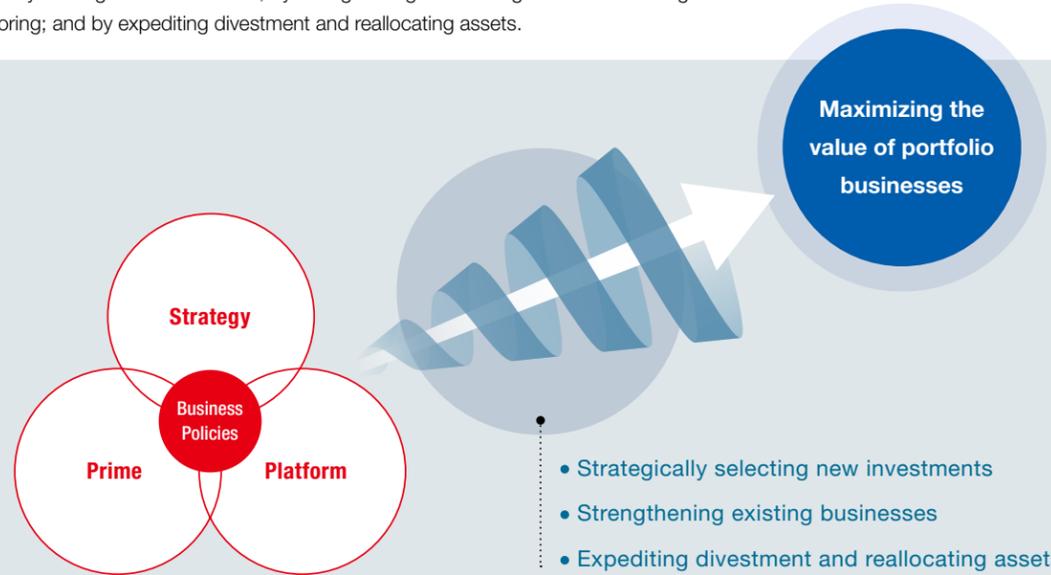
More Targeted Investments Based on Enforced Investment Discipline

» Action Stronger focus on business models defined by Business Policies SPP

Business Policies SPP

As part of GC2021, we have formulated a trio of business policies we call SPP — Strategy × Prime × Platform — as basic principles common to all the Marubeni Group's business models.

Based on the Business Policies SPP, we will work to maximize the value of the Marubeni Group's overall portfolio businesses by selectively making new investments; by strengthening our existing businesses through business monitoring; and by expediting divestment and reallocating assets.



Business Policies SPP

- Strategy** Strategy policies involve closing the gap between the status quo and our vision in each business field. It expresses our renewed commitment to staying intensively strategy-focused.
- Prime** Prime policies involve proactively executing strategies across all Marubeni Group businesses. If we were to merely invest in businesses, we would have much fewer opportunities to create solutions to the challenges and issues facing society and customers. We would also have less growth potential. We have accordingly made a commitment in the form of our Prime policy, which means proactively formulating and executing with the aim of increasing the value of our businesses. Rather than limit investments to projects in which we will hold a majority stake, we will take the initiative to add value to these businesses by teaming up with like-minded partners in mutually complementary strategies in the case of large deals.
- Platform** Platform policies involve leveraging the Marubeni Group's platform to substantially grow its businesses. We treat businesses with promising prospects of geographic, market or product-line expansion as platforms. We will pursue expansion of such businesses through M&As and/or organic growth with the aim of long-term earnings growth. In addition, we will employ the Group's knowledge, know-how, and assets as platforms to create new value by synergistically combining a wide variety of internal and external expertise.

Further enhance and strengthen risk management practices

We have enhanced and strengthened our risk management practices in response to the large impairment in the fiscal year ended March 31, 2020.

- Thorough analysis of the performance of past businesses/investments, shared company-wide
- Stronger investment discipline enforced
- Reinforced risk exposure control
- Performance improvement measures using ROIC/RORA*

*ROIC: Return on invested capital
*RORA: Return on risk assets

Putting Business Policies SPP into Practice

— Business Strategies Based on SPP Business Policies —

Agri-input Retailing Business



Helena Agri-Enterprises, LLC

Prime Organic growth achieved through many years of independent operations

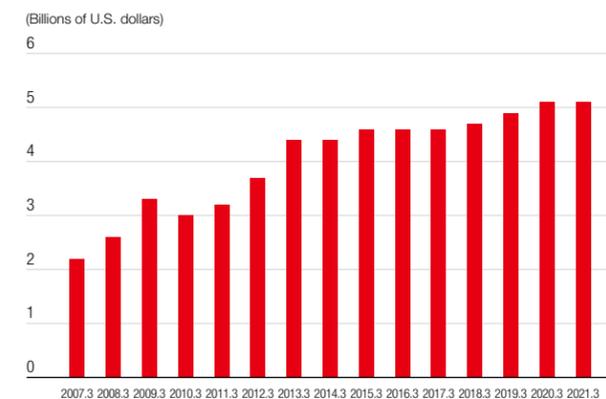
Operating at about 100 locations at the time of its acquisition by Marubeni in 1987, Helena has currently expanded to about 500 locations within the U.S., the world's leading agribusiness market with arable acreage nearly four times the total land area of Japan. With an extensive base network and some 5,000 employees consisting of specialists in sales, technology, agriculture and management specialized in the agri-input business, Helena has established a solid position in the industry as a top-class agri-input retailing company in the U.S.

Strategy Targeting the provision of services with higher added value

Helena works to differentiate its strengths (including products, services, and functions) and engages in the creation of added value not from a product starting point but from a customer starting point. At the same time, to further grow its community-based consulting business, which is one of its strengths, the company is working to build and expand its network of bases and gain a deep understanding of the needs of agricultural operators across the U.S., thereby enhancing its competitive edge. To enhance the competitiveness of consulting services that involve the sale of agri-inputs, Helena is currently expanding its business by providing "AGRIIntelligence" (an analysis and diagnostic tool that utilizes data) in accordance with customer needs.

* For more details on AGRIIntelligence, see Case Study 1 on P.45 about Helena's development of digital agri-solutions.

Helena Sales



Platform Global deployment of knowledge and know-how gained from Helena

On October 29, 2019, as part of efforts to deploy the knowledge and know-how gained globally from companies such as Helena to other areas, we invested in Brazil-based agri-input retailer Adubos Real S.A. (AR), making the company into a Group subsidiary. Established in the state of Minas Gerais, AR has been supporting agricultural producers across the region for about 40 years, helping them increase earnings by supplying agri-inputs and providing consulting services relating to their appropriate use. AR's operations have contributed to Brazil's agricultural development.

