

Exploring Our Integrated Report 2024: Key Highlights and Insights

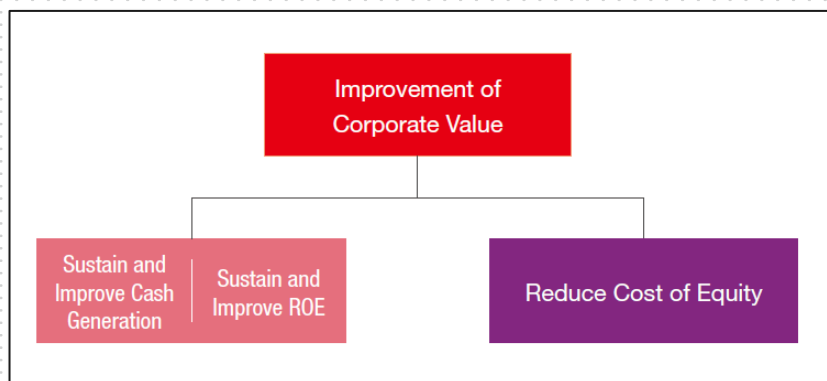
Marubeni Corporation
Nov. 28, 2024

1. **Structure and Key Points**
of Integrated Report 2024
2. **Explanation of Each Section**
3. **Closing Remarks**

- 1. Structure and Key Points**
of Integrated Report 2024
2. Explanation of Each Section
3. Closing Remarks

○ Structure and Key Points of the Integrated Report 2024

- ✓ The Marubeni Group aims to enhance its medium to long-term corporate value by focusing on "sustaining and improving cash generation," "sustaining and improving ROE," and "reducing the cost of equity." This year's integrated report is structured around these core objectives.
- ✓ We believe that in an integrated report, it is crucial to disclose not only financial information but also the story of how we aim to increase corporate value, along with non-financial information. We have strived to select content and structure the report in line with this approach.



P.1

Integrated Report 2024 Contents

Values of the Marubeni Group	P.02	
Message from the President & CEO	P.03	
Value Creation at Marubeni	P.08	
Improvement of Corporate Value	SECTION 1	
09 History of Value Creation	15 Management Capital	
11 Marubeni's Accumulated Strengths	16 Message from the CFO	
13 Value Creation Story	19 Initiatives to Improve Corporate Value over the Medium and Long Term	
14 Material Issues for Improving Corporate Value (Materiality)		
Realizing Value Creation	P.20	
Sustain and Improve Cash Generation	SECTION 2	
21 Mid-Term Management Strategy GC2024 (April 2022 – March 2025) ~Three Years of Putting Strategy into Practice~ Green Strategy	30 Business Investment Process	
23 HR Strategy	32 Special Feature 1: Continuous Growth Investments	
25 Performance by Business Group (FYE 3/2024 results, FYE 3/2025 forecasts)	42 HR Strategy	
26 Message from the CSO	42 Special Feature 2: Dialogue Between the CHRO and Outside Director	
27 Value Creation Model	53 DX Strategy	
29 Business Operation Policy	53 Special Feature 3: Dialogue Between the CDIO and SmartestEnergy CEO	
Initiatives for More Sustainable Value Creation	P.57	
Reduce Cost of Equity	SECTION 3	
58 Message from the CAO	70 Corporate Governance	
59 Risk Management	80 Corporate Management	
62 Sustainability for the Marubeni Group		
Business Portfolio	P.84	
SECTION 4		
85 Consumer Products Group	93 Energy & Infrastructure Solution Group	
88 Food & Agri Group	97 Transportation & Industrial Machinery, Financial Business Group	
91 Materials Group	100 CDIO	
Corporate Data	P.102	
SECTION 5		
103 Financial Data	111 Outstanding Balance of Country Exposure	
105 Non-Financial Data	112 Organization	
106 State of Major Green Business Initiatives	113 IR Activities / External Evaluation	
108 Major Progress in Greening All Business Domains	114 Company Profile / Stock Information	
109 Net Profit of Major Group Companies	115 Publication of the Integrated Report 2024 / Closing Remarks from Marubeni's IR & SR Department	
Disclaimer Regarding Forward-Looking Statements and Original Language Integrated Report 2024 contains forward-looking statements about the future performance, events or management plans of Marubeni Corporation and its Group companies (the Company) based on the available information, certain assumptions and expectations at the point of disclosures, of which many are beyond the Company's control. These are subject to a number of risks, uncertainties and factors, including, but not limited to, economic and financial conditions, factors that may affect the level of demand and financial performance of the major industries and customers we serve, interest rates and currency fluctuations, availability and cost of funding, fluctuations in commodity and materials prices, political turmoil in certain countries and regions, litigation claims, changes in laws, regulations and tax rules, and other factors. Actual results, performances and achievements may differ materially from those described explicitly or implicitly in the relevant forward-looking statements. The Company has no responsibility for any possible damages arising from the use of information on Integrated Report 2024, nor does the Company have any obligation to update these statements, information, future events or otherwise. Integrated Report 2024 is an English language translation of the materials originally written in Japanese. In case of discrepancies, the Japanese version is authoritative and universally valid.		
Note Regarding Accounting Standards The Company adopted U.S. GAAP up until the fiscal year ended March 31, 2013, and FRIS from the fiscal year ended March 31, 2014. "Profit attributable to owners of the parent" is described as "Consolidated Net Profit"/"Net profit" in this report.		

○ Structure and Key Points of the Integrated Report 2024

Based on feedback received from our readers, we have incorporated several improvements in the 2024 edition.

