

VALUE
REPORT
2021



mitsui-soko
GROUP



Value beyond Logistics

Aiming to remain a company that is truly needed by society



The Mitsui-Soko Group, for over 100 years since its founding, has been meeting customers' logistical issues sincerely in a wide range of business formats and regions and supporting the important social infrastructure called logistics. While engaging in transportation within the fields of land, sea, and air that is based on our inherent warehousing business, through M&A and facility investment in recent years, we have reached the point at which we can provide one-stop logistics services that enable us to meet the diversifying needs of our customers. We have received positive feedback from customers by maintaining high quality through our expertise and versatile facilities, particularly in the handling of cargo requiring specially controlled environments, such as pharmaceutical products and food ingredients.

The Mitsui-Soko Group promotes initiatives geared toward the creation of a sustainable society under the Group Vision of "Value beyond Logistics" and thereby create social value. At the same time, in our domestic and overseas corporate activities, we see things from our clients' perspectives and share value with them. Our aim is for Mitsui-Soko to evolve into a "first-call company," which is a company that is consulted first by any customer who has logistics improvement needs.

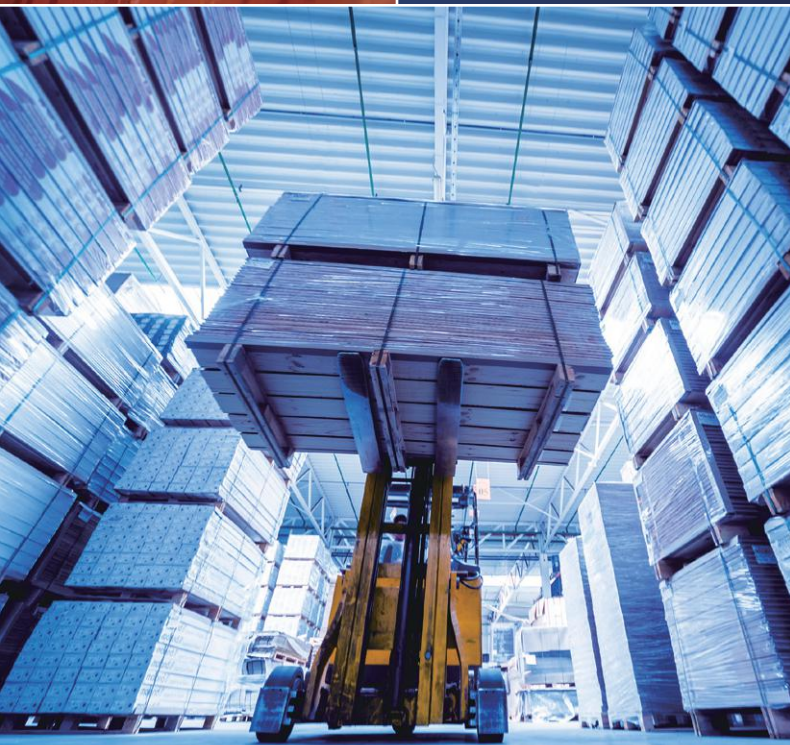


VISION

Value beyond Logistics

MISSION

To Become a
First-Call Company Trusted
by Customers



CONTENTS

01 WHO WE ARE

- 01 Mitsui-Soko Group Values
- 04 Upon Issuing Value Report 2021
- 05 At a Glance
- 07 History

09 VALUE CREATION

- 09 Message from the President and Group CEO
- 15 Value Creation Process
- 17 Mitsui-Soko Group's Materiality
- 21 Our Materiality 01 Provision of Sustainable, Resilient Logistics Services through Co-Creation
- 27 Our Materiality 02 Realization of Safe, Diverse and Rewarding Workers
- 31 Our Materiality 03 Contribution to a Low-Carbon, Circular Economy by Actively Reducing Environmental Impact
- 35 Medium-term Management Plan 2017: From Reversal to Sustainable Growth
- 37 Message from the CFO
- 39 Business Overview
- 40 MITSUI-SOKO HOLDINGS
- 41 MITSUI-SOKO
- 45 MITSUI-SOKO EXPRESS
- 47 MITSUI-SOKO LOGISTICS
- 49 MITSUI-SOKO Supply Chain Solutions
- 51 MITSUI-SOKO TRANSPORT
- 53 Response to COVID-19 Pandemic

55 FOUNDATION FOR VALUE CREATION

- 55 ESG Management/Sustainability Promotion Framework
- 57 Corporate Governance
- 61 Messages from Outside Directors
- 63 Directors and Audit and Supervisory Board Members

65 FINANCIAL SECTION

- 65 Five-Year Consolidated Financial/Non-Financial Data
- 67 Consolidated Balance Sheet
- 68 Consolidated Statement of Income, Consolidated Statement of Comprehensive Income
- 69 Consolidated Statement of Changes in Net Assets
- 70 Consolidated Statement of Cash Flows

71 CORPORATE DATA

- 71 Group Network
- 72 Company Information/Investor Information



The Mitsui-Soko Group publishes the Value Report for the purpose of informing all stakeholders, including shareholders and investors, about its medium- to long-term value creation. We have been moving beyond a conventional annual report since 2019; and this is the third issue of a Value Report.

Focusing on the progress of the five-year Medium-term Management Plan 2017: From Reversal to Sustainable Growth, the final year of which is the fiscal year ending March 31 2022, in this report we have endeavored to edit the Group's medium- to long-term value creation story in such a way that it will be easily understood by all stakeholders. To achieve sustainable growth by solving social issues through our business, in 2020 the Group positioned "Create new value as a company that supports logistics, an indispensable form of social infrastructure" as the most important factor in its business operations. To achieve simultaneous economic, social, and environmental value, the Group set as its materiality: provision of sustainable, resilient logistics services through co-creation; realization of safe, diverse and rewarding work environments; and contribution to a low-carbon, circular economy by actively reducing environmental impact. These will also contribute to the Sustainable Development Goals (SDGs), the international goals aimed at a sustainable and better world by 2030; these efforts are also covered in this report.

In preparing this report, reference was made to the Integrated Reporting Framework put forward by the Value Reporting Foundation (VRF), the Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation advocated by the Ministry of Economy, Trade and Industry and other relevant documents. At the same time, having consolidated the cross-organizational ideas from the Mitsui-Soko Group, each department cooperated and prepared the report in good faith. I have confirmed that the preparation process was properly conducted and that the coverage is fair.

In the years to come, we will continue to utilize the Value Report, which systematically summarizes financial and non-financial information, as one of the engagement tools for promoting constructive dialogue with all our stakeholders. In addition to fulfilling its social responsibilities by continuing to contribute to the realization of a sustainable society through its business activities, the Mitsui-Soko Group would appreciate your understanding and support for its unchanging stance in continuing to pursue mutual sustainable development with society.

September 2021

Makoto Tawaraguchi

Chairman
Chairman of the Board of Directors

Editorial Policy

This report is a disclosure document that incorporates management strategies for medium- and long-term growth, ESG information that forms the foundation of growth, and information on business performance and financial information for the fiscal year under review. This report is primarily published for investors.

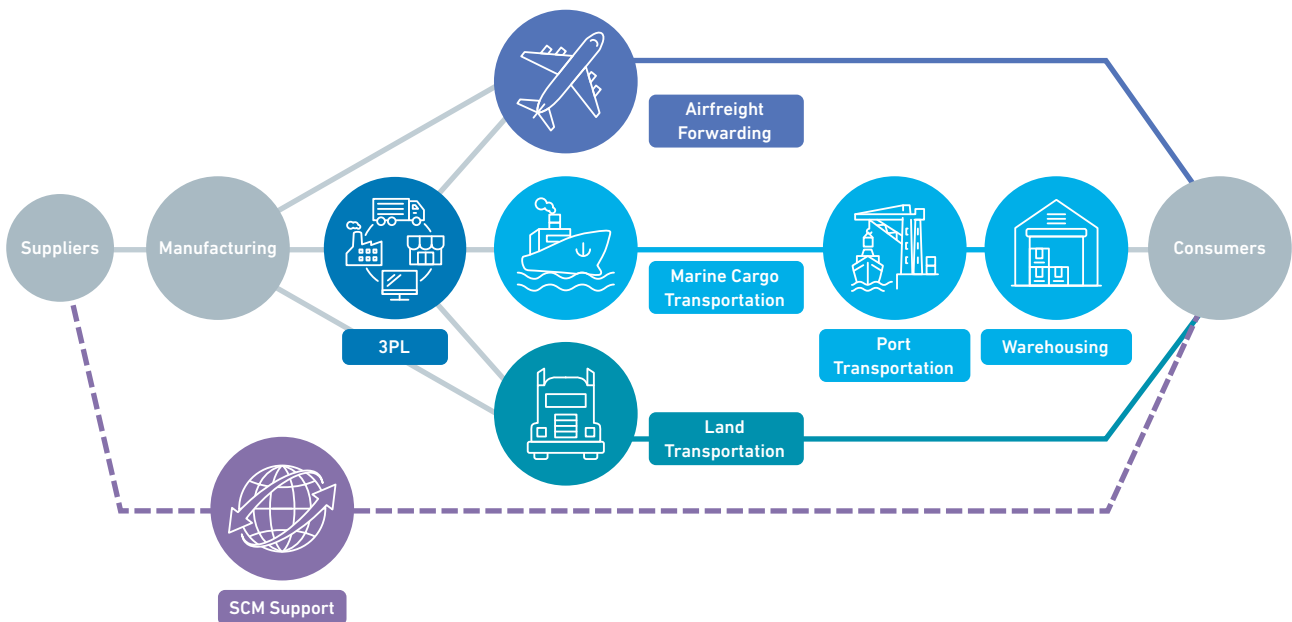
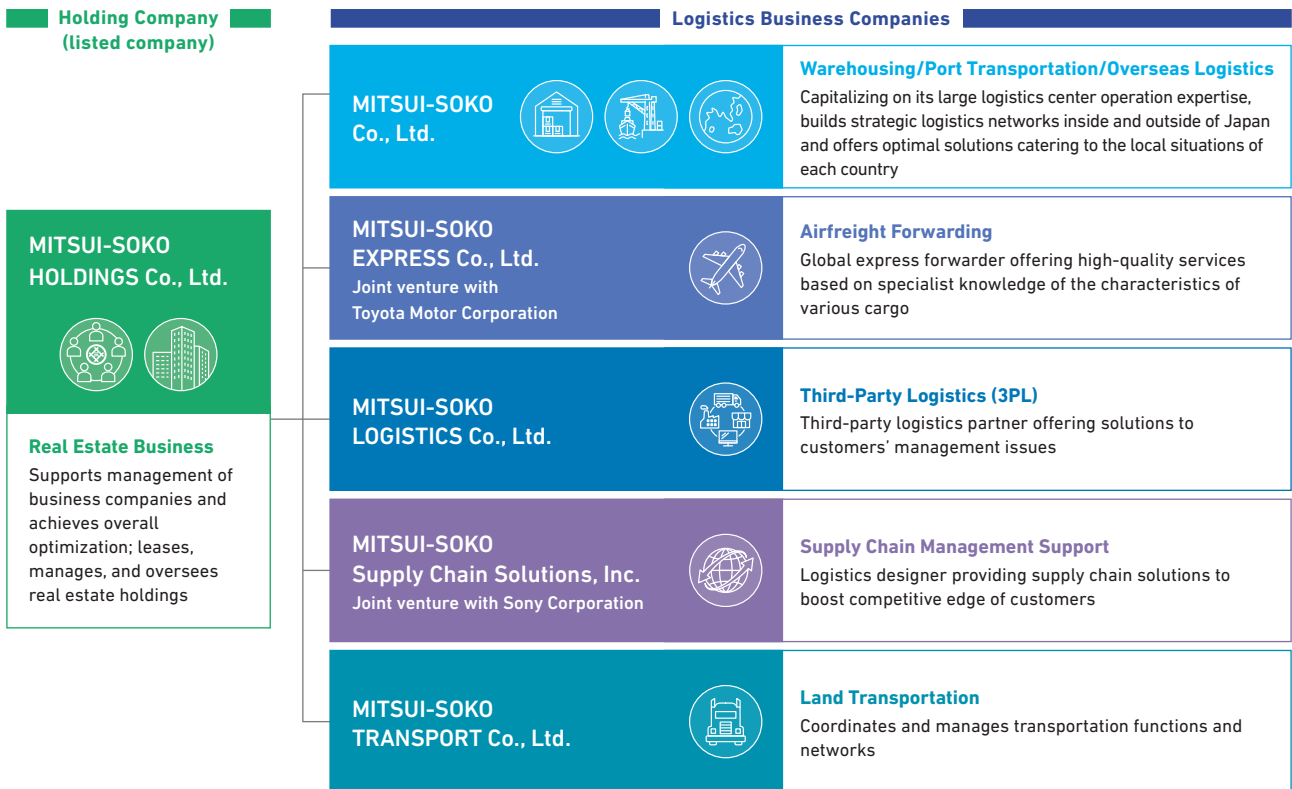
We also cover and post a variety of company information on our website. We hope that readers will deepen their understanding of the Company by looking at this report in conjunction with the website. In the years to come, we will work to edit the content of the report to meet the expectations of our readers.

Disclaimer Regarding Forward-Looking Statements

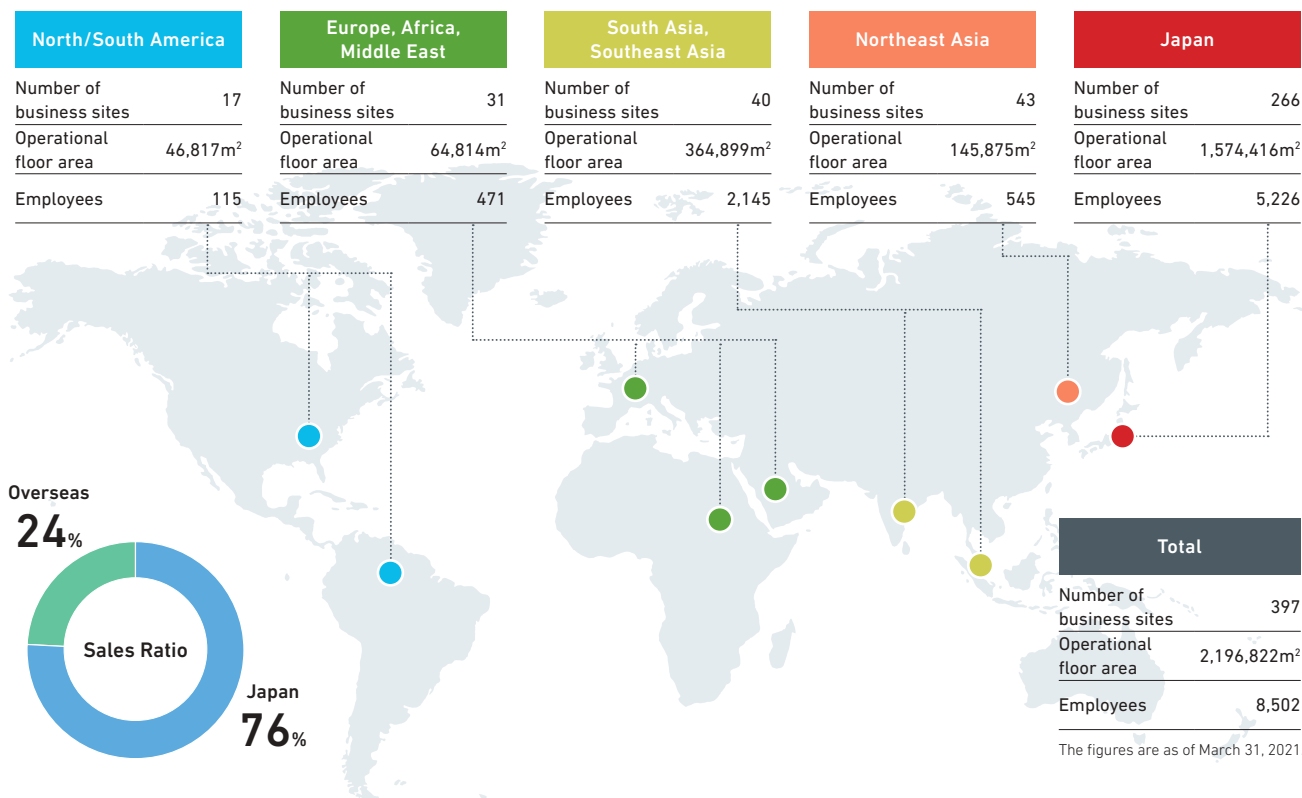
Those business plans, strategies, prospects, and management-related initiatives regarding the Company's future performance described in this report that are not historical facts are forward-looking statements and as such are assumptions and judgments based on currently available information. Readers should be aware that actual results may differ from these due to a variety of factors, such as the economic conditions surrounding the Company, demand and product prices, the development and sales of new products, and fluctuations in raw material prices and exchange rates.

Logistics Services of a Group that Develops Integrated Solutions Based on Its High Level of Expertise

Logistics Value Chain Provided by the Mitsui-Soko Group



Global Networks



High-Quality Logistics Know-How that Leverages Specialist Skills

Healthcare Logistics

By obtaining various approvals, such as those for drug manufacturing and pharmaceutical wholesale sales businesses, we are able to provide high value-added logistics services for healthcare logistics, such as pharmaceuticals, medical devices, and investigational new drugs. Having at its disposal, highly functional and in-house logistics facilities that are in compliance with GDP¹, GMP² and Quality Management System, this service provides storage and transportation in each temperature setting: room temperature, constant temperature, refrigerated, frozen, and cryogenic.

1 Good distribution practices: appropriate distribution standards for pharmaceutical

2 Good manufacturing practices: standards for the manufacture and quality control of pharmaceuticals, etc.

BPO Information Asset Management Service

Having obtained the ISO/IEC 27001 authentication standard and PrivacyMark® (P Mark) certification, we are conducting business based on a thorough information security management system. We handle important confidential documents in banks, insurance companies, and other financial institutions as well as for local governments, and also conduct information asset management and other tasks for institutions

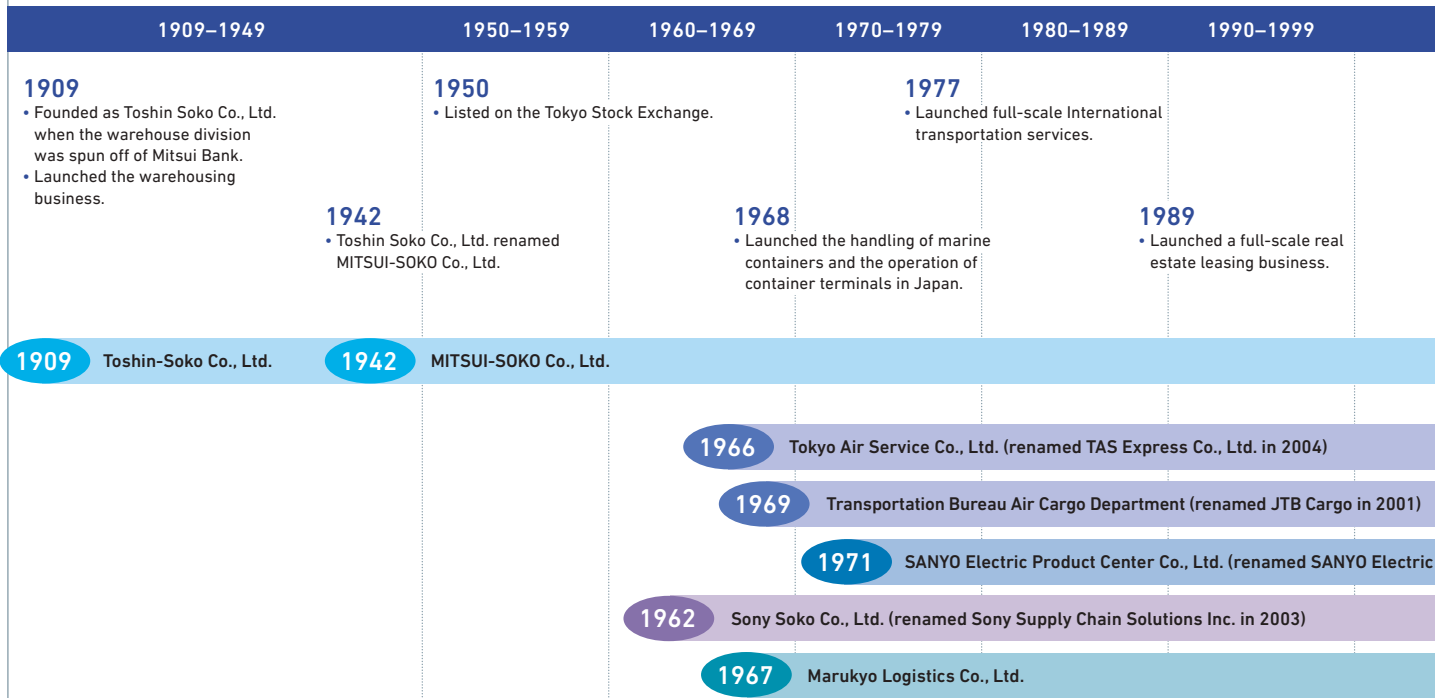
that conduct clinical trials. We are also able to provide a one-stop service for the information life cycle, from the creation to disposal of documents, within the same facility.



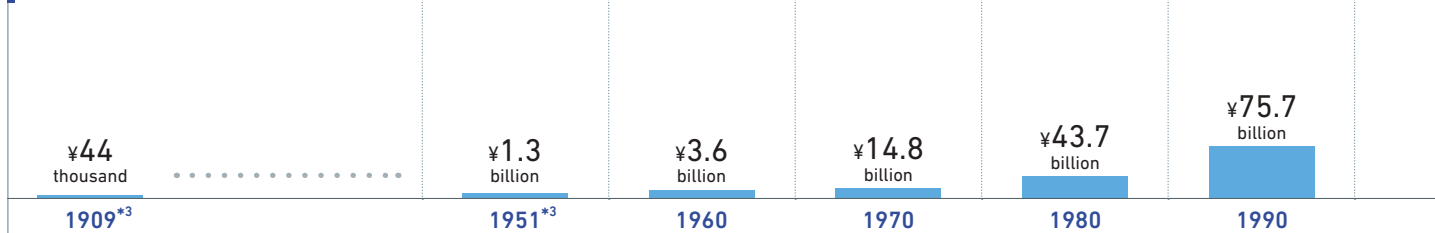
The figures are as of March 31, 2021.

History of the Mitsui-Soko Group: Realizing a

Mitsui-Soko Group History



Trends in Consolidated Operating Revenue



*1 In 2011, JTB Cargo was renamed MITSUI-SOKO Air Cargo.
 *2 MITSUI-SOKO TRANSPORT is the operating and managing company of the Marukyo Transportation Group.
 *3 1909 (Settlement of accounts for 1st Period: Oct. to Dec. 1909) and 1951 (Settlement of accounts for 78th/79th periods: Apr. 1950 to Mar. 1951) are recorded as gross profit.

Logistics History

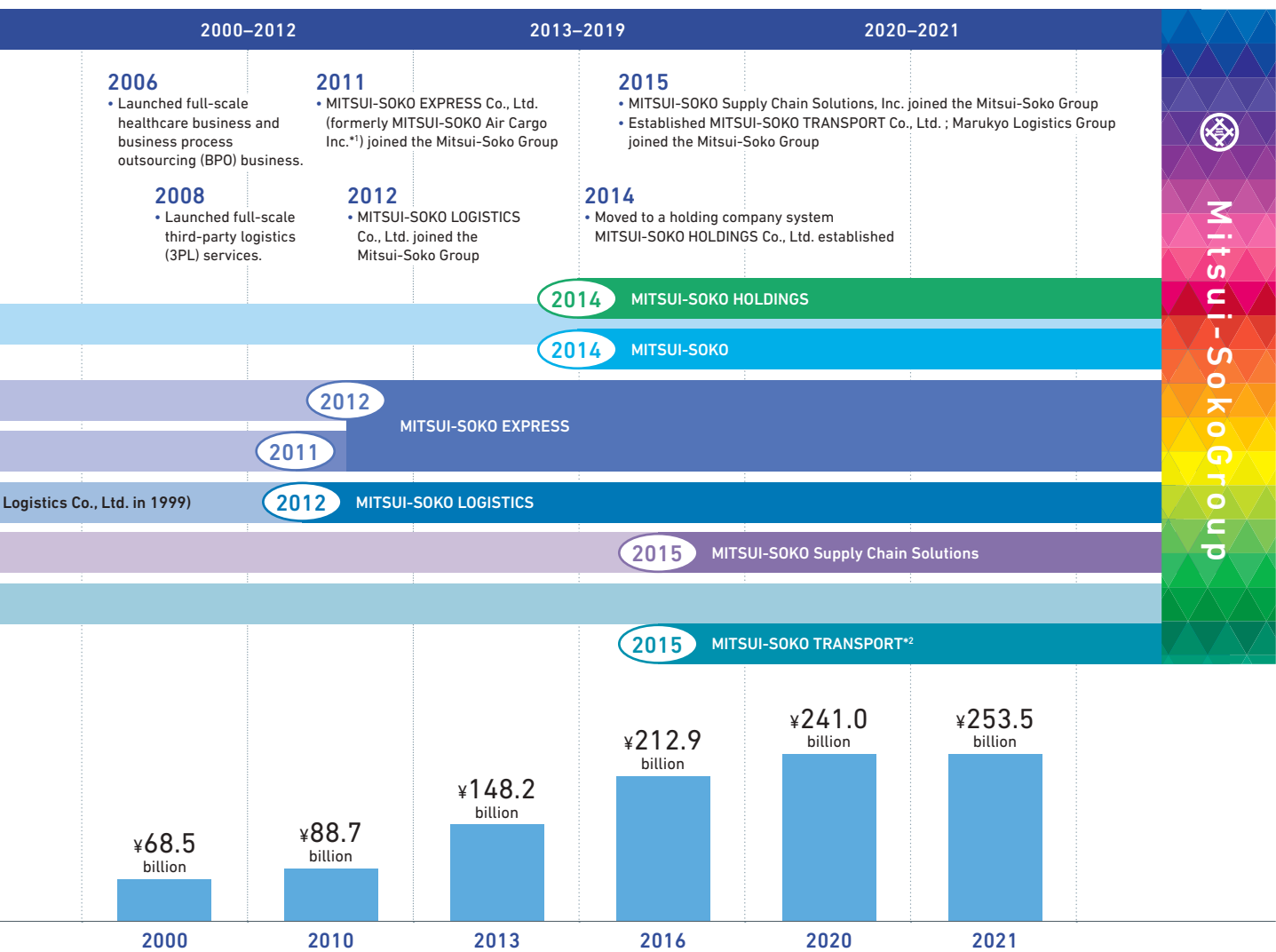
1909–1959 Expansion of warehouse demand due to Japan's modernization

In the course of modernization, Japan witnessed the sudden rise of a range of industries, such as spinning and silk manufacturing, and there was burgeoning demand for warehousing, but Japan's industry was for the most part destroyed in the Pacific War. Subsequently, due to the effects of the special demand economy caused by the outbreak of the Korean War, Japan experienced full-scale post-Pacific War reconstruction and once again welcomed a period of expansion in warehouse demand, this time brought about by high economic growth.

