

President and CEO Masumi Kakinoki  
Marubeni Corporation

Contact: Planning Section, Corporate Planning & Strategy Department

+81 3-3282-4210

Securities Code: 8002

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

The corporate governance of Marubeni Corporation (the “Corporation” or “Marubeni”) is described below.

## **I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information**

### **1. Basic Views**

The officers and employees of the Marubeni Group shall comply with laws, regulations and internal rules in accordance with the spirit grounded in the Corporation’s Company Creed of “Fairness, Innovation, and Harmony” as well as the Marubeni Corporate Principles and engage in corporate activities conforming to business ethics and the Marubeni Management Philosophy while endeavoring to enhance corporate governance. Further, the Corporation’s Board of Directors resolved on the Basic Internal Control Policy regarding the system, etc. for ensuring that the execution of duties by the Directors comply with laws, regulations and the articles of incorporation, an overview of which is described in IV.1 Basic Views on Internal Control System and the Progress of System Development in this report.

#### 1- Company Creed and Marubeni Management Philosophy

Company Creed: Fairness (To be fair and bright)

Innovation (To be active and innovative)

Harmony (To respect each other and cooperate)

Marubeni Management Philosophy:

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

## 2- Marubeni Corporate Principles

The Corporation, as a business enterprise, will actively pursue its business interests through the exercise of fair and lawful competition. As a company, the Corporation will also continue to play its part in the growth of the global economy, while always striving to enrich the society within which it operates. In order to achieve these goals, the Corporation is committed to the following six basic principles of business:

### (a) Conduct Fair and Open Business Activities

Comply with laws and promote fair transactions.

Maintain sound relationship with the politics and administration in Japan and abroad and ensure sales activities in free competition.

Take a firm stand against antisocial activities and forces.

### (b) Develop a Globally Connected Company

Respect the culture of all countries and regions and contribute to the prosperity of local economies through business activities.

Aim for development that is in harmony with the local communities through a management system that is accepted globally.

### (c) Create New Value Through Business Vision

In addition to responding to changes in markets and industries, create changes ourselves and offer new products and services to markets and customers.

Always take on new challenges without being constrained by existing practices or frameworks.

### (d) Respect and Encourage Individuality and Originality

Foster a free and vibrant corporate culture that respects the individuality of each person and allows them to fully demonstrate their originality.

Act proactively, under self-management, to achieve goals.

### (e) Promote Good Corporate Governance

Proactively disclose information to the shareholders and society and improve the transparency of management.

Respect proposals related to improvement, etc. of management and aim for a management that is open to the shareholders and society.

### (f) Safeguard Ecological and Cultural Diversity

Recognize the responsibility as a corporate citizen in international society and engage positively in social contribution activities.

Pay attention to environmental problems to pass on a sound global environment to the future generations.

## 3- Stakeholders

The Marubeni Group conducts business with the support of various stakeholders throughout the world. The Marubeni Group recognizes the importance of diligently listening to the opinions of stakeholders, and working together to move forward, based on an understanding of stakeholder interests and concerns, as well as the impact of the Marubeni Group's activities on society and the environment. The Marubeni Group's concept of each stakeholder is as follows:

(a) Customers and Business Partners

The Marubeni Group aims to become a company that can be trusted and relied upon by its customers and business partners. The Marubeni Group will develop and offer socially useful products and services, by giving full consideration to safety and striving at all times to improve the satisfaction and earn the trust of its customers and business partners through conducting sincere and honorable business practices.

(b) Shareholders and Investors

The Marubeni Group is dedicated to meeting shareholders' expectations. The Marubeni Group strives thus to enhance its corporate value by responding to changes in the business environment and maintaining stable profitability. In addition, the Marubeni Group works to boost corporate value from social and environmental perspectives, and also disclose pertinent information in a fair and timely manner.

(c) Local Community

The Marubeni Group aims to become a valued member of the local communities where it practices business, and to contribute to the creation of robust local districts through improvement of living standards, creation of job opportunities for the local community, including youth, and offering employment incorporating diversity and inclusion, being aware of gender and disabilities.

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

(d) Employees

The Marubeni Group shall respect the individual values and life goals of each and every employee. The Marubeni Group also works to eliminate all forms of discrimination and foster an atmosphere that is pleasant for all.

**[Reasons for Non-compliance with the Principles of the Corporate Governance Code]**

The Corporation is implementing all the principles of the Corporate Governance Code dated June 11, 2021, including principles for the Prime Market, based on the above-mentioned basic concepts.

**[Disclosure Based on the Principles of the Corporate Governance Code]**

Please refer to the Corporation's status of initiatives and policies related to all the 83 principles that make up the Basic Principles, Principles, and Supplementary Principles and include disclosure items based on the principles of the Corporate Governance Code dated June 11, 2021, including principles for the Prime Market. This information is attached to this report and is posted on the Corporation's website.

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

<Action to Implement Management that is Conscious of Cost of Capital and Stock Price>

For "Action to Implement Management that is Conscious of Cost of Capital and Stock Price," please refer to Principle 5.2 in the document attached to this report.

<Dialogue with Shareholders>

For “Dialogue with Shareholders,” please refer to III.2. IR Activities of this report and the Corporation’s policy for constructive dialogues with shareholders described in Principle 5.1 and Supplementary Principles 5.1.1 and 5.1.2 in the document attached to this report. Furthermore, in the “IR Activities” section of the Integrated Report 2023, the Corporation discloses information on past meetings for investors and securities analysts, the main interests and contents of the dialogues, the cases where the Corporation reflects on their views and external evaluation of its management strategy, capital allocation, etc.

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

## 2. Capital Structure

Foreign Shareholding Ratio	More than 30%
----------------------------	---------------

### [Status of Major Shareholders]

Name / Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	264,686,600	15.81
BNYMAS AGT/CLTS 10 PERCENT	162,554,078	9.71
Custody Bank of Japan, Ltd. (Trust account)	89,430,500	5.34
Meiji Yasuda Life Insurance Company	37,636,918	2.25
Mizuho Bank, Ltd.	30,000,000	1.79
STATE STREET BANK WEST CLIENT-TREATY 505234	29,579,703	1.77
JPMorgan Securities Japan Co., Ltd.	25,895,096	1.55
Nippon Life Insurance Company	23,400,585	1.40
JP MORGAN CHASE BANK 385632	22,919,999	1.37
Sompo Japan Insurance Inc.	22,500,000	1.34

Controlling Shareholder (except for Parent Company)	—
Parent Company	None

### Supplementary Explanation

The [Status of Major Shareholders] sets forth the information as of March 31, 2024.

As of the date of this report, the following Reports of Possession of Large Volume was submitted:

- Name of Shareholder:
  - (1) Nomura Securities Co.,Ltd.
  - (2) NOMURA INTERNATIONAL PLC
  - (3) Nomura Asset Management Co., Ltd.
- Date of the Changes: March 29, 2024
- Number of Shares Owned: 84,044,701 ((1) 3,334,323, (2) 360,378, (3) 80,350,000))
- Percentage: 5.01% ((1) 0.20%, (2) 0.02%, (3) 4.79%))

## 3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Prime
Fiscal Year-End	March
Type of Business	Wholesale Trade
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	More than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	More than 300

#### **4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder**

---

#### **5. Other Special Circumstances which may have Material Impact on Corporate Governance**

##### <Approach to and Policy on Group Management>

The Corporation has many group companies that span a wide variety of businesses across the globe. As such, the Corporation respects the autonomy of these group companies and entrusts their senior management with business execution, while also remaining responsible for the business management and monitoring of them as shareholder and business owner, and striving for sustainable growth as well as the improvement and optimization of corporate value for the entire Marubeni Group. Furthermore, the group companies are also responsible for executing management, based on the policies, strategies, and goals of the Marubeni Group, that will contribute to achieving sustainable growth as well as improving and optimizing corporate value.

For the basic approach to the Corporation's business portfolio strategy, please refer to Supplementary Principles 5.2.1 in the document attached to this report.

##### <Measures to Ensure Effectiveness of Governance Framework for Group Companies>

The Corporation (i) shares and disseminates Marubeni Group management policy, (ii) builds and strengthens group governance through the clarification of the abovementioned responsibilities, and (iii) maintains and plans the codification of necessary systems, policies and rules. To this end, the Corporation established and adopted the "Marubeni Group Governance Policy" in April 2017, mainly for consolidated subsidiaries, and is advancing the dissemination and credentials of group governance.

Examples of the Corporation's specific measures to ensure effectiveness of governance framework for group companies:

- As a shareholder, the Corporation participates in the decision-making process of group companies by exercising voting rights at shareholders' meetings and expressing opinions when they seek the Corporation's insights. Since the Corporation places great importance on constructive dialogue with the group companies, particularly through their Board of Directors, the Corporation adheres to a principle of dispatching more than half of the directors for consolidated subsidiaries. In addition, to provide guidance, supervision, and advice to the overseas consolidated subsidiaries, the Corporation requires each Regional CEO to assign at least one part-time officer to the overseas group companies within their respective regions.
- As part of the "Basic Internal Control Policy," the Board of Directors of the Corporation has resolved to establish a system necessary to ensure the appropriateness of operations by a corporate group (subsidiary management system) and a system necessary to ensure effective audits by Audit & Supervisory Board Members (system of audits by the Audit & Supervisory Board). In order to enhance these systems, the

Corporation entered into confirmation letters with domestic and overseas subsidiaries, obligating them the following:

- (i) to report to the Corporation circumstances which will lead to significant losses or damages, circumstances which will lead to a significant violation of any law or regulation, and circumstances which have the possibility to significantly impact the reputation or management;
- (ii) in advance of its decision-making on “important matters,” to obtain the Corporation’s opinion thereon; and
- (iii) to secure and guarantee that it will not dismiss or take any other action disadvantageous to any director, officer, employee, or any person that has received a report from any of the foregoing persons, due to such person’s (a) report, or cooperation with any investigation, of any violation of any internal rules, any law or regulation, or (b) report to, or cooperation with any investigation of, the Corporation’s auditor.

For the system necessary to ensure the appropriateness of operations by a corporate group, please refer to IV.1 Basic Views on Internal Control System and the Progress of System Development in this report.

- The group companies have developed a compliance structure suited to their respective business characteristics, as is the case with overseas subsidiaries, which have developed a compliance structure appropriate to laws and regulations, business customs, etc. of the respective countries and regions. 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.

#### <Policy on Ownership of Listed Subsidiaries/Listed Affiliates>

The Corporation decides whether it should own a listed subsidiary or listed affiliate after careful consideration, taking into account if doing so would enhance the corporate value of that listed subsidiary or listed affiliate, as well as the corporate value of the entire Marubeni Group. With respect to the governance of the listed subsidiaries and listed affiliates, the Corporation will ensure their independence so as to avoid any conflict of interest between the Corporation and the minority shareholders of the listed subsidiaries and the listed affiliates. As such, the Corporation does not apply the “Marubeni Group Governance Policy” to the listed subsidiaries and the listed affiliates. At the same time, as a parent company and shareholder, the Corporation will provide necessary advice and support on the internal control systems of the listed subsidiaries and listed affiliates, with sufficient attention to their independence.

As of the end of March 2024, the Corporation does not own any listed subsidiary. The Corporation, however, owns the following listed affiliates (\*1):

(\*1 Except for GameWith, Inc., this section shows the listed affiliates directly owned by the Corporation)

- GameWith, Inc. (Tokyo Stock Exchange Standard Market; Media business, including provision of game-related information)

Through our consolidated subsidiary, Arteria Networks Corporation (in which the Corporation has a 66.66% ownership stake, “Arteria”), the Corporation owns GameWith Inc. (“GameWith”) as a listed affiliate, with the aim to expand Arteria’s D2C business, including communication services, by enhancing its relationship with GameWith.

As of the end of March 2024, the ratio of Arteria’s voting rights in GameWith as a shareholder is 20.76%. Also, one of Arteria’s officers/employees concurrently serves as a director of GameWith. The person, however, was elected as a candidate for director based on their expertise and experience, in accordance with the corporate governance structure of GameWith, and was appointed at its shareholders’ meeting. It is a fundamental policy of Arteria to respect the independence of GameWith in its business operations.

Given the above, the Corporation does not have any direct or indirect controlling influence over GameWith that could impair its independence and thus does not apply group management to GameWith.

The Corporation has no business relationship with GameWith.

- Toyo Sugar Refining Co., Ltd. (Tokyo Stock Exchange Standard Market; Refining and sale of sugar, and manufacture and sale of functional ingredients)

The Corporation owns Toyo Sugar Refining Co., Ltd. (“Toyo Sugar Refining”) as a listed affiliate with the aim to maintain and strengthen its and its group companies’ business relationship with Toyo Sugar Refining in transactions of sugar and related products.

As of the end of March 2024, the ratio of the Corporation’s voting rights in Toyo Sugar Refining as a shareholder is 39.26%. Also, two of the Corporation’s officers/employees concurrently serve as directors of Toyo Sugar Refining, and one former officer/employee of the Corporation has been appointed as its director. However, they were elected as candidates for directors based on their expertise and experience, in accordance with the corporate governance structure of Toyo Sugar Refining, and were appointed at its shareholders’ meeting. It is a fundamental policy of the Corporation to respect the independence of Toyo Sugar Refining in its business operations.

Given the above, the Corporation does not have any controlling influence over Toyo Sugar Refining that could impair its independence and thus does not apply group management to Toyo Sugar Refining.

In the transactions of sugar and related products, the Corporation/its group companies and Toyo Sugar Refining independently negotiate and decide prices, volumes, and other terms and conditions.

- Marubeni Construction Material Lease Co., Ltd. (Tokyo Stock Exchange Standard Market; Leasing, sales of steel for temporary construction and related construction work)

The Corporation owns Marubeni Construction Material Lease Co., Ltd. (“Marubeni Construction Material Lease”) as a listed affiliate. As of the end of March 2024, the ratio of the Corporation’s voting rights in Marubeni Construction Material Lease as a shareholder is 37.03%. Also, one of the Corporation’s



officers/employees concurrently serves as a director of Marubeni Construction Material Lease and one former officer/employee of the Corporation has been appointed as its director. However, they were elected as candidates for directors based on their expertise and experience, in accordance with the corporate governance structure of Marubeni Construction Material Lease, and were appointed at its shareholders' meeting. It is a fundamental policy of the Corporation to respect the independence of Marubeni Construction Material Lease in its business operations. Furthermore, on March 31, 2005, the Corporation and Marubeni Construction Material Lease entered into a memorandum, agreeing that Marubeni Construction Material Lease may make its decision-making without the need for any prior approval of or reporting to the Corporation.

Given the above, the Corporation does not have any controlling influence over Marubeni Construction Material Lease that could impair its independence and thus does not apply group management to Marubeni Construction Material Lease.

The Corporation has no business transactions with Marubeni Construction Material Lease.

- Katakura & Co-op Agri Corporation (Tokyo Stock Exchange Standard Market; Manufacture and sale of fertilizers, feedstuff, and others)

The Corporation owns Katakura & Co-op Agri Corporation (“Katakura & Co-op Agri”) as a listed affiliate with the aim to maintain and strengthen its and its group companies' business relationship with Katakura & Co-op Agri in transactions of fertilizers, etc.

