

## **Marubeni's Corporate Governance Code Initiatives (Revised on June 11, 2021)**

Marubeni's Corporate Governance Code initiatives as they correspond to the relevant General Principles, Principles, and Supplementary Principles of Japan's Corporate Governance Code are as given below.

### **Section 1: Securing the Rights and Equal Treatment of Shareholders**

#### **General Principle 1**

Companies should take appropriate measures to fully secure shareholder rights and develop an environment in which shareholders can exercise their rights appropriately and effectively.

In addition, companies should secure effective equal treatment of shareholders.

Given their particular sensitivities, adequate consideration should be given to the issues and concerns of minority shareholders and foreign shareholders for the effective exercise of shareholder rights and effective equal treatment of shareholders.

The Corporation promptly discloses information in order to secure the effective equal treatment of all shareholders and to contribute to the securing of shareholder rights and the appropriate exercise of rights, and endeavors to develop an environment for exercising their rights. For details, please refer to the respective principles and supplementary principles in Principles 1.1 through 1.7.

#### **Principle 1.1 Securing the Rights of Shareholders**

Companies should take appropriate measures to fully secure shareholder rights, including voting rights at the general shareholder meeting.

The Corporation provides information necessary to fully secure shareholder rights including the smooth exercise of voting rights through prompt and timely disclosure of information using its website, etc. For details of the development of an environment for the exercise of voting rights, please refer to Supplementary Principles 1.2.4.

#### **Supplementary Principles 1.1.1**

When the board recognizes that a considerable number of votes have been cast against a proposal by the company and the proposal was approved, it should analyze the reasons behind opposing votes and why many shareholders opposed, and should consider the need for shareholder dialogue and other measures.

The Corporation analyzes the reasons and considers the need for a response when a considerable number of votes have been cast against a proposal by the Corporation, with the aim of grasping the intentions of shareholders at General Meetings of Shareholders and reflecting such intentions in its management and in dialogue with shareholders.

### **Supplementary Principles 1.1.2**

When proposing to shareholders that certain powers of the general shareholder meeting be delegated to the board, companies should consider whether the board is adequately constituted to fulfill its corporate governance roles and responsibilities. If a company determines that the board is indeed adequately constituted, then it should recognize that such delegation may be desirable from the perspectives of agile decision-making and expertise in business judgment.

The Corporation delegates certain matters requiring resolution of General Meeting of Shareholders to the Board of Directors, including the acquisition of treasury shares and dividends of surplus, based on a resolution of the General Meeting of Shareholders and the provisions in the Corporation's Articles of Incorporation. The Corporation has passed a resolution at meetings of the Board of Directors on the Basic Internal Control Policy regarding a system for ensuring that the execution of duties by Directors conforms to laws and regulations and the Articles of Incorporation. The Corporation has appointed 7 Independent Outside Directors, and has developed a system in which corporate governance functions adequately. Dividends of surplus are determined by the Board of Directors in May, and the Corporation gives consideration to the agile payment of dividends prior to the General Meeting of Shareholders and to promptly providing dividends to shareholders.

### **Supplementary Principles 1.1.3**

Given the importance of shareholder rights, companies should ensure that the exercise of shareholder rights is not impeded. In particular, adequate consideration should be given to the special rights that are recognized for minority shareholders with respect to companies and their officers, including the right to seek an injunction against illegal activities or the right to file a shareholder lawsuit, since the exercise of these rights tend to be prone to issues and concerns.

The Corporation gives adequate consideration to rights granted to shareholders, including the preparation of manuals for administrative procedures so that the Corporation can respond appropriately and seamlessly to requests from shareholders to inspect or copy statutory held documents, and the Corporation has developed a system to ensure that shareholders are not impeded from exercising such rights.

## **Principle 1.2 Exercise of Shareholder Rights at General Shareholder Meetings**

Companies should recognize that general shareholder meetings are an opportunity for constructive dialogue with shareholders, and should therefore take appropriate measures to ensure the exercise of shareholder rights at such meetings.

The Corporation recognizes that General Meetings of Shareholders are an opportunity for constructive dialogue with shareholders, and makes efforts to develop an appropriate environment for exercising such rights, giving adequate consideration to the shareholders' perspective. For details, please refer to Supplementary Principles 1.2.1 through 1.2.5.

### **Supplementary Principles 1.2.1**

Companies should provide accurate information to shareholders as necessary in order to facilitate appropriate decision-making at general shareholder meetings.

The Corporation appropriately discloses information in reference materials for General Meetings of Shareholders, timely disclosures, and news releases on its website. Important matters are discussed in the

Disclosure Committee before disclosure. For disclosures of English translations, please refer to Supplementary Principles 1.2.4.

The Corporation has been providing shareholders and investors with sufficient information to facilitate appropriate decision-making at General Meetings of Shareholders by enhancing the content disclosed in the notices of the Ordinary General Meeting of Shareholders (including the reference materials for the meeting, business reports, and financial statements). In light of the request from the Minister of Finance and Minister of State for Financial Services, dated March 28, 2025, regarding the appropriate information provision before a general shareholders' meeting, the Corporation has also made its Annual Securities Report available to shareholders and investors in advance of the meeting.

### **Supplementary Principles 1.2.2**

While ensuring the accuracy of content, companies should strive to send convening notices for general shareholder meetings early enough to give shareholders sufficient time to consider the agenda. During the period between the board approval of convening the general shareholder meeting and sending the convening notice, information included in the convening notice should be disclosed by electronic means such as through TDnet\*1 or on the company's website.

The Corporation sends convocation notice approximately 1 week prior to the statutory deadlines (approximately 3 weeks prior to the date of a General Meeting of Shareholders) and discloses such notice on its website and on the Tokyo Stock Exchange website approximately ten days prior to sending the notice.

\*1 TDnet: The Tokyo Stock Exchange operates a real-time internet service (Timely Disclosure network) which distributes the information provided by listed companies on a timely basis in accordance with its listing rules.

### **Supplementary Principles 1.2.3**

The determination of the date of the general shareholder meeting and any associated dates should be made in consideration of facilitating sufficient constructive dialogue with shareholders and ensuring the accuracy of information necessary for such dialogue.

The Corporation convenes a General Meeting of Shareholders avoiding the peak day on which many companies hold shareholders meeting. Furthermore, the Corporation gives adequate consideration to the capacity of the venue so that the Corporation can accommodate a large number of shareholders.

### **Supplementary Principles 1.2.4**

Bearing in mind the number of institutional and foreign shareholders, companies should take steps for the creation of an infrastructure allowing electronic voting, including the use of the Electronic Voting Platform, and the provision of English translations of the convening notices of general shareholder meeting. In particular, companies listed on the Prime Market should make the Electronic Voting Platform available, at least to institutional investors.

The Corporation uses an electronic voting platform, translates convocation notice into English, and publishes such notice on its website. In addition, the Corporation has also developed an environment that allows voting rights to be exercised by a variety of means, including exercising voting rights by attending a General Meeting of Shareholders, in writing or via the Internet.

### **Supplementary Principles 1.2.5**

In order to prepare for cases where institutional investors who hold shares in street name express an interest in advance of the general shareholder meeting in attending the general shareholder meeting or exercising voting rights, companies should work with the trust bank (*shintaku ginko*) and/or custodial institutions to consider such possibility.

Shareholders with voting rights recorded in the list of shareholders on the record date are shareholders entitled to exercise voting rights, and at present, the Corporation does not allow beneficial shareholders to attend General Meetings of Shareholders as there is no way to confirm their authenticity. However, the Corporation is in consultation with trust banks, etc. that it approves attendance and exercising of voting rights by beneficial shareholders, if the Corporation receives a request to attend a General Meeting of Shareholders in advance of a meeting, and if the Corporation is able to confirm that the party making the request is making it based on proper grounds as a beneficial shareholder.

### **Principle 1.3 Basic Strategy for Capital Policy**

Because capital policy may have a significant effect on shareholder returns, companies should explain their basic strategy with respect to their capital policy.

The Corporation announces its financial targets including ROE, its capital allocation policy, and its shareholder returns policy in Mid-Term Management Strategy GC2027, following multiple deliberations and a resolution of the Board of Directors. For details, please refer to Principle 5.2 and Supplementary Principle 5.2.1.

### **Principle 1.4 Cross-Shareholdings**

When companies hold shares of other listed companies as cross-shareholdings\*2, they should disclose their policy with respect to doing so, including their policies regarding the reduction of cross-shareholdings. In addition, the board should annually assess whether or not to hold each individual cross-shareholding, specifically examining whether the purpose is appropriate and whether the benefits and risks from each holding cover the company's cost of capital. The results of this assessment should be disclosed.

Companies should establish and disclose specific standards with respect to the voting rights as to their cross-shareholdings, and vote in accordance with the standards.

### **Policy on the Holding and Reduction of Cross-Shareholdings (Listed General Investment Shares\*3)**

The Corporation conducts diversified business activities in a wide range of fields through its networks both in Japan and abroad and believes that cooperative partnerships with various companies are indispensable. The Corporation reviews the significance of the individual cross-shareholdings every year based on a comprehensive examination of quantitative aspects (ratio of investment gains and losses to the acquisition cost compared and evaluated against the Corporation's weighted average cost of capital) and qualitative aspects (maintenance and strengthening of relationships with investee companies by retaining cross-shareholdings), which is then investigated by the Board of Directors. If the significance of the cross-shareholding is not established as a result of the review, the Corporation, in principle, sells the shares, and reports on such sale to the Board of Directors.

In FY2024, the Corporation's shareholdings other than non-listed shares decreased by 5 issues, resulting in the number of issues held as of the end of March 2025 totaling 42 (126,988 million yen in sum total reported in the balance sheet). For details, please refer to the shareholding status information in the Corporation's annual securities report for FY2024 (Japanese language only).

## Standard on Exercising Voting Rights for Cross-Shareholdings (Listed General Investment Shares)

The Corporation makes comprehensive judgements based on, for example, the investee company's mid-to long-term corporate value improvements when exercising voting rights of listed shares held as cross-shareholdings.

\*2 Cross-shareholding: There are cases where listed companies hold the shares of other listed companies for reasons other than pure investment purposes, for example, to strengthen business relationships. Cross-shareholdings here include not only mutual shareholdings but also unilateral ones.

\*3 General investment shares refer to investment shares held for a purpose other than net investment.

### Supplementary Principle 1.4.1

When cross-shareholders (i.e., shareholders who hold a company's shares for the purpose of cross-shareholding) indicate their intention to sell their shares, companies should not hinder the sale of the cross-held shares by, for instance, implying a possible reduction of business transactions.

The Corporation does not hinder the sale of shares by implying that it will reduce existing business transactions when a cross-shareholder indicates their intention to sell their shares.

### Supplementary Principle 1.4.2

Companies should not engage in transactions with cross-shareholders which may harm the interests of the companies or the common interests of their shareholders by, for instance, continuing the transactions without carefully examining the underlying economic rationale.

The Corporation does not engage in transactions with cross-shareholders which may harm its interests or the common interests of the corporation's shareholders such as continuing transactions without carefully examining the underlying economic rationale.

## Principle 1.5 Anti-Takeover Measures

Anti-takeover measures must not have any objective associated with entrenchment of the management or the board. With respect to the adoption or implementation of anti-takeover measures, the board and *kansayaku*<sup>3</sup> should carefully examine their necessity and rationale in light of their fiduciary responsibility to shareholders, ensure appropriate procedures, and provide sufficient explanation to shareholders.

The Corporation has not adopted any takeover response policies or countermeasures.

### Supplementary Principle 1.5.1

In case of a tender offer, companies should clearly explain the position of the board, including any counteroffers, and should not take measures that would frustrate shareholder rights to sell their shares in response to the tender offer.

If a tender offer is made for the Corporation's shares, the Corporation will promptly disclose the position of the Board of Directors to shareholders. The Corporation does not take measures to

unreasonably prevent shareholders from responding to the tender offer that contribute to maximizing the corporate value of the Corporation and common interests of shareholders.

#### **Principle 1.6 Capital Policy that May Harm Shareholder Interests**

With respect to a company's capital policy that results in the change of control or in significant dilution, including share offerings and management buyouts, the board and *kansayaku*\*5 should, in order not to unfairly harm the existing shareholders' interests, carefully examine the necessity and rationale from the perspective of their fiduciary responsibility to shareholders, should ensure appropriate procedures, and provide sufficient explanation to shareholders.

If the Corporation engages in a capital policy that results in the change of control or significant dilution (including share offerings and management buyouts), the Corporation promptly discloses the necessity and rationale, provides sufficient explanations to shareholders as necessary, and ensures that appropriate procedures are taken.

\*5 *Kansayaku*: A Company with *Kansayaku* Board is a system unique to Japan in which certain governance functions are assumed by the board, *kansayaku* and the *kansayaku* board. Under this system, *kansayaku* audit the performance of duties by directors and the management and have investigation power by law.

#### **Principle 1.7 Related Party Transactions**

When a company engages in transactions with its directors or major shareholders (i.e., related party transactions), in order to ensure that such transactions do not harm the interests of the company or the common interests of its shareholders and prevent any concerns with respect to such harm, the board should establish appropriate procedures beforehand in proportion to the importance and characteristics of the transaction. In addition to their use by the board in approving and monitoring such transactions, these procedures should be disclosed.

The Corporation receives prior approval from the Board of Directors for competing transactions by a Director, self-dealing transactions and conflict-of-interest transactions between the Corporation and a Director, and the Corporation informs the Board of Directors if the said transaction is implemented. The Corporation's policy is to implement transactions with a major shareholder (a shareholder who holds 10% or more shares in the Corporation) following a resolution of the Board of Directors, having excluded Directors with an interest in the transaction from the resolution and deliberations.

## Section 2: Appropriate Cooperation with Stakeholders Other Than Shareholders

### General Principle 2

Companies should fully recognize that their sustainable growth and the creation of mid- to long-term corporate value are brought about as a result of the provision of resources and contributions made by a range of stakeholders, including employees, customers, business partners, creditors and local communities. As such, companies should endeavor to appropriately cooperate with these stakeholders.

The board and the management should exercise their leadership in establishing a corporate culture where the rights and positions of stakeholders are respected and sound business ethics are ensured.

The Corporation recognizes the importance of cooperating with all stakeholders, including shareholders, for the Corporation's sustainable growth and improvements in mid- to long-term corporate value. The Board of Directors and management are working to appropriately cooperate with all stakeholders based on the Corporation's Management Philosophy. The Corporation is also taking enterprising and proactive measures to address sustainability issues. For its Management Philosophy and initiatives in the area of sustainability, please refer to Supplementary Principle 2.3.1.

### Principle 2.1 Business Principles as the Foundation of Corporate Value Creation Over the Mid- to Long-Term

Guided by their position concerning social responsibility, companies should undertake their businesses in order to create value for all stakeholders while increasing corporate value over the mid- to long-term. To this end, companies should draft and maintain business principles that will become the basis for such activities.

The Corporation discloses its Management Philosophy in annual securities reports, corporate governance reports, integrated reports, and on its website, etc.

"In accordance with the spirit grounded in 'Fairness, Innovation, and Harmony,' the Marubeni Group is proudly committed to social and economic development and safeguarding the global environment by conducting fair and upright corporate activities."

### Principle 2.2 Code of Conduct

Companies should draft and implement a code of conduct for employees in order to express their values with respect to appropriate cooperation with and serving the interests of stakeholders and carrying out sound and ethical business activities. The board should be responsible for drafting and revising the code of conduct, and should ensure its compliance broadly across the organization, including the front line of domestic and global operations.

The Corporation informs all its stakeholders and discloses the Company Creed, Management Philosophy and the Marubeni Corporate Principles (which consist of 6 items set as basic rules of conduct for employees) in annual securities reports, corporate governance reports, integrated reports, and on the Corporation's website, etc.

### Supplementary Principle 2.2.1

The board should review regularly (or where appropriate) whether or not the code of conduct is being widely implemented. The review should focus on the substantive assessment of whether the company's corporate culture truly embraces the intent and spirit of the code of conduct, and not solely on the form of implementation and compliance.



The Corporation obtains an oath from all executives and employees each year regarding adherence to the Marubeni Corporate Principles and Compliance Manual. The status of compliance activities is reported in a timely manner by the Chief Compliance Officer to the Board of Directors and reviewed by the Board of Directors.

