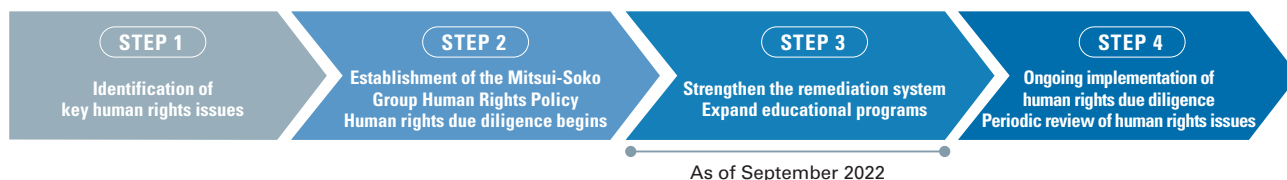


Human Rights

At the Mitsui-Soko Group, the most important element underlying all our activities is to protect dignity and respect human rights of all people. We support and respect international human rights standards, including the International Bill of Human Rights, and promote them in line with the framework of the United Nations Guiding Principles on Business and Human Rights.

Human Rights Promotion Roadmap



Establishment of the Mitsui-Soko Group Human Rights Policy

Based on the United Nations Guiding Principles on Business and Human Rights, we have established the Mitsui-Soko Group Human Rights Policy in order to clearly express to society our stance and initiatives regarding respecting human rights, not only within the Group itself but also in its supply chain. Guided by this policy, we will cooperate with various people to promote respect for everyone's human rights, including stakeholders related to our business activities, thereby fulfilling our social mission and contributing to the realization of a sustainable society. This policy was formulated based on the advice from external experts with expertise and practical experience in human rights, and was approved by the Board of Directors.



For details of the Mitsui-Soko Group Human Rights Policy, please refer to our website.

https://msh.mitsui-soko.com/en/sustainability/social/human_rights

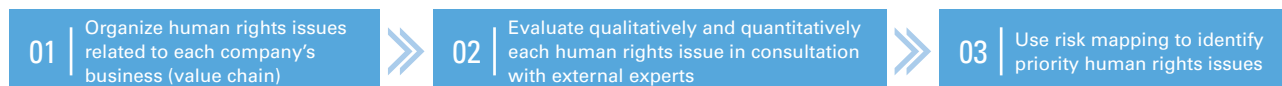
The Mitsui-Soko Group Human Rights Policy (Summary)

1. Formulate the policy based on the United Nations Guiding Principles on Business and Human Rights
2. Respect for and compliance with international human rights standards and relevant laws and regulations
3. Application of this policy to all business partners
4. Responsibility of the Mitsui-Soko Group to respect human rights
5. Conduct human rights due diligence
6. Establishment of corrective and remedial systems for human rights issues
7. Expand education and training related to respect for human rights
8. Engage in proactive dialogue with stakeholders
9. Regular disclosure of information
10. Continuous review of human rights policies

Identification of Key Human Rights Issues

In promoting efforts to respect human rights, we assessed the impact of our business activities on the human rights of our stakeholders and identified the following as Key Human Rights Issues: "prohibition of forced and child labor," "prohibition of all forms of discrimination," "prohibition of harassment," "provision of a safe working environment," "appropriate management of working hours," and "guarantee of rights of foreign workers." The following process is used to identify important human rights issues, and risk assessment is conducted focusing on the identified human rights issues. Understanding that specific relevant issues will change over time due to societal shifts and business trends, we plan to continuously review this policy upon holding dialogues and consultations with stakeholders and external specialists in order to further our efforts toward respecting human rights.

Process for identifying Key Human Rights Issues

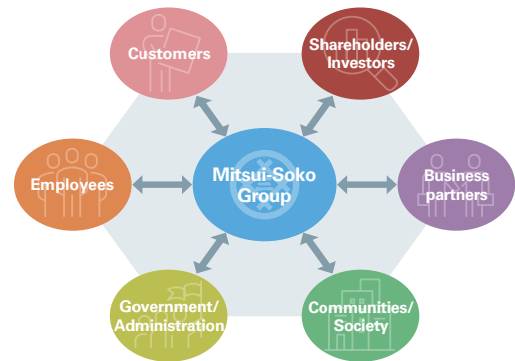


Conducting Human Rights Due Diligence

The Group conducts human rights due diligence to fulfill its responsibility as a response to respecting human rights. Human rights due diligence is an ongoing process of investigation, remediation, disclosure, and dialogue with stakeholders to identify adverse human rights impacts of the Group's business activities and to prevent, mitigate, and remedy them. The Group implements human rights due diligence for Group companies and business partners in Japan and overseas, and strives to resolve human rights issues in conjunction with education and training related to respecting human rights and the establishment of an effective remediation system.

