ENVIRONMENTAL

1. CLIMATE CHANGE

Policy
The Marubeni Group has identified climate change as one of its four categories of Environmental and Social Materiality, and will proactively contribute to climate change countermeasures through its businesses.

Action Plans and Targets
Energy Conservation, Natural Resource Conservation, and Waste Reduction Activities
In accordance with the policies of the Commitment to a Low Carbon Society proposed by the Japan Business Federation ("Keidanren"), Marubeni is taking action on climate change and has set targets for reducing energy usage (electricity and gas) at the Tokyo Head Office and the Osaka Branch in FYE 3/2021 by 10.5% compared to FYE 3/2010, and is moving forward with the introduction of energy-efficient equipment.

Numerical targets and results for energy conservation, natural resource conservation and waste reduction efforts for FYE 3/2018 are shown below.

<table>
<thead>
<tr>
<th>Numerical Targets for FYE 3/2021</th>
<th>Results in FYE 3/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Energy Consumption at Tokyo Head Office and Osaka Branch</td>
<td>Reduce energy usage (electricity and gas) by 10.5% compared to FYE 3/2010</td>
</tr>
<tr>
<td>(2) Waste Generation at Tokyo Head Office</td>
<td>Reduce waste generation by 10% compared to FYE 3/2011</td>
</tr>
<tr>
<td>(3) Waste Recycling Rate at Tokyo Head Office</td>
<td>Achieve a waste recycling rate of 90% or more</td>
</tr>
<tr>
<td>(4) Water Consumption at Tokyo Head Office</td>
<td>Reduce water consumption by 5% compared to FYE 3/2011</td>
</tr>
</tbody>
</table>

Note: After setting target values, the Osaka Branch moved in July 2015, and the Tokyo Head Office moved to a temporary location in September 2016 (due to the reconstruction of the permanent headquarters). At the Tokyo Head Office, the water consumption targets for FYE 3/2011 have been set for the temporary location, and efforts are being made to reduce water usage, recycle more, and waste less.

Cooperation with External Organizations
Cooperation and Collaboration with Various Organizations
Marubeni is committed to proactively and appropriately engaging in diverse climate change countermeasures through cooperation and collaboration with various stakeholders, regardless of the level of influence of the stakeholder or affiliated industry group.

Industry Groups
As a member of the Japan Foreign Trade Council (JFTC), Marubeni supports the Commitment to a Low-Carbon Society proposed by Keidanren, and takes part in the working groups and public meetings on climate change held by Keidanren and JFTC.

Governments and Government Offices
Marubeni actively participates in subcommittees and workshops on climate change held by the Ministry of Economy, Trade and Industry (METI) and the Ministry of the Environment. In FYE 3/2019, we became a working-group member of the METI Study Group on Implementing TCFD Recommendations, and have discussions with other group-member companies on the best approach to disclosure of the financial impact of climate change.

Implementation System
The Sustainability Management Committee plays the main role in our approach related to climate change by making action plans and promoting various measures. The Committee is chaired by the Chief Financial Officer (currently Senior Managing Executive Officer, Member of the Board). Committee members consist of advisors including External Directors and External Audit & Supervisory Board Members, in addition to representatives from the Corporate Staff Group and Business Divisions.

Committee meetings include extensive discussion of our company-wide commitment, outcomes, and how we approach businesses contributing to climate change countermeasures and activities contributing to local communities and residents through our businesses.

These initiatives are reported to the Board of Directors on a regular basis, and are ultimately managed under the supervision of the Board of Directors.

For further information on climate change, see page 8.

Climate Change, see page 8.
Related Data
The charts below show the results of our efforts over the past five years for energy conservation, natural resource conservation, and waste reduction. The environmental data marked with an asterisk are assured by KPMG AZSA Sustainability Co., Ltd., through an independent assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000, “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (revised December 2013), and ISAE 3400, “Assurance Engagements on Greenhouse Gas Statements” (June 2012).

For KPMG AZSA Sustainability’s Independent Assurance Report, please refer to Marubeni’s website:

Environment > 1. Climate Change
For further information on Scope 3, please refer to Marubeni’s website:

Activities for Tracking and Managing the Supply Chain
In recent years, companies have been required to further disclose information related to climate change and resource issues in the interest of building a sustainable society. In calculating greenhouse gas (GHG) emissions that have significant effects on climate change, in addition to Scope 1 (direct emissions) and Scope 2 (indirect emissions from the use of purchased energy), more and more companies are taking account of and reporting GHG emissions for their overall corporate activities. (Scope 3) such as resource procurement, production, logistics, sales, and disposal, as well as capital goods, business travel, and commuting. The Marubeni Group is voluntarily disclosing a part of the data by categorizing its supply chain activities and calculating the GHG emissions in each category in line with the GHG Protocol guidelines, which are the international standard. The Scope 3 data is also submitted in the Carbon Disclosure Project (CDP) climate change questionnaire.

Initiatives Related to TCFD Recommendations
Recognizing the importance of climate-related financial disclosure, the Marubeni Group has affirmed its commitment to the TCFD recommendations, and is working to understand and enhance disclosures of the financial impact of the risks and opportunities arising from climate change.

In addition, the Marubeni Group is conducting scenario analysis to analyze the impact that climate change is likely to have on its businesses and finances. The Marubeni Group will analyze the risks, opportunities and impacts on its businesses from climate change based on a Current Policies Scenario and the 2°C Scenario, and will use the results in considering business plans and strategies.

Initiatives
• In feed ingredients procurement in the Food Group, taking into account the possibility of increases in product prices and transportation costs due to a decrease in production volume in the agriculture and livestock industries resulting from climate change, the Marubeni Group is actively responding to the risks that accompany climate change by viewing them as opportunities. This response includes geographic diversification of suppliers and customers, cultivation of new production regions, research and development of alternative and new products, and acquisition of new partners.