1960–1990 Development of international multimodal transportation/airfreight due to internationalization

Since the 1960s, Japan had become active in international trade and distribution. In 1968, container ships were introduced on the U.S.-Japan route, and the era of logistics transformation by container transportation and international multimodal transportation had arrived. Following the entry into the market of jet airliners used for cargo, which first appeared in the United States, international airfreight transportation expanded rapidly from the 1970s onward.

Comprehensive Lineup of Logistics Services



1991–2014

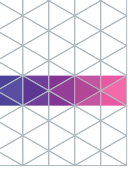
Rise of 3PL companies due to diversification of logistics needs

Amid significant changes in social conditions, such as global technological innovation and the progress of globalization, including in Southeast Asia, the needs for import/export, storage, and transportation in logistics have diversified. Logistics companies specializing in third-party logistics (3PL), which plan and execute logistics strategies on behalf of shipper companies, were emerging.

2015 onward

Increasing importance of logistics in the era of sustainability

In addition to labor shortages in the logistics industry resulting from the rapid increase in demand for home delivery and an aging of the population, the impact of the global COVID-19 pandemic has exposed supply chain vulnerabilities and reaffirmed the importance of logistics. As an entity that supports social infrastructure, we realize just how vitally important it is to provide sustainable logistics.



Hirabumi Koga

President and Group CEO
MITSUI-SOKO HOLDINGS Co., Ltd.

We will aim to further improve corporate value through co-creation with society.

Value beyond Logistics Our feelings on Mitsui-Soko Group's mission during the COVID-19 pandemic

I would like to express my deepest sympathies to all those affected by COVID-19.

Due to the global pandemic, people's values and working styles have been changing significantly, and it is having an effect on our societies, economies, and lifestyles. Even among companies, it can be said to have been a year that has prompted deep thoughts about what role companies should play and what value they can provide.

Under such circumstances, the pandemic strongly reaffirmed that it is our mission to ensure the safety of our employees and all others involved with the Mitsui-Soko Group and provide stable logistics services under any circumstances, that is, to keep logistics moving with certainty. With this in mind, I would like us to open up a new era as a corporate group that supports logistics, an indispensable form of social infrastructure.

Progress of the Medium-term Management Plan 2017 —After the First Year of the “Sustainable Growth Period”

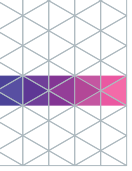
Under the “Medium-term Management Plan 2017: From Reversal to Sustainable Growth,” which will end in the fiscal year ending March 31, 2022, we have positioned the first three years as the reversal period to focus on improving our business profitability and the remaining two years as the sustainable growth period strategy, and the entire

Group is currently working as one to ensure its success.

In the fourth year of the current medium-term management plan—that is, the fiscal year ended March 31, 2021, the first year of the sustainable growth period after the three-year reversal period—we were able to secure higher sales and profits despite the effects of the COVID-19 pandemic, which resulted in us achieving the highest operating profit at all stages of profitability. Factors contributing to the strong performance include reviews of supply chains due to COVID-19 and increased consumption from staying at home. In addition to increasing earnings power by implementing various measures decided on under the Medium-term Management Plan 2017, I think this performance came as a result of having assembled a business portfolio capable of providing supply chains with extensive support, from upstream to downstream, and having built systems capable of securing stable profits. In an environment of deepening uncertainty, I feel that we achieved a certain response that exceeded our initial expectations for the first year of the sustainable growth period.

Second Year of the Sustainable Growth Period—An Important Year Leading to the Next Medium-term Management Plan

The current fiscal year will be the final year of this medium-term management plan and will be a year of great significance as the launching pad for the new medium-term management plan starting in fiscal 2022 (ending March 31, 2023). The environment surrounding the logistics industry is continuing to



undergo rapid change, as symbolized by the increasing sophistication and decarbonization of the global supply chain and other factors, and the industry is approaching a major turning point.

In view of such a situation, we currently have three priority measures for the sustainable growth period: the construction of overwhelming field capabilities; the construction of end-to-end integrated solution service; and ESG management.

Differentiating Ourselves from Other Companies by “The Construction of Overwhelming Field Capabilities”

Manufacturers work to differentiate themselves by providing value to customers through products that make full use of their technological capabilities, but for us as a logistics company, we believe that the quality of service created on the frontlines is equivalent to this. To provide efficient and high-quality services, we are focusing on the construction of overwhelming field capabilities that combine people’s individual capabilities with our technological capabilities.

At the present time in the logistics industry, moves toward ever-greater efficiency and the transformation of the frontlines of logistics are being

advanced by expanding the use of next-generation technologies, such as AI and robotics, and automation through digital transformation (DX), and it is expected that this trend will continue to accelerate in the years to come. As a matter of course, the Group is also actively responding to these changes, but it is not as simple matter of results being obtained automatically if excellent machinery is installed. Also, if the utilization of the latest robots and machines becomes commonplace, it will not lead to differentiation in the true sense of the word. It is at that time that human capabilities will become important. It is people who control robots and machines and operate them, and the quality should become the fork in the road toward differentiation. Based on such an idea, we will be particularly thorough when it comes to the added value created by people. With the Operation Management Division launched in April 2019 serving as the lead, we are working to improve frontline capabilities, not only for each operating company but also for the companies with which we collaborate. As a specific initiative, we began the nationwide expansion of business standardization implemented at model offices in 2020 and are working to raise the overall standard of quality. In April 2020, we established the Operation Inspection Team and carried out enhancements to the systems that check the operational level at each frontline site.

The addition of the word “overwhelming” rather than just “field capabilities” is a sign of our determination. Based on the belief that “field capabilities” are the very source of a logistics company’s capabilities, we are determined to develop quality that will overwhelm other companies and win out in the face of intensifying competition.

Strengthening “The Construction of End-to-End Integrated Solution Service” by “One Mitsui-Soko”

By combining the functions that each Group company possesses and the fields in which they excel, the Group is able to provide a wide range of flexible logistics services, from the upstream to the



downstream of the supply chain. By further refining the strengths of the Group in this way, we will promote the “construction of end-to-end integrated solution service” that is integrated within the entire Group as “One Mitsui-Soko.”

To promote Group-wide service development toward One Mitsui-Soko, it will be necessary for each and every employee, from those on the frontline to those in sales and management departments, to understand one another and provide services that leverage the Group’s strengths from a broader perspective. By having worked to close and then strengthen the *gyogiwa* (gaps between businesses) that connect the business boundaries between operating companies during the three years of the reversal period, the intercompany barriers have come down, and employee awareness and behavior are changing, such as proposals for Group-based services from each business.

In the coming years, we will aggressively promote the strengthening of the network, such as reviewing the functions between operating companies and conducting human resource exchanges to expand and deepen the development of end-to-end integrated solution service.

Promoting ESG Management That Realizes Economic, Social, and Environmental Values Simultaneously

For the sustainable growth of a company, it is very important to engage seriously in ESG and to ensure the sustainability of society. Based on this idea, the Mitsui-Soko Group has positioned “creating new value as a company that supports logistics, an indispensable form of social infrastructure” as being the most important factor for the Group. We have identified materiality from the perspectives of economy, society, and environment to resolve issues.




As a management issue that includes ESG issues, materiality was identified to simultaneously increase the corporate value of the Group and achieve the sustainable growth of society and customers, and efforts to address this issue are essential for the growth of the Group. Considering it necessary for the Group as a whole to work together to promote sustainable management, we set KPIs for each of the three material issues in May 2021. Concerning economic KPIs, we established items that will contribute to the sustainable growth of the Group and society through its business; for social KPIs, items that will realize an environment from which employees, who are the source of value creation, can derive job satisfaction; and for environmental KPIs, items that will contribute to reducing environmental impact.

For each KPI, we will promote efforts in each department of each company to achieve the targets and integrate them into the new medium-term management plan that we will launch in 2022. To further accelerate ESG management, we established the ESG Team in April 2021 and are planning the establishment of a Sustainability Committee to work toward further integration with management in October.

Looking ahead, it will be important not only to take measures to solve these issues in the Group, but also to propose sustainable logistics to our customers. Currently, we are constructing the Mitsui-Soko Green Supply Chains Program (provisional

Mitsui-Soko Group’s Materiality

Create new value as a company that supports logistics, an indispensable form of social infrastructure

-  Provision of sustainable, resilient logistics services through co-creation
-  Realization of safe, diverse, and rewarding workers
-  Contribution to a low-carbon, circular economy by actively reducing environmental impact

name) to bring about customer sustainability, including reduction of environmental impact, through the logistics business, and moving to enhance our menu of services. Especially in terms of the environment, there is a need to reduce CO₂ along entire supply chains. With regard to logistics, it is expected that the perspective of plus E (Environment) will be further emphasized in addition to the perspectives of quality, cost, and delivery (QCD), which have been regarded as important up to now. In addition, various social issues are closely related not only to the environment but also to logistics, such as labor shortages and business continuity plan (BCP) compliance. We recognize that providing services that help to solve these problems will lead to the simultaneous realization of economic, social, and environmental value.

Aiming for Further Growth

For the new medium-term management plan from the fiscal year ending March 31, 2023, we are studying specific measures and other initiatives to further improve corporate value. These will be based on the direction we have taken so far of taking advantage of the Group's greatest strengths in providing solution proposal capabilities and high-quality operations while being able to widely handle supply chains in an end-to-end manner, from upstream to downstream.

Other than obviously working to maintain and expand the stable handling of bulk cargo, such as food product materials and paper, that we have mainly been handling in port-area warehouses and which represent the Group's core business, our policy is to further focus on fields where future growth is expected. In particular, we recognize that the medical field is an area of business that is expected to grow in the future. Having completed Building the Kanto P&M Center B, a dedicated logistics base for the healthcare field, in June 2021, we are steadily accumulating results, such as outsourcing the consolidated domestic distribution of healthcare products to a Japanese subsidiary of a foreign-affiliated company.

In addition, various projects are underway in the field of regenerative medicine.

As the coming years are expected to see an acceleration in the rebuilding of the global supply chain, we are also advancing efforts in a variety of areas to build a business model in anticipation of changes in the business environment. These efforts include the construction of a digital platform that can centrally manage entire supply chains, the operation of next-generation distribution centers that utilize robotics and AI, and the development of logistics services through industry-academia collaboration in the life sciences field.

Going forward, I believe that the key points of the next medium-term management plan will be to make innovative proposals and contribute to our customers' supply chains and logistics strategies while promoting DX and making active use of digital and other technologies. This will lead to sustainable growth by developing the core business and businesses in growth fields in a well-balanced manner.

The COVID-19 pandemic has brought about a complete change in the state of society. In a situation where we are being subjected to an unprecedented wave of change, for the Group to grow sustainably it is essential that we change ourselves and evolve our conventional approach with innovative ideas and viewpoints.

Aiming for further growth through the true integration of the Group beyond the boundaries of its operating companies, in April 2021 we changed the president at MITSUI-SOKO Co., Ltd., the operating company that plays a central role in the Group. Mr. Takanobu Kubo, who was formerly with Toyota Motor Corporation and was president of MITSUI-SOKO EXPRESS Co., Ltd. for the past six years, has been appointed president of MITSUI-SOKO Co., Ltd. Having had a long career in Toyota's logistics and procurement divisions, new President Kubo has already been making use of his knowledge and experience. I am expecting that he will firmly drive the development of various solutions for warehouse bases from innovative perspectives and the construction of overwhelming field capabilities by



means of tireless *kaizen* (the improvement practices spearheaded by Toyota).

I also recognize that, in a period of change, it is necessary to develop human resources from a medium- to long-term perspective, and that this is an issue that must be tackled with some urgency. As a comprehensive logistics company, what we need to resolve all of our customers' issues are human resources who can think for themselves and possess multifaceted perspectives other than logistics. We have been engaged in reforming the human resource and training systems, but in the years to come will incorporate more diverse systems and deploy a human resources strategy that is not bound by conventional methods. This strategy will include, for example, the voluntary promotion of in-house personnel mobilization, transfers among group companies, and secondment systems not limited to Group companies, but also to manufacturers, trading companies, and other companies outside the logistics sector.

In this rapidly changing society, the Group will consider strategies and tactics while steadily forming a medium- to long-term vision of what kind of comprehensive logistics company it should be, that will lead to sustainable growth.

To All Our Stakeholders

In an era in which a variety of values that we had previously taken for granted are changing, the Mitsui-Soko Group has completed its Medium-term Management Plan 2017, and the new medium-term management plan will start in 2022. I feel that it is time to reconsider what role logistics companies play in society and what value the Group can provide from among them, and we are currently formulating our purpose (*raison d'être*) in society. I would like for us to build a solid sense of values that will not change even in times of drastic change, and to lay the foundations that will underpin the sustainable growth of the Group.

While envisioning the Mitsui-Soko Group in 30 or 50 years' time, we will steadily implement various measures to become a corporate group that naturally produces short-term results but also creates medium- to long-term value, while aiming to remain a company that is truly needed by society.

We look forward to the continued and unwavering support of all our stakeholders, including our shareholders, in the years ahead.

Creating New Value through Logistics Services, Contributing to the Realization of a Sustainable Society, and Improving Corporate Value



Value Proposition

Achieve a sustainable society while improving both the value of client companies and people's quality of life (QOL)

Economy

Improvements in the economic productivity of society and client companies



Social

Improvements in the QOL for employees and their families



Environment

Reductions in the environmental impacts of the value chains of society and client companies



Materiality

Create new value as a company that supports logistics, an indispensable form of social infrastructure

Provision of sustainable, resilient logistics services through co-creation

Realization of safe, diverse, and rewarding workers

Contribution to a low-carbon, circular economy by actively reducing environmental impact

▶ P.17-34

Value beyond Logistics

OUTPUT

- Sustainable logistics services
- Optimization of supply chain management that underpins customers' businesses
- Partnerships for sustainable logistics

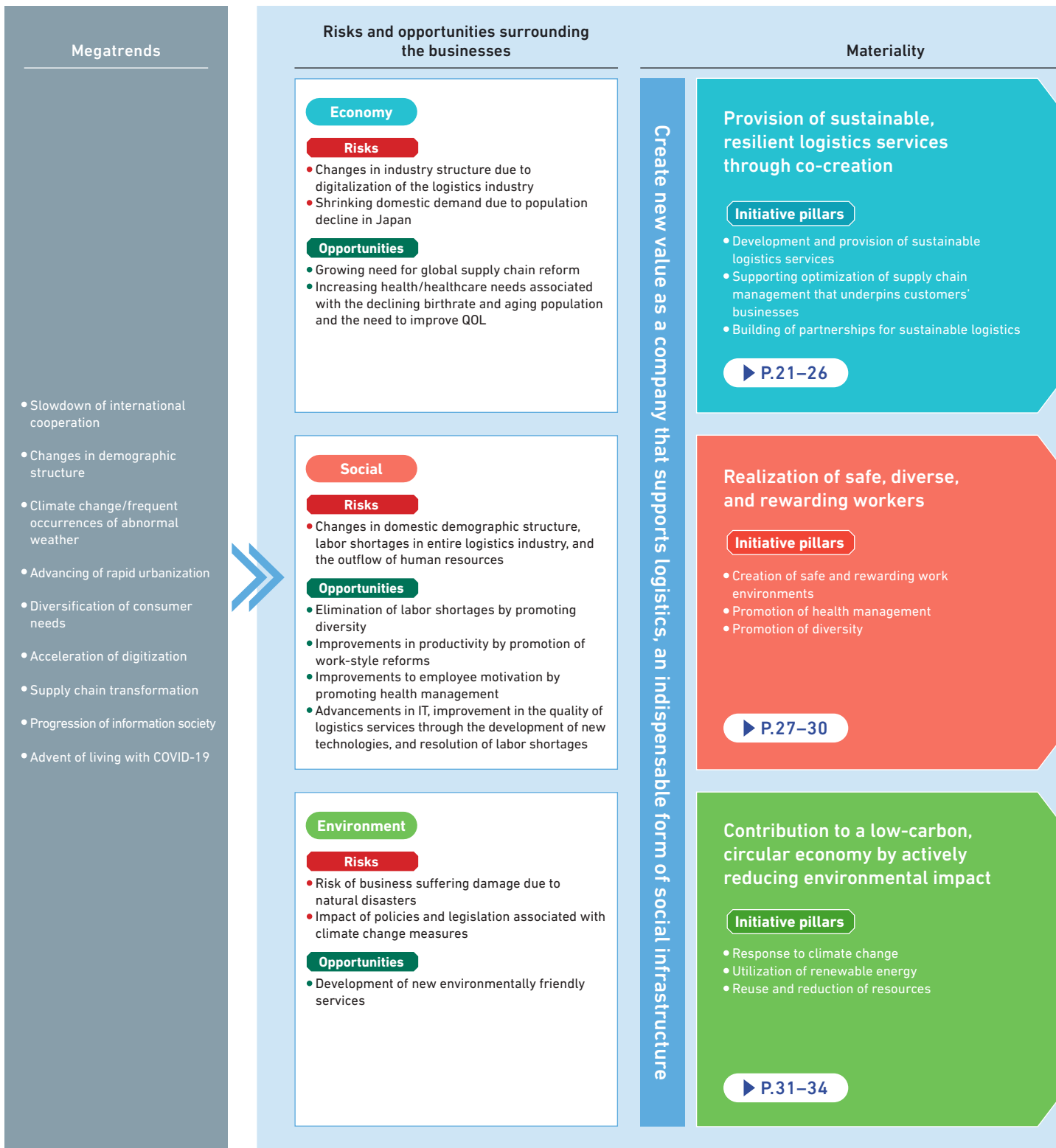
- Safe and rewarding work environments
- Health management
- Realization of diversity

- Response to climate change
- Utilization of renewable energy
- Reuse of resources and reduction of waste

▶ P.55-64

Based on its vision of "Value beyond Logistics," the Mitsui-Soko Group identified Materiality and set KPIs* with the aim of creating new value and achieving sustainable growth for the Group and for society through its business activities. We will promote initiatives for these priority issues and thereby contribute to achieving the goals of the eight SDGs related to our business.

*The scope of the KPIs is MITSUI-SOKO HOLDINGS and logistics business companies.



KPIs

- Expansion of businesses arising from social issues
- Achievement of high economic productivity and efficiency through DX promotion and innovation
- Expansion of partnerships toward sustainable logistics

- Improvement of employee engagement
- Maintain zero occupational accidents
- Achieve ratio of paid leave taken of 70%*
- Improvement of absentee rate over previous fiscal year's level
- Achieve health checkup take-up rate of 100%*
- Achieve male childcare leave acquisition rate of 30%*
- Ratio of female managers 15%*

*Achievement deadline is end of March 2026

- Total CO₂ emissions: 1% decrease compared with previous fiscal year
- Volume of waste generated: reduced from the previous fiscal year's level

Value Proposition/Contribution to the 169 Targets of the SDGs

Achieve a sustainable society while improving both the value of client companies and people's Quality of Life

Economic Value

Improvements in the economic productivity of society and client companies

Contribution to SDGs

- 9.1 Develop sustainable and resilient infrastructure
- 9.4 Increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes
- 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation in labor-intensive sectors
- 17.16 Enhance the global partnership



Social Value

Improvements in the QOL for employees and their families

Contribution to SDGs

- 8.5 Achieve full and productive employment and decent work, equal pay for work of equal value
- 8.8 Protect labor rights and promote safe and secure working environments
- 3.6 Halve the number of global deaths and injuries from road traffic accidents
- 3.d Strengthen the capacity for early warning, risk reduction and management of health risks
- 5.5 Ensure women's full and effective participation and equal opportunities for leadership
- 5.b Enhance the use of information and communications technology to promote the empowerment of women



Environmental Value

Reductions in the environmental impacts of the value chains of society and client companies

Contribution to SDGs

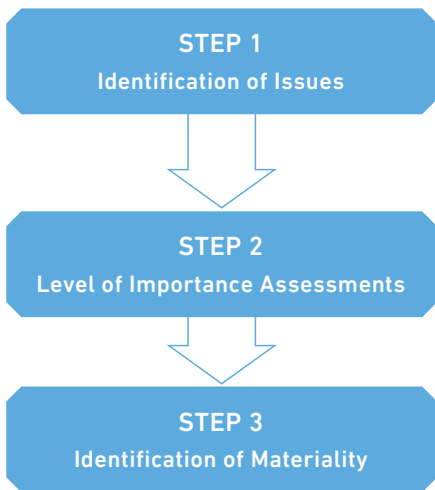
- 13.1 Strengthen resilience and adaptive capacity to climate-related natural disasters
- 13.2 Integrate climate change measures into strategies and planning
- 13.3 Climate change mitigation, adaptation, impact reduction
- 7.2 Increase substantially the share of renewable energy in the global energy mix
- 12.2 Achieve the sustainable management and efficient use of natural resources
- 12.5 Substantially reduce waste generation through reduction, recycling and reuse [the 3Rs]



Identification of Materiality

To create medium- to long-term value by resolving social issues through its business in 2020, the Mitsui-Soko Group identified issues that have a major impact on the Group's businesses and are important for stakeholders, especially shareholders and investors, as materiality.

Process for Identifying Materiality

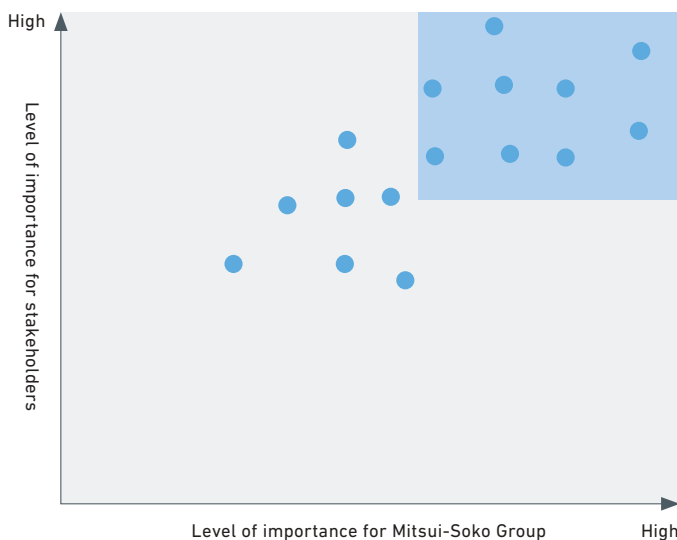


Issues were comprehensively extracted by referring to the SDGs from the perspective of resolving social issues (creating opportunities) through the Group's business and to ISO 26000 from the perspective of risk.

With regard to the issues identified in STEP 1, we first evaluated the "level of importance for the Mitsui-Soko Group" from the perspective of risks and opportunities in terms of the Group's businesses. Then, through daily dialogue, we conducted interviews with IR departments to ascertain the needs and expectations of shareholders and investors, and also assessed "the level of importance for stakeholders" in the same manner.

Having discussed the important issues prioritized through the importance assessment result of STEP 2 with internal and external parties and confirmed their validity, the material issues were discussed and given final approval at meetings of the MITSUI-SOKO HOLDINGS Management Council and Board of Directors.