As of the end of March 2024, the Corporation is not the largest shareholder of Katakura & Co-op Agri, and the ratio of the Corporation's voting rights in Katakura & Co-op Agri as a shareholder is 22.85%. Also, one of the Corporation's officers/employees concurrently serves as a director of Katakura & Co-op Agri and one former officer/employee of the Corporation has been appointed as its director. However, they were elected as candidates for directors based on their expertise and experience, in accordance with the corporate governance structure of Katakura & Co-op Agri, and were appointed at its shareholders' meeting. It is a fundamental policy of the Corporation to respect the independence of Katakura & Co-op Agri in its business operations.

Given the above, the Corporation does not have any controlling influence over Katakura & Co-op Agri that could impair its independence and thus does not apply group management to Katakura & Co-op Agri.

In the transactions of fertilizers, etc., the Corporation/its group companies and Katakura & Co-op Agri independently negotiate and decide prices, volumes, and other terms and conditions.

- S Foods Inc. (Tokyo Stock Exchange Prime Market; Wholesaling, manufacturing, retailing and foodservice of meat-related foods products)

The Corporation owns S Foods Inc. (“S Foods”) as a listed affiliate with the aim to maintain and strengthen its and its group companies' business relationship with S Foods in transactions of imported meats, etc.

As of the end of March 2024, the ratio of the Corporation's voting rights in S Foods as a shareholder is 15.30%. Also, one of the Corporation's officers/employees concurrently serves as a director of S Foods.

The person, however, was elected as candidate for a director based on their expertise and experience, in accordance with the corporate governance structure of S Foods, and was appointed at its shareholders' meeting. It is a fundamental policy of the Corporation to respect the independence of S Foods in its business operations.

Given the above, the Corporation does not have any controlling influence over S Foods that could impair its independence and thus does not apply group management to S Foods.

In the transactions of imported meats, etc., the Corporation/its group companies and S Foods independently negotiate and decide prices, volumes, and other terms and conditions.

- The Nisshin OilliO Group, Ltd. (Tokyo Stock Exchange Prime Market; Oils and fats, processed foods and materials, fine chemicals, etc.)

The Corporation owns The Nisshin OilliO Group, Ltd. ("Nisshin OilliO") as a listed affiliate with the aim to maintain and strengthen its and its group companies' business transactions with Nisshin OilliO in transactions of oils and fats, etc.

As of the end of March 2024, the ratio of the Corporation's voting rights in Nisshin OilliO is about 15.96%.

Also, one former officer/employee of the Corporation has been appointed as a director of Nisshin OilliO.

The person, however, was elected as a candidate for director based on their expertise and experience, in accordance with the corporate governance structure of Nisshin OilliO, and was appointed at its shareholders' meeting. It is a fundamental policy of the Corporation to respect the independence of Nisshin OilliO in its business operations.

Given the above, the Corporation does not have any controlling influence over Nisshin OilliO that could impair its independence and thus does not apply group management to Nisshin OilliO.

In the transactions of oils and fats, etc., the Corporation/its group companies and Nisshin OilliO independently negotiate and decide prices, volumes, and other terms and conditions.

As mentioned above, the Corporation does not apply group management to the aforementioned listed affiliates and does not have any influence or controlling rights over these listed affiliates that could impair their independence. As such, the Corporation believes there is little concern about risk of conflicts of interest between the Corporation and the minority shareholders of these listed affiliates.

In addition to the aforementioned listed affiliates, on June 18, 2024, the Corporation made Mizuho Leasing Company Limited (Tokyo Stock Exchange Prime Market) an equity method affiliate. For details, please refer to the timely disclosure "Announcement Regarding Execution of Capital and Business Alliance Agreement by Marubeni Corporation and Mizuho Leasing Company, Limited" on May 14, 2024.

## II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

### 1. Organizational Composition and Operation

Organization Form	Company with auditors
-------------------	-----------------------

#### [Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	No upper limit has been set forth.
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Chairperson (except when also serving as President)
Number of Directors	10
Appointment of Outside Directors	Appointed
Number of Outside Directors	6
Number of Independent Directors	6

#### Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*											
		a	b	c	d	e	f	g	h	i	j	k	
Yuri Okina	From another company												
Masato Kitera	Other												
Shigeki Ishizuka	From another company								△				
Hisayoshi Ando	Other								○				
Mutsuko Hatano	Other								○				
Soichiro Minami	From another company								○				

\* Categories for "Relationship with the Company"

\* "○" when the director presently falls or has recently fallen under the category;

"△" when the director fell under the category in the past

\* "●" when a close relative of the director presently falls or has recently fallen under the category;

"▲" when a close relative of the director fell under the category in the past

a. Executive of the company or its subsidiaries

b. Non-executive director or executive of a parent company of the company

c. Executive of a fellow subsidiary company of the company

d. A party whose major client or supplier is the company or an executive thereof

e. Major client or supplier of the listed company or an executive thereof

f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the company besides compensation as a director/Audit & Supervisory Board Members

g. Major shareholder of the company (or an executive of the said major shareholder if the shareholder is a legal entity)

h. Executive of a client or supplier company of the company (which does not correspond to any of d, e, or f) (the director himself only)

i. Executive of a company, between which and the company outside directors/ Audit & Supervisory Board Members are mutually appointed (the director himself only)

- j. Executive of a company or organization that receives a donation from the company (the director themselves only)
- k. Others

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Yuri Okina	Yes	Not applicable	<p>Ms. Okina has profound insight about economic and financial matters cultivated through her many years of research at a research institute. She also has experience as an outside officer at various companies, and experience based on extensive activities as a member of government committees, such as the Industrial Structure Council and the Financial System Council, and the chairperson of the Government's Tax Commission. She vigorously stated opinions at meetings of the Board of Directors from a specialist and multifaceted viewpoint. As an Outside Director of the Corporation, she has been providing advice to management and appropriately supervising business execution. Additionally, as the chairperson of the Nomination Committee, she led discussion in order to enhance soundness, transparency, and effectiveness of the Corporation's management.</p> <p>Because she is expected to continue to fulfill the role stated above and in view of the recommendation by the Nomination Committee, the Board of Directors decided to reappoint her as a candidate for Outside Director, and then she was appointed as an Outside Director by resolution of the General Meeting of Shareholders.</p> <p>No personal, capital or transaction relationships between Ms. Okina and the Corporation existed in the past or exist currently, and she satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation" (as set forth on II.3). Hence, the Corporation has appointed her as an Independent Director stipulated by Tokyo Stock Exchange, Inc., which is the financial instruments exchange on which the Corporation's stock is listed, and notified the said exchange of such designation.</p>
Masato Kitera	Yes	Not applicable	<p>Mr. Kitera served in key positions in the government, mainly in the Ministry of Foreign Affairs. He has a wealth of international experience and profound insight concerning international affairs cultivated through his involvement in diplomacy. He also has in-depth understanding and abundant experience related to diversity, which is indispensable in management of the Corporation. He vigorously stated opinions at meetings of the Board of Directors from objective and specialist perspectives in light of the drastically</p>

			<p>changing world situation. As an Outside Director of the Corporation, he has been providing advice to management and appropriately supervising business execution. Additionally, he has been proactively expressing his opinions as a Governance and Remuneration Committee member in order to enhance soundness, transparency, and effectiveness of the Corporation's management.</p> <p>Because he is expected to continue to fulfill the role stated above and in view of the recommendation by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Outside Director, and then he was appointed as an Outside Director by resolution of the General Meeting of Shareholders.</p> <p>No personal, capital or transaction relationships between Mr. Kitera and the Corporation existed in the past or exist currently, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation" (as set forth on II.3). Hence, the Corporation has appointed him as an Independent Director stipulated by Tokyo Stock Exchange, Inc., which is the financial instruments exchange on which the Corporation's stock is listed, and notified the said exchange of such designation.</p>
Shigeki Ishizuka	Yes	<p>Mr. Ishizuka was an executive of Sony Group Corporation (former Sony Corporation), former Sony Imaging Products &amp; Solutions Inc. and former Sony Electronics Corporation (now integrated into the current Sony Corporation). There were no transactions between each one of these companies and the Corporation during the three business years from FY2020 to FY2022.</p>	<p>Mr. Ishizuka has profound insight cultivated through his involvement in corporate management at an international company. As he has a background as a technology and development engineer, he has in-depth understanding and experience in the digital and IT fields, which are indispensable in management of the Corporation. He vigorously stated opinions at meetings of the Board of Directors from objective and specialist perspectives in light of the drastically changing world situation. As an Outside Director of the Corporation, he has been providing advice to management and appropriately supervising business execution. Additionally, he has been proactively expressing his opinions as a Nomination Committee member in order to enhance soundness, transparency, and effectiveness of the Corporation's management.</p> <p>Because he is expected to continue to fulfill the role stated above and in view of the recommendation by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Outside Director, and then he was appointed as an Outside Director by resolution of the General Meeting of Shareholders.</p> <p>No personal, capital or transaction relationships between Mr. Ishizuka and the Corporation result in conflicts of interest that could harm the interests of the general shareholders, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation" (as</p>

			set forth on II.3). Hence, the Corporation has appointed him as an Independent Director stipulated by Tokyo Stock Exchange, Inc., which is the financial instruments exchange on which the Corporation's stock is listed, and notified the said exchange of such designation.
Hisayoshi Ando	Yes	Mr. Ando is an executive of Tokyo Small and Medium Business Investment & Consultation Co., Ltd. There has been no transactions between the company and the Corporation.	Mr. Ando served in key positions in the government and has profound insight about economic, industrial, and political trends in Japan and overseas. He vigorously stated opinions at meetings of the Board of Directors from objective and specialist perspectives in light of the drastically changing world situation. As an Outside Director of the Corporation, he has been providing advice to management and appropriately supervising business execution. Additionally, he has been proactively expressing his opinions as a Governance and Remuneration Committee member in order to enhance soundness, transparency, and effectiveness of the Corporation's management. Because he is expected to continue to fulfill the role stated above and in view of the recommendation by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Outside Director, and then he was appointed as an Outside Director by resolution of the General Meeting of Shareholders. No personal, capital or transaction relationships between Mr. Ando and the Corporation result in conflicts of interest that could harm the interests of the general shareholders, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/ Audit & Supervisory Board Members of the Corporation" (as set forth on II.3). Hence, the Corporation has appointed him as an Independent Director stipulated by Tokyo Stock Exchange, Inc., which is the financial instruments exchange on which the Corporation's stock is listed, and notified the said exchange of such designation.
Mutsuko Hatano	Yes	Ms. Hatano is Senior Aide to the President and Professor at the Department of Electrical and Electronic Engineering, School of Engineering of Tokyo Institute of Technology. There were no transactions between the institute and the Corporation during the three fiscal years from FY2020 to FY2022. In addition, Ms. Hatano was Representative Director and President of the Japan Society of	After having been engaged in research and development at a large manufacturer, Ms. Hatano has been working on quantum-related research as Professor at the Department of Electrical and Electronic Engineering, School of Engineering of a leading university in Japan, while having also served as the chairperson of the Board of Directors as Outside Director of a global company. Accordingly, she has profound insight into the areas of science, technology, and corporate governance, which are essential to the management of the Corporation. She vigorously stated opinions at meetings of the Board of Directors from objective and specialist perspectives in light of the drastically changing world situation. As an Outside Director of the Corporation, she has been providing advice to management and appropriately supervising business execution. Additionally, she has been proactively expressing her opinions as a

		<p>Applied Physics. There has been no transactions between the organization and the Corporation.</p>	<p>Nomination Committee member in order to enhance soundness, transparency, and effectiveness of the Corporation's management.</p> <p>Because she is expected to continue to fulfill the role stated above and in view of the recommendation by the Nomination Committee, the Board of Directors decided to reappoint her as a candidate for Outside Director, and then she was appointed as an Outside Director by resolution of the General Meeting of Shareholders.</p> <p>No personal, capital or transaction relationships between Ms. Hatano and the Corporation result in conflicts of interest that could harm the interests of the general shareholders, and she satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/Audit &amp; Supervisory Board Members of the Corporation" (as set forth on II.3). Hence, the Corporation has appointed her as an Independent Director stipulated by Tokyo Stock Exchange, Inc., which is the financial instruments exchange on which the Corporation's stock is listed, and notified the said exchange of such designation.</p>
Soichiro Minami	Yes	<p>Mr. Minami is an executive of Stanby, Inc. and Visional, Inc. There has been no transactions between these companies and the Corporation.</p> <p>In addition, Mr. Minami was an executive of BizReach Inc. and former LUXA, Inc. (Currently, au Commerce &amp; Life, Inc.). There is a transaction relationship between BizReach, Inc. and the Corporation, including outsourcing from the Corporation to BizReach. Net sales of BizReach to the Corporation for the three business years from FY2020 to FY2022 accounted for 0.0001% of the consolidated revenue of the Corporation during the said three-year period, which is insignificant, whereas there were no net sales of the Corporation to BizReach during the</p>	<p>After having worked for a foreign securities company, Mr. Minami engaged in starting up a new professional baseball team, opening and launching a major membership job changing site in 2007, and has been serving as Representative and CEO of its holding company since 2020. He has demonstrated excellent management skills as the top management for a long time, including starting up, expanding and diversifying business, and leading the transition to a group management structure after having put it on a growth path. He is expected to provide advice to the Corporation's management and proper supervision of the execution of duties appropriately from a practical perspective since he has expertise in human resources strategy and DX promotion, which are essential for the growth of the Corporation, in addition to a wealth of experience and achievements in the overall management from starting up and growing a company by himself. Therefore, in view of the recommendation by the Nomination Committee, the Board of Directors decided to appoint him as a new candidate for Outside Director, and then he was appointed as an Outside Director by resolution of the General Meeting of Shareholders.</p> <p>No personal, capital or transaction relationships between Mr. Minami and the Corporation result in conflicts of interest that could harm the interests of the general shareholders, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/Audit &amp; Supervisory Board Members of the Corporation" (as set forth on II.3). Hence, the Corporation appointed him as an Independent Director stipulated by Tokyo Stock Exchange, Inc., which is the financial</p>

		said three-year period. There has been no transactions between former LUXA, Inc. (Currently, au Commerce & Life, Inc.) and the Corporation.	instruments exchange on which the Corporation's stock is listed, and notified the said exchange of such designation.
--	--	---	--

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established
---	-------------

Committee's Name, Composition, and Attributes of Chairperson

	Committee Corresponding to Nomination Committee	Committee Corresponding to Remuneration Committee
Committee's Name	Nomination Committee	Governance and Remuneration Committee
All Committee Members	4	6
Full-time Members	1	2
Internal Directors	1	2
Outside Directors	3	2
Outside Experts	0	0
Other	0	2
Chairperson	Outside Director	Outside Director