• In the power generation business of the Power Business & Plant Group, in September 2018 Marubeni released the Notification Regarding Business Policies Pertaining to Sustainability (In Relation to Coal-Fired Power Generation Business and Renewable Energy Generation Business) to promote reduction of GHG emissions from its power generation portfolio, based on transition risks such as changes in the energy mix of each country under the 2°C Scenario, tightening of regulations, changes in systems, and changes in stakeholder awareness. On the other hand, the increase in renewable energy projects, upgrades and efficiency improvements of existing power plants, the increase in energy storage and power system stabilization projects, and the increase in distributed power sources will present business opportunities, and we will therefore take a more active approach in the area of clean energy generation. Furthermore, Marubeni recognizes the financial impact from changes such as insurance premium increases as a transition risk based on the Current Policies Scenario, and will use it for reference when formulating medium- and long-term strategies.

Environmental Protection at the Tokyo Head Office and Tama Center
Marubeni is taking steps to address the Carbon Reduction Reporting Program based on the Tokyo Metropolitan Ordinance on Environmental Preservation.

Tokyo Head Office
Marubeni submits plans to the Tokyo Metropolitan Government describing its measures to reduce the CO₂ emissions volume of the Tokyo Head Office by approximately 17% from the reference value (average emissions from April 2005 to March 2008) during the five years from April 2015 to March 2020. The emissions volume in FYE 3/2016 was 4,422 t-CO₂, a decrease of approximately 36% compared to the reference value.

Tama Center
Marubeni submits plans to the Tokyo Metropolitan Government describing its measures to reduce the CO₂ emissions volume of the Tama Center, a training center managed by the Tokyo Head Office, by approximately 15% from the reference value (average emissions from April 2005 to March 2008) during the five years from April 2015 to March 2020. The emissions volume in FYE 3/2016 was 6,938 t-CO₂, a decrease of approximately 47% compared to the reference value.

For further information on Tama Center, please refer to Marubeni’s website:

For further information on Tama Center: Past Submissions of Carbon Reduction Reports, please refer to Marubeni’s website:

For further information on the Tokyo Head Office: Past Submissions of Carbon Reduction Reports, please refer to Marubeni’s website:

Tokyo Head Office: Past Submissions of Carbon Reduction Reports of Specified Tenants, etc.

Tama Center: Past Submissions of Carbon Reduction Reports

For further information on the Tokyo Head Office: Past Submissions of Carbon Reduction Reports, please refer to Marubeni’s website:

For further information on Tama Center: Past Submissions of Carbon Reduction Reports, please refer to Marubeni’s website:

The Tokyo Head Office was relocated in September 2016, and notification of the closure of a specified global warming countermeasure site was submitted to the Tokyo Metropolitan Government in October 2016.
2. ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

Policy

The Marubeni Group Environmental Policy, which was established in 1998, was updated in January 2019 under the leadership of the Environment Committee to strengthen environmental considerations in the Marubeni Group’s business operations.

Marubeni Group Environmental Policy
Updated in January 2019

Basic Principles
As a global corporate entity that engages in diverse business activities across a broad range of sectors, the Marubeni Group will apply the Environmental Management System to all the activities, services, and products of the Marubeni Group, and observe the following principles it has established for environmental conservation.

1. All business activities will be conducted in consideration of their possible impact on the environment. We will contribute in cooperation with stakeholders to the preservation of the environment and the reduction of potential environmental impacts, including efficient use of resources, prevention of pollution and taking appropriate steps to address climate change and protect biodiversity, focusing on the five themes below:

   (1) Compliance with international and local applicable environmental guidelines, laws and regulations, and agreed requirements;
   (2) Taking measures as necessary to reduce environmental impacts and prevent pollution, particularly in launching new projects and altering existing projects;
   (3) Facilitating resource and energy conservation (mineral resources, food and water, etc.);*1 waste reduction, green procurement, and increases in operational efficiency;*2
   (4) Promoting business projects, offering products and services, technical development and building social systems that help protect and improve the environment;
   (5) Addressing climate change, striving to minimize greenhouse-gas emissions.

2. In keeping with this Environmental Policy, the Marubeni Group’s Environmental Management System will be regularly reviewed to improve our environmental performance, fully conscious of the importance to comply with its requirements.

3. This Environmental Policy will be shared with all Marubeni Group officers and employees of the Group’s business partners, and the public.

*1 “Energy conservation” in 1.(3) includes energy conservation in business facilities and logistics.
*2 The Marubeni Group will conduct appropriate maintenance for “resource and energy conservation, waste reduction” and “increases in operational efficiency” in 1.(3).

Framework

Environmental Assessment of Development Projects and Financing/Investment

Before launching a development project or financing or investing in a business, Marubeni assesses the project’s conformity with environmental laws and regulations and the levels of possible adverse impact on the environment in the event of an accident or other emergency using the Environmental Evaluation Sheet. The complete evaluation sheet is used in making the final decision on whether the project should proceed.

Follow-up evaluation is also conducted for projects considered to have potential environmental risks as a result of the initial assessment. Follow-up is continued until all concerns have been dispelled. In FYE 3/2018, we assessed 45 projects with environmental risks, including projects for natural resources and energy development, real estate development and others.

We also conduct assessments such as regular survey visits that take into account business details, location, and the status of facilities, not only for potential new operations or projects, but also for our existing operations and projects. We try to grasp the environmental impact, and share information for improvement.

Action Plans and Targets

Energy Conservation, Natural Resource Conservation and Waste Reduction Activities

In accordance with the policies of the Commitment to a Low Carbon Society proposed by Keidanren, Marubeni is taking action on climate change and has set targets for reducing energy usage (electricity and gas) at the Tokyo Head Office and the Osaka Branch in FYE 3/2021 by 10.5% compared to FYE 3/2010, and is moving forward with the introduction of energy-efficient equipment.

Numerical targets and results for energy conservation, natural resource conservation and waste reduction efforts for FYE 3/2018 are shown below.

