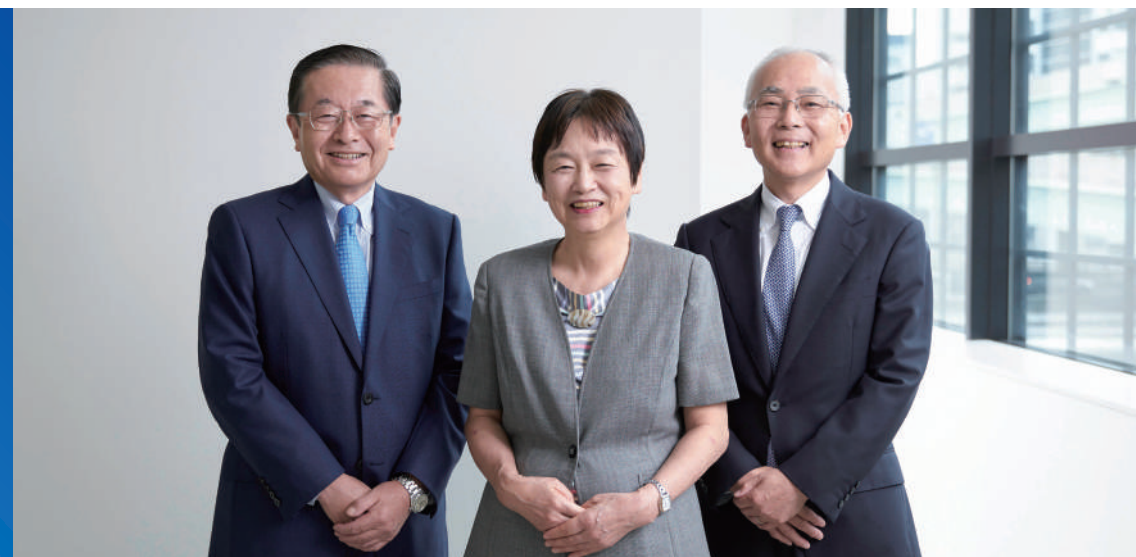


Roundtable Discussion with Outside Directors

The Company invites people with a wealth of knowledge and experience in their professional fields to serve as outside directors.

These outside directors provide advice and supervise management from an independent, objective standpoint in order to ensure that the Board of Directors can engage in sufficient deliberations, as well as make swift yet rational decisions.

For this report, we spoke with Toshifumi Kitazawa, Tadaaki Naito, and Kazuko Kimura about their impression of the Company as outside directors, their assessment of initiatives to enhance the effectiveness of the Board of Directors, their expectations for human capital management, and the challenges for achieving further company growth, and more.



Toshifumi Kitazawa
Outside Director

Kazuko Kimura
Outside Director

Tadaaki Naito
Outside Director

Impressions of Mitsubishi Logistics and Its Sense of Values

At First, It Felt Like a Bureaucratic Company Backed by a Long History, but...

Kitazawa: I'd had prior interactions with Mitsubishi Logistics, a client of Tokio Marine & Nichido Fire Insurance Co., Ltd., where I currently serve as an advisor. Upon becoming an outside director, I realized that Mitsubishi Logistics, throughout its long history, has overcome all kinds of hardships and grew its business steadily without even changing its name, demonstrating a strong core identity. Underlying this is a firm belief in protecting customers. Even as remote work became the norm during the COVID-19 pandemic, employees continued to face risks to sustain society working on the front lines and expand the business globally. I got the impression that here was a select group of professionals with strong conviction,

backed by a long history.

Kimura: My first impression of the Company was that it was more bureaucratic than a government office. While its business was built on solid foundations and principles that made it trustworthy, I doubted its flexibility. After becoming an outside director and experiencing its corporate value firsthand, I learned that despite being backed by a long history and attracting elite talent, the Company possessed a strong will to anticipate and adapt to changing times rather than rest on its laurels. The more I learned, the more that initial bureaucratic image faded away.

Naito: At first, I also thought of it as a company that was stable and solid, male-dominated and conservative, filled with men in navy suits and plain neckties, a historical company that was one of the origins of the Mitsubishi Group. However, looking back on the five years I have served as an outside director, I feel there is a strong will to transform the company. In 2023, they made strategic

moves for international expansion, including making ITL Corporation in Vietnam an equity-method affiliate and making the Cavalier Logistics Group in the U.S. a consolidated subsidiary. The installation of a street piano in the public space on the first floor of the Nihonbashi Dia Building also demonstrates an eagerness to create a reputation as a bright, open company.

Operations and Effectiveness of the Board of Directors

New Initiatives Yearly and a Revitalized Board of Directors

Kimura: I believe pride in being part of the Mitsubishi Group is at the Company's core. This pride is crucial when running a company. My comments at Board meetings come from a perspective different from business executives or logistics experts, so even though they may be off point,

the executives always take them seriously, sharing and addressing them internally. I can sense the prowess of a veteran company cultivated over a long history and rate them as a well-organized company that I can confidently work with.

Kitazawa: The Company is working on a variety of initiatives to improve the effectiveness assessment of the Board of Directors. When I first became an outside director, the Board operated in a traditional manner, with the topics of discussions primarily being business operations. Since then, new initiatives have been introduced each year, revitalizing the Board in a major way. Diversity has been incorporated into the Board in a variety of senses, inducing broader, more profound discussions.