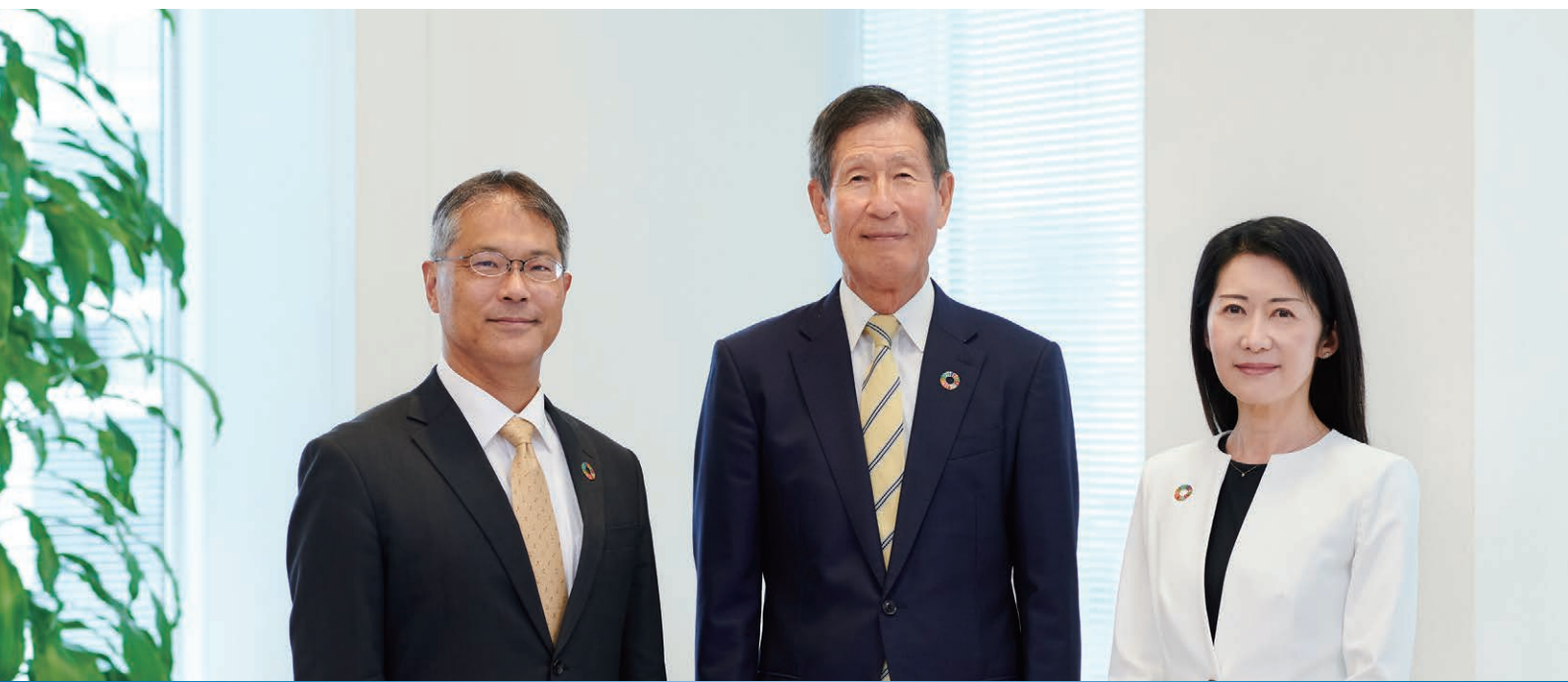
Stakeholder Engagement

The Mitsui-Soko Group, for over 100 years since its founding, has conducted corporate activities in connection with various regions and people around the world. Further, to build mutual trust with these diverse stakeholders, we place importance on active information disclosure and ongoing dialogue. By co-creating with our stakeholders, we aim to enhance our corporate value and realize a sustainable society.



Stakeholders		Purpose of the initiative	Means of communication
	Customers	To continue to pursue highly satisfactory services that are trusted by our customers, and to realize a secure and comfortable society for people around the world through our logistics business.	Online and phone consultation services
			Daily sales and service activities, information on website (Japanese and English)
			Series of logistics articles
			Business introduction videos on official YouTube channel
			Provision of corporate activity information using digital signage displays
			Participation in large-scale exhibitions and conduct online seminars
	Shareholders/ Investors	To continuously improve corporate value and achieve fair market valuation while maintaining good communication that leads to investment decisions through sound business management and timely and appropriate information disclosure.	General Meeting of Shareholders
			Financial results briefings
			Dissemination of information to investors and shareholders (value reports, business reports, annual securities reports, etc.)
			Small meetings and individual interviews with investors and shareholders
			Shareholder surveys
	Employees	To promote systems that allow employees to feel rewarded in their work and the development of safe and healthy work environments, to ensure that each employee's human rights are respected and they are able to maximize their abilities.	Employment engagement surveys
			Establishment of human rights policy and implementation of due diligence
			Enhancement of training programs
			Promotion of activity-based working (ABW) based on work style
			Awards and contests (sales and business improvement categories)
			Fair assessment system
			Promotion of occupational health and safety and health management
			Stress checks
			Dissemination of information on the company Intranet, community activities, and in-house newsletters
Compliance Hotline (multilingual support)			
	Business partners	To achieve stable and high-quality logistics services by building deep relationships of mutual trust and strengthening cooperation through sound transactions based on fairness and honesty, and co-existence and co-prosperity.	Formulation and disclosure of basic policy on sustainable and responsible procurement
			Fair, open, and transparent transactions
			Cooperation in the event of a disaster
			Quality improvement initiatives
			Response to phone and e-mail inquiries
	Government/ Administration	To co-create a better future for the logistics industry through dialogue and cooperation with government and industry groups, as well as conduct fair corporate activities in compliance with laws, regulations, and social norms.	Legal and regulatory compliance
			Dialogue and collaboration with business and industry groups (Ministry of Land, Infrastructure, Transport and Tourism, Japan Association for Logistics and Transport, etc.)
	Communities/ Society	To build good relationships with local communities, operate constructive businesses as a trusted company, and aim to create a society in which diverse people can co-exist in harmony.	Approval of community initiatives
			Donation activities (medical, artistic, research fields, etc.)
			Lectures at universities
			Contribution to communities and society through volunteer activities
			Response to surveys and questionnaires

Outside Director Roundtable Discussion



Outside Director

Takashi Hirai

Outside Director

Taizaburo Nakano

Outside Director

Maoko Kikuchi

How To Achieve Sustainable Growth in Rapidly Changing Times

Having completed the reversal phase, the Mitsui-Soko Group is poised to move into a new phase in which it will go on the offensive. We asked the outside directors to speak from their various perspectives with regard to the present and future of the Group, which aims to continuously improve corporate value.

The Newly Formulated Group Philosophy

Nakano: The Company's PURPOSE—"Empower society, encourage progress"—is very good in that it encapsulates the core essence of the Mitsui-Soko Group. Upon completion of Medium-term Management Plan 2017, and at a very favorable time for the Company, we are once again giving consideration to the position of the Group and its future direction. I think that it is very meaningful to have adopted this philosophy in the first year of the new medium-term management plan with the

words "What really matters is our frontline" chosen to return the Company to its starting point.

Kikuchi: The unprecedented situation caused by the spread of COVID-19 at a time when the importance of logistics is being reaffirmed, taken with the other issues that the world has faced over the past few years probably accounts for why the Company's PURPOSE was decided upon. I believe that having clarified and communicated the Group's raison d'être is a big step toward success in the next phase.

Hirai: I am satisfied that the Company's Philosophy can be said to be really beneficial in that it

systematically lays out an answer to the question: “What is unique about the Mitsui-Soko Group?” and has been crystallized through careful discussion. The fact that, for example, the opinions of employees were obtained by survey questionnaire also facilitates its assessment. I think that something that has been completed through a process involving the entire organization facilitates mutual understanding. As it forms the crux of communications with customers, I think the Philosophy will prove useful in daily duties.

Looking Back on Medium-term Management Plan 2017

Kikuchi: I have worked as an auditor since 2016. Due to the difficult situation that followed the Company’s recorded net loss caused by the large amount of impairment losses on past investment projects, I have thus seen in detail how the management team carried out the reforms with a strong determination, and how all the employees worked together as one to realize the president’s vision. As a result, I am really deeply moved by the fact that the Company achieved all of its numerical targets under the previous Medium-term Management Plan 2017 to a high level. I think that a great deal has been accomplished.

Nakano: I believe that Medium-term Management Plan 2017 can be said to have been a success very largely due to the leadership and management skills of the top management of each operating company, including President Koga. There was a sense of urgency, and momentum was gained as more and more results were produced.

Hirai: While the Company has achieved great results, there are, in contrast, still issues to be addressed. For example, One Mitsui-Soko is making steady progress, but I feel that it has remained in a co-joined state rather than a fusion. To maximize synergies, I believe there is still room for growth in terms of not only sharing businesses and customers, but also on points that include the sharing of strategies, human resources, and know-how.

On Formulating the New Medium-term Management Plan 2022

Nakano: The Plan’s extensive content inspires

feelings of an extraordinary determination to win out against tough competition. Also incorporating elements such as DX strategy, solution services and sustainability-friendly businesses that are indispensable in this era, the Plan conveys the message that “as the environment has changed in recent years, so will the Mitsui-Soko Group.”

Kikuchi: I believe that it is important for the Company to enhance its strengths from the past with a look toward the future, without forgetting its inherent warehousing business. Mobility, healthcare, and B2B2C are mentioned as areas of focus. However, all of these are fields in which the Company has been working for a long time, and I think that a variety of developments can be expected, which will make use of the Company’s accumulated know-how.