Achievements and Challenges up to Last Year

Enhancing Understanding and Improving Usability

Achievements :

- Changed to A4 landscape format for easier viewing on tablet devices, etc. (from 2023 edition)
- Adopted an interactive format for smooth page-to-page reference in PDF

Contents

Challenges :

- The content tends to be comprehensive, making it difficult to convey Marubeni's unique characteristics
- Many descriptions focus on Marubeni as a standalone entity, making it challenging to convey information about the entire group

Improvements in the Integrated Report 2024

Content Enhancement

- » Focused on the flow aligned with the corporate value enhancement model.
While maintaining the overall structure to preserve the flow, we adjusted the page order to enhance the storytelling aspect throughout the report.
- » Created feature pages to further convey Marubeni's uniqueness.
- » Increased the use of dialogue format to improve the clarity of each topic
 - Feature 1 Continuous Growth Investment
 - Feature 2 Dialogue between the CHRO and Outside Director
 - Feature 3 Dialogue between the CDIO and SmartestEnergy CEO

Further Improvement in Readability

- » Reduced the number of fonts and colors used throughout to create a sense of unity in the report.

Strengthening Dialogue

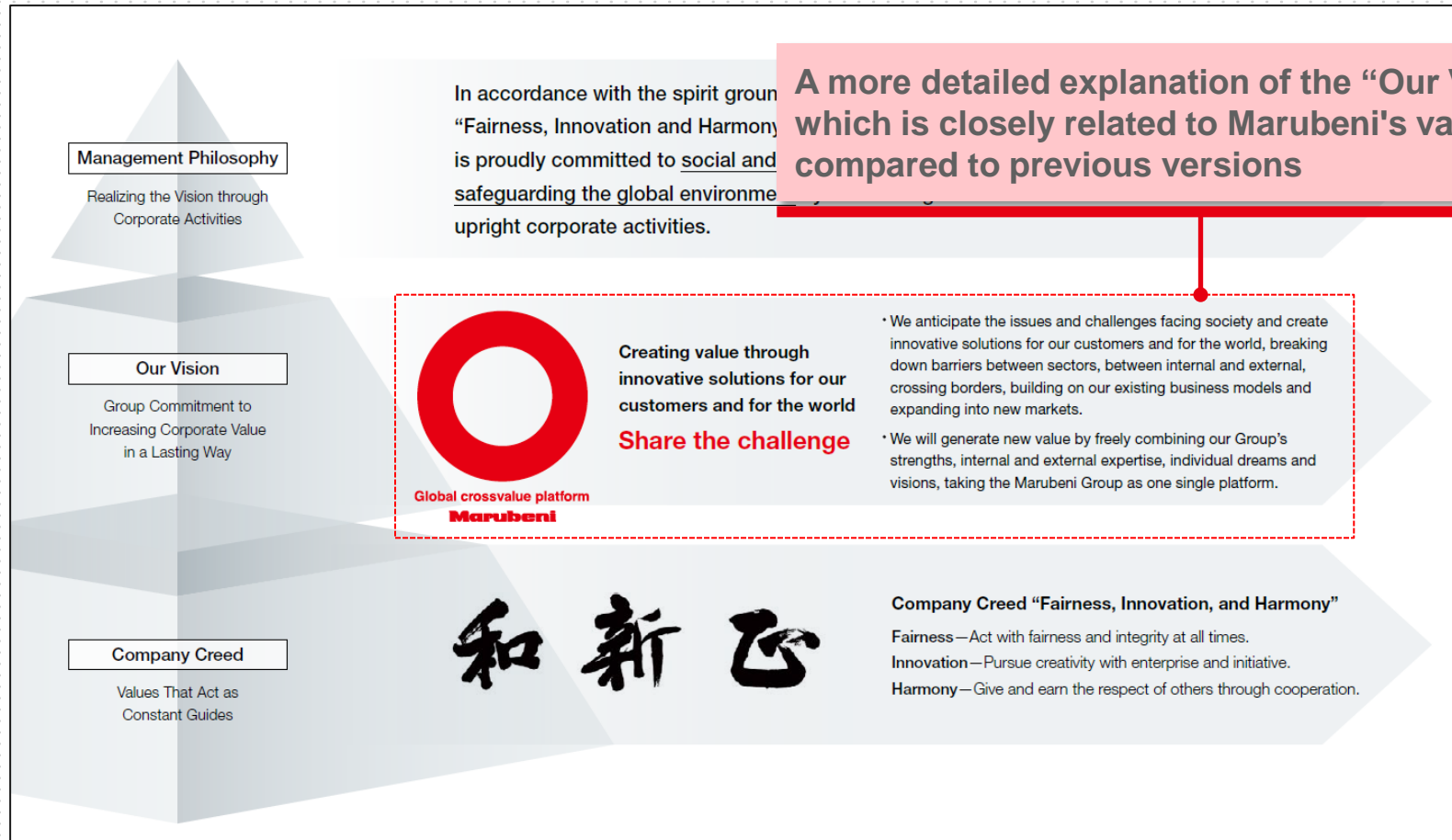
- » Held explanatory meetings (video distribution) to deepen understanding.
Simultaneous release of Japanese and English version.