### **Principle 2.3 Sustainability Issues, Including Social and Environmental Matters**

Companies should take appropriate measures to address sustainability issues, including social and environmental matters.

The Corporation takes appropriate measures to address sustainability issues, including social and environmental matters. For details of initiatives in the area of sustainability, please refer to Supplementary Principle 2.3.1.

#### **Supplementary Principle 2.3.1**

The board should recognize that dealing with sustainability issues, such as taking care of climate change and other global environmental issues, respect of human rights, fair and appropriate treatment of the workforce including caring for their health and working environment, fair and reasonable transactions with suppliers, and crisis management for natural disasters, are important management issues that can lead to earning opportunities as well as risk mitigation, and should further consider addressing these matters positively and proactively in terms of increasing corporate value over the mid-to long-term.

The Marubeni Group operates in line with its Management Philosophy of embodying a corporate group proudly committed to social and economic development and safeguarding the global environment by conducting fair and upright corporate activities, in accordance with the spirit grounded in the Company Creed of “Fairness, Innovation, and Harmony.” The Marubeni Group’s Management Philosophy clearly expresses our views on sustainability. To the Marubeni Group, sustainability means proactively engaging in environmental and social issues and challenges, delivering solutions through innovation, and living by the Management Philosophy.

The Marubeni Group has identified three categories of Fundamental Materiality for implementing sustainability: Human Capital; Management Foundations; and Governance. In addition, the Marubeni Group has also identified four categories of Environmental and Social Materiality that we must focus on by utilizing Fundamental Materiality: Measures in Response to Climate Change; Realization of a Society That Is in Harmony with Nature; Building of the Circular Economy; and Respect of Human Rights. Through addressing these issues with the group companies, the Corporation will create environmental and social values, and thereby aims sustainable growth and increase of corporate value of the entire Marubeni Group.

The Sustainability Management Committee, which reports directly to the President and CEO, deliberates a wide range of sustainability-related matters and periodically (once a year as a minimum) reports to the Board of Directors. The committee is chaired by a Managing Executive Officer, and outside advisors are also counted as members of the committee to support the management and supervision of sustainability-related matters from an independent external perspective. Furthermore, Sustainability Leaders and Sustainability Managers in charge of sustainability management were appointed at each organization, and thus the entire group is working together to push forward initiatives regarding sustainability. For information on the creation of environmental and social values through business activities, please see the following URL on the Corporation’s website.

<https://marubeni.disclosure.site/en/>

Aware of the importance of disclosing climate-related financial information, the Marubeni Group is



working to comprehend climate-related “risks” and “opportunities” and enhance its information disclosures based on the TCFD Recommendations. In March 2021, the Corporation formulated the “Marubeni Long-Term Vision on Climate Change.” In the vision, the Corporation set a goal for the Marubeni Group to strive for net-zero GHG (greenhouse gas) emissions by 2050. In addition, the Corporation established its action plan toward 2030 and has been disclosing its progress. For details, please refer to Supplementary Principle 3.1.3.

Furthermore, the Mid-Term Management Strategy GC2027 announced in February 2025 states that the Corporation will promote green initiatives to enhance corporate value through recognizing “Green,” which was set in the previous Mid-Term Management Strategy GC2024, as a key component of business value that leads to profitability. The Marubeni Group strives to promote the transition to a decarbonized society and circular economy, which will contribute to a net positive impact on the global environment (nature positive), towards a society living in harmony with nature.

#### **Principle 2.4 Ensuring Diversity, Including Active Participation of Women**

Companies should recognize that the existence of diverse perspectives and values reflecting a variety of experiences, skills and characteristics is a strength that supports their sustainable growth. As such, companies should promote diversity of personnel, including the active participation of women.

In the Mid-Term Management Strategy GC2027, the Corporation has identified the strengthening of the Marubeni Group HR Strategy as one of the key initiatives to pursue the “Global crossvalue platform.” Across the entire Marubeni Group, the Corporation will pursue a competence-oriented and optimal placement approach. Through this approach, each employee will fully realize their potential, and the Corporation will focus on “reallocation of employees to growth domains,” “strengthen business investment and management professionals,” and “expanding employee shareholder-oriented initiatives.” Furthermore, the Corporation is dedicated to further enriching an environment where every individual can continue to thrive through efforts in diversity management, including the promotion of female empowerment; work life management; and health and productivity management. This will reinforce the foundation of the Corporation’s HR Strategy—strengthening the ecosystem where employees with diverse backgrounds gather, thrive, and connect—that was built under the previous Mid-Term Management Strategies GC2021 and GC2024.

For details, please refer to Supplementary Principle 2.4.1.

##### **Supplementary Principle 2.4.1**

Companies should present their policies and voluntary and measurable goals for ensuring diversity in the promotion to core human resources, such as the promotion of women, foreign nationals and midcareer hires to middle managerial positions, as well as disclosing their status. In addition, in light of the importance of human resource strategies for increasing corporate value over the mid-to long-term, companies should present its policies for human resource development and internal environment development to ensure diversity, as well as the status of their implementation.

#### **Diversity Management**

The Corporation promotes diversity management with the aim of becoming a stronger Marubeni Group, where diverse individuals play active roles. By more proactively accepting the differences of each individual and encouraging diverse employees to leverage their unique qualities while striving to improve, the Corporation aims to strengthen our ability to flexibly adapt to unpredictable, non-linear changes and achieve sustainable growth.

## i) Marubeni Diversity Days

Marubeni Diversity Days is an event that aims to deepen understanding regarding why human capital diversity is important for companies and the impact of human capital diversity on corporate growth. This event includes individual themes such as “Diversity as a Corporate Growth Strategy,” “Unconscious Bias,” “Disability Inclusion,” and “Multicultural Co-creation in the Workplace.”

## ii) Marubeni Global Mobility Program

Through the Marubeni Global Mobility Program, Marubeni Group employees from overseas offices, who are also future candidates for executive positions at their respective offices, are seconded to Marubeni Headquarters in Tokyo and Group companies in other countries for a set period of time. By expanding opportunities to gain experience at Marubeni Headquarters and overseas/Japan-based Group companies, the Corporation promotes the active participation of diverse human capital across the world.

## Promoting the Empowerment of Female Employees

The Corporation believes that human capital diversity must be the foundation of our growth strategy. Heavily male-dominated organizations do not reflect society (1:1 male-female ratio) and are unable to fully grasp social issues, which in turn limits the organization’s ability to turn its vision into reality. Promoting female empowerment at work is the first step towards achieving human capital diversity and is also a key long-term management strategy for making the Corporation’s business more sustainable in the future. From August 2022, the Corporation established "Female Empowerment at Work 2.0" as the policy, and in order to focus more on expanding the female talent pipeline, the Corporation has set clear, numerical KPIs and is working on various measures.

## ○ Female Empowerment at Work 2.0

More focus on expanding the talent pipeline so that women are more deeply involved in our corporate management and business decisions

	Female Empowerment at Work 1.0		Female Empowerment at Work 2.0
Fundamental Policy	Creating an Environment to Ensure Women Can Continue Thriving at Work	+	Expanding the Talent Pipeline
Priority Measures	<ul style="list-style-type: none"><li>• <u>Enhancing the Work Environment</u> Improving operations and updating work-life management measures, including maternity and childcare support.</li><li>• <u>Fostering Awareness and Corporate Culture</u> Communicating both internally and externally, providing training, and implementing events to deepen understanding (ex. Marubeni International Women’s Day, Marubeni Diversity Days).</li></ul>	+	<ul style="list-style-type: none"><li>• <u>Further Strengthening Recruitment</u> Aiming for the ratio of newly hired female employees (including new graduates and mid-career) to be around 50%.</li><li>• <u>Expanding Growth Opportunities</u> Requiring on-the-job experience for early career employees to ensure gender balance in growth opportunities.</li><li>• <u>Advancing Planned Assignments and Promotions</u> Set targets for the number of women hired and assigned to each organization and the ratio of men to women at each organizational level.</li><li>• <u>Strengthening the Promotion System</u> Talent Management Committee promotes overall measures.</li></ul>

For details on efforts to promote the Empowerment of Female Employees, please refer to "Diversity Management" on the Corporation’s website:

<https://marubeni.disclosure.site/en/themes/27/>

### **Promoting the Participation of Foreign National Employees**

As of April 2024, the Corporation has approximately 60 non-Japanese employees, of whom 30 are in managerial positions. Hiring foreign national employees is based on the needs of the respective workplace, and although the Corporation does not have a numerical target, the Corporation will ensure diversity in managerial and core positions in accordance with the Marubeni Group HR Strategy. Having a large number of group companies in various countries and regions, the Marubeni Group has an array of human capital, diverse in terms of nationality and other aspects of identity, who play an active role in their respective workplaces and contribute to the enhancement of the Group's corporate value.

### **Promoting the Participation of Mid-Career Hires**

The Corporation conducts mid-career hiring throughout the year and employs human capital from diverse age tiers and backgrounds.

Mid-career recruits accounted for 15.7% of its total full-time employees for FY2024. The Corporation's mid-career hiring is based on the needs of the workforce, and although the Corporation does not have a numerical target, it will continue to promote diversity in management and core human capital in accordance with the Marubeni Group HR Strategy.

### **Promoting the Advancement of Late-Career Employees**

The Corporation aims to create an environment where late-career employees can discover and choose a career path that suits them best. In FY2021, the Corporation enhanced late-career employee support measures by revising the compensation system and creating diverse opportunities to thrive. Additionally, the Corporation implemented revisions to further strengthen comprehensive support for autonomous career development and growth in FY2024.

### **Promoting the Advancement of Employees Involved in Digital Transformation**

The Corporation encourages its employees to learn digital-related skills by providing a variety of training opportunities and programs regarding digital technologies. From FY2022, the Corporation introduced the digital talent recognition system under which the Corporation certifies the digital-related skills employees have learned. This system sets four levels of criteria (from introductory to advanced) and shows the minimum digital literacy skills required for *sogo shosha* employees (for introductory and beginners) and provides the intermediate and advanced skill-holders opportunities to utilize their skills (digital talent management).

For more information on our DX strategy, please refer to "GC2021 >> DX" below.

[https://www.marubeni.com/en/ir/reports/dx/pdf/dx2021\\_en.pdf](https://www.marubeni.com/en/ir/reports/dx/pdf/dx2021_en.pdf)

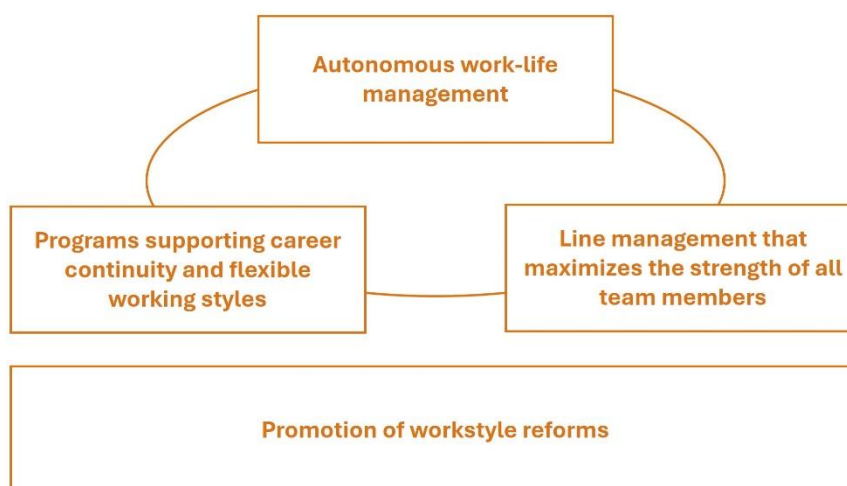
### **Work-Life Management**

The Corporation believes it is important to approach "risks" such as employees leaving due to work-life balance issues or not being able to pursue career advancement opportunities from both system and cultural perspectives, while recognizing that human capital, the source of value creation, is key. Amid a changing environment due to circumstances such as the diversification of values towards work and a declining workforce population, the Corporation is implementing various work-life management measures to enable employees to achieve "sustainable career development" and "high performance" regardless of life stage.

For details on Work-Life Management initiatives, please refer to "Diversity Management" on the Corporation's website:

## Marubeni Work-Life Management

**Creating Strong Organizations and Individuals who Can Build a Sustainable Career and Achieve a High Performance Regardless of Life Stage**



### i) Measures for Balancing Work and Parenting/Family Caregiving

In addition to self-management by individuals who take advantage of this system, the Corporation is working to create a system built on mutual cooperation, one that managers and their team understand, fosters mutual respect, and can be utilized effectively regardless of gender. This system offers programs that go further than what the law requires such as “Maternity / Family Caregiving Leave,” which can be used during pregnancy/family caregiving, and “Family Support Leave” to support family members. Moreover, to support career continuity for employees who work shortened hours due to childcare and family caregiving obligations, the policy of uniformly reducing compensation for shortened work hours has been abolished.

There is also a system that allows part of the childcare leave to be taken as paid leave in order to encourage male employees to take paternity leave. The Corporation has introduced a company-wide flexible working hours system and a remote work system for all employees as well. This enables employees to work both autonomously and flexibly.

### ii) Measures that Allow an Individual to Continue Their Career Even When Their Spouse Is Transferred to Another Location

Even in the case of temporary circumstances beyond one’s control, such as a spouse's transfer to another location, various measures are in place to allow employees to continue to utilize the work experience and skills they have cultivated at the Corporation. From FY2024, employee leave and the re-hiring period for employees who leave their positions due to spouse relocation have been extended from 3 to 5 years and eligibility has been expanded (not only employees relocated to overseas locations, but also those relocated within Japan). Engaging in other work for career advancement has also been permitted during leave.

In addition, from FY2024, to support career continuity for employees who relocate to remote areas within Japan due to family circumstances, the newly established Family Remote Support Program allows them to work fully remote.

Furthermore, to support employees in balancing fertility treatment with their work, the Corporation has implemented initiatives such as the provision of paid special leave, free consultation services for fertility and infertility treatments, and financial assistance for advanced medical procedures including infertility treatments.

## **Initiatives for Diverse Human Capital: "Coming Together"**

### **i) Securing Diverse Talent**

While incorporating distinctive hiring methods, the Corporation engages with a diverse pool of talent who can become the drivers of new value creation through leveraging their expertise, capabilities, and individuality.

<b>Measures</b>	<b>Status of Initiatives</b>
<b>Career Vision Recruitment</b>	Career Vision is a recruitment program where employees who have just joined the company can indicate their preferences for their initial assignment. Employees in the Recruiting Section lead the advertising and assessment processes, which includes planning advertising campaigns to the actual candidate selections. A total of 21 departments participated, and a total of 21 people were hired in new college graduate hiring activities for FYE 3/2025.
<b>Mid-career Hiring</b>	Based on the needs of each department, we recruit talent throughout the year who possess new insights and experiences. Marubeni hires approximately 30 to 50 mid-career employees every year. This aims to recruit and hire various professionals from diverse backgrounds who initially gained work experience elsewhere and are expected to professionally develop further in the future. A total of 47 people were hired mid-career in FYE 3/2025.
<b>Referral Hiring</b>	Marubeni is trialing a referral hiring system where employees refer their friends and acquaintances as candidates for mid-career hires.

### **ii) External Recognition**

The Corporation ranked fifth overall in ONE CAREER's\*1 Shukatsu Kuchikomi Awards 2024\*2 out of approximately 50,000 companies listed (first place for trading companies). Also, the Corporation ranked first place in the women's category of the "2025 [Spring] (Job Hunting Survey for Students Graduating in 2026, Second Half) Ranking of Most Attractive Companies for University Students"\*3, conducted by Diamond Human Resource, Inc.

\*1 ONE CAREER Inc. operates one of the largest job hunting website in Japan among students enrolled at universities in Japan and overseas.

\*2 An award given to companies based on job-hunting college students' experiences and reviews.

\*3 This ranking is based on a survey conducted among university and graduate students who are expected to graduate or complete their studies in March 2026. It consists of four categories: male students in humanities (ranked 3rd), male students in sciences (ranked 4th), female students in humanities (ranked 1st), and female students in sciences (ranked 1st).

### **iii) Promoting Employment of People with Disabilities**

To promote the employment of people with disabilities, the Corporation established the Marubeni

Office Support Corporation (“MOS”) in 2008, which is certified as a special subsidiary company. In FY2020, MOS was the first company in Tokyo to obtain the “Monisu Certification,” awarded to small and medium-sized enterprises that excel in the employment of persons with disabilities. Additionally, in FY2021, MOS was recognized by the Tokyo Metropolitan Government as a best practice company for a Barrier-free Mindset.