Hirai: I believe that key to Medium-term Management Plan 2022 is how to make investments effectively. Rather than simple expansions of scale through M&A, it is important to carry out activities in a strategic manner, aligning the pieces one by one. When formulating a plan, I also believe that the process behind it is meaningful. Many in-depth discussions were conducted at Board of Directors’ meetings, and there were many occasions when opinions were exchanged individually. The Board members listened intently even to stern advice from objective points of view, such as, “Would it not be better to involve the employees more?” and “Are the scenarios reasonable?”

ESG Initiative Evaluations

Kikuchi: Having established the “promotion of ESG management” as an initiative for sustainable growth under Medium-term Management Plan 2017, the Company had been implementing measures, including CO₂ emission measures, that took ESG into consideration. By having included ESG as one of the management foundations in the current Medium-term Management Plan 2022, I believe that the Group as a whole will make further efforts. The Company is also taking on the challenge of building a business model that incorporates responses to social issues into its business development, such as launching its new SustainaLink service, which will help to resolve

Outside Director Roundtable Discussion



sustainability issues not only for the Company but also for its customers. I have great expectations that the Company will be leading the industry in this regard. In contrast, going forward I believe that further initiatives should be advanced in areas such as human rights and diversity, including foreign nationals.

Hirai: I believe that creating value is also important in contributing to the environment and society. I believe that the true value of ESG is naturally the resolution of social issues but also the circular aspect of value it provides. As in the case of SustainaLink, which was mentioned just now, ESG initiatives can be used as an opportunity to unearth customer needs, lead to business, and benefit society. In this way, I believe that the Company's goal is to create new value by balancing business with the resolving of social issues.

Nakano: In terms of the S in ESG (society), I am looking forward to seeing the Company investing in people who will become the foundation for future growth, such as by human resource development and the promotion of diversity, including more active participation by women. In addition, as ESG initiatives are now a necessity, it is also important to communicate them to society in a timely and appropriate manner. To remain a company that is selected by society, we won't how to raise the Company's social presence through IR and public relations be an issue for the future?

Evaluation of and Issues Related to Strengthening of Governance

Hirai: Last year, the Company newly established a Sustainability Committee, and I believe that the internal structure of the Company's governance

system has thus been put in place. Next comes the execution phase, and the challenge there is to expand the content while aiming to deepen the substance.

Kikuchi: Currently, it is a three-person outside director system, and I believe that we are fulfilling our role as a monitoring board. In addition, the Audit and Supervisory Board is functioning well. As an outside director, I would like to establish my own tasks and make proposals to build a governance system of even higher quality. Concerning the Sustainability Committee, so that the Company does not merely follow trends and end up reinventing the wheel, I think it is important for each member of each subcommittee, such as the Environmental Subcommittee, to work on building a sustainable world as their own task.

Toward Improving Effectiveness of the Board of Directors

Hirai: The level of discussion at Board of Directors' meetings has risen, and compared with before, progress has also been made in our discussions from a strategic perspective. It is recognized that its effectiveness is said to have been sufficiently ensured. However, partly because of the nature of the Board of Directors, I have the impression that discussions are centered on agenda-based (so-called hard aspect) issues. If we could talk more about the inner workings of the organization (soft aspects), for example, how are the management philosophy and code of conduct being instilled in



the workplace?, I believe that the Board of Directors would become even more active. Isn't it the role of an outside director to provide awareness of such changes?

Kikuchi: It is my understanding that the Board of Directors currently spends a lot of time reporting and making resolutions on agenda items required by the Companies Act and internal rules, not just in the Group. I would like the Board of Directors to function as a forum for discussing strategy and human investment from the perspective of 30 or 50 years hence, not just the current situation.

Nakano: From my experience, I am aware that what could be termed bad buds start to appear when business performance is good. Now that the Company is on an upswing, I think it is important for the Board of Directors to brace itself, and should any signs that things are not going well be noticed, we can point them out to each other without prejudice, regardless of whether our relationship to the Company is internal or external.

Discussions at Nomination and Remuneration Committee Meetings on Newly Introduced Share-based Remuneration Plan

Nakano: If I may answer as the chairman of the Nomination and Remuneration Committee, on the one hand, a share-based remuneration plan is effective as a mechanism that enables us to share value with our shareholders further, on the other, the plan requires greater validity and transparency. Therefore, when introducing the plan, we had fairly in-depth discussions concerning its validity and transparency. I sought answers to the questions, "Is it fair from the perspective of shareholders, employees, and the Company's performance?" Having pointed out these issues rigorously, after thorough discussion and consideration the Company introduced a share-based remuneration plan.

Expectations for Sustainable Growth

Kikuchi: As stated in the Group Philosophy, I think that the further strengthening of field capabilities is important. As a service industry, if the Company does not come up with ideas from the field, then it will not be able to create what is truly needed. To

that end, it is very important to create an environment in which each person can think for themselves, act freely, and improve their skills. Rather than managing human resources, I want the Company to please keep thinking about how they can be supported.

Nakano: Are they ready for the challenges? As the logistics paradigm shifts dramatically, I believe that there is much more that can be done beyond the conventional concept of logistics. The seeds are growing well, so I would like employees to boldly take on challenges in a variety of directions. I would



like them to think of and act on the extent to which they can increase the corporate value of their customers with their own services.

Hirai: Rather than supporting what the Company has now, I think it will be important to proactively create value. In addition to responding to environmental changes, I want people to anticipate the future, move ahead, create the future, create new value, and take on challenges without fear of failure. Five years ago, it might have been difficult, but now that the Company once again possesses a solid business foundation, it should be possible to take risks. I for one have high hopes.

Corporate Governance

Building a Governance Structure Aimed at Improving Corporate Value

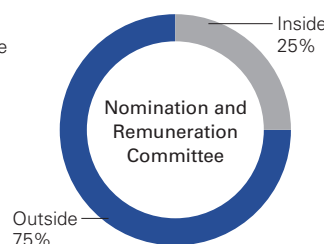
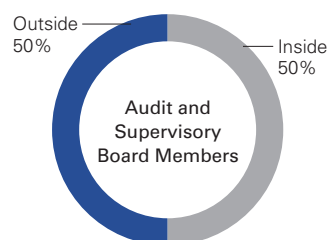
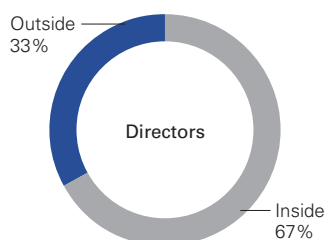
Under the PURPOSE of “Empower society, encourage progress,” MITSUI-SOKO HOLDINGS, as a holding company, is aiming to improve its medium- to long-term corporate value by promoting Group governance to properly undertake the management of each subsidiary in the Group. The Company has thus established various organizational entities and introduced an executive officer system that separates management and execution and clarifies responsibilities and authority for business execution by directors and executive officers as part of its initiatives for strengthening corporate governance.