1. Structure and Key Points
of Integrated Report 2024
2. **Explanation of Each Section**
3. Closing Remarks

○ Opening Section - Values of the Marubeni Group, Message from the President & CEO

P.2

Values of the Marubeni Group



P.3-7

Message from the President & CEO

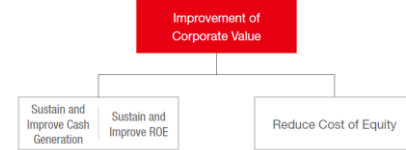


Masumi Kakinoki
President & CEO

Communicating Marubeni's growth strategy from a broad perspective

- » **Turning risks into opportunities** through the unique network and agility of a trading company
- » **Steady progress on strengthening the earnings** base through relentless implementation of strategies
- » **Improving investment discipline** to avoid being misled by invisible synergies
- » Enhancing follow-up system to **eliminate negative surprises**
- » **Shaping the future** through HR strategy
- » Promoting our green strategy **toward a sustainable future**
- » **Enhancing shareholder returns** with strong cash flow
- » **Aiming to exceed stakeholder expectations** by continuing to embrace challenges

Section 1 - Improvement of Corporate Value



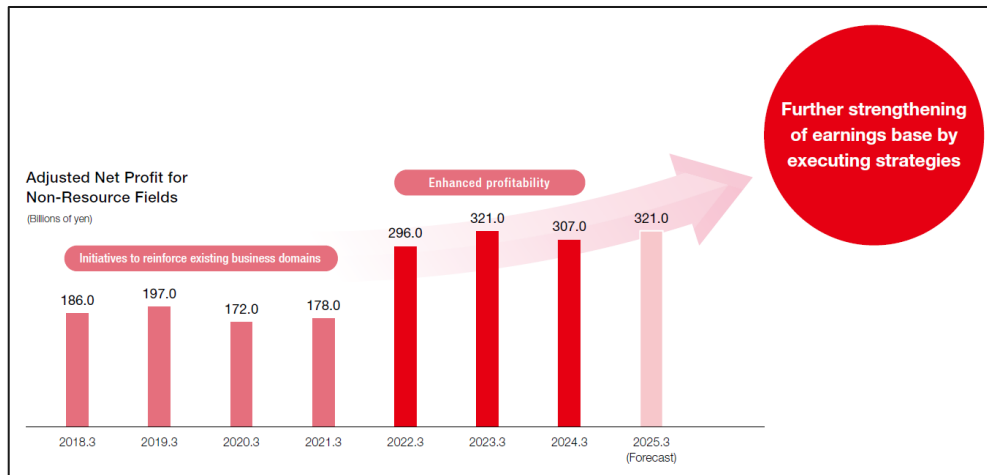
P.11-12 Marubeni's Accumulated Strengths



Clearly expressing the two axes that are both strengths and characteristics of the Marubeni Group

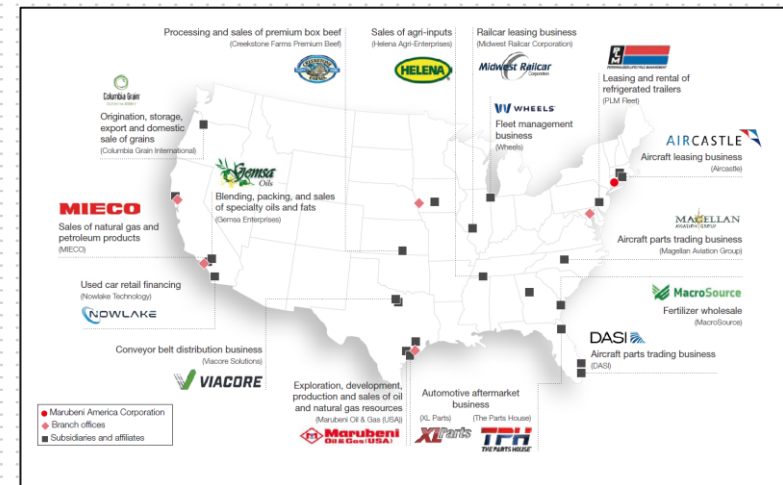
Earnings Base in Non-Resource Fields

- » We are working to further strengthen our earnings base by pursuing a strategy of building up strengths in non-resource fields that are less susceptible to fluctuations in resource prices.

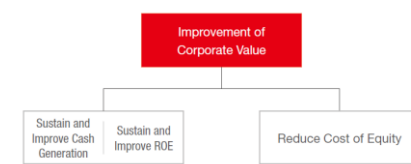


Competitiveness in the U.S.

- » More than 70 years of business experience in the U.S.
- » Strong earnings base, generating around 30% of net profits in the U.S.



Section 1 - Improvement of Corporate Value



P.16-18 Message from the CFO

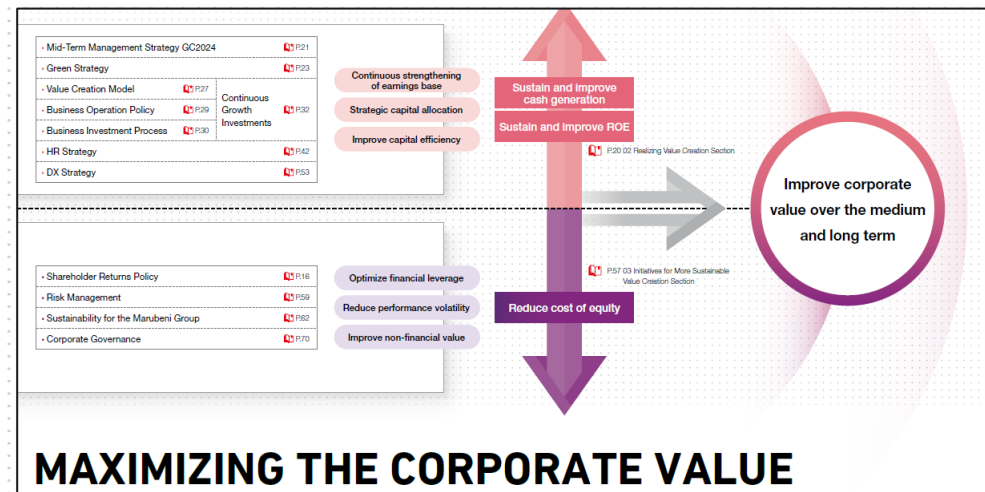


Takayuki Furuya

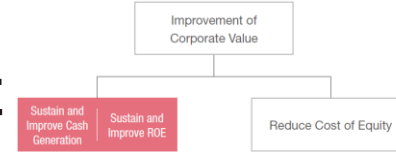
Senior Managing Executive Officer,
Representative Director, CFO; Chief Operating Officer,
Investor Relations and Credit Ratings;
Chairman of Investment and Credit Committee