- For further information on energy conservation, natural resource conservation and waste reduction activities, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/ecos/

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Note: After setting target values, the Osaka Branch moved in July 2015, and the Tokyo Head Office moved to a temporary location in September 2016 (due to the reconstruction of the permanent headquarters). At the Tokyo Head Office (for FYE 3/2018 until reconstruction is completed in 2020), goals commensurate with management methods at its temporary location have been set for waste generation, recycling rate and energy consumption, and efforts are being made to reduce energy usage, recycle more, and waste less.
**Initiatives (Examples)**

Marubeni Group’s Environmental Initiatives

**Establishment of Environmental Goals**
At the beginning of each fiscal year, Marubeni identifies issues specific to each group regarding environmental risk management. Marubeni Group company administration, environmental business promotion, energy conservation, resource conservation, and other related matters using the Environmental Plan/Check Sheet. Marubeni then establishes environmental goals for each group and conducts related activities to achieve them.

**Assessment of Environmental Performance Inspection**
Each group at Marubeni formulates environmental action plans at the beginning of each fiscal year and self-checks its progress against the plan in September and February using the Environmental Plan/Check Sheet.

**Auditing**
Internal auditors perform annual environmental audits on Marubeni Corporation and subsidiaries with multi-site certification. In addition, our environmental performance is subject to audits twice a year by Lloyd’s Register Quality Assurance Ltd. (LRQA), an ISO 14001 certification and registration organization.

In FYE 3/2018, the LRQA assessment found no significant issues in our EMS.

**Compliance with Environmental Laws and Regulations**
Each department at Marubeni and subsidiaries list applicable environmental laws, regulations, standards, and rules, and perform periodic reviews to ensure compliance with the regulatory requirements.

During FYE 3/2018, Marubeni conducted an assessment to determine whether its 102 departments and 106 Marubeni Group companies were in compliance with Japan’s Waste Management and Public Cleansing Act.

Marubeni also conducted an e-learning training program on issues related to the Waste Management and Public Cleansing Act for all executives and employees, including temporary employees. At the same time, external experts were invited to speak at seminars held on the same topic at the Tokyo Head Office and major domestic branches (Osaka, Nagoya, Hokkaido and Kyushu). In total, 579 Marubeni Group employees participated in the training program. We also conducted more practical and hands-on forms of training for respective groups.

As a result of these and other initiatives, there were no serious violations of environmental laws or regulations by the Marubeni Group in FYE 3/2018.

**Promoting Environmental Consideration at Marubeni Group Companies**
In an effort to reduce the environmental impact of our overall business operations, Marubeni Group companies are encouraged to support and join environmental conservation activities, which are conceived in accordance with the Marubeni Group Environmental Policy. We also monitor ISO 14001 certification status, emergency response measures, and environmental management systems of Marubeni Group companies.

In addition, Marubeni Group companies are asked to ensure compliance with environmental laws and regulatory requirements and develop contingency plans for emergencies.

**Operating Companies’ Environmental Performance Review**
Aiming to reduce the environmental impact of its operations across the Group, the Marubeni Group conducts a survey-based annual review of Marubeni Group companies’ environmental performance.

This detailed assessment includes identification and status confirmation of elements within our operations that impact the environment, applicable environmental laws and regulations, emergency response measures, and environmental problems.

**Site Inspection at Marubeni Group Companies Yet to Acquire ISO 14001 Certification**
Marubeni conducts on-site inspections of Marubeni Group companies in Japan that are engaged in activities that have a relatively high risk of significant environmental impact. By classifying Marubeni Group companies according to their potential environmental impact based on operational details and the condition of facilities, Marubeni determines which companies to inspect and how often. For these inspections, Marubeni personnel visit the plants and offices of the target companies together with auditors from LRQA, to inspect the sites, check systems designed to ensure compliance with environmental requirements, and confirm the companies’ environmental risk control status. During FYE 3/2018, 25 sites at 21 domestic and overseas companies were inspected. The on-site inspections identified no significant issues at any of the companies. Going forward, Marubeni will continue working to enhance its environmental management system across the Marubeni Group.

**Specially Controlled Industrial Waste Output**
Marubeni Corporation monitors and reports its output of specially controlled industrial waste defined in the Waste Management and Public Cleansing Act. This includes polychlorinated biphenyl (PCB) waste, etc., such as PCB contaminated items, and processed PCB, which we dispose of in accordance with the legal disposal period.

Each of our domestic subsidiaries appropriately monitors and reports amounts of specially controlled industrial waste in accordance with the Waste Management and Public Cleansing Act.

<table>
<thead>
<tr>
<th>Specially Controlled Industrial Waste Output (Tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FYE 3/2016</td>
</tr>
<tr>
<td>FYE 3/2017</td>
</tr>
<tr>
<td>FYE 3/2018</td>
</tr>
</tbody>
</table>

**Marubeni Group Subsidiaries with Multi-site Certification**
The Marubeni Group in this Policy includes Marubeni Corporation and the subsidiaries with multi-site certification listed below:

- Marubeni Corporation
- Yamaboshiya Co., Ltd.
- Marubeni Information Systems Co., Ltd.
- Marubeni Chirix Corporation
- Marubeni Plax Corporation
- Marubeni Paper Recycle Co., Ltd.
- Marubeni Pulp & Paper Co., Ltd.
- Marubeni Power Systems Corporation
- Marubeni Service Corporation

Note: We shall publish the list of Marubeni Group Subsidiaries with Multi-site Certification together with the Marubeni Group Environmental Policy at all times.

For further information on the environmental management system, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/management/
For further information on greenhouse gas (CO2) emissions (energy-related), please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/emr_data/

For further information on energy consumption, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/emr_data/

For further information on water consumption, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/emr_data/

For further information on waste generated, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/emr_data/
Environmental Management System: Number of Reported Cases/Corrective Actions

We have established a system to report/correct cases related to administrative guidance and non-compliance with laws/ordinances in the operation of the Environment Management System. These cases are shared across the company, and measures are taken to prevent recurrence.

Environmental Education and Training

Marubeni provides environmental education to its employees to help raise their awareness of relevant issues. In FYE 3/2018, the CSR/Global Environment e-learning Training Program was conducted for all executives and employees, including temporary employees. Approximately 3,000 executives and employees participated in the training program. Marubeni organizes a variety of programs, including environmental training designed for new employees. Other specific programs include the Environmental Officers e-learning Training Program and the Environmental Education and Training Program/Seminar.