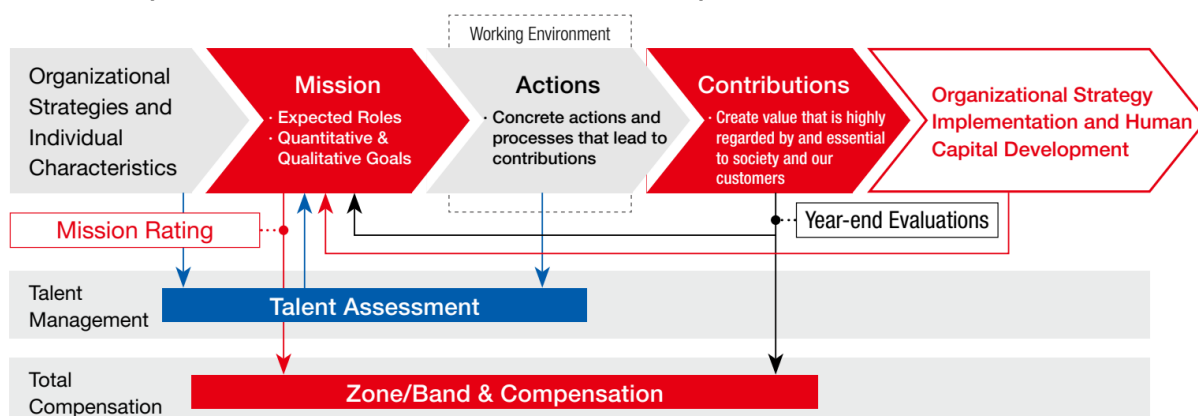
## Initiatives for Diverse Human Capital: “Being Energized”

### i) Mission-oriented HR System

Each organization assigns employees a mission (expected role with quantitative and qualitative targets) based on each employee’s skills and characteristics. The goal of this system is to enhance the strategic execution capabilities of the organization by encouraging each employee to boldly take on challenges aligned with their greater mission, which in turn promotes the growth of human capital.

As the mechanism supporting the mission-oriented HR system, the Corporation has introduced Mission Ratings. Mission Ratings drive forth the action of assigning missions to match an employee’s abilities by aligning the scale of the mission with the level of compensation, which thereby achieves a more objective and timely evaluation. By encouraging employees to take on even greater missions and take ownership of their careers, both human capital and the company grow together, which leads to an improving corporate value over the long term.

### Relationship Between Missions and Zone/Band & Compensation



### ii) Engagement Survey

The Corporation defines engagement as “a relationship where individuals and the organization come together and contribute to each other's growth” and the Corporation measures the engagement score\* of employees. In FY2024, our engagement score improved compared with the previous survey. Also, the Corporation received the second prize at Link and Motivation Inc’s Best Motivation Company Award 2025: Leading Companies Division (Under 5,000 Employees).

Based on the results of the survey, the Corporation provides organizational improvement programs to organizations that seek to improve. By creating and executing improvement action plans, most organizations that participate in this program see their engagement scores improve.

\* The engagement score (deviation score) reflects conditions in the organization. A deviation score of 50 is the average for companies that use services provided by Link and Motivation Inc. Through this approach, the percentage of organizations with high engagement scores has also increased over the years.



### iii) Human Capital Development

To promote the growth and active involvement of the Marubeni Group's employees, the source of our corporate value, the Corporation is driving talent development through a dual approach: on-the-job training and off-the-job training.



For details on efforts for Human Capital Development, please refer to “HR Management” on the Corporation’s website:

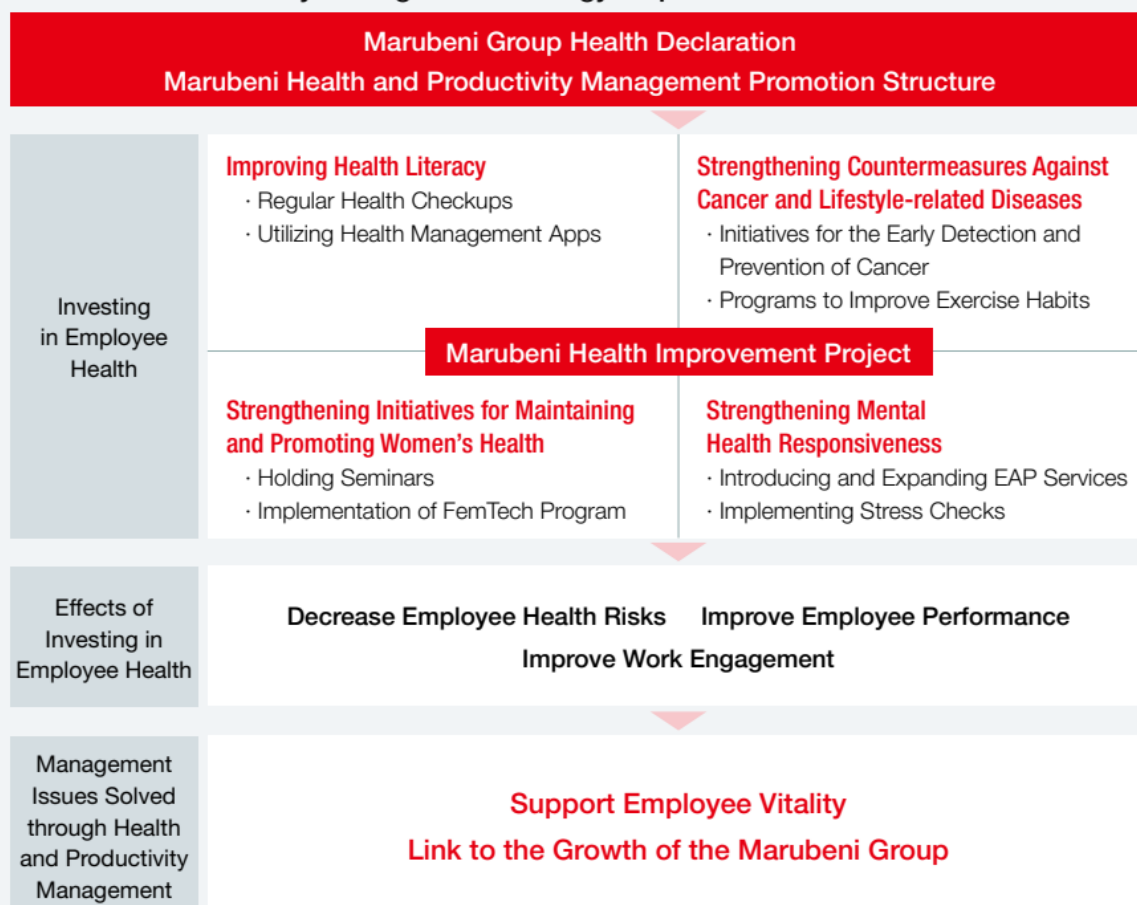
<https://marubeni.disclosure.site/en/themes/26/>

### iv) Health and Productivity Management

The Corporation regards employee health maintenance and improvement as important management issues. The Chief Administrative Officer (CAO) takes the utmost responsibility for supporting the vitality of our employees, the source of the Marubeni Group’s growth. The Corporation is advancing health and productivity management initiatives, such as improving health literacy, measures to combat cancer and lifestyle-related diseases, mental health support, and strengthening efforts in women's health maintenance and improvement.



## Health and Productivity Management Strategy Map



Taking regular health checkups and implementing stress checks play an extremely significant role in the early discovery and early treatment of diseases. Thus, the Corporation has established “Marubeni's Health Project Indicators” to raise employees' health awareness and resolve health issues.

### Marubeni Health Project Indicators

Item		Target	2022.3	2023.3	2024.3	2025.3
<b>Regular Health Checkup Rate</b>	Working in Japan	<b>100% Each Fiscal Year</b>	100.0%	100.0%	100.0%	100.0%
	Working Overseas		80.1%	99.7%	98.3%	98.9%
<b>Rate of Employees Undergoing Stress Check Tests</b>		<b>90% or More Each Fiscal Year</b>	91.6%	95.5%	96.5%	98.1%

For details on efforts for Health and Productivity Management, please refer to “Health and Productivity Management” on the Corporation’s website:

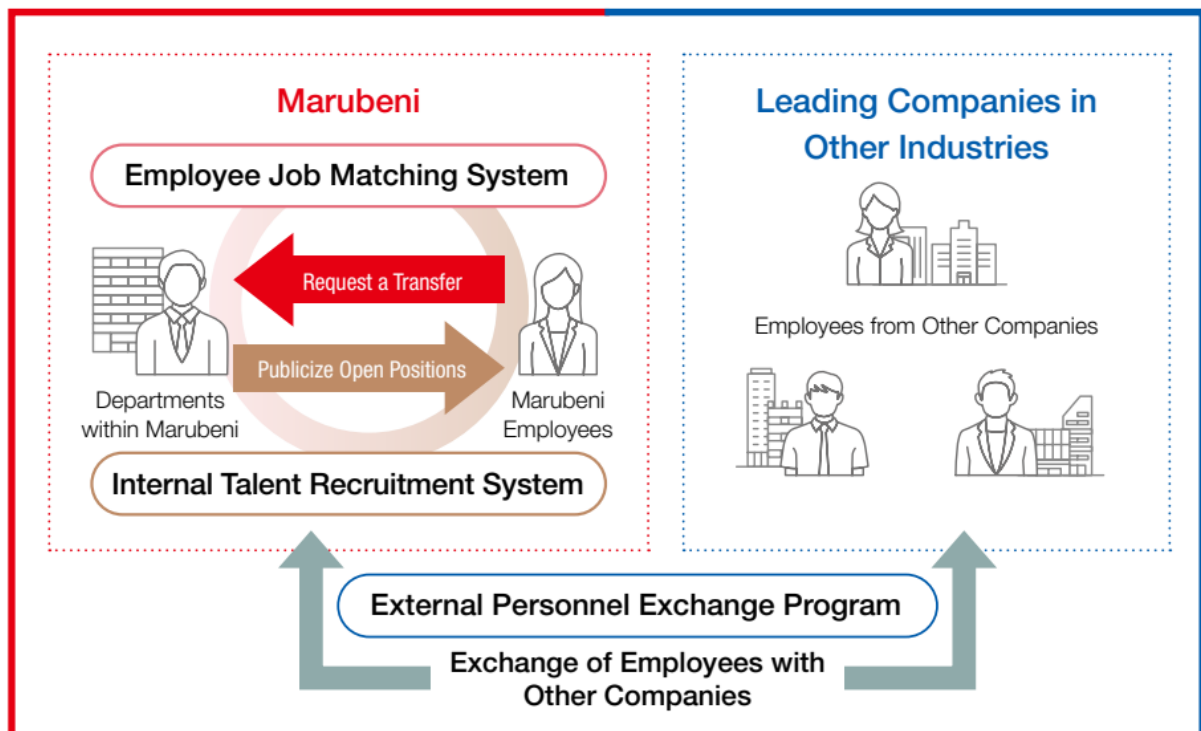
<https://marubeni.disclosure.site/en/themes/24/>

## Initiatives for Diverse Human Capital: “Connecting”

### i) Marubeni Career Market

By focusing on our own career market, where personnel can move across organizations both inside and outside the company, the Corporation fosters an open community while helping employees develop their own careers. This has led to the discovery of new value and functions, as well as business development. The Corporation has created an Internal Talent Recruitment System where organizations can publicize internal job positions and an Employee Job Matching System where employees can request transfers to other organizations. Furthermore, in collaboration with other companies, the Corporation is implementing an External Personnel Exchange Program that entails the exchange of employees with leading companies in other industries.

#### Marubeni Career Market



### ii) 15% Rule, Crosshelp, Crossvalue Coin

The 15% Rule allows employees to allocate 15% of their working hours to activities outside of their regular work responsibilities that contribute to value enhancement within the Marubeni Group. Crosshelp is a system where organizations can solicit internal assistance from other employees on a part-time basis. Crossvalue Coin is a reward system that grants coins to employees who have contributed to other organizations or regional strategies. These various initiatives are organically linked to encourage the creation of new value across organizations.

### iii) Business Plan Contest (Bizcon)

This global contest is an open call for business proposal projects within the Marubeni Group. Now (FY2025) in its 8th year, this contest has led to proposed projects being evaluated and commercialized, such as a digital maternal and child health record business in Indonesia, which was assessed and developed into a business. This project will continue to play an important role as a platform for fostering a culture of innovation.

#### iv) M-Alumni

In November 2023, the Corporation launched the M-Alumni as a community with the following aims: creating a network of former employees who are connected to the Corporation through a dedicated social networking site and generating value through this network by actions such as talent acquisition and business collaborations. The dedicated social networking site features information about the companies that former employees are currently affiliated with, the work they do, and their interests.

This information can be searched, and users can directly approach others by actions, such as sending personal messages to people they would like to connect with for the first time. The Corporation periodically includes information on the dedicated social networking site related to news releases, events, and products. Aside from the dedicated social networking site, the Corporation is also working on holding in-person networking gatherings.

#### Principle 2.5 Whistleblowing

Companies should establish an appropriate framework for whistleblowing such that employees can report illegal or inappropriate behavior, disclosures, or any other serious concerns without fear of suffering from disadvantageous treatment. Also, the framework should allow for an objective assessment and appropriate response to the reported issues, and the board should be responsible for both establishing this framework, and ensuring and monitoring its enforcement.

The Corporation has established a whistleblowing system consisting of a “Marubeni Hotline” (as a compliance consultation point for the group) and a “Marubeni Anti-Corruption Hotline” (specialized consultation point for serious crimes such as bribery). To ensure the appropriateness of the internal whistleblowing system, the Corporation has established and operates the system, and evaluate and improve it in accordance with the related laws and regulations. As part of it, the Corporation takes independent third-party assessment of the internal whistleblowing system. The number of consultations is reported to the Board of Directors, and the system is set up so that it can also be monitored by the Board of Directors.

##### Supplementary Principle 2.5.1

As a part of establishing a framework for whistleblowing, companies should establish a point of contact that is independent of the management (for example, a panel consisting of outside directors\*1 and outside *kansayaku*\*2). In addition, rules should be established to secure the confidentiality of the information provider and prohibit any disadvantageous treatment.

In addition to the internal whistleblowing contact point, as part of the whistleblowing system, the Corporation has established an independent external legal counsel hotline at an attorney’s office, and also makes reports to the Audit & Supervisory Board Members. Through internal regulations, the Corporation has established a framework to secure the confidentiality of the whistleblowers and prohibit any disadvantageous treatment. The Corporation operates the whistleblowing system in accordance with that framework.

\*1 Outside director: A director who satisfies certain requirements such as not holding specific positions, including the position of executive director, in the company or its subsidiaries (Article 2, Paragraph 15 of the Companies Act). Furthermore, matters such as not holding a specific position in the parent company or other subsidiaries and not having specific kinship ties with controlling shareholders will be also required for outside directors after the 2014 amendments to the Companies Act.

\*2 Outside *kansayaku*: A *kansayaku* who satisfies certain requirements such as not holding specific positions, including the position of director, in the company or its subsidiaries (Article 2, Paragraph 16 of the Companies Act). Furthermore, matters such as not holding a specific position in the parent company

or other subsidiaries and not having specific kinship ties with controlling shareholders will also be required for outside *kansayaku* after the 2014 amendments to the Companies Act.

### **Principle 2.6 Roles of Corporate Pension Funds as Asset Owners**

Because the management of corporate pension funds impacts stable asset formation for employees and companies' own financial standing, companies should take and disclose measures to improve human resources and operational practices, such as the recruitment or assignment of qualified persons, in order to increase the investment management expertise of corporate pension funds (including stewardship activities such as monitoring the asset managers of corporate pension funds), thus making sure that corporate pension funds perform their roles as asset owners. Companies should ensure that conflicts of interest which could arise between pension fund beneficiaries and companies are appropriately managed.

The Corporation consigns the management of corporate pension funds to the Marubeni Corporate Pension Fund. The Marubeni Corporate Pension Fund organization consists of a Board of Trustees as the decision-making body, an Executive Board as the executive body, Auditors as the internal audit organization, and a Secretariat. A Pension Asset Management Committee has been established as an advisory body to the Marubeni Corporate Pension Fund. The fund is being operated in line with a Basic Management Policy and a Policy Asset Composition Ratio that have been formulated for the management of the Marubeni Corporate Pension Fund. Additionally, from the standpoint of being an institutional investor as an "asset owner," the fund organization has announced agreeing to the Japan Stewardship Code and requires stewardship activities from its investment trustees.