Presenting the accumulated achievements and thoughts on enhancing medium to long-term corporate value

- » Stronger Earnings Base Evident in the Fiscal Year Ended March 31, 2024
- » Strategic Capital Allocation and Growth Investments
- » Enhancing Shareholder Returns
- » Enhancing Corporate Value over the Medium- to Long-Term



Section 2 - Sustaining and Improving Cash Generation / ROE



P.29

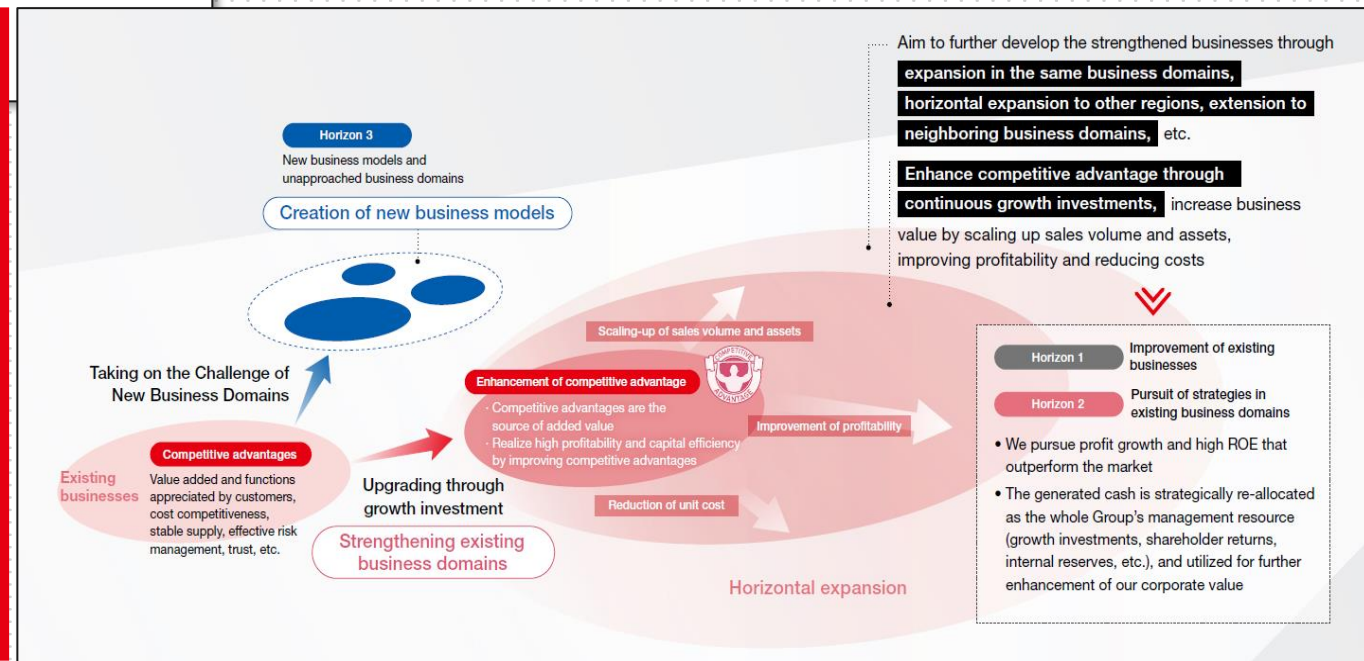
Business Operation Policy



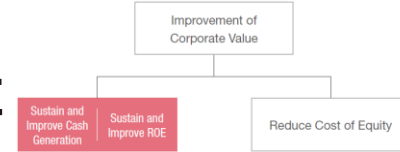
- » Strategically selecting new investments
- » Strengthening existing businesses
- » Expediting divestment and recycling assets

P.27-28 Value Creation Model

Maximizing the value of the business portfolio through rigorous pursuit of strategy-based business investments



Section 2 - Sustaining and Improving Cash Generation / ROE



P.32-41

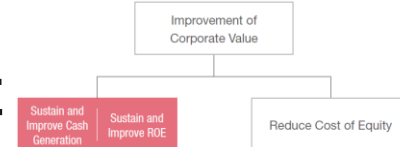
Special Feature 1: Continuous Growth Investments



- ✓ Executing continuous growth investments classified as Horizon 1, 2, and 3, in accordance with the SPP business guidelines and investment decision processes.
- ✓ Representative case studies are introduced in this special feature.

	01 Helena Agri-Enterprises Agri-inputs retailer in the U.S.	Horizon 1 Horizon 2	P.33
	02 Aircastle Leading lessor of mid-life aircraft	Horizon 1 Horizon 2	P.35
	03 Nowlake Technology The third-largest used-car finance provider and the first among nonbank lenders in the U.S.	Horizon 1 Horizon 2	P.37
	04 SmartestEnergy A leading U.K. wholesale and retail power sales business, primarily in renewable energy, that Marubeni built from scratch	Horizon 1 Horizon 2	P.39
	05 Copper Mining Projects Joint development and operation of copper mines in Chile with Antofagasta PLC in the U.K.	Horizon 1 Horizon 2	P.40
	06 R.G. Barry Corporation Entering the lifestyle brand management business in the U.S.	Horizon 3	P.41

Section 2 - Sustaining and Improving Cash Generation / ROE



P.32-41

Special Feature 1: Continuous Growth Investments



Special Feature 1 Continuous Growth Investments

Helena Agri-Enterprises

Agri-inputs retailer in the U.S.