Environmental Protection Costs

Environmental protection costs for Marubeni’s six principal offices (Tokyo Head Office and Hokkaido, Chubu, Osaka, Kyushu and Shizuoka branches) for FYE 3/2018 are shown below.

Environmental Accounting for FYE 3/2018* (Thousands of yen)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business area cost</td>
<td>9,530</td>
</tr>
<tr>
<td>Upstream/Downstream cost</td>
<td>14,414</td>
</tr>
<tr>
<td>Administration cost</td>
<td>75,641</td>
</tr>
<tr>
<td>R&amp;D cost</td>
<td>0</td>
</tr>
<tr>
<td>Social activity cost</td>
<td>14,558</td>
</tr>
<tr>
<td>Environmental remediation cost</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>234,411</td>
</tr>
</tbody>
</table>

* Converted to yen at the median rate for March 31, 2018

For further information on environmental protection costs, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/eco/

Environmental Accounting for FYE 3/2018* (Thousands of yen)

<table>
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<tr>
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</tr>
</tbody>
</table>

* Aggregate data based on the Ministry of the Environment’s Environmental Accounting Guidelines 2005

3. BIODIVERSITY

Policy

As specified in the Marubeni Group Environmental Policy, the Marubeni Group always considers its impact on the environment, and will contribute in cooperation with stakeholders to the preservation of the environment and the reduction of potential environmental impacts, including efficient use of resources, prevention of pollution and taking appropriate steps to address climate change and protect biodiversity.

Initiatives (Examples)

Renewable Energy Generation

With the entry into force of the Paris Agreement in 2016, and the planning that is under way toward international frameworks for global warming in 2020 and beyond, there has been a rise in interest in diversification of energy sources and renewable energy. Renewable energy sources, including wind, geothermal, solar and hydroelectric power, emit virtually no carbon dioxide, a cause of global warming, and do not deplete natural resources. For these reasons, renewable energy can play a significant role in preservation of the global environment.

Biodiversity-friendly Micro-scale Hydro-power Projects

The Marubeni Group considers micro-scale hydro-power generation operations as important business areas, and has been conducting operations in this area through Group company Mibugawa Electric Power Co., Ltd. since 2006. As this business utilizes natural energy sources, consideration for the environment is essential, and we are also actively working on reduction of waste materials, maintenance of water quality, conservation of energy and resources, and other environmental activities.

“Micro-scale hydro-power” is a term used to refer to small-scale hydropower generation operations with output of less than 1,000 kW. These operations do not require the use of dams or other facilities that entail large-scale construction projects, but rather generate power by utilizing streams or natural water flows, thus minimizing development footprint. The environmental impact on water quality and the water habitat is exceptionally low, and there is no impact on land features or scenic beauty. Once up and running, these operations emit almost no CO2, thereby offering benefits in terms of minimal impact on biodiversity and environmental preservation. Moreover, micro-scale hydro-power generation can help regions develop more independently as these technologies enable them to generate their own power using their own water resources.

In addition to the Mibugawa Power Station, the Marubeni Group currently operates the following micro-scale hydropower facilities.

“Micro-scale hydro-power” is a term used to refer to small-scale hydropower generation operations with output of less than 1,000 kW. These operations do not require the use of dams or other facilities that entail large-scale construction projects, but rather generate power by utilizing streams or agricultural irrigation canals, thus minimizing the development footprint. The environmental impact on water quality and the water habitat is exceptionally low, and there is no impact on land features or scenic beauty. Once up and running, these operations emit almost no CO2, thereby offering benefits in terms of minimal impact on biodiversity and environmental preservation. Moreover, micro-scale hydro-power generation can help regions develop more independently as these technologies enable them to generate their own power using their own water resources.

In addition to the Mibugawa Power Station, the Marubeni Group currently operates the following micro-scale hydropower facilities.

![Micro-scale hydro-power station](image1)

Micro-scale hydro-power station (Hokuto City, Yamanashi Prefecture)

![Producing power locally](image2)

Producing power locally. Mibugawa Electric Power
Environmental > Biodiversity

The Marubeni Group’s forest management is operated in accordance with standards established by forest certification systems. WAPRES, which operates the forest plantation and wood chip production business in Australia, has obtained Forest Management certification (FSC® C012605™) and Chain of Custody certification from the Forest Stewardship Council (FSC®) and Sustainable Forest Management certification from the Indonesian Forestry Certification Corporation. Wood harvested from the plantations of both WAPRES and PT-MHP is supplied as 100% certified wood as of March 31, 2018. The Marubeni Group will continue to manage the supply chain for manufacturing pulp and paper in a sustainable manner.

### Initiatives in Solar and Wind Power Generation

Throughout Japan, in addition to the development of micro-scale hydro-power projects, the Marubeni Group is actively working on generation of renewable energy that contributes to preservation of the global environment and biodiversity.

<table>
<thead>
<tr>
<th>Facility Location</th>
<th>Approval Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shibukawa Power Station</td>
<td>165 kW</td>
</tr>
<tr>
<td>Namioka Power Station</td>
<td>185 kW</td>
</tr>
<tr>
<td>Segu Power Station</td>
<td>105 kW</td>
</tr>
<tr>
<td>Taketa Power Station</td>
<td>70 kW</td>
</tr>
<tr>
<td>Osoura Power Station</td>
<td>100 kW</td>
</tr>
<tr>
<td>Hyotan Power Station</td>
<td>80 kW</td>
</tr>
<tr>
<td>Fujiki Power Station</td>
<td>180 kW</td>
</tr>
<tr>
<td>Kita-Uwajima Power Station</td>
<td>10 kW</td>
</tr>
</tbody>
</table>