Containerboard Manufacturing Business



KRAFT OF ASIA PAPERBOARD & PACKAGING CO., LTD

Strategy Capturing growing demand for containerboard in Vietnam, where economic growth is remarkable

In 2018, Marubeni established a wholly owned containerboard manufacturing and sales subsidiary, KRAFT OF ASIA PAPERBOARD & PACKAGING CO., LTD (Kraft of Asia), in Ba Ria-Vung Tau Province in Vietnam. Projections of firm global demand for containerboard into the future are underpinned by factors such as economic expansion and growth in e-commerce. Vietnam is the third-largest country in the ASEAN bloc, with a population of more than 97 million. Its domestic demand is expanding in line with rising national income, and solid economic growth is being achieved by attracting many foreign-owned export sectors. Demand for containerboard is growing at a faster pace in Vietnam than in other ASEAN nations with advanced paper manufacturing industries such as Thailand and Indonesia. Vietnam is expected to become the largest consumer of containerboard in ASEAN in the first half of the 2020s.

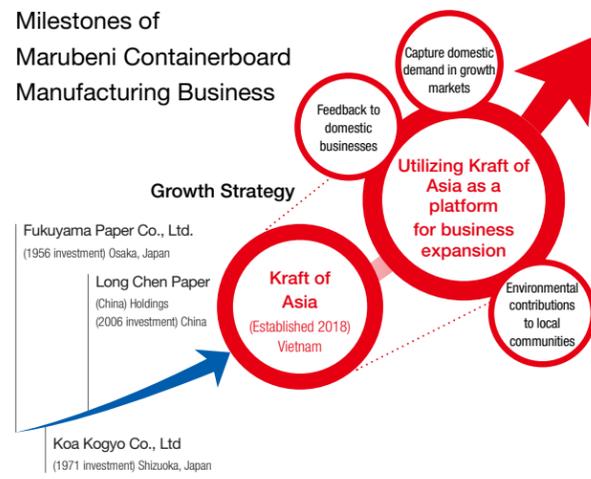
Prime Leveraging over 60 years of Marubeni Group-cultivated containerboard manufacturing expertise

Marubeni has been involved in the containerboard manufacturing business for more than 60 years. In addition to the management and operating experience gained with Koa Kogyo Co., Ltd. (79.95% Marubeni investment) and Fukuyama Paper Co., Ltd. (55%) in Japan, the Company has also been accumulating knowledge of the containerboard business overseas. The Marubeni Group is taking the initiative to manage the growth of this business by leveraging Koa Kogyo's production technology and know-how, including by deploying Koa Kogyo personnel to Kraft of Asia; and by using the Group's sales network.

Platform Targeting business expansion in Vietnam followed by further business development in Asia

As well as deploying the containerboard manufacturing business expertise first developed in Japan at Kraft of Asia, we are pursuing internal Group synergies by combining this with the new know-how gained from development of the Vietnam operations as feedback for our domestic businesses. The initial aim is to capture demand in the growing Vietnam market to develop the business. Our future goal is to develop operations in other parts of Asia using Kraft of Asia as the platform.

Milestones of Marubeni Containerboard Manufacturing Business



Beef Processing Business



Creekstone Farms Premium Beef LLC

Strategy Targeting growing beef demand via two large-scale platforms in U.S. and Australia

In 2017, Marubeni made investments in Creekstone Farms Premium Beef LLC (Creekstone Farms), which engages in cattle processing and sales in the U.S. Creekstone Farms processes cattle at its own facility in Kansas, sells beef to high-end steakhouses and retailers across the U.S., and also exports to Asia, Europe and the Middle East. Creekstone Farms handles only high-quality beef from grain-fed Black Angus cattle, and has established a business model focusing on the supply of high-value products. Since the 1980s, Marubeni has also operated a cattle feedlot business in Australia, Rangers Valley Cattle Station Pty., Ltd. (Rangers Valley). We are targeting growing beef demand with these two large-scale operating platforms in the U.S. and Australia.

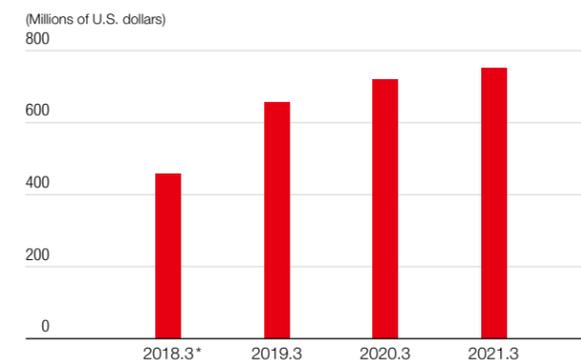
Prime Utilizing the production and processing know-how developed by Rangers Valley and Wellfam Foods

In Creekstone Farm's operation, we encourage communication with Rangers Valley to gain better knowledge and understanding through exchanges of information, and this leads to a stronger relationship with the farmers who supply cattle to Creekstone Farms. At the processing stage, Creekstone Farms can also utilize the meat processing know-how from Wellfam Foods, a chicken processing business in Japan fully owned by Marubeni. This is another case where Marubeni Group is taking the initiative in group businesses.

Platform Using Marubeni Group sales channels in Asia

We are expanding beef sales in Japan and other Asian countries by using our sales channels. Moreover, through collaboration with other existing businesses such as beef offal sales by Marubeni, we try to maximize business synergies through our own value chain.

Creekstone Farms Sales



* Consolidated from second quarter

column Accelerating growth through a custom processing business deal with the largest retailer in the U.S.

In March 2020, Marubeni invested approximately ¥12 billion and carried out the expansion of processing lines and a brand-new distribution center. This was for a custom processing deal with Walmart Inc., the giant retail chain in the U.S., which started in October 2019. We process cattle procured by Walmart efficiently and hygienically at the new Creekstone Farms facility.

Next Generation Business Development Division Initiatives: Towards Explosive Growth

» Action Create businesses that will be valued by future generation

Until now (Marubeni's conventional framework)	From now on (Next Generation Business Development Division's challenges)
Existing areas/Ideas based on Divisions' product-oriented business lines	New growth domains/Pursue opportunities from a Group-wide perspective Marubeni as Global crossvalue platform
Improve and extend existing businesses	Pursue innovativeness from customers' perspective
Find businesses	Create businesses
Homogeneous decisions	Decisions from customers, frontlines and employees
Pursue appreciation from current generation	Pursue appreciation from future generation

Targeting explosive growth toward 2030, the GC2021 Medium-Term Management Strategy on which we embarked in April 2019 commits the Marubeni Group to the challenge of developing new growth domains and business models to help prosper in a fast-changing world where existing business models face the risk of obsolescence. Established at the same

