Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Last Update: July 4 , 2024

MITSUI-SOKO HOLDINGS CO., Ltd.

Hirobumi Koga, President & CEO
Contact: Risk Management Division 03-6400-8008
Securities code: 9302
https://www.mitsui-soko.com/en/

The corporate governance of MITSUI-SOKO HOLDINGS CO., Ltd. (the "Company") is described below.

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

1. Basic Views

(1) We aim to enhance our corporate value over the medium to long term based on the Group Philosophy of "Purpose (meaning of our existence) - Empower society, encourage progress," "Vision (what we want to become in the medium- to long-term span) - The co-creative logistics solutions partner. For everyday, emergencies, and always will be," and "Values (corporate values and action guidelines) - 'PRIDE,' 'CHALLENGE,' 'GEMBA,' and 'RESPECT'."
(2) We will fulfill our corporate social responsibility by promoting management in compliance with laws and regulations and realizing fair and lawful business operations.
(3) We will rationally assess risks, make bold decisions, and constantly challenge new businesses.
(4) We will engage in appropriate collaboration with shareholders, employees, customers, business partners, and other stakeholders including the communities in which the Group operates.
(5) We will strengthen the function of the Board of Directors, the Audit and Supervisory Board and internal audits, etc. and, as a holding company, will develop and promote the Group's governance in order to appropriately control the management of each of the Group companies.

With regard to corporate governance, all directors, Audit and Supervisor Board members and employees faithfully perform their duties in order to fully recognize the social mission of the Company and not to harm the interests of shareholders. The Company has established the Board of Directors, the Audit and Supervisory Board, the Management Council, the Sales Promotion Council, the Officers' Council, the Nomination and Remuneration Committee, the Sustainability Committee, the Compliance Committee, the Risk Management Committee, and the Information Security Committee. The Company has introduced the executive officer system that separates business execution and oversight functions and clarifies responsibilities and authority for business execution by directors and executive officers as part of its initiatives for strengthening its corporate governance.
In addition, the Risk Management Division strives to prevent the occurrence of risks, to detect them at an early stage, and to strengthen risk management by promoting standardization and documentation of operations, managing records, and introducing an internal reporting system.

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

The Company is implementing all the Principles of the Corporate Governance Code.

Disclosure Based on the Principles of the Corporate Governance Code Updated

The Company implements the principles of the Corporate Governance Code. The status of implementation of the principles is disclosed in the form of the MITSUI-SOKO HOLDINGS Corporate Governance Guidelines (the "Company's Guidelines") and Related Documents, and is posted on the Company's website.
https://www.mitsui-soko.com/sustainability/governance/corporate_governance/
For matters to be disclosed pursuant to the Corporate Governance Code, please refer to the following descriptions and the Company's Guidelines and Related Documents mentioned below.

<Principle 1-4> Cross-Shareholdings
Please refer to Related Document "Policy on Cross-Shareholdings and Exercise of Voting Rights."

<Principle 1-7> Related Party Transactions
Please refer to the Company's Guidelines (Prevention of Related Party Transactions against Shareholders' Interests).

<Supplementary Principle 2-4(1)> Ensuring Diversity in Core Human Resources
Please refer to the Company's Guidelines (Ensuring Diversity, Including Active Participation of Women) and the Company's website (https://www.mitsui-soko.com/company/overview/women/).

<Principle 2-6> (Roles of Corporate Pension Funds as Asset Owners)
Please refer to the Company's Guidelines (Roles of Corporate Pension Funds as Asset Owners).

<Principle 3-1> Full Disclosure
Please refer to the Company's Guidelines: Group's Basic Views and Policies on Corporate Governance; Policies and Procedures for Determining Remuneration for Directors and Audit and Supervisory Board Members; Policies and Procedures for Determining Candidates for Directors and Audit and Supervisory Board Members; and Explanations of Nomination of Each Candidate for Director and Audit and Supervisory Board Member.

<Supplementary Principle 3-1(2)> Considering the ratio of overseas investors or shareholders, the Company will disclose and provide required information in English.

<Supplementary Principle 3-1(3)> Sustainability Initiatives
Please refer to the Company's Guidelines: Disclosure of Information on Specific Initiatives; Disclosure of Information on Climate Change; "3. Measures to Ensure Due Respect for Stakeholders" in "III. Implementation of Measures Related to Shareholders and Other Stakeholders" of this Report; and the following descriptions.

Human capital is one of the most important assets of the Group, and we have positioned the expansion of investment in human capital as one of the most important initiatives in our mid-term management plan. We have defined the image of human resources we seek as "Design the new story and lead everyone," and are implementing various measures to recruit, train, and retain people who embody this image.

The Group has recognized that standardized operational know-how and procedures in the field of logistics are important intellectual capital and is working to strengthen GEMBA power and to promote digital transformation as the important measures in its management strategies. For details of key performance indicators (KPI) and initiatives related to sustainability, human capital, and intellectual property, please refer to the following:
The Company's website: https://www.mitsui-soko.com/sustainability/
Integrated Report (Value Report): https://www.mitsui-soko.com/ir/library/integrated_report/
Sustainability Data Book: https://www.mitsui-soko.com/ir/library/sustainability_report/

In addition, the Company supports the TCFD recommendations and is working to identify climate-related risks and opportunities and strengthen and expand information disclosure, including respective systems, in addition to its previous initiatives.
Please refer to the following for details of specific initiatives:
The Company's website : https://www.mitsui-soko.com/sustainability/environment/tcfd_disclosure/

<Supplementary Principle 4-1-(1)> Scope of Delegation to Management
Please refer to the Company's Guidelines (Roles and Responsibilities of Board of Directors (1)).

<Principle 4-9> Independence Standards and Qualification for Independent Outside Directors
Please refer to Related Document "Independence Standards for Outside Officers."

<Supplementary Principle 4-10(1)> Involvement and Advice of Independent Outside Directors in Considering Nomination, Remuneration, etc. of Officers by Establishing Independent Advisory Committee
Please refer to the Company's Guidelines (Policies and Procedures for Determining Candidates for Directors and Audit and Supervisory Board Members) (Policies and Procedures for Determining Remuneration for Directors and

Audit and Supervisory Board Members).

<Supplementary Principle 4-11(1)> Views on Total Balance of Knowledge, Experience and Ability, Diversity and Size of Board of Directors, and Skill Matrix; <Supplementary Principle 4-11(2)> Concurrent Positions of Directors and Audit and <Supervisory Board Members; 4-11(3)> Analysis and Self-Evaluation of Effectiveness of Board of Directors as a whole
Please refer to the Company's Guidelines: Policies and Procedures for Determining Candidates for Directors and Audit and Supervisory Board Members (Preconditions for Ensuring Effectiveness of Board of Directors and Audit and Supervisory Board); and the following explanation.

The Company conducts questionnaires for directors and Audit and Supervisory Board Members (including outside officers) to evaluate the effectiveness of the Board of Directors. Although the questionnaires are conducted by the Company, it takes a third-party perspective by reviewing the questions each year while receiving the advice of outside experts. Based on the results of the questionnaires, the Company evaluates that the management of the Board of Directors is generally appropriate, but it is working to improve the effectiveness of the Board of Directors through the PDCA cycle by taking improvement measures to address the issues identified when compiling questionnaires.
In FY2023, while receiving positive feedback on its efforts to improve the operation of the Board of Directors by early delivery of materials etc., it was identified as an issue to introduce measures to improve governance by, for example, enhancing broad discussions on management strategies such as the medium-term management plan and new management issues such as sustainability. In order to resolve these issues, the Company is considering reviewing the criteria for submission of agendas and having an external organization evaluate the Board of Directors.