### Main Renewable Energy Projects in Japan

**Facility** | **Location** | **Power Output (Marubeni’s Share)** | **Type of Power Plant** |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Misaki Wind Power</td>
<td>Itaka Town, Ehime Prefecture</td>
<td>20 MW (49%)</td>
<td>Onshore wind power</td>
</tr>
<tr>
<td>Torachi-Shimizu Power Plant</td>
<td>Shimizu Town, Hokkaido Prefecture</td>
<td>4 MW</td>
<td></td>
</tr>
<tr>
<td>Tonomika Mega-solar</td>
<td>Tomonoma City, Hokkaido Prefecture</td>
<td>7 MW</td>
<td>Solar power</td>
</tr>
<tr>
<td>Iwamura-Riku Mega-solar</td>
<td>Ishinokuri Town, Miyagi Prefecture</td>
<td>26 MW</td>
<td></td>
</tr>
<tr>
<td>Sekiwa Village Mega-solar</td>
<td>Sekiwa Village, Mie Prefecture</td>
<td>2 MW (50%)</td>
<td></td>
</tr>
<tr>
<td>Itoigawa Mega-solar</td>
<td>Itoigawa City, Niigata Prefecture</td>
<td>2 MW (50%)</td>
<td></td>
</tr>
<tr>
<td>Tsukishima Mega-solar</td>
<td>Ina City, Nagano Prefecture</td>
<td>10 MW</td>
<td></td>
</tr>
<tr>
<td>Ina Solar Power Station</td>
<td>Ina City, Bunkyo-ku, Nagoya City</td>
<td>1.9 MW</td>
<td></td>
</tr>
<tr>
<td>Daima Solar Power Station</td>
<td>Daima Town, Shizuoka Prefecture</td>
<td>2 MW (50%)</td>
<td></td>
</tr>
<tr>
<td>Kizashi Mega-solar</td>
<td>Hoshigaoka Town, Kita-ku, Nagoya City</td>
<td>49 MW</td>
<td></td>
</tr>
</tbody>
</table>

**Main Renewable Energy Projects in Japan (As of October 2018)**

**Micro-scale Hydro-power Project Facilities (As of October 2018)**

<table>
<thead>
<tr>
<th>Facility Location</th>
<th>Approved Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Misaki Power Station</td>
<td>10,500 kW</td>
</tr>
<tr>
<td>Misaki Power Station No. 2</td>
<td>260 kW</td>
</tr>
<tr>
<td>Misaki Power Station</td>
<td>160 kW</td>
</tr>
<tr>
<td>Tsukishima Power Station</td>
<td>90 kW</td>
</tr>
<tr>
<td>Tsukishima Power Station No. 2</td>
<td>145 kW</td>
</tr>
<tr>
<td>Tsukishima Power Station No. 4</td>
<td>120 kW</td>
</tr>
<tr>
<td>Hokuto Nishihara Power Station</td>
<td>250 kW</td>
</tr>
<tr>
<td>Hokuto Kagoishi Power Station</td>
<td>200 kW</td>
</tr>
<tr>
<td>Hokuto Kurabara Power Station</td>
<td>95 kW</td>
</tr>
<tr>
<td>Hokuto Kagoishi Power Station</td>
<td>175 kW</td>
</tr>
<tr>
<td>Hokuto Kagoishi Power Station</td>
<td>160 kW</td>
</tr>
<tr>
<td>Hokuto Kurabara Power Station</td>
<td>180 kW</td>
</tr>
<tr>
<td>Hokuto Kurabara Power Station</td>
<td>108 kW</td>
</tr>
<tr>
<td>Tsukishima Power Station</td>
<td>10 kW</td>
</tr>
</tbody>
</table>

**Micro-scale Hydro-power Project Facilities**

**Main Renewable Energy Projects in Japan**

- **Forest area throughout the world began to decline rapidly in the 20th century. Forests fulfill a variety of environmental functions, including biodiversity conservation, erosion control, and watershed conservation. The wood resources we obtain from forests also play important roles in our daily lives. Marubeni recognizes that sustainable forest management is of the utmost importance because of the social and economic value that forests provide.**

- **The Marubeni Group currently holds 140,000 hectares of tree plantations in Australia and Indonesia (total gross project area is 320,000 hectares). Focusing on eucalyptus, a fast-growing broadleaf tree that matures in six to ten years, and through a controlled cycle of planting, cultivation, management and harvesting, we provide a stable and sustainable supply of wood resources used for pulp and paper. Because we plant on sites that do not threaten the lives and livelihood of local inhabitants and do not harvest natural forests, our forest plantation business is sustainable and demonstrates consideration for the environment and regional communities.**

- **The Marubeni Group’s forest plantation business is conducted by two consolidated subsidiaries: WA Plantation Resources Pty. Ltd. (WAPRES) in Australia and PT Musi Holan Perada (PT-MHP) in Indonesia.**

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- **The Marubeni Group has businesses that span the pulp and paper supply chain, with a pulp mill at PT Tanjungenim Lestari Pulp and Paper, a consolidated subsidiary in Indonesia, the two paper mills of consolidated subsidiaries Koa Koppco Co., Ltd. and Fukuyama Paper Co., Ltd., and a paper recycling business at Marubeni Paper Recycling Co., Ltd.**

**Sustainable Forest Management**

The Marubeni Group’s forest management is operated in accordance with standards established by forest certification systems. WAPRES, which operates the forest plantation and wood chip production business in Australia, has obtained Forest Management certification (FSC® C012605™) and Chain of Custody certification from the Forest Stewardship Council (FSC®) and Sustainable Forest Management certification from the Indonesian Forestry Certification Corporation. Wood harvested from the plantations of both WAPRES and PT-MHP is supplied as 100% certified wood as of March 31, 2018. The Marubeni Group will continue to manage the supply chain for manufacturing pulp and paper in a sustainable manner.

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Commencement of RSPO SCCS Certified Fatty Acids Inventory Business

Marubeni will begin an inventory business selling RSPO® SCCS certified (MB®) palm oil-based fatty acids (hereinafter, “RSPO certified fatty acids”) in Japan, and build a stable supply chain capable of meeting demand for small amounts. Environmental and social concerns have been raised over palm oil, a raw material for fatty acids. These concerns include environmental degradation and biodiversity loss caused in the process of cultivation, as well as human rights violations of plantation workers and other adverse impacts on communities. Consequently, requests for the use of fatty acids produced from RSPO certified palm oil that is produced with due consideration for the environment are increasing worldwide, including Japan. Marubeni, which has been selling RSPO certified fatty acids directly to customers, will begin, for the first time in Japan, to maintain stocks of RSPO certified fatty acids to meet latent customer needs.