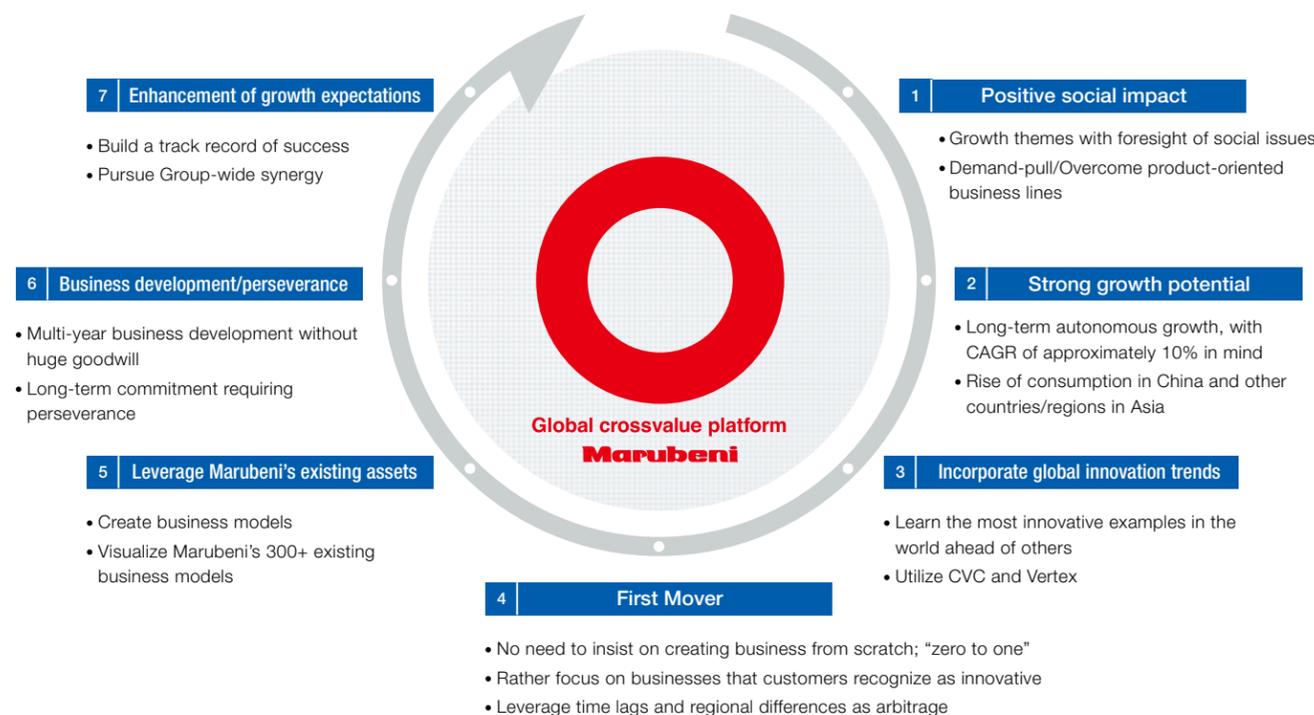
time as GC2021, the Next Generation Business Development Division targets long-term growth in corporate value to 2030 by analyzing the latest trends in global innovation through the prism of Marubeni's past successes and failures to find ways of engaging sectors that are not natural extensions of our traditional business approach.

In developing new growth domains, the mission of the Next Generation Business Development Division is to target those business models with disruptor potential for existing businesses while at the same time looking to create original value by working in partnership with Marubeni's existing operations. While existing business divisions are exploring "White Space" opportunities by utilizing their strengths, the Next Generation Business Development Division defines growth themes beyond traditional product-oriented lines, and

having "the development process of next generation business" as its concept, is therefore aiming to build businesses that will be valued by future generations. After the rigorous selection of projects consistent with this process, the aim is to engage seriously with each project from a long-term perspective as a way of enhancing Marubeni's growth expectations and raising corporate value.

See PP.128-129 for more about the business strategy of the Next Generation Business Development Division.

Development Process of Next Generation Business



» Example

Health checkup business in Russia

Russia

Marubeni is establishing the Russian-Japanese Health Checkup and Prevention Center jointly with Russia's largest hospital group, Russian Railways (Marubeni's stake: 74%, Russian Railways' stake: 26%). The center is providing services such as health checkup, comprehensive medical examinations, and outpatient care, etc., based on dividing the outpatient and health checkup divisions of an existing hospital in the city of Khabarovsk in Russia's Far East. The aim is to provide Japan's advanced preventative medical care and health checkup technologies, backed by Japanese medical institutions, thereby contributing to the extension of Russian people's life expectancy.



Message from the CAO

GC2021 Group HR Strategies



We are building a “Marubeni HR Ecosystem” to develop, energize and connect human capital with high social value.

Mutsumi Ishizuki

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

For the Medium-Term Management Strategy: GC2021 Group HR Strategies, we are aiming to build a “Marubeni HR Ecosystem” that creates new value, leads to organic connections that mutually leverage the diversity of each individual, and continually develops employees with high social value who are highly regarded and essential to society and our customers.

Since the fiscal year ended March 31, 2019, we have pursued “Human Capital × Mechanisms × Time” initiatives* aimed at developing human capital with high social value while also creating new value at the same time, including Marubeni Academia, the External Personnel Exchange Program, the Business Plan Contest, and the 15% Rule.

To build on the momentum since the fiscal year ended March 31, 2021, we have fundamentally reformed our HR system to make it more mission-oriented and more focused on promoting open innovation and the active participation of diverse human capital.

The goals of this mission-oriented HR system are to motivate all our employees to set higher targets, take on new challenges, and take the lead in organizational and personnel management at their respective organizations. In order to do so, we have redesigned appraisal, remuneration and grade systems around the role and contribution of employees as defined by their organization’s respective missions, which reflects the organizational strategy. For managerial-track employees the new system involves an annual review of grade and remuneration based on the scale of the mission. We will

ensure that remuneration is performance-oriented and market-valued and encourage employees to take on challenges towards larger-scale missions that develop human capital and execute strategy.