**Each organization is outlined below:**

#### **(Board of Trustees)**

The Board of Trustees consists of an even number of trustees, half of whom are elected trustees selected by the Corporation and half of whom are mutually elected trustees from among the parties insured under the Marubeni Corporate Pension Fund. A resolution by the Board of Trustees is necessary to change the Marubeni Corporate Pension Fund bylaws or policies.

#### **(Executive Board)**

The Executive Board consists of an even number of executives, half of whom are elected executives and half of whom are mutually elected executives from among the elected trustees and the mutually elected trustees. Furthermore, the Executive Board mutually elects a chairperson from among the elected executives who represents the fund and governs the fund operations. The Executive Board executes its work based on resolutions by the Board of Trustees.

#### **(Auditors)**

There are 2 auditors, 1 elected auditor and 1 mutually elected auditor who are mutually elected from among the elected trustees and mutually elected trustees.

#### **(Secretariat)**

The Fund's secretariat consists of a managing director, an operating executive director, an administrative director, and general staff. The managing director is nominated by the chairperson of the Executive Board, and they carry out daily work together with the administrative director and general staff. Furthermore, the operating executive director is a member of staff who executes work relating to the management and operation of the pension asset who is nominated by the chairperson from among the executives with the consent of the Executive Board. At present, the managing director of the Marubeni Corporate Pension Fund also serves as the operating executive director.

**(Pension Asset Management Committee)**

The Pension Asset Management Committee is comprised of CFO; CAO; members selected from the Finance Department, Human Resources Department, and Corporate Accounting Department; and the managing director of the Marubeni Corporate Pension Fund. The criteria for selecting members include being responsible for pension work, and having a deep understanding of asset management, and related matters. The Pension Asset Management Committee prepares quarterly management reports for the Marubeni Corporate Pension Fund and discusses fund management policies.

## Section 3: Ensuring Appropriate Information Disclosure and Transparency

### General Principle 3

Companies should appropriately make information disclosure in compliance with the relevant laws and regulations, but should also strive to actively provide information beyond that required by law. This includes both financial information, such as financial standing and operating results, and non-financial information, such as business strategies and business issues, risk and governance.

The board should recognize that disclosed information will serve as the basis for constructive dialogue with shareholders, and therefore ensure that such information, particularly non-financial information, is accurate, clear and useful.

The Corporation is aware that information disclosure is an important management issue and that the proper disclosure of information is important for obtaining understanding from stakeholders such as shareholders. Given this awareness, the Corporation endeavors to actively disclose non-financial information, such as information relating to business strategies, business issues, risks, and governance. For details, please refer to Principle 3.1 and Supplementary Principles 3.1.1 through 3.1.3.

### Principle 3.1 Full Disclosure

In addition to making information disclosure in compliance with relevant laws and regulations, companies should disclose and proactively provide the information listed below (along with the disclosures specified by the principles of the Code) in order to enhance transparency and fairness in decision-making and ensure effective corporate governance:

- i) Company objectives (e.g., business principles), business strategies and business plans;
- ii) Basic views and guidelines on corporate governance based on each of the principles of the Code;
- iii) Board policies and procedures in determining the remuneration of the senior management and directors;
- iv) Board policies and procedures in the appointment/dismissal of the senior management and the nomination of directors and *kansayaku* candidates; and
- v) Explanations with respect to the individual appointments/dismissals and nominations based on iv).

#### i) Management philosophy

In accordance with the spirit grounded in “Fairness, Innovation and Harmony,” the Marubeni Group is proudly committed to social and economic development and safeguarding the global environment by conducting fair and upright corporate activities.

#### Management strategy and plan

Please refer to the Mid-Term Management Strategy GC2027 formulated based on the above spirit on the Corporation’s website.

#### Mid-Term Management Strategy GC2027:

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

## **ii) Basic views and guidelines on corporate governance**

The Corporation believes in responding to the expectations of its stakeholders – which includes shareholders, customers, the local community, and employees by increasing its corporate value to become a proud corporate group committed to social and economic development and safeguarding the global environment in accordance with the spirit of the Company Creed of “Fairness, Innovation, and Harmony.” To realize this, the Corporation has been making efforts to enhance corporate governance as the platform for ensuring soundness, transparency, and efficiency of management. Specifically, in accordance with the “1. Basic Views” of “I. the Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information” in the corporate governance report, the Corporation formulates criteria for judgment of independence of Outside Directors/Audit & Supervisory Board Members and improves the management surveillance function by Independent Outside Directors/Audit & Supervisory Board Members. The Corporation also believes that it is important to have constructive dialogues with shareholders and investors for medium- to long-term improvement of corporate value and endeavors to gain understanding for its management policy, etc. through dialogue, understand the position of shareholders and investors, and respond appropriately.

## **iii) Policies and procedure in determining the remuneration of the directors and senior management**

The Corporation has established a Governance and Remuneration Committee (comprised of 6 members: the President and CEO, 1 internal Director, and 4 Outside Directors/Audit & Supervisory Board Members, and an Outside Director/Audit & Supervisory Board Member chairs the Committee), as an advisory body to the Board of Directors, the majority of whose members are Outside Directors/Audit & Supervisory Board Members. The Committee deliberates on the policies in determining the remuneration of the Directors and Executive Officers and adequacy of remuneration levels and reports to the Board of Directors. Remuneration for Directors is determined by a resolution by the Board of Directors within the scope that has been authorized at the General Meeting of Shareholders based on such report. Remuneration for executive officers is determined by a resolution of the Board of Directors based on such report.

## **iv) Appointment of Director and Audit & Supervisory Board Member candidates, policies and procedure for appointment and dismissal of the senior management**

The Nomination Committee (comprised of 4 members: the President and CEO and 3 Outside Directors/Audit & Supervisory Board Members, and an Outside Director/Audit & Supervisory Board Member chairs the Committee), an advisory body to the Board of Directors, the majority of whose members are Outside Directors/Audit & Supervisory Board Members, deliberates on proposals for appointing Director and Audit & Supervisory Board Members candidates and reports to the Board of Directors. The Corporation has prior consent of the Audit & Supervisory Board regarding candidates for Members of Audit & Supervisory Board. The appointment criteria for the Corporation’s Directors and Audit & Supervisory Board Members candidates and the senior management are as follows:

### **(Appointment criteria for Director candidates)**

For Directors, the Corporation appoints internal and external human resources having considerable insight and expertise fostered through ample experience in the Corporation’s diversified business activities or in its respective industries to ensure swift and efficient decision-making and appropriate supervisory function in its management.

### **(Appointment criteria for Audit & Supervisory Board Member candidates)**

For Audit & Supervisory Board Members, the Corporation appoints internal and external human resources having insight into the Corporation’s management and considerable expertise and ample experience in financial affairs, accounting, law, and risk management fields to ensure appropriate supervisory function.



The proposal of candidates for Directors and Members of the Audit & Supervisory Board finalized through the resolution by the Board of Directors is submitted to the General Meeting of Shareholders.

**(Appointment criteria for Members of the Corporate Management Committee, Supervisors, CDIO, CAO, CFO, and CSO)**

The Corporation appoints Members of the Corporate Management Committee, Supervisors, CDIO, CAO, CFO, and CSO from a pool of individuals both internally and externally. Those appointed are recognized as having outstanding expert knowledge, abundant business experience, and insight into the general management of trading companies and global business. These will also be individuals in roles responsible for making decisions on important matters for the Corporation, roles for supervising business execution, and other such leadership positions.

**(Appointment criteria for Executive Officers)**

The appointment of Executive Officers is decided through a resolution by the Board of Directors.

The Corporation appoints Executive Officers from human resources responsible primarily for roles that maximize the mid- to long-term value of the Marubeni Group. The appointment of Executive Officers is decided through a resolution by the Board of Directors.

**(Dismissal criteria)**

Decisions on the dismissal of the President and CEO or other Executive Officers and the removal from office of the Representative Director shall be made by the Board of Directors in case any of them violates laws or regulations, or cases it is clearly acknowledged that their functions are not being manifested.

**v) Reasons for the appointment of Directors and Audit & Supervisory Board Members candidates**

In addition to the reasons for the appointment of candidates for Outside Directors and Outside Audit & Supervisory Board Members, the Corporation also discloses the reasons for appointing individual candidates for Internal Directors and Internal Audit & Supervisory Board Members in the reference materials for the General Meeting of Shareholders. Please refer to the Notice of the 101st Ordinary General Meeting of Shareholders available on the Corporation's website for more details.

[https://www.marubeni.com/en/ir/stock/meeting/pdf/fye2503\\_101st\\_br\\_all\\_en.pdf](https://www.marubeni.com/en/ir/stock/meeting/pdf/fye2503_101st_br_all_en.pdf)

**Supplementary Principles 3.1.1**

These disclosures, including disclosures in compliance with relevant laws and regulations, should add value for investors, and the board should ensure that information is not boiler-plate or lacking in detail.

The Corporation is aware that information disclosure is an important management issue and that the proper disclosure of information is important for obtaining understanding from stakeholders such as shareholders. Based on this awareness, when disclosing information, the Corporation strives to ensure that it makes value-added disclosure by providing plain and detailed information and actively disclosing non-financial information.

### **Supplementary Principles 3.1.2**

Bearing in mind the number of foreign shareholders, companies should, to the extent reasonable, take steps for providing English language disclosures. In particular, companies listed on the Prime Market should disclose and provide necessary information in their disclosure documents in English.

In view of the percentage made up of foreign shareholders, the Corporation has an English language website, and is working to disclose and provide information in English to overseas investors, including convocation notices of General Meetings of Shareholders, financial statement explanations, and integrated reports. For the percentage of foreign shareholders, please refer to “2. Capital Structure” in “I. the Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information” in the Corporation’s corporate governance report.

### **Supplementary Principles 3.1.3**

Companies should appropriately disclose their initiatives on sustainability when disclosing their management strategies. They should also provide information on investments in human capital and intellectual properties in an understandable - 15 - and specific manner, while being conscious of the consistency with their own management strategies and issues. In particular, companies listed on the Prime Market should collect and analyze the necessary data on the impact of climate change-related risks and earning opportunities on their business activities and profits, and enhance the quality and quantity of disclosure based on the TCFD recommendations, which are an internationally well-established disclosure framework, or an equivalent framework.

The Corporation states in the Mid-Term Management Strategy GC2027 that it will promote green initiatives to enhance corporate value and also discloses and describes its efforts in the area of sustainability in its disclosure documents, such as securities reports and integrated reports, as well as its website.

Aware of the importance of disclosing climate-related financial information, the Marubeni Group is working to comprehend climate-related “risks” and “opportunities” and enhance disclosure of such information based on the TCFD Recommendations. By conducting scenario-based analysis for individual businesses and disclosing its action policies and strategies founded on the analysis results, the Corporation will continuously strengthen appropriate risk management and further enhance its resilience to the climate change. In the “Marubeni Long-Term Vision on Climate Change” published in March 2021, the Corporation set a goal for the Marubeni Group to strive for net-zero GHG (greenhouse gas) emissions by 2050. In addition, the Corporation established its action plan toward 2030 and has been disclosing its progress. Moreover, in sections including that outlining our position and initiatives in the area of sustainability in the annual securities reports, the Corporation discloses sustainability information if that information is significant to the Corporation considering its business model and the business environment. Further, the Corporation has recognized climate change risks, environmental risks, and other risks as risks to its business operations, etc. and discloses action plans and policies designed to address them in the annual securities reports.

#### **Disclosure in line with the Recommendations of the TCFD:**

<https://marubeni.disclosure.site/en/themes/15/>

#### **Annual Securities Report (Japanese language only):**

[https://www.marubeni.com/en/ir/reports/security\\_reports/](https://www.marubeni.com/en/ir/reports/security_reports/)

#### **Integrated Report:**

[https://www.marubeni.com/en/ir/reports/integrated\\_report/](https://www.marubeni.com/en/ir/reports/integrated_report/)

Regarding the Corporation's HR Strategy, the Corporation will strengthen the Marubeni Group HR Strategy as one of the key initiatives to pursue the "Global crossvalue platform" as outlined in the Mid-Term Management Strategy GC2027. While continuously reinforcing the foundation of the Corporation's HR Strategy—strengthening the ecosystem where employees with diverse backgrounds gather, thrive, and connect—that was built under the previous Mid-Term Management Strategies GC2021 and GC2024, the Corporation will pursue a competence-oriented and optimal placement approach. Through this approach, each employee will fully realize their potential, and the Corporation will focus on "reallocation of employees to growth domains," "strengthen business investment and management professionals," and "expanding employee shareholder-oriented initiatives."

### **Talent Management Committee**

To promote human capital strategy that aligns with our management strategy, the Corporation holds human capital strategy meetings featuring the CEO, CHRO\*, CSO and CAO as key members. Members not only discuss HR-related systems and measures but also high-priority agenda items related to our human capital strategy, such as leader development, employee engagement, and diversity and inclusion.

\*From FY2023, the CHRO has been newly established with the role of creating and promoting human capital strategies that contribute to management strategy. From FY2024, in order to further the Corporation's human capital strategy, the CHRO has been placed directly under the management of the CEO. The CHRO assists the CEO and commits to the overall management of the human capital strategy.

### **Dialogs between Management and Employees**

The Corporation places importance on increasing opportunities for direct connections between management and employees to discuss and share management philosophy, visions, and strategies. In addition to regularly holding opinion exchange meetings between the President and CEO and employees, the Corporation has also established a system that allows employees to directly submit their opinions to the President and CEO.

### **Employee Stock Ownership Program**

Employees' interest and participation in company management has been increasing yearly, with an employee stock ownership plan enrollment rate of 95.6% (as of the end of FY2024). By having more employees join the stock ownership plan and increase their shareholdings, the Corporation not only contributes to employees' asset building but also aims to foster a stronger sense of collective responsibility towards enhancing corporate value, and the Corporation has been providing special initiatives for employees who join this plan.

For details of the other initiatives related to human capital strategy, please refer to the Supplementary Principles 2.4.1.

### **Principle 3.2 External Auditors**

External auditors and companies should recognize the responsibility that external auditors owe toward shareholders and investors, and take appropriate steps to secure the proper execution of audits.

The Corporation collaborates with the Audit & Supervisory Board and related departments such as the Corporate Accounting Department, and endeavors to ensure a proper audit schedule and audit structure and to ensure proper auditing by accounting auditors.

### Supplementary Principles 3.2.1

The *kansayaku* board should, at minimum, ensure the following:

- i) Establish standards for the appropriate selection of external auditor candidates and proper evaluation of external auditors; and
  - ii) Verify whether external auditors possess necessary independence and expertise to fulfill their responsibilities.
- 
- i) The Audit & Supervisory Board establishes standards to evaluate the non-reappointment of the accounting auditor and procedures for appointment, etc., and when reappointing the accounting auditor each year, the Audit & Supervisory Board evaluates the work of the accounting auditor based on such standards, makes a decision on reappointment, and reports to the Board of Directors.
  - ii) The Audit & Supervisory Board checks the accounting auditor's independence and expertise by receiving explanations concerning the accounting auditor's quality control system (including checking the independence of the accounting auditor) and the annual audit plan and service structure at regular monthly meetings with the accounting auditor.

### Supplementary Principles 3.2.2

The board and the *kansayaku* board should, at minimum, ensure the following:

- i) Give adequate time to ensure high quality audits;
  - ii) Ensure that external auditors have access, such as via interviews, to the senior management including the CEO and the CFO;
  - iii) Ensure adequate coordination between external auditors and each of the *kansayaku* (including attendance at the *kansayaku* board meetings), the internal audit department and outside directors; and
  - iv) Ensure that the company is constituted in the way that it can adequately respond to any misconduct, inadequacies or concerns identified by the external auditors.
- 
- i) Audit schedules are formulated following prior consultation with the Corporate Accounting Department and the accounting auditor, and adequate time is set aside to conduct audits. The Audit & Supervisory Board checks audits plans (details and timings) and checks that sufficient time has been secured for auditing.
  - ii) The accounting auditor interviews the President and CFO.
  - iii) The accounting auditor and Audit & Supervisory Board Members shall ensure collaboration by having a monthly meeting as an alternative to the accounting auditor's attending meetings of the Audit & Supervisory Board. The Internal Audit Department works with the accounting auditor to address internal control reporting requirements associated with financial reports and provides necessary information including internal audit reports. Reports on accounting audits conducted by the accounting auditor are made to the Board of Directors, including outside directors, and information is shared with outside directors.
  - iv) When issues are pointed out by the accounting auditor, the executing side responds individually, and reports are made on the office organization line.