<Supplementary Principle 4-14-(2)> Training Policy for Directors and Audit and Supervisory Board Members
Please refer to the Company's Guidelines (Training for Directors and Audit and Supervisory Board Members).

<Principle 5-1> Policy for Constructive Dialogue with Shareholders
Please refer to the Company's Guidelines (Policy for Establishing Systems and Initiatives to Promote Dialogue with Shareholders), Related Document "Basic Policy on Dialogue with Shareholders," and the following explanation.

[Action to Implement Management That Is Conscious of Capital Cost and Stock Price]
(1) Action to Implement Management That Is Conscious of Capital Cost
The Group has positioned ROE as one of the important management indicators in engaging in corporate management that is conscious of capital cost. In the Medium-term Management Plan 2022, the Company has set a target of ROE exceeding 12%, which exceeds the cost of equity calculated by CAPM in the Company.
In terms of recent performance, the Company has exceeded its targets (Fiscal Year ended March 2023: 18.1%, Fiscal Year ended March 2024: 11.9%) and will continue to strive to maintain a high level of capital efficiency.
Although perceptions vary among the investors we had dialogue with, we have heard that the average cost of equity that investors expect from the Company is around 8.5%.
The status of the Company's dialogue with shareholders and investors regarding cost of equity and ROE is also disclosed in the Company's financial results presentation for the fiscal year ending March 2024.
(2) Action to Implement Management That Is Conscious of Stock Price
The Board of Directors regularly holds discussions on PBR and considers and implements measures aimed at obtaining appropriate external evaluation.
In the Fiscal Year ended March 2024, the Company started disclosure by sector regarding our logistics business.
PBR as of Fiscal Year ending March 31, 2023 and March 31, 2024 were 1.05 times and 1.07 times, respectively, exceeding the average PBR of the warehouse/transportation sector of 1.0 times (as of Fiscal Year ending March 31, 2024).
Changes in PBR and PER for the past five years are also disclosed in the financial results presentation for the fiscal year ending March 31, 2024.
Going forward, the Company will continue to strengthen our dialogue and information disclosure with investors, aiming to enhance the evaluation of our medium- to long-term growth potential and further improve our PER.
Financial Results Briefing Materials:
https://www.mitsui-soko.com/-/media/pdf/msh/ir/library/setsumeikai/2024/2024_4Q.pdf

[Implementation Status of Dialogue, etc. with Shareholders]
The Company holds Financial Results Briefings once a quarter, in which top management provides a direct briefing, including information on the medium-term management plan.
In addition, the Company conducts dialogue (engagement) from time to time through constructive individual interviews on cost of capital, information disclosure, and shareholder returns, etc. both domestically and internationally, regardless of the field of the counterparts. The main contents and the results of the dialogue are also disclosed in the financial results briefing materials for the fiscal year ending March 31, 2024.
The implementation status of dialogue in Fiscal Year ending March 31, 2024 is as follows:
・Financial Results Briefings: four (4) times for a total of 195 companies
・Individual IR interviews: A total of 102 interviews
・Institutional investors engagement: 13 companies
Officer in charge of IR provides feedback to the Board of Directors on the implementation status of dialogue and valuable opinions received during the dialogue in order to improve corporate value. Based on the results, the Company will communicate its management direction and business strategies, etc. with the shareholders in a proper manner, and strive for dialogue with them to ensure proper evaluation and understanding.
Financial Results Briefing Materials:
https://www.mitsui-soko.com/-/media/pdf/msh/ir/library/setsumeikai/2024/2024_4Q.pdf

2. Capital Structure

Foreign Shareholding Ratio	20% or more and less than 30%

Status of Major Shareholders Updated

Name or Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,901,000	11.64
Custody Bank of Japan, Ltd. (Trust Account)	1,569,800	6.30
TAIJU LIFE INSURANCE COMPANY LIMITED	1,569,200	6.29
Mitsui Sumitomo Insurance Company, Limited	1,401,000	5.62
Sumitomo Mitsui Banking Corporation	696,950	2.79
GOLDMAN SACHS INTERNATIONAL	586,230	2.35
Mizuho Securities Co., Ltd.	519,100	2.08
MITSUI-SOKO Group Employees' Shareholding Society	509,360	2.04
TAKENAKA CORPORATION	496,800	1.99
STATE STREET BANK AND TRUST COMPANY 505223	478,492	1.92

Name of Controlling Shareholder, if applicable (excluding Parent Company)	---
Name of Parent Company, if applicable	None

Supplementary Explanation

1. Percentage (of Shares Held) is calculated excluding treasury shares (46,980 shares).

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Tokyo Stock Exchange Prime Section
Fiscal Year-End	March
Business Sector	Warehousing & Harbor Transportation Services
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	More than 1000
Net Sales (Consolidated) as of the End of the Previous Fiscal Year	¥100 billion or more and less than ¥1 trillion

Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	50 or more and less than 100

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

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5. Other Special Circumstances which May have Material Impact on Corporate Governance

None

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

1. Organizational Composition and Operation

Corporate Governance System	Company with Audit and Supervisory Board

Directors

Number of Directors Stipulated in Articles of Incorporation	12
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	President
Number of Directors Updated	9
Election of Outside Directors	Elected
Number of Outside Directors	4
Number of Independent Directors	4

Outside Directors' Relationship with the Company (1) Updated

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Taizaburo Nakano	From another company											
Takashi Hirai	From another company											
Maoko Kikuchi	From another company											
Takashi Tsukioka	From another company								△			

*Categories for "Relationship with the Company".

(Use "○" 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; and "▲" when a close relative of the director fell under the category in the past.)

a. Person who executes business of the Company or a subsidiary
b. Person who executes business or a non-executive director of a parent company
c. Person who executes business of a fellow subsidiary
d. Person/entity for which the Company is a major client or a person who executes business for such person/entity
e. Major client of the Company or a person who executes business for such client
f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets in addition to director/Audit and Supervisory Board Member compensation from the Company
g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business of the corporation)
h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to self only)
i. Person who executes business for another company holding cross-directorships/cross-auditorships with the Company (applies to self only)
j. Person who executes business for an entity receiving contributions from the Company (applies to self only)
k. Other

Outside Directors' Relationship with the Company (2) Updated

Name	Independent Officer	Supplementary Explanation of the Applicable Relationship	Reasons for Appointment
Taizaburo Nakano	○	Mr. Taizaburo Nakano is President and CEO of TIEUP Co., Ltd.	He has served as a director at a beverage company for many years and has wide-ranging insights based on his rich experience as a corporate manager. Based on this experience, he has provided supervision and advice on the management policies of the Group from a manager's perspective, and we believe that he is qualified to serve as an outside director of the Company. In addition to the above, the Company has designated him as an independent officer because he meets the independence standards for outside officers set forth by the Company and poses no risk of having conflicts of interest with the Company's ordinary shareholders even in light of the Stock Exchange's judgment standards regarding independent officers.
Takashi Hirai	○	Mr. Takashi Hirai is Professor at the Graduate School of Business Sciences of MBA Program in International Business, University of Tsukuba.	In addition to his experience in business administration at various companies, he has provided consulting services in a wide range of industries. He has conducted research in different graduate schools on corporate strategies and business strategies, and considering his track record of providing supervision and advice particularly on the business strategies of the Group based on his extensive knowledge and deep insight, we believe that he is qualified to serve as an outside director of the Company. In addition to the above, the Company has designated him as an independent officer because he meets the independence standards for outside officers set forth by the Company and poses no risk of having conflicts of interest with the Company's ordinary shareholders even in light of the Stock Exchange's judgment standards regarding independent officers.
Maoko Kikuchi	○	Ms. Maoko Kikuchi serves as Outside Director of Hitachi Construction Machinery Co. and Outside Audit & Supervisory Board Member of Ryohin Keikaku Co., Ltd.	She is qualified to practice as a lawyer in Japan and New York State in the U.S. and was formerly engaged in corporate legal affairs while working at the Public Prosecutors Office and the Japan Fair Trade Commission. Considering her track record of providing valuable advice on corporate activities of the Group in general based on her rich experience and insight gained as a Standing Outside Audit and Supervisory Board Member of the Company, we believe that she is qualified to