Naito: A textbook role of outside directors is to supervise management. Companies pursue sustainable growth, which is encouraged by outside directors. For this reason, we are expected to provide feedback from a diverse, objective standpoint. It's wonderful that the Company is now able to have deeper discussions. Another of our major responsibilities is to correct compliance violations, but no major misconduct cases have emerged despite repeated questioning at Board meetings. Companies are full of risks, and problems inevitably arise when taking on challenges, but we haven't see this here. Perhaps this is because their Logistics Business focuses on top-tier Japanese companies where communication is in Japanese, and the Real Estate Business operates in stable areas effectively utilizing land owned by the Company. However, as the business grows in the future, they may need to venture into riskier territories, which is when I hope to fully demonstrate my true worth as an outside director.

Drawing on the Insight of Outside Directors

Kitazawa: The most important role of outside directors is fortifying governance, especially acting as a brake when doubts arise regarding the direction of management. However, it's also important to act as an accelerator where needed, drawing attention to human resource development, business growth potential, and business opportunities that current management may overlook. Of course, new initiatives always involve risks. If such risks are acceptable from a management perspective, part of our expected role is to tell the executives to take the risk since the Board will take responsibility, rather than do nothing. It is not enough to simply extend current business. I believe it is vital to develop human resources and take on challenges in growth areas with potential synergy. The role of outside directors in supporting executive efforts toward new, wholesome growth based on thorough discussions on the balance of risk and growth at Board meetings will be even more important going forward.

Naito: Reading the third-party assessment of the Board's effectiveness, which describes the free and open discussions and sincere responses from the executives, we can see that the Company's governance is functioning sufficiently. My concern is that we need to draw out the big picture as a plan before discussing new challenges, as Director Kitazawa mentioned, but we don't see those discussions. The outside directors also want to participate in discussions about how to color in and design that big picture.

Kimura: I believe the problem facing the logistics industry in 2024 will lead to industry restructuring. I'm curious about what strategy or big picture the Company has created in



this era of restructuring and have hopes that they are trying to transform logistics into something suited to the 21st century. While the executives have been working in earnest as a united front, I feel that this is not quite clearly communicated to us outside directors.

Kitazawa: The Company formulated its ten-year MLC2030 Vision in 2019, followed by medium-term management plans every three years, and I believe the direction taken so far is correct. However, when formulating the previous medium-term management plans, we were given explanations during the final phase only, making it difficult to grasp the overall picture. Going forward, they need to consider drawing on the insight of outside directors at earlier stages to create more profound management plans.

On Human Capital Management

Shepherd Leadership as a Model for Organizational Transformation

Naito: Mitsubishi Logistics has advanced human capital management under the president's leadership, and I believe shepherd leadership in management may be a useful model for organizational transformation in a company like this. This concept, proposed by Harvard Business School Professor Linda A. Hill, draws from Nelson Mandela's autobiography, where he likens great leaders to shepherds: "He stays behind the flock, letting the nimblest go out ahead, whereupon the others follow, not realizing that all along they are being directed from behind." Until recently, top-down management was the norm, but it has been suggested that competent leaders in the future will lead from behind rather than from the front. They will give a



direction only, trusting their subordinates and allowing them freedom while pushing from behind. This is the approach I think human capital management should strive for.

Kitazawa: The Company has established the MLC Academy as an in-house university and at the same time stated that its purpose is to transform the corporate culture. Top management has also sent all kinds of messages encouraging trial and error, promoting women's careers, and fostering independent thinking and action, which have begun to change employee mindsets. Amid all this, I believe switching the mindset of middle management—the department and section heads that form the core of business activities—will be even more crucial going forward.

Kimura: Switching mindsets requires perspective on why we work and what purpose does the company serve. Having shared pride in logistics work that enriches people's lives should help create a basic shared mindset to flexibly accept the changes necessary for that purpose. Educating workers on this through MLC Academy should help achieve this.

Effective Utilization of MLC Academy

Kimura: When MLC Academy first opened, I was concerned about how much it would benefit or hinder the business. Necessary job training had been conducted through OJT, the foundation that created and supported this great company. I have come to see that, in addition to training, MLC Academy is an in-house university that complements business to help achieve the goals of creating a stronger company more in tune with the times, providing a forward-looking education to keep up with the

times, and changing mindsets as we discussed earlier.

Naito: Changing the mindset of middle management can be very difficult. Especially in companies with long histories, middle managers with old-fashioned mindsets can become obstacles to organizational reform and growth strategies. They often throw cold water on any ambitious behavior by junior employees in their 30s. This is because after having spent nearly twenty years in their careers, they resist anything that differs from what they have learned. That is why it is vital to train them to accept change rather than reject new ideas outright as well as to foster a culture of praise that does not seek perfection.

Kitazawa: The president himself is working on a variety of initiatives. In dialogues with employees at town hall meetings and in various interviews, he has reiterated statements such as "Take on challenges" and "Do not follow precedent." I feel that the message from the top to take on everything as a challenge has been widely communicated within the company, bringing about change. I have high hopes for the strong resolve to invest in human resources and expand educational opportunities through the MLC Academy, and further reform the corporate mindset.