## Section 4: Responsibilities of the Board

### General Principle 4

Given its fiduciary responsibility and accountability to shareholders, in order to promote sustainable corporate growth and the increase of corporate value over the mid- to long-term and enhance earnings power and capital efficiency, the board should appropriately fulfill its roles and responsibilities, including:

- (1) Setting the broad direction of corporate strategy;
- (2) Establishing an environment where appropriate risk-taking by the senior management is supported; and
- (3) Carrying out effective oversight of directors and the management (including *shikkoyaku*\*1 and so-called *shikkoyakuin*\*2) from an independent and objective standpoint.

Such roles and responsibilities should be equally and appropriately fulfilled regardless of the form of corporate organization – i.e., Company with *Kansayaku* Board (where a part of these roles and responsibilities are performed by *kansayaku* and the *kansayaku* board), Company with Three Committees (Nomination, Audit and Remuneration) or Company with Supervisory Committee.

The Corporation sets the broad direction of corporate strategy at meetings of the Board of Directors, including formulating medium-term management strategies (medium-term management plans). The Corporation endeavors to establish management and executive structures in order to secure prompt and efficient decision-making, and appropriate supervisory functions. For details of management and executive structures, please refer to the respective principles and supplementary principles under Principles 4.1 through 4.14.

\*1 *Shikkoyaku*: According to the Companies Act, Companies with 3 Committees (Nomination, Audit and Remuneration) must appoint 1 or more *shikkoyaku* from directors or non-directors by a resolution of the board and delegate business administration to *shikkoyaku*. Also, authority to make certain kinds of business decisions may be delegated to *shikkoyaku*.

\*2 *Shikkoyakuin*: There are cases where a Company with *Kansayaku* Board or a Company with Supervisory Committee creates positions with the title of “*shikkoyakuin*” for persons who are delegated by the board a certain range of discretion regarding business administration. Unlike *shikkoyaku* in Companies with 3 Committees (Nomination, Audit and Remuneration), *shikkoyakuin* is not a statutory position.

### Principle 4.1 Roles and Responsibilities of the Board (1)

The board should view the establishment of corporate goals (business principles, etc.) and the setting of strategic direction as one major aspect of its roles and responsibilities. It should engage in constructive discussion with respect to specific business strategies and business plans, and ensure that major operational decisions are based on the company’s strategic direction.

The Corporation’s medium-term management strategies (medium-term management plans) are formulated based on its Management Philosophy and the details in the plans are discussed thoroughly by the Board of Directors. Subsequent policies, including business/investment, management resource allocation, and human resource policies, are decided taking the medium-term management strategy (medium-term management plan) as a guideline.

#### **Supplementary Principles 4.1.1**

The board should clearly specify its own decisions as well as both the scope and content of the matters delegated to the management, and disclose a brief summary thereof.

In the Corporation's Board of Directors Rules, it is stipulated that matters set forth in laws and ordinances and the Corporation's Articles of Incorporation and other important matters related to management shall be discussed at meetings of the Board of Directors, and agendas in this regard are clarified in the List of Matters to be Submitted to the Board of Directors. In particular, standards for monetary amounts are set forth with regard to starting, joining, abolishing, and withdrawing from business, acquiring and disposing of fixed assets, investment (and divestment), and loaning and guaranteeing, etc., and cases in which such standards for monetary amounts will be exceeded are deliberated and decided by the Board of Directors. Based on the above-mentioned list, decision-making and execution of matters other than those that should be decided by the Board of Directors, are delegated to the Representative Director and Executive Officer. Decision-making and execution regarding matters delegated to the Representative Director and Executive Officer, are reported by the supervising Directors at meetings of the Board of Directors. Through these reports, etc., the Board of Directors monitors decision-making and business execution by the Representative Director and Executive Officer.

#### **Supplementary Principles 4.1.2**

Recognizing that a mid-term business plan (*chuuki keiei keikaku*) is a commitment to shareholders, the board and the senior management should do their best to achieve the plan. Should the company fail to deliver on its mid-term business plan, the reasons underlying the failure of achievement as well as the company's actions should be fully analyzed, an appropriate explanation should be given to shareholders, and analytic findings should be reflected in a plan for the ensuing years.

The Corporation announces its medium-term management strategy (medium-term management plan), checks the status of progress in a sequential manner, and then discloses this.

When the term of the medium-term management strategy (medium-term management plan) has finished, it is reviewed and its content is thoroughly analyzed. The findings are reflected in the next term's business strategy, and then the next term's business strategy is announced.

#### **Supplementary Principles 4.1.3**

Based on the company objectives (business principles, etc.) and specific business strategies, the board should proactively engage in the establishment and implementation of a succession plan for the CEO and other top executives and appropriately oversee the systematic development of succession candidates, deploying sufficient time and resources.

The Nomination Committee, which is an advisory body of the Board of Directors, receives sufficient information from the President and CEO regarding successor plans and the development of successor candidates, engages in opinion exchanges, and then examines successor plans based on evaluations of specific candidates.

In the case of selecting the next term's President and CEO, the Nomination Committee deliberates on candidate selection proposals prepared by the President and CEO and reports the outcomes of its deliberations to the Board of Directors, and the final decision is then made by the Board of Directors.

#### **Principle 4.2 Roles and Responsibilities of the Board (2)**

The board should view the establishment of an environment that supports appropriate risk-taking by the senior management as a major aspect of its roles and responsibilities. It should welcome proposals from the management based on healthy entrepreneurship, fully examine such proposals from an independent and objective standpoint with the aim of securing accountability, and support timely and decisive decision-making by the senior management when approved plans are implemented.

Also, the remuneration of the management should include incentives such that it reflects mid- to long-term business results and potential risks, as well as promotes healthy entrepreneurship.

With the aim of clarifying the separation between execution and monitoring, the Corporation has introduced an Executive Officer System, and it endeavors to develop environments that support appropriate risk taking. Individual important matters are discussed at meetings of the Board of Directors in accordance with the Matters to be Submitted to the Board of Directors, and the discussions take place from a multilateral perspective in line with the roles of each Directors. If there are collateral conditions, etc. regarding approval by the Board of Directors, instructions are promptly given and follow-ups are carried out.

The Corporation grants shares with restriction on transfer (“Restricted Stock”) and TSR-linked performance share units with shares transfer restrictions (“TSR-linked Performance Share Units”) to Directors (excluding Outside Directors) and Executive Officers in order to share the benefits and risks of stock price fluctuations with shareholders and further enhance their motivation to contribute to increasing the stock price and boosting corporate value.

#### **Supplementary Principle 4.2.1**

The board should design management remuneration systems such that they operate as a healthy incentive to generate sustainable growth, and determine actual remuneration amounts appropriately through objective and transparent procedures. The proportion of management remuneration linked to mid- to long-term results and the balance of cash and stock should be set appropriately.

The maximum total remuneration for all Directors shall be determined by resolution at a General Meeting of Shareholders. The Governance and Remuneration Committee, chaired by an Outside Director and the majority of its members consisting of independent Outside Directors/Audit & Supervisory Board Members deliberates on the policies for compensation decisions and the appropriateness of the compensation levels, and provides reports to the Board of Directors. The remuneration amount for each Director is determined by resolution of the Board of Directors. The remuneration of Directors other than Outside Directors consists of (i) monthly remuneration (basic remuneration, bonuses), which is a fixed monetary compensation, (ii) short-term incentive remuneration (performance-based bonuses, individuals’ evaluation-based compensation), which is a variable monetary compensation, and (iii) medium and long-term incentive remuneration (Restricted Stock, TSR-linked Performance Share Units), which is a variable stock-based compensation.

Remuneration and other payments for the Chairman of the Board consist of the monthly remuneration as the basic compensation and the medium- and long-term incentive remuneration, considering that the Chairman of the Board is in the position to substantially contribute to the enhancement of corporate value over the medium to long term through leveraging the business expertise gained through managing the Corporation on supervision.

Remuneration for Outside Directors and Audit & Supervisory Board Members, all of whom are independent from business operation, consists entirely of the monthly remuneration as the basic



compensation (including remuneration for responsibilities as the chairperson, member, etc., of each respective committee), and does not include performance-linked remuneration.

To ensure that remuneration levels of Directors are competitive so as to secure and maintain excellent human capital, the remuneration levels are examined by comparing them with objective research data on remuneration provided by outside specialized organizations and other sources to determine the appropriate remuneration levels.

As for the composition ratio of remuneration and other payments, it shall focus on the medium- and long-term improvement of corporate value by increasing the composition ratio of the medium- and long-term incentive remuneration. For the President and CEO, its composition ratio of monthly remuneration/the short-term incentive remuneration/the medium- and long-term incentive remuneration shall be set as 1:1:1 when consolidated net profit is 400 billion yen and core operating cash flow is 500 billion yen. For other internal Directors, based on the remuneration composition ratio of the President and CEO, the Corporation shall set up the ratio considering the role and responsibilities of each position

#### **Supplementary Principle 4.2.2**

The board should develop a basic policy for the company's sustainability - 20 - initiatives from the perspective of increasing corporate value over the mid- to long- term.

In addition, in light of the importance of investments in human capital and intellectual properties, the board should effectively supervise the allocation of management resources, including such investments, and the implementation of business portfolio strategies to ensure that they contribute to the sustainable growth of the company.

The Corporation has its approach to sustainability and associated action policies, etc. formulated by the Board of Directors. The Board oversees the status of the Corporation's sustainability actions on a regular basis. Also, the Corporation states in the Mid-Term Management Strategy GC2027 that it will promote green initiatives to enhance corporate value through recognizing "Green," which was set in the previous Mid-Term Management Strategy GC2024, as a key component of business value that leads to profitability.

Corporate resources allocation is discussed and overseen by the Board of Directors on relevant occasions, including medium-term management strategy development and revision, quarterly financial reporting and Directors' business execution report presentations.

For business portfolio, please refer to Supplementary Principle 5.2.1.

#### **Principle 4.3 Roles and Responsibilities of the Board (3)**

The board should view the effective oversight of the management and directors from an independent and objective standpoint as a major aspect of its roles and responsibilities. It should appropriately evaluate company performance and reflect the evaluation in its assessment of the senior management.

In addition, the board should engage in oversight activities in order to ensure timely and accurate information disclosure, and should establish appropriate internal control and risk management systems.

Also, the board should appropriately deal with any conflict of interests that may arise between the company and its related parties, including the management and controlling shareholders.

The Corporation has set up the Nomination Committee, an advisory body of the Board of Directors, the majority of whose members are Outside Directors/Audit & Supervisory Board Members, and whose chairperson is an Outside Director. The Committee deliberates on the appropriateness of executive appointment procedures, etc., and reports to the Board of Directors. The appointment and dismissal of

Executive Officers is as stated in Principle 3.1(iv) above.

The appropriate development of internal control and risk management systems is as stated in Supplementary Principle 4.3.4 below.

Management systems regarding conflicts of interest that arise between affiliated parties such as management teams and controlling shareholders, and the Corporation are as stated in Principle 1.7 above.

#### **Supplementary Principle 4.3.1**

The board should ensure that the appointment and dismissal of the senior management are based on highly transparent and fair procedures via an appropriate evaluation of the company's business results.

With regard to the appointment and dismissal of Directors and Executive Officers, monitoring functions are secured by the Board of Directors based on a system that is as stated in Principle 3.1(iv) above.

#### **Supplementary Principle 4.3.2**

Because the appointment/dismissal of the CEO is the most important strategic decision for a company, the board should appoint a qualified CEO through objective, timely, and transparent procedures, deploying sufficient time and resources.

This is as stated in Supplementary Principle 4.1.3 above.

#### **Supplementary Principle 4.3.3**

The board should establish objective, timely, and transparent procedures such that a CEO is dismissed when it is determined, via an appropriate evaluation of the company's business results, that the CEO is not adequately fulfilling the CEO's responsibilities.

This is as stated in Principle 3.1(iv) above.

#### **Supplementary Principle 4.3.4**

The establishment of effective internal control and proactive enterprise risk management systems has the potential to support sound risk-taking. The board should appropriately establish such systems on an enterprise basis and oversee the operational status, besides utilizing the internal audit department.

With regard to compliance, the Compliance Committee has been set up to develop systems, and the status of its activities is reported to the Board of Directors in business execution reports. Marubeni Group companies have developed a compliance structure suited to their respective business characteristics, as is the case with its overseas subsidiaries, which have developed a compliance structure appropriate to laws and regulations, business customs, etc. of the respective countries. The Corporation has regular audits and monitoring practices in place, including those for bribery prevention management and security export control purposes, to check whether there are any inadequacies in the compliance structures in the Marubeni Group.

For internal control, the Internal Control Committee has been set up to develop systems, and it confirms

that internal controls are effective by submitting an internal control report to the Board of Directors in accordance with the Financial Instruments and Exchange Act. The Board of Directors evaluates the operational status of internal control systems and reviews the Basic Internal Control Policy at a meeting of the Board of Directors once a year.

On the subject of risk management structures, the Board of Directors discusses risk scenarios and steps to address them, while quantifiable risks are also subject to integrated risk management procedures and qualitative risks are managed through a stricter compliance structure, etc.

On the basis of audit results, the Internal Audit Department submits an audit report to the President and CEO and has a copy circulated among personnel concerned, including the organization being audited, the Chairman of the Board, Directors and Audit & Supervisory Board Members, and also gives reports to the Audit & Supervisory Board, the Board of Directors, the Corporate Management Committee and the Executive Committee in a timely fashion. Audit reports contain, among other things, a statement of issues to be improved by the organization being audited, which the Internal Audit Department, as well as the section responsible for individual internal control actions, will subsequently follow up on to monitor the state of improvement and of other steps, etc. taken. In addition to internal audits, the Internal Audit Department conducts an assessment of the internal control effectiveness in connection with financial reporting.

#### **Principle 4.4 Roles and Responsibilities of *Kansayaku* and the *Kansayaku* Board**

*Kansayaku* and the *kansayaku* board should bear in mind their fiduciary responsibilities to shareholders and make decisions from an independent and objective standpoint when executing their roles and responsibilities including the audit of the performance of directors' duties, appointment and dismissal of *kansayaku* and external auditors and the determination of auditor remuneration.

Although so-called "defensive functions," such as business and accounting audits, are part of the roles and responsibilities expected of *kansayaku* and the *kansayaku* board, in order to fully perform their duties, it would not be appropriate for *kansayaku* and the *kansayaku* board to interpret the scope of their function too narrowly, and they should positively and proactively exercise their rights and express their views at board meetings and to the management.

The Audit & Supervisory Board is made up of 5 Audit & Supervisory Board Members (3 of which are Outside Audit & Supervisory Board Members). Based on audit policies and audit plans formulated by the Audit & Supervisory Board, the Audit & Supervisory Board Members attend meetings of the Board of Directors and other important meetings, and audit the execution of duties by Directors through operational and financial status surveys.

#### **Supplementary Principle 4.4.1**

Given that not less than half of the *kansayaku* board must be composed of outside *kansayaku* and that at least one full-time *kansayaku* must be appointed in accordance with the Companies Act, the *kansayaku* board should, from the perspective of fully executing its roles and responsibilities, increase its effectiveness through an organizational combination of the independence of the former and the information gathering power of the latter.

In addition, *kansayaku* or the *kansayaku* board should secure cooperation with outside directors so that such directors can strengthen their capacity to collect information without having their independence jeopardized.

3 out of the Corporation's 5 Audit & Supervisory Board Members are Independent Outside Audit & Supervisory Board Members. The Audit & Supervisory Board judges audit on the execution of duties by

Directors, the dismissal and appointment of External Accounting Auditor, and Audit & Supervisory Board Member's remuneration from an independent and objective standpoint.

In order to ensure collaboration with Outside Directors, Outside Directors are invited to voluntarily attend business execution status interviews that Audit & Supervisory Board Members conduct with Directors, management executives, etc.