Competitive Advantages

- Development and provision of high-value-added services and products that satisfy customer demands

Horizon 1

Horizon 2

- Strategy:** Provide even higher value-added services

Helena Agri-Enterprises focuses on developing highly functional products and services based on customer needs rather than on the products themselves. These products and services are sold through community-based consulting, aimed at creating added value for customers across the U.S. The company continuously builds and expands its network of locations, deepening its understanding of the needs of agricultural producers nationwide, thereby enhancing its competitive advantages.
- Prime:** Leap in growth led by business management over many years

When Marubeni acquired Helena in 1987, the company had around 100 locations in the U.S. Today, that number has grown significantly, to approximately 500 locations. Helena, with this network and a workforce of nearly 6,000 specialists in sales, technology, agronomy, and management, all focused on the agri-input business, has carved out a position as one of the leading agri-input sales companies in the U.S. market, which is arguably the most advanced agribusiness market in the world.
- Platform:** Globally leveraging Helena's knowledge and know-how

In order to transfer the knowledge and know-how cultivated through Helena and other global markets to new regions, Marubeni invested in Adubos Real S.A. (AR), an agri-input sales company in Brazil in 2019, turning it into a subsidiary. Founded in the State of Minas Gerais, AR has been contributing to the development of local agricultural producers and Brazil's agricultural sector for nearly 40 years through the sale of agri-inputs and consulting services on the proper use of these materials.

Helena Sales

(Billions of U.S. dollars)

Number of locations

1987 (Time of Investment) 100 → FYE 3/2008 300+ → FYE 3/2024 500+



- Helena expands the number of locations through capital expenditures and acquisitions of small- and medium-sized competitors
- While sales grow, Helena increases sales of proprietary value-added products


Adubos Real

Cross-Deployment of Helena's Model



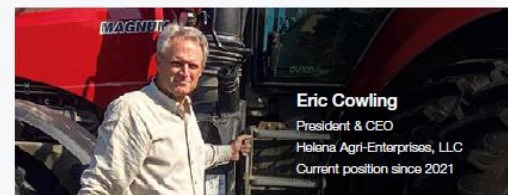
For more than 40 years since its founding, AR has contributed to improving the profits of local farmers in Minas Gerais, the southeastern state in Brazil through the sale of agri-inputs and consulting services for these inputs.

After Marubeni's equity participation, AR has been executing investment plans in line with its growth strategy, and continues to expand operations into neighboring states, such as São Paulo and Espírito Santo. The expertise cultivated by Helena is being leveraged in markets with high agricultural similarities between the U.S. and Brazil.



Referring also to quantitative aspects such as trends in sales and number of locations

Message from Management

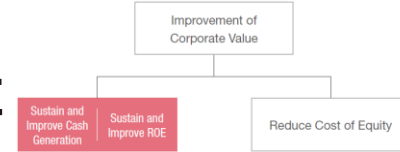


Helena's competitive advantage lies in its ability to utilize technology and local expertise to provide products and services that enable our agricultural producer customers to succeed. AGRIntelligence®, a consulting service tool developed over many decades based on customer information collected daily at over 500 locations, analyzes customer's specific crop and soil data to timely and accurately respond to the different needs of each customer—setting the company apart from its competitors. In addition to offering

Selecting representative examples according to the SPP x Horizon classification

Obtaining direct messages from local CEOs

Section 2 - Sustaining and Improving Cash Generation / ROE



P.42-44 Dialogue Between the CHRO and Outside Director



Discussing the key points of HR strategy and future challenges



Special Feature 2: Dialogue Between the CHRO and Outside Director

Yuri Okina
Outside Director



Koji Kashima
Managing Executive Officer
Chief Human Resources Officer (CHRO)

P.45-52 HR Strategy

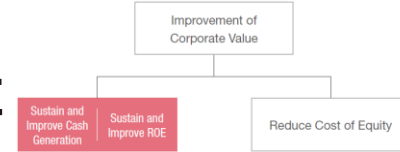


Explaining various measures of HR strategy aligned with the management strategy

Diverse Human Capital	Major Achievements and KPIs		Key HR Initiatives
Coming Together P.46	Percentage of Mid-Career Hires among Full-Time Employees	FYE 3/2024: 14.8% Compared to FYE 3/2023: +0.5 Points	- Career Vision Recruitment - Mid-career Hiring - Referral Hiring
	Percentage of Newly Hired Female Employees	FYE 3/2024: 42.7% Compared to FYE 3/2023: +3.2 Points Target: Approx. 50%	
Being Energized P.47	Engagement Survey Score	FYE 3/2024: Deviation Score 62.4 Compared to FYE 3/2020: +9.1 Points	- Engagement Survey
	Opportunities to Realize One's Own Career Ambitions	FYE 3/2024: Affirmative Response Ratio 60% Compared to FYE 3/2020: +21 Points	- Mission-oriented HR System
	A Work Environment that Makes Work-life Management Possible	FYE 3/2024: Affirmative Response Ratio 58% Compared to FYE 3/2020: +15 Points	- Work-life Management Measures
	Enhancing Systems and Measures for Health Maintenance and Improvement	FYE 3/2024: Affirmative Response Ratio 57% Compared to FYE 3/2020: +17 Points	- Health and Productivity Management
	Average Hours of Training per Employee	FYE 3/2024: 52 Hrs. per Employee Compared to FYE 3/2023: +6 Hours per Employee	
Connecting P.50	Percentage of Women in Management Positions	FYE 3/2024: 9.0% Compared to FYE 3/2023: +0.8 Points FYE 3/2026 Target: 10% or more	- Human Capital Development (On- and Off-the-Job Training)
	No. of Internal Talent Recruitment and Employee Job Matching System Transfers	Five-year Total (FYE 3/2020 to FYE 3/2024): 187 Transfers	- Marubeni Career Market
	Crossvalue Coin	Three-year Total (FYE 3/2022 to FYE 3/2024): 1,715 Instances / 8,183 coins	- 15% Rule, Crosshelp, Crossvalue Coin - Business Plan Contest (Bizcon) - M-Alumni