Changes in Initiatives to Strengthen Corporate Governance

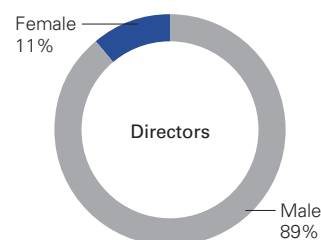
	2004–	2006–	2014	2015	2016	2017	2018	2019	2020	2021	2022
Separation of management and execution	2004 • Introduction of executive officer system	2006 • Establishment of Remuneration Committee			2016 • Reorganization of Remuneration Committee into the Nomination and Remuneration Committee						
Total no. of directors	9–12							8	9		
Outside directors		1–2						2	3 (1 female)		
Outside Audit and Supervisory Board members	2–3							3	2		
Officer remuneration		2006 • Start of a performance-linked officer remuneration system									2022 • Introduction of stock-based remuneration system
Evaluation of Board of Directors' effectiveness					2016 • Start of evaluation of Board of Directors' effectiveness (interviews and questionnaires)						
Other			2014 • Transition to a holding company							2021 • Set up of Sustainability Committee	2022 • Establishment of Group Philosophy

Composition of Directors and Audit and Supervisory Board Members

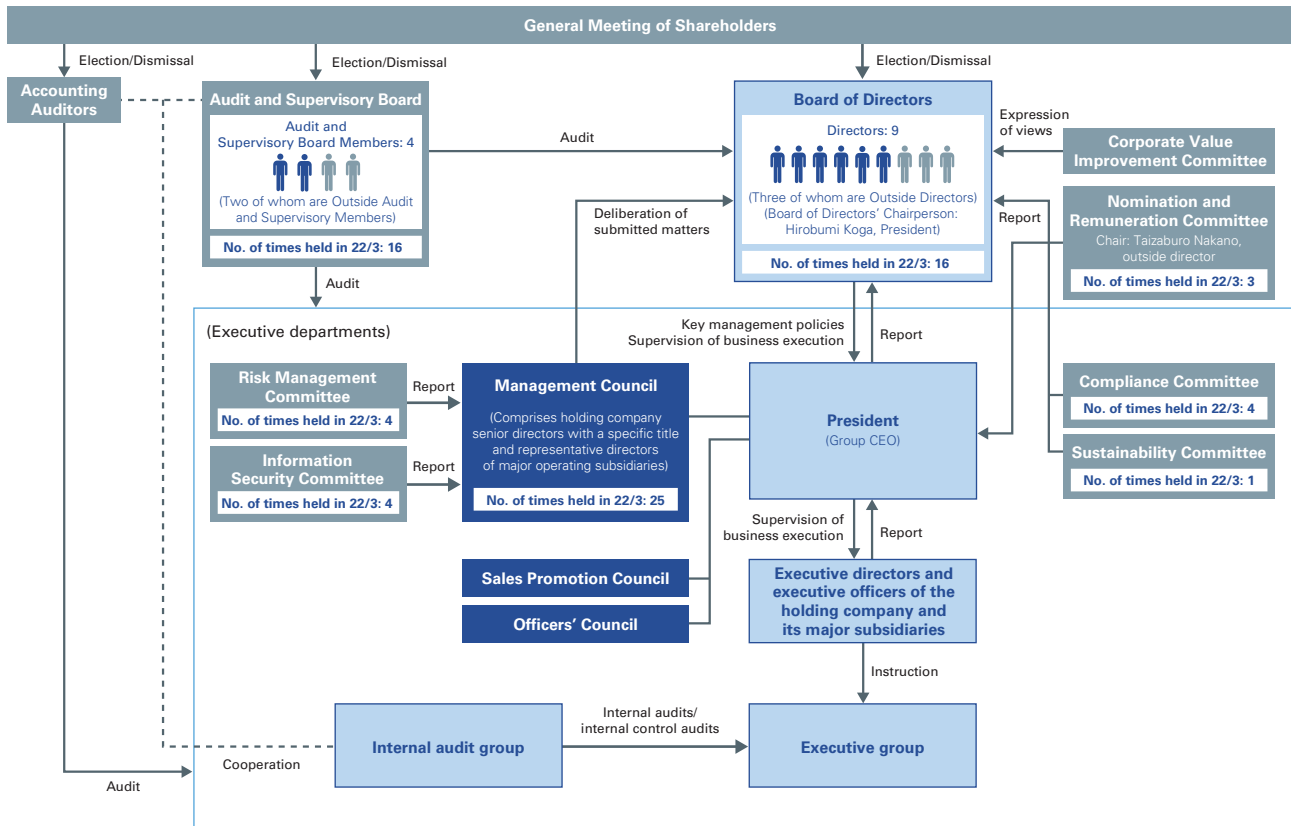
Ratio of outside officers



Female ratio



Corporate Governance System (as of July 1, 2022)



Board of Directors	Determines basic management policies and important business execution, while overseeing the execution of duties by the representative director and president, and executive directors.
Audit and Supervisory Board	Striving to enhance audits, members of the Audit and Supervisory Board attend Board of Directors' meetings, the Officers' Council, and other important meetings while overseeing the directors in the execution of their duties.
Management Council	Discusses or resolves matters to be submitted to the Board of Directors, important matters related to overall management, and matters delegated to the Management Council by the directors.
Sales Promotion Council	The members of the Council share information that assists in the compilation of monthly performance and quarterly forecasts, in budget management, and that helps in sales expansion and cross-sectional sales promotions.
Officers' Council	The members exchange information intended to ensure familiarity with important items covering the Group's management overall and to promote mutual understanding of the Group's conditions.
Nomination and Remuneration Committee	The Committee raises the objectivity and transparency of the process for selecting directors and enhances the objectivity and transparency of the directors' remuneration decision process, such as by considering the validity and appropriateness of performance-linked compensation.
Risk Management Committee	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 risks.
Compliance Committee	The Committee discusses compliance violations affecting the Group's management and ways of responding, establishes corporate codes of conduct, develops a compliance system, promotes respect for compliance, and works to prevent compliance violations.
Information Security Committee	The Committee sets up a system related to the Group's information security management, promotes and reviews activities, and protects personal information and corporate information.
Sustainability Committee	The Committee works to improve the Group's corporate value through discussions on sustainability-related strategies and policies of the Group, and implementation and management of initiatives to address the materiality and target KPIs.
Corporate Value Improvement Committee	This is an independent organization that makes objective decisions to protect shareholders' joint interests in the event that a proposal to buy a large percentage of shares is made that could potentially damage the Company's and the Group's corporate value or shareholders' joint interests, and excludes the arbitrary judgments of the Board of Directors and also gives necessary advice to the Board of Directors.

Corporate Governance

Skills Matrix

The Group appoints directors and Audit and Supervisory Board members to ensure that the Board of Directors has an overall balance of knowledge, experience, and ability, and is both diverse and of the right size.

Name	Position	Corporate Management	Sales/marketing	Global business	DX/IT	Operation	ESG	Financial accounting/Finance	Human resource development/personnel	Law/risk management
Hirobumi Koga	Representative Director, President and Group CEO, Chairman of the Board of Directors	●	●	●			●	●	●	●
Nobuo Nakayama	Representative Director, Senior Managing Director, Responsible for Finance Headquarters	●		●			●	●		●
Hiroshi Kino	Executive Managing Director, Responsible for Personnel, HR, Real Estate Division	●			●	●			●	
Takeshi Gohara	Executive Managing Director, Responsible for Compliance, Legal and General Affairs/Risk Management	●	●			●				●
Yuji Itoi	Director, Senior Executive Officer, Responsible for Information Systems				●					
Tomoaki Kiriya	Director, Senior Executive Officer, Responsible for Strategic Sales, Development Administration		●			●				
Taizaburo Nakano	Outside Director	●	●	●						
Takashi Hirai	Outside Director		●	●	●					
Maoko Kikuchi	Outside Director			●			●			●
Yukio Ishida	Senior Standing Audit & Supervisory Board Member	●	●							
Norio Miyashita	Standing Audit & Supervisory Board Member	●						●		
Osamu Sudoh	Outside Audit & Supervisory Board Member									●
Motohide Ozawa	Outside Audit & Supervisory Board Member							●		

Note: The table is not indicative of all the expertise and experience possessed by the Directors and Audit & Supervisory Board Members.