Marubeni launched its Sustainability Management Committee in April 2018 under the supervision of the president and CEO with the aim of strengthening the company’s ESG initiatives. Through the promotion of RSPO certified products, we will contribute to a sustainable society.

Preservation of Biodiversity and Habitats

Asian Waterbird Census

TeaM Energy Foundation, Inc. (TEFI) was established to handle the CSR activities of TeaM Energy Corporation (TeaM Energy), an independent power producer in the Philippines in which Marubeni owns a 50% stake. In cooperation with the Wild Bird Club of the Philippines and the Department of Environment and Natural Resources, TEFI has participated in the Asian Waterbird Census, an Asian aquatic bird population survey conducted by the international NGO Wetlands International every year since 2010, and collects data on waterbirds within a 10-kilometer radius of the Pagbilao and Sual power plants, which are owned and operated by TeaM Energy. The survey has confirmed that the environmental impact on the neighborhoods around the power plants is low, and a healthy environment is being maintained.

Preservation of Biodiversity and Habitats

Forest Preservation Activities and Providing Livelihoods to Indigenous People

Since 2010, TEFI has been implementing a Community Carbon Pool Program (C2P2) in the municipality of General Nakar in the province of Quezon, in cooperation with the Philippine Department of Environment and Natural Resources, local residents, and international and local NGOs.

TEFI conducts training and provides funding to a honey manufacturing facility powered by solar energy. In addition to honey, the communities of General Nakar produce resin, food and other non-timber products and also engage in textile dyeing and tea harvesting.

Preservation of Biodiversity and Habitats

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The areas around the Pagbilao and Sual power plants are sanctuaries of the Philippine duck (Anas luzonica), an endemic species of the Philippines that is designated as “vulnerable” in the IUCN Red List of Threatened Species 2014 issued by the International Union for Conservation of Nature. The sites of the power plants are resting spots for many other birds, including migratory birds.

TEFI takes steps to safeguard the habitat of these birds through noise reduction measures, limitations on development, and habitat relocation in the event of development. In the 2017 survey, a total of 460 Philippine ducks and five brahminy kites were confirmed at the power plant sites and within a 10-kilometer radius.

Afforestation Program

TeaM Energy, Inc. (TEF), the wholly owned subsidiary of TeaM Energy Corporation, is promoting forestation activities in the Philippines as part of its social responsibility activities. In cooperation with the Philippine Department of Environment and Natural Resources, TEFI has participated in the Community Carbon Pool Program (C2P2) in the municipality of General Nakar in the province of Quezon, in cooperation with the Philippine Department of Environment and Natural Resources, local residents, and international and local NGOs.

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For further information on our contribution to sustainable fisheries, please refer to Marubeni’s website:
4. POLLOUTION AND RESOURCES

Policy

Policy on Mine Closures
The Marubeni Group understands the importance of reducing the impact on the environment and surrounding communities when closing down mines. We use a local business entity to communicate with local communities and other stakeholders from the project planning stage, formulate a mine closure plan, conduct an environmental impact assessment, obtain environment-related authorizations from regulatory agencies, carry out various types of monitoring necessary for maintaining those authorizations, and strive to minimize the social and environmental impact when the mine is decommissioned. We also start the necessary rehabilitation before mine closure to lessen the environmental impact after the mine closes.

Action Plans and Targets


Initiatives (Examples)

Initiatives for Reducing Environmental Impact (Koa Kogyo)
As a resource conservation measure, Marubeni’s consolidated subsidiary Koa Kogyo Co., Ltd. is working to reduce the amount of water resources it uses in the production process. Since large quantities of water are needed in papermaking operations, Koa Kogyo secures the necessary water from both industrial and well water sources and recycles water in the manufacturing process. In discharged water, strict water quality standards are met by using activated sludge tanks to reduce chemical oxygen demand (COD) and biochemical oxygen demand (BOD) and by purifying water.

Koa Kogyo is also working to reduce waste volume. By pulping waste paper using a high-consistency pulper, Koa Kogyo can recycle paper that was previously incinerated because it could not be processed. Furthermore, all combustible garbage is disposed of utilizing high-temperature incinerators, and the thermal energy is recovered and used for thermal recycling. Because it processes waste at high temperatures of 900–1,000°C, this incinerator emits virtually no toxic dioxins and meets environmental standards for NOx, SOx and CO2 emissions.

In addition, Koa Kogyo collects waste paper and office waste to be recycled and reused as paperboard. By doing so, the company has established a closed recycling system with customers and is reducing the burden on the environment.

Koa Kogyo’s environmental initiatives: http://www.koa-kogyo.co.jp/environment/ (Japanese only)

Life Cycle Assessment
Within the Marubeni Group, life cycle assessment (LCA) is utilized in the cattle fattening business of Rangers Valley Cattle Station Pty. Ltd. (Rangers Valley), a consolidated subsidiary in Australia, to quantitatively analyze and assess social and environmental impact. Rangers Valley is pursuing efficient operations through research of the optimal feed and feeding and fattening methods, and is working to reduce social and environmental impact in this business by reflecting LCA analysis results in its business plans.


Related Data

<table>
<thead>
<tr>
<th>Waste Generated</th>
<th>Waste generated by Marubeni Corporation’s six principal offices</th>
<th>Waste generated by Marubeni Corporation’s other offices + consolidated subsidiaries</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FYE 3/2014</td>
<td>580</td>
<td>--</td>
<td>580</td>
</tr>
<tr>
<td>FYE 3/2015</td>
<td>531</td>
<td>--</td>
<td>531</td>
</tr>
<tr>
<td>FYE 3/2016</td>
<td>791</td>
<td>--</td>
<td>791</td>
</tr>
<tr>
<td>FYE 3/2017</td>
<td>432</td>
<td>108,107</td>
<td>108,539</td>
</tr>
<tr>
<td>FYE 3/2018</td>
<td>6</td>
<td>99,526</td>
<td>99,531</td>
</tr>
</tbody>
</table>

For further information on waste generated, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/overview/)

Paper Consumption (A4 paper sheet equivalent)