Extracted items and level of importance



Identification of Materiality

Create new value as a company that supports logistics, an indispensable form of social infrastructure

Provision of sustainable, resilient logistics services through co-creation

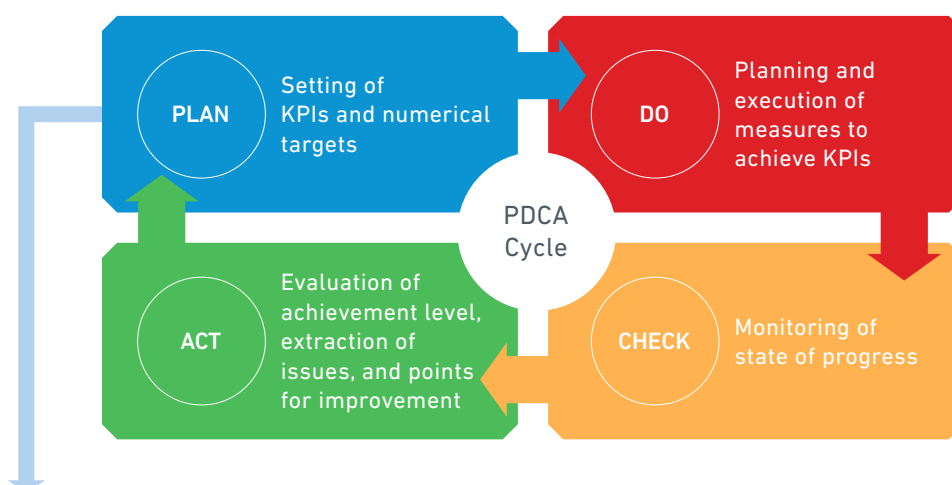
Realization of safe, diverse, and rewarding workers

Contribution to a low-carbon, circular economy by actively reducing environmental impact

Initiatives toward Materiality

Having positioned "create new value as a company that supports logistics, an indispensable form of social infrastructure" as the most important factor in its business operations, to realize economic, social and environmental value at the same time, the

Group identified materiality items for each. Going forward, we will integrate materiality into the next medium-term management plan to further strengthen the implementation of PDCA cycles.



Setting of KPIs

In May 2021, we set the materiality KPIs as management indicators by which to evaluate major initiatives for each identified materiality. Looking ahead, we will formulate and implement measures for the set KPIs and accelerate efforts throughout the Group. With regard to the environmental KPIs, we will implement measures to achieve the KPIs and set medium- to long-term goals for the future achievement of carbon neutrality.

» Instilling in Employees

To promote materiality as a company-wide activity, we believe that it is important for each and every employee to understand the content, which can thus be incorporated naturally into their daily duties.

To promote employee understanding with regard to materiality, we created explanatory materials using Mitsui-Soko Group case studies and uploaded them, accompanied by videos, onto the Group's portal. We also created a questionnaire to confirm the degree by which understanding was being instilled and solicited ideas for Group employees for "the Mitsui-Soko Group of the Future" through materiality. The solicited ideas were made available via the Group's portal.





Our Materiality

01
Economy

Provision of Sustainable, Resilient Logistics Services through Co-Creation

Initiative Pillars

Development and provision of sustainable logistics services

Supporting optimization of supply chain management that underpins customers' businesses

Building of partnerships for sustainable logistics

KPIs

- Expansion of businesses arising from social issues
- Achievement of high economic productivity and efficiency through DX promotion and innovation
- Expansion of partnerships toward sustainable logistics

Basic Policy

Based on its materiality concerning the “provision of sustainable, resilient logistics services through co-creation,” the Mitsui-Soko Group has set three KPIs to help enable the simultaneous achievement of the sustainable growth of society and its client companies and an increase in the corporate value of the Group. Going forward, we will collaborate with various stakeholders, such as customers and business partners, based on the KPIs we have set and create new value through our businesses.

Expansion of Businesses Arising from Social Issues

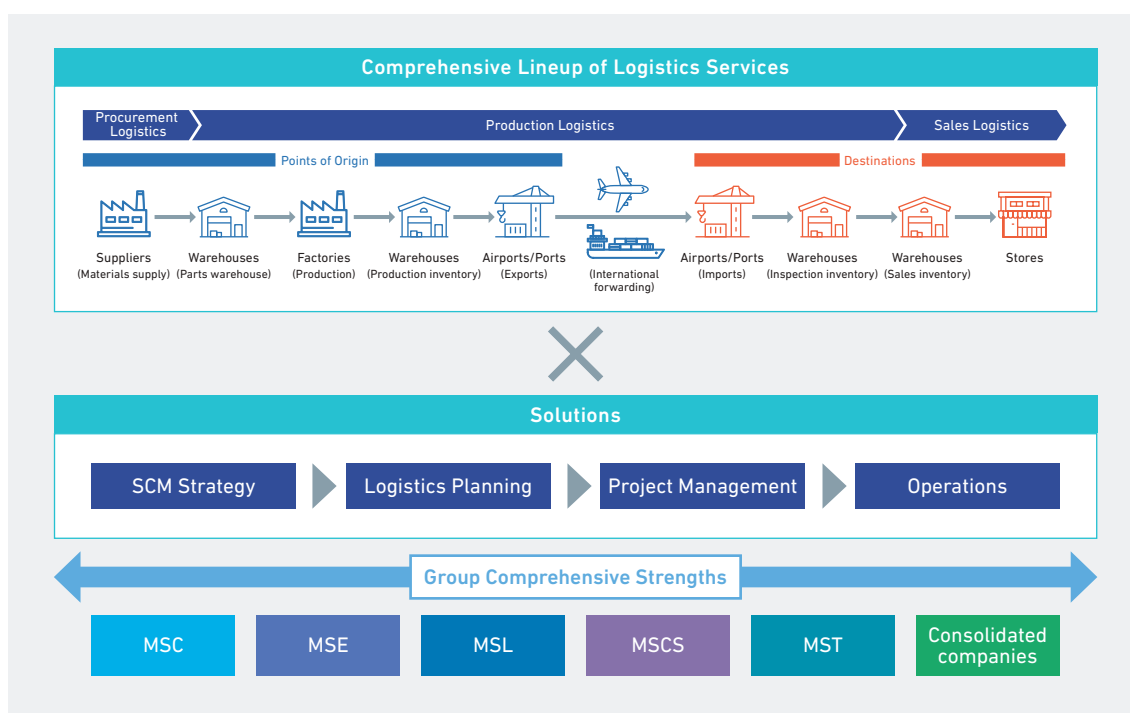
Customer Supply Chain Optimization

In addition to natural disasters caused by climate change in recent years and other factors, global supply chain disruptions are occurring in various parts of the world due to the impact of the COVID-19 pandemic, and ensuring stable distribution networks forms one element of a sustainable society. As a company that supports social infrastructure, the Group provides logistics services that contribute to the optimization of its customers' supply chain management.

Not only building stable logistics networks for its customers, the Group also improves quality, cost, and delivery (QCD) factors, including inventory optimization, by providing logistics solutions that combine logistics functions and Group know-how that covers everything from upstream to downstream operations. Having made manufacturing, distribution, and sales networks seamless operations, we are supporting the construction of optimal total supply chains for our customers by taking into consideration not only logistics but also commercial distribution.

In the years to come, we will continue to devise ways to optimize our customers' supply chains and contribute to the realization of a more comfortable society.

Customer Supply Chain Optimization



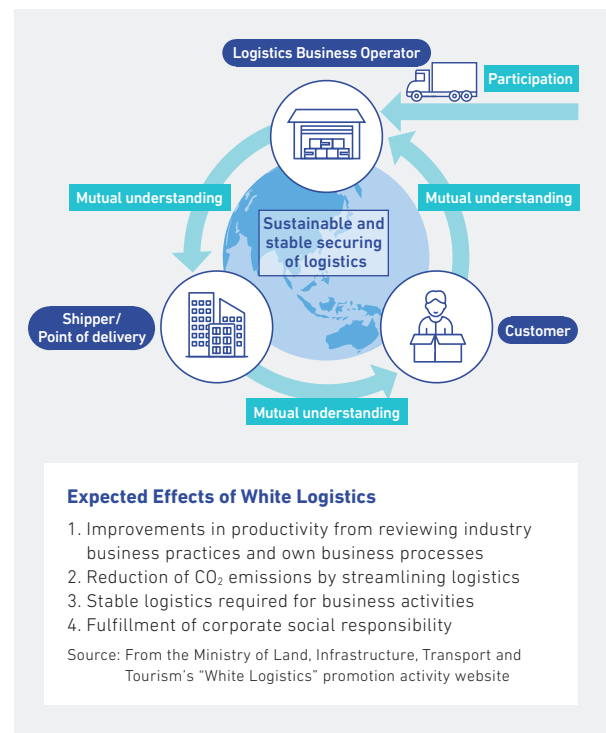
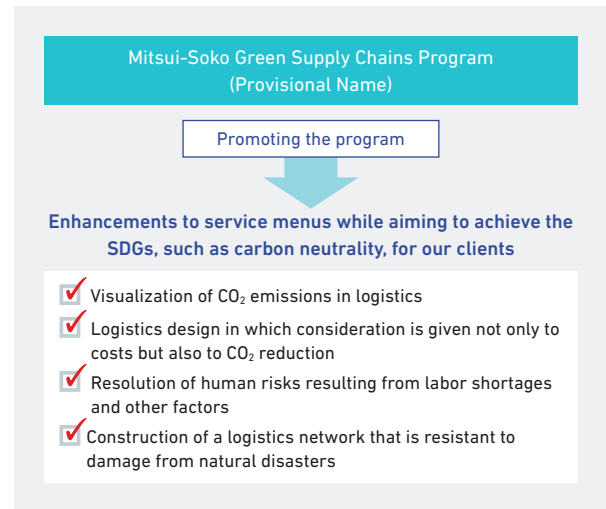
Building Services toward Achievement of Customer SDGs

The Group is building the Mitsui-Soko Green Supply Chains Program (provisional name) to expand its businesses that take a social issue as their starting point. Including environmental impact reduction services that contribute to customers' carbon-neutrality efforts, we will provide logistics services that take the resolving of social issues, such as eliminating human risks caused by labor shortages and building logistics networks that are even resistant to damage from natural disasters, as their starting points.

Initiatives for "White Logistics" Promotion Activity

The labor shortage in the logistics industry is becoming more serious, and the shortage of drivers in particular has become an urgent social issue. All of its 26 companies having endorsed the "White Logistics" promotion activity* advocated by the Ministry of Land, Infrastructure, Transport and Tourism for the purpose of securing sustainable and stable logistics operations, the Mitsui-Soko Group submitted a voluntary action statement. The initiatives contribute to improving the quality of logistics and reducing logistics costs for customers, as well as the resolving of social issues by shortening driver load waiting times and their workload. This will be achieved by promoting, for example, proposals for logistics improvements that will lead to a reduction in unloading and the streamlining of ancillary tasks, order volume equalization operations that take into consideration fluctuations due to the season or day of the week, and the utilization of a truck berth reservation system.

*A movement that aims to create greater logistical efficiency and improve productivity in truck transportation while also looking to realize a less gendered, "white" labor environment in which women and the elderly can also actively participate.



Development and Provision of Healthcare Logistics Services

Against the backdrop of the advent of a super-aging society in Japan and amid growing healthcare needs, the Mitsui-Soko Group is focusing on the development of logistics services in the life sciences field.

In addition to providing storage and transportation services for pharmaceuticals and medical devices at highly functional healthcare facilities that are GMP*1 and QMS*2 compliant, we are utilizing the know-how accumulated through our joint research with universities. In August 2021, we started providing high-quality, GCTP*3-compliant, cryogenically controlled one-package storage and transportation services in the field of regenerative medicine.

Going forward, the Mitsui-Soko Group will continue to support medical care in Japan through its logistics business by realizing optimal supply chain management that meets customer needs in a variety of areas in the medical field.

*1 Good manufacturing practices: standards for the manufacture and quality control of pharmaceuticals and quasi-drug

*2 Quality management system: standards for the manufacture and quality control of medical devices and in vitro diagnostic products

*3 Abbreviation of Good Gene, Cellular, and Tissue-based Products Manufacturing Practice. Standard covering the manufacturing and quality control of products, such as regenerative medicines

Achievement of High Economic Productivity and Efficiency through DX Promotion and Innovation

Promotion of Logistics DX with an Eye toward Customers' DX

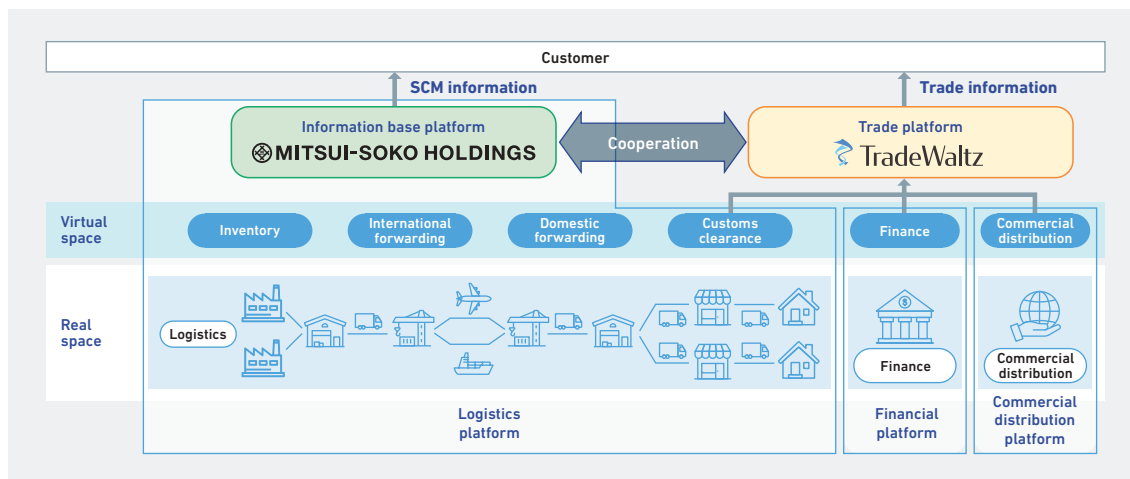
In the Society 5.0 world, in which social change is occurring due to the development of AI, robotics, and IoT, the Mitsui-Soko Group believes that the digital transformation (DX) of logistics is indispensable for the realization of DX for all companies including customers. We will build information base platforms that integrate real space (actual logistics) and virtual space (data). We will then provide SCM optimization and operation streamlining services that will contribute to our customers' DX through continuous transformation that utilizes digital technologies.

As an example, the Mitsui-Soko Group is promoting the realization of trade DX. Demand for Japanese trade is increasing year by year but, contrastingly, the number of personnel engaged in trade business and administration is decreasing, and labor shortages are becoming more acute. Also, as there are many players involved in international trade transactions, it is still common for a variety of information exchanges to be conducted by means of, for example, paper documentation and faxes. As progress with digitization has also been slow, business administration complications do occur. In Japan, where the population continues to decline, improving the productivity of trade business and administration has become an issue. To respond to these issues, it remains essential to strengthen collaborations that transcend the boundaries of organizations, such as industry, academia, government, and the private sector.

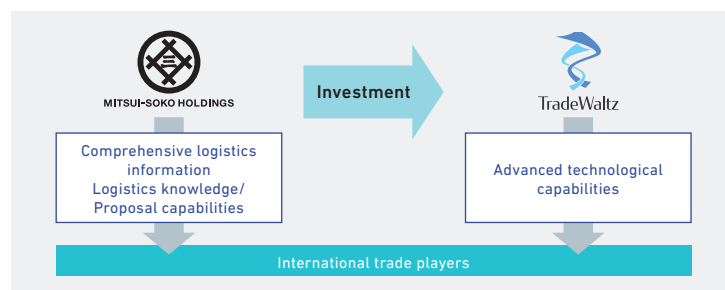
Having invested in TradeWaltz Inc. (TradeWaltz), which, with government support, is promoting the establishment of Japan's standard trading base to tackle these issues, the Mitsui-Soko Group will promote trade DX. Through this collaboration, we will utilize TradeWaltz®, a trade information collaboration platform that uses TradeWaltz's blockchain technology, and Mitsui-Soko Group information base platforms. By combining the advanced technological capabilities of TradeWaltz with the logistics knowledge of the Mitsui-Soko Group, we aim to realize the digitization of documentation and the automation of operations in international trade.

Recognizing that it would be difficult for all companies to realize DX without logistics DX, we will fulfill our role as a company that supports social infrastructure and create new value for the increasingly diversifying world.

Trade DX Process



Collaboration between Mitsui-Soko Group and TradeWaltz Inc.



Jointly Promoting Customer Logistics Reform with Eye toward Next-generation Logistics

Having jointly established a distribution center development project with Joshin Denki Co., Ltd., MITSUI-SOKO LOGISTICS Co., Ltd. is promoting the construction of distribution systems with an eye toward the next generation by making use of our unique know-how centered on our experience in home appliance logistics.

At a time when the synergic effects of real store and EC sales are attracting attention—in addition to the growing demand for EC sales in the consumer electronics industry—MITSUI-SOKO LOGISTICS leased to Joshin Denki all the floors (approx. 116,000 m²) of a large logistics center in Ibaraki City, Osaka Prefecture. The company is preparing a warehouse operation design and a large-scale transportation and delivery network that covers all Joshin Denki stores in the Kansai area and nationwide EC sales.

The company is integrating people and technology while building a center that will be capable of providing high-efficiency logistics services. These are being achieved by planning analyses and new processes for which industrial engineering (IE) methods are utilized and also installing cutting-edge material handling equipment and IT systems, such as DX conversion, for warehouse operations. In terms of transportation, we will optimize the transportation and delivery network and contribute to CO₂ reduction by consolidating the multiple distribution bases in Kansai into one.

We will promote sustainable logistics that take into consideration the decrease in the working population in Japan, the risk from natural disasters, and environmental impact. At the same time, we will provide consumers with attractive shopping opportunities and provide a stable supply of products by supporting our customers' business activities.



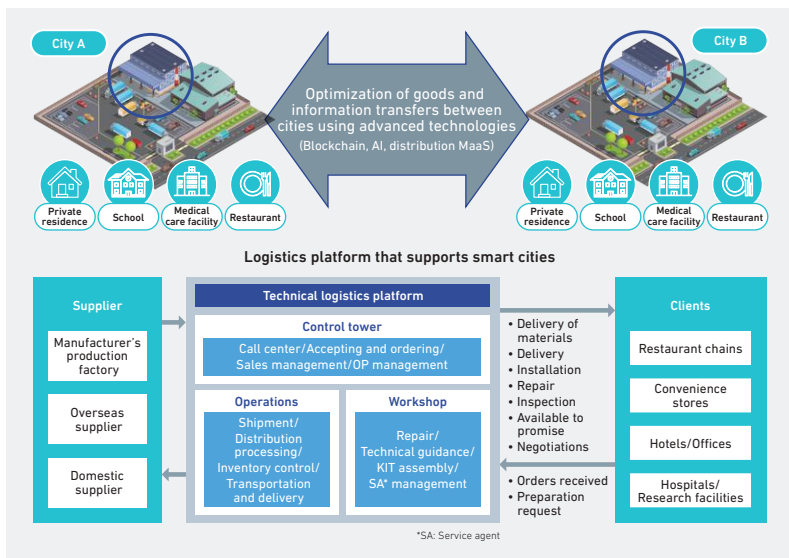
Logistics IoT Services That Support Social Infrastructure

Having deployed an IoT-based technical logistics platform on a nationwide basis, MITSUI-SOKO LOGISTICS Co., Ltd. manages everything, from ordering and sales management to inventory management, maintenance and repairs, from a "control tower." The company has also put in place technical logistics centers between suppliers and customers and is thereby providing one-stop services, such as last-mile delivery and various types of technical services.

The FRANKE commercial coffee systems for which the company is the authorized dealer in Japan provide a good example. In addition to procurement, sales, and menu design, equipping the machines with an IoT function and monitoring them remotely is useful for carrying out preventive maintenance on the equipment and for consumer goods replenishment services, such as the coffee beans.

From now on, in the home appliance field, where the number of products equipped with an IoT function is increasing and

it is expected that there will be changes in after-sales service response, we would like to contribute to the creation of a comfortable and sustainable society. While continuing to seamlessly provide logistics services from sales to after-sales, this would be achieved by also providing high-value-added services based on the technical logistics platforms in the fields of education, where information and communications technology (ICT) is being utilized, and in the fields of medical care and nursing care, where the technology is evolving.

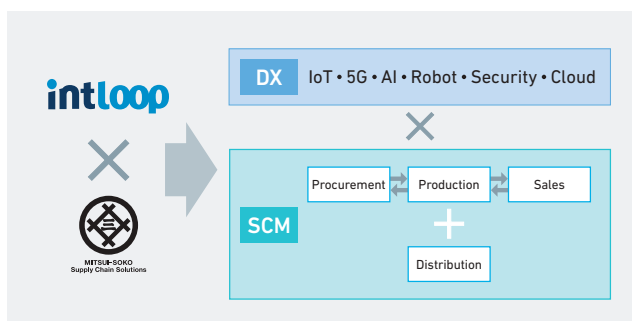


Expansion of Partnerships toward Sustainable Logistics

Development of Logistics/SCM Consulting Business in the DX Domain

In partnership with INTLOOP Inc., which provides consulting business and productivity improvement support for companies, MITSUI-SOKO Supply Chain Solutions Co., Ltd. is supporting company-wide reforms that create a foundation for the further growth of companies through DX and the optimization of logistics/SCM.

Due to the effects of COVID-19, the business environment in which companies operate is changing rapidly, and the pandemic is also having a major impact on the manufacturing industry. To respond to rapid changes, we are promoting the creation of new businesses for our customers and the transformation of their business structures. Targeting customers in the manufacturing industry that have not made much progress in developing digital technology utilization platforms to optimize DX and logistics/SCM, we begin by providing planning concept support for business reform and have realized cost reductions and operational simplification and efficiency by optimizing the flow from production to sales. By means of the collaboration between INTLOOP, which possesses know-how in digital management reform support, and our company, which has a track record of having professionally proposed logistics and supply chains and has accumulated knowledge and know-how, we will continue to provide more effective company-wide reform support for our customers.

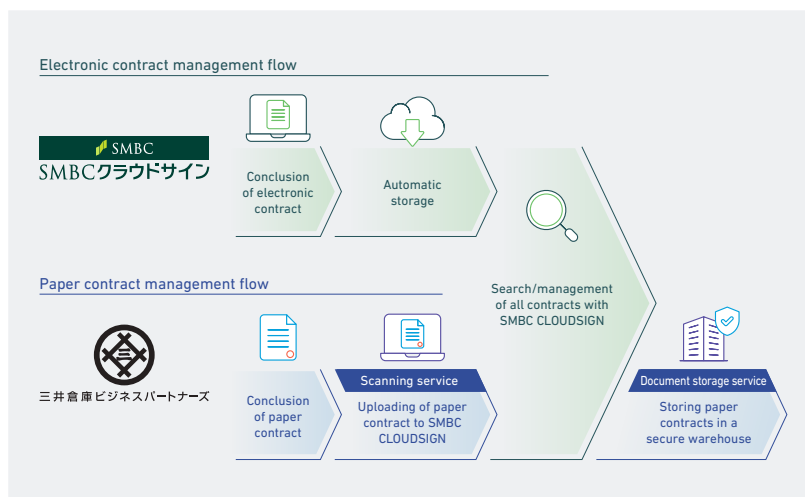


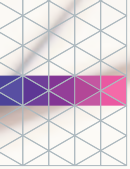
Promotion of Digitization for Customer Contract Operations

Mitsui-Soko Business Partners Co., Ltd. has commenced collaboration with SMBC CLOUDSIGN, Inc. (SMBCCS), a subsidiary of Sumitomo Mitsui Financial Group, Inc. for the purpose of "centralized management of paper and electronic contracts."

Associated with work-style reforms and the COVID-19 pandemic, teleworking and remote work are increasing, and the utilization of electronic contracts is rapidly advancing. On the other hand, in the transitional period of the spread of electronic contracts, our business partners sometimes ask us to conclude a paper contract. It is expected that both paper and electronic contracts will continue to coexist for a while, and thus there is a growing need for the efficient and centralized management of both. By linking services between our company and SMBCCS, customers will be able to digitize paper contracts through our company by scanning and combine them with electronic contracts concluded by SMBCCS to centrally manage them in the cloud. Storing original paper contracts in the Mitsui-Soko Business Partners

high-security warehouse will also lead to the more effective use of office space. We will further accelerate and promote the digitization of contract operations in Japan by resolving management issues that will occur during the transitional period when electronic contracts gain in popularity and during the period when paper and electronic contracts coexist.