Main Roles of Outside Directors and Reason for Appointment

Name	Independent Officer	Years in office	Reason for appointment	Attendance at Board of Directors' meetings
Taizaburo Nakano	○	4	Mr. Taizaburo Nakano 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 Company from a manager's perspective, and we expect him to continue to play a similar role in the future. We therefore continue to appoint him as an outside director.	16/16
Takashi Hirai	○	3	Mr. Takashi Hirai has experience in practical business operations at various companies and consulting in a wide range of industries. He is currently conducting research at different graduate schools on corporate and business strategies. Based on his rich experience and insight, he has provided supervision and advice from a professional perspective on the business strategy of the Company, and we expect him to continue to play a similar role in the future. We therefore continue to appoint him as an outside director.	16/16
Maoko Kikuchi	○	2	Ms. Maoko Kikuchi is qualified to practice as a lawyer in Japan and the U.S. state of New York, and was formerly engaged in corporate legal affairs while working at the Public Prosecutors Office and the Fair Trade Commission. We expect that she will provide valuable advice on the soundness and transparency of the Group's governance, leveraging the rich experience and insight gained as a standing Outside Audit and Supervisory Board member of the Company. We therefore appoint her as an outside director.	16/16

Main Roles of Outside Audit & Supervisory Board Members and Reason for Appointment

Name	Independent Officer	Years in office	Reason for appointment	Attendance at Board of Directors'/ Audit & Supervisory Board meetings
Osamu Sudoh	○	11	Mr. Osamu Sudoh is a lawyer specializing in corporate transactions and other corporate law-related activities. With his history of providing meaningful advice with respect to the soundness and transparency of the Group's governance based on his insights, we have appointed him as an outside Audit and Supervisory Board member.	Board of Directors: 16/16 Audit & Supervisory Board: 16/16
Motohide Ozawa	○	9	Mr. Motohide Ozawa has experience as a senior partner at multiple auditing firms and served as a member of the Special Committee on Accounting for Retirement Benefits of the Japanese Institute of Certified Public Accountants, placing him in the fore as a certified public accountant for many years. Considering 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, we have appointed him as an outside Audit & Supervisory Board member.	Board of Directors: 16/16 Audit & Supervisory Board: 16/16

Operation of the Board of Directors

The Board of Directors discusses management strategies, business investments, and other important matters related to group management. The Board also reports on the execution of duties by each director and their regular performance. The main agenda items for the fiscal year ending March 31, 2022 are found on the right.

Main Agenda Items for the Fiscal Year Ending March 31, 2022

- Establishment of Group Philosophy and new medium-term management plan
- Set up Sustainability Committee
- Development of DX strategy
- Introduction of stock-based remuneration system
- Response to Japan's Corporate Governance Code revised in June 2021
- Board of Directors' effectiveness evaluation results

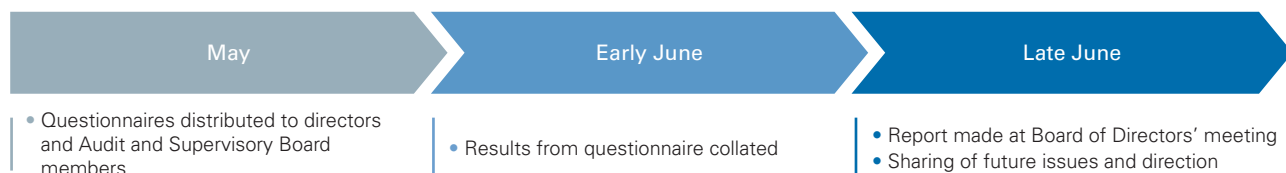
Initiatives to Increase Discussions at Board of Directors' Meetings

To facilitate lively discussions at Board of Directors' meetings, the Group distributes materials for meetings to directors and Audit and Supervisory Board members in advance. In addition, training on corporate management, including governance and sustainability, and regular briefings on the business overview of Group companies help to improve the capabilities of all officers and promote mutual understanding within the Group.

Effectiveness of the Board of Directors

To work on the enhancement of the Board of Directors' functions and thereby improve corporate value over the medium- to long-term, we evaluate the Board of Directors by means of questionnaires between directors and Audit and Supervisory Board members and discuss the results at Board of Directors' meetings.

Method for Evaluating Effectiveness



Evaluation of Board of Directors' Effectiveness

Main Content of Questionnaire	Result of Evaluation
<ul style="list-style-type: none"> • Structure and operational methods of the Board of Directors • Content of agendas • Director compensation, election and dismissal, etc. • DX, sustainability, investment in talent • Formulation of new medium-term management plan • Regular reports • Status of discussions at the Board of Directors' meetings 	<p>Regarding the Board of Directors' performance of functions, the Company was overall evaluated highly for innovations and improvements that have been made year after year, such as the enhancement of the content of agendas and open and frank discussions at meetings. However, while we have been able to discuss DX and sustainability at a certain level amid acceleratingly changing social conditions, we need to further expand the discussion.</p> <p>The Medium-term Management Plan 2022 has been formulated after extensive discussions, and we hope to expand the discussion toward the realization of our growth strategy.</p>

Corporate Governance

Officer Remuneration

> Officer Remuneration Decision Process

The Board of Directors has adopted a decision-making policy for determining remuneration details of each director. To further ensure the appropriateness of individual remuneration amounts and the transparency of the decision process, remuneration amounts are decided at a Nomination and Remuneration Committee meeting—chaired by an outside director and comprised of three outside directors and the President and Group CEO—and the Board of Directors are paid in accordance with those decisions.

> Composition of Officer Remuneration

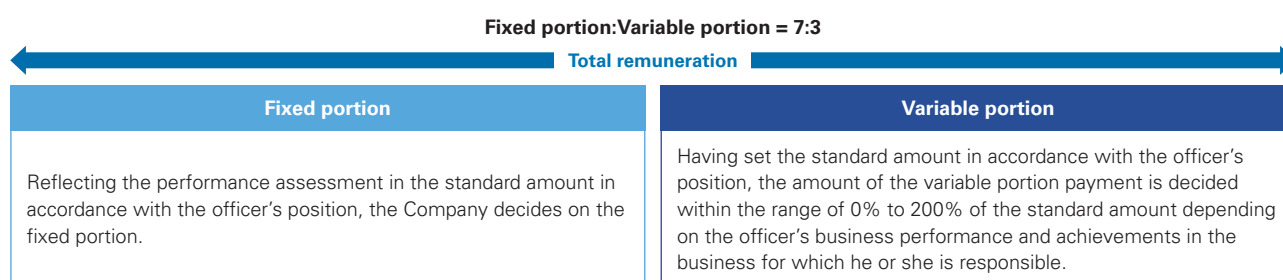
The officer remuneration system for the fiscal year ending March 31, 2022 is based on the basic remuneration for each position plus a performance-linked portion. The indicators for the performance-linked evaluation include consolidated operating profit, for the purpose of motivating an increase of corporate value through the improvement of business performance and, added to this, we have established consolidated profit before income taxes, in which the results of investment and loans are reflected. The performance evaluation for the following fiscal year's performance-linked evaluation is an arrangement that reflects the ratio of that fiscal year's target against the actual result for both indices, comparing the points scored on the basis of the table stipulated in the officer remuneration regulations with the previous fiscal year's results. Outside directors and Audit and Supervisory Board members receive fixed remuneration.