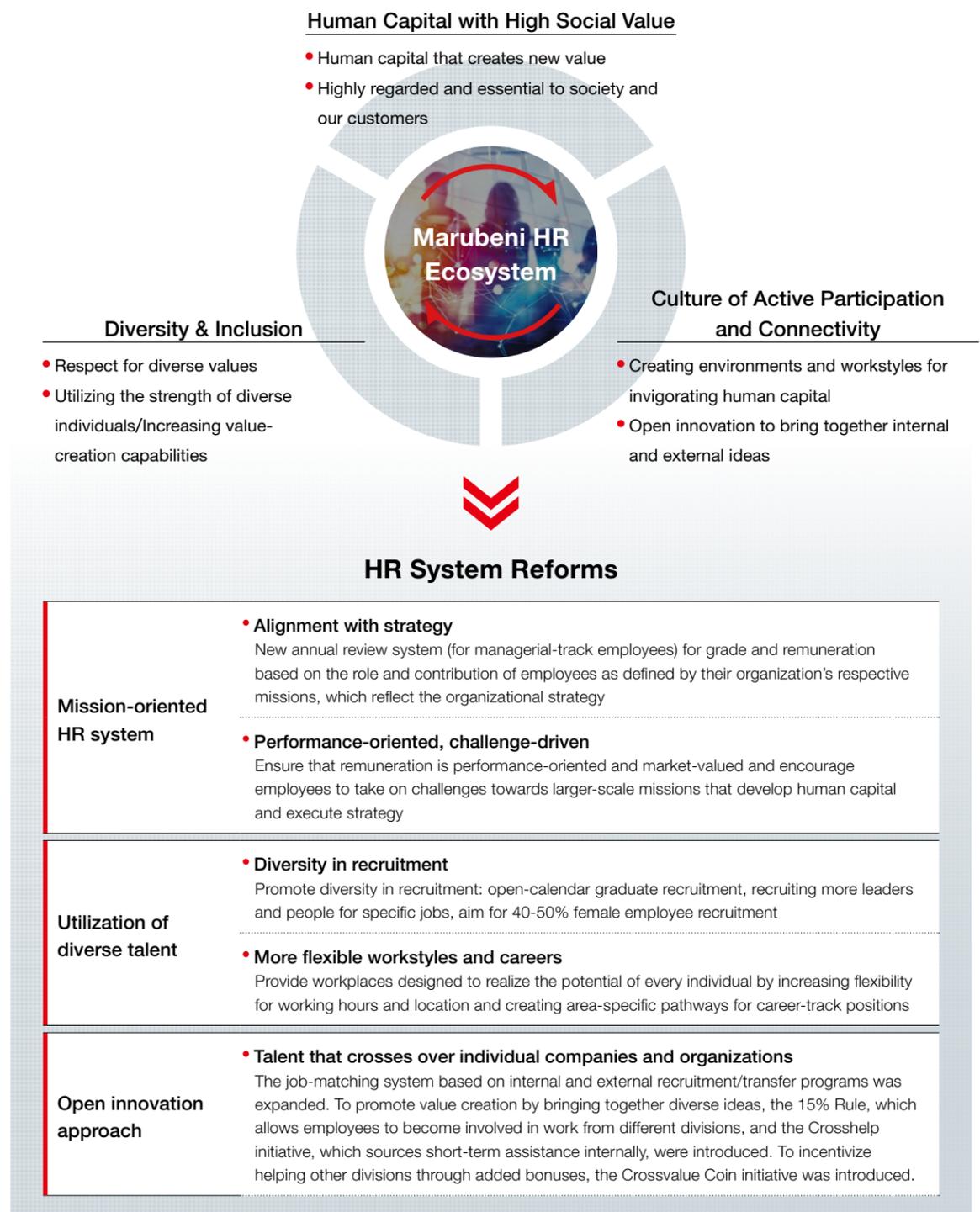
To promote the active participation of diverse human capital, we will recruit more leaders and people for specific roles and focus on initiatives aimed at increasing the ratio of female employees. To ensure that people are in the right jobs and that workplaces are designed to realize the potential of every individual, we are using assessment-based visualizations of human capital, bolstering career support for seniors, increasing work flexibility based on flextime and remote working arrangements, and creating area-specific pathways for career-track positions.

To support an open innovation HR approach, we are expanding our systems to match people to jobs using transfer and recruitment programs for internal and external personnel sourcing. We have also created a new “Crosshelp” framework to help find short-term assistance internally. In addition, we have created incentives to reward employees making contributions to other divisions. The aim remains to promote the creation of new value by bringing together diverse ideas.

Human capital is our most valuable asset. Looking ahead, we are fully focused on creating an environment that develops, energizes, and connects human capital with high social value.

* See PP.38-39 for more details on “Human Capital × Mechanisms × Time” initiatives.

» Action HR system reforms for realizing GC2021 Group HR Strategies



HR Development

To build Marubeni's global competitiveness via the development of individual employees, we are expanding the Group's HR development programs. These consist mainly of on-the-job training supplemented by off-the-job training.

On-the-job training includes assigning hands-on experience and recommending junior employees for overseas assignments to build professionalism early in their careers. The Marubeni Group training curriculum that supports off-the-job training has been revamped since the fiscal year ended March 31, 2017. Established to help realize the Marubeni Group's HR strategy, the Marubeni Global Academy (MGA) is being upgraded. We plan to roll out its HR development programs at the global and group levels to continue building human capital across the Marubeni Group.

“Human Capital × Mechanisms × Time” Initiatives Across Existing Frameworks

Developing New Value Creators



Cultivating global leaders Marubeni Academia

Under the Marubeni Academia initiative, personally distinguished individuals with diverse careers from across the Marubeni Group worldwide are selected with the aim of developing them into innovation leaders capable of driving Marubeni's future global growth. Over the course of a year, the program guides participants from conceptual discussions of innovation to realizing practical innovation. They are expected to play a leading role in the Marubeni Group's innovation initiatives as evangelists.

In Academia 2020, 25 participants from 13 countries took part in the program, practicing innovation to guide the Marubeni Group on building ecosystems to solve social issues, while learning skills and the mindset needed to deal with the “new normal” during the COVID-19 pandemic.

Growth through hands-on experience

External Personnel Exchange Program

We are further expanding our system of personnel exchanges with top firms in various industries via the External Personnel Exchange Program to enable participants to spend a few years in another company. These exchanges bring perspectives from outside the Marubeni Group into the company, thus adding dynamism, while assigning employees to other firms helps not only to build networks, but also see the Marubeni Group from outside in ways that support the discovery of original value and function. Promoting HR development can thus translate into new business development.

Creating Mechanisms to Spur Change



Making digital technologies useful Marubeni Digital Challenge

Marubeni Digital Challenge is a program for putting digital technology to practical use that commenced in the fiscal year ended March 31, 2020. Rather than theory, the program emphasizes practicality, and by trying out digital technologies, participants can get a feel for whether they can be used while polishing their own skills.

Tasks posed to the participants are not widely used sample cases, but new issues based on reality that have been brought up internally in the actual business activities and operations of the Marubeni Group. After learning popular programming languages, participants build models using AI and other analytical methods to solve problems. In the fiscal year ended March 31, 2020, 69 people participated in the program to learn technical skills that are directly relevant to business, which are hard to learn in classrooms or training in short periods of time.

Stimulating the entrepreneurial spirit Business Plan Contest (Bizcon)

Bizcon is a program to attract new business ideas from across the Marubeni Group. Over the past three years through the fiscal year ended March 31, 2021, a total of 354 entries were

submitted to the contest. The aims of the program are to create businesses by soliciting and nurturing new ideas for business from across the Group. At Bizcon 2020, about 60% of the ideas submitted were for overseas projects that called for deploying our business acumen to solve real problems faced by people in these communities. Three groups that were selected to try and commercialize their ideas came up with business plans to help solve social issues in Africa and Indonesia. We will hold Bizcon again in the fiscal year ending March 31, 2022, and continue this work to identify excellent ideas and foster an innovative spirit.

“Edish”, recyclable tableware created from Business Plan Contest

At Bizcon 2019, “edish” recyclable tableware was selected as an idea that had potential for business commercialization. It is made from food waste, such as wheat bran and other parts of food that are typically discarded, like the peels and cores of fruits and vegetables. After being used, edish tableware is crushed and processed at a plant to be reused as feed and fertilizer in upcycling*. After eating, customers crush edish and put it into a special recycling box, raising their awareness of environmental issues. Edish is also available as bowls with lids and flat plates. It can also be used as takeout containers.