<table>
<thead>
<tr>
<th>Paper Consumption at Marubeni Corporation’s Six Principal Offices (A4 paper sheet equivalent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FYE 3/2014</td>
</tr>
<tr>
<td>FYE 3/2015</td>
</tr>
<tr>
<td>FYE 3/2016</td>
</tr>
<tr>
<td>FYE 3/2017</td>
</tr>
<tr>
<td>FYE 3/2018</td>
</tr>
</tbody>
</table>

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5. Supply Chain: Environment

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

Initiatives (Examples)

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

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

Supply Chain Sustainability Survey and On-site Inspections
For compliance matters in the Basic Policy, a representative from the Marubeni Group conducts on-site inspections of suppliers who are based in countries that carry a high risk of non-compliance, and who trade in sectors such as apparel and agriculture. A representative from the Marubeni Group directly visits the manufacturing or production sites of the suppliers to conduct such inspections. The inspections survey the supplier’s efforts regarding the Marubeni Group’s Basic Supply Chain Sustainability Policy. Multidisciplinary surveys designed to fit the supplier’s business situation and regional characteristics are conducted on-site, covering aspects such as respect for human rights, legal and regulatory compliance, environmental preservation, fair trade, safety and health, quality control, and disclosure of information. Issues targeted by the survey and the survey methods are constantly reviewed, including through third-party opinions, in an effort to keep the survey relevant to the current circumstances. Survey results are reported back to the inspected sites, and information relevant to improvement of the relevant issues is shared. In addition, if there are cases of violation or of not meeting the Marubeni Group’s regulations, we encourage proactive reports and initiatives for impact mitigation from the supplier. By doing so, we are working to reduce environmental and social impacts throughout the supply chain.

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

For further information on energy consumption, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/energy_data/

For further information on specially controlled industrial waste output, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/eco/

For further information on supply chain sustainability survey, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/supply_chain/survey/
Japan REIT Advisors Co., Ltd. Becomes a Signatory of the Principles for Responsible Investment

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

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

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

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

For further information on the PRI, please refer to Marubeni’s website:

Cooperation with External Organizations

Support for WWF Japan

Sustainable Production and Consumption

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

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

Participation in Supply Chain Initiatives

The Marubeni Group is participating in Sedex through Group companies with the aim of strengthening risk management in the supply chain and building sustainable supply chains.

Sedex is a collaborative information-sharing platform run by Sedex Information Exchange Ltd., an NPO based in London. Sedex enables the carrying out of internationally recognized supplier questionnaires on environmental, social and human rights issues. Responses and audit results are then shared among members via an online system, reducing the burden on both suppliers and prime contractors. Sedex enables ethical and responsible business practices in the supply chain on a global scale, and is one of the world’s largest supply chain management systems for issues in the supply chain, encompassing processes from reporting issues to administration.

The Marubeni Group uses this management system to monitor supply chain issues, thereby expanding ethical business practices.

For further information on participation in supply chain initiatives, please refer to Marubeni’s website:

Supplier Capacity Building

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

For further information on supplier capacity building, please refer to Marubeni’s website:
6. WATER

Policy

Water Resources Policy
Based on the Marubeni Group Environmental Policy, the Marubeni Group recognizes that energy and resources, including water, are finite, and takes measures to ensure their effective and efficient use.

In the Marubeni Group Environmental Policy, we clearly state our commitment to using energy and resources, including water, efficiently. By reducing water usage through promotion of efficient use and recycling of water, and by providing stable supplies of water resources through effective water and sewerage operation and power and desalination projects, we will continue to contribute to the environment and communities and to resolving water-related social issues.

Risk Management System

Water Resources
In dealing with water problems in regions suffering from water shortages, the Marubeni Group conducts risk analysis and implements business risk assessments for new investments and existing businesses. We make decisions on whether to go ahead with projects after comprehensively analyzing and assessing not only local laws and regulations, but also the impact on the local environment and communities.

We are involved in a variety of projects in and regions with scarce water sources around the world. They include water and wastewater concessions to build-own-operate (BOO) projects, engineering, procurement and construction (EPC) projects, and operation, maintenance, and management for water treatment facilities.

Specifically, the concession businesses and BOO project we operate in Chile, Brazil, the Philippines, Portugal and Peru, and our operation, maintenance and management of a wastewater treatment plant in Qatar, have a total water purification capacity of 3.5 million cubic meters per day and wastewater treatment capacity of 2.29 million cubic meters, and cover a service population totaling approximately 16 million people.

One example of the Marubeni Group's concession businesses is our investment in and personnel dispatch to Maynilad Water Services, Inc. (Maynilad), a water and sewerage company in the West Zone of Metro Manila in the Philippines, which has a population of 9.5 million people.

Among the region's ongoing urban expansion and increased congestion, Maynilad is expanding its water distribution network to increase the coverage of water supply services. In addition, it continues to provide a stable water supply to some 1.4 million households in the concession area by promoting more efficient use of water resources with measures to prevent water pipeline leakage and improve water pressure. At the same time, as a medium-to-long-term goal, it is working to raise the currently low percentage of the population connected to the sewage system, to improve the sanitary environment both in normal times and during flooding, and to improve the water quality of the region's water system and Marilau Bay, through development of sewage treatment facilities and the sewerage network in its concession area.

Initiatives (Examples)

Initiatives in Water-Stressed Regions
The Marubeni Group owns and operates four IWPP* projects in the arid region in the United Arab Emirates. In total, 440 million imperial gallons of desalinated water per day are produced by those desalination plants, helping to reduce stress on the region's water resources.

For example, the Taweelah B power and desalination complex, located 80 kilometers northeast of Abu Dhabi, which we built and operate, has generation capacity of 2,000 megawatts of electricity and 160 million imperial gallons of water per day. To meet increased water demand resulting from economic development and population growth, the Marubeni Group is selling electricity and water for 20-25 years to the Emirates Water & Electricity Company, a state-owned utility under the Abu Dhabi Department of Energy. Water from the plant is used for tap water (household and commercial), agriculture, industry and other applications, and helps to relieve stress on water resources. To prevent exacerbation of the region's water stress, machinery cooling water and other water used in the Marubeni Group's business operations is produced at the desalination plant.