New Value Creation

Section 2 - Sustaining and Improving Cash Generation / ROE



P.53-56

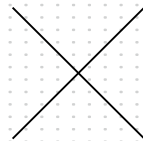
DX Strategy



Special Feature 3: Dialogue Between the CDIO and SmartestEnergy CEO

Masayuki Omoto

Managing Executive Officer
Chief Digital Innovation Officer (CDIO),
Chief Operating Officer,
Next Generation Business Development Div.
(Seconded to SmartestEnergy,
from April 2014 to March 2016)



Robert Groves

Chief Executive Officer,
SmartestEnergy

Explaining the three axes of the DX strategy:

- ① New Business Creation and Development
- ② Utilization of Digital Technology
- ③ Expansion of Human Resource Who Promote Innovation and Digital Technology

DX Strategy

Promotion of Innovation and Utilization of Digital Technology at Marubeni Group

The Marubeni Group's many businesses have accelerated their growth by sharpening their competitive advantages through innovation aimed at creating new businesses and the use of digital technologies. By continuing long-term efforts in ① new business creation and development, ② utilization of digital technology, and ③ expansion of human resources who promote innovation and digital technologies, the Marubeni Group aims to grow through the development of innovative businesses one step ahead of the times, while fostering a corporate culture that constantly creates value and pursues competitive advantages in each business.

① New Business Creation and Development

Business Plan Contest (Bizcon): create new businesses and foster an entrepreneurial spirit among employees
Since 2018, our internal open new business plan proposal program, which solicits business ideas from employees, has not only contributed to the creation and expansion of business domains, but also fostered an entrepreneurial spirit among employees that has drawn out their creative abilities. Cumulatively, more than 900 employees have participated, generating new business ideas from multiple angles. Over a six-year period, 20 ideas were given the "right to challenge commercialization" status and underwent practical test marketing. Of these, one idea reached a strategic exit, and several other ideas are continuously operating.



the business group alone due to high levels of uncertainty or technical challenges. To date, 14 pilot projects have been undertaken, with all details reported companywide to improve visibility and knowledge sharing.

② Utilization of Digital Technology

DX Promotion Structure:
While overseeing and directing the teams promoting the DX Strategy across the Marubeni Group, the DX Dept. collaborates with DX consulting companies set up within the Marubeni Group (DCOLBK CONSULTING Inc. and Digital Experts, both wholly owned subsidiaries of Marubeni) to advance the Group's DX Strategy with a staff of more than 150 professionals dedicated to this purpose. Utilizing digital technology, it is necessary to have the ability to swiftly and flexibly address issues discovered in the workplace. At Marubeni, we enhance our agility by internalizing necessary functions across the group, led by the DX Dept., to contribute to value creation in each business.

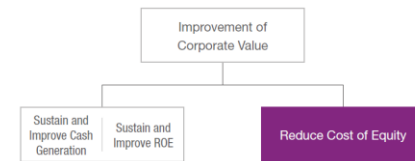
DX project support / DX Lab: broad assistance program for new initiatives and DX projects
In this system, business groups and corporate staff groups receive consulting and hands-on support from the Digital Innovation Dept. (DX Dept.), an in-house group of specialists, for new undertakings and DX projects. Launched in 2017, this system leverages expertise in digital technologies, as well as the agility and cultural understanding unique to an in-house organization, contributing to approximately 100 projects annually. Of the projects that receive regular support, the DX Lab is an initiative where the DX Dept. provides support and assistance for new undertakings that are typically difficult to advance by

Examples of DX Support: development of services for introduction of commercial electric vehicles (EVs) and fleet management
In the Construction, Industrial Machinery & Mobility Division, Marubeni established E-Volity Corporation with Panasonic Holdings Corporation to provide a wide range of services, from consulting to vehicle and charger network management systems, with the aim of supporting all aspects of commercial EV rollout and operation. With the launch of E-Volity, Marubeni leveraged its know-how in project management for systems development and analysis of obtained data to help E-Volity increase the sophistication and value added of its service offerings.



	Pre	Business phase	Existing
Electricity cost handling of issues	Project creation (workshops, etc.)	Digital-related examination	DX support for organization (new management, testing)
Conceptual of solution	Initiation	Strategy formulation	Data analysis
Implementation of solution	AI model creation and implementation	Vendor system creation and promotion	Technical due diligence

Section 3 - Reduce Cost of Equity



P.70-79

Corporate Governance



Composition, Specialty and Experience of Directors and Audit & Supervisory Board Members