Expectations for Mitsubishi Logistics

Tough Assignments to Foster the Next Generation

Kitazawa: Succession planning is a critical management issue. As a company with a long history, Mitsubishi Logistics must foster next-generation leaders capable of passing on the Company's cherished culture and history while boldly changing what needs to be changed. This is being discussed as a major challenge and mission by the Nomination and Compensation Committee as well. The business environment will change even more drastically in the future, meaning the Company will need management resources that can respond quickly to change. I believe tough assignments should be given to young employees to develop resilient leaders. The Company must increase experience by having those who have reached the level of department or section head establish their own ways of thinking and find solutions under challenging circumstances such as assignments overseas or at a group company or even a partner not directly related to the business, all while growing their achievements and helping to bring joy to the people who work there. Adding such tough assignments to the succession plan program will allow us to foster top executives capable of achieving sound company growth under even tougher conditions.

Naito: I agree about giving tough assignments. Being put in a tough, cross-cultural environment often leads to many new realizations. I think candidates for director should definitely experience this. Especially working overseas under a foreign superior. It would be good to have them experience something like this at least once. I also think it is a good experience in the sense that encountering

different values and ways of thinking overturns your common sense.

Kimura: I'm optimistic that Mitsubishi Logistics has many candidates for the next generation of management. They may even have a greater abundance of outstanding human resources than other companies. While having them undergo diverse experiences and tough assignments is of course vital, I think it's also important to carefully foster and retain outstanding workers.

Expectations for Further Growth Through Selection, Focus, and Challenges

Naito: I believe the logistics industry will achieve further growth, and being in circumstances such as these forces management to think hard and find answers on how the Company will achieve growth. Employees are expected to achieve tasks while they are young, but as they get older, they are expected to set tasks. The reason behind setting something as a task requires deep insight and background analysis. Top management must also have the ability to set and explain these tasks. I'd like to help set tasks as required by top management.

Kimura: Evaluations of logistics companies on a certain website described Mitsubishi Logistics as "having good real estate revenue." When I attend Board meetings as an outside director, I feel that this is a good company, but I get the sense that this isn't conveyed to the public. While being described as having "good real estate revenue" is good for company management, I want the strengths and merits of Mitsubishi's logistics, its primary business, to be more highly evaluated, so I want the Company to make an effort



to tell the world.

Kitazawa: The Company's strength is its many outstanding, business-savvy human resources. I believe this is a result of the employees, who take the stance of responding in earnest to customer needs and requests, considering the issues and struggles faced by customers nationwide, and proposing ways to make operations more efficient. Delving deeper into customer expectations has also helped establish a robust business model, in addition to human resources, that has supported the Company's growth. Rather than try to win in all areas of business, I think it will be important to focus on highly specialized fields going forward and win those fields decisively. Using this selection and focus to develop human resources, take on challenges, and continue providing higher value using the Company's unique strengths will allow for sustainable future growth and development.

Organizational Governance (Corporate Governance)

With regard to our organizational governance, we will explain our stance on the corporate governance system, the Board of Directors, our approach to the election of officers, etc., and risk management, as well as initiatives for maintaining and strengthening the compliance system, and communication with stakeholders. You may also refer to the introduction of officers and skill matrix.

Corporate Governance

Basic Stance

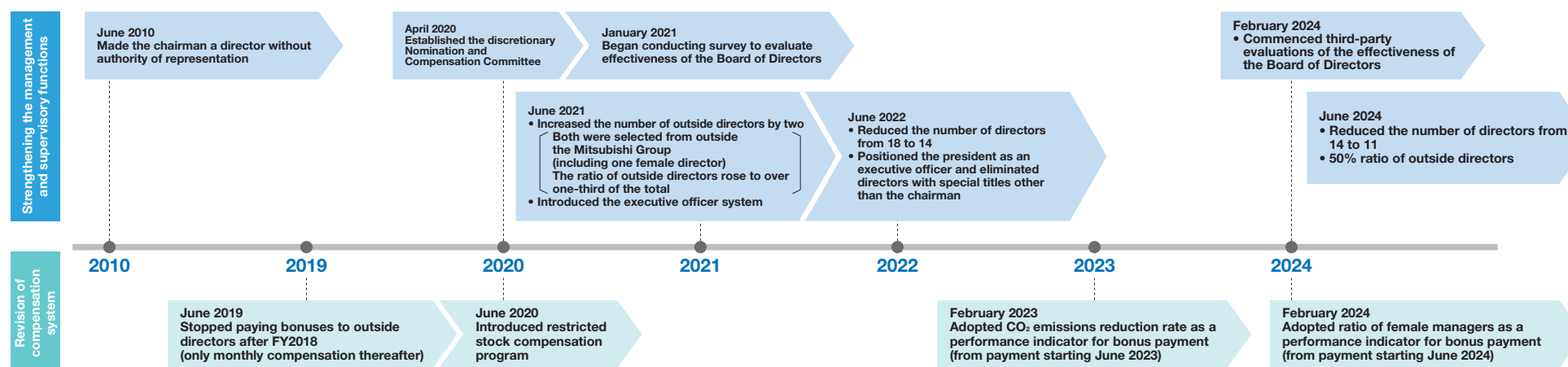
The Company recognizes the enhancement of corporate governance as a significant business issue that will enable us to carry out our social mission and responsibilities as a publicly listed company and to aim for sustainable growth and development. Accordingly, we are working to enhance the functions of the Board of Directors and Board of Audit & Supervisory Board Members by appointing outside directors and outside Audit & Supervisory Board Members. We established a Nomination and Compensation Committee as an advisory body to the Board of Directors to further enhance the objectivity and transparency of the procedures for determining the nomination and compensation of directors.