* Upcycling is a concept that aims to create new added value and upgrades by utilizing the traits of items that are no longer necessary, in contrast to the reuse (recycling) of materials.



Edish bowl, made from wheat bran



Edish flat, created from the peels of tangerines

Creating Time for Innovation



Providing space to take up the challenge The “15% Rule”

Even with adequate “Human Capital” and “Mechanisms,” facing new challenges requires time. To address this, Marubeni has adopted the 15% Rule as a “Time” initiative to grant each employee time within working hours to come up with ingenious ideas for improving business practices or creating future-oriented business models. With the aim of creating the time to develop high-value-added processes, we have also conducted a business process improvement project focused on internal systems revision and process standardization or automation.

Marubeni has also introduced Crosshelp as a program for organizations to enlist the help of employees from other organizations by using the 15% Rule, as a way to get part-time help from within the Company. Organizations that receive help give participants Crossvalue Coin (added to their bonuses) commensurate with their contribution.

Targeting higher organizational productivity “Work Anywhere” (telework) and flextime systems

Marubeni has put into place systems to let employees find an optimal mix of work hours and locations in a bid to improve performance and sustain growth in both employees and organizations.

Our new telework system “Work Anywhere” allows employees to work from home or use a shared satellite office space. Our flextime systems will be available in all organizations starting in the fiscal year ending March 31, 2022, allowing employees to work flexibly around core work hours depending on the unique situation of each organization. In the COVID-19 outbreak, these frameworks and IT infrastructure enabled many employees to work from home and allowed us to keep our essential operations running. To support those employees forced to work non-standard hours, we engaged an external counselling service as part of measures to help relieve worker stress.

Going forward, we will seek out the best ways of working for both employees and organizations while ensuring the health and safety of employees and affiliates.

Diversity & Inclusion within Our Organization

Promoting Diversity Management

Diversity is an important aspect of the Group HR Strategy within the GC2021 Medium-Term Management Strategy. Aiming to become a stronger Marubeni Group where diverse individuals play active roles, we are promoting diversity to build a corporate culture and workplace environment that utilizes the strengths of diverse individuals with different personalities, experiences, capabilities, and values.

Promotion of Work Life Management

We are promoting work life management as a way to help employees from a varied range of backgrounds achieve results. Our aim is to support continuous career development and performance irrespective of one's stage in life. Every work life management measure is designed so that employees can access the required system when they need it.

Female Empowerment at Work

While encouraging women in career-track positions to take on greater challenges and to strengthen diversity management, Marubeni has provided training since the fiscal year ended March 31, 2015 to women in career-track positions early in their career and to their immediate superiors to raise awareness of opportunities for career advancement. We continue to promote female empowerment by strengthening the recruitment and training of career-track women, actively assigning more women to overseas postings, and creating an environment to ensure women can thrive at work regardless of other events in their life. Under a five-year action plan (phase two) that was launched in the fiscal year ending March 31, 2022, Marubeni has set four targets below and will continue to focus on "Strengthening the comprehensive HR pipeline from the hiring of women to female employee career development," "Continuing to strengthen health and safety management and workstyle reforms that contribute to improved productivity," and "Building a corporate culture and workplace that utilize the strengths of diverse individuals."

(1) Ratio of female new graduates hired for career-track positions will be raised from the current 20-30% to around 40-50% within three years (by April 1, 2024).
 (2) Ratio of females in all career-track positions will be at least 15%.
 (3) Ratio of females in all managerial-track positions will be at least 10%.
 (4) Increase the ratio of paid annual vacation taken to at least 70%*.
 * Targets (2) to (4) are by March 31, 2026

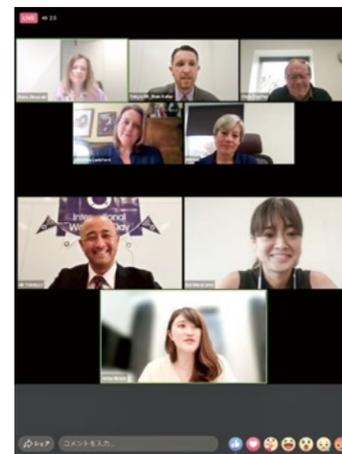
Measures to support overseas postings after childbirth

One of Marubeni's life management measures is to provide the necessary assistance and work environments when employees posted overseas are accompanied by their children.

Specifically, the Company sends the eligible employee on a business trip prior to their relocation, creates a check sheet for raising children at the overseas location, and covers a portion of the cost of childcare services necessary for the employee to take the overseas work assignment. In these and other ways, Marubeni provides seamless support for overseas reassignments in both the pre-departure phase and while they are living overseas.

Marubeni International Women's Day

Marubeni International Women's Day (MIWD) has been held every year since the fiscal year ended March 31, 2018, as a day to celebrate working women on March 8, the same date as the International Women's Day designated by the United Nations. In the fiscal year ended March 31, 2021, due to the COVID-19 pandemic, online sessions were held for two programs: Interviews with Female Employees Working Overseas, and International Women Empowerment.



Online event held for MIWD

New Work Styles at the New Head Office

In May 2021, Marubeni finished moving its head office to Takebashi. The new head office has been designed for new work styles ("Activity-Based Working"), where employees can choose their own work spaces to suit their needs, while encouraging each employee to think on their own. The aim of "Activity-Based Working" is to improve intellectual productivity by facilitating free-spirited communication among employees, and to nurture collaboration across organizational boundaries.



Opening of Marubeni Gallery

In November 2021, the Marubeni Gallery opened its doors to the public. Located at the new Head Office, the Gallery showcases the collection of art and kimonos owned by Marubeni. With the concept of being a "Space Resonant with the Beauty of the Ancient and the Modern, of East and West," the Gallery rotates exhibitions periodically. All admission fees go to support the social welfare activities of the Marubeni Foundation.



Health and Productivity Management

Identifying human capital as one category of Fundamental Materiality, the Marubeni Group places utmost priority on the health and safety of employees to help maximize their potential. To this end, we are conducting various health management initiatives within the Marubeni Group. Among related external accolades, we were chosen for inclusion in the Brand of Companies Enhancing Corporate Value through Health and Productivity Management Selection (Health & Productivity Stock Selection) in 2015, operated by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE). Since 2018, we have been certified for four years in a row as an Outstanding Organization in Health and Productivity Management in the large enterprise (White 500) category by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.



Marubeni Group Health Declaration

- Employees are a vital asset for the Marubeni Group, and their health is of paramount importance. The Group has therefore positioned maintaining and promoting employee health as a top management priority.
- The Marubeni Group supports employees' success by working to create an environment where each individual can autonomously and proactively take steps to maintain and promote his or her health. These efforts will lead to the growth of the Marubeni Group.

Marubeni Health Promotion Structure

Marubeni has established the Marubeni Health Promotion Structure, under the responsibility of the CAO. The system promotes health and productivity management through the coordination of four groups: occupational physicians (Internal Medical Clinics), the Health Insurance Association, the Human Resources Department, and health and productivity management promotion officers selected from among the Company's employees.