			serve as an outside director of the Company. In addition to the above, the Company has designated her as an independent officer because she meets the independence standards for outside officers set forth by the Company and poses no risk of having conflicts of interest with the Company's ordinary shareholders even in light of the Stock Exchange's judgment standards regarding independent officers.
Takashi Tsukioka	○	Mr. Takashi Tsukioka is Outside Director of Mizuho Financial Group, Inc. and Honorary Advisor of Idemitsu Kosan Co., Ltd.	He has extensive experience as a corporate manager, having served for many years as a director, and as president and chairman, of an energy company. Considering his track record of providing supervision and advice on the management policies and business strategies of the Group based on his experience and wide-ranging knowledge, we believe that he is qualified to serve as an outside director of the Company. In addition to the above, the Company has designated him as an independent officer because he meets the independence standards for outside officers set forth by the Company and poses no risk of having conflicts of interest with the Company's ordinary shareholders even in light of the Stock Exchange's judgment standards regarding independent officers.

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

Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chair (Chairperson)

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination and Remuneration Committee	5	0	1	4	0	0	Outside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Nomination and Remuneration Committee	5	0	1	4	0	0	Outside Director

Supplementary Explanation Updated

The Nomination and Remuneration Committee is composed of four (4) outside directors, Taizaburo Nakano, Takashi Hirai, Maoko Kikuchi and Takashi Tsukioka, and President & Group CEO Hirobumi Koga, being chaired by Taizaburo Nakano, one of the outside directors. In addition, one (1) outside expert attends the Committee as an advisor. The Nomination and Compensation Committee deliberates on the nomination of directors and Audit and Supervisory Board Members, the determination of remuneration for directors and executive officers (standard amount for remuneration for officers, individual evaluation of each director, and verification of the adequacy and appropriateness of performance-linked remuneration amount), and the formulation and review of the officer remuneration system (including non-monetary remuneration such as share-based remuneration) to enhance objectivity, fairness and transparency of each item. The frequency of the Nomination and Compensation Committee meetings and the attendance status of the members, etc. in FY2023 are as follows:

○ Frequency of the Nomination and Compensation Committee meetings

A total of three (3) meetings were held in FY2023.

○ Attendance status of the President and outside Directors

Position at the end of FY2023	Name	Attendance status
President & Group CEO	Hirobumi Koga	3/3 (100%)
Outside Director	Taizaburo Nakano	3/3 (100%)
Outside Director	Takashi Hirai	3/3 (100%)
Outside Director	Maoko Kikuchi	3/3 (100%)
Outside Director	Takashi Tsukioka*	2/2 (100%)

*Outside Director Takashi Tsukioka was appointed in June 2023, therefore the number of committee meetings covered is different from the other members.

Audit and Supervisory Board Member

Establishment of Audit and Supervisory Board	Established
Number of Audit and Supervisory Board Members Stipulated in Articles of Incorporation	5
Number of Audit and Supervisory Board Members	4

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

The Audit and Supervisory Board members meet regularly with accounting auditors and the Internal Audit Division (Risk Management Division) to exchange information on audit plans and the status of the implementation of audits. In addition, Assistant Staff of the Audit and Supervisory Board are appointed to enhance the efficiency and effectiveness of audits.

Appointment of Outside Audit and Supervisory Board Members	Appointed
Number of Outside Audit and Supervisory Board Members	2
Number of Independent Audit and Supervisory Board Members	2

Outside Audit and Supervisory Board Members' Relationship with the Company (1)

Name	Attributes			Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k	l	m
Motohide Ozawa	CPA													
Hidetaka Miyake	Lawyer													

*Categories for "Relationship with the Company".

(Use "○" 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; and "▲" when a close relative of the director fell under the category in the past.)

a. Person who executes business of the Company or a subsidiary
b. A non-executive director or an accounting advisor of the Company or its subsidiaries
c. Person who executes business or a non-executive director of a parent company
d. An Audit and Supervisory Board Member of a parent company of the Company
e. Person who executes business of a fellow subsidiary
f. Person/entity for which the Company is a major client or a person who executes business for such person/entity
g. Major client of the Company or a person who executes business for such client
h. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets in addition to director/Audit and Supervisory Board Member compensation from the Company
i. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business of the corporation)
j. Person who executes business for a client of the Company (excluding persons categorized as any of f, g, or h above) (applies to self only)
k. Person who executes business for another company holding cross-directorships/cross-auditorships with the Company (applies to self only)
l. Person who executes business for an entity receiving contributions from the Company (applies to self only)
m. Other

Outside Audit and Supervisory Board Members' Relationship with the Company (2) Updated

Name	Independent Officer	Supplementary Explanation of the Applicable Relationship	Reasons for Appointment
Motohide Ozawa	○		He has been active on the front lines as a certified public accountant for many years, having served as a representative partner at multiple auditing firms and as a member of the Special Committee on Accounting for Retirement Benefits of the Japanese Institute of Certified Public Accountants (JICPA). We believe that he is qualified to serve as an Outside Audit and Supervisory Board Member from his track record in having undertaken audit duties for the Group, including overseas affiliates, from the viewpoint of financial soundness and accuracy based on his special expertise in international accounting. In addition to the above, the Company has designated him as an independent officer because he meets the independence standards for outside officers set forth by the Company and poses no risk of having conflicts of interest with the Company's ordinary shareholders even in light of the Stock Exchange's judgment standards regarding independent officers.
Hidetaka Miyake	○	Mr. Hidetaka Miyake is a partner of Anderson Mori & Tomotsune.	He has wide-ranging knowledge as an attorney and extensive experience at the Public Prosecutors Office, the Securities and Exchange Surveillance Commission of the Financial Services Agency, and an auditing firm. We believe that he is qualified to serve as an Outside Audit and Supervisory Board Member from his track record in

			auditing the soundness and transparency of the Group's governance and improvement of compliance from the perspectives of law and risk management, and other areas. In addition to the above, the Company has designated him as an independent officer because he meets the independence standards for outside officers set forth by the Company and poses no risk of having conflicts of interest with the Company's ordinary shareholders even in light of the Stock Exchange's judgment standards regarding independent officers.

Independent Officers

Number of Independent Directors and Independent Audit and Supervisory Board Members	6

Other Matters concerning Independent Officers

The Company designates all outside officers who qualify as independent officers as Independent Officers.

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Introduction of Performance-linked Remuneration Scheme

Supplementary Explanation for Applicable Items

The current officer remuneration system is based on the basic remuneration for each position plus a performance-linked portion.
As the indicators for the performance-linked evaluation, the Company adopts consolidated operating profit because it will motivate an increase in corporate value through the improvement of business performance. In addition to this, the Company uses consolidated profit before income taxes, in which the results of investment and loans are reflected.
To obtain the performance evaluation for the following fiscal year's officer remuneration, the Company has the framework in which, with regard to these two indicators, the ratio of the target value of the relevant fiscal year to the actual results of the relevant fiscal year and the ratio of the actual result of the relevant fiscal year to the actual result of the previous fiscal year are scored based on the table in the Officer's Remuneration Rules and will be reflected on the amount of remuneration.
From FY2022, the Company has introduced the restricted stock compensation plan with the aim of strengthening corporate governance and fostering management awareness from the perspective of investors.