Position	Name	Main career and qualifications / Current positions and concurrent occupations and positions	No. of years in office (cumulative No. of years in office)	Nomination Committee	Governance and Remuneration Committee	Attendance at meetings of the Board of Directors and Audit & Supervisory Board in FYE 2024 (attendance count/possible count)		Expertise and Experience										
						Board of Directors	Audit & Supervisory Board	Corporate management	Finance and accounting	Legal, compliance and risk management	Science & Technology/DX	International experience	Public institutions					
Director	Inside																	
	Fumiya Kokubu	Chairman of the Board	12 years (13 years and 9 months)			(15/15)		○					○					
	Masumi Kakinoki	President and CEO	6 years (6 years and 9 months)	Member	Member	(15/15)		○					○					
	Akira Terakawa	Senior Executive Vice President	3 years (5 years)		Member	(15/15)		○					○					
	Takayuki Furuya	Senior Managing Executive Officer, CFO	4 years			(15/15)		○	○				○					
	Yuri Okina	Formerly with Bank of Japan / Chairperson, The Japan Research Institute; Director, Shigaikoku Corporation	7 years	Chair		(15/15)			○				○	○	○	○	○	○
	Masato Kitera	Former Ambassador and Plenipotentiary to People's Republic of China, Former Ambassador and Plenipotentiary to France / Member of the Board, Japan Tobacco	4 years		Member	(15/15)							○	○	○	○	○	○
	Shigeki Ishizuka	Former Vice Chairman, Representative Corporate Executive Officer, Sony / Director, LIXIL	3 years	Member		(15/15)		○					○	○	○	○	○	○
	Hisayoshi Ando	Former Vice Minister of Economy, Trade and Industry / President & CEO, Tokyo Small and Medium Business Investment & Consultation; Director, Audit & Supervisory Committee Member, Nissai Holdings; Director, MAMEZO DIGITAL HOLDINGS	2 years		Chair	(15/15)		○					○	○	○	○	○	○
	Mutsuko Hatano	Former Chief Researcher, Hitachi / Professor, School of Engineering, Tokyo Institute of Technology; Senior Aide to the President, Tokyo Institute of Technology	1 year	Member		(12/12)*							○	○	○	○	○	○
Outside																		
	Soichiro Minami	Representative Director and CEO, Visions; Representative Director and President, Starby	—					○					○	○	○	○	○	○
Audit & Supervisory Board Member	Full-time																	
	Takao Ando	Former Managing Executive Officer; General Manager, Risk Management Dept. of the Corporation	1 year			(10/10)	(10/10)						○	○	○	○	○	○
	Toshiaki Kida	Former General Manager, Audit Dept. of the Corporation	3 years			(10/10)	(10/10)											
	Outside																	
	Tsuyoshi Yoneda	Former Commissioner General, National Police Agency / Chairman, Council for Public Policy	7 years			(10/10)	(10/10)											
	Kana Odawara	Former SVP, Adecco Group (AMC) / Representative, Odawara Coaching & Consulting, Director, MOS FOOD SERVICES; Certified Public Accountant, U.S. Certified Public Accountant	—															
	Hiroko Miyazaki	Former President and Representative Director, JM Japan / Counsel, G&T Law Office, Attorney-at-law in Japan and the U.S., Director, NRI Funds	—															

Skill

Corporate management

This skill is considered to be necessary as it is in experience and profound insight as corporate m create new businesses and transform existing o

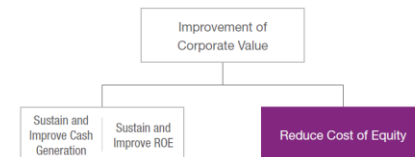
This is considered to be a necessary skill in ord ability, a particularly high degree of expertise,

* Attendance at meetings held following assumption of office as Director or Audit & Supervisory Board member on June 23, 2024

Adding reasons for skill selection

Skill	Reasons for Selection
Corporate management	This skill is considered to be necessary as it is important to deliberate the appropriateness and risks of business activities, etc., from objective multiple viewpoints based on a wealth of experience and profound insight as corporate management. In particular, outside officers are expected to provide advice from the perspectives of different industrial fields in order to create new businesses and transform existing ones.
Finance and accounting	This is considered to be a necessary skill in order to ensure appropriate supervisory functions. While each member of the Board of Directors has certain knowledge, experience and ability, a particularly high degree of expertise, as stated above, is required in determining the appropriateness of skills to ensure a high degree of supervisory functions by the Board of Directors' members as a whole. Moreover, this skill is also considered to be important from the perspective of management conscious about capital cost and stock price.
Legal, compliance and risk management	As with "Finance and Accounting," it is considered to be a necessary skill in order to ensure appropriate supervisory functions. While each member of the Board of Directors has certain knowledge, experience and ability, a particularly high degree of expertise, as stated above, is required in determining the appropriateness of skills to ensure a high degree of supervisory functions by the Board of Directors' members as a whole. Moreover, this skill is also considered to be important from the perspective of strengthening and reforming governance.
Science & Technology/ DX	This is considered to be a necessary skill because "DX for reforming business strategy and expeditious implementation" is advocated as a strategy among Business Policies SPP in the Mid-Term Management Strategy (GC2024), aiming as the Marubeni Group to deepen and expedite the value creation cycle in the "Global crossvalue platform" using digital technology in order to realize a long-term improvement of corporate value towards 2030.
International experience	This is considered to be a necessary skill as the Corporation is engaged in business globally.
Public institutions	For outside officers, it is expected as one of their roles and functions to introduce diversified external perspectives. With outside officers who have worked for government ministries and agencies, the Bank of Japan and the legal community, the Board of Directors incorporates broad perspectives which cannot be experienced by private companies from the understanding of international affairs at the state level, grasping of economic trends and involvement in policy decisions. This is considered to be a necessary skill because for a general trading company with complex, various and diversified businesses, advice and supervision over management from such perspectives and points of views are indispensable.

Section 3 - Reduce Cost of Equity



P.70-79

Corporate Governance



Outside Director Message

Masato Kitera

Outside Director
Appointed in June 2020



Reflecting on Revisions of Remuneration Plan for Directors

As a member of the Governance and Remuneration Committee, I was involved in the revision of the remuneration plan for Directors that was implemented last fiscal year. The challenge in designing a compensation system was to incorporate incentive systems that align with the company's management strategy and medium-to long-term vision, in order to motivate executives to achieve these goals. After thorough discussions, we designed a short-term incentive that aligns the periods of execution of duties and performance evaluation, and introduced relative total shareholder return (TSR) as a benchmark for medium- and long-term incentives. Along with a review of the ratio of each type of compensation, I believe we were able to revise the remuneration plan in a way that strikes a good balance.