For more details, see the "Promote Work Style Reforms" section of our website.
<https://www.marubeni.com/en/sustainability/social/workstyle/>



Message from the CDIO & CSO

Promotion of DX Strategy



Constant Change is in Marubeni's DNA Realizing Transformation through "Taking on Challenges" and "Speed"

Kenichiro Oikawa

Managing Executive Officer,
Member of the Board Chief Digital Innovation Officer (CDIO);
Chief Strategy Officer (CSO);
Regional CEO for East Asia; Regional CEO for Japan Business;
Vice Chairman of Investment and Credit Committee

We formulated the GC2021 Medium-Term Management Strategy as the first step in implementing Marubeni's Global crossvalue platform. Under this strategy, our aim is to create long-term corporate value to 2030, based on strengthening existing businesses to generate sustained growth while at the same time promoting explosive growth by seeking to create new business models with our sights set 10 years ahead. We have incorporated the concept of three growth horizons into the GC2021 strategy. Horizon 1 focuses on improving existing businesses, while Horizon 2 focuses on pursuing strategies in existing business domains. These two horizons are positioned as the earnings drivers during GC2021. With Horizon 3, we aim to develop new business models and target growth domains the Marubeni Group has not yet focused on. In doing so, we will cultivate and grow businesses proactively from a long-term standpoint, having identified future growth engines by addressing and anticipating the issues and challenges faced by customers and society.

We are using digital technology as a tool to realize long-term growth in corporate value. Under the Marubeni Group's

DX strategy, we will enhance and accelerate the value creation cycle of the "Global crossvalue platform" by utilizing digital technologies and ensure long-term growth of Marubeni's corporate value toward 2030. This is not a novel conceptual framework for us, but rather part of our trading company DNA in the way we approach change. We have set up specialist digital units since 2017 to promote DX strategies across various business domains. Besides cutting costs and raising efficiency, we aim to utilize digital technologies to help create new business models as part of significantly accelerating and advancing our growth strategy.

Since it is vital for all our executives and employees to gain knowledge of these digital technologies, we are undertaking a range of DX initiatives to target every level of management.

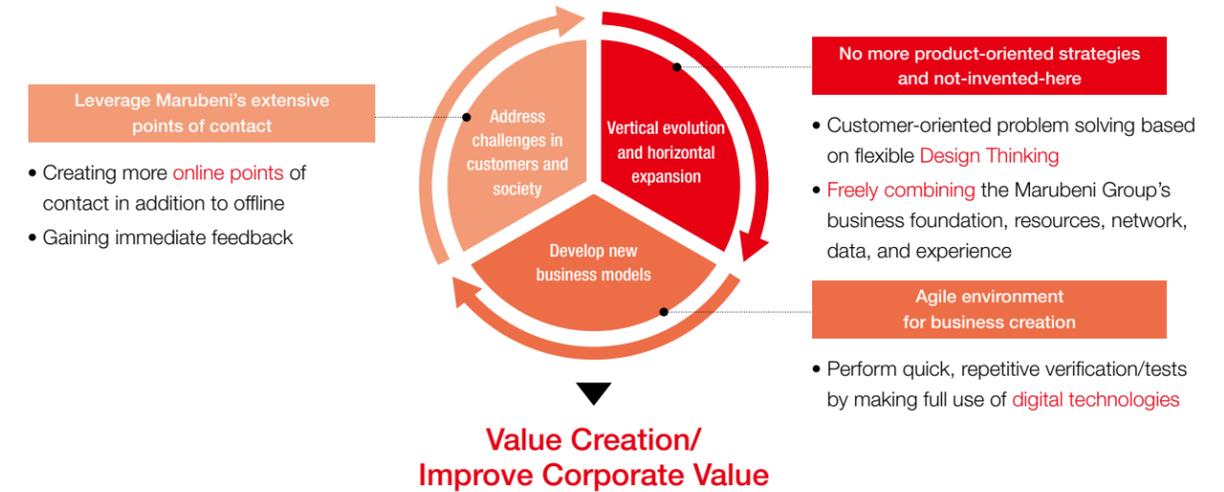
Challenge and speed are major elements of this transformation. As technical hurdles get progressively lower with the progress of digitalization, the need for speed only increases. Hence, we are engaging with reforms with a proper sense of urgency.

» Action Enhance and accelerate the value creation cycle by utilizing digital technologies

DX of the Marubeni Group

GC2021 » DX
Global crossvalue platform

Marubeni Group DX: To enhance and accelerate the value creation cycle of Marubeni's "Global crossvalue platform" by utilizing digital technologies and ensure long-term growth of Marubeni's corporate value toward 2030.



DX Strategy of Marubeni Group

The Group's DX strategy is as follows: (1) Develop and enhance digital talent base and streamline IT infrastructure; (2) Maximize use of digital technologies to drive our growth strategies.
→ Combine Marubeni Group's solid business foundation, resources, network, data, and experience to accelerate "vertical evolution" and "horizontal expansion"

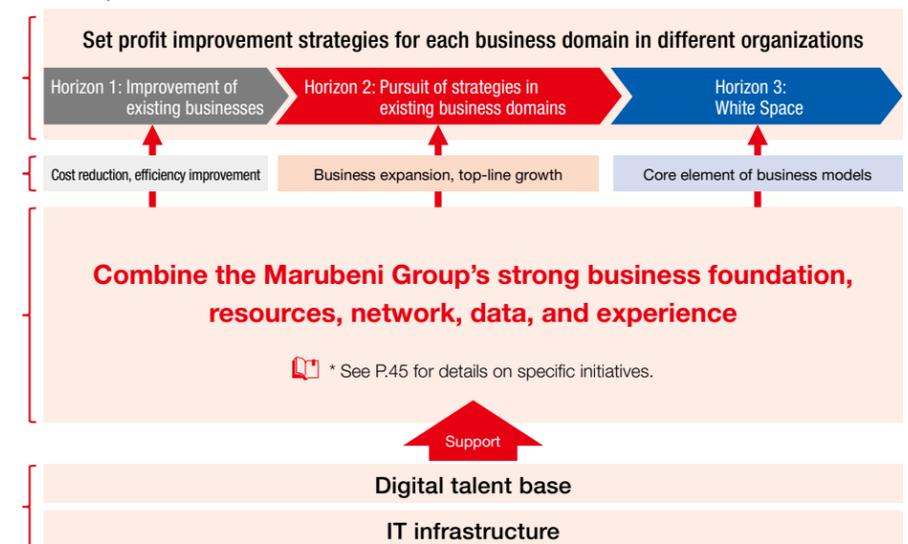
Define specific growth strategies for each business domain

Key roles of digital technology

To expedite our growth strategies, we will:

- Maximize the use of digital technology
- Promote cross-functional collaboration

Foundation of our growth strategy



DX Initiatives

Reflecting the urgent need to reform, we are running two separate DX programs in parallel. A team led by the COO of each business division is driving the Division DX Program to incorporate use of digital technologies into divisional strategies. Called the Disruptive DX Program, the other program involves selected teams in each division analyzing DX scenarios and strategies from a third-party

standpoint to evaluate the disruptive potential of new business models on Marubeni's strengths across existing business domains. This will lead to repeated revision of business strategies with a view to improving and strengthening our operations with a sense of urgency.