Persons Eligible for Stock Options	---

Supplementary Explanation for Applicable Items

Director Remuneration Updated

Status of Disclosure of Individual Directors' Remuneration	Individual remuneration is not disclosed.

Supplementary Explanation for Applicable Items Updated

The total amount is disclosed separately for internal directors and outside officers (including outside Audit and Supervisory Board members). Remuneration for internal directors: 356 million yen (of which 212 million yen for fixed portion, 114 million yen for variable portion and 29 million yen for non-monetary remuneration), Remuneration for outside officers: 55 million yen (55 million yen for fixed portion only).

Policy on Determining Remuneration Amounts and the Calculation Methods Thereof	Established

Disclosure of Policy on Determining Remuneration Amounts and the Calculation Methods Thereof

The amount of the officer's remuneration is determined by the Nomination and Remuneration Committee, which is chaired by an outside director and composed of other outside directors and the President & Group CEO and the Chairman of the Company. This will ensure the appropriateness of individual remuneration amounts and the transparency of the decision-making process, and the Company follow the decision of the Committee.

Support System for Outside Directors and/or Outside Audit and Supervisory Board Members

Assistant staff of Audit and Supervisory Board are appointed to enhance the efficiency and effectiveness of audits.

Statuses of Persons who have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) after Retiring as Representative Director and President, etc.

Name	Job title/ position	Responsibilities	Terms and Conditions of Employment (Full/part time, with/without remuneration, etc.)	Date when former role as president/ CEO ended	Term
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Number of Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) After Retiring as Representative Director and President, etc.	0

Other Related Matters

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2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System) Updated

(1) Board of Directors

Chaired by Hirobumi Koga, President & Group CEO, the Board of Directors is composed of a total of nine (9) members: five (5) internal directors including the chairperson, Nobuo Nakayama, Takeshi Gohara, Yuji Itoi and Tomoaki Kiriyama, and four (4) outside directors, Taizaburo Nakano, Takashi Hirai, Maoko Kikuchi and Takashi Tsukioka. As a general rule, the Board of Directors meets a total of 16 times a year, including 12 regular meetings each month and four (4) quarterly meetings for accounting settlement purposes. The Board of Directors makes

important decision in accordance with laws and regulations, the Articles of Incorporation, and internal regulations, and supervises the execution of duties by executive directors.
Status of the Board of Directors activities in FY2023 is as follows:
○ Frequency of holding the Board of Directors meetings
In FY2023, the Board of Directors held a total of 16 meetings, including 12 regular meetings and four (4) quarterly meetings for accounting settlement purposes.
○ Attendance status of Directors and Audit and Supervisory Board Members

Position at the end of FY2023	Name	Attendance status
President & Group CEO	Hirobumi Koga	16/16 (100%)
Representative Director and Senior Managing Director	Nobuo Nakayama	16/16 (100%)
Executive Managing Director	Hiroshi Kino	16/16 (100%)
Executive Managing Director	Takeshi Gohara	16/16 (100%)
Director, Senior Executive Officer	Yuji Itoi	16/16 (100%)
Director, Senior Executive Officer	Tomoaki Kiriyama	16/16 (100%)
Outside Director	Taizaburo Nakano	16/16 (100%)
Outside Director	Takashi Hirai	16/16 (100%)
Outside Director	Maoko Kikuchi	16/16 (100%)
Outside Director	Takashi Tsukioka	13/13 (100%)*1
Senior Standing Audit and Supervisory Board Member	Yukio Ishida	16/16 (100%)
Standing Audit and Supervisory Board Member	Norio Miyashita	16/16 (100%)
Outside Audit and Supervisory Board Member	Osamu Sudoh	3/3 (100%)*2
Outside Audit and Supervisory Board Member	Motohide Ozawa	16/16 (100%)
Outside Audit and Supervisory Board Member	Hidetaka Miyake	13/13 (100%)*1

(*1) Attendance after election at the Annual General Meeting of Shareholders.
(*2) Attendance before resignation at the Annual General Meeting of Shareholders.
○ Specific considerations of the Board of Directors
In FY2023, the Board of Directors has deliberated whether the allocation of management resources has been achieved by maintaining a balance between investment in growth, shareholder returns, and financial soundness in order to achieve the five-year plan "Medium-term Management Plan 2022," which ends in FY2027. In addition, we are striving to enhance the effectiveness of the Board of Directors through free and vigorous discussions with the executive divisions to ensure that sustainability management is promoted through both the promotion of sustainability strategies and the implementation of ESG measures. In addition to the above, the Board of Directors considered matters required by law, the Articles of Incorporation, and internal regulations.

(2) Audit and Supervisory Board
The Audit and Supervisory Board is composed of four (4) members in total, two (2) of which are standing members and two (2) of which are outside members, Motohide Ozawa and Hidetaka Miyake. In addition to them, Assistant staff are appointed from among employees of the Company to support the duties of the Audit and Supervisory Board to enhance the efficiency and effectiveness of audits. The Audit and Supervisory Board members attend meetings of the Board of Directors, the Officers' Council, and other important meetings to supervise the status of directors' execution. In addition, in a case where the number of Audit and Supervisory Board members falls short of the number stipulated by laws and regulations, one (1) substitute Audit and Supervisory Board member has been appointed in advance in accordance with Article 329, Paragraph 3 of the Companies Act.

(3) Management Council
Chaired by Hirobumi Koga, President & Group CEO, the Management Council is composed of a total of twelve (12) members: five (5) fill-time directors including the chairperson, Nobuo Nakayama, Takeshi Gohara, Yuji Itoi, Tomoaki Kiriyama, two (2) executive officers: Eisuke Tanaka and Ken Nishimura and five (5) representative directors of five (5) operating companies, Hiroshi Torii, Hisanari Ichiryu, Torii, Takayuki Sekitori, Teruo Ishikawa and Atsushi Shigemura. In addition, Yukio Ishida, Senior Audit and Supervisory Board Member/Standing Audit and Supervisory Board Member, attends the Council as an observer. The Management Council meets regularly twice a month, in principle, to deliberate or make resolutions on (i) matters to be submitted to the Board of Directors, (ii) important matters related

to overall management, and (iii) matters delegated by the Board of Directors to the Management Council for execution, with the aim of maximizing the value of the Group.
The frequency of holding the Management Council meetings and the attendance status of the members7, etc. in FY2023 are as follows:
○ Frequency of holding the Management Council meetings
A total of 27 meetings were held in FY2023.
○ Attendance status of Management Council members, etc.

Position at the end of FY2023	Name	Attendance status
President & Group CEO	Hirobumi Koga	27/27 (100%)
Representative Director and Senior Managing Director	Nobuo Nakayama	27/27 (100%)
Executive Managing Director	Hiroshi Kino	27/27 (100%)
Executive Managing Director	Takeshi Gohara	27/27 (100%)
President of MITSUI-SOKO Co., Ltd.	Takanobu Kubo	25/27 (93%)
President of MITSUI-SOKO EXPRESS Co., Ltd.	Hisanari Ichiryu	27/27 (100%)
President and Chief Executive Officer of MITSUI-SOKO LOGISTICS Co.,Ltd.	Hiroshi Torii	27/27 (100%)
President of MITSUI-SOKO Supply Chain Solutions, Inc	Takayuki Sekitori	26/27 (96%)
President of MITSUI-SOKO TRANSPORT Co., Ltd.	Takayoshi Masuda	27/27 (100%)
Senior Standing Audit and Supervisory Board Member	Yukio Ishida	27/27 (100%)

(4) Sales Promotion Council
The Sales Promotion Council is composed of the President & Group CEO, persons appointed by the President & Group CEO from among directors of the Company, and persons appointed by the President & Group CEO from among presidents of five (5) operating companies or persons in equivalent positions and meets periodically once a month to share information that contributes to monthly performance, quarterly forecasts, budget management, business expansion, and cross-business promotion.