Supplementary Explanation

- A voluntary committee equivalent to the Nomination Committee
  - Nomination Committee (to be convened as necessary): The memberships of the committee are composed so as to ensure independence, as Independent Outside Directors/Audit & Supervisory Board Members constitute the majority of the members and the committee is chaired by an Independent Outside Director as well. The Nomination Committee mainly deliberates on proposals regarding the selection of candidates for Director and Audit & Supervisory Board Member, proposals regarding the selection of the President for the next term, and successor plans formulated and operated by the President (including plans related to necessary qualities and requirements, successor candidate groups, and training), and reports to the Board of Directors. In FY2023, 10 Committee meetings were held for deliberations regarding candidates of Director and Audit & Supervisory Board Member and succession plans, etc.
  - Composition of Committee
 

Chairperson	Yuri Okina	Outside Director
Members	Masumi Kakinoki	President and CEO, Member of the Board
	Shigeki Ishizuka	Outside Director
	Mutsuko Hatano	Outside Director



- A voluntary committee equivalent to the Remuneration Committee
  - Governance and Remuneration Committee (to be held as necessary): The memberships of the committee are composed so as to ensure independence, as Independent Outside Directors/Audit & Supervisory Board Members constitute the majority of the members and the committee is chaired by an Independent Outside Director as well. The Governance and Remuneration Committee deliberates on the policy for determining remuneration for Directors and Executive Officers as well as appropriateness of the level of remuneration, and reports to the Board of Directors. Furthermore, it deliberates on important matters related to corporate governance and conducts assessments and reviews of the Board of Directors as a whole, including on its structure, operation, etc., and reports thereon to the Board of Directors. In FY2023, 3 Committee meetings were held for deliberations regarding remuneration for Directors and Executive Officers, review of compensation plans, revision of the Standards and Policies for the Independence of Outside Directors/Audit & Supervisory Board Members of the Corporation, evaluation of the effectiveness of the Board of Directors, and disclosure of information on Directors/Audit & Supervisory Board Members (including improvement of the disclosure of their skill matrix).
  - Composition of Committee
 

Chairperson	Hisayoshi Ando	Outside Director
Members	Masumi Kakinoki	President and CEO, Member of the Board
	Akira Terakawa	Senior Executive Vice President, Member of the Board
	Masato Kitera	Outside Director
	Tsuyoshi Yoneda	Outside Audit & Supervisory Board Member
	Hiroko Miyazaki	Outside Audit & Supervisory Board Member
  - Committee members falling under “Other” in the committee composition are Outside Audit & Supervisory Board Members.

**[Audit & Supervisory Board Members]**

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	No upper limit has been set forth.
Number of Audit & Supervisory Board Members	5

Cooperation among Audit & Supervisory Board Members, Accounting Auditors and Internal Audit Departments

The Audit & Supervisory Board Members and the Accounting Auditor exchange information and their opinions concerning, for instance, audit plans, audit status and results of the Corporation and each of its group companies (including quarterly review), each audit matter (including selection of key audit matters), important aspects of the

financial results, and trends on accounting audits, etc. at monthly meetings. The Corporation's Accounting Auditor for FY2023 was Ernst & Young ShinNihon LLC. The Audit & Supervisory Board Members and the Audit Department, a department which performs internal audits, exchange opinions at regular meetings (9 times a year) and implement audit operations through close cooperation. In FY2023, the Audit & Supervisory Board met 19 times, and all Audit & Supervisory Board Members were present at all meetings of the Audit & Supervisory Board during their terms of office, excluding Mr. Ando, who was absent for one meeting.

Appointment of Outside Members of Audit & Supervisory Board	Appointed
Number of Outside Members of Audit & Supervisory Board	3
Number of Outside Members of Audit & Supervisory Board who are designated as an Independent Audit & Supervisory Board Members	3

#### Audit & Supervisory Board Members' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Tsuyoshi Yoneda	Other													
Kana Odawara	Certified Public Accountant										○			
Hiroko Miyazaki	Lawyer										△			

\* Categories for "Relationship with the company"

\* "○" when the director presently falls or has recently fallen under the category;

"△" when the director fell under the category in the past

\* "●" when a close relative of the director presently falls or has recently fallen under the category;

"▲" when a close relative of the director fell under the category in the past

a. Executive of the company or its subsidiaries

b. Non-executive director or accounting advisor of the company or its subsidiaries

c. Non-executive director or executive of a parent company of the company

d. Audit & Supervisory Board Members of a parent company of the company

e. Executive of a fellow subsidiary company of the company

f. A party whose major client or supplier is the company or an executive thereof

g. Major client or supplier of the listed company or an executive thereof

h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the company besides compensation as a director/Audit & Supervisory Board Members

i. Major shareholder of the company (or an executive of the said major shareholder if the shareholder is a legal entity)

j. Executive of a client or supplier company of the company (which does not correspond to any of f, g or h) (the director himself only)

k. Executive of a company, between which and the company outside directors/Audit & Supervisory Board Members are mutually appointed (the director himself only)

l. Executive of a company or organization that receives a donation from the company (the director himself only)

m. Others

Audit & Supervisory Board Members' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Tsuyoshi Yoneda	Yes	Not applicable	<p>Mr. Yoneda has a wealth of experience serving in key positions in the government from which he gained profound insight. He also has experience of serving as an outside officer of another company. As an Outside Audit &amp; Supervisory Board Member of the Corporation, he has been appropriately supervising management from objective and specialist perspectives in light of the drastically changing world situation in order to enhance soundness, transparency, and effectiveness of the Corporation's management. Additionally, he vigorously stated opinions as a Governance and Remuneration Committee member.</p> <p>In view of the above and the recommendation by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Outside Audit &amp; Supervisory Board Member, and then he was appointed as an Outside Auditor by resolution of the General Meeting of Shareholders.</p> <p>No personal, capital or transaction relationships between Mr. Yoneda and the Corporation existed in the past or exist currently, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/ Audit &amp; Supervisory Board Members of the Corporation" (as set forth on II.3). Hence, the Corporation has appointed him as an Independent Auditor stipulated by Tokyo Stock Exchange, Inc., which is the financial instruments exchange on which the Corporation's stock is listed, and notified the said exchanges of such designation .</p>

Kana Odawara	Yes	<p>Ms. Odawara is the Representative of Odawara Coaching &amp; Consulting. There has been no transactions between the institution and the Corporation. In addition, she was an executive of Adecco Group Japan. There were no transactions between the company and the Corporation during the three business years from FY2020 to FY2022.</p>	<p>Qualified as a certified public accountant both in Japan and the U.S., Ms. Odawara, after having been engaged in audits at major accounting firms in Japan and the U.S., has assumed important positions including CFO at a Japanese subsidiary of multiple global companies, and has profound insight and a wealth of experiences in the field of accounting and finance. Currently, she has assumed the position of representative of a private office for coaching and consultation, demonstrating excellent skills in corporate management, including corporate governance, human resources development and business transformation. Utilizing these experiences and insight, she is expected to appropriately fulfill her duties as an Audit &amp; Supervisory Board Member. In view of the recommendation by the Nomination Committee, the Board of Directors decided to appoint her as a new candidate for Outside Audit &amp; Supervisory Board Member, and then she was appointed as an Outside Audit &amp; Supervisory Board Member by resolution of the General Meeting of Shareholders.</p> <p>No personal, capital or transaction relationships between Ms. Odawara and the Corporation result in conflicts of interest that could harm the interests of the general shareholders, and she satisfies the requirements in the “Standards and Policies for the Independence of Outside Directors/Audit &amp; Supervisory Board Members of the Corporation” (as set forth on II.3). Hence, the Corporation appointed her as an Independent Auditor stipulated by Tokyo Stock Exchange, Inc., which is the financial instruments exchange on which the Corporation’s stock is listed, and notified the said exchange of such designation.</p>
Hiroko Miyazaki	Yes	Ms. Miyazaki was an executive of 3M Japan	Qualified as an attorney-at-law both in Japan and the U.S., Ms. Miyazaki, after having worked for

		<p>Limited, 3M Japan Innovation Limited, 3M Japan Products Limited, 3M Phoenix Limited, and KCI. There were no transactions between these companies and the Corporation during the three business years from FY2020 to FY2022.</p>	<p>major law firms in Japan and the U.S., has assumed the position of the head of the legal departments at Japanese subsidiaries of multiple global companies, and therefore has expertise in corporate legal affairs. In addition, she has been engaged in corporate management, including having implemented business restructuring and other policies as president of a Japanese subsidiary of a major U.S. chemical and electric material manufacturer. Utilizing these experiences and insight, she is expected to appropriately fulfill her duties as an Audit &amp; Supervisory Board Member. In view of the recommendation by the Nomination Committee, the Board of Directors decided to appoint her as a new candidate for Outside Audit &amp; Supervisory Board Member.</p> <p>No personal, capital or transaction relationships between Ms. Miyazaki and the Corporation result in conflicts of interest that could harm the interests of the general shareholders, and she satisfies the requirements in the “Standards and Policies for the Independence of Outside Directors/Audit &amp; Supervisory Board Members of the Corporation” (as set forth on II.3). Hence, the Corporation appointed her as an Independent Auditor stipulated by Tokyo Stock Exchange, Inc., which is the financial instruments exchange on which the Corporation’s stock is listed, and notified the said exchange of such designation.</p>
--	--	--	--

**[Independent Directors/Audit & Supervisory Board Members]**

Number of Independent Directors/Audit & Supervisory Board Members	9
---	---

**Matters relating to Independent Directors/Audit & Supervisory Board Members**

The Corporation appoints all Outside Directors/Audit & Supervisory Board Members who satisfy the requirements for Independent Directors/Audit & Supervisory Board Members as Independent Directors/Audit & Supervisory Board Members.

**[Incentives]**

Incentive Policies for Directors	Performance-linked Remuneration / Other
----------------------------------	---

Supplementary Explanation
---------------------------

The Corporation revised the remuneration plan for Directors of the Corporation with the aim of encouraging management practices that are in line with the vision for the Marubeni Group of the future to create new value together with our stakeholders, further enhancing linkage with medium- to long-term corporate value, and further promoting value sharing with our shareholders.

From FY2023, as Performance-based compensation, the Corporation introduced compensation based on performance evaluation and TSR-linked performance share units with shares transfer restrictions. For the target persons and overview of the said compensation, please refer to “Overview of the Corporation’s Policy to Determine the Remuneration And Other Payments for Directors” at the bottom of this report.

Recipients of Stock Options	—
-----------------------------	---

Supplementary Explanation
---------------------------

**[Director Remuneration]**

Disclosure of Individual Directors’ Remuneration	Selected Directors
--	--------------------

Supplementary Explanation
---------------------------

(a) For the total of remuneration and other payments for Directors and Audit & Supervisory Board Members in FY2023, please refer to “Total of Remuneration And Other Payments for Directors and Audit & Supervisory Board Members in FY2023” at the bottom of this report.

(b) For the individuals to whom the total amount of compensation paid exceeded 100 million yen in FY2023, please refer to “Total of Remuneration And Other Payments for Directors and Audit & Supervisory Board Members in FY2023” at the bottom of this report.

Policy on Determining Remuneration Amounts and Calculation Methods	Established
--	-------------

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods
--

The maximum total remuneration shall be determined for all Directors by resolution at a General Meeting of Shareholders. The Governance and Remuneration Committee chaired by an Outside Director/Audit & Supervisory Board Member, with the majority of its members consisting of 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 is determined by resolution of the Board of Directors.

Please refer to “Overview of the Corporation’s Policy to Determine the Remuneration And Other Payments for Directors” at the bottom of this report.

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

System for supporting Outside Directors: The General Managers of Corporate Planning & Strategy Department and Legal Department explain all the agenda items for the Board of Directors Meeting in advance, and secretaries are assigned to support in daily communication, etc. with Outside Directors as in the case with other Directors.

System for supporting Outside Audit & Supervisory Board Members: The General Managers of the Corporate Planning & Strategy Department and Legal Department explain all the agenda items for the Board of Directors Meeting in advance, and the Audit & Supervisory Board Member’s Office supports in daily communication, etc. with the Outside Audit & Supervisory Board Members as in the case with other Audit & Supervisory Board Members.

**[Status of Retired President and CEO, etc.]**

Name, etc. of Advisors, Counselors, etc. Who Were Formerly President and CEO, etc.

Name	Title	Duties	Working form, conditions (Full-time, part-time, compensation, etc.)	Date of retirement as President, etc.	Term
Toru Tsuji	Honorary Corporate Advisor	None	Part-time, no compensation	March 2008 (Retirement as Chairman of the Board)	Not set
Nobuo Katsumata	Honorary Corporate Advisor	None	Part-time, no compensation	March 2013 (Retirement as Chairman of the Board)	Not set
Teruo Asada	Honorary Corporate Advisor	None	Part-time, no compensation	March 2019 (Retirement as Chairman of the Board)	Not set

Number of Advisors, Counselors, etc. Who Were Formerly President and CEO, etc.	3
--	---

Matters relating to Former Presidents and CEOs, etc.

- The Corporation abolished the advisor system on April 1, 2019 by resolution of the meeting of the Board of Directors on June 22, 2018.
- The President appoints retired officers of the Corporation as Corporate Advisors. When persons who retired from the posts of Chairman or President of the Corporation are appointed to the post of Corporate Advisor, they are titled Honorary Corporate Advisors.

## **2. Matters Relating to Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration**

The details of the organizations of the Corporation are as follows:

### **(a) Board of Directors**

The Board of Directors comprises 10 Directors (including 6 Outside Directors; 8 males and 2 females), and makes decisions regarding management policy and other important matters and supervises the execution of duties by Directors. To clearly segregate management and execution, in principle, the Chairman of the Board, who does not have representative rights or the authority for business execution, serves as the chair of Board of Directors Meetings.

### **(b) Audit & Supervisory Board**

The Audit & Supervisory Board comprises 5 Audit & Supervisory Board Members (including 3 Outside Audit & Supervisory Board Members; 3 males and 2 females), and Mr. Toshiaki Kida, a Full-time Audit & Supervisory Board Member, serves as the chair. The Corporation adopts a corporate audit governance system and each of the Audit & Supervisory Board Members is responsible for overseeing Directors in the execution of their duties by attending important meetings, such as the Board of Directors Meetings, and by monitoring business activities and financial conditions in accordance with the auditing policies and plans set by the Audit & Supervisory Board.

### **(c) Corporate Management Committee**

The Corporate Management Committee has been established as an advisory committee for the President, and consists of 3 Representative Directors including the President, 3 Senior Managing Executive Officers, and 6 Managing Executive Officers. It deliberates management-related policies and important company-wide matters.

### **(d) Committee of Chief Operating Officers**

The members of the Committee of Chief Operating Officers are the President, alongside Executive Officers and Chief Operating Officers appointed by the President. They discuss matters pertaining to budgeting, account settlement and financial planning as well as other issues related to the execution of business.

### **(e) Committee of Executive Officers**

The Committee of Executive Officers consists of 41 Executive Officers (3 of whom also serve as Director). The Committee of Executive Officers communicates management information and gives reports on matters that affect business execution such as financial performance and the results of internal audits.