#### **Principle 4.5 Fiduciary Responsibilities of Directors and *Kansayaku***

With due attention to their fiduciary responsibilities to shareholders, the directors, *kansayaku* and the management of companies should secure the appropriate cooperation with stakeholders and act in the interest of the company and the common interests of its shareholders.

The President and CEO, CFO, General Manager of the IR & SR Department, and others regularly attend meetings with domestic and overseas investors, and CFO, who is a Representative Director, leads IR/SR activities and accordingly reports on the particulars of such meetings to Directors, Audit & Supervisory Board Members, etc. Thus, a system is in place for reflecting the opinions of shareholders and other stakeholders in management.

#### **Principle 4.6 Business Execution and Oversight of the Management**

In order to ensure effective, independent and objective oversight of the management by the board, companies should consider utilizing directors who are neither involved in business execution nor have close ties with the management.

The Corporation secures highly effective systems for monitoring management by appointing 7 Independent Outside Directors and having them state opinions from an independent and objective standpoint at meetings of the Board of Directors, etc. Furthermore, to clearly segregate management and execution, in principle, the Chairman of the Board, who does not have representative rights or the authority for business execution, serves as the chair of Board of Directors Meetings.

#### **Principle 4.7 Roles and Responsibilities of Independent Directors**

Companies should make effective use of independent directors\*3, taking into consideration the expectations listed below with respect to their roles and responsibilities:

- i) Provision of advice on business policies and business improvement based on their knowledge and experience with the aim to promote sustainable corporate growth and increase corporate value over the mid- to long-term;
- ii) Monitoring of the management through important decision-making at the board including the appointment and dismissal of the senior management;
- iii) Monitoring of conflicts of interest between the company and the management or controlling shareholders; and
- iv) Appropriately representing the views of minority shareholders and other stakeholders in the boardroom from a standpoint independent of the management and controlling shareholders.

The Corporation sets forth independence judgment criteria (see Principle 4.9 below) referring to the guidelines of proxy advisory firms, and appoints Independent Directors who meet such criteria, and can carry out supervision of the conflict of interest, management supervision, and fiduciary responsibilities.

Outside Directors and Audit & Supervisory Board Members, including such Independent Outside Directors, give useful advice aimed at boosting mid to long-term corporate value based on their own expert knowledge and abundant experience; make up the majority of the members of the Nomination Committee, which is an advisory body of the Board of Directors; deliberate on appropriateness of appointment procedures of the Executive Officers, etc.; and appropriately demonstrate supervision functions.

\*3 Independent director: The listing rules of securities exchanges provide that the outside directors, as defined in the Companies Act, are independent directors where they satisfy independence criteria of securities exchanges and the company determines that they do not have the possibility of conflicts of interest with its shareholders.

#### **Principle 4.8 Effective Use of Independent Directors**

Independent directors should fulfill their roles and responsibilities with the aim of contributing to sustainable growth of companies and increasing corporate value over the mid- to long-term. Companies listed on the Prime Market should therefore appoint at least one-third of their directors as independent directors (two directors if listed on other markets) that sufficiently have such qualities.

Irrespective of the above, if a company listed on the Prime Market believes it needs to appoint the majority of directors (at least one-third of directors if listed on other markets) as independent directors based on a broad consideration of factors such as the industry, company size, business characteristics, organizational structure and circumstances surrounding the company, it should appoint a sufficient number of independent directors.

Out of the Corporation's 11 Directors, 7 are Outside Directors, and all of them meet the independence judgment criteria set forth by the Corporation and the independence criteria set forth by the Tokyo Stock Exchange, Inc.

Both internally and externally, the Corporation appoints personnel with broad experience either in its multifaceted business activities, or in their respective fields of specialty, who also have advanced insight and expertise cultivated through such experience, with appointments by the Corporation encompassing a broad consideration of factors such as the industry, company size, business characteristics, organizational structure and circumstances surrounding the company, and with the aim of ensuring quick and efficient decision-making and proper oversight functions. In the Corporation's opinion, the number of Independent Outside Directors as it currently stands is appropriate, and it maintains a commitment to appointing an appropriate number of candidates for Independent Outside Directors.

#### **Supplementary Principles 4.8.1**

In order to actively contribute to discussions at the board, independent directors should endeavor to exchange information and develop a shared awareness among themselves from an independent and objective standpoint. Regular meetings consisting solely of independent directors (executive sessions) would be one way of achieving this.

Meetings in which Independent Outside Directors, Audit & Supervisory Board Members, and the Chairman and/or President and CEO participate (in which Independent Outside Directors and/or Audit & Supervisory Board Members are not the only members) are held on a regular basis, with the aims of exchanging information and sharing awareness (such meetings were held 4 times in FY2024).

#### **Supplementary Principles 4.8.2**

Independent directors should endeavor to establish a framework for communicating with the management and for cooperating with *kansayaku* or the *kansayaku* board by, for example, appointing the lead independent director from among themselves.

With the aim of further strengthening collaboration between Internal Directors and Audit & Supervisory Board Members and Outside Directors, a Chief Independent Outside Director is appointed.

As of the date of submission of the corporate governance report, the Corporation has no controlling shareholder.

#### **Supplementary Principles 4.8.3**

Companies that have a controlling shareholder should either appoint at least one-third of their directors (the majority of directors if listed on the Prime Market) as independent directors who are independent of the controlling shareholder or establish a special committee composed of independent persons including independent director(s) to deliberate and review material transactions or actions that conflict with the interests of the controlling shareholder and minority shareholders.

The Corporation appoints Outside Directors and Audit & Supervisory Board Members based on the following “Standards and policies for the independence of Outside Directors/Audit & Supervisory Board Members of the Corporation” so that Outside Directors can appropriately exercise their expected roles and functions.

#### **Principle 4.9 Independence Standards and Qualification for Independent Directors**

Boards should establish and disclose independence standards aimed at securing effective independence of independent directors, taking into consideration the independence criteria set by securities exchanges. The board should endeavor to select independent director candidates who are expected to contribute to frank, active and constructive discussions at board meetings.

Standards and Policies for the independence of Outside Directors/Audit & Supervisory Board Members of the Corporation

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

1. A major shareholder of the Corporation (who directly or indirectly holds 10% or more of the voting rights in the Corporation) or an executing person thereof\*4
2. An executing person of a lender, from which the borrowed amount exceeds 2% of the Corporation’s consolidated total assets
3. An executing person of a business partner with which the transaction amount exceeds 2% of the Corporation’s consolidated revenue
4. A representative partner or a partner of the auditing firm that is the Accounting Auditor of the Corporation
5. A person who receives money from the Corporation of which the value exceeds 10 million yen per fiscal year or a person who belongs to a corporation, partnership, or other organization who

receives money from the Corporation of which the value exceeds 2% of such organization's gross profit per fiscal year, which derives from a business consultancy and/or an advisory agreement

6. A person who belongs to an organization that has received a donation from the Corporation of which the amount exceeds 10 million yen per fiscal year
7. A Director/Executive Officer/Audit & Supervisory Board Member among the executing persons of the Corporation and its subsidiaries, as well as a coresident or relative within the second degree of kinship of such Director/Executive Officer/Audit & Supervisory Board Member

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

\*4 An "executing person" refers to an Executive Director, an Executive Officer, an employee or any other personnel.

#### **Principle 4.10 Use of Optional Approach**

In adopting the most appropriate organizational structure (as stipulated by the Companies Act) that is suitable for a company's specific characteristics, companies should employ optional approaches, as necessary, to further enhance governance functions.

The Corporation conducts a diverse range of business globally. Accordingly, the Corporation has established a corporate governance model of a company with auditors in which the Board of Directors consists of Internal Directors and Outside Directors in order to ensure rapid and efficient decision-making and appropriate supervisory functions in management.

#### **Supplementary Principle 4.10.1**

If the organizational structure of a company is either Company with Kansayaku Board or Company with Supervisory Committee and independent directors do not compose a majority of the board, in order to strengthen the independence, objectivity and accountability of board functions on the matters of nomination (including succession plan) and remuneration of the senior management and directors, the company should seek appropriate involvement and advice from the committees, including from the perspective of gender and other diversity and skills, in the examination of such important matters as nominations and remuneration by establishing an independent nomination committee and remuneration committee under the board, to which such committees make significant contributions.

In particular, companies listed on the Prime Market should basically have the majority of the members of each committee be independent directors, and should disclose the mandates and roles of the committees, as well as the policy regarding the independence of the composition.

The "Governance and Remuneration Committee" and the "Nomination Committee" are set up as advisory bodies of the Board of Directors, and these strengthen management supervision functions. The memberships of both committees are composed so as to ensure independence, as Independent Outside Directors/Audit & Supervisory Board Members make up a majority of the members and both committees are each chaired by an Independent Outside Director or Audit & Supervisory Board Member as well.

The Governance and Remuneration Committee deliberates on policies for determining remuneration of Directors and Executive Officers and on the appropriateness of remuneration levels and then provides recommendations to the Board of Directors. Furthermore, it deliberates on important matters related to corporate governance and conducts assessments and reviews of the Board of Directors as a whole, including the structure, operation, and other aspects of the Board of Directors, and reports thereon to the



Board of Directors.

The Nomination Committee deliberates on proposals for Director and Audit & Supervisory Board Member candidate appointments and for president-designated appointments, as well as on successor plans developed and managed by the President and CEO (with necessary qualifications and requirements, successor candidate list and training plans included) and then provides recommendations to the Board of Directors.

#### **Principle 4.11 Preconditions for Board and *Kansayaku* Board Effectiveness**

The board should be well balanced in knowledge, experience and skills in order to fulfill its roles and responsibilities, and it should be constituted in a manner to achieve both diversity, including gender, international experience, work experience and age, and appropriate size. In addition, persons with appropriate experience and skills as well as necessary knowledge on finance, accounting, and the law should be appointed as *kansayaku*. In particular, at least one person who has sufficient expertise on finance and accounting should be appointed as *kansayaku*.

The board should endeavor to improve its function by analyzing and evaluating effectiveness of the board as a whole.

The Corporation conducts business activities in a wide range of fields in a multifaceted manner through domestic and overseas networks, which requires the Board of Directors to deliberate on the appropriateness of management strategies and related matters, risks, and other factors associated with implementation, in an objective and multifaceted manner, and to appropriately supervise the status of execution. As such, with the aim of boosting the effectiveness of the Board of Directors, the Corporation appoints personnel with diverse experience, knowledge, expertise, insight, and other relevant qualities as well as their being well-versed in business activities, as Directors. Furthermore, by appointing non-executive Directors and multiple Independent Outside Directors/Audit & Supervisory Board Members, the Corporation introduces perspectives that are not influenced by in-house practices, strengthens governance and supervision functions, and checks conflicts of interest.

As of the date of submission of the corporate governance report, the Board of Directors is composed of 11 members, with 7 of these Outside Directors (8 males and 3 females), and the Audit & Supervisory Board is composed of 5 members, with 3 of these Outside Audit & Supervisory Board Members (3 males and 2 females). The appropriate experience and competencies of 5 of the Audit & Supervisory Board Members, including financial, accounting, and/or legal knowledge, with 2 of these Audit & Supervisory Board Members having particularly high expertise in financial and accounting matters. The reasons for the selection of Directors and Audit & Supervisory Board Members are disclosed and can be viewed in Principle 3.1(v) above and in [Director related] and [Auditor related] under “1. Organizational Composition and Operation” in “II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management” of the corporate governance report.

For details of evaluations of the effectiveness of the Board of Directors, please refer to Supplementary Principle 4.11.3.

\*5 If a company is either a Company with *Kansayaku* Board or Company with Supervisory Committee, the company is not required to establish a nomination committee or a remuneration committee by the Companies Act. However, the company may establish such committees on its own initiative.

### Supplementary Principles 4.11.1

The board should identify the skills, etc. that it should have in light of its managing strategies, and have a view on the appropriate balance between knowledge, experience and skills of the board as a whole, and also on diversity and appropriate board size. Consistent with its view, the board should establish policies and procedures for nominating directors and disclose them along with the combination of skills, etc. that each director possesses in an appropriate form according to the business environment and business characteristics, etc., such as what is known as a "skills matrix." When doing so, independent director(s) with management experience in other companies should be included.

Please refer to Principles 3.1(iv) and 4.1.1 for the criteria for Directors. As for Outside Directors, keeping in mind the Director selection standards stated in Principle 3.1(iv) above, and taking into account an optimal combination of skills and experience that the Board of Directors members should have, the Corporation appoints personnel who endeavor to understand the Corporation's business when making decisions on important matters for the Corporation, and are able to actively participate in management. 6 out of 7 Outside Directors have corporate management experience in other companies.

The Corporation makes public the details of the expertise and experience of all Directors and Audit & Supervisory Board Members in the form of a skill matrix. For the skill matrix, please refer to Figure 2 in "2. Other Matters Concerning to Corporate Governance System" of "V. Other" in the Corporation's corporate governance report.

### Supplementary Principles 4.11.2

Outside directors, outside *kansayaku*, and other directors and *kansayaku* should devote sufficient time and effort required to appropriately fulfill their respective roles and responsibilities. Therefore, where directors and *kansayaku* also serve as directors, *kansayaku* or the management at other companies, such positions should be limited to a reasonable number and disclosed each year.

The status of the important concurrent positions of Directors, Audit & Supervisory Board Members, and candidates for such are disclosed in the General Meeting of Shareholders Convocation Notice and annual securities report each year.

### Supplementary Principles 4.11.3

Each year, the board should analyze and evaluate its effectiveness as a whole, taking into consideration the relevant matters, including the self-evaluations of each director. A summary of the results should be disclosed.

Since FY2016, the Corporation has conducted annual evaluations of its Board of Directors' effectiveness and implemented improvements to address issues identified through rigorous analysis.

The evaluations of the Board's effectiveness in FY2024 (the "FY2024 Board Evaluation") built upon the FY2023 concept of "the ideal governance structure suitable for Marubeni" to enable the Board to discuss the structure of the governance frameworks suitable for the Corporation and will support the successful implementation of the Mid-Term Management Strategy GC2027, taking into consideration the discussions from FY2023.

## **I Evaluation Framework and Methodology**

### **1. Evaluation Target**

The Board of Directors, including the Governance and Remuneration Committee and the

Nomination Committee

## **2. Evaluation Process**

- (i) Analysis on comprehensive questionnaire and interviews with all Directors and Audit & Supervisory Board Members;
- (ii) Review and evaluations by the Governance and Remuneration Committee of the results of such analysis; and
- (iii) The Board's review and deliberation of the evaluations by the Governance and Remuneration Committee.

## **3. Evaluation Items**

- Functions and roles of the Board
- Structure of the Board (composition, diversity, competencies, skills, etc.)
- Deliberations at Board meetings
- Utilization of the Governance and Remuneration Committee and the Nomination Committee
- Accountability to and dialogues with stakeholders

## **4. Independent Third-Party Assessment**

Like past Board evaluations, the Corporation appointed an independent specialized organization. Utilizing the independent specialized organization, the Governance and Remuneration Committee performed the analysis and evaluations based on advanced document inspection, as well as responses to the questionnaire and interviews.

The independent specialized organization mainly gave the following supports:

- Analysis of the agenda of the Board meetings over the past three years;
- Advice on questionnaire design from an external perspective;
- Independent analysis of the questionnaire responses and conducting the interviews;
- Objective evaluations of the questionnaire and interview results, and providing comments on them as the basis for deliberation at the Governance and Remuneration Committee and the Board; and
- Advice on addressing identified improvement opportunities and action plans.

The Governance and Remuneration Committee ensured the questionnaire and interviews were conducted and the results analyzed and evaluated on an anonymous basis by the independent specialized organization, thereby maintaining the transparency and objectiveness of the FY2024 Board Evaluation.

## **II Evaluation Results Overview**

### **1. Key Findings**

Through the evaluation process above, it has been confirmed that the Corporation's Board of Directors operates effectively with appropriate functionality. Particularly strong areas include:

- (i) Enhanced Board diversity across gender, skills, and experience, enabling more multifaceted observations than before;
- (ii) Comprehensive onboarding and continuous training for the Outside Directors and the Outside Audit & Supervisory Board Members to provide a deep understanding of the Marubeni Group and their businesses, including site visits to the Group companies' facilities; and
- (iii) Effective facilitation by the Chairman at Board meetings that encourages robust and substantive deliberations.