The total amount of remuneration, etc., for each officer category, total amount by type of remuneration, and number of eligible officers

Officer category	Amount of remuneration, etc. (millions of yen)	Total amount by remuneration type, etc. (millions of yen)		No. of eligible officers
		Fixed portion	Variable portion	
Directors (excluding outside directors)	307	193	113	7
Audit and Supervisory Board Members (excluding outside Audit and Supervisory Board members)	60	60	—	3
Outside officers	45	45	—	5

Note: The number of eligible officers is the total for the fiscal year.

Officer Remuneration System (as of March 31, 2022)



Introduction of the Stock-based Remuneration System

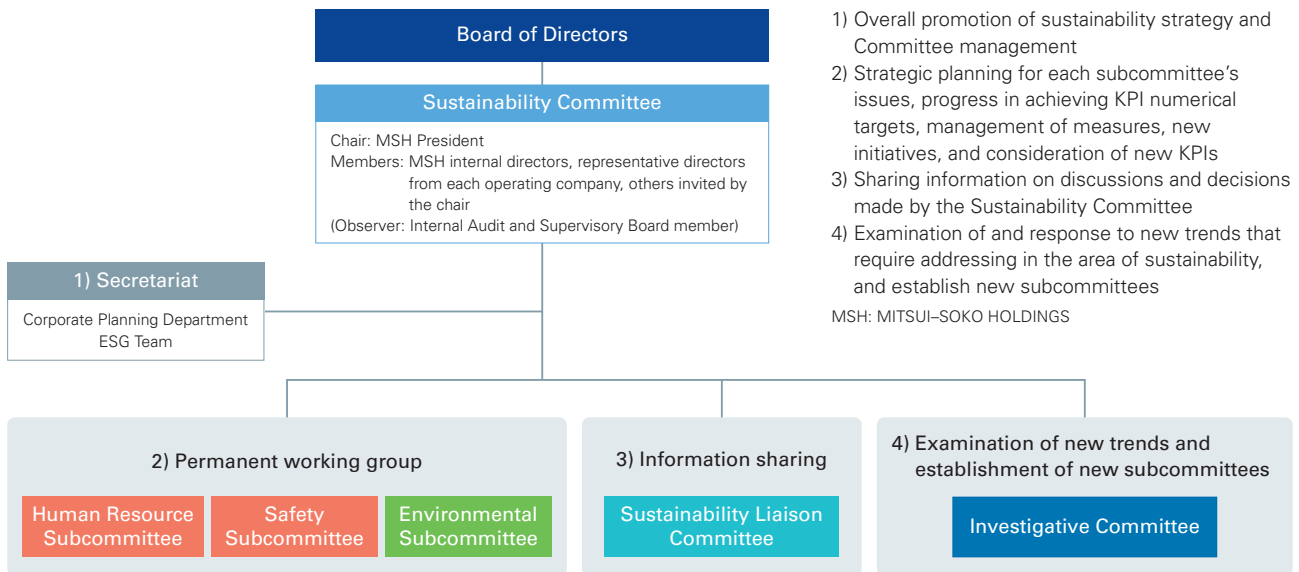
In July 2022, the Company introduced a restricted stock remuneration system for directors (excluding outside directors) to share the benefits and risks of stock price fluctuations with shareholders and motivate them to contribute to increasing the stock price and enhancing corporate value.

Overview of the Stock-based Remuneration System

- The Company pays as stock-based remuneration an amount of restricted stock equivalent to 10% of the base amount based on position (the amount of remuneration for full-time directors is determined as a base figure, which is then multiplied by a certain coefficient according to position and other factors to be used as the basis for calculating individual remuneration).
- Stock-based remuneration is the total amount of stock-based remuneration determined by the Company which is paid at a fixed time each year.

Sustainability Promotion Framework

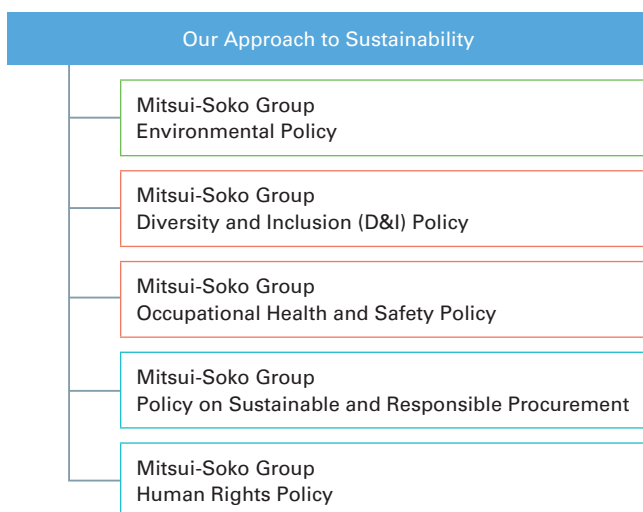
The Group is promoting sustainability management with the aim of realizing a sustainable society and increasing the corporate value of the Group. In 2019, we established the SDGs Promotion Project and also regularly held the SDGs Promotion Council. Then, in further promoting and strengthening our sustainability management, we established the Sustainability Committee in October 2021. The Committee, chaired by the President, is responsible for considering the strategy and policy on sustainability, as well as implementing and managing initiatives to address materiality and target KPIs. The Committee is supervised by the Board of Directors, and the Board's opinion and advice are duly reflected in the measures of the Committee.



Sustainability Committee Topics

- First meeting (Feb. 2022): Committee's operational policy, action policy of each subcommittee (Human Resource, Safety, and Environmental), TCFD response policy, and overview of business and human rights
- Second meeting (July 2022): Specific responses to TCFD, progress in business and human rights activities

Sustainability Policies



The Group's "Our Approach to Sustainability" policy is positioned as a higher concept of each policy, and we are promoting initiatives in line with each of them. In July 2022, to clarify the Group's approach to respecting human rights, we established the Mitsui-Soko Group Human Rights Policy. We will continue to promote sustainability initiatives in line with each policy.

Corporate Governance

Stockholdings

Comprehensively considering the Group's business strategies and relationships with its business partners, the Company maintains a policy of holding strategic stockholdings when these are considered effective in improving corporate value over the medium-to long-term. With regard to the verification of stockholdings, we report regularly to the Board of Directors every year. For verification of stockholdings, we individually qualitatively and quantitatively verify them from the perspectives that include the purpose of the holding and capital cost, and we are also promoting efforts to reduce holdings as appropriate.

While assessing the management policy of the investee company, we exercise voting rights related to strategic stockholdings in an appropriate manner based on whether they will contribute to the improvement of corporate value over the medium- to long-term.

Group Governance

Having established a policy relating to Group governance, the Company has clarified the responsibilities and authorities that each company in the Group should have.