Further, the Corporation has established various committees as the organization directly under the President for dealing with important matters related to business execution and internal control, etc. The main committees and their roles are as follows:



•Investment and Credit Committee (in principle, weekly; 24 times in FY2023)

The Investment and Credit Committee discusses projects subject to the internal approval (“Ringi”) system. The Chairman of the Investment and Credit Committee makes decisions on proposals to be submitted to the Corporate Management Committee through discussions at the Investment and Credit Committee.

•Compliance Committee (in principle, 4 times a year, and as needed; 4 times in FY2023)

The Compliance Committee provides enlightenment activities such as training as well as establishment, maintenance and management of the compliance system of the Marubeni Group.

•Sustainability Management Committee (in principle, once a year, and as needed; 4 times in FY2023)

The Sustainability Management Committee deals with the identification and periodic review of “Materiality” which takes into account the ESG (environmental value, social value and governance) point of view as it pertains to business fields as a whole and also deliberates matters related to sustainability, including ESG support, and reports on this to the Board of Directors.

•Internal Control Committee (as needed; 2 times in FY2023)

The Internal Control Committee confirms and reviews status of formulation and operation of basic internal control policy in accordance with the Companies Act, drafts their revision proposals, develops and operates system and evaluates effectiveness regarding financial reporting in accordance with the Financial Instruments and Exchange Act and prepares internal control report drafts.

•Disclosure Committee (as needed; 8 times in FY2023)

The Disclosure Committee formulates principles and basic policy drafts regarding disclosure, establishes and improves the internal system regarding statutory disclosure and timely disclosure, and judges significance and appropriateness regarding statutory disclosure and timely disclosure.

Moreover, the status of holding the Corporation’s organization and committee meetings in FY2023 is as follows: in the said fiscal year, the Board of Directors met 15 times to make decisions regarding execution of duties by the Corporation and all members of the Board of Directors were present at all meetings during their terms of office, excluding Mr. Yoneda, who was absent for one meeting. At the same time, the Board of Directors received reports regularly from Directors to supervise their execution of duties. In FY2023, the Board of Directors mainly deliberated as below:

- Review of the Mid-Term Management Strategy “GC2024,” “Green Strategy,” and progress of the initiatives in the area of sustainability
- Investment and financing projects (Acquisition of Interests in Los Pelambres Copper Mine and Pan Pacific Copper Co., Ltd., etc.)
- Financial results and other finance related matters (share repurchases, etc.)
- Remuneration for Directors/Audit & Supervisory Board Members, revision of the Standards and Policies for the Independence of Outside Directors/Audit & Supervisory Board Members of the Corporation
- Evaluation of the effectiveness of the Board of Directors, internal control related matters, etc.

The Audit & Supervisory Board met 19 times to formulate audit policy and plan and report audit results. In accordance with the auditing policies and plans, each Audit & Supervisory Board member audited Directors’

execution of duties by attending the Board of Directors Meetings and other important meetings and investigating the status of operation and assets.

The Corporate Management Committee met 35 times and discussed and made decisions regarding management-related policies and important company-wide matters. In addition, the Committee of Chief Operating Officers met 1 time, and the Committee of Executive Officers met 3 times.

#### Status of Measures Related to Enhancement of the Functions of the Audit & Supervisory Board Members

##### (1) Human resources and system supporting the Audit & Supervisory Board Members

The Corporation has in place the Audit & Supervisory Board Member's Office (4 dedicated staff members as of April 1, 2024) to support the Audit & Supervisory Board Members, which work together with the Audit Department (75 people as of April 1, 2024) directly under the President and the Accounting Auditor, ensuring the human resources and systems for supporting the audits by the Audit & Supervisory Board Members.

##### (2) Knowledge regarding finance and accounting

Audit & Supervisory Board Member Ms. Kana Odawara is a certified public accountant both in Japan and the U.S., and after having been engaged in audits at major accounting firms in Japan and the U.S., has assumed important positions including CFO at a Japanese subsidiary of multiple global companies. Hence, she has considerable knowledge about finance and accounting.

In order to enable (i) each of the Outside Directors, namely Ms. Yuri Okina, Messrs. Masato Kitera, Shigeki Ishizuka, and Hisayoshi Ando, Ms. Mutsumi Hatano, and Mr. Soichiro Minami, (ii) the Director Mr. Fumiya Kokubu, (iii) each of the Outside Audit & Supervisory Board Members, who are Mr. Tsuyoshi Yoneda, Ms. Kana Odawara, and Ms. Hiroko Miyazaki, and (iv) the Internal Audit & Supervisory Board Members, who are Messrs. Takao Ando and Toshiaki Kida, to fully perform their duty and expected rolls as Director (excluding Executive Director) or Audit & Supervisory Board Member, the Corporation has entered into an agreement with each of them in which the liability for damages provided for in Article 423, Paragraph 1 of the Companies Act is limited to the sum of the amounts specified in each item of Article 425, Paragraph 1 of the Companies Act, if they have acted in good faith and without gross negligence in performing their duties.

### **3. Reasons for Adoption of Current Corporate Governance System**

The Corporation conducts a diverse range of business globally. Accordingly, the Corporation has established a corporate governance model of a company with auditors in which the Board of Directors is composed of Internal Directors and Outside Directors in order to ensure rapid and efficient decision-making and appropriate supervisory functions in management. The Corporation has determined that this governance model is functioning effectively as set forth in items (a) and (b) below. Therefore, the Corporation will retain the current governance structure.

#### (a) Rapid and efficient decision-making

The Corporation ensures rapid and efficient decision-making by appointing Directors who serve concurrently as Executive Officers and are well-versed in the Corporation's diverse business activities.

#### (b) Appropriate supervisory functions

The Corporation ensures appropriate supervisory functions by implementing various measures. These include appointing Outside Directors that account for the majority of candidates for the Board of Directors; establishing the Audit & Supervisory Board Member's Office; fostering collaboration among the Audit & Supervisory Board Members, the Audit Department, and the Accounting Auditor; and carrying out advance briefings, on the same occasion, on matters referred to the Board of Directors for both Outside Directors and Outside Audit & Supervisory Board Members.

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

(a) Introduction of diverse outside perspectives

Vitalize the Board of Directors and Audit & Supervisory Board by receiving advices and recommendations based on profound insight and expertise cultivated in their professional field, and useful opinions from a perspective independent of the corporate culture and custom of the Corporation.

(b) Enhancement of check and supervisory functions

Enhance the function of check and supervision over Representative Directors through discussions and decision-making that are based on fair and clear logics and standards convincing to those Outside Directors and Outside Audit & Supervisory Board Members.

(c) Check of conflict of interest

In a situation where conflict of interest exists between the management and stakeholders including shareholders, check whether the management is executing their duties fairly by fully taking into consideration the interest of the stakeholders.

The Corporation appoints Outside Directors and Outside Audit & Supervisory Board Members based on the Standards and Policies for the Independence of Outside Directors/Audit & Supervisory Board Members of the Corporation so as to facilitate Outside Directors and Outside Audit & Supervisory Board Members to appropriately exercise the above roles and functions.

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 an Outside Director or Audit & Supervisory Board Member is not independent if he/she currently falls, or in the past 3 business years has fallen, under any of the following items 1 to 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 executive person thereof\*.
2. An executing person of a lender, from which the borrowed amount exceeds 2% of the Corporation's consolidated total assets.

3. An executing person of a business partner with which the transaction amount exceeds 2% of the Corporation's consolidated revenue.
4. A representative partner or a partner of the auditing firm that is the Accounting Auditor of the Corporation.
5. A person who receives money from the Corporation of which the value exceeds 10 million yen per business year 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 business year, which derives from a business consultancy and/or an advisory agreement.
6. A person who belongs to an organization that has received a donation from the Corporation of which the amount exceeds 10 million yen per business year.
7. A Director/Executive Officer/Audit & Supervisory Board Member among the executing persons of the Corporation and its subsidiaries, as well as a coresident or relative within the second degree of kinship of such Director/Executive Officer/Audit & Supervisory Board Member.

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

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

### III. Implementation of Measures for Shareholders and Other Stakeholders

#### 1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	Will have been sent about 3 weeks ahead of a General Meeting of Shareholders.
Scheduling AGMs to Avoid Peak Day	Held to avoid peak day on which many companies hold general meetings of shareholders.
Allowing Electronic Exercise of Voting Rights	The Corporation utilizes a system operated by the administrator of shareholders' register.
Participation in Electronic Voting Platform	The Corporation uses the voting platform for institutional investors by ICJ.
Providing Convocation Notice in English	English translations of the convocation notice, business report, financial statements, and so on are posted on the Corporation's website on or before the date of sending out the convocation notice.
Other	<p>The Corporation is also implementing the following measures to vitalize General Meetings of Shareholders and ensure smooth exercising of voting rights.</p> <ul style="list-style-type: none"> <li>• Post the convocation notice, business report and financial statements on the Corporation's website ahead of sending them to the shareholders</li> <li>• Live distribution of the General Meetings of Shareholders on the Internet</li> <li>• On-demand distribution of the reporting items on the day of the General Meeting of Shareholders on the Internet</li> </ul>

#### 2. IR Activities

	Supplementary Explanations	Explanation by the representative
Preparation and Publication of Disclosure Policy	<p>The basic policies regarding information disclosure and policies regarding IR activities are posted on the Corporation's website.  <a href="https://www.marubeni.com/en/company/governance/disclosure/">https://www.marubeni.com/en/company/governance/disclosure/</a></p> <p>The Corporation also stipulates the Disclosure Committee Regulations to inculcate thorough awareness thereof at the Corporation.</p>	
Regular Investor Briefings for Individual Investors	<p>Approximately five times yearly, the Corporation holds briefings for individual investors.</p> <p>The materials used in the previous briefings are disclosed on our website (Japanese language only).  <a href="https://www.marubeni.com/en/ir/individual/meeting/">https://www.marubeni.com/en/ir/individual/meeting/</a></p>	Yes
Regular Investor Briefings for Analysts and Institutional Investors	<p>In addition to quarterly earnings briefings (four times yearly), the President and/or Director in charge of IR holds meetings for securities analysts and institutional investors. In FY2023, 399 securities analysts and institutional investors, in total, joined the meetings.</p> <p>&lt;Main Interests of Securities Analysts and Institutional Investors&gt;</p> <ul style="list-style-type: none"> <li>• Cash allocation plan;</li> </ul>	Yes

	<ul style="list-style-type: none"> <li>Investment policy and status of investment pipeline;</li> <li>Drivers of growth and focus areas;</li> <li>Policy on shareholder returns (e.g., dividends, share buybacks);</li> <li>Usages of the funds collected through the sale of Gavilon's grain business;</li> <li>Status of the core businesses and actions to improve unprofitable businesses;</li> <li>Impacts of market-fluctuations on the business results/performance; and</li> <li>Policy on holding and reduction of cross-shareholdings.</li> </ul>	
Regular Investor Briefings for Overseas Investors	English translations of materials used in quarterly earnings briefings (including conference calls) are posted on the Corporation's website. The President and/or Director in charge of IR holds in-person or virtual regular meetings for overseas investors. In FY2023, the President and/or Director in charge of IR made business trips to North America, the EU, and Asia four times (in total) and held the in-person or online meetings with 231 overseas investors (in total).	Yes
Posting of IR Materials on Website	Business results information, integrated reports, shareholder reports, annual securities reports, quarterly reports, earnings result briefing materials, the convocation notice of General Meetings of Shareholders, and business operation materials are posted on the Corporation's website. <a href="https://www.marubeni.com/en/ir/">https://www.marubeni.com/en/ir/</a>	
Establishment of Department and/or Manager in Charge of IR	The Corporation appoints a CFO, who is a Representative Director, as the Director in charge of IR. On April 1, 2024, in order to enhance its IR activities, the Corporation newly established the IR & SR Department as a department in charge of and dedicated to IR.	

### 3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	Described in 1. of I Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information of this report.
Implementation of Environmental Activities, CSR Activities etc.	<p>In each field of CSR, including environment, the Corporation is engaged in a wide range of activities.</p> <p>Creation of environmental and social values through business activities In FY2018, the Corporation established the Sustainability Management Committee. Outside Directors/Outside Audit &amp; Supervisory Board Members are appointed as advisors, providing the system an external point of view. In April 2019, as part of system strengthening, the Chair of the Sustainability Management Committee was made the Chief Sustainable Development Officer, and the Sustainability Management Department was established. 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</p>

initiatives regarding sustainability. The details of such activities are posted on the Corporation's website.

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

Social contribution activities, etc.

#### 1. Marubeni Foundation

The Corporation has been actively promoting social contribution activities by supporting the activities of the social welfare corporation, Marubeni Foundation, established in 1974 with donations from the Corporation. Grant recipients include a wide range of facilities and organizations engaged with persons with disabilities, children and youth, and the elderly. In recent years, special consideration has been given to projects which often fall outside of the general scope of governmental reach, such as organizations engaged in support for individuals who have become socially withdrawn, the protection of women, aiding those facing economic uncertainties, and operating children's cafeterias (facilities that provide meals for children for free or at a reduced price). For details of these activities, please see the following page on the Corporation's website.

<https://www.marubeni.com/en/sustainability/contribution/>

Additionally, the total amount of annual grants for social welfare initiatives was increased to 300 million yen starting in FY2024.

<https://www.marubeni.com/en/news/2024/release/00016.html>

#### 2. Marubeni Gallery

The Marubeni Gallery was opened at the Corporation's Tokyo head office building in 2021. The Marubeni Gallery contributes to cultural preservation and the passing down of cultural heritage through exhibitions held several times per year, which primarily feature works from the Marubeni Collection, the Corporation's collection of textiles, paintings, and other works of art.

#### 3. Traditional Textile Repair Projects

In the late 1920s, Marubeni assembled a collection of and conducted research into ancient textiles, primarily from the 17th to mid-19th centuries, to inform the research and development of new textile products. Over 400 pieces of this collection of ancient textiles remain today. To continue to conserve certain pieces that are in need of repair for future storage and exhibition, the Corporation is engaged in the promotion of the following projects.

For details, see the release below.

<https://www.marubeni.com/en/news/2024/release/00015.html>

##### A. Important Cultural Property Conservation and Repair Project

Since April 2023, the Corporation has been engaged in a repair project of an early 18th-century kimono with the support and cooperation of the Japan Agency for Cultural Affairs, the Tokyo Metropolitan Government, and Shokakudo Co., Ltd. The kimono, formally entitled *Furisode (Garment with long hanging sleeves) with Design of Latticework, Chrysanthemums, Paste-resist (Yuzen) and Embroidery on Parti-colored Silk Crepe (Chirimen)*, is part of the Marubeni Collection and was designated as an Important Cultural Property by the Japanese national government in 2020. Once the two-year repair project is complete, the Corporation plans to exhibit the kimono to the public at the Marubeni Gallery.