(5) Officers' Council
The Officers' Council is composed of directors, Audit and Supervisory Board members, and representative directors of five operating companies or persons appointed by the President & Group CEO from among persons in equivalent positions. It meets four (4) times a year to disseminate important matters concerning overall management of the Group and to exchange information for promoting mutual understanding of the situation of the Group.

(6) Nomination and Remuneration Committee
Please refer to Section II.1 [Status of Voluntarily Established Committee] and [Supplementary Explanation].

(7) Sustainability Committee
The Committee is chaired by the president & Group CEO and is composed of directors (excluding outside directors), managing executive officers, and representative directors of five (5) operating companies or persons appointed by the President & Group CEO. In principle, the Committee meets once every six (6) months to formulate and implement policies on sustainability (realizing a sustainable society by creating new value as a corporate group that supports logistics, an indispensable form of social infrastructure) in the Group, thereby improving the Group's corporate value.
Status of the Sustainability Committee activities in FY2023 are as follows:
○ Frequency of holding the Sustainability Committee meetings
A total of two (2) meetings were held in FY2023.
○ Attendance status of the Committee members, etc.

Position at the end of FY2023	Name	Attendance status
President & Group CEO	Hirobumi Koga	2/2 (100%)
Representative Director and Senior Managing Director	Nobuo Nakayama	2/2 (100%)
Executive Managing Director	Hiroshi Kino	2/2 (100%)
Executive Managing Director	Takeshi Gohara	2/2 (100%)

Director, Senior Executive Officer	Yuji Itoi	2/2 (100%)
Director, Senior Executive Officer	Tomoaki Kiriyama	2/2 (100%)
President of MITSUI-SOKO Co., Ltd.	Takanobu Kubo	2/2 (100%)
President of MITSUI-SOKO EXPRESS Co., Ltd.	Hisanari Ichiryu	2/2 (100%)
President and Chief Executive Officer of MITSUI-SOKO LOGISTICS Co.,Ltd.	Hiroshi Torii	2/2 (100%)
President of MITSUI-SOKO Supply Chain Solutions, Inc	Takayuki Sekitori	2/2 (100%)
President of MITSUI-SOKO TRANSPORT Co., Ltd.	Takayoshi Masuda	2/2 (100%)
Executive Managing Director of MITSUI-SOKO Co., Ltd.	Hideki Wakano	1/2 (50%)
Director, Senior Executive Officer of MITSUI-SOKO Co., Ltd.	Shigeki Kanai	2/2 (100%)

○ Specific considerations of the Sustainability Committee

Reports of each subcommittee (human resources, safety and environment), Refinement of CO2 reduction roadmap, review of sustainability strategy and materiality, Fit & Gap analysis based on third-party evaluation

(8) Compliance Committee

Chaired by the President & Group CEO, the Compliance Committee is held once a quarter in principle to discuss measures to be taken in the event of compliance violations or other problems affecting the Group's management, to establish the Group's Corporate Ethics that should serve as a code of conduct for officers and employees, and to establish a compliance system to promote compliance and prevent compliance violations.

(9) Risk Management Committee

Chaired by the director in charge of risk management, the Risk Management Committee meets once a quarter, in principle, for the purpose of mitigating the Group's risks. The Committee appropriately confirms risks in business activities, establishes measures to respond to relevant risks, manages the progress and results of those measures, and prepares and updates manuals to prevent and prepare for the occurrence of those risks.

(10) Information Security Committee

Chaired by the executive director in charge of IT System, the Information Security Committee meets once a quarter, in principle, to develop systems related to the Group's information security management, promote and review relevant activities, and protect personal information and corporate information.

3. Reasons for Adoption of Current Corporate Governance System

The Company has established the current corporate governance system to promote highly transparent management based on compliance, to pursue economic efficiency, and to fulfill its corporate social responsibility by realizing fair and lawful business operations. This system enables the separation of business execution and supervision, the strengthening of mutual checks and balances, and the checking of outside experts such as outside directors and outside Audit and Supervisory Board members. In addition, the Company has established a system in which Audit and Supervisory Board members, accounting auditors and internal auditors work closely together and conduct regular audits from their respective perspectives in order to prevent the occurrence of risks associated with its business and to identify problems and make improvements as early as possible.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

Updated	Supplementary Explanation
Early Posting of Notice of the General Shareholders Meeting	The notice of convocation will be sent out three (3) weeks prior to the date of the General Meeting of Shareholders to allow shareholders to have sufficient time to consider the proposals. The notice of convocation of the Ordinary General Meeting of Shareholders held on June 25, 2024 was sent out on June 4, three (3) weeks prior to the date of convocation after the start of electronic provision on May 28, four (4) weeks prior to the date of convocation.

Electronic Exercise of Voting Rights	The Company has introduced an electronic voting system that enables shareholders to exercise voting rights via the Internet on the voting website designated by the Company.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The Company makes the Electronic Voting Platform operated by ICJ available for exercising voting rights.
Provision of Notice (or Summary of Notice) of the General Shareholders Meeting in English	The Company has prepared an English translation of the Notice of Convocation of the Ordinary General Meeting of Shareholders, etc., submitted it to the Tokyo Stock Exchange and posted it on the Company's website
Other	The Notice of Convocation of the General Meeting of Shareholders is posted on the Company's website.

2. Status of IR-related Activities Updated

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	Disclosure Policy is posted on the Company's website.	
Regular Investor Briefings held for Individual Investors	The Company holds IR briefings for analysts and institutional investors once a quarter.	Held
Online Disclosure of IR Information	The following IR information is available on the Company's website; Financial Report (Q1, Q2, Q3, End of Period) Securities Report (Quarterly Report)(Q1, Q2, Q3, End of Period) Financial Results Briefing Materials (Q1, Q2, Q3, End of Period) Timely disclosure materials other than financial results, and the status of corporate governance Business Report Integrated Report (Value Report) Sustainability Data Book Fact Sheet	
Establishment of Department and/or Placement of a Manager in Charge of IR	Mr. Nobuo Nakayama, Representative Director and Senior Managing Director serves as Officer in charge of IR, and Mr. Takeshi Matsuki, General Manager of Finance and Accounting Division is responsible for IR affairs.	