In addition, we have introduced an executive officer system for the purpose of further strengthening corporate governance by strengthening management and supervisory functions and business execution functions, as well as improving management efficiency and accelerating decision making. Moreover, in order to further promote the separation of management and business execution, as of June 29, 2022, we eliminated directors with special titles other than the Chairman, positioned the president as an executive officer, and changed the system to one in which executive officers are responsible for business execution.

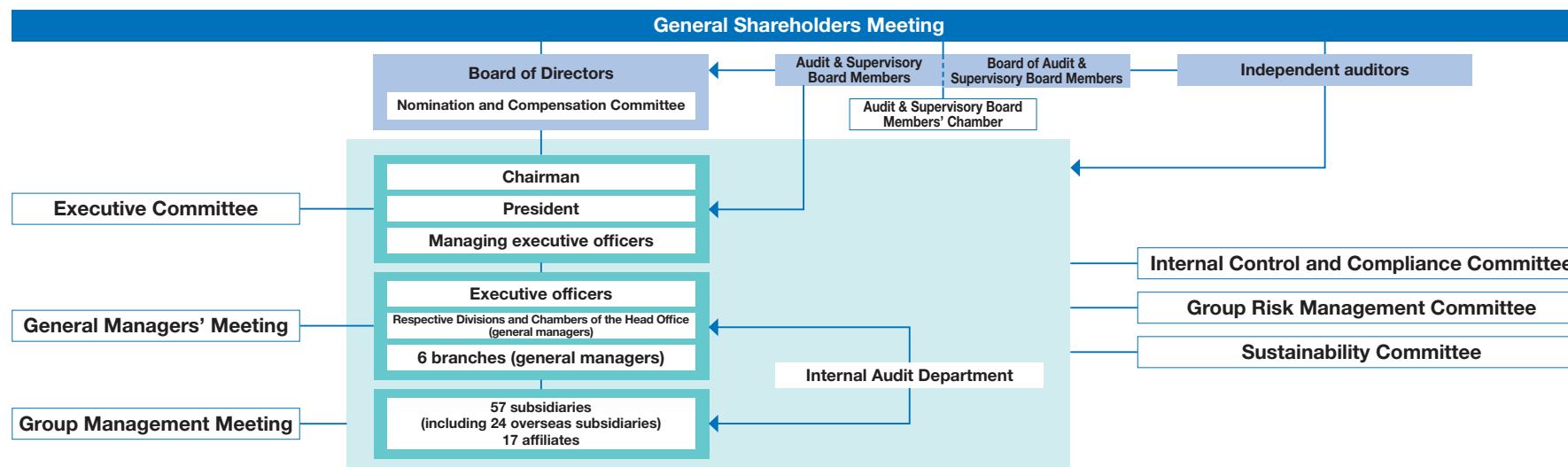
Furthermore, we are endeavoring to boost corporate governance through multiple initiatives, such as establishing an

internal control system through drafting the Code of Conduct for our officers and employees, setting up the Internal Control and Compliance Committee, and enhancing our internal audit system (as of April 2022, the Internal Audit Department is under the direct control of the president); maintaining and improving efficacy of the risk management system within the Group through the establishment of the Group Risk Management Committee; and reinforcing disclosure through initiatives for sustainable management (ESG management / response to SDGs) by establishing the Sustainability Committee and earlier publication of financial statements. (Integrated Report [Page 74](#) Chart of Corporate Governance System.)

Initiatives to date for strengthening governance



■ Chart of Corporate Governance System (As of September 30, 2024)



■ Overview of Major Organizations

	(1) Board of Directors
Purpose	Deliberations and resolutions on important management policies, strategies, and other key decisions Supervising execution of key duties and receiving reports from directors in charge on implementation status
Chairperson	Chairman Masao Fujikura
Composition	Directors
Number of meetings held in FY2023 (Average duration)	12 times (approximately 80 minutes each on average)
Main agenda items for FY2023	<ul style="list-style-type: none"> Resolutions <ul style="list-style-type: none"> Response to the principles of the Corporate Governance Code Policy for determining individual director compensation Decisions on human resources and compensation regarding officers Confirmation and approval of directors' concurrent positions at other companies and competition/conflict of interest in transactions Creating an investment plan Approval of financial statements Acquisition and cancellation of treasury shares Sale of cross-shareholdings etc. Reported Items <ul style="list-style-type: none"> Initiatives for ESG management and response to SDGs, including matters related to the Sustainability Committee Recommendations from the Nomination and Compensation Committee Evaluation of the effectiveness of the Board of Directors Dialogue with institutional investors, etc. Verification of the rationale for listed stocks held Monthly business overview