## **2. Further Improvement of Board Effectiveness**

The Corporation has made efforts to improve the effectiveness of the Board by addressing the issues identified in the previous Board evaluations in FY2023 as follows:

### **(1) Clarifying Issues to Monitor Important Group Management Matters**

The Board materials now include executive summaries outlining the overview of each project and are simplified by highlighting key issues requiring the Board's attention.

As stated in (3) of "3. Key Issues Identified in FY2024 Board Evaluation and Action Plans to Address Them" below, the Corporation will continue to examine necessary measures for more in-depth discussions at Board meetings.

### **(2) Enhancing Discussion on Management Strategy/Important Management Matters for Mid- to Long-Term Growth of Corporate Value of the Marubeni Group Considering Comprehensive Group Strengths**

In FY2024, the Board actively participated in the formulation of the Mid-Term Management Strategy GC2027 from the initial stages. In addition, the Corporation utilized venues outside the Board meetings to enhance discussions on important Group management matters, and the Board engaged in focused discussions with the management on business strategies, DX strategies, etc.

### **(3) Continuing Discussion on Functions and Roles of the Board in a Governance Structure Suitable for Marubeni**

The Corporation conducted candid exchanges of opinions among the Chairman, the President and CEO, and the Outside Directors and the Outside Audit & Supervisory Board Members regarding the optimal functions and roles of the Board of Directors.

Like the item (1) above, the Corporation will continue to consider and take necessary measures to deepen the discussions on the Board functions and roles as stated in (1) of "3. Key Issues Identified in FY2024 Board Evaluation and Action Plans to Address Them" below.

## **3. Key Issues Identified in FY2024 Board Evaluation and Action Plans to Address Them**

### **(1) Continued Discussion on Purpose, Functions, and Roles of the Board to Align with Changes in Management Strategy**

In the aforementioned exchanges of opinions, it was confirmed that the Chairman, the President and CEO, and each Outside Director and Outside Audit & Supervisory Board Member have their own thoughts and opinions on the functions and roles the Board should fulfill. The Corporation will continue aligning the Board functions and roles with the changes in management strategy, including "Accelerating Growth" in the Mid-Term Management Strategy GC2027, and changes in the external environment surrounding the Marubeni Group.

This includes structured discussions to ensure shared understanding by all Board members of its purpose, functions, and roles utilizing venues outside the Board meetings and taking into account the Corporation's expectations to the Board for corporate value enhancement.

(2) Improvement of Discussions Aimed at Mid- to Long-Term Corporate Value Enhancement Based on Insights into External Environmental Changes and Risks

While the Board discusses changes in external environment and risks surrounding the Marubeni Group, these discussions tend to remain at the business unit-level concerns. Therefore, going forward, the Corporation will strengthen the Board engagement on strategic initiatives for long-term corporate value enhancement, including GC2027 implementation, investor/public relations strategy, HR strategy, and better identification of growth domains and business portfolio optimization, etc.

(3) Further Clarification of Issues in Board Materials for In-Depth Discussions

At Board meetings, in addition to discussing the agenda themselves, the Board needs to monitor whether the management's decision-making process is sound and proper. To facilitate both, the Corporation will refine the content and structure of the Board materials, provide earlier access to the agenda and materials, and improve the operation of Board meetings, including in advance briefings of agenda, to make it easier to understand issues that the Management Committee, Investment and Credit Committee, etc. focused on when they made the decision. To enable more in-depth discussions at Board meetings, the Corporation will further clarify issues and risks requiring the Board's attention.

Based on the FY2024 Board Evaluation results, the Corporation will continue to work on maintaining and improving the Board effectiveness going forward to drive long-term corporate value enhancement.

**Principle 4.12 Active Board Deliberations**

The board should endeavor to foster a climate where free, open and constructive discussions and exchanges of views take place, including the raising of concerns by outside directors.

At meetings of the Board of Directors, free, vigorous, and constructive discussions take place, and opinions are exchanged in a lively manner, without any distinction between Internal and Outside Directors.

**Supplementary Principles 4.12.1**

The board should ensure the following in relation to the operation of board meetings and should attempt to make deliberations active:

- i) Materials for board meetings are distributed sufficiently in advance of the meeting date;
  - ii) In addition to board materials and as necessary, sufficient information is provided to directors by the company (where appropriate, the information should be organized and/or analyzed to promote easy understanding);
  - iii) The schedule of board meetings for the current year and anticipated agenda items are determined in advance;
  - iv) The number of agenda items and the frequency of board meetings are set appropriately; and
  - v) Sufficient time for deliberations.
- i) Materials on meetings of the Board of Directors are in principle distributed at least 7 days in

advance of the meetings.

- ii) Outside Directors are given a briefing in advance regarding management issues, execution status, agenda, and so on.
- iii) Notification regarding the annual schedule for the meetings is in principle given at least approximately 3 months before the start of a new fiscal year, and notification regarding the matters for deliberation is in principle given at least 10 days before each meeting. In addition, the Corporation makes the list of agendas deliberated at the meetings of the Board of Directors in the previous fiscal year and scheduled agendas for the current fiscal year. The Corporation provides the list to the Directors and the Audit & Supervisory Board Members.
- iv) In FY2024, a total of 15 meetings of the Board of Directors were held, and in FY2023, a total of 15 were held. As for Matters to be Submitted to the Board of Directors, changes are considered as needed based on the status of the Corporation.
- v) The envisioned deliberation times are stated in the notifications of meetings of the Board of Directors, and the extending of deliberation times is flexibly handled based on the agenda.

#### **Principle 4.13 Information Gathering and Support Structure**

In order to fulfill their roles and responsibilities, directors and *kansayaku* should proactively collect information, and as necessary, request the company to provide them with additional information.

Also, companies should establish a support structure for directors and *kansayaku*, including providing sufficient staff.

The board and the *kansayaku* board should verify whether information requested by directors and *kansayaku* is provided smoothly.

For active information gathering by Directors, the Executive Department and Corporate Planning & Strategy Department provide support, and for active information gathering by Audit & Supervisory Board Members, the Audit & Supervisory Board Member's Office, and others provide support.

Whether the information and materials that each Director seeks are provided in a seamless manner is assessed and reviewed in the overall evaluations on the effectiveness of the Board of Directors that are carried out by the Governance and Remuneration Committee.

In order to secure opportunities for the provision of the information that Audit & Supervisory Board Members seek, the Audit & Supervisory Board formulates an annual audit plan at the beginning of the fiscal year, and then reviews the status of audit implementation at the end of such fiscal year before issuing audit reports.

#### **Supplementary Principles 4.13.1**

Directors, including outside directors, should request the company to provide them with additional information, where deemed necessary from the perspective of contributing to transparent, fair, timely and decisive decision-making. In addition, *kansayaku*, including outside *kansayaku*, should collect information appropriately, including the use of their statutory investigation power.

As stated in Principle 4.13 above, Directors make additional information provision requests to the Executive Department and Corporate Planning & Strategy Department as needed. Aside from receiving support from the Audit & Supervisory Board Member's Office, etc., Audit & Supervisory Board Members attend meetings of the Board of Directors, Corporate Management Committee, and Committee of Executive Officers, and Internal Audit & Supervisory Board Members are given important internal

documents such as decision requests without delay. In addition, Audit & Supervisory Board Members carry out interviews with Directors and management executives regarding the status of business execution, have regular meetings with audit corporations and Corporate Staff Group departments, carry out visiting audit at Marubeni Group companies, and request the submission of additional documents, explanations, and so on, as necessary.

#### **Supplementary Principles 4.13.2**

Directors and *kansayaku* should consider consulting with external specialists at company expense, where they deem it necessary.

The Audit & Supervisory Board concludes contracts with legal advisors, and the Corporation covers the expenses for this. In addition, when the Directors and Audit & Supervisory Board Members think it necessary to hire outside experts, the Corporation's policy is to cover the expenses for such.

#### **Supplementary Principles 4.13.3**

Companies should ensure coordination between the internal audit department, directors and *kansayaku* by establishing a system in which the internal audit department appropriately reports directly to the board and the *kansayaku* board in order for them to fulfill their functions. In addition, companies should take measures to adequately provide necessary information to outside directors and outside *kansayaku*. One example would be the appointment of an individual who is responsible for communicating and handling requests within the company such that the requests for information about the company by outside directors and outside *kansayaku* are appropriately processed.

Coordination with Directors and Audit & Supervisory Board Members is ensured through the Internal Audit Department's practices of giving reports directly in a timely and appropriate fashion, including giving an annual internal audit report to the Board of Directors and reporting to the Audit & Supervisory Board on issue-specific internal audit findings on a quarterly basis. The role of various communications and coordination operations aimed at enabling Outside Directors and Outside Audit & Supervisory Board Members to acquire accurate company information is undertaken by the Executive Department, Corporate Planning & Strategy Department, Audit & Supervisory Board Member's Office, and so on, as stated in Principle 4.13 and Supplementary Principle 4.13(1) above.

#### **Principle 4.14 Director and *Kansayaku* Training**

New and incumbent directors and *kansayaku* should deepen their understanding of their roles and responsibilities as a critical governance body at a company, and should endeavor to acquire and update necessary knowledge and skills. Accordingly, companies should provide and arrange training opportunities suitable to each director and *kansayaku* along with financial support for associated expenses. The board should verify whether such opportunities and support are appropriately provided.

The Corporation provides sufficient information to all Directors and Audit & Supervisory Board Members so that they acquire sufficient knowledge and devote themselves to studying in order to fulfill their expected roles and responsibilities. The Corporation provides Directors and Audit & Supervisory Board Members with opportunities for training, and it also covers the required expenses for such.



#### **Supplementary Principles 4.14.1**

Directors and *kansayaku*, including outside directors and outside *kansayaku*, should be given the opportunity when assuming their position to acquire necessary knowledge on the company's business, finances, organization and other matters, and fully understand the roles and responsibilities, including legal liabilities, expected of them. Incumbent directors should also be given a continuing opportunity to renew and update such knowledge as necessary.

Directors and Audit & Supervisory Board Members are provided with the information they need to perform their duties in an appropriate and timely manner, with the Corporate Planning & Strategy Department, Executive Department, Audit & Supervisory Board Member's Office, and so on, playing central roles in this regard. Also, Directors and Audit & Supervisory Board Members may participate in meetings and seminars as necessary, at the Corporation's cost. In addition, in advance of meetings of the Board of Directors, Outside Directors and Audit & Supervisory Board Members are given briefings regarding management issues, execution status, agenda, and so on.

Furthermore, reports on the economic situation are given on a regular basis by the Marubeni Research Institute for the Committee of Executive Officers, and so on, and an effort is made to share information. Outside Directors and Audit & Supervisory Board Members are also given opportunities to receive explanations regarding distributions of operations, issues, and project implementation status at each business division and corporate staff department.

#### **FY2024 Key Achievements**

##### **Training and provision of information to deepen understanding of the external environment:**

- Provision of information to Directors and Audit & Supervisory Board Members about the political and economic environment from the Marubeni Research Institute (on a regular basis, and as needed)

Themes: Transformations observed in domestic affairs and internationalism progressing worldwide and geopolitical risks, and analysis of business environments based on scenario settings under these conditions (including economic and financial market trends, supply chain changes, etc.), domestic and overseas trends on economic security, etc.

##### **Training and provision of information to deepen understanding of the Corporation:**

- Explanations from each business group and each corporate staff department to new Outside Directors and Outside Audit & Supervisory Board Members on distributions of operations, issues, and project implementation status at each division (April-June 2024)
- Status updates on the Corporation and promotion of mutual understanding through Audit & Supervisory Board Members' regular meetings with the Chairman of the Board, the President and CEO, Senior Executive Vice President, CHRO, CSO, CFO, CAO, CDIO, and Group CEOs respectively (held 19 times in total (Outside Directors attended 3 times))

Themes: Corporate governance of the Corporation and the Marubeni Group, issues regarding internal control and compliance in the Marubeni Group, etc.

- Free discussion among Outside Directors, the Chairperson of the Board, and the President and CEO (held 2 times in total)

Themes:

- (i) The function of the Board of Directors; and
- (ii) Discussion between Outside Directors and Outside Audit & Supervisory Board Members and

the next CEO.

- Meetings between Outside Directors and Outside Audit & Supervisory Board Members and executive management (held 3 times in total)

Purpose: Given that the Corporation was formulating the Mid-Term Management Strategy GC2027, for the further growth of the Marubeni Group, to receive valuable advice on the important management issues based on the knowledge and expertise each Outside Director and Outside Audit & Supervisory Board Member has.

Themes: Business strategies (focus areas of each business group), DX Strategy

- Visits to Group companies and interviews with their management (Japan and overseas, one time each)
  - Japan: Group companies located in Kyushu area (Pacific Grain Terminal Co., Ltd, Marubeni Nisshin Feed Co.,Ltd., and others)
  - Overseas: Group companies located in the U.S. (Helena Agri-Enterprises, LLC., Nowlake Technology, LLC., Aircastle Limited, and others)
- Visits to Group companies by Outside Audit Supervisory & Board Members
  - Interview with the management of MIBUGAWA Electric Power Co., Inc, which conducts electric power generation business and wholesale of electric power, and visit to several power plants (September 2024);
  - Interview with the management of Wellfam Foods Corporation, which feeds, processes, and sells broilers and other meats, and visit to its Miyagi facilities and manufacturing plants (September 2024);
  - Interview with the management of Tokachi Grain Terminal Co., Ltd, which stores grains and conducts stevedoring and transportation operations, and Tokachi feed Corporation, a manufacturer of compound feeds, and visit to their silos and factories (October 2024); and
  - Interview with the management of PT. Musi Hutan Persada, which conducts forestry business in Indonesia, and PT. Tanjungenim Lestari Pulp & Paper, a manufacturer of pulp in Indonesia, and visit to their afforestation sites and pulp factory (November 2024), etc.
- Explanation of agendas in advance of Board of Directors meetings to Outside Directors and Audit & Supervisory Board Members from the Corporate Planning & Strategy Department and Legal Department (as necessary)
- Sharing of interview details from Internal Audit & Supervisory Board Members to Outside Audit & Supervisory Board Members (as necessary)

\*As part of organizational changes as of April 1, 2025, the Corporation eliminated the business groups. In the section “FY2024 Key Achievements,” however, the names of organizations and positions are listed as they were at the time of each training and provision of information.

#### **Supplementary Principles 4.14.2**

Companies should disclose their training policy for directors and *kansayaku*.

With the aim of deepening knowledge regarding the Marubeni Group's Management Philosophy, corporate management, business activities, organization, and so on, Outside Directors and Outside Audit & Supervisory Board Members are provided with the information they need to perform their duties in an appropriate and timely manner. The Corporation also provides opportunities to Directors and Audit & Supervisory Board Members, including Outside Directors and Outside Audit & Supervisory Board Members, to participate in seminars and so on, as needed, so that they can fulfill their roles and duties, with the Corporation covering the expenses, etc. for such.

## Section 5: Dialogue with Shareholders

### General Principle 5

In order to contribute to sustainable growth and the increase of corporate value over the mid- to long-term, companies should engage in constructive dialogue with shareholders even outside the general shareholder meeting.

During such dialogue, senior management and directors, including outside directors, should listen to the views of shareholders and pay due attention to their interests and concerns, clearly explain business policies to shareholders in an understandable manner so as to gain their support, and work for developing a balanced understanding of the positions of shareholders and other stakeholders and acting accordingly.

The Corporation recognizes that, in order to realize sustained growth and the improvement of mid to long-term corporate value, constructive dialogues with shareholders and investors are important. As such, the Corporation has prepared an IR/SR system led by the CFO, who is a Representative Director, and establishes opportunities for dialogues to be held with shareholders on a regular basis. For details, please refer to Principle 5.1 and Supplementary Principles 5.1.1 through 5.1.3.

### Principle 5.1 Policy for Constructive Dialogue with Shareholders

Companies should, positively and to the extent reasonable, respond to the requests from shareholders to engage in dialogue (management meetings) so as to support sustainable growth and increase corporate value over the mid- to long-term. The board should establish, approve and disclose policies concerning the measures and organizational structures aimed at promoting constructive dialogue with shareholders.

Policy for constructive dialogues with shareholders

#### (Basic philosophy)

The Corporation believes that in order to grow sustainably and boost mid- to long-term corporate value, constructive dialogues with shareholders and investors are important. Based on dialogues, the Corporation obtains understanding from shareholders and investors of its management policies, etc., understands the standpoints of shareholders and investors, and makes efforts to respond appropriately.