3. Status of Measures to Ensure Due Respect for Stakeholders Updated

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	Based on the basic approach of "Aiming to help achieve a sustainable society and enhance our corporate value by creating new value as a corporate group that supports logistics, an indispensable form of social infrastructure," the Group strives to "maintain and develop sound and trustworthy relationships through engagement with all of our stakeholders" as mentioned in "Our Approach to Sustainability".
Implementation of Environmental	<Basic Policy on Sustainability>

Preservation Activities and CSR Activities, etc.	With growing public interest in ESG, it will become increasingly important to address environmental, social, and governance issues, including initiatives on the SDGs. Under these circumstances, the Group considers that creating new value as a corporate group that supports logistics, an dispensable form of social infrastructure is important, and in order to achieve economic, social, and environmental values simultaneously, the Group has identified as its materiality (important issues) the following three points: “Provision of Sustainable, Resilient Logistics Services through Co-Creation,” “Realization of Safe, Diverse and Rewarding Work Environments,” and “Contributions to a Zero-Carbon, Circular Economy by Actively Reducing Environmental Impact” and is promoting ESG management, including efforts toward the SDGs. In order to realize the three values of the economy, society and the environment, the Group has established the following individual policies for matters that are strongly related to the materiality and is working to thoroughly disseminate these policies to the Group companies, officers and employees. ・MITSUI-SOKO Group's Environmental Policy ・MITSUI-SOKO Group Human Rights Policy ・MITSUI-SOKO Group Occupational Health and Safety Policy ・MITSUI-SOKO Group Diversity & Inclusion (D&I) Policy ・ MITSUI-SOKO Group Policy on Sustainable and Responsible Procurement ・Multi-Stakeholder Policy Please refer to the following for details of each policy: The Company’s website: https://www.mitsui-soko.com/sustainability/management/policy/ The Group has participated in the United Nations Global Compact, hereinafter “UNGC” advocated by the United Nations. The Group has also joined the Global Compact Network Japan, which consists of Japanese companies and organizations that are signatories to the UNGC. The Group, including its consolidated subsidiaries, endorses the Ten Principles of the UNGC in the four areas of Human Rights, Labour, Environment, and Anti-Corruption, and will continue its efforts to implement these principles with the commitment of the Group CEO himself. <Sustainability Promotion System> The Group established the Sustainability Committee in October 2021 for promoting and strengthening its sustainability management. The Sustainability Committee is responsible for considering the strategy and policy on sustainability, risk management, as well as implementing and managing each initiative. The Committee reports to the Board of Directors and reflects the Board of Directors' opinions and advice in the initiatives, and thus the Company has in place a system where the Board of Directors supervises the Committee. Under the Committee, there are permanent cross-group committees that review and manage the progress on measures from strategic planning to achieving target key performance indicators (KPIs) by key themes for the materiality, the Sustainability Liaison Committee that shares the discussions and decisions of the Sustainability Committee

	throughout the Group, and the Investigative Committee that examines new themes that need to be addressed by analyzing risks and opportunities in sustainability. The economics of materiality are discussed at the Management Council in view of their relevance to sales and digital transformation promotion measures. In addition, the Company has established a dedicated department in its holding companies to develop a unique service called SustainaLink, which solves logistics issues and optimizes the supply chain by visualizing and improving various risks that threaten logistics, thereby creating opportunities in sustainability, and as a logistics infrastructure company, the Company is working to achieve the balance between the resolution of social issues and profit growth through business expansion. Please refer to the following for details of specific initiatives, quantitative ESG data, and numerical targets: The Company's website: https://www.mitsui-soko.com/sustainability/ Integrated Report (Value Report): https://www.mitsui-soko.com/ir/library/integrated_report/ Sustainability Data Book： https://www.mitsui-soko.com/ir/library/sustainability_report/ <Evaluation for Sustainability of the Group> Please refer to the following for information about external evaluation: The Company's website: https://www.mitsui-soko.com/sustainability/evaluation/
Formulation of Policies, etc. on Provision of Information to Stakeholders	The Company emphasizes building relationships with stakeholders in its sustainability policy, "Our Approach to Sustainability," and strives to enhance corporate transparency and improve accountability by proactively disclosing corporate information, including information disclosure in accordance with laws and regulations, in the Integrated Report (Value Report), on TDnet, and on its website.
Other	[Policy on Ensuring Diversity in Core Human Resources] (Basic Policy on Ensuring Diversity) The Group respects diversity and creates systems and environments where diverse talent can flourish regardless of personal attributes or values such as gender identity, age, nationality, physical or mental ability and needs, ideology, faith, culture, career, lifestyle or working style, based on the idea that creating safe, diverse and rewarding work environments for workers also creates value for the Group. (Company's Policy on the Promotion of Women as Core Human Resources) The Group regards the promotion of women's participation as a priority initiative in order to enrich the diversity of its members and strengthen its ability to respond to market changes. In addition to creating an employment environment in which women can play an active role, the Company has formulated an action plan so that women can have a sense of challenge, demonstrate their abilities in various fields, and develop their careers. The Company's efforts, related activities, quantitative results, and targets for active participation of women are posted on the Company's website.

	<Page for Promotion of Active Participation of Women: https://www.mitsui-soko.com/company/overview/women/> (Company's Policy on Appointment of Mid-career Hires and Foreign Nationals as Core Human Resources) From the viewpoint of ensuring diversity in core human resources of the management, the Group has set quantitative targets for the promotion and development of mid-career hires and non-Japanese as core human resources and is working to achieve these targets. The Group is promoting the human resource development plans that focus on mid-career hires and foreign nationals. As of FY2023, mid-career hires accounted for 30% of the Group's core human resources, while foreign core human resources, including those in overseas subsidiaries, accounted for 25% thereof. The Group will strive to cultivate human resources in accordance with the Group's medium- to long-term plans. "

IV. Matters Concerning the Internal Control System

1. Basic Views on Internal Control System and Status of Development

(1) System to Ensure that Directors and Employees of Each Group Company Execute Their Duties in Compliance with Laws and Regulations and Articles of Incorporation

Each Group company has adopted the Group's Corporate Ethics that covers compliance with laws and regulations, the Articles of Incorporation and social norms, elimination of anti-social forces, environmental conservation efforts, information management, etc. The Group's Corporate Ethics is deemed as the Code of Conduct that all directors and employees of each company in the Group must abide by. In order to raise the awareness of compliance throughout the entire Group, the Risk Management Division of the Company is in charge thereof across the Group and will conduct educational activities and training. The Risk Management Division also audits the Group's compliance. These activities shall be regularly reported to the Compliance Committee, the Board of Directors and the Audit and Supervisory Board. To quickly detect and rectify any violation of compliance, the Group has established Mitsui-Soko Group Compliance Hotline as a whistleblowing system enabling employees to directly report on violations. The Group protects personal information of a whistleblower by outsourcing the contact point, which leads to separation of the information that can identify the whistleblower. In addition, a system is in place to prevent the whistleblower from being scrutinized and to prevent the whistleblower from being treated disadvantageously because of his/her reporting.

(2) Matters concerning Retention and Management of Information on Directors' Execution of Duties of Each Group Company

Each Group company records and retains information on the execution of duties by directors in writing or on electromagnetic media (hereinafter referred to as the "documents, etc.") in accordance with laws, regulations and internal regulations. Directors and audit and supervisory board members of each Group company are able to access these documents, etc. at all times.

(3) Regulations and Other Systems concerning Management of Risk of Loss at Each Group Company

The Risk Management Committee, consisting of risk management supervisors from the Company and major Group companies, is established within the Company to deliberate on the status of risk management for the entire Group and to formulate basic measures and policies. With regard to individual risks related to compliance, human rights, environment, disasters, quality, finance, accounting, information security, etc., the divisions in charge of risk management of each Group company are required to establish rules and guidelines, conduct training, and prepare and distribute manuals. The Risk Management Division of the Company is responsible for promoting cross-organizational risk assessment and responses across the Group.

(4) System to Ensure Efficient Execution of Duties by Directors of Each Group Company

The Board of Directors of the Company formulates the Group's medium- to long-term basic business policies, and the Company centrally manages the Group's budget, fund procurement, fund management and other operations. Operating companies in the Group, which are responsible for business operations in each business domain, conduct business operations in accordance with their policies with the aim of achieving self-reliant growth, including the operation of their subsidiaries and affiliated companies. The Company receives regular reports from operating companies on progress and results and verifies the status of achievement.