	<p>B. Joint Project with Kyoritsu Women’s University and Kyoritsu Women’s Junior College</p> <p>The Corporation entered into an agreement on cooperation and collaborative projects with Kyoritsu Women’s University and Junior College in order to contribute to the promotion of education and academic research, the preservation and transmission of culture and history, human capital development, and the development of the local region and society. One specific initiative is a project to repair ancient textiles, primarily clothing from the 17th to mid-19th centuries, that began in July 2023.</p>
<p>Development of Policies on Information Provision to Stakeholders</p>	<p>The Marubeni Corporate Principles and the Compliance Manual stipulate proactive, timely, and appropriate information disclosure to the society in general including stakeholders and disclose this information.</p>
<p>Other</p>	<p>Our employees are the Marubeni Group’s greatest capital and the source of value creation. In the Mid-Term Management Strategy “GC2024”, the Corporation will further develop the “Marubeni HR Ecosystem” set forth in the previous Mid-Term Management Strategy “GC2021”. The “Marubeni HR Ecosystem” is the fundamental human capital strategy to achieve the Global crossvalue platform, the vision for Marubeni of the future, and provides the direction for reforms. This strategy describes how the Marubeni Group will create an attractive ecosystem where employees with diverse backgrounds and high social value gather, thrive, connect, and combine various insights to take on the challenge of creating new value for society and our customers. By doing so, the Corporation will further promote the creation of a culture and work environment where diverse human capital play an active role.</p> <p>The Corporation promotes work-life management as the foundation for employees with diverse backgrounds to create results. Regardless of an employee’s stage in life or individual circumstances, the Corporation is developing measures to ensure that employees can utilize necessary systems as needed in order to aim for sustainable career development and sustained performance.</p> <p>For more initiatives related to Human Capital Strategy, please also refer to Supplementary Principles 2.4.1 and 3.1.3 in the document attached to this report.</p>



## **IV. Matters Related to the Internal Control System**

### **1. Basic Views on Internal Control System and the Progress of System Development**

In accordance with the Companies Act and the Regulation for Enforcement of the Companies Act, the Corporation has established a basic policy for systems necessary to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation and other systems necessary to ensure the properness of company's operations as described below.

#### Basic Internal Control Policy

The Corporation seeks to steadily increase and maximize corporate value through business activities that are in accordance with its Company Creed and Management Philosophy\*, and to build a stable and sustainable group business foundation. To this end, the Corporation, in accordance with the Companies Act and the Regulation for Enforcement of the Companies Act, establishes the policy described below (the “Basic Internal Control Policy”) to ensure that all business activities of the Corporation and the business group (in this IV.1 Basic Views on Internal Control System and the Progress of System Development, the “Marubeni Group”) made up of the Corporation and all Marubeni Group companies (the Corporation’s consolidated subsidiaries and companies deemed as equivalent to subsidiaries; the same shall apply in this IV.1 Basic Views on Internal Control System and the Progress of System Development) are conducted appropriately. The Corporation regularly reviews the Basic Internal Control Policy in response to changes in social conditions so as to realize a system that is more appropriate and efficient.

\*Company Creed: Fairness (To be fair and bright)

Innovation (To be active and innovative)

Harmony (To respect each other and cooperate)

#### Marubeni Management Philosophy:

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

1. System necessary to ensure that the execution of duties by Directors and employees complies with laws and regulations and the Articles of Incorporation

#### (1) Corporate governance

##### 1- Directors and Board of Directors

The Board of Directors, in accordance with laws and regulations and the Articles of Incorporation, sets the important matters related to management and supervises the execution of duties by Directors. To clearly segregate execution and supervision, the Chairman of the Board without representative rights and the authority for business execution, in principle, chairs the Board of Directors Meetings. Executive Directors execute business operations decided by the Board of Directors, in accordance with the laws, regulations and Articles of Incorporation and report the situation of

their duty execution to the Board of Directors once every three months or more often. The term of office of Directors is one year to clarify management responsibility and flexibly build optimum management structure in response to the changing management environment. The Corporation appoints Outside Directors to ensure effectiveness of corporate governance. The Corporation adopts the executive officer system to improve efficiency of business execution, and adopts a system whereby its Group CEOs and its CDIO participate in the company's overall management, and instruct, supervise, support, and manage the overall operation of the respective business divisions in charge by complying with the company's management policy.

## 2- Audit & Supervisory Board Members and the Audit & Supervisory Board

Audit & Supervisory Board Members audit execution of duties by the Directors in accordance with the Rules of the Audit & Supervisory Board and the Standards for Audit by the Audit & Supervisory Board Members by exercising their statutory authority in collaboration with the Audit Department and Accounting Auditor.

## (2) Compliance

### 1- Compliance system

The Corporation sets forth codes of conduct common for the Marubeni Group such as Marubeni Corporate Principles and Compliance Manual for its Directors and Executive Officers (in this IV.1 Basic Views on Internal Control System and the Progress of System Development, collectively the "officers") and employees to practice corporate activities in accordance with compliance. To achieve the goal, it establishes various committees, including the Compliance Committee, and takes various measures.

### 2- Internal whistle-blowing system

To provide for a situation in which a person learns of a questionable act from the perspective of compliance and the organizational reporting line does not function for some reason, the Corporation establishes the following compliance reporting and consulting points for the entire Marubeni Group.

#### (a) Marubeni Hotline (Compliance Committee line and external legal counsel line)

The Compliance Access Point for general compliance matters for the Marubeni Group.

#### (b) Marubeni Anti-Corruption Hotline

The Compliance Access Point for concerns relating to bribery and other serious crimes involving the Marubeni Group and its business partners.

### 3- Rejecting relationships with anti-social forces

The Corporation will stand firm against anti-social activities and forces to social order and public security, and will never form or foster relationships with any organization that poses such threats.

## (3) Internal audit

The Corporation establishes the Audit Department as an organization directly under the President to study the appropriateness of duty execution by executing persons and compliance status, and implements internal audits through the Audit Department and company-wide self-inspections with support, cooperation, and advisement from the Audit Department. The results of internal audits are reported to the Board of Directors on a regular basis.

#### (4) Disciplinary actions

When the execution of duty by an officer or employee results in violation of law or regulation, the Corporation shall seek judgement of the Governance and Remuneration Committee, an advisory committee to the Board of Directors with the majority of members being Outside Directors/Audit & Supervisory Board Members, in the case of an officer, and the Award and Disciplinary Committee, in the case of an employee, and take strict actions in accordance with relevant regulations.

### 2. Systems to preserve and manage information related to the execution of duties by Directors

#### (1) Preservation and management of information and prevention of information leakage

Based on the Regulation for Management of Information Assets, the Corporation sets forth the assets subject to storage, storage period, and employees in charge of managing the information regarding information related to execution of duties by officers and employees, to develop a system to store and manage information and prevent information leakage.

#### (2) Browsing information

The officers and Audit & Supervisory Board Members may browse such information assets at all times.

### 3. Internal regulations for the risk management of losses and other related systems

#### (1) Principle of authority and duties

Officers and employees with titles are given necessary authority for executing their duties based on the resolution by the Board of Directors and the Regulation of Authority and Duties, and manage risks associated with execution of duties within the given scope and take responsibility for the result.

#### (2) Approval system

Individual projects such as important investment are deliberated by the Investment and Credit Committee, submitted to the Corporate Management Committee, and approved by the President, based on the Regulations of Job Authority and Ringi Approval Procedure Regulations. However, in the case of any special provisions set forth in these regulations applying, such special provisions shall take precedence in application. Projects become subject to approval by the Board of Directors depending on laws and regulations, the Articles of Incorporation, and the importance of the project. The progress of important projects such as a new business is required to be reported on a regular basis to the Corporate Management Committee to strengthen individual risk management.

#### (3) Risk evaluation

Risk management such as credit risk, country risk, market risk, foreign exchange and interest rate risk, investment risk, etc. shall be conducted under the management policy and rules for each risk. In addition, the Corporation continues to implement integrated risk management in order to grasp the amount of risk to which the Marubeni Group is exposed. The Corporation implements management of qualitative risks, including reputation risks and information security risks, which are difficult to quantify, through enhancement of compliance structure.

#### (4) Emergency management

In preparation for occurrence of a serious issue such as a natural disaster, terrorist incident/public disorder/violence, epidemics of infectious diseases and situations in which the Tokyo Head Office loses its ability to function, the Corporation formulates initial response guidelines and a business continuity plan. When a serious situation actually occurs, the Corporation establishes an emergency task force with the President as the head based on the said plan and makes decisions on and implements concrete measures to limit the damage and loss to the minimum.

#### 4. Systems necessary to ensure the efficient execution of duties by Directors

##### (1) Management policy, management strategy and management plan

To ensure efficient execution of duties by Directors, the Corporation sets forth goals shared by all officers and employees at the Marubeni Group such as management policy, management strategy, and management plan and instills them, while establishing concrete targets which individual officers and employees should implement for achieving the goals.

##### (2) Corporate Management Committee

To ensure efficient execution of duties, the Corporation establishes the Corporate Management Committee and deliberates on the highest-order policies regarding management and important company-wide matters.

##### (3) Business Group and Corporate Staff Group

The Corporation delegates authority to Group CEOs, CDIO, and Division COOs to create a system that enables swift decision-making regarding jurisdictional products in Japan and abroad. Further, the Corporate Staff Group manages, checks, and supports the Business Group in each specialized field to enable efficient execution of duties.

##### (4) Clarification of authorities, duties, and responsibilities

The Board of Directors decide Directors in charge and clearly stipulates on each officer's and employee's roles, authorities, responsibilities, and rules for decision-making in various regulations.

#### 5. Systems necessary to ensure the appropriateness of operations by the Group

##### (1) Marubeni Group operation structure

The Corporation shall stipulate necessary systems including a system for appropriate reporting to the Corporation regarding managers in charge of achieving an understanding of the business status of Marubeni Group companies, giving instructions and supervising, guidelines regarding the management system of Marubeni Group companies, and execution of duties by Directors etc. of each Marubeni Group company, a system regarding appropriate management of risk of losses at Marubeni Group companies, a system for ensuring efficient execution of duties by Directors, etc. of Marubeni Group companies and a system for ensuring Marubeni Group companies' compliance with laws and regulations in order to enhance internal control of the entire Marubeni Group, improve business

performance, and progress management. Marubeni Group companies shall ask for advice from the Corporation regarding important management-related matters and report to the Corporation.

#### (2) Compliance

The Compliance Committee and other committees shall support and give guidance regarding compliance activities by Marubeni Group companies. Marubeni Hotline and Marubeni Anti-Corruption Hotline shall be available for officers and employees of all Marubeni Group companies as well as officers and employees within one year of leaving the Marubeni Group.

#### (3) Development of system for ensuring appropriateness of financial reporting and safeguarding of assets

Marubeni Group shall develop, through activities, etc. of the Internal Control Committee, necessary systems for ensuring reliability and continuous monitoring of financial reporting such as consolidated financial statements as well as a system for ensuring appropriate acquisition, storage, and disposal of assets held by Marubeni Group companies. It shall also establish the Disclosure Committee and develop any necessary system for information disclosure in an appropriate and timely manner.

#### (4) Audit

The Audit Department carries out audit at Marubeni Group companies and reports the result to the Board of Directors. The Audit & Supervisory Board Members and Accounting Auditor independently carry out inspection and accounting audit at Marubeni Group companies.

6. Matters concerning employees assisting the duties of Audit & Supervisory Board Members, and matters concerning the independence of these employees from Directors

##### (1) Establishment of Audit & Supervisory Board Member's Office

The Corporation establishes the Audit & Supervisory Board Member's Office and appoints dedicated staff members to assist in the duties of the Audit & Supervisory Board Members.

##### (2) Personnel affairs of the Audit & Supervisory Board Member's Office staff

The Officer in charge of personnel affairs shall implement personnel affairs of the Audit & Supervisory Board Member's Office (personnel changes, evaluation, disciplinary actions, etc.) by hearing the opinions of the Audit & Supervisory Board Members in advance and upon receiving their consent.

7. Systems for Directors and employees to report to Audit & Supervisory Board Members and other systems for reports to Audit & Supervisory Board Members

##### (1) The Audit & Supervisory Board Members attending important meetings

The Audit & Supervisory Board Members shall attend the Board of Directors Meetings and receive reports from Directors on execution of duties and other important matters, and also attend the Corporate Management Committee and other important meetings.

(2) Reporting by officers and employees to the Audit & Supervisory Board Members

The President holds meetings with the Audit & Supervisory Board Members on a regular basis, reports on execution of duties, and exchanges opinions. Other Directors, CHRO, CSO, CFO, CAO, Group CEOs, CDIO, Division COOs and Corporate Staff Group General Managers report their duty execution status to the Audit & Supervisory Board Members every year. Officers immediately report to the Audit & Supervisory Board Members when they discover that there is a concern that the Corporation will suffer significant damage. The Corporation develops a system for Directors, Audit & Supervisory Board Members, and employees of Marubeni Group companies, or those who received a report from them, to report directly or indirectly to the Audit & Supervisory Board Members. Notwithstanding the above, the Audit & Supervisory Board Members may seek report from officers and employees whenever necessary. The Corporation has in place a system to ensure that the person who made a report to the Audit & Supervisory Board Members would not be treated unfairly at the Corporation or Marubeni Group companies because of the said report.

8. Other systems necessary to ensure effective audits by Audit & Supervisory Board Members

(1) Collaboration with the Audit Department, Accounting Auditor, and Audit & Supervisory Board Members of Marubeni Group companies

The Audit & Supervisory Board Members receive respective audit plans in advance from the Audit Department and Accounting Auditor, hold regular meetings to exchange opinions regarding audit policy and audit result reports. The Audit & Supervisory Board Members collaborate with Audit & Supervisory Board Members of Marubeni Group companies through the Group Auditor Liaison Meeting and exchange information regarding the development of internal control at each company and their operations.

(2) Appointment of external experts

The Audit & Supervisory Board Members can appoint lawyers, certified public accountants, and other external advisors when they deem it necessary.

(3) Audit-related expenses

The Corporation shall pay expenses arising from the execution of duties by the Audit & Supervisory Board Members, including the cost of using external experts described above at the request of the Audit & Supervisory Board Members, through a prescribed procedure and allocate for it in budget.

## **2. Basic Views on Eliminating Anti-Social Forces**

The Corporation's basic policies for eliminating anti-social forces and the status of their improvement are as follows:

Basic policy for eliminating anti-social forces

The Corporation's basic policy towards eliminating anti-social forces is to stand firm against anti-social activities and forces that threaten the social order and public security and never to form or foster relationships with any organization that poses such threats.

#### Status of development towards elimination of anti-social forces

The Corporation clearly states its basic policy towards elimination of anti-social forces (an official term used by the Japanese government to refer to organized crime) in the Basic Internal Control Policy and has been implementing measures to block relationships with anti-social forces based on the Marubeni Corporate Principles and the Compliance Manual. The Corporation encourages the introduction of a contract clause for the purpose of eliminating anti-social forces (in other words, an organized crime elimination clause) and is working with external advisors on improving its systems for taking quick action against unexpected events, including creating a policy for eliminating anti-social forces and responding to wrongful demands.