In addition to discussing and resolving matters to be submitted to the Board of Directors, the Management Council that meets twice a month discusses and reports on important matters relating to the management of each company, including business plans, large-scale projects, and the internal controls of each company, and thus the Company has in place a system to share information appropriately throughout the Group.

Compliance

To devise ways to strengthen the legal compliance system, we have established a Compliance Committee, which convenes every quarter. In addition, a monthly Compliance and Risk Management Liaison Committee attended by those in charge of operating companies is held to ensure that each company has an organizational structure in place to properly follow compliance requirements.

We also investigate the status of legal compliance in an ongoing, comprehensive manner by striving to improve our legal compliance system by verifying the results of the activities and building a system to help prevent the risk of compliance violations for the next year. We conduct annual compliance-related training and awareness surveys to raise awareness of compliance issues throughout the Group.

To prevent or quickly detect major violations, such as legal noncompliance, malpractice, or harassment, we have established rules for the handling of internal reporting. The Mitsui-Soko Group Compliance Hotline has also been established for Group employees and others. An external point of contact in Japan has been outsourced to a third-party organization, which further strengthens the anonymity of the whistleblower and can also deal with reports in English and Chinese. By working to expand the whistleblowing system, we are preventing the potential for risks such as scandals.



MSH: MITSUI-SOKO HOLDINGS

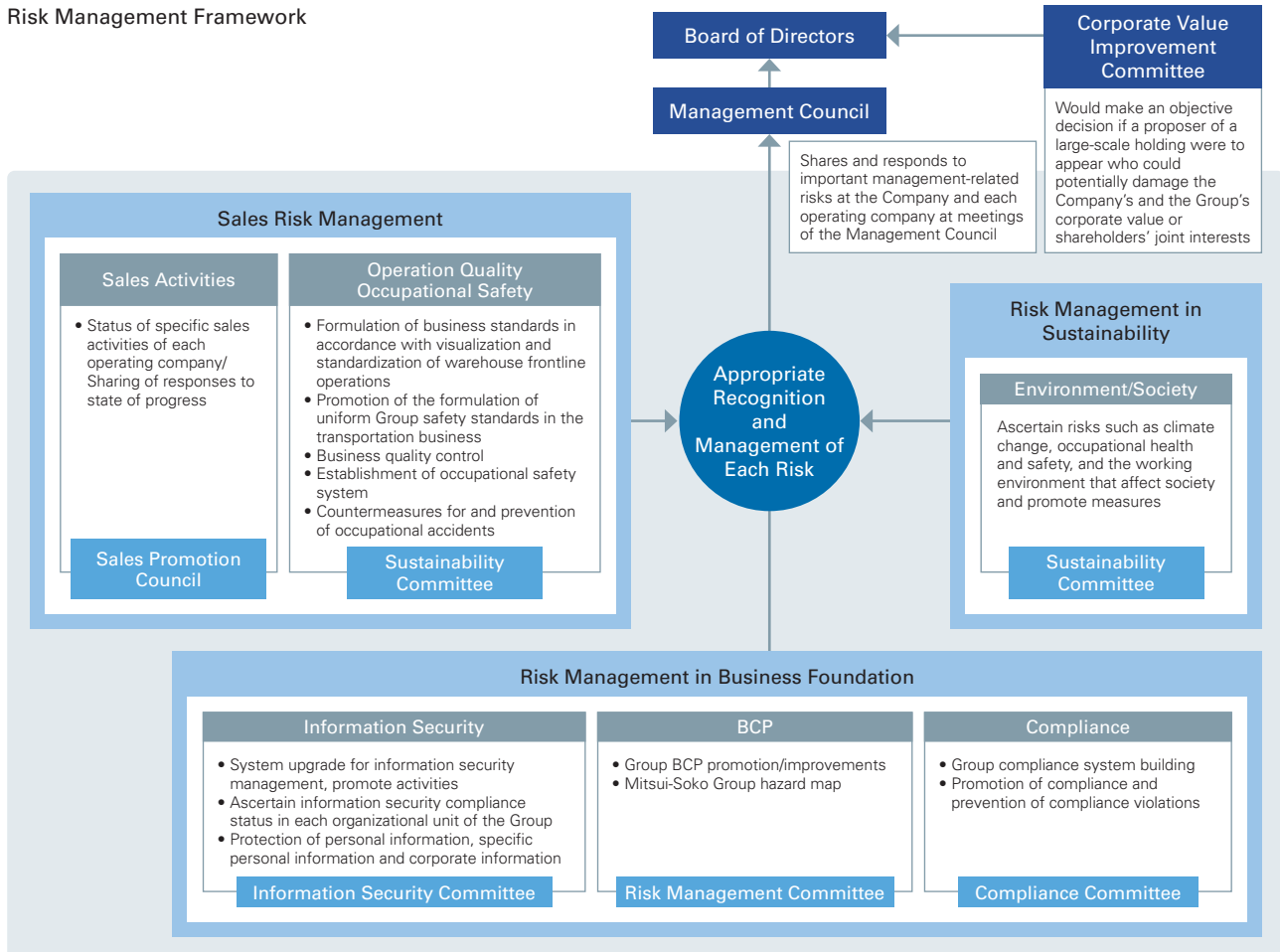
Risk Management

Basic facts pertaining to the recognition of risks and their management in the Mitsui-Soko Group's business activities are defined in its Risk Management Regulations, and the Risk Management Committee convenes quarterly to improve and strengthen risk management. Comprising risk managers from the Company and major Group companies, the Risk Management Committee deliberates the status of risk management for the Group as a whole and establishes basic response items and policies. The department in charge of risk management for each Group company establishes rules and guidelines, conducts training programs and creates and distributes manuals about individual risks, such as those related to compliance, human rights, the environment, natural disasters, quality, finance, accounting, and information security. The Group's Risk Management Department is responsible for promoting Group-wide risk

assessments and responses.

Under the supervision of the director responsible for risk management, who is also responsible for compliance, the Risk Management Department (15 staff members, four of whom are dedicated to risk management) is working on corporate risk prevention, maintaining and updating the corresponding manuals in the unlikely case that an incident occurs, and striving to reduce corporate risk. Specifically, the Risk Management Department focuses on high-priority risks, which are determined by the Risk Management Committee from among the corporate risks listed in advance. Having prepared response manuals in cooperation with the relevant executive departments, we are verifying the implementation status of preventive measures and sharing the results throughout the Company, while constantly reviewing them.

Risk Management Framework



Business and Other Risks

The Group conducts logistics business mainly in Japan, North America, Europe, Northeast Asia, and Southeast Asia, as well as real estate business in Japan. Matters that may have a significant influence on investors' investment decisions are shown on the right. As the judgments made by the Group are those made at the annual securities report submission date (June 23, 2022), the Business and Other Risks listing does not state all risks relevant to the Group.

Business and Other Risks Listings

- Changes in economic environment
- Changes in public regulations
- Changes in industry structure
- Exchange rate fluctuations
- Changes in interest rates
- Increasing importance of ESG
- Occurrence of disasters and damage to social infrastructure
- Potential risks from international activities and overseas expansion
- Information management of customers, etc.
- Dependence on specific customers
- Changes in market value of owned assets
- Retirement benefit obligation
- Impairment of fixed assets
- Financial covenants for debt cover

Directors and Audit and Supervisory Board Members

As of July 1, 2022

Directors

Hirobumi Koga

Representative Director,
President and Group CEO
Chairman of the Board of Directors
(Concurrently) Chairman of
MITSUI-SOKO EXPRESS Co., Ltd.
(Concurrently) Chairman of
MITSUI-SOKO TRANSPORT
Co., Ltd.