(5) System to Ensure Appropriateness of Business Operations of Group's Companies
The Group complies with the Group's Corporate Ethics and fulfills its responsibilities as a member of society to achieve its goals. The Company gives the authority and responsibility for legal compliance and risk management to the directors and executive officers of each of the Group companies so that they will direct their staff in charge of each executive division to establish internal regulations and systems to ensure the appropriateness of the Group's operations. The Risk Management Division of the Company cross-organizationally promotes and manages these efforts. The Risk Management Division also audits Group companies. Matters relating to finance, funds, brands, intellectual properties, human resources, information assets, real estate, etc. within the Group are managed by the Company in an integrated manner to maintain a basic framework for business operations that meets the Group's objectives.

(6) System for Reporting Matters concerning Execution of Duties by Directors, Executive Officers, Employees, etc. of Subsidiaries to the Company
Having established a policy relating to the Group governance, the Company has clarified the responsibilities and authorities that each company in the Group should have. Important matters of each Group company are subject to approval of or a report to the Board of Directors of the Company. In addition, the Company receives periodic reports from the Group companies on the progress of their business operations and deliberates them at the Board of Directors meeting or other meetings.

(7) System to Ensure Reliability of Financial Reporting
In order to establish a system for ensuring the reliability of financial reporting, the Company has prepared basic documents concerning risk analysis and control of major operations, formulated appropriate procedures, and taken measures to prevent errors. Each Group company is required to periodically check the status of implementation of such procedures and measures, and correct any deficiencies found. In addition, the Risk Management Division of the Company cross-organizationally audits the Group companies and reviews the results of these checks and corrections.

(8) Matters to Ensure Independence from Directors and Effectiveness of Instructions Given to Employees
The Company appoints certain employees as dedicated staff assisting duties of Audit and Supervisory Board members independent from directors as necessary ("Assistant staff of Audit and Supervisory Board"). Audit and Supervisory Board members and the Audit and Supervisory Board shall have the authority to command and order such Assistant staff of Audit and Supervisory Board, and the appointment, dismissal, and performance evaluation of the Assistant staff of Audit and Supervisory Board are decided by the director in charge of Human Resources after consultation with Audit and Supervisory Board members, respecting the results of the consultation.

(9) System for Directors and Employees of Group Companies to Report to Audit and Supervisory Board Members
Directors, executive officers or employees of each Group company are required to report to their audit and supervisory board members or Audit and Supervisory Board members of the Company, matters that have a material impact on their company or the Group, the results of the internal audit, the status of notification via Mitsui-Soko Group Compliance Hotline and the details thereof, in addition to the statutory matters. A reporting person will not be treated disadvantageously by reason of reporting to their audit and supervisory board members or Audit and Supervisory Board members of the Company

(10) System to Secure Expenses Required for Execution of Duties by Audit and Supervisory Board Members and to Ensure that Audit and Supervisory Board Members Conduct Audits Effectively

If the Audit and Supervisory Board or Audit and Supervisory Board member intends to seek investigation, advice, etc. from outside experts in order to conduct an audit, the Company shall bear expenses as long as such expenses are reasonable. Audit and Supervisory Board members shall formulate an annual audit plan as much as possible in advance and notify each company or division in charge, while the company and division in charge shall cooperate with Audit and Supervisory Board members to ensure efficient audits. Based on the results of the audit, Audit and Supervisory Board members of the Company shall exchange opinions in a timely manner with representative directors, audit and supervisory board members, accounting auditors, and the internal audit division and related divisions of each Group company.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

The Group's basic policy is to achieve fair and lawful business operations, fulfill its social responsibilities through its business activities, and aim for highly transparent corporate management that is committed to compliance. To achieve this, the Company has established the Group's Corporate Ethics as a basic code of conduct that all officers and employees must abide by.

(1) Approaches to Anti-Social Forces in the Group's Corporate Ethics
1 As a member of society, the Group resolutely confronts anti-social forces.
2 The Group never gives any benefits to anti-social forces and excludes them from the Group's business.
3 The Group strives to eliminate anti-social forces in cooperation with the industry and local communities it belongs to.
4 The Group acts in close cooperation with relevant administrative organs such as the police and lawyers.

(2) Development of Internal Systems
1 Division in charge of dealing with anti-social forces: Legal and General Affairs Division
2 Liaising with External Specialist Organizations: The Group strives to effectively eliminate special violence against the Group by maintaining a close relationship with the police station that has jurisdiction over the location of the headquarters and joining a local Special Violence Prevention Measures Council.
3 The Group makes efforts to collect and manage information on anti-social forces through participation in the regular meetings of the Special Violence Prevention Measures Council and monthly news distributed to its members and collects information to build a database. At the same time, the Group exchanges information on how to deal with special violence through regular meetings, etc. of a group composed of general affairs personnel from companies in the same industry to prevent damage through cooperation by sharing information.
4 Development of Manuals
The Company has prepared a manual for dealing with anti-social forces and has distributed and disseminated it throughout the Group.
5 Implementation of Training Activities
The Company promotes activities to raise awareness and efforts to eliminate violence among those in charge of dealing with anti-social forces by having them participate in regular training sessions, lectures, and roundtable discussions hosted by the Special Violence Prevention Measures Association within the jurisdiction of Tokyo Metropolitan Police Department.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation for Applicable Items Updated

The Company will respect three principles with regard to acquisitions that seek to acquire control of a company's management. These are:
"Principle of Corporate Value and Common Interests of Shareholders," which states that such acquisition shall be

judged based on whether it will secure or enhance corporate value and/or the common interests of shareholders,
"Principle of Shareholders' Intent," which states that the Company shall rely on the reasonable intentions of its shareholders,
"Principle of Transparency," which states that the Company shall strive to eliminate information asymmetries between shareholders and the Company by providing useful information to help them make their decision, and secure transparency.
Therefore, the Board of Directors will give serious consideration to any sincere proposal by a person attempting to acquire based on the "Principle of Shareholders' Intent" and the "Principle of Transparency" as well as the "Principle of Corporate Value and Common Interests of Shareholders," and the Company has not established a policy for using countermeasures, etc. against takeover bids using the free allotment of stock acquisition rights ("Takeover Defense Policy").

On the other hand, there may be acquisitions that undermine corporate value and, in turn, the common interests of shareholders, such as those that do not provide shareholders with the information and time necessary for them to make a decision or are intended to provide unjustified benefits at the expense of the Company or its shareholders. Therefore, in the event of such a possible acquisition, the Company will establish a "Corporate Value Enhancement Committee" consisting solely of independent officers, which will objectively evaluate the acquisition and make necessary recommendations to the Board of Directors as to what action should be taken, and the Board of Directors shall make decisions with the utmost respect for the judgment of the Committee.

2. Other Matters Concerning the Corporate Governance System Updated

The Company's internal system for the timely disclosure of corporate information is as follows.
(1) Person and Division in charge of Timely Disclosures
Mr. Nobuo Nakayama, Representative Director and Senior Managing Director, has been appointed as the Responsible Person in charge of Timely Disclosures of the Company. Finance and Accounting Division is the department in charge of timely disclosures.