	(2) Board of Audit & Supervisory Board Members
Purpose	Deliberations on matters related to the execution of Audit & Supervisory Board Members' duties Sharing of information on company status and audit results
Chairperson	Senior Audit & Supervisory Board Member (full time, internal) Yasushi Saito
Composition	5 Audit & Supervisory Board Members (including 2 full-time Audit & Supervisory Board Members (1 internal, 1 external) and 3 part-time Audit & Supervisory Board Members (1 internal, 2 external))
Number of meetings held in FY2023 (Average duration)	18 times (approximately 60 minutes each on average)
Main agenda items for FY2023	<ul style="list-style-type: none"> - Creating an annual audit plan - Consenting to documents related to company financial statements - Consenting to the independent auditor's review or audit results - Creating the Board of Audit & Supervisory Board Members audit report - Assessing the independent auditor's audit, including key audit items, and investigation of reappointment and subsidiaries - Attending Executive Committee meetings - Regular meetings with the Internal Audit Department - Reports on attendance at other internal and external meetings etc.

	(3) Nomination and Compensation Committee
Purpose	Deliberations and advice on matters of consultation by the Board of Directors to further improve objectivity and transparency in procedures for determining director nomination and compensation - Recommending candidates for directors - Appointing and dismissing officers with special titles - Adequacy of levels and composition of officer compensation - Officer compensation system etc.
Chairperson	Outside Director Tatsuo Wakabayashi
Composition	3 of the outside directors Chairman Representative Director and President
Number of meetings held in FY2023 (Average duration)	2 times (approximately 50 minutes each on average)
Main agenda items for FY2023	- Human resources for officers - Policy for payment of director bonuses - Composition ratio of director compensation - Individual allocation of director compensation

	(4) Executive Committee
Purpose	Discussion of important matters in management
Chairperson	Representative Director and President Hidechika Saito
Composition	Chairman Executive officers with special titles of managing executive officer and above (Observers: Full-time Audit & Supervisory Board Members)
Meeting frequency in FY 2023	Approximately once a week

	(5) General Managers' Meeting
Purpose	Exchange of opinions on issues related to divisions, chambers, and branches Reports and verification of implementation status of duties etc.
Chairperson	Representative Director and President Hidechika Saito
Composition	Directors (excluding outside directors) Executive officers Audit & Supervisory Board Members (excluding part-time outside Audit & Supervisory Board Members) Senior Assistant To Managing Executive Officer General managers of divisions and chambers at the head office and general managers of branches
Meeting frequency in FY 2023	Approximately once a month

■ A Combination of the Expertise and Experience of Each Director (Skill Matrix) and Attendance Status at Board of Directors/Committee Meetings

Name	Current position at the Company	Expertise and experience								Attendance (FY2023)		
		Corporate management	Finance and auditing	Marketing	ESG and sustainability	HR strategy	Legal affairs, compliance, and risk management	Technology	Contribution to the Company's growth ¹	Board of Directors		Nomination and Compensation Committee
Masao Fujikura	Chairman	●	●	●	●	●	●		Overall	100%	12/12	2/2
Hidechika Saito	Representative Director and President	●	●	●	●	●	●		Overall	100%	12/12	2/2
Munenori Kimura	Directors Managing Executive Officer	●		●	●				1.2	100%	12/12	—
Akira Yamao	Directors Managing Executive Officer	●	●					●	4	100%	12/12	—
Masanori Maekawa ²	Representative Director Managing Executive Officer	●			●	●	●		5	100%	9/9	—
Tatsuo Wakabayashi	Outside Director	●	●		●	●	●		5	100%	12/12	2/2
Toshifumi Kitazawa	Outside Director	●	●		●	●	●		5	100%	12/12	2/2
Tadaaki Naito	Outside Director	●	●		●	●	●		5	92%	11/12	—
Tetsuya Shoji	Outside Director	●			●	●	●	●	4	92%	11/12	2/2
Kazuko Kimura	Outside Director				●	●	●	●	1	100%	12/12	—

1. Contribution to the Company's growth: contribution to the growth strategy for accomplishing the MLC2030 Vision (the wording below is basically taken from the MLC2030 Vision)

1) Establish a customer-oriented support system (taking on challenges for the entire supply chains focusing on the medical/healthcare, food/beverage, machinery/electrical machine, and new materials industries)

2) Expand overseas business 3) Secure stable profits in the Port and Harbor Transportation Business and the Real Estate Business

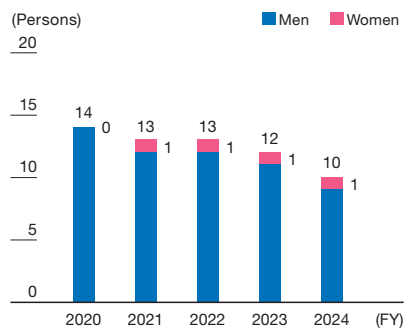
4) Improve operational processes and promote further utilization of new technologies 5) Strengthen the Group management base