Our Materiality

02
Social

Realization of Safe, Diverse and Rewarding Workers

Initiative Pillars

Creation of safe and rewarding work environments

Promotion of health management

Promotion of diversity

KPIs

- Improvement of employee engagement
- Maintain zero occupational accidents
- Achieve ratio of paid leave taken of 70%*
- Improvement of absentee rate over previous fiscal year's level
- Achieve health checkup take-up rate of 100%*
- Achieve male childcare leave acquisition rate of 30%*
- Ratio of female managers 15%*

*Achievement deadline is end of March 2026

Basic Policy

Employees are the source of value creation in the Mitsui-Soko Group. Based on the materiality of the "realization of safe, diverse, and rewarding work environments," we are aiming to become a corporate group in which each employee can utilize his or her strengths and maximize their abilities, and we set seven KPIs in May 2021. Going forward, we will strengthen activities throughout the Group and promote the creation of environments in which we can continue to create new value to achieve these KPIs.

Creation of Safe and Rewarding Work Environments

The Mitsui-Soko Group is promoting the creation of safe and rewarding work environments so that the Company and its employees can grow together.

Human Resource Development

The Group is engaging in human resource development by positioning capability development and increasing the motivation of each and every employee as the driving force of value creation.

Cross-Group Programs

The Group considers its competitive advantage to stem from its ability to provide customers with a seamless aggregation of the strengths of each of its constituent companies. We therefore encourage the sharing of know-how and good practice case studies among all the companies, which leads to raising the level of the Group's comprehensive capabilities.

Group Seminars

For the purposes of information sharing, knowledge improvement, human resource interaction, and improvement in the sense of unity across the Group, we hold group seminars in which Group employees serve as instructors and conduct lectures. In addition to introducing the business content of each Group company and giving lectures geared toward the lateral development of logistics know-how, these seminars also serve as forums for the acquisition of knowledge needed for business, such as accounting and legal knowledge.

Internal Competitions for Excellence

The Group holds Group-wide contests every year to recognize outstanding business practices. We have established contests in two categories, including business improvement and sales solutions, and are deploying them on a global basis. We are working to share knowledge throughout the Group, and are promoting the creation of environments in which we can provide high-value-added services from the starting point of our employees' perspectives.

Development of Global Human Resources

Targeted at young employees, the Group has put in place an overseas deployment system covering, for example, the United States, China, and Southeast Asia. By having participants engage in tasks with local staff, we are developing global human resources who can learn unique overseas business practices and customs as well as work on problem solving from multiple perspectives.

Career Development

Each Group company implements training systems tailored to career stages, such as leadership and team building, so that employees and the Company can grow together while pursuing duties and roles defined by rank.

Promotion of Occupational Safety

Based on the thinking that logistics quality, which is based on safety and security, is one source of corporate value, the Group strives to create workplaces where accidents do not occur.

Based on our safety system, we hold safety management study sessions and review measures taken after past incidents at each Group company as part of continuing to improve the quality of our business operations. The Group holds regular meetings at each of its transportation companies, as well as promoting activities such as the establishment of uniform standards for safe driving that transcend the boundaries of each company to address vehicle accident prevention as a Group.

Every year, the entire Group conducts a Business Improvement Contest. By commending good practice within the Group and laterally disseminating information, we are building a corporate structure by which the entire Group continues to evolve.



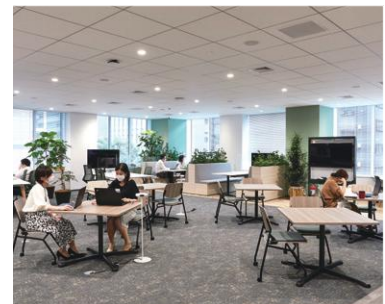
Business Improvement Contest participants

Promotion of Work-Style Reform

The Group is advancing the creation of work environments that match individual values and lifestyles, so that employees can demonstrate their abilities to the maximum extent.

As individual initiatives of each Group company, we have introduced a system that enables various work styles, such as the introduction of a flextime system, remote work, and staggered working hours, and are promoting measures with regard to encouraging the taking of paid leave and reducing long working hours. Going forward, we will further strengthen collaboration between the Group’s human resource departments and promote cross-departmental efforts.

In the workplace, fixed seating has been abolished in each department since April 2019, and we have been promoting activity-based working (ABW), in which employees can freely choose, for example, their locations and desks, while also working to encourage interdepartmental exchanges and improve productivity. The entire Onarimon Building, where MITSUI-SOKO HOLDINGS and several Group companies are located, and other branch offices have implemented the process to adopt ABW.



Office set up for ABW

Promotion of Health Management

The Group promotes health management and is facilitating the creation of workplaces that enable each and every employee to work in a positive and energetic manner.

<p>Health Management</p> <ul style="list-style-type: none"> • Creating a system for managing the health of the entire Group • Recommended health checkup and follow-up after diagnosis • Implementation of e-learning on disease prevention 	<p>Mental Healthcare</p> <ul style="list-style-type: none"> • Implementation of stress checks • Enhancement of training system, including self-development • Establishment of consultation desks at third-party organizations 	<p>Measures to Combat Infectious Diseases/Heatstroke</p> <ul style="list-style-type: none"> • Availability of hand sanitizers, etc. • Ventilation of workplaces and taking of environmental measurements in warehouses • Wearing of cooling bands and air-conditioned clothing, etc.
---	---	--

Promotion of Diversity

The Mitsui-Soko Group believes that enhancing diversity based on its Diversity & Inclusion Policy will not only lead to greater employee job satisfaction, but will also be a source of competitiveness that enables us to better meet the diverse needs of our customers. Based on the idea that the participation of diverse human resources in decision making will be indispensable for promoting diversity in the years to come, the Group will work as one—in particular, with a view to increasing the proportion of female managers—so that diverse human resources will be able to demonstrate their abilities to the full.

Promoting the Active Participation of Women, Non-Japanese Nationals, and People with Disabilities

Each Group company is implementing a variety of efforts to promote the active participation of women. Having conducted initiatives such as diversity management training, manager training aimed at empowering women, and a system under which men are able to take childcare leave, we have obtained a variety of certifications, including the three-star Eruboshi certification awarded by the Japanese government in recognition of efforts to encourage the advancement of women in the workplace.



We also hire non-Japanese nationals and people with disabilities, accept technical intern trainees from overseas, and are working to create an environment that respects diversity regardless of gender, nationality, or disability.

Improvement of Employee Engagement

In a corporate group where diverse individuals gather, creating environments that simultaneously give each and every employee a sense of satisfaction and assist in realizing the growth of the company are important in continuously improving corporate value. The Group has set the improvement of employee engagement as a KPI for the realization of safe, diverse, and rewarding work environments. From now on, we will conduct engagement surveys covering the Group as a whole, recognize engagement issues by producing the survey results in visual form, and create a virtuous cycle that will lead to the mutual growth of employees and the Company by considering more clearly defined action plans.

Work Environment Principal Data

	FY2018	FY2019	FY2020	FY2021
Number of employees (men, women/temporary workers included)	1,827	1,825	1,823	1,893
Total of new graduate hires (men/women)	43	43	62	50
Ratio of female managers	7.36%	7.81%	7.65%	7.77%
Employment rate for persons with disabilities	1.15%	1.72%	1.96%	2.19%
Ratio of employee overtime work	17.82%	17.41%	16.99%	16.35%
Ratio of paid leave taken	47.54%	50.99%	59.50%	52.67%
Ratio of employees taking childcare leave (men)	00.00%	1.89%	6.12%	13.89%
Ratio of employees taking childcare leave (women)	100.00%	100.00%	100.00%	100.00%
Ratio of employees returning to work after taking childcare leave	100.00%	92.86%	96.67%	100.00%
Absentee rate	0.38%	0.29%	0.38%	0.37%
Health checkup take-up rate	89.02%	90.92%	90.84%	92.20%
Number of occupational accidents	1	1	1	4
Lost time injury frequency rate	1.22	0.00	0.00	1.26
Occupational accident severity rate	0.04	0.03	0.00	0.01

Note: The scope of the principal data of the working environment is MITSUI-SOKO HOLDINGS, MITSUI-SOKO, MITSUI-SOKO EXPRESS, MITSUI-SOKO LOGISTICS, MITSUI-SOKO Supply Chain Solutions, and MITSUI-SOKO TRANSPORT.

Note: The ratio of employees taking childcare leave (men and women) is based on the standard provided by the "Basic Survey of Gender Equality in Employment Management in FY2020" conducted by the Employment Environment and Equal Employment Bureau of the Ministry of Health, Labour and Welfare. The figures represent the values after applying this new standard retroactively from FY2017.



Our Materiality

03

Environment

Contribution to a Low-Carbon, Circular Economy by Actively Reducing Environmental Impact

Initiative Pillars

Response to climate change

Utilization of renewable energy

Reuse and reduction of resources

KPIs

- Total CO₂ emissions: 1% decrease compared with previous fiscal year
- Volume of waste generated: reduced from the previous fiscal year's level

Basic Policy

Based on its materiality of making a "contribution to a low-carbon, circular economy by actively reducing environmental impact," the Mitsui-Soko Group is promoting efforts to reduce environmental impact through logistics. On the basis of its environmental policy, the Group will conduct initiatives in response to climate change and those designed to reduce waste and at the same time contribute to a reduction in its impact on the environmental impact from the value chains of society and client companies.

From now on, we will also work with a view to setting medium- to long-term CO₂ reduction targets toward attaining carbon neutrality.

Response to Climate Change

Efforts to Reduce Environmental Impact in Warehouses and Other Facilities

The Mitsui-Soko Group is reducing power consumption and promoting energy conservation by replacing the lighting fixtures in domestic warehouse facilities and offices with LED lighting. With the goal of completing the switch to LED lighting at all domestic facilities by the end of March 2025, we are planning the renewal work one project at a time. As of March 31, 2021, the introduction of LED lighting has been completed in approximately 55% (floor area ratio) of the logistics facilities owned by MITSUI-SOKO HOLDINGS and MITSUI-SOKO.

Efforts to Reduce Environmental Impact during Transport Operations

The Group is contributing to the reduction of CO₂ emissions by switching to fuel-efficient, low-emission models when replacing vehicles and implementing driving techniques that show consideration for the environment. In April 2021, we introduced EV trucks at IM Express Co., Ltd., a Mitsui-Soko Group company, and to Marukyo Logistics Co., Ltd. in August. In addition to realizing zero-emission transportation, which does not emit CO₂ or pollutants, EV trucks also contribute to reducing driver fatigue due to low vehicle vibration levels and to the resolution of noise pollution problems.



EV truck



View of EV being charged

Promotion of Shared Warehousing/Joint Delivery

By collaborating with shippers and carriers in collection and delivery, the Mitsui-Soko Group promotes shared warehousing and joint delivery to reduce the number of transportation and delivery vehicles while decreasing CO₂ emissions and air pollution. In reducing distribution costs by improving efficiency and enabling the delivery of a wide variety of small-lot products, this initiative is at the same time also resolving customers' logistics issues.

Modal Shift Initiatives

Proactively proposing the promotion of a modal shift in land transportation and initiatives for alternative transportation to broaden its customers' choice of transportation modes, the Group is contributing to a reduction of its environmental impact and the resolution of the shortage of truck drivers.

Utilization of Renewable Energy

Promoting Spread of Renewable Energy by Installing Solar Power Generation Systems

Having installed solar power generation systems at its domestic logistics facilities, the Group is promoting the spread of renewable energy. Annual power generation is expected to be 1.21million kWh and the CO₂ reduction effect 484tons. (Jan. to Dec. 2021 results)



Amounts of Renewable Energy (Solar Power) Generated

Facility Name	Output	Power Generation	CO ₂ Reduction Effect
Tobishima Office	286kW	270,034kWh	108t/year
Kansai P&M Center A	206kW	239,496kWh	96t/year
Kansai P&M Center B	307kW	334,278kWh	134t/year
Kanto P&M Center A	360kW	368,948kWh	147t/year

Note: Actual amounts generated in 2021 (January to December)

Reuse and Reduced Use of Resources

Initiatives toward Paperless Offices

The Group is promoting paperless offices due to its having switched to office activity-based working (ABW)¹. We are also recommending the use of Forest Stewardship Council (FSC)-certified copy paper.

¹ A work style in which employees can choose their locations and desks according to the nature of their work.

TOPICS

Kanto P&M Center Building B Completed

In June 2021, we completed the Kanto P&M Center Building B, a facility dedicated to the healthcare business. This logistics facility is highly environmentally compliant, being equipped with private solar power generation equipment and having LED lighting (compatible with a wireless dimming system) that also controls motion sensors installed throughout the building. The Company issued a green bond in 2020 to fund the construction of this facility. Japan Credit Rating Agency, Ltd. (JCR) gave the green bond its highest Green 1 rating under its JCR Green Bond Evaluation.



Kanto P&M Center B Overview

Name	Kanto P&M Center B	
Location	Kazo City, Saitama Prefecture	
Scale of Facility	Four floors above ground (warehousing on three levels), total floor space 23,133m ²	
CASBEE	CASBEE Saitama Prefecture A rank	
Main Facilities	Environmentally compliant	Rooftop solar power generation, LED lighting in whole building, etc.
	BCP-compliant	Seismic isolation devices, private power generation systems (72 hours), etc.

Utilization of Environmentally Friendly Packaging

To contribute to the creation of a recycling-based society, the Group promotes initiatives to effectively utilize limited resources and increase economic productivity.

Specifically, we are developing and utilizing Environmentally friendly logistics packages from a 6R (Reduce, Reuse, Recycle, Refuse, Repair, Remix) perspective, such as apparel storage boxes and packaging for traffic light clusters that are material recyclable and were designed with durability in mind. These also help to optimize the transportation of customers' packages and reduce logistics costs.

Promotion of Environmental Management

Obtaining of Green Management Certification

The Group has obtained Green Management Certification from the Foundation for Promoting Personal Mobility and Ecological Transportation at 11 locations in its trucking business and at 40 locations in its warehousing business. We have also received permanent registration business awards for business locations that have been certified and registered for 10 consecutive years from the initial registration date, comprising 10 locations in the trucking business and 32 locations in the warehousing business (as of March 31, 2021).



Obtaining Comprehensive Assessment System for Built Environment Efficiency (CASBEE) A Rank

As of August 31, 2021, the Mitsui-Soko Group had obtained A rank* evaluations that were considered high-level sustainable buildings at the time of their construction. This ranking indicates that the quality of the building displays high overall environmental performance in terms of saving energy and the use of low environmental impact equipment and materials and that it also takes into account comfort inside the building and consideration for the surrounding landscape.

*CASBEE labels buildings with one of five overall environmental performance assessment ratings, ranging from C (poor) through B- (fairly poor), B+ (good), A (very good), and S (excellent).

Facilities with A Rank, Comprehensive Assessment System for Built Environment Efficiency (CASBEE)

Facility Name	Year of Completion	CASBEE Building Label	Obtained Rank
Ibaraki Record Center	2010	CASBEE Osaka	A
Kanto P&M Center A	2015	CASBEE Saitama Prefecture	A
Minamihonmoku Warehouse	2017	CASBEE Yokohama	A
Kanto P&M Center B	2021	CASBEE Saitama Prefecture	A

Principal Environmental Data

	Unit	FY2018	FY2019	FY2020	FY2021
Amount of energy used (crude oil equivalent)	kl	30,089	30,611	30,463	28,207
Amount of CO ₂ emissions (Scope 1+2)	t-CO ₂	63,312	64,221	63,657	56,883
Amount of renewable energy generated	kWh	1,324,099	1,339,688	1,291,841	1,212,756
Amount of water usage	m ³	262,669	245,408	249,159	162,859
Volume of waste generated	t	2,596	2,481	2,407	2,530

Note: Energy usage and CO₂ emissions are based on the figures in the periodic reports published by MITSUI-SOKO HOLDINGS Co., Ltd., MITSUI-SOKO Co., Ltd., MITSUI-SOKO LOGISTICS CO., Ltd., Marukyo Logistics Co., Ltd.(Osaka), Marukyo Logistics Co., Ltd.(Ehime) under the Energy Conservation Law.

Note: Amount of renewable energy generated covers the Mitsui-Soko Group, and the power generation period is from January to December.

Note: The figures for the amount of water used cover MITSUI-SOKO HOLDINGS and MITSUI-SOKO Co., Ltd., and the amount of waste discharged covers the bases of MITSUI-SOKO CO., Ltd. that have obtained green management certification.

Medium-term Management Plan 2017: From Reversal to Sustainable Growth

Basic Guidelines for Business Operations

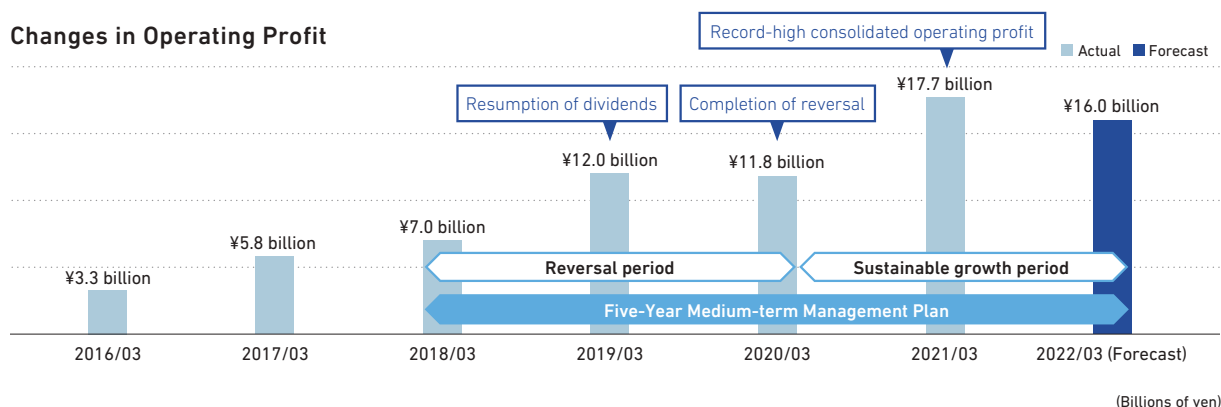
- Reinforcement of the fundamental earnings power of our businesses
- Rebuilding of our financial base
- Development of comprehensive solution services based on customers by strengthening Group management

Numerical Targets (2022/03)

Operating profit	¥10.0 billion
Balance of interest-bearing debt	¥130.0 billion
Net D/E ratio	2.0 times or less
ROE	More than 9.0%

Progress with Medium-term Management Plan 2017

Changes in Operating Profit



	Reference (2017/03)	1st Year (2018/03)	2nd Year (2019/03)	3rd Year (2020/03)	4th year (2021/03)	Target year (2022/03)
Balance of interest-bearing debt	168.9	157.6	142.5	127.1	107.9	104.5
Net D/E ratio	3.6 times	3.0 times	2.5 times	2.1 times	1.4 times	1.2 times
ROE	—	10.7%	11.4%	13.2%	20.5%	11.6%

Looking Back on the Fourth Year

In addition to having increased the Group's underlying profitability, in the fiscal year ended March 31, 2021, we achieved all the numerical targets adopted the Medium-term Management Plan 2017 by implementing a raft of measures related to the drastic strengthening of business profitability stipulated in the Plan. These achievements came as the result of building a business portfolio that can support a wide range of supply chains, from upstream to downstream, by utilizing the functions of all the Group's companies, each of which possesses different strengths. The final fiscal year is an important year that will form the basis of the following fiscal year's new medium-term management plan, for which we will engage in the three important measures of the construction of overwhelming field capabilities, the construction of end-to-end integrated solution service, and ESG management.

Important Measures Measures for Sustainable Growth

01 Construction of Overwhelming Field Capabilities

Providing low-cost and high-quality services that combine human and technological capabilities at a high level

02 Construction of End-to-End Integrated Solution Service

Accelerating service proposals as a Group by proactively promoting functional reviews and network strengthening between operating companies

03 ESG Management

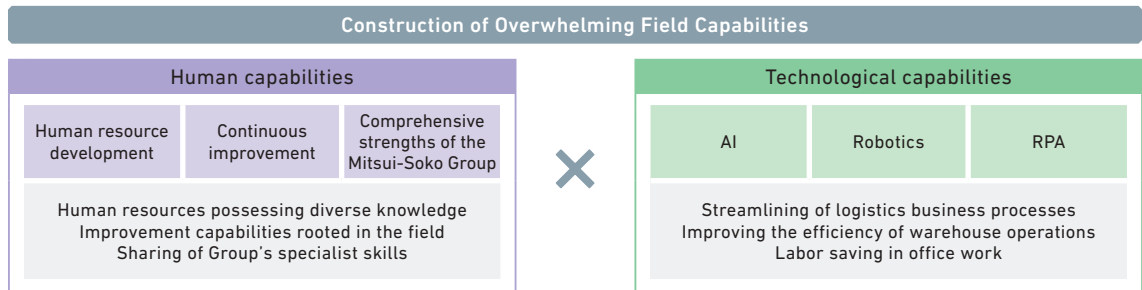
Development of logistics schemes that contribute to a sustainable society and the improvement of the Group's corporate value and promotion of various materiality measures

Important Measures

Measures for Sustainable Growth

01 | Construction of Overwhelming Field Capabilities

Due to the advances being made in digitization and the industrialization of equipment against the background of labor shortages, and amid the increasing risks involved in entering different industries from now on, the Group will the construction of overwhelming field capabilities to differentiate itself from other companies. We are aiming to remain a company that can bring about improvements in productivity and provide high-quality services by combining human capabilities—built up by the strengths of each Group company over our more than 100-year history—with technologies, such as AI and robotics, and by working to make operations more efficient.



02 | Construction of End-to-End Integrated Solution Service

To strengthen our integrated solution services as a group, we are working on reviewing the functions between operating companies and strengthening the Group network.

We established a Strategic Sales Division at MITSUI-SOKO HOLDINGS Co., Ltd. to provide an integrated solution services that combine the expertise of highly specialized operating companies.

Specifically, we are making use of the Group's comprehensive logistics functions to make proposals to bridge *gyogiwa* (gaps between businesses) and to propose new transportation services in unexplored fields. We are striving to build businesses that will become pillars of the Group from a medium- to long-term perspective, not just short-term results.



03 | ESG Management

We are promoting ESG management to contribute to resolving social issues by creating new value through our businesses and to realize sustainable growth as a company. In April 2021, the ESG Team was newly established to revise policies relating to sustainability and to set materiality-related KPIs. [▶P.55–56](#)



We aim to increase corporate value even more by further strengthening our financial base, establishing investment decision criteria for ESG management, and financial strategies for sustainable growth.

Nobuo Nakayama
Representative Director and
Senior Managing Director
Chief Financial Officer

Fiscal 2021 Results and Outlook for Fiscal 2022

In fiscal 2021, despite the impact of the COVID-19 pandemic, we were able to record a consolidated operating revenue of ¥253.6 billion and consolidated operating profit of ¥17.7 billion—both of which marked the achievement of all-time highs—by expanding the handling of solution logistics related to integrated solution services, on which we have been focusing for some time. There was a significant expansion in handling volumes for consumer electronics manufacturers as a result of increased consumption from staying at home. Additional factors were the increased handling volumes in air cargo and the impact of steep rises in air fares due to the supply chain disruption brought about by COVID-19.

With regard to the business results for fiscal 2022, the tight supply and demand situation accompanying the supply chain disruption will continue to improve. Due to ongoing increases in air transportation handling volumes being expected, and the fact that the handling volumes of logistics for consumer electronics manufacturers and mass retailers will increase against a backdrop of changes in consumption trends and other factors, we are expecting consolidated operating revenue of ¥257.0 billion, a year-on-year increase. We are forecasting consolidated operating income of ¥16.0 billion, as a

levelling off of previously soaring airfares is expected.

Financial Strategies in Medium-term Management Plan 2017

The Group started initiatives for the current medium-term management plan (until March 2022) from the latter half of 2017, when there had been no other choice than to significantly impair goodwill. As of the end of March 2017, the equity ratio was 14.1% and the net D/E ratio 3.63 times, and our capacity to return profits to shareholders was weak. Under those circumstances, my mission as CFO was to rebuild our financial base and resume returns to shareholders.

In conjunction with carrying out thorough income and expenditure management by project and strengthening profitability through full-scale cost reduction measures that left no stone unturned, we worked on the increased sophistication of the Group's fund management on a global basis while improving fund efficiency. We also curbed nonessential and non-urgent investments, promoted reviews of inefficient assets and the early recovery of capital, while advancing the sale of non-core businesses and the concentration of management resources in core businesses in line with the changing business environment. As a result of these

efforts, over the past four years, ROE has improved, and interest-bearing debt has been reduced by ¥60 billion, associated with improved profitability and efficiency. As of the end of March 2021, we have a definite prospect of rebuilding our financial base with an equity ratio of 26.3% and a net D/E ratio of 1.35 times.

In terms of shareholder returns, we were able to resume dividends to shareholders in the fiscal year ended March 31, 2019, which was the second year of the Medium-term Management Plan, and improved our base profitability. Also, as we are steadily evolving into a business structure capable of steadily securing profits, even in a business environment where uncertainties such as COVID-19 are increasing, due to the strengthening of Group management, we have increased dividends for two consecutive years, at the end of March 2020 and the end of March 2021. From the end of March 2021, we raised the annual dividend level to ¥60 per share, which exceeds the level prior to the non-payment of dividends (end of March 2017: 50 yen/share per year), and we have set the goal of continuing stable dividends with ¥60 per share as the lower limit.