Evaluation of Marubeni's Compliance Framework

I believe there are two critical elements in a compliance framework. One is whether senior executive management has a strong understanding of the importance of compliance, and the other is whether there is open communication and transparency in the framework. I believe that one or both of these elements are present in Marubeni's framework, which has a high level of awareness, which is directly overseen by the President and CEO. I have high regards for management's awareness of and initiatives for compliance. I also commend Marubeni's efforts in instilling this awareness across Group companies, which are engaged in a diverse range of businesses.

Expectations for Marubeni and My Role

In just four years since recording a substantial impairment loss in the fiscal year ended March 31, 2020, Marubeni has grown significantly to reach its current levels of profit. I look forward to seeing further

Balanced remuneration design for short-term and medium to long-term

Mutsuko Hatano

Outside Director
Appointed in June 2023



End of First Year as Outside Director

One of the good aspects of Marubeni's Board of Directors is that it serves as a setting for intense discussions, where members, both from inside and outside the Company, engage in open and free-flowing discussions, each contributing to the Company's growth. I believe that this participation, discussion, and decision-making process is essential for the Company to contribute to the sustainable growth in corporate value at Marubeni in the future. I also positively note the increase in discussions about the cost of equity and share prices, which aligns with the goal of enhancing corporate value.

Providing advance information to outside directors

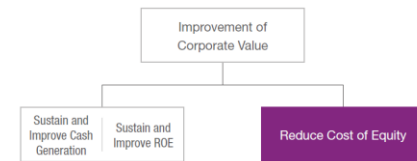
Robust Training and Information Provision System

To attend meetings of the Board of Directors with a proper understanding of the complex nature of a general trading company, it is imperative to obtain information in advance of meetings. I found it highly valuable for my own understanding of the business to visit the sites of Marubeni's operations in Singapore and Japan, which gave me first-hand knowledge. These visits not only facilitated broader and more in-depth discussions at the Board meetings, but also helped clarify the medium- to long-term priorities for the Company. Additionally, through discussions with the Chief Operating Officers of each business division, I gained a deeper understanding of individual businesses. This experience reinforced the idea that leveraging synergies across various businesses for growth will be increasingly important in addressing the growing complexity of social challenges.

Future Role

I firmly believe that the current global environment, with its increasing uncertainties, presents Marubeni with opportunities to contribute to solving social challenges around the world through its business activities.

Section 3 - Reduce Cost of Equity



P.62-69

Sustainability for the Marubeni Group



Environmental & Social Materiality



Climate Change



Sustainable Forestry



Human Rights & Co-development with Communities



Sustainable & Resilient Value Chains

Disclosure based on TCFD / Disclosure of scenario analysis

Scenario Analysis

We identify businesses that have a relatively high impact on the business due to climate change and a relatively high impact on the Marubeni Group (scale of assets/earnings, etc.) In line with TCFD disclosure recommendations, considering related business conditions under baseline and transition scenarios, we perform scenario analysis of business risks, opportunities and earnings impact through 2030 using a time horizon to 2030.

The highly diversified nature of the Group's business portfolio provides a high degree of resilience to climate change. While the potential impacts on the Group's finances due to the risks within specific industries or businesses are expected to be limited, we will continue to improve risk management on an ongoing basis and further increase our resilience to climate change.

Business selection for scenario analysis:

Businesses in the upper-right quadrant of the matrix shown below are selected for the scenario analysis.

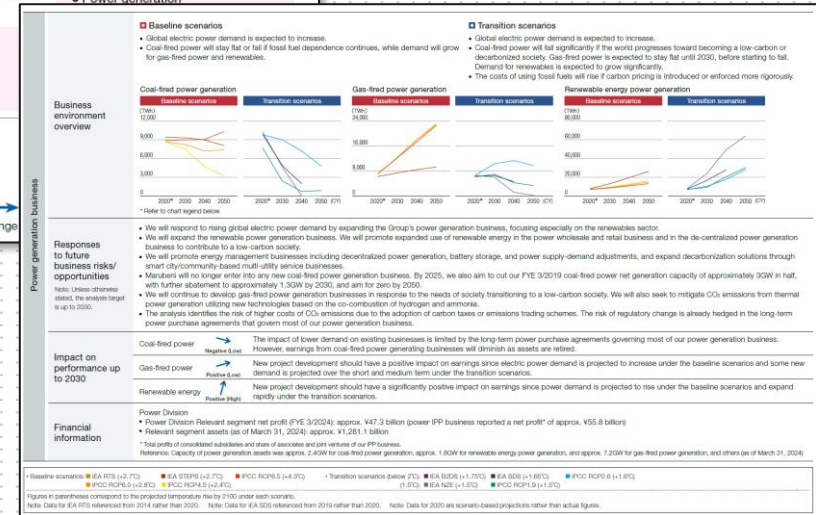
Horizontal axis Degree of impact on business due to climate change

Vertical axis Degree of impact on the Marubeni Group (scale of assets/earnings, etc.)



Businesses selected for scenario analysis using process outlined on left

Power generation



1. Structure and Key Points
of Integrated Report 2024
2. Explanation of Each Section
3. Closing Remarks

○ Closing Remarks

- » Companies now face diverse disclosure requirements beyond financials, including governance and environmental activities. We recognize the importance of two-way communication between investors and companies and view the integrated report as a crucial tool for this purpose. In the 2024 edition, we have reworked the structure and incorporated various improvements to more accurately convey our corporate value.
- » On the other hand, we believe that the report is merely a tool for dialogue, and what's truly important is the dialogue itself. To strengthen this aspect, Marubeni reorganized IR Section of Finance Department into IR & SR Department this year. Using this integrated report and various other disclosure items, we aim to further enhance our dialogue with all stakeholders.
- » We would like to use your feedback to further improve our integrated report, so we kindly request your cooperation in completing the survey.



Marubeni IR・SR team



Global crossvalue platform
Marubeni