Apr. 1981	Joined The Mitsui Bank, Limited (currently Sumitomo Mitsui Banking Corporation)
Apr. 2013	Managing Executive Officer of Sumitomo Mitsui Banking Corporation
May 2014	Joined the Company
June 2016	Executive Managing Director of the Company
June 2017	Representative Director, President and CEO of the Company (to the present)

Nobuo Nakayama

Representative Director and
Senior Managing Director
Chief Finance Officer
Responsible for Finance Headquarters
(Concurrently) Director of
MITSUI-SOKO Co., Ltd.
(Concurrently) Director of
MITSUI-SOKO Supply Chain
Solutions, Inc.
(Concurrently) Auditor of
MITSUI-SOKO TRANSPORT
Co., Ltd.



Apr. 1975	Joined The Mitsui Bank, Limited (currently Sumitomo Mitsui Banking Corporation)
Apr. 2007	Joined the Company
June 2015	Executive Managing Director of the Company
June 2017	Representative Director and Senior Managing Director of the Company (to the present)

Hiroshi Kino

Executive Managing Director
Responsible for Personnel,
HR, Real Estate
(Concurrently) Director of
MITSUI-SOKO LOGISTICS Co., Ltd.



Apr. 1984	Joined the Company
Apr. 2015	Director, Senior Executive Officer of MITSUI-SOKO Co., Ltd.
Apr. 2016	Representative Director and President of MITSUI-SOKO BUSINESS TRUST Co., Ltd.
June 2017	Representative Director and President of MITSUI-SOKO Co., Ltd.
June 2021	Director and Senior Executive Officer of the Company (to the present)

Takeshi Gohara

Executive Managing Director
Responsible for Compliance,
Legal and General Affairs,
Risk Management
(Concurrently) Director of
MITSUI-SOKO LOGISTICS Co., Ltd.
(Concurrently) Auditor of
MITSUI-SOKO EXPRESS Co., Ltd.



Apr. 1987	Joined the Company
Apr. 2013	Representative Director and Senior Executive Managing Director of MITSUI-SOKO EXPRESS Co., Ltd.
June 2017	Director, Senior Executive Officer of the Company
June 2022	Executive Managing Director of the Company (to the present)

Yuji Itoi

Director, Senior Executive Officer
Responsible for Information Systems



Apr. 1981	Joined IBM Japan, Ltd.
May 2009	Joined Oracle Corporation Japan
Aug. 2012	Joined the Company
Apr. 2016	Executive Officer of the Company
June 2022	Senior Executive Officer of the Company (to the present)

Tomoaki Kiriya

Director, Senior Executive Officer
Responsible for Strategic Sales,
Development Administration
(Concurrently) Director of
MITSUI-SOKO Co., Ltd.
(Concurrently) Director of
MITSUI-SOKO Supply Chain
Solutions, Inc.



Apr. 1990	Joined the Company
Apr. 2018	Executive Officer of the Company
June 2022	Senior Executive Officer of the Company (to the present)

Note: The "Company" as indicated in the career summary column refers to MITSUI-SOKO HOLDINGS Co., Ltd.
(the corporate name before the change on October 1, 2014, was MITSUI-SOKO Co., Ltd.)

Outside Directors

Taizaburo Nakano

Outside Director



Apr. 1969 Joined The Mitsubishi Bank, Limited (currently MUFG Bank, Ltd.)
 June 1973 Joined Tokyo Coca-Cola Bottling Co., Ltd. (currently Coca-Cola Bottlers Japan Inc.)
 Mar. 2003 Representative Director & Vice President of the same company
 Nov. 2013 President and CEO of TIEUP Co., Ltd. (to the present)
 June 2018 Outside Director of the Company (to the present)

Takashi Hirai

Outside Director



Apr. 1989 Joined Bain & Company Japan, Inc.
 July 1997 Joined Dell Japan Inc.
 Apr. 2001 Head of Corporate Planning Division/Officer of Starbucks Coffee Japan, Ltd.
 Sept. 2003 Executive Officer and Senior Partner of Roland Berger Ltd.
 Mar. 2017 Professor of Graduate School of Business Sciences of MBA Program in International Business, University of Tsukuba (to the present)
 June 2017 Outside Director of KITO CORPORATION (to the present)
 June 2019 Outside Director of the Company (to the present)

Maoko Kikuchi

Outside Director



Apr. 1992 Joined Public Prosecutors Office of Ministry of Justice as a Public Prosecutor
 Mar. 1999 Registered as an attorney at law in Japan and New York State, U.S. Joined Nagashima & Ohno (currently Nagashima Ohno & Tsunematsu)
 Apr. 2004 Joined General Secretariat, Fair Trade Commission
 June 2010 Executive Officer and CCO of Vodafone K.K. (currently SoftBank Corp.)
 Apr. 2014 Executive Officer of Microsoft Japan Co., Ltd.
 June 2016 Standing Outside Audit and Supervisory Board Member of the Company
 June 2020 Outside Director of the Company (to the present)
 June 2020 Audit and Supervisory Board Member (Part-time), KADOKAWA CORPORATION
 July 2020 Outside Director of Hitachi Construction Machinery Co., Ltd. (to the present)

Audit and Supervisory Board Members

Yukio Ishida

Senior Audit and Supervisory Board Member
 (Concurrently) Corporate Auditor of MITSUI-SOKO Co., Ltd.



Apr. 1982 Joined the Company
 Apr. 2014 Representative Director and President & Chief Executive Officer of MITSUI-SOKO LOGISTICS Co., Ltd.
 June 2021 Director, Senior Executive Officer of the Company
 June 2021 Senior Audit and Supervisory Board Member (to the present)

Norio Miyashita

Audit and Supervisory Board Member
 (Concurrently) External Auditor (Part-time) of MITSUI-SOKO LOGISTICS Co., Ltd.
 (Concurrently) External Auditor (Part-time) of MITSUI-SOKO Supply Chain Solutions, Inc.



Apr. 1980 Joined Japan Development Bank (currently Development Bank of Japan Inc.)
 Apr. 2006 Joined the Company
 Apr. 2015 General Manager of Business Administration Division, MITSUI-SOKO LOGISTICS Co., Ltd.
 June 2016 Standing Audit and Supervisory Board Member of the Company (to the present)

Outside Audit and Supervisory Board Members

Osamu Sudoh

Outside Audit and Supervisory Board Member



Apr. 1980 Admitted to the bar in Japan; joined the Tokyo Yaesu Law Office
 Apr. 1999 Founded Sudoh & Takai Law Office as a partner
 June 2011 Outside Audit and Supervisory Board Member of the Company (to the present)
 May 2016 Partner of Sudoh & Partners (to the present)

Motohide Ozawa

Outside Audit and Supervisory Board Member



Oct. 1977 Joined Coopers & Lybrand Accounting Firm
 Aug. 1996 Senior Partner of Chuo Audit Corporation
 Sept. 2006 Senior Partner of Arata & Co.
 June 2013 Outside Audit and Supervisory Board Member of the Company (to the present)