Concerning Efforts for Sustainable Growth and Enhancement of Corporate Value

Fiscal 2021 is also the final year of the Medium-term Management Plan. In addition to further strengthening our financial base, I consider it to be my important role to accelerate efforts toward the sustainable growth of the Mitsui-Soko Group from the perspective of promoting ESG management and digitalization measures.

In June 2021, the Kanto P&M Center Building B, a logistics facility dedicated to healthcare, was

completed in Kazo City, Saitama Prefecture. This facility was the fourth property in the Group to acquire CASBEE A-rank* assessment, and its construction funds were procured in March 2020 by the issue of a green bond, marking the first time in Japan for a logistics company to issue a green bond to fund the construction of a logistics facility. The facility also formed part of the Group's ESG management and sustainability initiatives. We are also investing in state-of-the-art material handling equipment and IT systems at our large-scale base for a consumer electronics mass retailer, which also started operations in June 2021, and are also focusing on investment in the digital field.

To further accelerate the sustainable growth of the Group, it is important to raise the autonomy level of each and every employee, and I see it as my role to serve as a bridge bringing senior management and frontline employees together. So that staff members who support the frontlines would benefit from deepening their understanding of aspects of the Group's various calculations and KPIs and reflect their new-found understanding in their work, we held study sessions and briefing sessions for more than 500 employees in 2020. I would like these efforts to continue.

Going forward, while promoting the further strengthening of the financial base, the allocation of funds for growth investment based on the promotion of ESG management and digitization measures, and the building of financial strategies that take into consideration the balance of shareholder returns, the Group will work together as one in aiming to further improve corporate value.

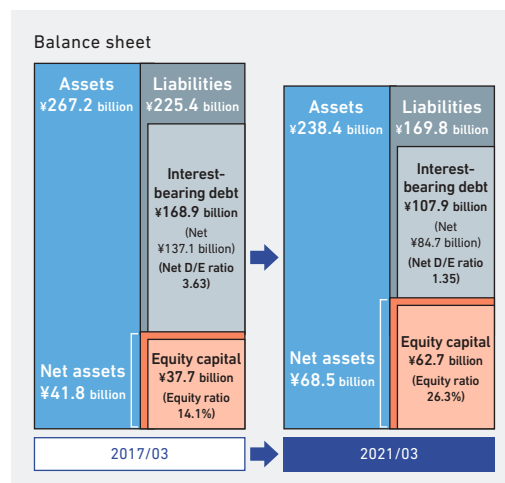
*Comprehensive Assessment System for Built Environment Efficiency (CASBEE) A rank: Assessed as very good as a sustainable building with high environmental performance.

Reinforcement of the fundamental earnings power of our businesses

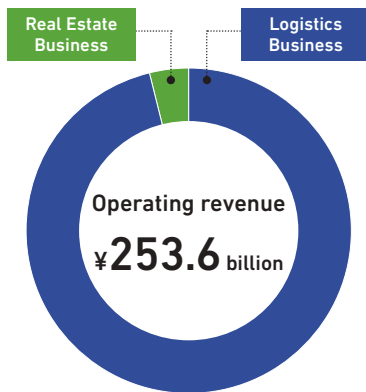
	ROE	=	ROA (net income for term)	×	Financial leverage
'18/3	10.7%		1.7%	×	6.5
'19/3	11.4%		2.0%	×	5.6
'20/3	13.2%		2.6%	×	5.1
'21/3	20.5%		4.8%	×	4.2

Reference indicator		
	Operating profit margin	ROA (Operating profit)
'18/3	3.0%	2.6%
'19/3	5.0%	4.7%
'20/3	4.9%	4.8%
'21/3	7.0%	7.4%

Reconstruction of financial base



The Mitsui-Soko Group consists of MITSUI-SOKO HOLDINGS Co., Ltd., 80 subsidiaries, and 6 affiliates. The Group operates a logistics business, providing clients with various logistics services in an organic and efficient manner, the operations of which include warehousing and cargo handling, port-related work and operations to shipping companies, overseas logistics services, multimodal forwarding, third-party logistics (3PL), supply chain management support services, and land transportation. The Group's real estate business is centered on building leases.

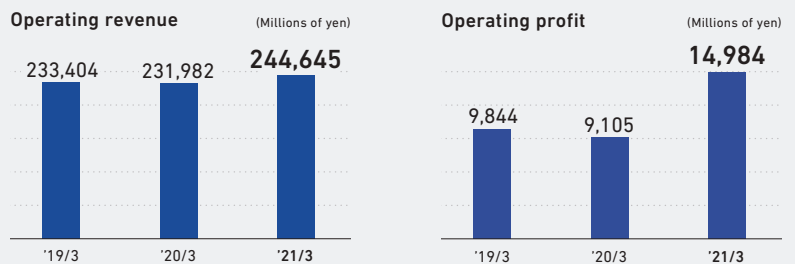


Fiscal 2021 Highlights



Increased Sales and Revenue despite Impact of COVID-19 Pandemic

The impact of the COVID-19 pandemic resulted in a decrease in the handling volumes in ocean forwarding and other businesses due to a drop in the import and export trade. In contrast, the pandemic expanded distribution for consumer electronics manufacturers as a result of increased consumption from staying at home. Expanded handling volumes were also seen in a variety of raw materials, due to the procurement and distribution that accompanied customers resuming or recovering their production activities, and in air cargo handling volumes caused by customers reviewing supply chains and moves to switch from sea cargoes due to a shortage of marine containers. There were decreases in all kinds of SG&A expenses due to factors that included steep rises in airfares brought about by a tight supply and demand situation in air transportation and restrictions on economic activities. In addition to these factors, the integrated solution logistics business and the healthcare logistics business performed well. Operating revenue increased ¥12,662 million year on year to ¥244,645 million, and operating profit increased ¥5,879 million to ¥14,984 million.

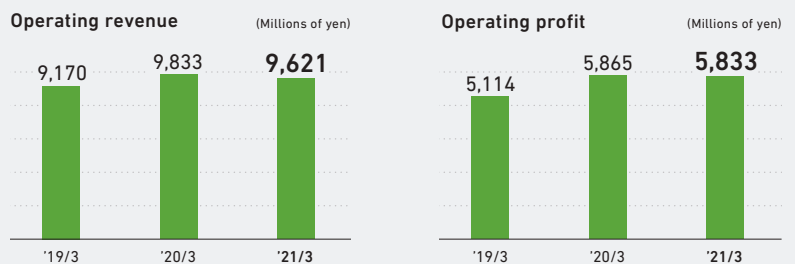


Real Estate Business

MITSUI-SOKO HOLDINGS Co., Ltd.

Decrease in Sales and Revenue due to Decrease in Rent Income

Due to the decrease in rent income, operating revenue decreased ¥212 million year on year to ¥9,621 million, and operating profit decreased ¥31 million year on year to ¥5,833 million.



Notes:

1. Operating revenue includes intersegment revenue or transfers, and operating profit is the figure before adjustment for expenses associated with the administrative department.
2. Figures are shown rounded down to the nearest million yen.



MITSUI-SOKO HOLDINGS

Holding Company and Real Estate Business



For more details of business areas please visit:
<https://msh.mitsui-soko.com/en/>



By integrating the services of each Group company, we will support the important social infrastructure that is logistics.

Business Areas

MITSUI-SOKO HOLDINGS Co., Ltd. is a holding company that provides guidelines for the entire Mitsui-Soko Group, and management support and overall optimization for its operating companies. MITSUI-SOKO HOLDINGS works on appropriate Group management by offering support and advice based on the business strategy of each Group company, reallocating management resources, and conducting the efficient management of Group common functions. We lease, operate, and manage the real estate we own.

Business Overview and Future Development

Due to the effects of the COVID-19 pandemic, the changes to and reviews of global supply chains of many companies are accelerating, and the environment surrounding the logistics industry is changing at an increasing pace. In such an environment, we established Group-wide policies, such as the promotion of DX and the strengthening of Group networks, while engaging in the three important measures related to the Medium-term Management Plan: construction of overwhelming field capabilities, construction of end-to-end integrated solution service; and ESG management. In the real estate business, we will continue to operate with a focus on securing long-term and stable earnings.

Hirobumi Koga

Representative Director, President
 MITSUI-SOKO HOLDINGS Co., Ltd.



STRATEGIC FOCUS

» ESG Team Newly Established

In April 2021, we established an ESG Team to further strengthen our ESG management and sustainability initiatives. In addition to promoting the Group's sustainability, including achieving the materiality KPIs, the team will establish the Mitsui-Soko Green Supply Chain Program (provisional name) and examine enhancements and upgrades to the service menu, including the realization of carbon neutrality for our customers. As a company that supports important social infrastructure, the Group has been working to resolve social issues through the provision of logistics services and we will further strengthen its efforts in the years to come.

Contributes to SDGs





MITSUI-SOKO



For more details of business areas please visit:
<https://www.mitsui-soko.com/en/company/group/msc/>



By providing logistics services that start from warehouses, which serve as the intersection of logistics, we will realize the optimization of our customers' logistics.

Takanobu Kubo
President
MITSUI-SOKO Co., Ltd.



Business Areas

MITSUI-SOKO Co., Ltd. comprises three business divisions: domestic logistics, port transportation, and overseas logistics business, all of which are the core businesses that has established our group business. As for the domestic logistics business, we provide a wide range of supply chain services that include warehouse storage, transportation, and variety of other distribution services. We have over 100 years of experience in the fields of warehousing and cargo handling business and own warehouse facilities across the country. From import/export custom clearance service to customer delivery, we customize suitable services for each customer's requirements and the commodities we handle.

The port transportation business manages the operations at container terminals of major ports such as Tokyo, Yokohama, Nagoya, Yokkaichi, Osaka, Kobe, and Moji, which play a vital role in connecting sea and inland logistics. Other services include ship agency services such as arranging shipping arrival/ departure applications, issuing bills of lading, and handling container shipping for various items that require professional cargo handling.

Our overseas logistics business will support our client's global business and supply chain management by providing solutions based on regional and local conditions throughout our global network.

Business Overview and Future Development

Despite the decrease in import/export cargo and the handling volume of warehouse work and port work being lower than expected due to the effects of COVID-19, in the fiscal year ended March 31, 2021 (fiscal 2021), the storage balance in domestic warehouses remained at a high level. Overseas, cargo freight movements slowed due to the impact of lockdowns, but business performance was firm due to cost reduction effects centered on SG&A expenses.

In the current fiscal year, the domestic logistics business put into operation its Kanto P&M Center Building B, which is a dedicated facility in the growth area of healthcare logistics, and we are anticipating an increase in cargo handling. In the port transportation business, we are anticipating an increase in container terminal handling volume, which fell in the fiscal year under review. In the overseas logistics business, we will strengthen services that make full use of our networks around the world to contribute to the optimization of our customers' supply chains.

Going forward, for those customers who are reviewing their global supply chains, we will support their supply chain optimization by proposing comprehensive solution services that leverage the functions of domestic and overseas networks and of all Mitsui-Soko Group companies. We will also focus on the standardization, improvement, and digitization of operations, including office administrative and business tasks, to improve the service level by the construction of overwhelming field capabilities.



Domestic Logistics

Risks and Opportunities

- Increasing warehouse storage needs as BCP measure
- Growing logistics needs that require advanced expertise, such as strict regulations and temperature control
- Expansion of business process outsourcing (BPO) projects due to work-style reforms

Strengths

- Establishment of asset-type distribution network that utilizes multifunctional logistics facilities and nationwide network base
- Professional knowledge and experience in warehouse storage and cargo handling applicable to various cargo types and business industries
- Excellent client base

Basic Strategies

- ▶ Promotion of *gyogiwa* sales by proposing one-stop logistics services to existing clients
- ▶ Focus on high value-added operations that require specialized know-how

Individual Measures

- Strengthening of sales capabilities by sales department reorganization
- Further expansion of healthcare business by newly establishing dedicated healthcare facilities
- Export sales promotion for heavy machinery transportation projects
- Improvements to frontline capabilities by promoting business standardization and digitization

Results of Medium-term Management Plan Initiatives

- Strengthened our ability to make proposals to customers by integrating domestic and overseas sales functions and non-vessel operating common carrier (NVOCC) service functions
- Completion of Kanto P&M Center Building B, a facility dedicated to healthcare
- Achieved reduction of CO₂ emissions and improvement of transportation efficiency by improving raw material transportation load factors as a result of utilizing just-in-time (JIT) logistics centers located near product manufacturing plants and reducing the number of trucks.

STRATEGIC FOCUS

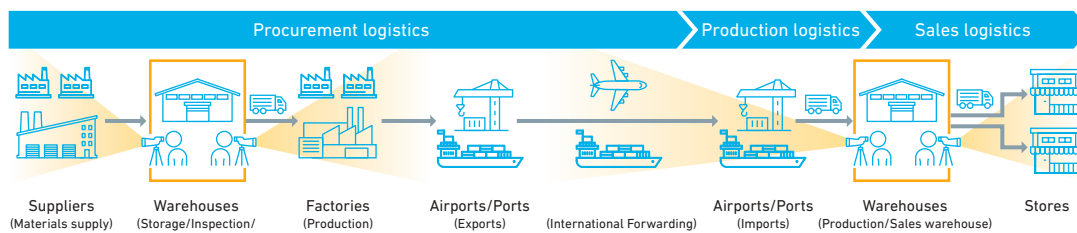
Optimal Support for SCM by Minimizing Logistics Unit Requirement (M6)*

Contributes to SDGs



In addition to our conventional high-quality warehousing services, we are providing a service that minimizes the logistics unit requirement (M6) as a new solution technique. Specifically, from the perspective of a logistics carrier, we break down the total inventory composition of a customer's supply chain management (SCM) into elements, streamline the customer's logistics and production lots by shortening lead times, reduce total inventory, and consequently support improvements in financial strength. By means of providing this support, we will meet our customers' post-COVID needs (responding to fluctuations in demand and minimizing the impact of location changes) and sustainability needs, such as reductions of CO₂ emissions and less waste of resources, and create benefits in three areas: our customers, our company, and the environment.

Supply Chain (Image)



* Logistics unit requirement (M6) = M3 (cargo volume in m³) × Meter (distance) × Minute (lead time) + Man (manpower)



Port Transportation

Risks and Opportunities

- Disruption in the international transportation market due to shortage of empty shipping containers, insufficient space in ships and other factors.
- Realignments and alliances of shipping companies and route reorganization
- Customer departures from Japan as it loses international competitiveness in terms of port functions among those of neighboring countries
- Industry structure of port areas greatly influenced by policies and regulations, setting high barriers to entry for new businesses

Strengths

- Licensed container terminal operator at multiple domestic ports
- Excellent human resource which include experienced professional staff to handle container terminal management and information system installation and operation
- Strategic container sales capabilities mainly targeted at Japan, China, and nearby coastal regions

Basic Strategies

- ▶ Strengthening container terminal infrastructure
- ▶ Promotion of operational efficiency through business consolidation and digitization

Individual Measures

- Establishment of stable business operation system for the newly opened Y2 container terminal
- Sales expansion by the acquisition of new shipping company businesses
- Promotion of joint research to improve supply chain efficiency by RPA installation and AI utilization

Results of Medium-term Management Plan Initiatives

- Established stable business operation system by opening high-standard Tokyo Port Container Terminal Y2 for large vessel cargo handling
- Newly acquired an overseas shipping company business
- Promotion of business efficiency and paperless offices through business consolidation and digitalization

STRATEGIC FOCUS

Initiatives for Cyber Port Concept

By conducting verification projects, commissioned survey services, and other tasks, MITSUI-SOKO is participating in the Cyber Port concept being promoted by the Ministry of Land, Infrastructure, Transport and Tourism, which aims to improve the productivity of port logistics by digitalizing port logistics procedures. In the fiscal year under review, we participated in the verification of coordination with a port-related data link platform, which plays a central role in the Cyber Port concept. In the current fiscal year, we are applying to participate in the Cyber Port Utilization Promotion/Operational Efficiency Verification Project, a collaborative plan covering the information issued by delivery orders. Focusing on applications of new technology, we are working with national research institutes and technology vendors in developing a mechanism that will enable information systems to accurately support manual work covering the checks for damage to inbound and outbound ocean containers, for which port personnel are forced to work in a harsh environment. In the years to come, we will continue to make full use of our knowledge and experience to contribute to improving the productivity of port logistics.

Note: Artist's impression of the Cyber Port concept created by MITSUI-SOKO HOLDINGS with reference to the Ministry of Land, Infrastructure, Transport and Tourism website: <https://www.cyber-port.net/ja/about#cyberport> (Japanese only)

Contributes to SDGs





Overseas Logistics

Risks and Opportunities

- Impact on the global supply chain due to uncertainties in world affairs and geopolitical risk
- Changes in each country's national policies, regulations, and logistics conditions
- Increase in business needs toward domestic demand in each country due to an increasing world population

Strengths

- Global network: Presence in 16 countries worldwide
- Flexibility in dealing with local laws and regulations and adapting to regional characteristics
- Excellent client portfolio that mainly consists of major Japanese companies

Basic Strategies

- ▶ To support our customers' SCM optimization by understanding their entire global commercial distribution network
- ▶ Provision of Japanese-quality logistics services that empowers the Mitsui-Soko Group's global network to meet burgeoning domestic demand

Individual Measures

- Enhancing *gyogiwa* sales activities at each base and strengthening the coordination between related parties
- Multifunctional logistics services that capture domestic demand

Results of Medium-term Management Plan Initiatives

- In each of the regions of Asia, Europe, and the United States, carried out proactive proposal-based sales that exceeded customer requests and filled in *gyogiwa* business interface operations
- Due to the effects of COVID-19, proposed logistics services in response to supply chain reviews for bases, transportation networks, etc.
- Strengthened our ability to respond to changes in the external environment and customer requests by means of our multifunctional distribution menu centered on the Asia region

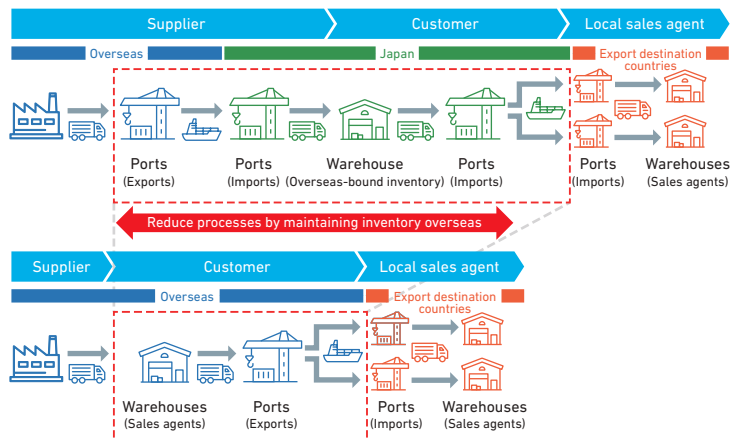
STRATEGIC FOCUS

Providing Logistics Schemes by the Utilization of Non-Resident Inventory

Contributes to SDGs



In the overseas logistics business, we are contributing to reduced customer costs and improved lead times by the utilization of non-resident inventory. When in the process of importing from overseas suppliers and exporting to overseas sales destinations, we usually conduct exports to each country via Japan, but the utilization of overseas non-resident inventory enables direct shipment from overseas import destinations to overseas export destinations. At the same time, we have achieved reductions in costs (purchase prices that have been passed on to warehouse costs, ocean freight charges, and distribution costs) and shortened lead times.





MITSUI-SOKO EXPRESS



For more details of business areas please visit:
<https://www.mitsui-soko.com/en/company/group/mse/>



The outcome of our professional work will lead to the voice of customer “Always with MSE”.

Naonari Ichiyanagi

President
MITSUI-SOKO EXPRESS Co., Ltd.



Business Areas

MITSUI-SOKO EXPRESS Co., Ltd. was formed as a joint venture between MITSUI-SOKO HOLDINGS Co., Ltd. and Toyota Motor Corporation in July 2012. Specifically, it began by merging MITSUI-SOKO Co., Ltd.'s air forwarding business, with JTB Air Cargo Co., Ltd., an airfreight subsidiary of JTB Corporation, and TAS Express Co., Ltd., an air transportation subsidiary of the Toyota Motor Corporation.

We provide high-quality, comprehensive forwarding services by both air and sea by combining the knowledge and experience cultivated in international logistics through a wide range of industries, such as automobiles, chemicals, apparel, hazardous goods, cold storage products, pharmaceuticals, and household relocation services, with our worldwide based network.

We propose transportation plans that are optimal in meeting our customers' diverse needs and cargo requirements, which change on a daily basis, and thereby assist in strengthening our customers' competitiveness and business development.

Business Overview and Future Development

Amid the disastrous situation brought about by the COVID-19 pandemic, in fiscal 2021 we were able to secure higher profits than the previous fiscal year. This was because the supply and demand balance for air transportation changed and airfares soared caused by the reduced availability of air cargo space, itself due to the reduction of international passenger flights, and the substitute demand for air transportation brought about by a decrease in the amount of space for shipments by sea.

In the current fiscal year, it is expected that major changes and reviews of production and sales bases will accelerate toward the normalization of the supply chain. We will thus continue to respond flexibly and speedily to such customer needs and strive to further expand our handling services.

In the years to come, we will work to enhance our own know-how and maximize our strengths as the Mitsui-Soko Group—not only high-quality forwarding services but also in response to customers' requests for supply chain optimization and other services—so that we can always propose the best solution.



Airfreight Forwarding

Risks and Opportunities

- Impact on global supply chain caused by uncertainties in world affairs
- Intensification of competition, normalization of price competition in the air cargo market
- Changes in market conditions in automobile and electronic component industries

Strengths

- High-quality, comprehensive forwarding services cultivated in the automobile and electronic component industries
- Proposal capabilities that meet customer needs for reducing logistics costs and avoiding inventory risks
- Optimal logistics design and construction capabilities in air cargo linked to warehousing function

Basic Strategies

- ▶ Promote end-to-end integrated solutions through Group collaboration
- ▶ Expansion of the international forwarding services to meet customer quality, cost, delivery (QCD) improvement requirements

Individual Measures

- Expansion of healthcare business and construction of SCM services through Group collaboration
- Development of new business for existing clients and roll out to new customers by development of new logistics services
- Promotion of business efficiency through business standardization and systemization

Results of Medium-term Management Plan Initiatives

- Through close cooperation with Mitsui-Soko Group companies in each country, provided large number of solutions to built entire supply chains, centered on air transportation but including land transportation and sea cargoes
- Constructed a scheme that utilizes air transportation to balance reductions in inventory and avoid inventory shortages
- Amid tight airfreight transportation demand during the COVID-19 pandemic, secured stable air cargo space and steadily provided services to meet the urgent demands of our customers

STRATEGIC FOCUS

Contributing to Improved Customer Logistics Efficiency with Best Mix Transportation Modes

Contributes to SDGs



In collaboration with Mitsui-Soko Group companies, we are building the best mix of transportation modes, centered on air transportation but including land transportation and sea cargoes, and contributing to improvements in our customers' logistics quality, cost, and delivery (QCD) by proposing a transport network that meets their priorities.

In the event of supply chain disruptions or other emergencies, we are paying close attention to both lead time and cost in making proposals that combine air transportation with sea cargo using alternative routes to minimize the impact on our customers' production and sales activities.

Through our strengths in proposing and putting into practice sustainable optimal logistics plans, we will support our customers' stable business activities by providing robust logistics services that are not limited by the external environment.



Example of transportation route (Japan → United States)



MITSUI-SOKO LOGISTICS



For more details of business areas please visit:
<https://www.mitsui-soko.com/en/company/group/msl/>



We are aiming to remain a Sales & Operations Planning company that supports customer's services and solves issues.

Hiroshi Torii

President
MITSUI-SOKO LOGISTICS Co., Ltd.



Business Areas

MITSUI-SOKO LOGISTICS Co., Ltd. joined the Mitsui-Soko Group in April 2012 to propose not only client logistics operations and logistics management, but also supply chain management reform, from the planning and strategic levels.

Having started out as a company providing the logistics functions for a consumer electronics maker, the company has been developing the third-party logistics (3PL) business for a variety of consumer electronics manufacturers and major mass retailers based on its deep knowledge of consumer electronics and logistics. Currently, we are developing business not only in the field of consumer electronics, but also in a variety of other fields, such as apparel, miscellaneous goods, and food, while providing the full array of solutions through our supply chains, from customer manufacturing planning to procurement, production, sales, after-sales, and merchandising. We offer the best solutions for our customers by providing a manufacturing/distribution/sales collaboration logistics platform that seamlessly optimizes the logistics and inventory of both manufacturers and retailers, and a technical logistics platform that enables integrated services from last-mile delivery to various technical services such as installation, repair and maintenance.

Business Overview and Future Development

In fiscal 2021, there were increases in consumption from staying at home due to the impact of COVID-19 and, as a result, an increase in the handling of logistics distribution for consumer electronics manufacturers, which is an existing business. To promote distribution reform in collaboration with major mass retailers, we also launched a development project for distribution centers.