[1] Division DX Program: Formulate policies and practical measures to incorporate use of digital technologies into divisional strategies (led by the COO of each business division)

- Assess impact of external changes on business domain; evaluate potential use of digital technologies to tackle strategic issues; identify implementation issues; formulate reform road map

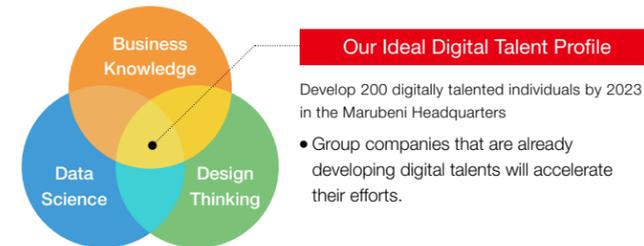
[2] Disruptive DX Program: Recognize the threats from disruption in divisional strategy and formulate related measures

- Formulate scenarios and strategies to illustrate potential erosion of strengths of current players in the divisional business domain by third-party disruptors using new technologies and business models; compile objective threat assessment for key business domains

Developing Digital Talent Base

Most of the Marubeni Group's workforce specialize in "Business Knowledge" skills; they are well-versed in their business industry and have the skill sets to develop and implement their various strategies. As a further step, Marubeni will focus on developing a digital talent base to lead formulation of our digital-oriented growth strategy and drive our digital transformation using Data Science and Design Thinking skill sets.

* The target profile for the digital talent base is people who augment Business Knowledge with specialized skill sets in Data Science (data analysis) and Design Thinking (identification of issues and new value creation based on a customer-oriented mindset).



Business Knowledge	Data Science	Design Thinking
<ul style="list-style-type: none"> • The ability to understand global trends and lead business transformation • Experience and knowledge acquired in actual business • Management skills to drive projects forward 	<ul style="list-style-type: none"> • Specialized skills in data analysis and/or development, modification and evaluation of algorithms and models • In-house prototyping and agile business development with feedback-based real-time modifications 	<ul style="list-style-type: none"> • Identify issues based on committed, customer-oriented mindset • Flexible thinking and new value creation that are not constrained by traditional mindsets and existing frameworks • The ability to perform hypothesis verification based on data analysis with a mindset for flexible business transitions

Marubeni Academia & Digital skills training programs

Digi-Challenge & Digital Community

Business Model Canvas & Bizcon

See PP.38-39 for further details.



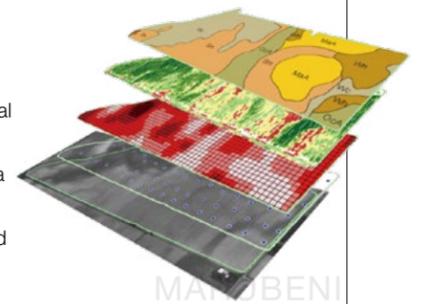
Case 01

Digitalization of Agri-Solutions at Helena

U.S.

Agriculture × Customer-Oriented × Data Analytics → Providing data-empowered Agri-Solutions

Operating in the U.S., one of the world's largest agricultural markets, Helena is driving sales of agricultural inputs such as fertilizers, agrochemicals, and seeds by meeting the needs of its customers – farmers – while also offering solutions to address their business issues. Developed over 15 years from a customer-oriented service perspective, "AGRIIntelligence" is a unique practical service utilizing digital technologies. This agronomy-focused solution can provide unique visual insights into the quality of soil and crops utilizing digital technologies, based on field-collected data including soil analysis, crop growth progress, and crop yield. Based on these insights, Helena provides consulting services to assist farmers in selecting the most suitable agricultural inputs, and in optimizing the quantity and timing of their application. Deepening and making full use of its expertise in agronomy, Helena aims to provide farmers with meaningful analysis that directly impacts revenue growth and efficiency, combined with reliable input recommendations, to help deliver real value to customers and build long-lasting commercial relationships.



Case 02

Data Analysis in Used Car Auto-Financing Business at Nowlake Technology, LLC (Westlake)

U.S.

Auto-Financing Business × Data Analytics → Providing swift approval of clients' loan applications through an in-house, big data-based prediction system

Nowlake Technology, LLC (Nowlake), the seventh-largest used car auto loan company in the U.S., originates around 400,000 loans per year. Employing over 400 IT engineers, this leading fintech is actively working on the automation of its business operation in every step of the loan process, from customer acquisition to screening, loan activation, collection, and car disposal.

One of the highlights is the company's automated loan processing system, which successfully developed a sophisticated collection model based on the data collected from millions of past applications and external sources. This allows users to receive the screening result and loan details within seconds of submitting their request, and enables the company to process as many as 7 million loan applications per year.

The next steps to accelerating DX at Nowlake include expanding an online vehicle/loan searching platform that was developed in-house and moves to forge strategic partnerships with major online platforms.



» Action Initiatives to strengthen governance

Evaluation of the Effectiveness of the Board of Directors

Regarding evaluation of the effectiveness of the Board of Directors, the Governance and Remuneration Committee, an advisory body to the Board of Directors, the majority of whose members are outside directors/Audit & Supervisory Board members, conducts evaluations and reviews concerning the overall Board of Directors, including its composition and operation, and reports to the Board of Directors. The Corporation discloses the overview of the results of evaluation following deliberation by the Board of Directors and utilizes these results in improvement of the Board of Directors, including its operation.

As for the effectiveness evaluation regarding the Board of Directors in the fiscal year ended March 2021, in order to extract more specific issues, the Corporation held interviews with all directors and Audit & Supervisory Board members in addition to conducting the questionnaire as in previous years.