## V. Other

### 1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
------------------------------------	-------------

Supplementary Explanation
---------------------------

Nothing particular to be mentioned.

### 2. Other Matters Concerning to Corporate Governance System

#### Corporate Governance System

The Corporation aims to realize a more appropriate and efficient system by constantly reviewing its corporate governance system in response to changes in the society. Please refer to Figure 1 for Corporate Governance System of the Corporation.

#### Specialty and experience of Members of the Board and Audit & Supervisory Board Members

Please refer to Figure 2 for Specialty and experience of Members of the Board and Audit & Supervisory Board Members (skill matrix).

#### Overview of Timely Disclosure

##### 1. Purpose

The Corporation has a basic policy on information disclosure to all our stakeholders, including investors, regarding the appropriate disclosure of information concerning the Marubeni Group. Please refer to Figure 3 for information on the disclosure system.

##### 2. Basic Policy of Disclosure

The following is the Corporation's basic policy when it discloses information.

##### **(1) Compliance with Relevant Laws and Regulations**

Comply with relevant laws such as the Financial Instruments and Exchange Act and Companies Act and regulations of stock exchanges.

##### **(2) Timeliness**

Disclose in a timely manner without delay any facts which should be disclosed when found.

##### **(3) Transparency**

Always disclose factual information regardless of its content.

##### **(4) Accuracy**

Disclose necessary and sufficient information without creating misunderstanding.

##### **(5) Integrity/Fairness**

Consistently disclose information by a method which is equally accessible to stakeholders, while giving full consideration to prevent any selective disclosure.

##### **(6) Continuity**

Maintain continuity of content of disclosed information.



## **(7) Confidentiality**

No information is to be leaked to a third party before an official disclosure is made.

### 3. Information Subject to Disclosure

This basic policy applies to the following information disclosure.

#### **(1) Statutory Disclosure**

##### 1- Disclosure in accordance with Financial Instruments and Exchange Act

- Disclosure of corporate information (securities reports, semi-annual reports, internal control reports and extraordinary reports, etc.)
- Disclosure of tender offer (tender offer notification and position statements, etc.)
- Disclosures related to ownership of a large volume of shares (large shareholding reports and holdings change reports, etc.)
- Disclosures based on Fair Disclosure Rule

2- Disclosure in accordance with Companies Act (notices of ordinary General Meetings of Shareholders, financial statements, consolidated financial statements, business reports and supplementary schedules, etc.)

#### **(2) Timely Disclosure**

Disclosures in accordance with regulations of stock exchanges

- Decision Information (issuance of stock, acquisition of own stock, dividends, mergers, demergers, stock swap, business transfer, acquisitions, business alliances, takeover bids, etc.)
- Occurrence Information (loss or damage caused by disaster, filing of lawsuits or court decisions, bad debts, suspension of trade with business partners, etc.)
- Earnings Information (content of financial results, revision of earnings and dividends forecasts, etc.)
- Information on subsidiaries
- Information on corporate governance

#### **(3) Voluntary Disclosure**

Integrated Reports, Shareholders' Reports, Mid-Term Management Strategy, etc.

### 4. Disclosure Committee

The Corporation's Disclosure Committee has been set up in order to construct, maintain and manage a proper information disclosure system. The committee is chaired by a representative Director nominated by the President, and operates under the direct control of the President. The committee formulates general rules and basic policies for disclosure, constructs and adjusts the company structure concerning statutory disclosure and timely disclosure, and also assesses the significance and validity of statutory disclosure and timely disclosure.

### 5. Other

#### **(1) Dealing with Rumors in the Market**

In principle, the Corporation does not comment on inquiries regarding rumors in the market. However, if it is determined that there may be a significant impact on the Corporation caused by ignoring a specific rumor, appropriate action will be taken, such as issuing voluntary news releases.

**(2) Handling of Information Related to Forecasts and Future Projections**

In order to enable investors to make appropriate assessments of the Corporation's business and future performance, information related to business result forecasts and other future projections will be accompanied by a forward-looking statements disclaimer to clearly indicate that the actual future results may differ.

Figure 1: Corporate Governance System

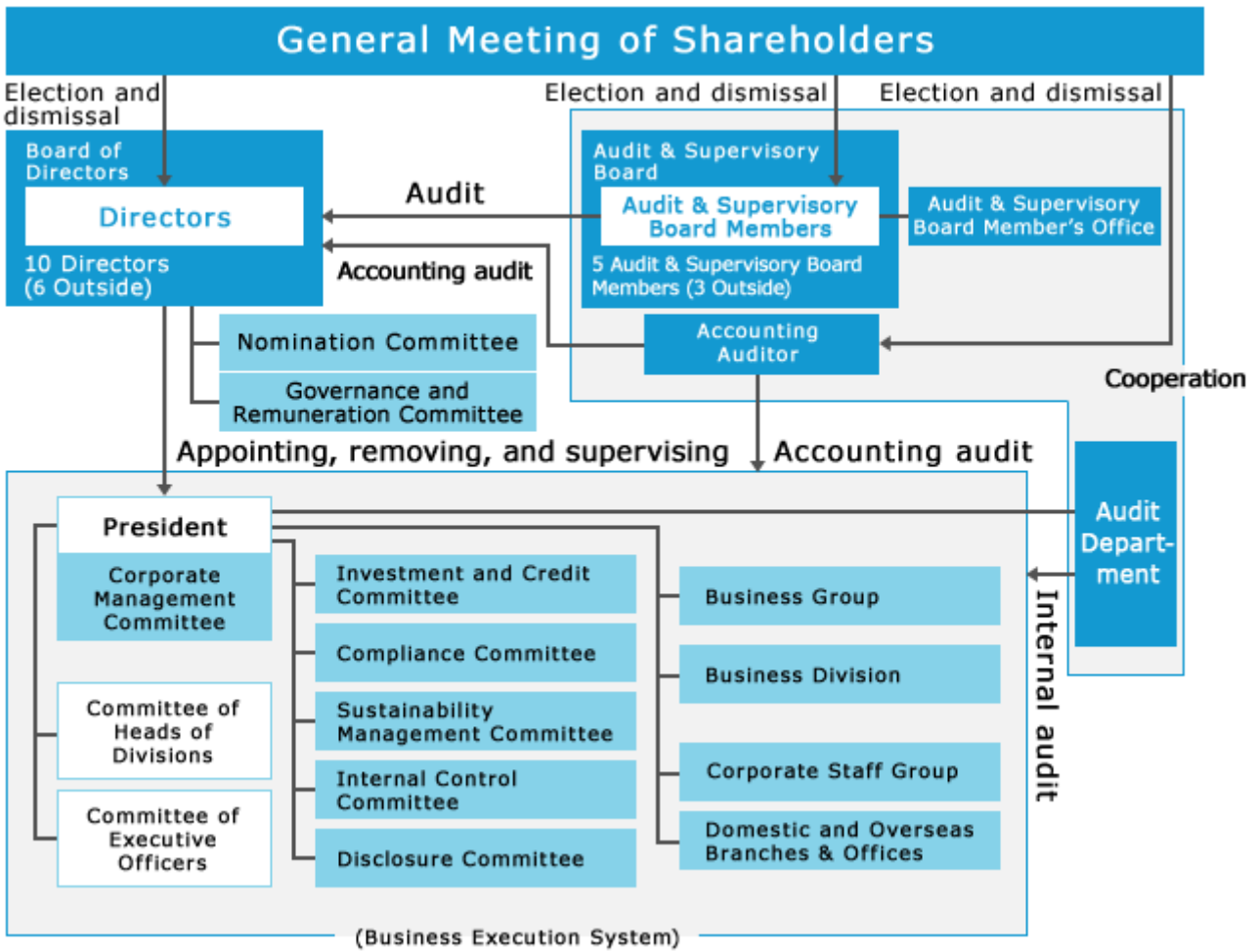


Figure 2: Specialty and experience of Members of the Board and Audit & Supervisory Board Members

Position	Name	Main career and qualifications / Current positions and concurrent occupations and positions*	A Supplements to knowledge, experience, ability, etc.	No. of years in office (cumulative No. of years in office)	Expertise and experience						
					Corporate management	Finance and accounting	Legal, compliance and risk management	Science & Technology/DX	International experience	Public institutions	
Full-time	Fumiya Kokubu	Chairman of the Board	Mainly engaged in energy-related operations, he has been the Chairman of the Board since April 2019 after serving as the President and CEO. Member of the Board. He also has extensive overseas experience, including business experience in the U.S., Singapore, etc. and serving as president of overseas corporate subsidiaries.	12 years (13 years and 9 months)	○					○	
	Masumi Kakinoki	President and CEO	Mainly engaged in power- and machinery-related operations, he has been the President and CEO. Member of the Board since April 2019 after serving as Senior Executive Vice President. Member of the Board. He also has extensive overseas experience, including business experience in the U.S. and the U.K. and serving as president of an overseas corporate subsidiary.	6 years (6 years and 9 months)	○					○	
	Akira Terakawa	Senior Executive Vice President	Mainly engaged in chemicals-related operations, he has subsequently assumed important positions in a corporate staff group and business groups including Corporate Planning & Strategy Dept., Food and Agriculture Group and Consumer Products Group. He has also worked in the U.S. and the U.K.	3 years (3 years)	○					○	
	Takayuki Furuya	Senior Managing Executive Officer, CFO	Mainly engaged in finance- and accounting-related operations, he is presently serving as Chief Operating Officer. Investor Relations and Credit Ratings and Chairman of Investment and Credit Committee in addition to the above. He has also worked in the U.S. and the U.K.	4 years	○	○				○	
Director	Yuri Okina	(Formerly) with Bank of Japan	Having joined The Japan Research Institute after the Bank of Japan, she has served in key positions including Executive Researcher of the Institute, and is currently serving as its Chairperson. She has profound insight into the social and economic situation in Japan and abroad, having served in many official positions of the government and is presently assuming the posts of an expert member of the Council of New Form of Capitalism Realization and the Chair of the Government Tax Commission.	7 years		○		○	○	○	
		Chairperson, The Japan Research Institute; Director, Bridgestone Corporation									
	Masato Kitera	(Former) Ambassador and Plenipotentiary to People's Republic of China; Ambassador and Plenipotentiary to France	After joining the Ministry of Foreign Affairs, he has served in key positions at the Ministry including Deputy Minister. He has long international experience and profound insight concerning international affairs, having served as Ambassador to France and to China.	4 years					○	○	
		Member of the Board, Japan Tobacco									
Shigeki Ishizuka	(Former) Vice Chairman, Representative Corporate Executive Officer, Sony	After joining Sony, he has served in key positions in the electronics business, including Vice Chairman, Representative Corporate Executive Officer. He has profound insight and in-depth experience in not only global corporate management but also the digital and IT fields with his background as a technology and development engineer.	3 years	○				○	○		
	Director, LIXIL										
Out-side	Hisayoshi Ando	(Former) Vice-Minister of Economy, Trade and Industry	After joining the former Ministry of International Trade and Industry, he served in key positions including the Vice-Minister of Economy, Trade and Industry. He has profound insight about economic, industrial, and political trends in Japan and overseas. Presently, he is assuming the post of President & CEO, Tokyo Small and Medium Business Investment & Consultation which is a public organization that invests and consults with small and medium businesses.	2 years	○				○	○	
		President & CEO, Tokyo Small and Medium Business Investment & Consultation; Director, Audit & Supervisory Committee Member, Nitoni Holdings									
	Mutsuko Hatano	(Former) Chief Researcher, Hitachi	After having been engaged in research and development at Hitachi, as Chief Researcher, she has been working on quantum-related research as Professor at the Department of Electrical and Electronic Engineering, School of Engineering of Tokyo Institute of Technology, while also contributing to human resource development. She has profound insight in the field of science and technology, having made noted achievements in academic societies and government agencies in Japan and overseas (e.g., Adjunct Executive Member, Council for Science, Technology and Innovation, Cabinet Office).	1 year				○	○	○	
Soichiro Minami	Representative Director and President, Stanby Representative Director and CEO, Visional	After having graduated from a university in the U.S., he worked for a foreign-owned company, before starting up a new professional baseball team, Tohoku Rakuten Golden Eagles. Afterwards, he established a major membership job changing site, BizReach, grew it as a company and listed it on the Tokyo Stock Exchange, while currently serving as Representative Director and CEO of its holding company, Visional, Inc. He has a wealth of experience and profound insight concerning human resources, DX, and start-ups.	—	○				○	○		

Position	Name	Main career and qualifications / Current positions and concurrent occupations and positions*	A Supplements to knowledge, experience, ability, etc.	No. of years in office (cumulative No. of years in office)	Expertise and experience						
					Corporate management	Finance and accounting	Legal, compliance and risk management	Science & Technology/DX	International experience	Public institutions	
Audit & Supervisory Board Member	Full-time	Takao Ando	(Former) Managing Executive Officer; Former General Manager, Risk Management Dept. of the Corporation	Mainly engaged in risk management and corporate planning in the Corporation, he has served as Managing Executive Officer and General Manager, Risk Management Dept. He has also worked in the U.S.	1 year			○		○	
		Toshiaki Kida	(Former) General Manager, Audit Dept. of the Corporation	Mainly engaged in risk management, compliance and auditing, he has served as General Manager, Compliance Control Dept. in addition to General Manager, Audit Dept. He has also worked in Thailand.	3 years			○		○	
	Out-side	Tsuyoshi Yoneda	(Former) Commissioner General, National Police Agency	After joining the National Police Agency, he has served in key positions, including Commissioner General, National Police Agency. He has in-depth knowledge and experience in the digital field, having launched the Cyber-Attack Analysis Center of the National Police Agency. Currently, he holds the post of Chief Director, Council for Public Policy and has profound insight concerning crisis management in Japan and overseas.	7 years			○	○		○
			Chairman, Council for Public Policy								
	Out-side	Kana Odawara	(Former) SVP, Adecco Group APAC	Qualified as a certified public accountant both in Japan and the U.S., she has engaged in audits at major accounting firms in Japan and the U.S., has assumed important positions including CFO at a Japanese subsidiary of multiple global companies, and accordingly, has profound insight in finance and accounting and a wealth of experience in overall corporate management and international affairs.	—	○	○				○
			Representative, Odawara Coaching & Consulting; Director, MOS FOOD SERVICES; Certified Public Accountant; U.S. Certified Public Accountant								
Out-side	Hiroko Miyazaki	(Former) President and Representative Director, 3M Japan	Qualified as an attorney-at-law both in Japan and the state of New York, after having accumulated experience in law firms in Japan and the U.S., she has assumed the position of the head of the legal departments at Japanese subsidiaries of multiple global companies, and therefore has profound insight into corporate legal affairs. In addition, she has been engaged in corporate management as president of a Japanese subsidiary of 3M in the U.S.	—	○		○			○	
		Counsel, GI&T Law Office; Attorney-at-law in Japan and the U.S.; U.S.A. Attorney; Director, NH Foods (planned)									

**“Reasons for the selection of skills”**

While the Corporation’s multifaceted business activities require various skills in order to ensure expeditious and efficient decision-making in management and appropriate supervisory functions, the skill matrix has selected core skills among them, seeking a particularly high degree of expertise.