In the fiscal year ending March 31, 2022, we anticipate that demand from people staying at home will abate and that the handling of distribution for consumer electronics manufacturers will decrease. We will, however, strive to increase revenue by promoting the above-mentioned project, improving operational levels by systemization and the introduction of robotics, and moving ahead with human resource development.

In the years to come, digitalization will enable the delivery of information between manufacturers and mass retailers in real time. By building solutions that optimize inventory, harmonize logistics, and increase efficiency, we will work to further expand and upgrade our collaborative manufacturing and distribution platforms. At the same time, we will deploy high-value-added solution services that cross these areas of expertise with fields other than consumer electronics. In addition, we will contribute to resolving social issues, including environmental impact reduction and the shortage of drivers, by working not only on joint distribution with companies in the same industry but also on the construction of joint distribution schemes through associations with different industries.



Third-Party Logistics (3PL)

Risks and Opportunities

- Growing need for outsourcing logistics in accordance with the increasing pace of changes in the environment of each industry
- Changes in business customs and logistics characteristics due to EC expansion
- Market changes in consumer electronics industry

Strengths

- Established platforms in the consumer electronics field, possesses a nationwide network
- Provision of high value-added solution services (business analysis, operation design, robotics, package solutions)

Basic Strategies

- ▶ Boldly facing challenges in many fields based on collaborative manufacturing and distribution platforms, connecting manufacturers with mass retailers
- ▶ Expanding our technical platform service menu, a one-stop provision of various services that transcend the boundaries of logistics

Individual Measures

- Provide solutions, such as business analysis, operation design, support for introduction of robotics and package solutions, thoroughly tap into existing fields and boldly confront challenges in new fields
- Expanded handling of products other than consumer electronics, realization of collaborative manufacturing and distribution platforms in many fields
- One-stop provision of solutions to expand technical services and support store operations

Results of Medium-term Management Plan Initiatives

- Opened a large-scale logistics center in which we installed state-of-the-art material handling equipment, including robotics, and established ourselves in the top position in terms of logistics platforms for consumer electronics
- Developed business in a wide range of industries by providing high-value-added solution services, such as business analysis, operation design, and package solutions
- Developed store management support solutions that provide one-stop services, from the delivery, construction, and installation of commercial equipment used in stores and offices to its repair, inspection, disposal, and recycling

STRATEGIC FOCUS

Consulting Support for Logistics Platforms

Actively deploying a lead logistics partner (LLP) business model, we are underpinning our customers' supply chains and logistics from the strategic and planning levels while supporting their reform and improvement activities.

In addition to the utilization of industrial engineering (IE) in the visualization of current operational status, we provide consistent, design-to-operation support for next-generation logistics that brings people and technology together by installing the latest warehouse and material handling equipment as well as robotics. Also, while maintaining our awareness of ESG management, we also provide support for a variety of packaging-related solutions that play a major role in supply chains and EC businesses and for the building of optimal networks. The latter are based on analyses and verification of the operation and maintenance of transportation and delivery networks, in which driver shortages are becoming more acute.

Contributes to SDGs



LLP Lead Logistics Partner

パッケージソリューション

パッケージソリューションの推進

項目	数値	注
パッケージソリューションの推進	100%	100%
パッケージソリューションの推進	100%	100%
パッケージソリューションの推進	100%	100%

ロジスティクス・エンジニアリング・ソリューション

業務プロセスの最適化

項目	数値	注
業務プロセスの最適化	100%	100%
業務プロセスの最適化	100%	100%
業務プロセスの最適化	100%	100%

輸送ネットワーク 構築支援

輸送ネットワークの構築支援

項目	数値	注
輸送ネットワークの構築支援	100%	100%
輸送ネットワークの構築支援	100%	100%
輸送ネットワークの構築支援	100%	100%



MITSUI-SOKO Supply Chain Solutions



For more details of business areas please visit:
<https://www.mitsui-soko.com/en/company/group/mscs/>



We consider and execute projects together with our customers through supply chains and solutions, which form part of our company name.

Takayuki Sekitori

President
MITSUI-SOKO Supply Chain Solutions, Inc.



Business Areas

MITSUI-SOKO Supply Chain Solutions, Inc. was established in April 2015 as a joint venture with Sony Corporation. Positioning supply chain solutions as the company's differentiating value, we make proposals for building integrated logistics systems from which our clients build competitive advantages.

Having a logistics network based in Japan, Thailand, and Malaysia, the company is responsible for various logistics operations. These operations include: procurement logistics for the efficient procurement of raw materials and manufacturing parts; factory logistics, such as in-factory cargo handling and inter-process transportation that contribute to improved factory productivity; sales logistics, which uses highly efficient transportation to connect product centers and dealers with timely and appropriate volumes; and repair parts logistics, which handles the huge number of items required for repairs.

Using supply chain management (SCM) know-how and experience developed in the electronics industry, we provide optimal logistics solutions which cover the upstream to the downstream of the supply chain, and always from the customer's point of view.

Business Overview and Future Development

In fiscal 2021, business operations were conducted at a time when the movement of people and goods was largely suppressed due to the effects of COVID-19. Nevertheless, in domestic logistics the handling of consumer electronics such as TVs expanded significantly due to increased consumption from staying at home, and in international logistics we also responded swiftly and accurately to distortions in supply and demand in the supply chain, and business performance remained firm.

In the current fiscal year, intensifying competition in international logistics, including in air transportation, and a decrease in handling volume due to a review of the production systems of major customers in Malaysia will become timely issues. Amid the ongoing unpredictability and uncertainty surrounding the COVID-19 pandemic, however, we will consider responding to changes in the environment as a business opportunity and work to develop new businesses.

Going forward, we will take advantage of the fact that reviewing and restructuring complex and diversified supply chains is becoming an important issue for society as a whole. We aim to acquire new business by making proposals from the customer's perspective, looking at entire supply chains from procurement to sales, and by providing high-quality logistics services that will bring these proposals to fruition. We will also devise ways to expand the areas covered by existing business contracts by encouraging the building of relationships that are deeply embedded with our customers, as we have formed a new business alliance in the field of logistics planning with a major customer.



Supply Chain Management (SCM) Support

Risks and Opportunities

- Impact from the uncertainty of the world situation on global supply chains
- Growing need for outsourcing of logistics by environment change acceleration in each industry
- Changes in market conditions and the environment of the electronics industry

Strengths

- Knowledge, experience, and human resources that play roles in the global supply chains of our major customers
- On-site capabilities, improvement capabilities, and proposal capabilities cultivated through manufacturer logistics
- Comprehensive strength from being well-versed in both planning and actual logistics

Basic Strategies

- ▶ Expanding and deepening supply chain solution services for the manufacturing industry
- ▶ Acquiring and expanding new businesses by leveraging proposal capabilities from the customer's perspective

Individual Measures

- Promotion of SCM optimization participated in maker's manufacturing and distribution planning
- Rebuilding of sales strategies by selection and concentration that closely focus on customer business trends
- Improvement of on-site and operational capabilities, including promotion of digitization, and human resource development

Results of Medium-term Management Plan Initiatives

- Transferred and integrated the logistics planning function on the customer side to our company to quickly respond to their logistics optimization and aim to realize a stronger supply chain
- Reviewed staffing and organizational structure and formed business alliances in the area of DX to cultivate customers to whom we can continuously provide high-value-added services by utilizing advanced knowledge of logistics
- Expanded the scope of certification under ISO 9001, the international quality assurance standard, to 15 business locations

STRATEGIC FOCUS

Further Integration in the Field of SONY Logistics Planning

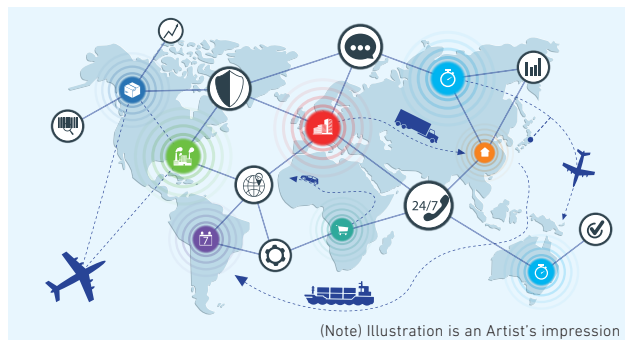
Contributes to SDGs



The company agreed with Sony Corporation to form a new business alliance in the field of Sony logistics planning.

Together with increasing expertise by the further integration of the logistics planning functions of two companies and strengthening cooperation with logistics operations, the purpose of this new business alliance is to promptly respond to the optimization of the SONY Group's logistics/SCM—even in a business environment that will be undergoing drastic change from now on—while building a more robust supply chain.

The SONY Group transferred support functions to the company, and operations commenced on April 1, 2021. Specifically, the functions pertained to global logistics management administration and logistics planning support as well as the international transportation planning functions responsible for bidding administration of air and sea transportation and partner management.



(Note) Illustration is an Artist's impression



MITSUI-SOKO TRANSPORT



For more details of business areas please visit:
<https://www.mitsui-soko.com/en/company/group/mst/>



Placing safety and quality first, we will provide competitive, customer-oriented logistics services.

Takayoshi Masuda

President
MITSUI-SOKO TRANSPORT Co., Ltd.



Business Areas

MITSUI-SOKO TRANSPORT Co., Ltd. operates and manages a transport network that has at its core the Marukyo Logistics Group, which joined the Mitsui-Soko Group in December 2015 and provides logistics services centered on its transportation business.

The Marukyo Logistics Group, which owns approximately 1,000 vehicles and also uses 2,000 leased vehicles, provides highly efficient regional joint delivery services, including the high-volume, long-distance hauling of consumer products. Handling a wide variety of cargo—from consumer goods, such as food and consumer electronics, to industrial goods, such as building materials and resins—Marukyo Logistics leverages a network that has been built nationwide, but especially in the Kansai, Chugoku, and Shikoku areas, to provide optimal transportation services to its clients, taking into consideration conditions such as cargo characteristics, lead times, and costs.

By acting as a bridge between the Mitsui-Soko Group and the Marukyo Logistics Group, MITSUI-SOKO TRANSPORT will contribute to the growth of the latter as a whole. At the same time, we will build a high-quality domestic logistics service by organically linking the transportation function that lies at the core of the Marukyo Logistics Group with the various logistics functions of the Mitsui-Soko Group.

Business Overview and Future Development

Amid the variety of impacts that the COVID-19 pandemic had on customers' industries in fiscal 2021, the volume handled by charter trucks was sluggish as a whole. Nevertheless, we acquired a new regional 3PL business, and business performance was strong due, for example, to our taking advantage of the strength of owning our own vehicles and reducing the transportation costs of privately owned vehicles.

In the current fiscal year, uncertainty still surrounds the impact of COVID-19, but we will leverage the strengths of our asset-based operations, which own more than 1,000 trucks at 50 locations nationwide. While continuing to provide stable transportation services, we will work to cultivate transactions with existing customers and acquire new business.

In the years to come, as a response to the labor shortages that have become a social issue, we will promote the creation of comfortable working environments by improving work conditions and consider labor saving by the introduction of robotics. We will also encourage inter-Group collaboration by expanding our know-how of safe operation standards within the Group.



Land Transportation

Risks and Opportunities

- Rising fuel costs and increased labor costs due to shortage of drivers
- Blunted profitability due to more stringent environmental regulations, etc.
- Increase in combined deliveries/joint logistics

Strengths

- Asset-type operation owning approx. 1,000 trucks and using about 2,000 leased vehicles at 50 locations nationwide
- Only completely in-house delivery network in Chugoku and Shikoku areas
- Low-cost operation

Basic Strategies

- ▶ Expanding base network services with transportation services as starting point
- ▶ Expanding combined deliveries
- ▶ Strengthen cooperation with Mitsui-Soko Group companies based on transportation network

Individual Measures

- Expansion of healthcare-related logistics and initiatives toward venous logistics
- Support for promoting the handling of transportation operations and strengthening the safe transportation systems of Mitsui-Soko Group companies
- Securing and training human resources by improving working environments and enhancing the in-house education system

Results of Medium-term Management Plan Initiatives

- Expanded scale of logistics for healthcare-related customers such as drug stores
- Developed and expanded in scale 3PL businesses (inventory storage + delivery service, including in-house co-distribution network) for specific customers
- Created safe operation standards and commenced their deployment within the Group

STRATEGIC FOCUS

Contribution to Environmental Impact Reduction by Introducing Electric Vehicle (EV) Trucks

Contributes to SDGs



Marukyo Logistics Co., Ltd. introduced into service the first EV truck in the Kinki region in central Japan in August 2021 as a delivery vehicle for customer Kao Logistics. In addition to zero-emission transportation that does not emit CO₂ or pollutants while running, EV trucks contribute to resolving urban noise problems and reducing the burden on drivers due to their low vibration levels, thus making them vehicles that assist in resolving not only environmental issues but also social issues. Having been deploying eco-driving by means of automatic engine start-stop systems and other techniques and 4R* principles for logistics for some time, we will now be making further contributions to reducing environmental impact through the use of EV vehicles.

*4R Refuse: Reduction of unneeded inventory by shared warehousing
 Reduce: Milk runs to reduce number of trucks in operation
 Reuse: Reduction in number of vehicles returning to base empty by utilizing return legs
 Recycle: Category joint delivery



Response to COVID-19 Pandemic

Basic Policy

- ▶ While prioritizing the safety of our customers, business partners, employees, and their families, provide stable logistics services as a corporate group that supports the indispensable form of social infrastructure called logistics.
- ▶ Make timely and appropriate disclosures to stakeholders.



Issues

- Strengthening of office infrastructure to enable flexible working styles, typified by teleworking
- Promotion of business process digitization for the purpose of preventing the spread of infection
- Ensuring a back-up health and safety system for times of emergency, such as stockpiling of masks and sanitizers



Initiatives

- System development on assumption of teleworking
- Expansion of in-house approval system that eliminates any need for seals and helps to make paperless administrative tasks a reality
- Improvement of work environments by, for example, installing acrylic partitions and securing sufficient space for people in offices



Issues

- Building of a flexible human/physical business execution system that takes BCP into account
- Promotion of digitization to build a stable logistics service system
- Review of BCP measures assuming complex disasters (infectious disease combined with the occurrence of an earthquake or typhoon, etc.)



Initiatives

- Mitsui-Soko Group business continuity plan (BCP)-related documents revised, BCP system upgraded
- Streamlining and stabilizing of operations by introduction of a truck berth reservation system and robotic process automation (RPA)



Issues

- Strengthening of communication with local communities
- Examination of timely and appropriate ways and means of disclosure to stakeholders in an emergency



Initiatives

- Financial results briefings conducted online
- Recommendation that voting rights be exercised online prior to General Meeting of Shareholders, and for thorough infection prevention measures during meetings

» TOPICS

01 | Treatment of COVID-19 Vaccinations as Work Attendance

As part of measures to prevent the spread of COVID-19 infections, the Group treated the attendance of employees*¹ and their families at the time of their vaccinations as attendance at work. In addition, it was possible to take special paid leave if it proved difficult to work due to poor physical condition as a result of any vaccine side effects. We put a system in place so that employees and their families who wished to be vaccinated could spend their time with peace of mind and have a flexible working style.

*¹ Full- and part-time employees, contract employees, part-time workers, casual workers of MITSUI-SOKO HOLDINGS Co., Ltd., MITSUI-SOKO Co., Ltd., MITSUI-SOKO EXPRESS Co., Ltd., MITSUI-SOKO LOGISTICS Co., Ltd., MITSUI-SOKO Supply Chain Solutions, Inc., MITSUI-SOKO TRANSPORT Co., Ltd., and their families.

02 | Revision of BCP-related Regulations

The Group has revised its BCP-related regulations to strengthen the establishment of a system that can respond to large-scale disasters, such as supply chain disruption in the COVID-19 pandemic. In the revisions, we have expanded the scope of assumed disasters, reviewed them in consideration of new work styles such as teleworking, and formulated BCP-related regulations according to the business characteristics of the Group and of each company. From now on, we will carry out training based on the revised manuals and BCP book and, on the basis of those training sessions, will implement PDCA cycles that will include reviews of the regulations as appropriate that will improve their effectiveness.

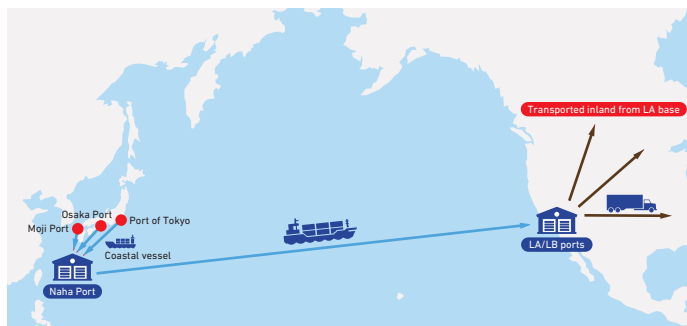
	Names of Regulations	Content
Regulations Covering Mitsui-Soko Group	Mitsui-Soko Group Basic Guidelines for Large-scale Disaster Countermeasures	Group Basic Guidelines
	Mitsui-Soko Group Basic Regulations for Large-scale Disaster Countermeasures	Clarify basic matters, such as clarification of relevant departments
	Mitsui-Soko Group Large-scale Disaster Response Manual	Standards for establishing headquarters and organizational roles

	Names of Regulations	Content
Regulations of Mitsui-Soko Group Companies	Large-scale Disaster Response Implementation Manual (Advance Preparation Volume)	Measures to be implemented in advance
	Large-scale Disaster Response Implementation Manual (Disaster Response Volume)	Response in times of disaster
	Business Continuity Plan Book	Recovery support

03 | Keep Logistics Moving: Building of Integrated Transportation Scheme

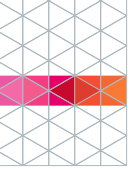
Amid the global port congestion and delays in maritime transportation that occurred due to the spread of COVID-19 infections, the Group built an integrated transportation scheme from Okinawa to the West Coast of North America, at the same time curbing increases in logistics costs and having secured stable logistics for our customers due to alternative transportation. This scheme was specifically needed in the LA/LB*² ports on routes to North America, where the inability to read lead-times due to waiting for port arrivals and delays in railway connections were causing problems.

We therefore provided integrated transportation services ((1) Connected the ports in Tokyo, Osaka, and Moji (Kitakyushu) to Naha Port by coastal vessels, (2) maritime transportation via a shipping company that has a dedicated terminal at the Port of Los Angeles, and (3) a transload service*³ from the Company's base in LA). This contributed to the realization of stable logistics for our customers.



*² Los Angeles/Long Beach

*³ Intermodal services that combine inland forwarding and transshipment of ocean freight containers to domestic tractor trailers at a warehouse.



Promotion of ESG Management for Realization of Sustainable Growth

The Group will promote dialogue and co-creation with its stakeholders, work to resolve social issues through the provision of its logistics services, and realize sustainable growth for society and the Group.

The Mitsui-Soko Group's ESG Management

Due to the globalization of client supply chains, the Mitsui-Soko Group is building a logistics services network at approximately 400 locations in 19 countries. As a corporate group that supports the indispensable form of social infrastructure called logistics, understanding and resolving not only the logistics issues and needs of our customers, but also social issues from the

perspectives of each country and region and from a global point of view, is important in order to remain a corporate group that is needed and selected by society. Promoting ESG management, the Group will contribute to the resolving of social issues by creating new value through our businesses and realize the sustainable growth of the Group and society.

Our Approach to Sustainability

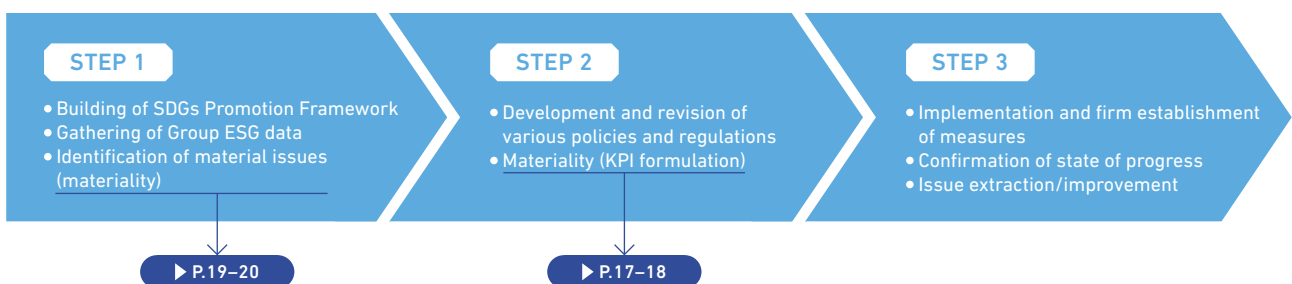
The Mitsui-Soko Group aims to help achieve a sustainable society and enhance our corporate value by creating new value as a company that supports logistics, an indispensable form of social infrastructure.

- We will reduce our environmental impact and address social issues such as human rights, occupational health and safety, and diversity through our business activities.
- We will engage in highly transparent corporate management in order to continue to be a corporate group trusted by society.
- We will maintain and develop sound and trustworthy relationships through engagement with all of our stakeholders.

ESG Management and Sustainability Promotion Roadmap

The Group identified materiality in the fiscal year ended March 31, 2020 to achieve simultaneous economic, social, and environmental value. In June 2021, we reviewed the various policies related to sustainability once again and newly established others and made revisions to further improve the three values. We also set KPIs for each of the economy, society, and the environment to accelerate our efforts toward materiality throughout the Group. These materiality efforts will also lead to

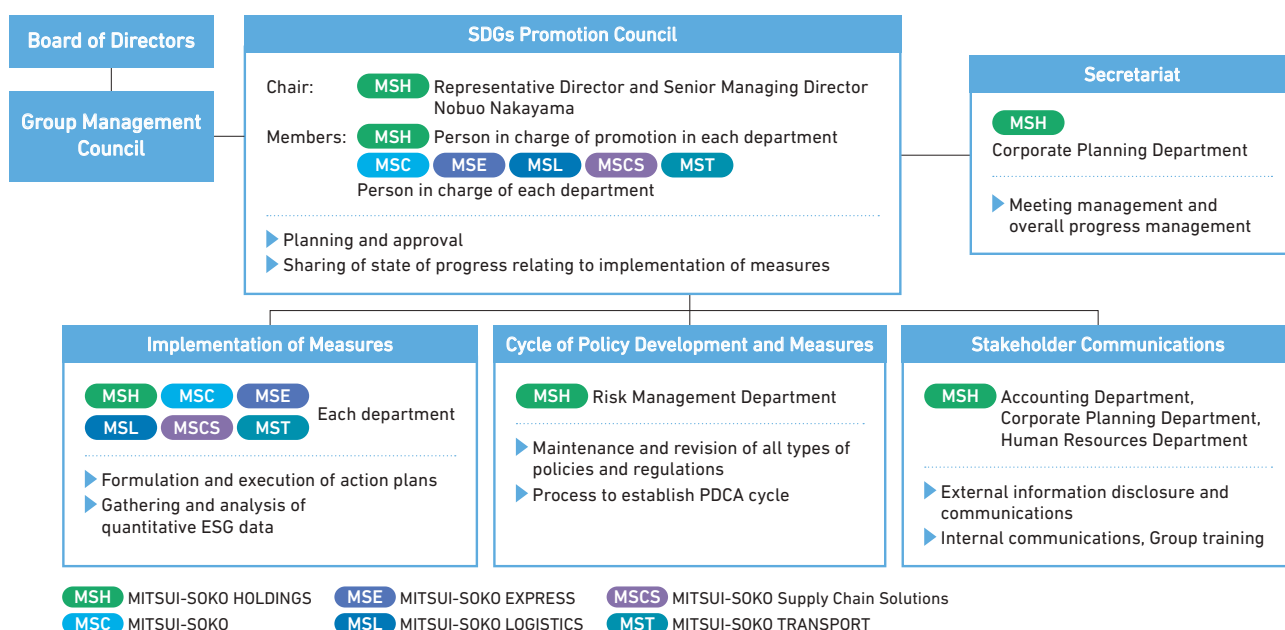
the achievement of the eight SDGs. In the years to come, we will formulate a variety of measures based on the set KPIs and proceed with efforts in line with a PDCA cycle process. Policies with regard to sustainability and matters concerning the KPIs are discussed and formulated by the Group Management Council (comprising holding company directors and representative directors of major operating companies) and the Board of Directors.



Sustainability Promotion Framework

The Group has formed an SDGs Promotion Project led by Representative Director and Senior Managing Director of MITSUI-SOKO HOLDINGS, Nobuo Nakayama, with the aim of realizing a sustainable society and increasing the corporate value of the Group. A cross-Group initiative, this project holds SDGs promotion meetings on a regular basis. In the fiscal year ended March 31, 2021, we compiled progress reports and conducted

study sessions on the measures taken by each company and department. The important matters brought up at these meetings were reported to and discussed in Board of Directors' meetings. In April 2021, we established an ESG Promotion Office within the Corporate Planning Department to further strengthen ESG management and are planning to set up a Sustainability Committee in October.