2. Lists the status of director appointments since June 29, 2023

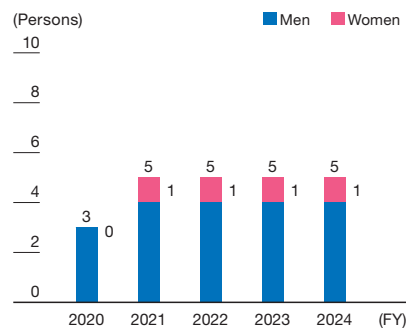
Name	Current position at the Company	Attendance (FY2023)		
		Board of Directors		Board of Audit & Supervisory Board Members
Yasushi Saito*	Senior Audit & Supervisory Board Member (full time)	100%	9/9	13/13
Masanao Yamato*	Outside Audit & Supervisory Board Member (full time)	100%	9/9	13/13
Takao Sato	Outside Audit & Supervisory Board Member	100%	12/12	18/18
Yusaku Kurahashi	Outside Audit & Supervisory Board Member	New (Appointed June 27, 2024)		
Jiro Kodaka	Audit & Supervisory Board Member	New (Appointed June 27, 2024)		

* Lists the status of Audit & Supervisory Board Member appointments since June 29, 2023

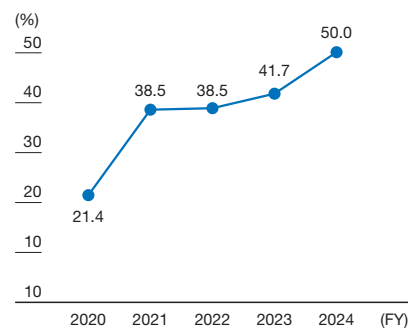
■ Number of Directors



■ Number of Independent Outside Directors



■ Ratio of Independent Outside Directors





Officer Election Process

1. Management Executives and Directors

The Company has a total of no more than 11 directors in charge of business execution and independent outside directors (10 as of the end of September 2024) who comprise the Board of Directors to enable the Board of Directors to engage in sufficient deliberations based on diverse opinions and to make swift and rational decisions.

Directors are required to be persons of outstanding character and broad insight who can be expected to contribute to the establishment and execution of management strategy based on the business environment and management issues, while candidates for management executives and directors in charge of business execution possess a wealth of professional knowledge and experience in business operations, and candidates for outside directors possess a wealth of experience and knowledge in their professional fields and have the qualities to effectively provide advice and supervision from an independent and objective standpoint.

To further enhance the objectivity and transparency of procedures for determining the nomination and compensation of management executives and directors, a Nomination and Compensation Committee has been established as an advisory body to the Board of Directors, where the Board consults with the committee on matters related to the nomination of management executives and director candidates, including the consideration of selection criteria and evaluation of candidates, and then deliberates and resolves these matters based on the Committee's recommendations.

In determining the reappointment or new appointment of management executives and directors, the Nomination and Compensation Committee conducts interviews with candidates to objectively verify whether management

executives and executive directors have been appropriately considered in light of the above selection criteria, and report their opinions to the Board of Directors. For candidates for outside directors, the Nomination and Compensation Committee evaluates the effectiveness of each candidate for reappointment or new appointment based on the above selection criteria, and reports their opinions to the Board of Directors. In particular, with regard to the new appointment of outside directors, the Company considers the necessary qualities, etc. at the time of each appointment, compiles a list of candidates, and updates this list each year from the perspective of ensuring the appropriate composition of the Board of Directors required for the sustainable growth of the Company. When it becomes necessary to appoint a new outside director, the Nomination and Compensation Committee interviews candidates selected from a list of candidates based on the policy above, the composition of the Board of Directors, and the suitability of persons as outside directors, after which it selects candidates and makes a report to the Board of Directors.

The Board of Directors discusses these reports at meetings of the Board of Directors attended also by outside directors and outside Audit & Supervisory Board Members, appoints management executives by resolution of the Board of Directors, and determines candidates for directors.

In the event that a management executive commits an act in violation of public order or morals, faces difficulties in continuing to execute his or her duties for health reasons, or significantly harms corporate value due to the neglect of his or her duties, the Board of Directors shall consider submitting a proposal regarding the dismissal of said management executive to a meeting of the Board of

Directors held with the attendance of outside directors and outside Audit & Supervisory Board Members as necessary, and shall, prior to submitting the proposal, consult with the Nomination and Compensation Committee and explain the reasons for the dismissal to outside directors and outside Audit & Supervisory Board Members other than members of the committee.

2. Audit & Supervisory Board Members

The Company's Board of Audit & Supervisory Board Members consists of a total of five Audit & Supervisory Board Members, consisting of two internal Audit & Supervisory Board Members and three independent outside Audit & Supervisory Board Members, in order to enhance audits and increase the independence of the Audit & Supervisory Board Members system from management.

Audit & Supervisory Board Members are required to be persons of outstanding character and broad insight, while candidates for internal Audit & Supervisory Board Members are familiar with the actual management of the Company, and candidates for outside Audit & Supervisory Board Members have a wealth of professional knowledge and experience in their professional fields, including their industry, legal affairs, and accounting.

Based on this policy, representative directors prepare a draft list of candidates for Audit & Supervisory Board Members and propose it to the Board of Directors with the consent of the Board of Audit & Supervisory Board Members, which is deliberated on by a meeting of the Board of Directors held with the attendance of outside directors and outside Audit & Supervisory Board Members, and the candidates for Audit & Supervisory Board Members are determined by resolution of the Board of Directors.