(2) The Responsible Person in charge of Timely Disclosures and the division in charge collect information on the status of the internal system on timely disclosures in cooperation with the Board of Directors and the Management Council, relevant divisions in the Company and each Group company, and disclose important corporate information in a timely and appropriate manner.
1 Information on decisions In accordance with laws and regulations, the Articles of Incorporation, corporate regulations, etc., the Company makes important management decisions at a regular meeting of the Board of Directors held once a month (extraordinary meetings of the Board of Directors are held as necessary) or at a meeting of the Management Council held twice a month. The Company promptly discloses important matters judged as needing timely disclosure as soon as they are determined.
2 Information on occurred facts
If there is an event that may fall under an important matter and requires timely disclosure at the Company or its subsidiaries companies, the information manager of each division of the Company who first learns of such event immediately notifies Mr. Nobuo Nakayama, Representative Director and Senior Managing Director, who is the Responsible Person for Information Management, in accordance with the provisions of the MITSUI-SOKO Group Insider Trading Management Regulations. The Responsible Person for Information Management shall contact the information handling managers as well as the President & Group CEO, and related divisions to confirm the facts and consider countermeasures. At the same time, the Responsible Person in charge of Timely Disclosure determines whether it is an important matter that requires timely disclosure and, if confirmed, discloses the matter as soon as it is so confirmed.
The Risk Management Division conducts an internal audit to determine whether actions have been taken in accordance with predetermined rules, and if any point is found to require improvement, it will be immediately corrected.
3 The Company endeavors to disclose its financial results as soon as possible and currently releases the results in approximately 35 days from the end of the term.
The Company collects necessary information from external parties, the Group companies, and each division of the Company, tabulates and scrutinizes it, and prepares financial results information. For this, the Company has

established relevant procedures for collecting and scrutinizing information in advance, and requires attachment of supporting documents such as vouchers or receipts to enhance the accuracy and truthfulness of the information, as well as the speed and effectiveness of the scrutiny.

In addition, the Company has applied the same format of disclosure items in its Financial Reports as those specified in the Ordinance for Enforcement of the Companies Act, the Ordinance on Accounting of Companies, and the Ordinance on Consolidated Financial Statements under the Financial Instruments and Exchange Act. The financial statements, and major portions of its Securities Report (Semi-annual Report) are subject to audit by a certified public accountant prior to disclosure, thereby enhancing the legality and appropriateness of information on its Financial Reports. In addition, beginning in FY2024, the first and third quarter financial statements will be reviewed by an audit firm on a voluntary basis.

(3) Management of Important Corporate Information

The Company shall commence managing information as follows upon recognizing and confirming such information needs timely disclosure in accordance with the Insider Trading Management Regulations (hereinafter referred to as “important information”).

1 The Responsible Person for Information Management is responsible for the compilation and management of important information on financial results, corporate decisions and occurred facts.

2 Upon receiving advice from the General Manager of the Finance and Accounting Division, the Responsible Person in charge of Timely Disclosure judges whether it falls under the scope of corporate information requiring timely disclosure and reports the results to the President & Group CEO.

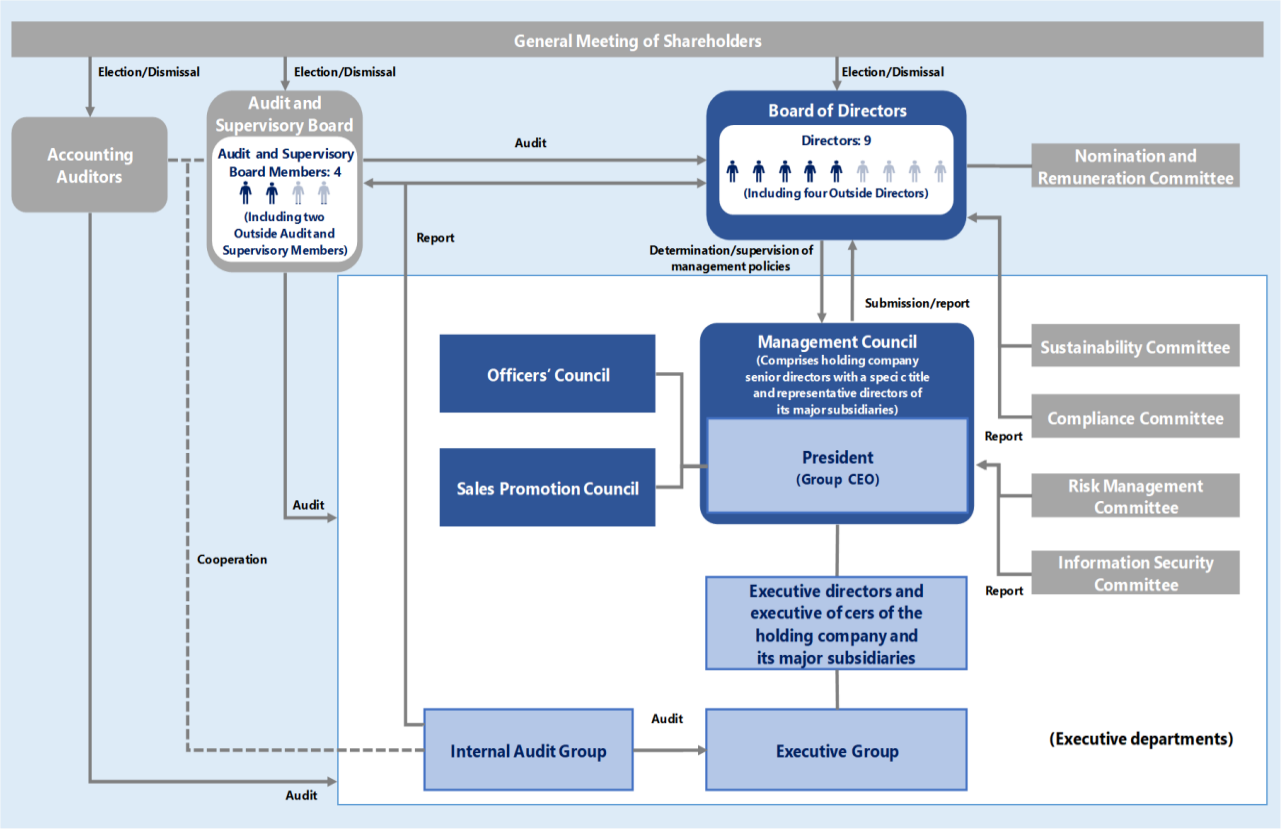
3 The Responsible Person for Information Management records the designated date, scheduled disclosure date and time of publication, etc. of the important information judged to require timely disclosure in the Important Information Management Ledger and manages it as important information thereafter.

(If the information does not fall under the category of corporate information that requires timely disclosure, the Responsible Person for Information Management shall record such fact in the management ledger and notify the relevant persons thereof.)

4 Officers and employees are prohibited from transmitting important information obtained in the course of business to others except when it is necessary in performing business. When it is necessary to transmit such information for business, the recipient of the information is informed that the information is important and is asked to strictly manage its confidentiality.

5 When the important information becomes no longer important owing to disclosure or other reason, the Responsible Person for Information Management notifies the relevant persons thereof and takes any other necessary measures.

6 The Company takes the same measures as those mentioned above with respect to other companies' important information.


General Meeting of Shareholders
Election/Dismissal
Election/Dismissal
Election/Dismissal
Accounting Auditors
Audit and Supervisory Board
Audit and Supervisory Board Members: 4
(Including two Outside Audit and Supervisory Members)
Audit
Board of Directors
Directors: 9
(Including four Outside Directors)
Nomination and Remuneration Committee
Report
Determination/supervision of management policies
Submission/report
Management Council
(Comprises holding company senior directors with a speci c title and representative directors of its major subsidiaries)
President
(Group CEO)
Officers' Council
Sales Promotion Council
Sustainability Committee
Compliance Committee
Risk Management Committee
Information Security Committee
Report
Report
Audit
Cooperation
Executive directors and executive of cers of the holding company and its major subsidiaries
Internal Audit Group
Audit
Executive Group
(Executive departments)
Audit

END