Another example, The Nisshin OIO Group, Ltd. has set the target of reducing water consumption (tap water and industrial water) intensity at its four production bases in Japan in FYE 3/2021 by 8% compared to FYE 3/2013, and is implementing reduction measures and progress management to meet that goal.

Koa Kogyo’s initiatives:
http://www.koa-kogyo.co.jp/ (Japanese only)

The Nisshin OIO Group’s initiatives:

Initiatives in Water-Stressed Regions

The Marubeni Group owns and operates four IWPP projects in the United Arab Emirates.

<table>
<thead>
<tr>
<th>Project</th>
<th>Gross Desalination Capacity (Million imperial gallons per day)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taweelah A2</td>
<td>50</td>
</tr>
<tr>
<td>Taweelah B</td>
<td>160</td>
</tr>
<tr>
<td>Fujairah F2</td>
<td>350</td>
</tr>
<tr>
<td>Shuwaikh F2</td>
<td>100</td>
</tr>
</tbody>
</table>

IWPP Projects in the United Arab Emirates

For further information on the long-term water sales agreement for the Shuweihat 5 water project in Saudi Arabia, please refer to Maynilad’s website:
https://www.mayniladwater.com.ph/
Cooperation with External Organizations

Participation in CDP’s Water Security Program

The Marubeni Group has answered CDP’s Water Security Program questionnaires, which evaluate corporate water management, since FYE 3/2014. This information is provided to stakeholders and is being used to improve the Marubeni Group’s water management.

Note: Data on water management is collected from Marubeni Corporation and its domestic and international consolidated subsidiaries.

Related Data

Water Intake by Water Source

<table>
<thead>
<tr>
<th>Water Intake by Source</th>
<th>Rivers, lakes and other surface water</th>
<th>Wells (groundwater)</th>
<th>Water pumped from quarries</th>
<th>Municipal water (tap water)</th>
<th>External drainage</th>
<th>Collected rainwater</th>
<th>Seawater and water extracted from the ocean</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FYE 3/2016</td>
<td>36,797</td>
<td>1,894</td>
<td>0</td>
<td>12,944</td>
<td>10,969</td>
<td>1</td>
<td>6</td>
<td>53,375</td>
</tr>
<tr>
<td>FYE 3/2017</td>
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<td>3,177</td>
<td>0</td>
<td>8,093</td>
<td>8,721</td>
<td>1</td>
<td>167</td>
<td>51,025</td>
</tr>
<tr>
<td>FYE 3/2018</td>
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<td>7,706</td>
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<td>1118</td>
<td>7,618</td>
<td>2</td>
<td>73</td>
<td>50,529</td>
</tr>
</tbody>
</table>

Amount of Wastewater by Destination

<table>
<thead>
<tr>
<th>Amount of Wastewater by Destination (Thousand m³)</th>
<th>Ocean</th>
<th>Surface water</th>
<th>Underground/ wells</th>
<th>Off-site water treatment</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FYE 3/2016</td>
<td>12,099</td>
<td>3,081</td>
<td>3</td>
<td>224</td>
<td>0</td>
<td>44,949</td>
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<tr>
<td>FYE 3/2017</td>
<td>10,628</td>
<td>3,949</td>
<td>3</td>
<td>835</td>
<td>0</td>
<td>44,414</td>
</tr>
<tr>
<td>FYE 3/2018</td>
<td>10,983</td>
<td>3,070</td>
<td>3</td>
<td>884</td>
<td>0</td>
<td>44,940</td>
</tr>
</tbody>
</table>

Note: Water quality upon discharge is appropriately managed based on the laws and regulations of each country and region.

Water Intake and Discharge

The total water consumption of the Marubeni Group’s 297 locations in FYE 3/2018 was approximately 50,529 thousand cubic meters, of which the amount recycled as non-potable water was 16,120 thousand cubic meters, for a recycling rate of about 32%.

For further information on the water recycling rate, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/water/

Cases of Legal or Regulatory Violations

Number of Legal or Regulatory Violations Related to Water Intake and Discharge

In FYE 3/2018, the Marubeni Group was found to have one violation related to the amount of wastewater in Queensland, Australia, and was fined 12,190 Australian dollars by the Department of Environment and Heritage Protection.

This infraction occurred when water in excess of the permissible amount was released into an adjacent river from a water storage dam on a site related to the Marubeni Group because of record downpours associated with a cyclone.

In addition to constructing a run-off channel and expanding the capacity of the dam, our response included completing changes to environmental approvals and permits related to increasing the amount of wastewater with the department.

The results of a water quality test showed that there was no harm to the environment.

For further information on expenses related to water risk mitigation measures, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/water/

Water Risk Mitigation Measures and Investment

Expenses Related to Water Risk Mitigation Measures

Marubeni spent a total of 128 million yen in FYE 3/2018 on water risk mitigation measures through its Group companies.

These measures included maintenance and repair of water intake and drainage systems and recycling treatment facilities, installation of water-saving equipment, purchase of wastewater treatment chemicals, emergency response training for scenarios assuming the outflow of hazardous substances, and implementation of cleanup activities in the areas surrounding water sources.

We also spent 29 million yen in FYE 3/2018 as R&D expenses for maintaining water quality and securing water supplies in our business operations.

For further information on water consumption, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/water/

Water Consumption Intensity

Water Consumption Intensity in Food & Cement Production

<table>
<thead>
<tr>
<th>Water Consumption Intensity in Food Production (m³/ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FYE 3/2016</td>
</tr>
<tr>
<td>FYE 3/2017</td>
</tr>
<tr>
<td>FYE 3/2018</td>
</tr>
</tbody>
</table>

Water Consumption Intensity in Cement Production (m³/ton)

<table>
<thead>
<tr>
<th>Water Consumption Intensity in Cement Production (m³/ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FYE 3/2016</td>
</tr>
<tr>
<td>FYE 3/2017</td>
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<td>FYE 3/2018</td>
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</tbody>
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For further information on water consumption, please refer to Marubeni’s website: https://www.marubeni.com/en/sustainability/environment/water/