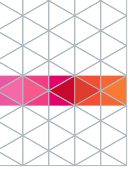


Maintenance and Revision of All Types of Policies and Regulations

To strengthen ESG management and further promote sustainability, we conduct reviews of each policy that forms the Group's basic guidelines. Based on the changes in the social

environment surrounding the Group, we reviewed sustainability-related policies from the system, verified each policy and newly established or revised them.

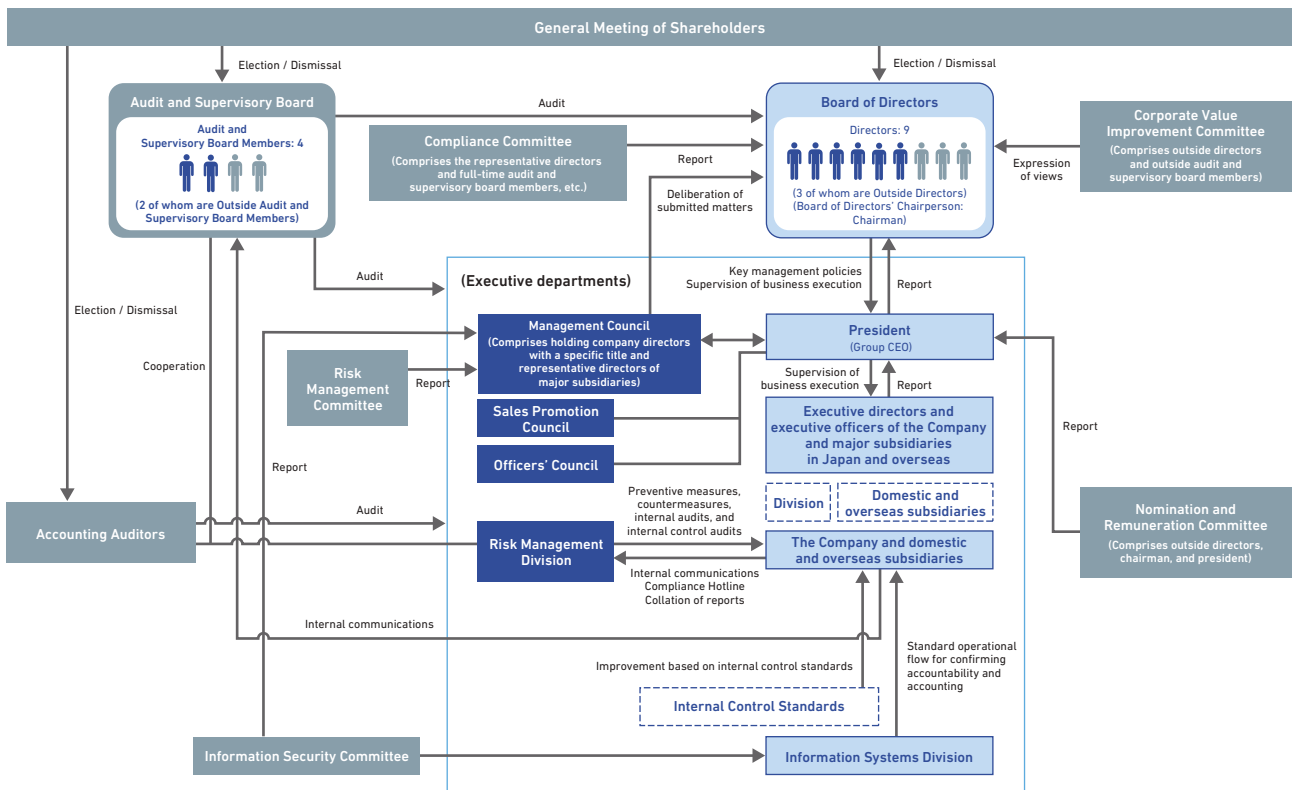
Name of Policy	Points of New Establishment / Revision
Our Approach to Sustainability	Positioned as a higher concept of each sustainability policy, clarified items required to improve corporate value through resolving of social issues
Mitsui-Soko Group Environmental Policy	<ul style="list-style-type: none"> Clarification of direction in which the Group is aiming and of action items in respect of climate change Mentioned that the contribution to reducing the environmental impact being not only for the Group but also for the entire value chain
Mitsui-Soko Group Diversity and Inclusion (D&I) Policy	<ul style="list-style-type: none"> Clarified the Group's approach to D&I and revised content as a whole Mentioned respecting diversity and improving the work environment and systems so that diverse human resources can play active roles
Mitsui-Soko Group Occupational Health and Safety Policy	<ul style="list-style-type: none"> Newly established as a policy to realize safe, diverse, and rewarding work environments Clarified that the Company will promote the creation of safe and clean work environments to ensure the health and safety of its employees, business partners, and related parties
Mitsui-Soko Group Policy on Sustainable and Responsible Procurement	<ul style="list-style-type: none"> Clarification with regard to what the Group does and the requests made of suppliers Items on legal compliance, fair trade, quality control, environmental protection, respect for human rights, and labor practices as well as health and safety newly established



Building a Governance Structure Aimed at Improving Corporate Value

Under the Group VISION of “Value beyond Logistics,” as a holding company MITSUI-SOKO HOLDINGS 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 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 corporate governance.

Corporate Governance System (as of July 1, 2021)



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.
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 interest, and excludes the arbitrary judgments of the Board of Directors and also gives necessary advice to the Board of Directors.

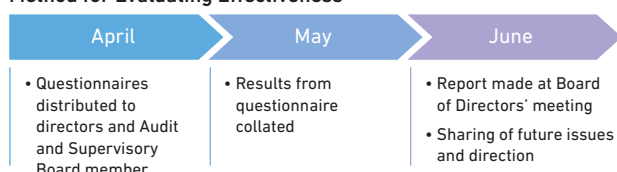
Effectiveness of the Board of Directors

Number of Times Principal Bodies Held Meetings and Attendance

Board of Directors	17 times
Attendance of outside directors at Board of Directors' meetings	100%
Attendance of outside audit and supervisory board members at Board of Directors' meetings	100%
Audit and Supervisory Board	16 times
Attendance of outside audit and supervisory board members at Audit and Supervisory Board meetings	97%

The Board of Directors' meetings in fiscal 2021 mainly discussed business strategy, business investment, and the retention policy for stockholdings. Having discussed these matters, the Board of Directors authorized capital expenditures in digitization at large bases for consumer electronics mass retailers and implemented the sale of stockholdings.

Method for Evaluating Effectiveness



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 and interviews between directors and Audit and Supervisory Board members and discuss the results at Board of Directors' meetings. In the years to come, we will make further improvements so that we can further expand discussions that contribute to medium- to long-term management strategies.

Main Content of Questionnaire
<ul style="list-style-type: none"> Structure and operational methods of Board of Directors Discussions at Board of Directors' meetings Officer compensation, election and dismissal, etc. Formulation of next medium-term management plan Content of agendas Regular reports



Result of Evaluation
<p>While praising the status of improvements at Board of Directors' meetings in recent years, the evaluation also pointed out that there is room for further improvement.</p> <p>The expansion of important projects by reviewing the agenda criteria is being planned, and henceforward in formulating the next medium-term management plan there is a necessity to expand discussions at Board of Directors' meetings.</p>

Reasons for Appointing Outside Officers (as of July 1, 2021)

Category	Name	Reason for Appointing
Outside Directors	Taizaburo Nakano	Mr. Taizaburo Nakano has served as a director at a beverage company for many years. In light of the fitting advice he has given from wide-ranging insights, based on his rich experience as a corporate manager, he is appointed as an outside director.
	Takashi Hirai	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 in different graduate schools on corporate strategies and business strategies, and in expectation of the appropriate advice he will provide from his rich experience and insight, he is appointed as an outside director.
	Maoko Kikuchi	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 nominate her as a candidate for outside director.
Outside Audit and Supervisory Board Members	Osamu Sudoh	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.
	Motohide Ozawa	Having been active on the frontlines as a certified public accountant for many years, Mr. Motohide Ozawa is appointed as an outside Audit and Supervisory Board member from his track record in having undertaken audit duties for the Group based on his special expertise in international accounting.

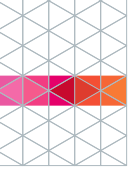
Officer Remuneration (as of March 31, 2021)

The current officer remuneration system 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

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 type of remuneration, etc. (millions of yen)		Number of eligible officers
		Fixed portion	Variable portion	
Directors (excluding outside directors)	263	158	105	6
Audit and Supervisory Board Members (excluding outside Audit and Supervisory Board Members)	57	57	—	2
Outside officers	46	46	—	5

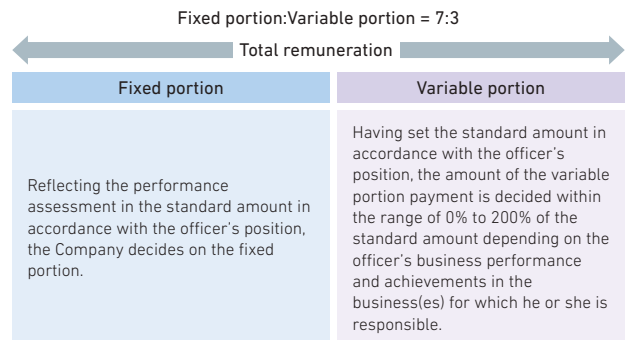
Note: The number of eligible officers is the total for the fiscal year.



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.

To further ensure the appropriateness of individual remuneration and the transparency of the decision process, remuneration amounts are decided at a Nomination and Remuneration Committee meeting—chaired by an outside director and comprising other outside directors as well as the President and Group CEO and the Chairman as its members—and paid in accordance with those decisions. Outside directors and Audit and Supervisory Board members receive fixed remuneration.

Officer Remuneration System (as of March 31, 2021)



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 holdings of strategic stockholdings, we individually qualitatively and quantitatively verify them from perspectives that include the purpose of the holding and capital cost and report to the Board of Directors

every year. To further strengthen corporate governance in the fiscal year ended March 31, 2021, we decided to accelerate our reduction efforts and sold 22 listed stocks and one unlisted stock.

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.

ESG Management Governance System

Matters deemed important in promoting ESG management and sustainability are submitted to Board of Directors' meetings for discussion. We also hold ESG study sessions geared toward executives to improve their knowledge in the field of

sustainability, the environment of which undergoes drastic change. We are planning to set up a Sustainability Committee to further strengthen ESG management.

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, the Compliance Committee convenes every quarter. In addition to conducting compliance-related training programs to raise awareness of compliance issues throughout the Group, we are conducting annual compliance awareness surveys. 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.

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.

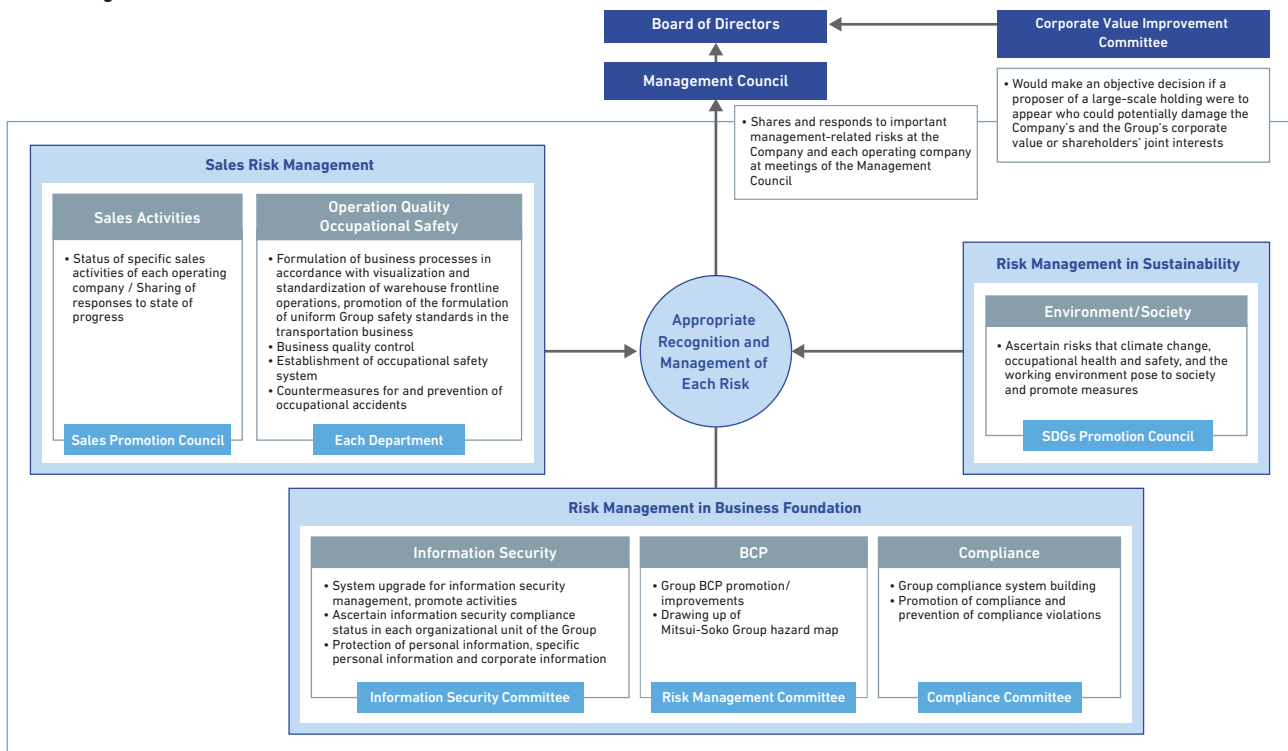
Risk Management

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, 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 (17 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 Chart

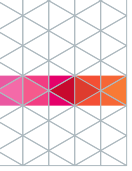


Business and Other Risks

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 as shown on the right. As the judgments made by the Group are those made at the annual securities report submission date (June 24, 2021), the Business and Other Risks listing does not state all risks relevant to the Group.

Business and Other Risks Listing

- 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



Taizaburo Nakano
Outside Director



The challenge for the Mitsui-Soko Group is to further improve the added value of its logistics services and strengthen its organizational capabilities.

By giving thorough explanations in advance to outside directors, the Board of Directors is actively engaged in more strategic discussions based on the functional characteristics and profit structure of each Group company, and I evaluate that as leading to appropriate responses to fluctuating factors in business activities and speedy decision making. At the same time, I do feel that there is room for improvement in risk management at overseas subsidiaries of the Group. What I think will be required in the future is the building of a Group risk management system

Takashi Hirai
Outside Director



Two important elements are a focus on “the construction of overwhelming field capabilities” and a point of view that combines the capabilities of people and machines.

I think that governance systems in general are being expanded from the perspective of diversity, such as increasing the number of outside directors and appointing female officers. In addition, not only gender but also the backgrounds of outside directors are diverse, and I think this is a desirable situation for governance in the Mitsui-Soko Group. To further improve effectiveness, it would be beneficial to engage in closer communication among the outside directors and between the outside directors and outside audit and supervisory board members to stimulate discussions on

Maoko Kikuchi
Outside Director



I will strive to strengthen and supervise both “defensive governance” and “offensive governance.”

For the purpose of corporate governance, there is both “defensive governance,” which ensures the appropriateness of operations, such as compliance with laws and internal rules by companies and officers and employees, and “aggressive governance,” which enhances the competitiveness and profitability of a company and enhances its corporate value. In recent years, dealing with ESG has become an important issue for listed companies, but ESG support is not merely a topic as it should involve: (1) formulating a strategy; (2) reliably

that recognizes the risks of each local company while also recognizing the risks of the entire Group from a company-wide perspective.

With regard to sustainability efforts, as the results are not immediately apparent, what is important is to look to the future and respond from the top down. I would like to proceed while perceiving consistency between sustainability and management strategy.

Due to the effects of COVID-19, the speed at which society is changing is accelerating rapidly. From the traditional concept of cost, logistics is regarded as one function to increase the added value of products and services, but that position is being reviewed. The Mitsui-Soko Group needs to remain aware of this point and increase the added value of logistics services from a new perspective. To that end, I think it is important to

understand the relationships between each service, the characteristics of each base or operation, and to work to strengthen organizational capabilities to enable the Group to seamlessly propose them. In the meantime, the fiscal year ending March 31, 2022 is an important year for the formulation of the next medium-term management plan. We recognize that it is time to clarify the competitive advantages that only the Mitsui-Soko Group can offer. I think that each Group company has an advantage in that it has independence and conducts original business activities. I believe that utilizing the high level of expertise and diverse human resources of each Group company will lead to further improvement of corporate value by bringing together the collective strengths of the Group to work on the co-creation of new value.

growth strategies and organizational strategies within the Group. I think it is necessary to more broadly discuss and prepare for matters such as the management team succession plan that looks ahead with a medium- to long-term timespan.

With regard to the promotion of sustainable management, I believe that this is being steadily implemented in companies from the perspective of process management, such as by the clarification of priority items in SDGs goals according to business characteristics and by setting KPIs to steadily promote ESG initiatives. The Group is also in the process of establishing a system for further strengthening initiatives for the future, such as establishing an ESG Promotion Office, investing resources, committing to internal and external commitments, and improving the Company's presence. In the years to come, I think that steady activities, such as how to continuously support bottom-up

activities so that these activities will actually take root in the organizational culture and corporate climate, will hold the key.

For the Mitsui-Soko Group to grow, "building effective and high-quality frontline capabilities" will be extremely important as a source of competitiveness. I think that factors in effective and high-quality frontline capabilities include a set of abilities: the ability to recognize and exceed customer needs; to innovate; to create efficient, high-quality, stable services; and to demonstrate the synergies within the Group to the fullest extent. I think the Company should adhere to these in a thorough manner. The point is to attach importance to the perspective of how to combine people's capabilities with those of machines. While remaining constantly aware of the synergies between these two important elements, I will continue to be involved in the management of the Group.

implementing that strategy; (3) monitoring the results; and (4) incorporating those results into internal controls.

In the United States, climate issues and the diversity of boards of directors are of particular interest in ESG, and they are investigating errors in disclosure information related to ESG and deviations from the actual situation. In the EU, they also identify human rights as well as the environmental and governance risks to companies in their businesses and supply chains, and companies will be required to formulate a policy and plan for resolution, and be subjected to surcharges and fines, in the event that they violate the directive. In Japan, the Corporate Governance Code was revised in 2021 and now demands the disclosure of a company's own sustainability initiatives as a management strategy, and companies listed on the Prime Market in particular will be required to collect, analyze, and disclose their climate

change data (Supplementary Principles 3.1.3).

The Corporate Governance Code shows that sustainability has two aspects: risk and profit opportunities (Supplementary Principles 2.3.1 and 3.1.3). For the Mitsui-Soko Group to achieve further growth, from now on it will be necessary to bring about increases in profitability and improvements in corporate value by linking solutions to social problems to the competitive advantages the Company possesses.

As an outside director, I will utilize the knowledge gained through my legal qualifications obtained in Japan and the United States and my MBA and the experience of being involved in corporate legal affairs and management in doing my utmost to ensure that the Group can contribute to its stakeholders in a reliable manner through strengthening and supervising both its "defensive governance" and "offensive governance."

Directors and Audit and Supervisory Board Members

As of July 1, 2021

Directors

Makoto Tawaraguchi

Chairman
Chairman of the Board of Directors
(Concurrently)
Chairman of MITSUI-SOKO Co., Ltd.



Apr. 1974 Joined the Company
June 2011 Executive Managing Director of the Company
Oct. 2014 Senior Executive Managing Director of MITSUI-SOKO Co., Ltd.
June 2017 Chairman and Director of the Company (to the present)

Hirobumi Koga

Representative Director,
President and Group CEO
(Concurrently)
Chairman of MITSUI-SOKO EXPRESS 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 Financial Officer
Responsible for Finance Headquarters,
Real Estate Division
(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)

Ryoji Ogawa

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



Apr. 1979 Joined the Company
June 2014 Director, Senior Executive Officer of the Company
Oct. 2014 Director of MITSUI-SOKO INTERNATIONAL PTE. LTD.
June 2019 Executive Managing Director of the Company (to the present)

Hiroshi Kino

Executive Managing Director
Personnel / HR / IT Management
(Concurrently)
Director of MITSUI-SOKO
LOGISTICS Co., Ltd.
(Concurrently)
Auditor of MITSUI-SOKO
EXPRESS 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 Gouhara

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. 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 (to the present)

Note: The "Company" as indicated in column "Career summary" 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
 May 2006 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
 Outside Director of the Company (to the present)
 June 2020 Audit and Supervisory Board Member (Part-time), KADOKAWA CORPORATION (to the present)
 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 2019 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)

Five-Year Consolidated Financial/Non-Financial Data

MITSUI-SOKO HOLDINGS Co., Ltd. and its Consolidated Subsidiaries
Years ended March 31

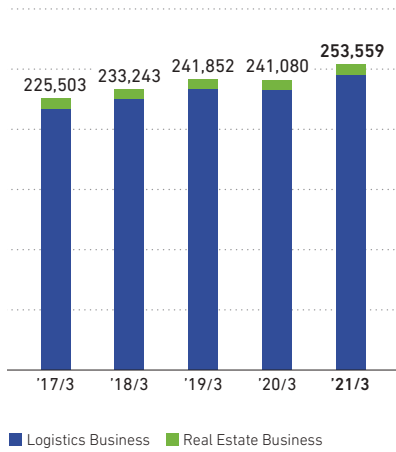
(Millions of yen)

		2017/03	2018/03	2019/03	2020/03	2021/03
Operating Results (for the year)	Operating revenue	225,503	233,243	241,852	241,080	253,559
	Logistics business	216,757	224,842	233,404	231,982	244,645
	Real estate business	9,407	9,155	9,170	9,833	9,621
	Intersegment transaction eliminations	(660)	(755)	(721)	(736)	(706)
	Operating cost	198,694	206,071	211,513	211,058	218,094
	Operating gross profit	26,809	27,171	30,339	30,022	35,465
	Selling, general and administrative expenses	20,986	20,175	18,352	18,213	17,804
	Operating profit	5,823	6,996	11,986	11,808	17,661
	Profit (loss) before income taxes	(21,697)	8,142	9,848	10,973	19,040
	Profit (loss) attributable to owners of parent	(23,427)	4,406	5,190	6,395	11,549
ROE (%)	(47.1)	10.7	11.4	13.2	20.5	
Financial Position (at year-end)	Net assets	41,820	48,396	52,243	54,842	68,529
	Total assets	267,215	262,735	252,078	239,309	238,371
	Balance of interest-bearing debt	168,878	157,604	142,471	127,101	107,879
	Net D/E ratio (times)	3.63	2.99	2.51	2.12	1.35
	Equity ratio (%)	14.1	16.8	18.8	20.8	26.3
Cash Flows	Cash flows from operating activities	12,526	12,207	18,498	21,112	21,257
	Cash flows from investing activities	(12,872)	(5,806)	(4,043)	(5,487)	803
	Free cash flow	(346)	6,401	14,455	15,625	22,060
	Cash flows from financing activities	6,042	(12,180)	(16,618)	(16,746)	(21,683)
Per Share Information	Net income (loss) (yen)	(943.26)	177.42	208.99	257.50	465.01
	Net assets (yen)	1,518.30	1,772.28	1,908.68	2,001.34	2,524.44
	Dividend (yen)	25.0	—	12.5	37.5	55.0
	Payout ratio (%)	—	0.0	6.0	14.6	11.8
Stock Price-Related Information	Price/earnings ratio (times)	—	9.5	8.7	5.4	4.7
Non-Financial Information	Number of consolidated employees (persons)	8,747	8,763	8,813	8,967	8,502
	CO ₂ emissions volume (t-CO ₂)	65,567	63,312	64,221	63,657	56,883

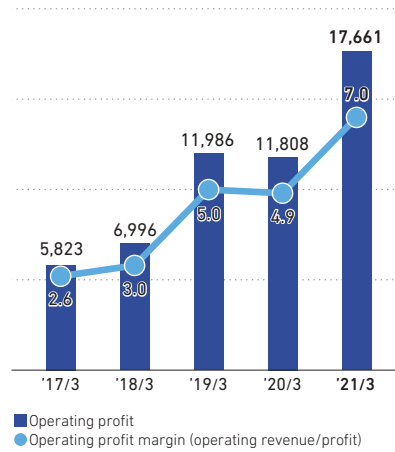
Note:

- Operating revenue does not include consumption tax.
- Effective from the first quarter of the fiscal year under review, the Company has applied the Partial Amendments to Accounting Standard for Tax Effect Accounting (Accounting Standards Board of Japan [ASBJ] Statement No. 28, issued on February 16, 2018). The main management indicators, etc., from the fiscal year ended March 31, 2016, to the fiscal year ended March 31, 2018, are those after retroactive application of the said accounting standard.
- On October 1, 2018, the Company conducted a reverse stock split at a ratio of five shares to one share of common stock. Net income (loss) per share, net assets per share, and dividend per share were calculated on the assumption that the share consolidation was conducted at the beginning of the fiscal year ended March 31, 2016.
- There is no dividend per share shown for the fiscal year ended March 31, 2018, because no dividend was paid.
- There is no payout ratio per share shown for the fiscal year ended March 31, 2017, because there was a loss attributable to owners of parent.
- There is no price/earnings ratio shown for the fiscal year ended March 31, 2017, because there was a loss attributable to owners of parent.
- The CO₂ emissions are based on the figures in the periodic reports published by MITSUI-SOKO HOLDINGS Co., Ltd. and MITSUI-SOKO Co., Ltd. under the Energy Conservation Law.