Officer Compensation

Matters Concerning the Determination of the Amount and Calculation Method of Officer Compensation

The Nomination and Compensation Committee is consulted on the policy for determining the details of compensation for each director. Based on the report received from the committee, the Board of Directors makes a resolution as follows.

Policy for determining the amount of basic compensation for each director, details of performance-based compensation and nonmonetary compensation and calculation method of their amount or figures (includes the policy for determining the timing and terms of granting the compensation)

Compensation for directors shall consist of basic compensation, performance-based compensation, and stock compensation at amounts based on their duties and the compensation level of society in general.

Basic compensation shall be paid according to the position of each director as monthly fixed compensation within the limit of compensation determined at a general meeting of shareholders.

Performance-based compensation shall be bonuses for directors excluding outside directors. Payment is to be made at a specific timing every year at an amount determined according to the performance indicators of the previous fiscal year within the compensation limit that is common with basic compensation. There are four performance indicators designated by the Company (changed at the Board of Directors meeting on February 22, 2024): namely, operating income, considered appropriate as an indicator of the results of corporate operations; ROE, considered appropriate as an indicator of capital efficiency; CO₂ emissions reduction rate, which is an indicator of the Mitsubishi Logistics Group's environmental initiatives in efforts toward ESG management and response to SDGs; and ratio of female managers, which is an indicator for evaluating compliance and human rights/gender issues. The compensation amount shall be calculated based on the previous fiscal year results of the performance indicators, using a predetermined calculation table. When doing so, a certain degree of addition or subtraction is allowed based on assessment of the efforts made toward the challenges set for individual directors.

Stock compensation is intended to incentivize recipients to sustainably increase the Company's corporate value and promote the further sharing of value with shareholders. Payment is to be made at a specific timing every year at an amount deemed

reasonable in light of the purpose within the compensation limit that is common with basic compensation to directors excluding outside directors as compensation for granting restricted stock. The stock cannot be disposed of until the recipient retires or resigns from the position of the Company's director or other positions decided by the Company's Board of Directors. When providing stock compensation is difficult or inappropriate due to a director residing outside of Japan or for other reasons, different arrangements may be made.

Policy for determining the ratio of monetary compensation, performance-based compensation, and nonmonetary compensation for each director

The payment amount per type of compensation for each director shall be determined so that the ratio per type of compensation for each director will function as an appropriate incentive commensurate with the duties expected for each position.

To link compensation with medium- to long-term business performance, the Company's shares shall be acquired through the officer stock ownership plan using contributions from monthly compensation and bonuses at amounts not less than those set for each position. All the shares purchased shall be held throughout the service period and until one year after retirement.

Determination of details of compensation for each director

Based on the policy to the left, matters such as the compensation limit to be submitted to the general meeting of shareholders, drafts of proposals regarding stock compensation, and allotment of each type of compensation for each individual shall be discussed by the Nomination and Compensation Committee. The committee was established as an advisory body to the Board of Directors mainly comprising independent outside directors to further enhance the objectivity and transparency of the procedures for determining the nomination and compensation of directors. Based on the suggestions of the committee, the Board of Directors shall discuss and resolve the matter at its meetings attended by outside directors and outside Audit & Supervisory Board Members.

Matters Concerning the Policy for Determining the Amount of Compensation for Audit & Supervisory Board Members and Its Calculation Method

Compensation for Audit & Supervisory Board Members is determined by discussion between Audit & Supervisory Board Members within the compensation limit resolved at a general meeting of shareholders.

■ Total Amount of Compensation for Each Officer Category, Total Amount of Compensation by Type, and Number of Eligible Officers

Category	Total amount of compensation	Total amount of compensation by type				Number of eligible officers
		Basic compensation	Bonuses (performance-based compensation)	Restricted stock compensation (nonmonetary compensation)	Retirement benefits	
Directors [of which, outside directors]	¥508 million [¥52 million]	¥357 million [¥52 million]	¥65 million [-]	¥85 million [-]	- [-]	14 [5]
Audit & Supervisory Board Members [of which, outside Audit & Supervisory Board Members]	¥75 million [¥42 million]	¥75 million [¥42 million]	- [-]	- [-]	- [-]	7 [4]

Notes: 1. Bonuses are performance-based compensation paid to directors excluding outside directors within the same limit as basic compensation and, as stated in "Matters Concerning the Determination of the Amount and Calculation Method of Officer Compensation," are calculated and paid based on the previous fiscal year's results for the four performance indicators of operating income, ROE (return on equity), CO₂ emissions reduction rate, and ratio of female managers (performance indicators were changed at the Board of Directors meeting on February 22, 2024).
2. Of the bonuses paid in June 2023 (¥58 million) and slated for June 2024 (¥67 million), the amount of bonuses shown above is the amount recorded as expenses in the fiscal year under review. The actual results of the performance indicators that affect bonuses are shown in the table to the right (the CO₂ emissions reduction rate is temporary as it takes time to calculate it).