#### (Supervisory manager)

In order to realize constructive dialogues with shareholders and investors, the Corporation has prepared an IR/SR system led by the CFO, who is a Representative Director.

#### (Initiative system)

Under the management of the CFO, the Corporation established the IR & SR Department as a department in charge of and dedicated to IR/SR activities, and the department carries out information exchanges and other in-house collaboration with other relevant departments.

#### (Means for dialogues)

In addition to individual interviews, the Corporation uses efforts to provide ample means for dialogues, including General Meetings of Shareholders, financial results briefings, group meetings for institutional investors, IR meetings on business operation, briefings for individual investors, and so on.

#### (Feedback policy)

The IR & SR Department creates a summary regarding the opinions, requests, and so on recognized through dialogues, and then appropriately provides quarterly feedback to the President and CEO, CFO, and Outside Directors, etc.

**(Policy regarding control of insider information)**

During dialogues, insider information is appropriately controlled in accordance with the in-house rules in the “Regulation for Prevention of Insider Trading.”

**Supplementary Principles 5.1.1**

Taking the requests and interests of shareholders into consideration, to the extent reasonable, the senior management, directors, including outside directors, and *kansayaku*, should have a basic position to engage in dialogue (management meetings) with shareholders.

On the occasion of scheduling a meeting with shareholders, a decision as to who should actually attend such dialogues (management meetings) will be made within a reasonable scope, with requests from the shareholders and the principal issue of interest being considered as well.

**Supplementary Principles 5.1.2**

At minimum, policies for promoting constructive dialogue with shareholders should include the following:

- i) Appointing a member of the management or a director who is responsible for overseeing and ensuring that constructive dialogue takes place, including the matters stated in items ii) to v) below;
  - ii) Measures to ensure positive cooperation between internal departments such as investor relations, corporate planning, general affairs, corporate finance, accounting and legal affairs with the aim of supporting dialogue;
  - iii) Measures to promote opportunities for dialogue aside from individual meetings (e.g., general investor meetings and other IR activities);
  - iv) Measures to appropriately and effectively relay shareholder views and concerns learned through dialogue to the senior management and the board; and
  - v) Measures to control insider information when engaging in dialogue.
- i) CFO, who is the Representative Director, manages the IR & SR Department and leads IR/SR activities.
  - ii) Centering on IR & SR Department, operational supervisory capacity is assigned to each of the Corporate Planning & Strategy Department, Corporate Accounting Department, Finance Department, General Affairs Department, and Legal Department, and these Departments collaborate with each other by maintaining mutual communication.
  - iii) The IR & SR Department holds financial result briefings, business briefings, briefings for individual investors, and group meetings with institutional investors, etc. on a regular basis.
  - iv) The IR & SR Department creates a summary of the questions and opinions of shareholders that have been recognized at briefings, interviews, and so on, and gives a report through an official line to CFO, who is the Representative Director.
  - v) “Regulation for Prevention of Insider Trading” has been established, and an appropriate information control system has been created in accordance with these regulations.

### **Supplementary Principles 5.1.3**

Companies should endeavor to identify their shareholder ownership structure as necessary, and it is desirable for shareholders to cooperate as much as possible in this process.

The Corporation identifies the composition of the shareholders on the list of shareholders, based on the list of shareholders at the end of March and end of September, and makes efforts to identify the structure of shareholders by implementing surveys on beneficial shareholders based on the list of shareholders as of the end of March and end of September.

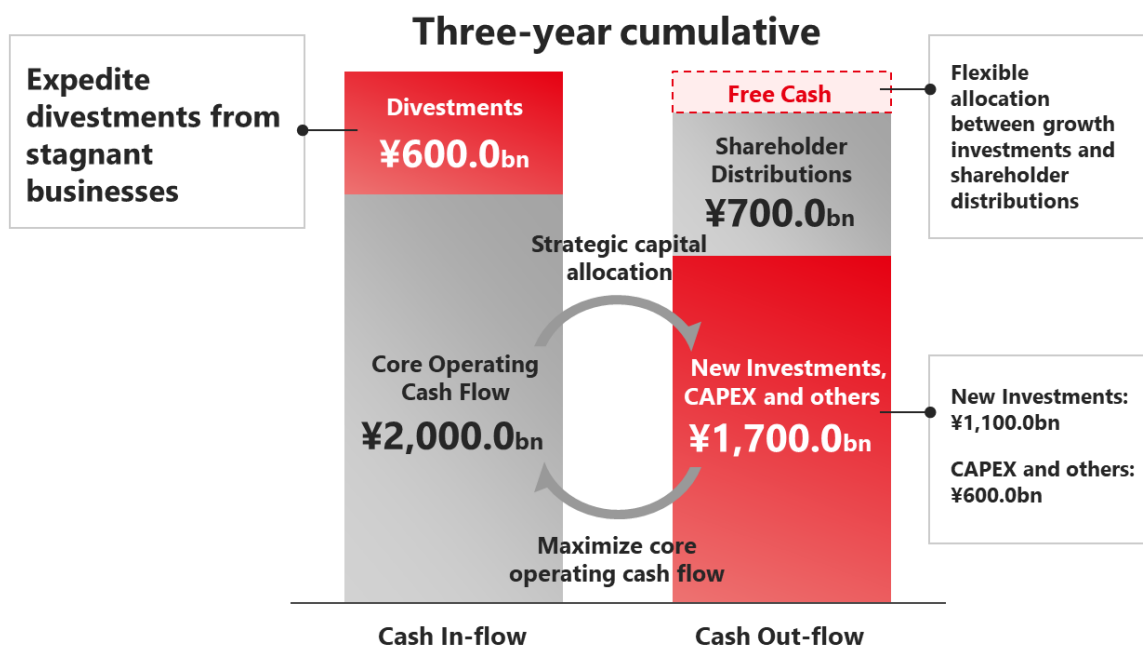
### **Principle 5.2 Establishing and Disclosing Business Strategies and Business Plans**

When establishing and disclosing business strategies and business plans, companies should articulate their earnings plans and capital policies, and present targets for profitability and capital efficiency after accurately identifying the company's cost of capital. Also, companies should provide explanations that are clear and logical to shareholders with respect to the allocation of management resources, such as reviewing their business portfolio and investments in fixed assets, R&D, and human capital, and specific measures that will be taken in order to achieve their plans and targets.

As the third stage of the long-term management strategy towards FY2030, the Corporation formulated and announced the three-year Mid-Term Management Strategy GC2027. In the Mid-Term Management Strategy GC2027, the Corporation set tangible profit growth plan to achieve its financial targets, its capital allocation plan, and its shareholder returns policy. In addition, to make it more specific and easy to understand for the shareholders and investors, the Corporation disclosed anticipated investment results (the anticipated amount and timing of profit contributions by the new investments, CAPEX, and others made during the term of the previous Mid-Term Management Strategy GC2024 and those planned to be made during the Mid-Term Management Strategy GC2027) and examples of businesses and investments as appendixes to the Mid-Term Management Strategy GC2027. The capital allocation policy and the shareholder return policy in the Mid-Term Management Strategy GC2027 are as follows:

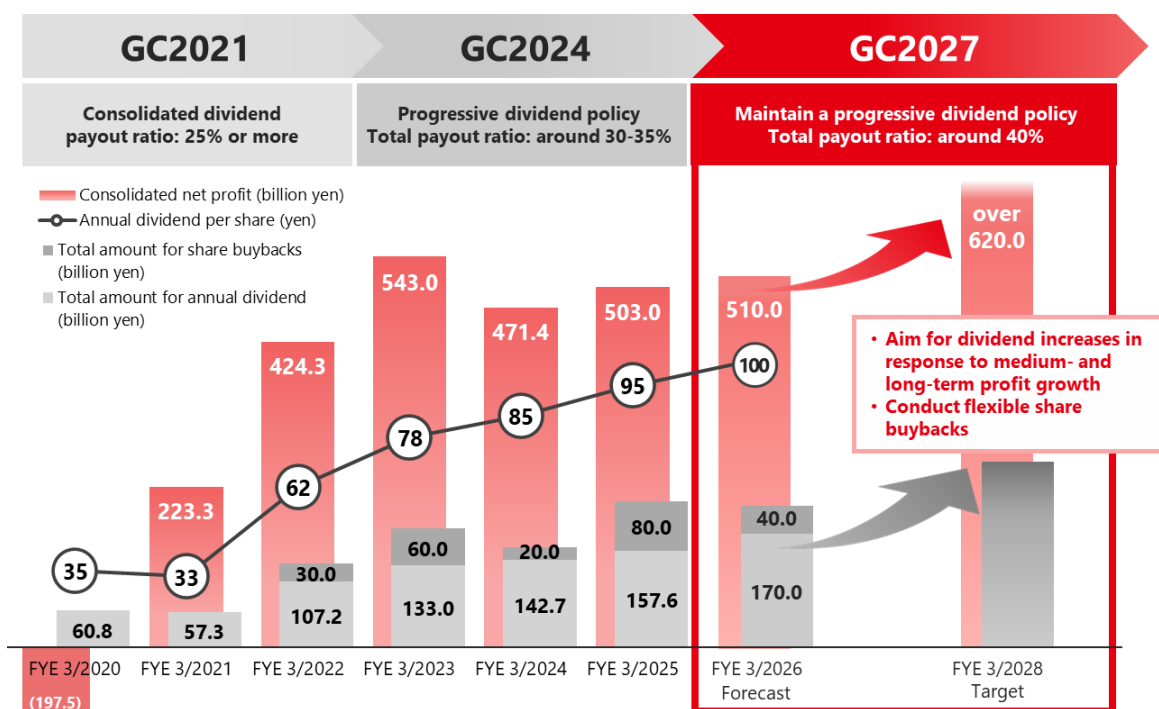
#### **Capital Allocation Policy**

- Strengthen cash generation capacity by maximizing core operating cash flow and accelerating divestments
- Prioritize the deployment of generated cash into high quality growth investments
- Further strengthen shareholder distributions based on improved profitability
- Maintain positive free cash flow after shareholder distributions\* (Three-year cumulative)  
(\* Excluding changes in working capital and others)



### Shareholder Returns Policy

- Maintain the basic policy of paying shareholders a stable dividend over long term
- Increase dividends through medium- and long-term profit growth
- Based on the improved profitability under GC2024, the total payout ratio will be raised to around 40%
- Conduct a progressive dividend policy, starting with an annual dividend of 100 yen per share
- Conduct flexible share buybacks





In addition, in the Mid-Term Management Strategy GC2027, the Corporation set a clear target of achieving a Market Cap beyond 10 trillion yen by FY2030 through increasing PER, as well as maintaining and improving ROE. Particularly, the Corporation will pursue reducing CoE by optimizing financial leverage, minimizing volatility of profit level, promoting green initiatives, etc., and increasing expected growth rate. As part of the initiatives to increase PER, the Corporation will implement its Vision of the Future, the “Global crossvalue platform,” to achieve a conglomerate premium and continuously enhance corporate value. In the Mid-Term Management Strategy GC2027, the Corporation will pursue the “Global crossvalue platform” via three specific initiatives: “Winning Strategy,” “Strengthen the Marubeni Group HR Strategy,” and “Stringent effort to improve capital efficiency.”

Full text of the Mid-Term Management Strategy GC2027 is available on the Corporation’s website. Also, the Corporation conducted an IR Meeting on the Mid-Term Management Strategy GC2027 and posted the presentation material.

**Mid-Term Management Strategy GC2027:**

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

**Presentation Material of Mid-Term Management Strategy GC2027:**

<https://www.marubeni.com/en/ir/reports/year/>

The Corporation posts the progress of the Mid-Term Management Strategy GC2027 on its website as IR Materials.

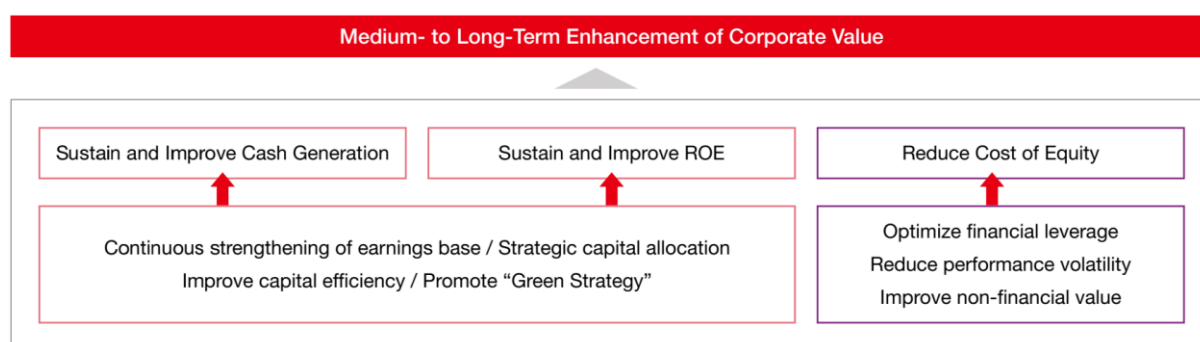
**IR Materials:**

<https://www.marubeni.com/en/ir/reports/appendix/>

In addition to the above, the Corporation discloses its initiatives with respect to “Action to Implement Management that is Conscious of Cost of Capital and Stock Price” in the sections “Value Creation at Marubeni” and “Initiatives for More Sustainable Value Creation” of its Integrated Report 2024. Please also refer to the Mid-Term Management Strategy GC2027 and annual securities report (Japanese language only).

**Integrated Report 2024:**

[https://www.marubeni.com/en/ir/reports/integrated\\_report/](https://www.marubeni.com/en/ir/reports/integrated_report/)



**Annual Securities Report (Japanese language only):**

[https://www.marubeni.com/en/ir/reports/security\\_reports/](https://www.marubeni.com/en/ir/reports/security_reports/)

### **Supplementary Principles 5.2.1**

In formulating and announcing business strategies, etc., companies should clearly present the basic policy regarding the business portfolio decided by the board and the status of the review of such portfolio.

In the Mid-Term Management Strategy GC2027, the Corporation set the financial targets of a consolidated net profit over 620 billion yen and CAGR around 10% to enhance corporate value. The Corporation will continuously improve existing businesses and expedite divestments from stagnant businesses and aims to transform GC2024 investments into steady earning pillars, as well as aims to accumulate steady profit contributions from new investments in GC2027 through improving our investment quality.

To achieve the above, the Corporation categorized its businesses into five new classifications: Strategic Platform Investments, Natural Resources Investments, Infrastructure Investments, Financing Businesses, and Forward-looking Investments in Future Pillars, and set a capital allocation policy for each such classification. During the term of the Mid-Term Management Strategy GC2027, as a method to implement strategic capital allocation and growth investment strategy, the Corporation will direct capital in particular towards Strategic Platform Investments that have “Growth Domains x High Added Value x Scalability” and plans to prioritize allocation to existing business domains with competitive advantages.

Moreover, in the Mid-Term Management Strategy GC2027, the Corporation disclosed its profits by region. The Corporation has built a well-balanced, highly resilient regional portfolio focused on North and Central America, where solid growth is expected; Japan, which is less susceptible to the effects of currency fluctuation and geopolitical risks; and other regions with high growth potential such as ASEAN, India, Middle East, Africa, and the Corporation will continue to strengthen its regional portfolios.

As part of its efforts aimed at enhancement and betterment of its existing businesses at large, the Corporation will further focus on divestments and asset recycling. As processes to follow after the investment are significant for the purpose of achieving strategic growth, the Corporation will capture businesses with low capital efficiency by quantitative standards (ROIC/CROIC) to be set based on its CoC and implement performance management based on action plans, and the Corporate Management Committee will review progress at the end of the fiscal year and decide whether to keep or divest from the business at hand. Through this monitoring process, the Corporation will make its assets higher quality and improve its ROE. For businesses where we cannot envision further growth strategies or those with limited future growth potential, management and business teams will work together to proceed with divestment without hesitation.

For asset recycling and business portfolio enhancement, please also refer to the FY2024 Consolidated Financial Results.

### **FY2024 Consolidated Financial Results:**

[https://ssl4.eir-parts.net/doc/8002/ir\\_material\\_for\\_fiscal\\_ym9/177526/00.pdf](https://ssl4.eir-parts.net/doc/8002/ir_material_for_fiscal_ym9/177526/00.pdf)