Strengthening the Functions of the Board of Directors

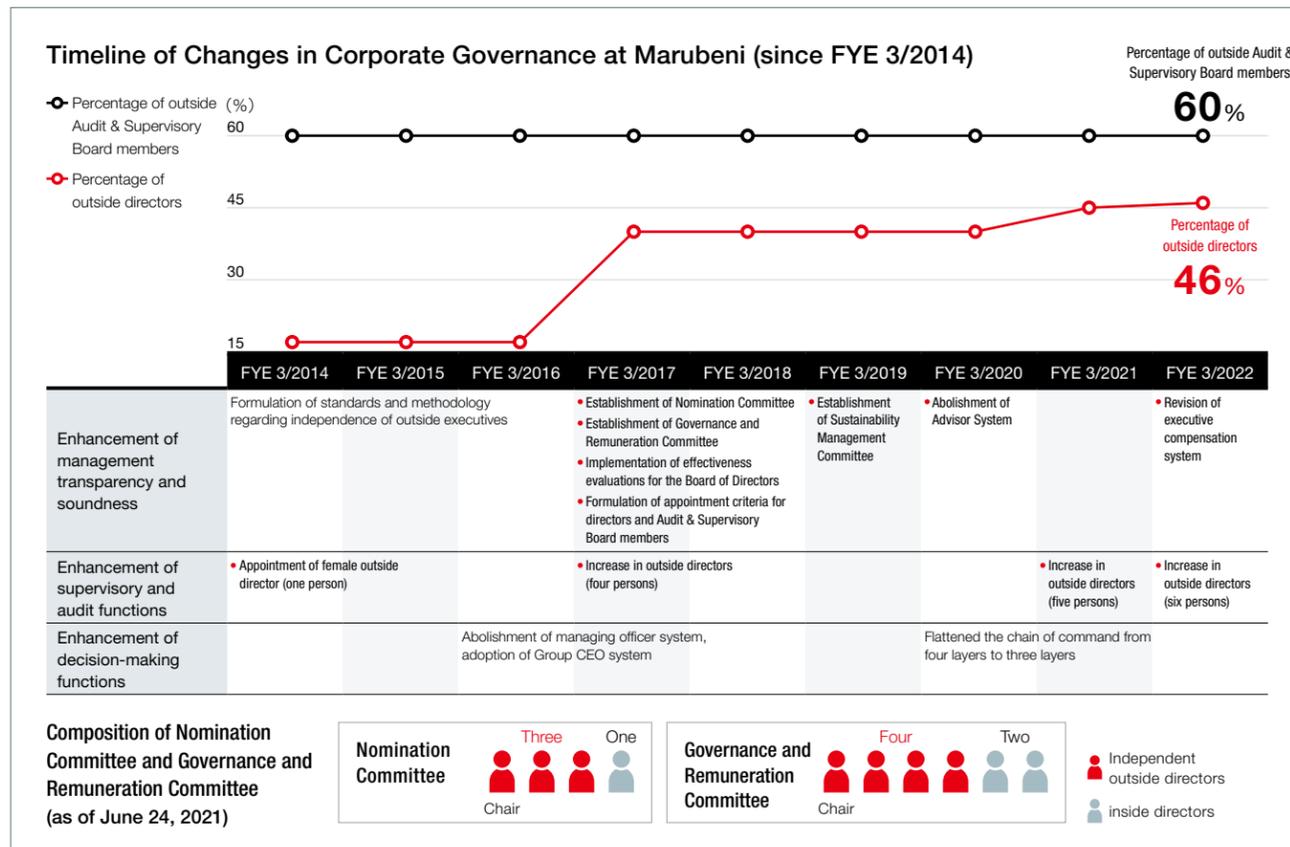
To further strengthen governance and expand the functions and diversity of the Board of Directors, from the fiscal year ending March 2022, the Corporation increased the number of outside and inside directors by one each.

(46% outside director ratio, six outside directors and seven inside directors)

Reduction of Cross-Shareholdings (Listed General Investment Shares)

Upon conducting a comprehensive examination of quantitative and qualitative aspects for each holding, the significance of the cross-shareholdings is reviewed and assessed by the Board of Directors each year. The number of such shareholdings is decreasing.

FYE 3/2019: 87 issues held → FYE 3/2020: 82 issues held → FYE3/2021: 67 issues held



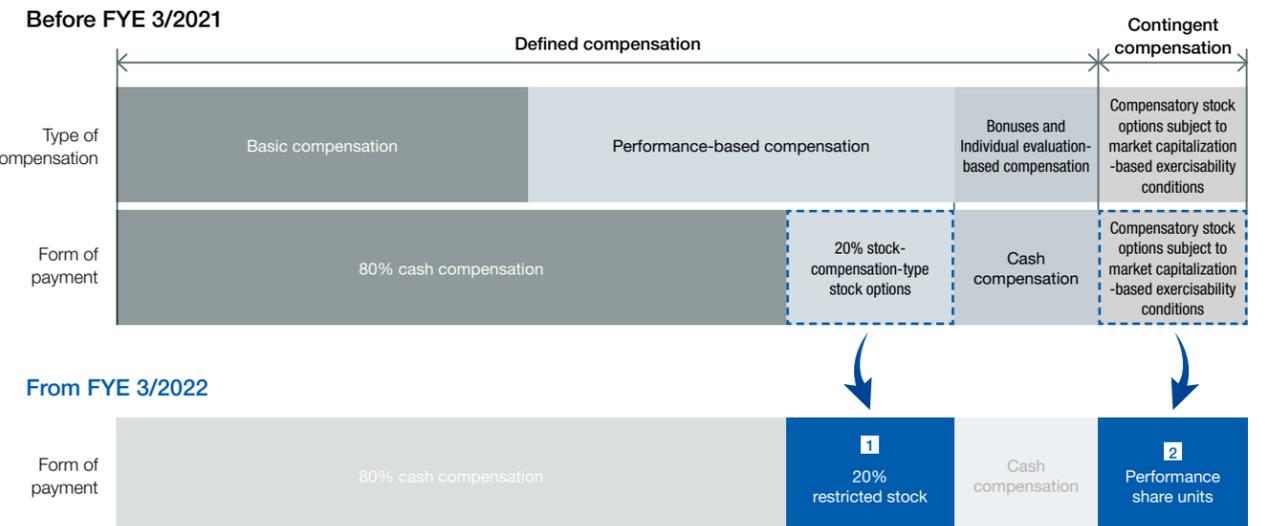
Revision of Executive Compensation System

At the 97th General Meeting of Shareholders held on June 24, 2021, a resolution for a share-based compensation system for directors (excluding outside directors) was approved.

Purpose The purpose of the compensation system is to give 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. To this end, the system was changed from paying two types of stock-compensation-type stock options to granting restricted stock (shares with restriction on transfer) and performance share units (shares issued or disposed in accordance with the achievement of targets linked to market value growth rate and other performance indicators).

- The previous stock-compensation-type stock option system was a mechanism in which shares could not be held until the rights were exercised at least three years after being granted or until after retirement. The change will encourage direct shareholding by directors.
- The transfer restriction period for restricted stock is set as the period until the director's retirement. The resulting mechanism encourages directors to commit to sharing value with shareholders even while in office, and gives incentives to work for the more sustainable improvement of corporate value.

* This revision changes the form of payment and does not represent additional compensation.



Major Changes

1 Change from stock-compensation-type stock options to restricted stock
Stock-compensation-type stock options are a mechanism for allocating stock in which option rights can be exercised three years after being granted or at any time after retirement. With restricted stock, common stock is allocated at the same time as cash compensation, with the transfer restriction period set until the director's retirement.

2 Change from compensatory stock options subject to market capitalization based exercisability conditions to performance share units
Previously, up to 15% of basic compensation was granted as compensatory stock options subject to market capitalization based exercisability conditions. This has been changed to a mechanism in which the market-capitalization-based exercisability conditions remain, and restricted stock is granted which cannot be transferred until after the conditions are satisfied and the director retires.

Please refer to Directors' and Audit & Supervisory Board Members' Compensation on PP.88-89 for more information on executive compensation.