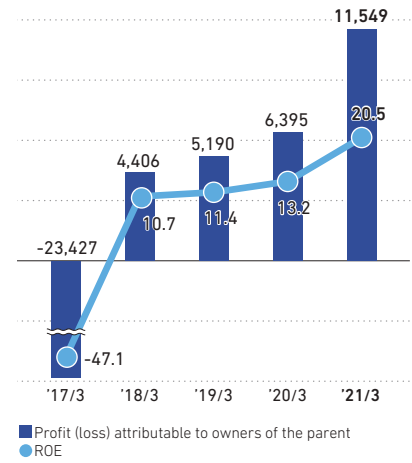
Operating revenue (millions of yen)



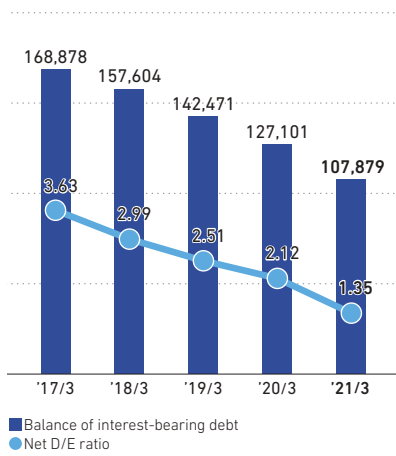
Operating profit (millions of yen) /
Operating profit margin
(operating revenue/profit) (%)



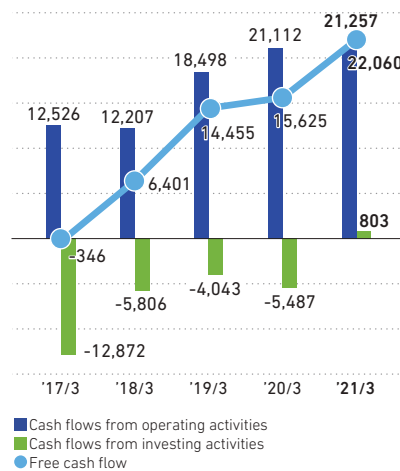
Profit (loss) attributable to
owners of parent (millions of yen) / ROE (%)



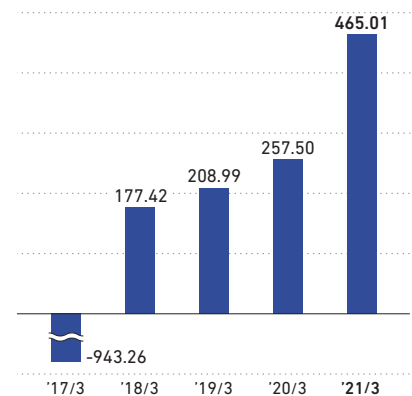
Balance of interest-bearing debt (millions of yen) /
Net D/E ratio (times)



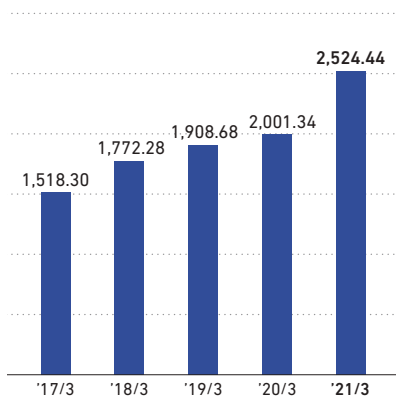
Cash flows from operating activities (millions of yen) /
Cash flows from investing activities (millions of yen) /
Free cash flow (millions of yen)



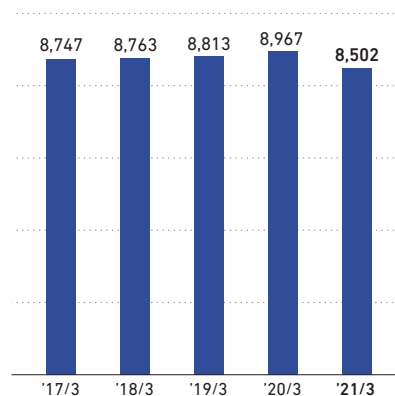
Net income (loss) per share (yen)



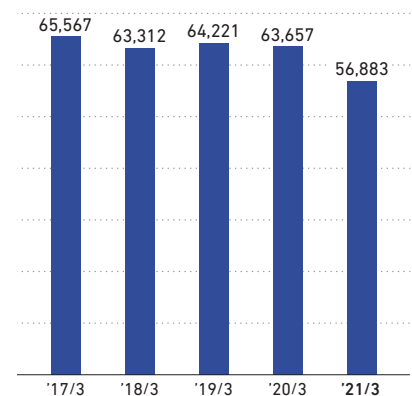
Net assets per share (yen)



Number of consolidated employees (persons)



CO₂ emissions volume (Scope 1+2) (t-CO₂)



Consolidated Financial Statements

mitsui-soko holdings Co., Ltd. and its Consolidated Subsidiaries
Years ended March 31

Consolidated Balance Sheet

(Millions of yen)

	2019/03	2020/03	2021/03
Assets			
Current assets	64,786	57,803	63,407
Cash and deposits	23,643	21,872	23,225
Notes and operating accounts receivable—trade	31,858	29,447	32,402
Inventories	581	697	843
Other	8,780	5,927	6,991
Allowance for doubtful accounts	(77)	(141)	(55)
Non-current assets	187,291	181,506	174,964
Property, plant and equipment	139,686	137,394	136,258
Intangible assets	12,912	11,514	8,289
Investments and other assets	34,692	32,596	30,415
Total assets	252,078	239,309	238,371
Liabilities			
Current liabilities	63,610	67,183	63,715
Notes and operating accounts payable—trade	17,384	16,875	18,367
Short-term loans payable	1,864	2,456	6,440
Current portion of long-term loans payable	12,672	15,493	12,168
Current portion of bonds	10,000	10,000	—
Income taxes payable	1,690	2,802	5,427
Provision for bonuses	3,074	3,074	3,467
Other	16,923	16,480	17,843
Non-current liabilities	136,225	117,283	106,126
Bonds payable	30,000	25,000	25,000
Long-term loans payable	87,934	74,150	64,270
Deferred tax liabilities	6,538	5,658	4,434
Net defined benefit liability	6,466	6,516	6,630
Other	5,285	5,956	5,790
Total liabilities	199,835	184,467	169,842
Net assets			
Shareholders' equity	40,279	46,125	56,444
Capital stock	11,100	11,100	11,100
Capital surplus	5,464	5,536	5,548
Retained earnings	23,816	29,591	39,898
Treasury shares	(102)	(103)	(103)
Accumulated other comprehensive income	7,125	3,580	6,253
Valuation difference on available-for-sale securities	6,060	5,205	3,852
Deferred gains or losses on hedges	0	0	0
Foreign currency translation adjustment	307	(1,809)	1,036
Remeasurements of defined benefit plans	757	184	1,364
Non-controlling interests	4,838	5,136	5,831
Total net assets	52,243	54,842	68,529
Total liabilities and net assets	252,078	239,309	238,371

Consolidated Statement of Income

(Millions of yen)

	2019/03	2020/03	2021/03
Operating revenue	241,852	241,080	253,559
Warehousing fee income	31,763	33,980	35,500
Stevedoring income	28,732	28,973	31,090
Port terminal fee income	18,162	17,616	15,720
Transportation income	112,578	110,141	123,359
Real estate income	8,448	9,097	8,914
Other	42,166	41,270	38,974
Operating cost	211,513	211,058	218,094
Operating gross profit	30,339	30,022	35,465
Selling, general and administrative expenses	18,352	18,213	17,804
Operating profit	11,986	11,808	17,661
Non-operating income	1,195	1,180	1,599
Non-operating expenses	2,095	2,457	2,019
Ordinary profit	11,087	10,531	17,240
Extraordinary income	365	807	5,683
Extraordinary losses	1,604	365	3,883
Profit (loss) before income taxes	9,848	10,973	19,040
Income taxes	3,847	3,801	6,530
Profit	6,000	7,171	12,510
Profit attributable to non-controlling interests	810	776	961
Profit attributable to owners of parent	5,190	6,395	11,549

Consolidated Statement of Comprehensive Income

(Millions of yen)

	2019/03	2020/03	2021/03
Profit	6,000	7,171	12,510
Other comprehensive income	(1,737)	(3,869)	3,125
Valuation difference on available-for-sale securities	(1,472)	(855)	(1,352)
Deferred gains or losses on hedges	1	0	0
Foreign currency translation adjustment	(164)	(2,171)	2,875
Remeasurements of defined benefit plans, net of tax	(8)	(547)	1,183
Share of other comprehensive income of entities accounted for using equity method	(94)	(295)	418
Comprehensive income	4,263	3,302	15,635
Owners of parent	3,486	2,850	14,221
Non-controlling interests	777	451	1,413

Consolidated Financial Statements

MITSUBI-SOKO HOLDINGS Co., Ltd. and its Consolidated Subsidiaries
Years ended March 31

Consolidated Statement of Changes in Net Assets

2019/03

(Millions of yen)

	Shareholders' equity				Total shareholders' equity	Accumulated other comprehensive income	Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares				
Balance at beginning of current period	11,100	5,563	18,626	(102)	35,187	8,829	4,379	48,396
Changes of items during period								
Dividends of surplus	—	—	—	—	—	—	—	—
Profit attributable to owners of parent	—	—	5,190	—	5,190	—	—	5,190
Purchase of treasury shares	—	—	—	(0)	(0)	—	—	(0)
Sales of treasury shares	—	—	(0)	0	0	—	—	0
Change in treasury shares of parent arising from translations with non-controlling shareholders	—	(98)	—	—	(98)	—	—	(98)
Net changes of items other than shareholders' equity	—	—	—	—	—	(1,704)	459	(1,245)
Total changes of items during period	—	(98)	5,190	(0)	5,091	(1,704)	459	3,846
Balance at end of current period	11,100	5,464	23,816	(102)	40,279	7,125	4,838	52,243

2020/03

(Millions of yen)

	Shareholders' equity				Total shareholders' equity	Accumulated other comprehensive income	Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares				
Balance at beginning of current period	11,100	5,464	23,816	(102)	40,279	7,125	4,838	52,243
Changes of items during period								
Dividends of surplus	—	—	(620)	—	(620)	—	—	(620)
Profit attributable to owners of parent	—	—	6,395	—	6,395	—	—	6,395
Purchase of treasury shares	—	—	—	(0)	(0)	—	—	(0)
Sales of treasury shares	—	—	—	—	—	—	—	—
Change in treasury shares of parent arising from translations with non-controlling shareholders	—	71	—	—	71	—	—	71
Net changes of items other than shareholders' equity	—	—	—	—	—	(3,544)	298	(3,246)
Total changes of items during period	—	71	5,774	(0)	5,845	(3,544)	298	2,599
Balance at end of current period	11,100	5,536	29,591	(103)	46,125	3,580	5,136	54,842

2021/03

(Millions of yen)

	Shareholders' equity				Total shareholders' equity	Accumulated other comprehensive income	Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares				
Balance at beginning of current period	11,100	5,536	29,591	(103)	46,125	3,580	5,136	54,842
Changes of items during period								
Dividends of surplus	—	—	(1,241)	—	(1,241)	—	—	(1,241)
Profit attributable to owners of parent	—	—	11,549	—	11,549	—	—	11,549
Purchase of treasury shares	—	—	—	(0)	(0)	—	—	(0)
Sales of treasury shares	—	—	—	—	—	—	—	—
Change in treasury shares of parent arising from translations with non-controlling shareholders	—	11	—	—	11	—	—	11
Net changes of items other than shareholders' equity	—	—	—	—	—	2,672	694	3,367
Total changes of items during period	—	11	10,307	(0)	10,319	2,672	694	13,686
Balance at end of current period	11,100	5,548	39,898	(103)	56,444	6,253	5,831	68,529

Consolidated Statement of Cash Flows

(Millions of yen)

	2019/03	2020/03	2021/03
Cash flows from operating activities			
Profit (loss) before income taxes	9,848	10,973	19,040
Depreciation	8,268	8,366	8,783
Amortization of goodwill	1,214	1,078	1,053
Impairment loss	1,227	—	3,407
Compensation for removal	—	(711)	—
Increase (decrease) in allowance for doubtful accounts	(13)	273	(251)
Increase (decrease) in provision for bonuses	242	18	454
Increase (decrease) in net defined benefit liability	233	73	102
Interest and dividend income	(564)	(647)	(562)
Interest expenses	1,280	1,169	969
Share of (profit) loss of entities accounted for using equity method	(122)	(94)	(148)
Loss (gain) on sales of property, plant and equipment	(24)	(69)	24
Loss on retirement of non-current assets	389	229	136
Loss (gain) on sales of investment securities	(73)	—	(5,487)
Loss (gain) on sales of shares of subsidiaries and associates	—	—	471
Loss (gain) on valuation of investment securities	—	37	—
Decrease (increase) in notes and operating accounts receivable—trade	617	1,772	(4,500)
Increase (decrease) in notes and operating accounts payable—trade	931	(171)	2,568
Other, net	82	758	777
Subtotal	23,537	23,055	26,840
Interest and dividend income received	717	763	679
Interest expenses paid	(1,315)	(1,203)	(1,002)
Compensation received	—	711	—
Income taxes paid	(4,441)	(2,213)	(5,260)
Net cash provided by (used in) operating activities	18,498	21,112	21,257
Cash flows from investing activities			
Purchase of property, plant and equipment	(2,948)	(4,700)	(6,791)
Proceeds from sales of property, plant and equipment	167	131	176
Purchase of intangible assets	(702)	(1,030)	(1,206)
Proceeds from sales of intangible assets	4	4	3
Purchase of investment securities	(78)	(22)	(123)
Proceeds from sales of investment securities	98	—	7,388
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(460)	—	—
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	—	1,094
Purchase of shares of subsidiaries and associates	(16)	—	—
Proceeds from sales of shares of subsidiaries and associates	—	—	117
Payments of loans receivable	(12)	(15)	(12)
Collection of loans receivable	37	13	157
Payments into time deposits	(441)	(185)	(186)
Proceeds from withdrawal of time deposits	309	318	184
Net cash provided by (used in) investing activities	(4,043)	(5,487)	803
Cash flows from financing activities			
Increase in short-term loans payable	11,226	11,712	45,500
Decrease in short-term loans payable	(19,955)	(11,100)	(41,316)
Proceeds from long-term loans payable	21,817	3,291	3,357
Repayments of long-term loans payable	(18,479)	(14,094)	(16,509)
Proceeds from issuance of bonds	—	5,000	—
Redemption of bonds	(10,000)	(10,000)	(10,000)
Repayments to non-controlling shareholders	—	(39)	—
Cash dividends paid	—	(620)	(1,241)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(195)	—	(200)
Other, net	(1,032)	(896)	(1,271)
Net cash provided by (used in) financing activities	(16,618)	(16,746)	(21,683)
Effect of exchange rate change on cash and cash equivalents	(128)	(503)	960
Net increase (decrease) in cash and cash equivalents	(2,291)	(1,624)	1,338
Cash and cash equivalents at beginning of period	25,296	23,004	21,380
Cash and cash equivalents at end of period	23,004	21,380	22,718

Group Network

As of March 31, 2021

MITSUI-SOKO Co., Ltd. Tokyo		Warehousing, Port Transportation, Overseas Logistics Services	
Mitsui-Soko Kyushu Co., Ltd. Fukuoka		Noble Business International Ltd. Hong Kong	
Mitsui-Soko Business Partners Co., Ltd. Tokyo		Mitex (Tianjin) Co., Ltd. China	
IM Express Co., Ltd. Tokyo		Mitsui-Soko (Taiwan) Co., Ltd. Taiwan	
Sanso K.K. Tokyo		Mitsui-Soko (Korea) Co., Ltd. Korea	
Toko Maruraku Transportation Co., Ltd. Kanagawa		Mitsui-Soko (Singapore) Pte. Ltd. Singapore	
Sanso Kouun Co., Ltd. Aichi		Mitsui-Soko Southeast Asia Pte.Ltd. Singapore	
Sanko Trucking Co., Ltd. Aichi		Mitsui-Soko Vietnam Co.,Ltd. Vietnam	
Sanei K.K. Mie		Mitsui-Soko (Thailand) Co., Ltd. Thailand	
Mitsunori Corporation Fukui		Mitsui-Soko (Chiangmai) Co., Ltd. Thailand	
Mitsui Warehouse Terminal Service Co., Ltd. Osaka		Mits Logistics (Thailand) Co., Ltd. Thailand	
Sanyu Service Co., Ltd. Osaka		Mits Transport (Thailand) Co., Ltd. Thailand	
Kobe Sunso Koun Co., Ltd. Hyogo		MS North Star Logistics Co., Ltd. Thailand	
Sun Transport Co., Ltd. Hyogo		Mitsui-Soko (Malaysia) Sdn. Bhd. Malaysia	
MK Services Co., Ltd. Hyogo		Mitsui-Soko Agencies (Malaysia) Sdn. Bhd. Malaysia	
Seiyu Koun Co., Ltd. Fukuoka		Integrated Mits Sdn. Bhd. Malaysia	
Hakata Sanso-Butsuryu Co., Ltd. Fukuoka		PT Mitsui-Soko Indonesia Indonesia	
Naha International Container Terminal, Inc. Okinawa		Mitsui-Soko (Philippines), Inc. Philippines	
Mitsui-Soko NEA Co.,Ltd. Tokyo		Mitsui-Soko (U.S.A.) Inc. U.S.A.	
Mitsui-Soko (China) Investment Co., Ltd. China		Mitsui-Soko (Americas) Inc. U.S.A.	
Mitsui-Soko International Pte. Ltd. Singapore		Mitsui-Soko (Mexico)S.A. de C.V. Mexico	
Mitex Logistics (Shanghai) Co., Ltd. China		Mitsui-Soko (Europe) s.r.o. Czech Republic	
MSC Trading (Shanghai) Co., Ltd. China		PST CLC, a.s. Czech Republic	
Shanghai MITS Commerce & Trade Co., Ltd. China		PST Hungary Kft. Hungary	
Mitex Shenzhen Logistics Co., Ltd. China		Shanghai Jinjiang Mitsui-Soko International Logistics Co., Ltd.* China	
Mitex International (Hong Kong) Ltd. Hong Kong		Nantong Sinavico International Logistics Co., Ltd.* China	
Mitex Multimodal Express Ltd. Hong Kong		AW Rostamani Logistics LLC* U.A.E	
MITSUI-SOKO EXPRESS Co., Ltd. Tokyo		Airfreight Forwarding, Multimodal Forwarding Business	
MSE CHINA (GUANGZHOU) CO., LTD. China		MSE EUROPE TASIMACILIK, ORGANIZASYON, LOJISTIK LIMITED SIRKETI Turkey	
MSE EXPRESS AMERICA, INC. U.S.A.		MS EXPRESS SOUTH AFRICA (PTY) LTD. South Africa	
MSE EXPRESS MEXICO, S.A. DE C.V. Mexico		MSE CHINA (BEIJING) CO., LTD.* China	
MSE do Brasil Logistica Ltda. Brazil		PT. PUNINAR MSE INDONESIA* Indonesia	
MSE EXPRESS (THAILAND) CO., LTD. Thailand		MSE FORWARDERS INDIA PVT. LTD.* India	
N.V. MSE EUROPE S.A. Belgium			
MITSUI-SOKO LOGISTICS Co., Ltd. Tokyo		Third Party Logistics (3PL) Business	
Hokkaimitsui-Soko Logistics Co., Ltd. Hokkaido		Co-next Inc. Tokyo	
MS Logitech Service Co., Ltd. Osaka			
MITSUI-SOKO Supply Chain Solutions, INC. Tokyo		Supply Chain Management Support Business	
Logistics Operation Service Co., Ltd. Tokyo		MS Supply Chain Solutions (Malaysia) Sdn. Bhd Malaysia	
MS Supply Chain Solutions (Thailand) Ltd. Thailand			
MITSUI-SOKO TRANSPORT Co., Ltd. Osaka		Land Transportation Business	
Marukyo Logistics Co., Ltd.(Osaka) Osaka		Fujimatsu Unyu Souko Co., Ltd. Saitama	
Marukyo Logistics Co., Ltd.(Ehime) Ehime		Marukyo Shokusan Co., Ltd. Osaka	
AMT Co., Ltd. Ehime		Kiwa General Service Co., Ltd. Wakayama	
Marukyo Transportation Co., Ltd. Fukuoka		Shanghai Marukyo Transportation Co., Ltd. China	
Marukyo Group Cooperative Osaka		Zhangjiagang Bonded Area	
Swallow Logistics Co., Ltd. Wakayama		Marukyo Transportation & Trade Co., Ltd. China	
MITSUI-SOKO HOLDINGS Co., Ltd. Tokyo		Holding Company, Real Estate Business	
Mitsui-Soko Bizport Co.,Ltd Tokyo			

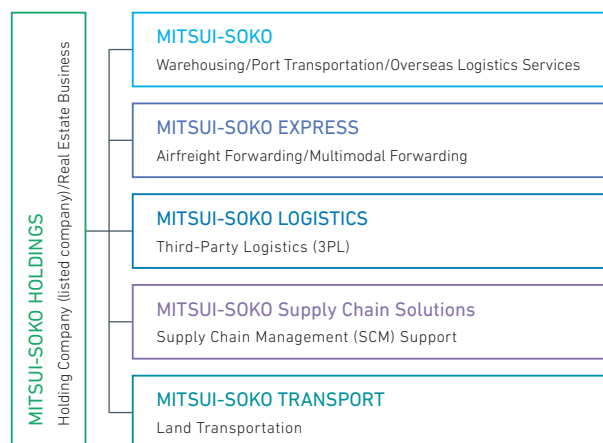
* Companies accounted for using equity method

As of March 31, 2021

Company Information

■ Company name	MITSUI-SOKO HOLDINGS Co., Ltd.
■ Date of establishment	October 11, 1909
■ Head office	3-20-1, Nishi-Shimbashi, Minato-ku, Tokyo 105-0003, Japan
■ Paid-in capital	¥11,100,714,274
■ Accounting period	From April 1 every year to March 31 the following year
■ Accounting auditors	KPMG AZSA LLC
■ Main business areas	Logistics business, real estate business
■ Companies for consolidated financial statements	Consolidated subsidiaries: 80 Companies accounted for using equity method: 6
■ Number of employees	8,502 (non-consolidated 812)
■ Websites	(corporate website) https://www.mitsui-soko.com/en (Investor relations website) https://msh.mitsui-soko.com/en/ir/

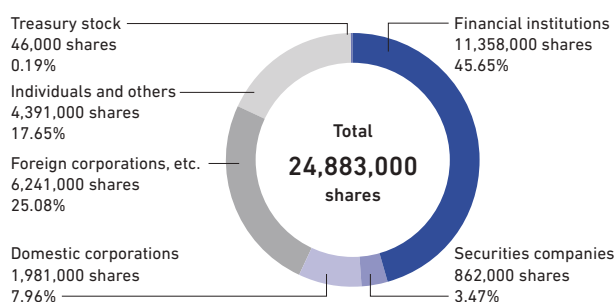
■ Group system



Stock Information

■ Common stock authorized	80,000,000 shares
■ Common stock issued	24,883,002 shares
■ Number of shareholders	6,897
■ Number of shares per trading unit	100 shares
■ Stock exchange listing	Tokyo Stock Exchange
■ Securities code	9302
■ Shareholder register agent	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo

■ Breakdown of shareholders



Note: The number of shares has been rounded down to the nearest thousand, while the ratio of the number of shares is rounded to the third decimal place.

■ Major shareholders

Name	Number of shares held (in thousands)	Percentage of total shares held
Custody Bank of Japan, Ltd. (Trust Account)	2,259	9.09
TAIJU LIFE INSURANCE COMPANY LIMITED	1,569	6.31
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,550	6.24
Mitsui Sumitomo Insurance Company, Limited	1,401	5.64
Sumitomo Mitsui Banking Corporation	696	2.80
MITSUI-SOKO Group Employees' Shareholding Society	542	2.18
Takenaka Corporation	496	2.00
Sumitomo Mitsui Trust Bank, Limited	437	1.76
The Iyo Bank, Ltd.	325	1.31
Japan Trustee Services Bank, Ltd. (Trust Account 5)	308	1.24

Note:
The number of shares held has been rounded down to the nearest thousand. The percentage of total shares held is calculated by rounding to the third decimal place and subtracting treasury stock (46,639 shares).

 **MITSUI-SOKO HOLDINGS**

3-20-1 Nishi-Shimbashi, Minato-ku, Tokyo, 105-0003, Japan

URL: <https://msh.mitsui-soko.com/en>



This booklet uses Gold Standard Verified Emission Reduction credits linked to the SDGs for offsetting carbon throughout the entire life cycle.