Please note that “Sustainability and ESG” and “Human resources” are not included in the skill matrix because they are required of all members of the Board of Directors.

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

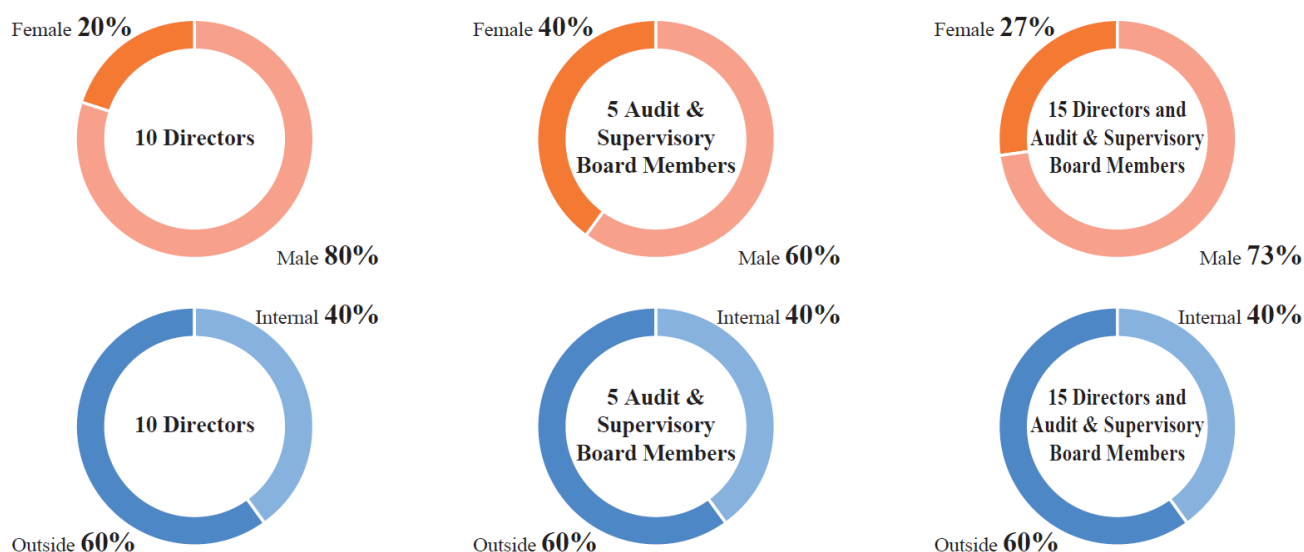
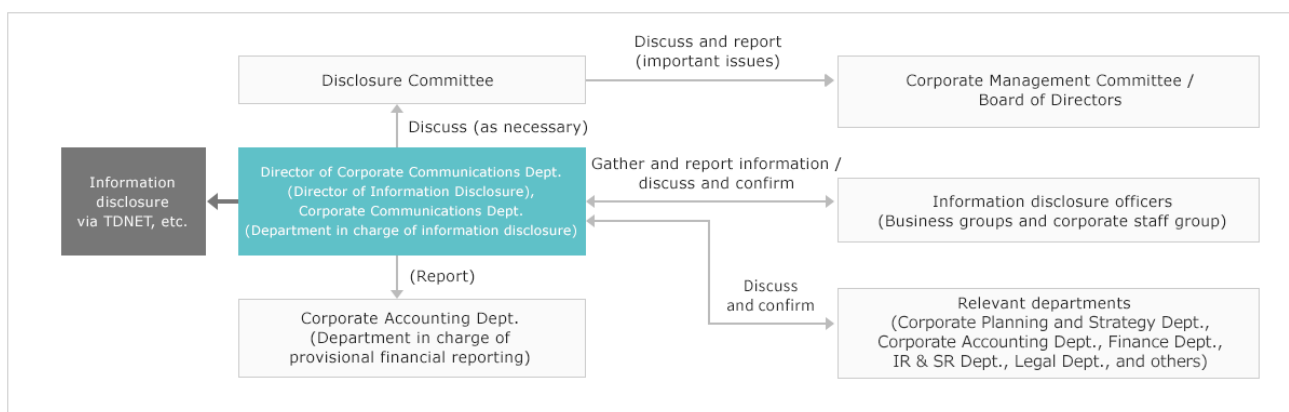


Figure 3: Information Disclosure System



### (1) Information Gathering Process

Officers responsible for information disclosure will make efforts to gather information. If any information requiring timely disclosure is grasped, the officer will report it to the Corporate Communications Department (department in charge of information disclosure).

The Corporate Communications Department reports all information requiring timely disclosure to the Corporate Accounting Department in charge of provisional financial reporting.

### (2) Analysis and Decision Process

The necessity to disclose information is discussed and confirmed with the relevant divisions and departments. If necessary, the matter is discussed by the Disclosure Committee.

Important matters are discussed by the Corporate Management Committee and/or Board of Directors.

### (3) Disclosure Process

After obtaining approval by the director of the Corporate Communications Department (and after being resolved by the Corporate Management Committee and/or the Board of Directors on important matters), timely disclosure information is submitted to securities exchanges via TDNET. Statutory disclosures excluding disclosures based on Fair Disclosure Rules are provided via EDINET. The information that is disclosed in accordance with Fair Disclosure Rules is posted on the Corporation website.

## Total of Remuneration And Other Payments for Directors and Audit & Supervisory Board Members in FY2023

(a) The total of remuneration and other payments for Directors and Audit & Supervisory Board Members in FY2023 are as follows:

Category	Number of recipients	Total amount of payment (Millions of yen)	Breakdown (Millions of yen)						
			Monthly remuneration	Performance-based bonuses	Restricted Stock	TSR-linked Performance Share Units	Capitalization-linked Performance Share Units (Granted in fiscal years 2021 and 2022)	[Former plan] Market Capitalization-linked Performance Share Units (Granted in fiscal year 2020)	[Former plan] Stock-compensation-type stock options subject to market-capitalization-based exercisability conditions (Granted in fiscal year 2020)
Directors	Internal Directors	8	1,108	386	269	150	132	129	42
	Outside Directors	7	118	118	—	—	—	—	—
	Total	15	1,225	503	269	150	132	129	42
Audit & Supervisory Board Members	Internal Audit & Supervisory Board Members	3	85	85	—	—	—	—	—
	Outside Audit & Supervisory Board Members	3	58	58	—	—	—	—	—
	Total	6	142	142	—	—	—	—	—

Notes: 1. The amounts below 1 million yen are rounded off.

- The above-stated number of recipients includes 5 Directors (including 1 Outside Director) and 1 Internal Audit & Supervisory Board member who retired by the last day of FY2023. As of March 31, 2024, the Corporation had 10 Directors (including 6 Outside Directors) and 5 Audit & Supervisory Board Members (including 3 Outside Audit & Supervisory Board members).
- “Performance-based bonuses” includes “Individuals’ evaluation-based compensation.” For performance-based bonuses, the amount calculated according to consolidated net profits of 471.4 billion yen and core operating cash flow of 548.0 billion yen are stated, based on the calculation method resolved at a meeting of the Board of Directors after deliberations by the Governance and Remuneration Committee.
- The Corporation allocates “Restricted Stock” to Directors (excluding Outside Directors) as non-monetary compensation. The above-stated amounts are the amounts charged to expenses during FY2023. During FY2023, based on the resolution by the Board of Directors on June 23, 2023, 57,080 shares of common stock of the Corporation were issued to 4 Directors (excluding Outside Directors) by setting a no transfer period.
- The Corporation allocates “TSR-linked Performance Share Units” to Directors (excluding Outside Directors) as non-monetary compensation. The above-stated amounts are the amounts charged to



expenses during FY2023 by calculating the estimated amount of monetary remuneration claims corresponding to the estimated number of shares to be granted in FY2026. This compensation plan was introduced in FY2023, and the first evaluation period will end in July 2026. Therefore, there are no results for FY2023 regarding the performance indicators.

6. “[Former plan] Market Capitalization-linked Performance Share Units” was non-monetary compensation allocated as the remuneration of FY2021 and FY 2022, which is stock compensation whose final number of allotted shares is finalized according to the market value growth rate during the Evaluation Period of three years after the allocation. The above-stated amounts are the amounts charged to expenses during FY2023 by calculating the estimated amount of monetary remuneration claims corresponding to the estimated number of shares to be granted in FY2024 and FY2025. This compensation plan was introduced in FY2021, and the first evaluation period will end in July 2024. Therefore, there are no results for FY2023 regarding the performance indicators. This compensation plan was abolished except for those already granted, as after its introduction in FY2021, “TSR-linked Performance Share Units” were introduced in FY2023.
7. “[Former plan] stock-compensation-type stock options subject to market-capitalization-based exercisability conditions” was nonmonetary compensation allocated as the remuneration of FY2020. It is a stock acquisition right of which the number of exercisable shares will be determined in accordance with the growth rate of the market-capitalization-based exercisability conditions during three years of the evaluation period after the grant. The above-stated amount is the amount charged to expenses during the fiscal year for the stock acquisition rights of which the exercisable number was confirmed during the fiscal year after three years of the evaluation period. The actual record of the Corporation’s growth rate of the market-capitalization-based exercisability conditions used to calculate the number of exercisable stock acquisition rights for stock-compensation-type stock options subject to the market-capitalization-based exercisability conditions of which the evaluation period is completed during the fiscal year is 412%. After its introduction in FY2019, the remuneration system was abolished, excluding those already granted due to the introduction of Market Capitalization-linked Performance Share Units in FY2021.
8. The amount of remuneration and other payments for Directors for FY2023 (including the monetary compensation claims to be granted for allocating “Restricted Stock” and “TSR-linked Performance Share Units”) was resolved as follows.

Type	Amount of remuneration and other payments	Resolution at a General Meeting of Shareholders	Number of Directors for the resolution
Monthly remuneration (Basic Compensation, bonuses)	Up to 650 million yen per year	99th Ordinary General Meeting of Shareholders (held on June 23, 2023)	10 Directors (including 6 Outside Directors)
Including Outside Directors	Up to 150 million yen per year		
Short-term incentive remuneration (Performance-based bonuses, Individuals' evaluation-based compensation)	Up to 700 million yen per year		3 Directors (including 0 Outside Directors)
Medium and long-term incentive remuneration	-		-
Restricted Stock	Up to 200 million yen per year Up to 450,000 shares per year		4 Directors (including 0 Outside Directors)
TSR-linked Performance Share Units	Up to 850 million yen per year Up to 650,000 shares for each evaluation period		

Regarding “[Former plan] Market Capitalization-linked Performance Share Units” introduced at the 97th Ordinary General Meeting of Shareholders held on June 24, 2021, for those whose rights had been granted by FY2022, the annual amount of within 120 million yen resolved at the General Meeting (The upper limit of the Corporation’s common stock to be issued or disposed of is within 300,000 shares during each Evaluation Period) was maintained and the amount of the remuneration was included in the amount of remuneration for granting the above TSR-linked Performance Share Units.

9. The amount of remuneration and other payments for Audit and Supervisory Board Members for FY2023 was resolved as follows.

Amount of remuneration and other payments	Resolution at a General Meeting of Shareholders	Number of Audit and Supervisory Board Members for the resolution
Up to 170 million yen per year	99th Ordinary General Meeting of Shareholders (held on June 23, 2023)	5 Audit & Supervisory Board Members

(b) Individuals to whom the total amount of compensation paid exceeded 100 million yen in FY2023 are as follows:

(Millions of yen)

Name	Category	Total amount of payment	Breakdown					
			Monthly remuneration	Performance-based bonuses	Restricted Stock	TSR-linked Performance Share Units	[Former plan] Market Capitalization-linked Performance Share Units (Granted in FYs 2021 and 2022)	[Former plan] Stock-compensation-type stock options subject to market-capitalization-based exercisability conditions (Granted in FY 2020)
Fumiya Kokubu	Director	270	150	-	50	33	29	9
Masumi Kakinoki	Director	404	109	126	62	62	34	11
Akira Terakawa	Director	206	68	78	20	20	20	-
Takayuki Furuya	Director	178	59	65	17	17	15	5

Note. For details of the amounts, monthly remuneration, Performance-based bonuses, Restricted Stock, TSR-linked Performance Share Units, [Former plan]Market Capitalization-linked Performance Share Units (Granted in FYs 2021 and 2022). and [Former plan] Stock-compensation-type stock options subject to market-capitalization-based exercisability conditions (Granted in FY 2020), please refer to Notes to the table in (a) above.

## **Overview of the Corporation’s Policy to Determine the Remuneration And Other Payments for Directors**

Overview of the Corporation’s policy from FY2023 to determine the remuneration and other payments for Directors is as follows:

### **1. Remuneration policy**

The remuneration for Directors of the Corporation is determined based on the following policy.

- 1- The remuneration plan shall encourage Directors to face issues of society and customers and create new value with all stakeholders in accordance with the spirit grounded in the Company Creed of “Fairness, Innovation and Harmony” and reward them.
- 2- The remuneration plan shall place emphasis on the linkage with business results and shareholder value and encourage the enhancement of corporate value over the medium to long term.
- 3- The remuneration plan shall acquire, maintain and reward excellent human capital, the critical source of corporate value.
- 4- The remuneration plan shall be a fair and just system by which decisions are made based on a highly transparent process according to responsibilities and performance.

### **2. Remuneration framework**

The target persons of each type of remuneration and other payments are determined by their expected role. Please refer to the table below for details.

A: Executive Director, B: Chairman of the Board, C: Outside Director

Type		Form of Payment		Description	A	B (Note 1)	C (Note 2)
Monthly remuneration	Basic compensation	Fixed		○Fixed consumption corresponding to each Director's position	•	•	•
	Bonuses			○Directors who have representative authority are paid representative director bonuses for their responsibilities ○Directors are paid director bonuses for their responsibilities	•	-	-
Short-term incentive remuneration (Note 4)	Performance-based bonuses	Variable	Monetary	○Remuneration and other payments for business performance of each business year • The evaluation indicators shall be consolidated net profit (profit attributable to owners of the parent) and core operating cash flow, which are important KPIs. • The amount of payment is calculated using the actual values of the coefficient by position and the evaluation indicators, and it fluctuates within the range between 0% and 230% of the basic compensation by position. • Business performance ranges are set between 170 billion yen and 700 billion yen for consolidated net profit and between 270 billion yen and 800 billion yen for core operating cash flow.	•	-	-
	Individuals' evaluation-based compensation			[Organization's performance evaluation] ○Remuneration and other payments according to the achievement of financial targets by headquarters for each business year • The evaluation indicators shall be net profit and core operating cash flow of each business division. • The amount of payment is derived by multiplying the ratio to reflect the evaluation determined by the Board of Directors based on the rate of achievement of evaluation indicators against the basic compensation by position.	- (Note 3)	-	-
				[Individuals' qualitative evaluation] ○Remuneration and other payments for new value creation looking toward the future • As commissioned by the Board of Directors, the President shall evaluate each Director's performance considering his/her contribution to the plans and efforts (sustainability measures including "Green Strategy," etc.) to create new value for the future of the Corporation during the fiscal year. • The amount of payment is derived by multiplying the ratio to reflect evaluation within the range determined by the Board of Directors against the basic compensation. • The Governance and Remuneration Committee checks whether the evaluation is appropriately conducted within the scope delegated by the Board of Directors and provides reports to the Board of Directors.	•	-	-
Medium and long-term incentive remuneration	Restricted Stock		Shares	○Remuneration and other payments to promote linkage and sharing with shareholder value • The Corporation's common stock of the number suitable to the standard amount determined for each position is allotted every year with restriction on transfer for the period from the date of stock allotment until the retirement from a position of Director and Executive Officer or other positions predefined by the Board of Directors of the Corporation or the resignation from the Corporation.	•	•	-

Type		Form of Payment		Description	A	B (Note 1)	C (Note 2)
Medium and long-term incentive remuneration	TSR-linked Performance Share Units	Variable	Shares	<ul style="list-style-type: none"> <li>○ Remuneration and other payments for enhancing corporate value over the medium to long term</li> <li>• Relative TSR is used as the evaluation indicator. Relative TSR is calculated using the following formula by which the Corporation's Total Shareholder Return (TSR) for a period of three years (evaluation period) is compared with the TOPIX Dividend growth rate for the same period. Relative TSR = the Corporation's TSR for the evaluation period / TOPIX Dividend growth rate</li> <li>• The number of standard units corresponding to the base amount determined by position is allotted every year, and the Corporation's common stock is allotted according to the magnitude of achievement of relative TSR during the three-year evaluation period. Restriction on transfer is set on the allotted Corporation's common stock from the date of share issuance to the time of retirement from a position of the Corporation's Director, Executive Officer or other position predetermined by the Corporation's Board of Directors, or resignation from the Corporation.</li> <li>• The number of allotted shares fluctuates within the range between 0% and 150% of the number of shares corresponding to the standard unit according to the magnitude of achievement of relative TSR. <ul style="list-style-type: none"> <li>1) If relative TSR is 150% or above: 150%</li> <li>2) If relative TSR is 50% or above and below 150%: Same percentage as relative TSR</li> <li>3) If relative TSR is below 50%: 0%</li> </ul> </li> </ul> <p>Note, however, that if the Corporation's TSR is 100% or below, the maximum shall be 100% even when the relative TSR is 100% or above.</p>	•	•	-

Note 1. 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.

Note 2. Remuneration and other payments for Outside Directors consist entirely of the monthly remuneration as the basic compensation (including remuneration for responsibilities as the chairperson, member, etc., of each respective committee), considering that Outside Directors are in the position to supervise management with independence.

Note 3. The Executive Officer & Chief Operating Officer of business division is eligible to receive the individuals' evaluation-based compensation based on the organization's performance evaluation, and currently there is no Executive Director eligible for the payment.

Note 4. Short-term incentive remuneration will be paid in a lump sum at the end of each fiscal year.

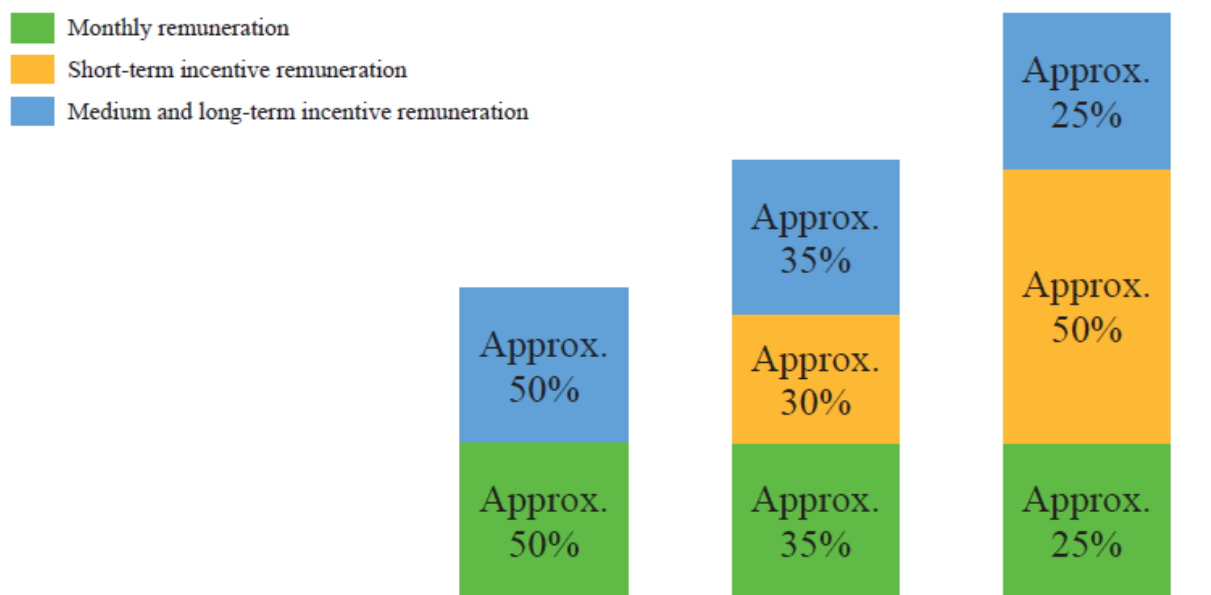
### 3. Remuneration levels and composition ratio

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 & 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.

### [Composition of remuneration for President and CEO]



Consolidated net profit	170 billion yen or below	400 billion yen	700 billion yen or below
Core operating cash flow	270 billion yen or below	500 billion yen	800 billion yen or below

Note: Excluding individuals' evaluation-based compensation and when the payment coefficient of TSR-linked Performance Share Units is 100%.

#### 4. Malus and Clawback

The short-term and the medium- and long-term incentive remuneration shall be the subject of the clauses that allow the Corporation to reduce or cancel the remuneration (Malus) and request the return of the paid remuneration (Clawback) based on the resolution of the Board of Directors when there was an adjustment of financial results after an announcement due to a significant revision of financial statements or there was a significant violation or breach of internal rules by an officer.

#### 5. Method to determine the remuneration and other payments for individual Directors

As for the policy to determine the remuneration and other payments for Directors (including the method to determine individual payments. Hereinafter referred to as the "Determination Policy"), the Governance and Remuneration Committee chaired by an Outside Director with the majority of its members consisting of independent Outside Directors/Audit & Supervisory Board Members deliberates on the Determination Policy, including the appropriateness of the remuneration levels, and provides reports to the Board of Directors for its determination of the Policy.

As for the determination of individual payments for Directors, the Governance and Remuneration Committee confirms the conformity to the Determination Policy and provides reports. Within the range of the maximum amount of remuneration resolved at a General Meeting of Shareholders, the payments are resolved at a meeting of the Board of Directors. However, as for the individual evaluation remuneration of the short-term incentive, the determination of payment for individual quantitative evaluation is commissioned to the President and CEO Masumi Kakinoki because it is judged that the person at the head of business execution is the most appropriate person. To improve the objectiveness, fairness and transparency, as for the amounts to be paid, the Governance and Remuneration Committee shall confirm that the evaluation has been conducted within the scope commissioned by the Board of Directors, and report them to the Board of Directors.

Regarding the remuneration and other payments for individual Directors for FY2023, since the Governance and Remuneration Committee deliberates on the conformity of the Determination Policy and provides reports to the Board of Directors, the Board respects the reports and they are deemed to be in conformity with the Determination Policy.

(Supplementary matter)

The process regarding remuneration for Executive Officers who do not concurrently serve as Director is the same remuneration framework and determination process as those for Directors.

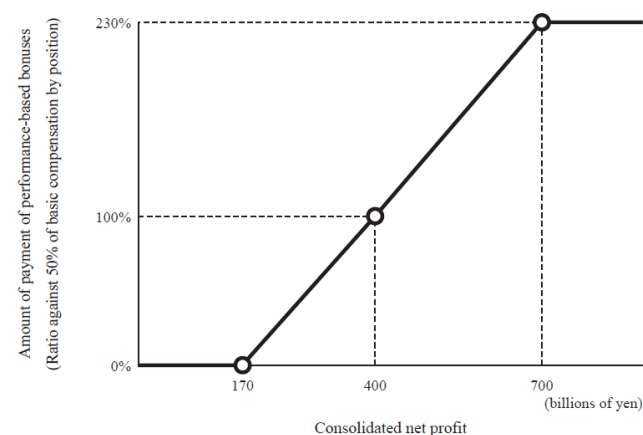
Reference: Performance-based compensation, Restricted Stock, and TSR-linked Performance Share Units

### 1. Overview of Performance-based compensation

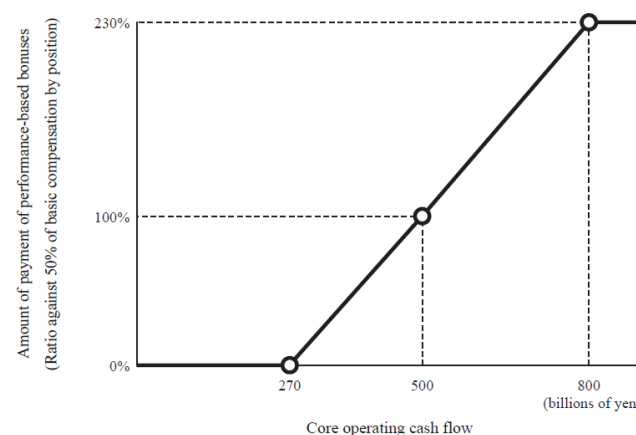
Performance-based compensation is a monetary compensation granted to the Corporation's eligible Executive Directors, the amount of which is calculated based on the evaluation indicators of each fiscal year. The evaluation indicators shall be consolidated net profit (profit attributable to owners of the parent) and core operating cash flow, which are important KPIs for each fiscal year. The amount is calculated using the actual values of the coefficient by position and the evaluation indicators, and it fluctuates within the range between 0% and 230% of the basic compensation by position. It will be paid in a lump sum at the end of each fiscal year.

#### [Performance-based bonuses / Incentive curve]

<Amount of payment of performance-based bonuses according to the results of consolidated net profit>



<Amount of payment of performance-based bonuses according to the core operating cash flow>





## 2. Overview of Restricted Stock

The Corporation's common stock of the number suitable to the standard amount determined for each position is allotted to the Eligible Directors every year with restriction on transfer. The Eligible Directors will receive the issue or disposition of the shares in exchange for a contribution in kind of all of the monetary remuneration claims to be paid by the Corporation. In addition, the grant of the shares is subject to the execution of an allotment agreement between the Corporation and the Eligible Directors, which contains the terms and conditions for free acquisition by the Corporation, etc., and the shares granted are subject to a transfer restriction period from the date of stock allotment until the retirement from a position of Director and Executive Officer or other positions predefined by the Board of Directors of the Corporation or the resignation from the Corporation.

## 3. Overview of TSR-linked Performance Share Units

The plan of TSR-linked Performance Share Units grants to the Eligible Directors a number of reference units equivalent to the reference amounts separately determined for each position each year, and according to the degree of achievement of the relative TSR over a three-year period (the "Evaluation Period"), grants thereto after the end of the Evaluation Period shares of common stock of the Corporation for which a certain transfer restriction period is provided. The Eligible Directors will receive the issue or disposition of the shares in exchange for a contribution in kind of all of the monetary remuneration claims to be paid by the Corporation according to the achievement of the relative TSR. In addition, the grant of the shares under this plan is subject to the execution of an agreement between the Corporation and the Eligible Directors with contents equivalent to the allotment agreement pertaining to Restricted Stock, and the shares granted are subject to a transfer restriction accordingly.

### (1) Method of calculating the amount of monetary remuneration claims

The amount of monetary remuneration claims for the grant of the shares to be paid to the Eligible Directors (in this (1), including persons who, during the Evaluation Period, come to hold the position of Directors or Executive Officers of the Corporation, or any other position predetermined by the Board of Directors of the Corporation) is calculated by multiplying the number of the shares ultimately to be allotted to the Eligible Directors (the "Final Number of Allotted Shares") by the value that is not particularly favorable to the Eligible Directors based on the closing price of the Corporation's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of the Board of Directors to be held after the end of the Evaluation Period determining the issue or disposition of shares for the allotment.

### Method of calculating the Final Number of Allotted Shares

1- The Final Number of Allotted Shares shall be calculated by multiplying the number of reference units corresponding to the reference amounts determined by the Board of Directors in advance for each position by the ratio corresponding to the degree of achievement of the relative TSR during the Evaluation Period as follows:

Final Number of Allotted Shares = the number of reference units multiplied by the following ratio

2- The ratio shall be determined according to the achievement of relative TSR as follows:

Relative TSR	Ratio
150% or above	150%
50% or above and below 150%	Same percentage as relative TSR
Below 50%	0%

Note, however that if the Corporation's TSR is 100% or below, the maximum shall be 100% even when the relative TSR is 100% or above.

3- Relative TSR is calculated using the following formula by which the Corporation's Total Shareholder Return (TSR) for the Evaluation Period is compared with the TOPIX (including dividends) growth rate for the same period.

$$\text{Relative TSR} = \frac{\text{the Corporation's TSR}}{\text{TOPIX (including dividends) growth rate}} = \frac{(B + C) / A}{E / D}$$

A: The average of the closing price of the Corporation's common stock on the Tokyo Stock Exchange on each day for the three months immediately preceding the day before the first date (inclusive) of the Evaluation Period

B: The average of the closing price of the Corporation's common stock on the Tokyo Stock Exchange on each day for the three months immediately preceding the last date (inclusive) of the Evaluation Period

C: The total amount of dividends per share of the Corporation's stock corresponding to the dividend record date during the Evaluation Period

D: The average of the closing price of the TOPIX (including dividends) on the Tokyo Stock Exchange on each day for the three months immediately preceding the day before the first date (inclusive) of the Evaluation Period

E: The average of the closing price for the TOPIX (including dividends) on the Tokyo Stock Exchange on each day for the three months immediately preceding the last date (inclusive) of the Evaluation Period

## (2) Terms and conditions of allotment of the shares to Eligible Directors

The Corporation will allot the shares of the Final Number of Allotted Shares to the Eligible Directors after the end of the Evaluation Period if the Eligible Directors meet all of the requirements in the following items or if the Board of Directors of the Corporation deems it necessary to achieve the purpose of the TSR-linked Performance Share Units Plan:

- (i) The Eligible Directors held the positions of Director or Executive Officer of the Corporation, or other positions predetermined by the Board of Directors of the Corporation on an ongoing basis during the Evaluation Period; and
- (ii) There was no certain misconduct as determined by the Board of Directors of the Corporation.

If the Eligible Directors resign or retire from their positions prescribed in advance by the Board of Directors of the Corporation due to expiration of their terms of office, death, or other justifiable reasons during the Evaluation Period, the Corporation may reasonably adjust the number of the shares to be allotted to those who resigned or retired (or their successors in the event of resignation or retirement due to death) in light of such factors as their terms of office.