	June 2023 payment	June 2024 payment
Performance indicators	220th term (FY2022)	221st term (FY2023)
Consolidated operating income	¥23,027 million	¥18,941 million
Consolidated ROE	7.8%	7.3%
CO ₂ emissions reduction rate	(33.2%)	(18.4%)
Ratio of female managers	(N/A)	4.7%



Evaluation of the Effectiveness of the Board of Directors

In order to further improve the effectiveness of the Board of Directors, the Company conducts an annual self-assessment questionnaire on all directors and Audit & Supervisory Board Members and shares the results with the Board. To address issues identified in previous surveys, we have made improvements to enable deeper discussions at Board meetings through providing explanations on the Group's business and challenges to outside directors and Audit & Supervisory Board Members, as well as preliminary briefings on important agenda items.

For the FY2023 effectiveness evaluation, a third-party organization was employed to conduct surveys and interviews to further enhance objectivity and neutrality. The analysis by the third-party organization concluded that the overall effectiveness of the Board of Directors has been ensured.

Based on the analysis and evaluation results from the third-party organization, the Board of Directors discussed improvement measures for issues and identified priority items for future initiatives.

Response to Issues in FY2023

As initiatives based on the results of the FY2022 questionnaire, we moved up the start time of Board meetings to ensure and increase opportunities for discussing issues and also improved the effectiveness of the Board by enhancing materials to provide deeper understanding of the Group's business and challenges.

Implementation and Process for the FY2023 Evaluation

February to March 2024	March to April	May
■ Implemented questionnaire Subject: Directors and Audit & Supervisory Board Members Format: 5-point scale evaluation (23 questions in 5 categories) and free comment section	■ Conducted interviews Delving deeper into awareness of issues and responses based on questionnaire responses	■ Evaluation results report from a third-party organization ■ Conducted Board of Directors discussions Examination of improvement measures for issues and identification of priority items for future initiatives

■ Questionnaire Questions

- (1) Composition and operation (number of members, diversity, meeting management, roles, information provision, initiatives to enhance the effectiveness, etc.)
- (2) Management strategy and business strategy (the Board's role in strategy deliberation, decision-making, and oversight, discussions on DX, human capital, and sustainability, etc.)
- (3) Corporate ethics and risk management (internal control and risk management systems, reporting and response, cooperation with auditing bodies, etc.)
- (4) Nomination and compensation (nomination, compensation, succession planning, etc.)
- (5) Dialogue with shareholders (stakeholder perspectives, disclosure of sustainability information, etc.)

■ Overview of Evaluation Results

The evaluation results showed that the overall effectiveness of the Board of Directors is ensured in terms of meeting management, information provision, and ensuring objectivity and transparency of procedures through the establishment of the Nomination and Compensation Committee.

■ Board of Director Strengths Identified through the Questionnaire and Interviews

- Internal and outside directors alike are professionals in a variety of fields and engage in lively discussions while providing their opinions based on specialized knowledge and extensive experience.
- The Board of Directors is shifting toward more substantive discussions with a shared commitment to further improving the Board among individual directors and the secretariat.

■ Issues and Future Initiatives Identified through Board Discussions

Issues identified in the FY2023 evaluation	FY2024 initiatives (◎ = priority initiatives)
Enhance discussions on medium- to long-term direction and management strategy	◎ Review agenda criteria, continuously improve materials and information provision • Reorganized the Risk Management Committee into the Group Risk Management Committee in May 2024 to position risk management as part of the management strategy for increasing corporate value • Strengthen Group-wide risk management including overseas operations with a focus on the Group Risk Management Committee and report regularly to the Board of Directors
Oversight of risk management systems, especially overseas	
Enhance and systematize discussions on the President's succession plan	• Created a succession plan roadmap in June 2024 • Enhance discussions at the Nomination and Compensation Committee
Cooperation between outside directors, Audit & Supervisory Board Members, and other supervisory bodies	• Increase opportunities for opinion exchange
Diversify the Board composition in terms of gender and background and optimize the number of members, including Audit & Supervisory Board Members	• Reduced the number of directors from 14 to 11 in June 2024 • Enhance discussions at the Board of Directors and Nomination and Compensation Committee

Introduction of Directors and Executive Officers

Please visit our website for detailed biographies of officers (the URL to the right).



List of board of directors | Mitsubishi Logistics Corporation
<https://www.mitsubishi-logistics.co.jp/english/company/executive/>

Directors



Masao Fujikura
Chairman



Hidechika Saito
Representative Director and
President



Munenori Kimura
Director and Managing
Executive Officer
General Manager of Corporate Planning
Division, in charge of Planning, International
Transportation Business, and Overseas
Business Planning & Coordination



Akira Yamao
Director and Managing
Executive Officer
In charge of Accounting and
Financing, and Information System



Masanori Maekawa
Representative Director and
Managing Executive Officer
General Manager of General Affairs Division
and Corporate Communications Chamber, in
charge of General Affairs, Corporate
Communications, Human Resources, and
Sustainability Promotion



Tatsuo Wakabayashi
Outside Director
(Independent Director)
Senior Advisor of Mitsubishi UFJ
Trust and Banking Corporation



Toshifumi Kitazawa
Outside Director
(Independent Director)
Senior Executive Advisor of Tokio Marine
& Nichido Fire Insurance Co., Ltd.



Tadaaki Naito
Outside Director
(Independent Director)
Senior Advisor of Nippon Yusen
Kabushiki Kaisha



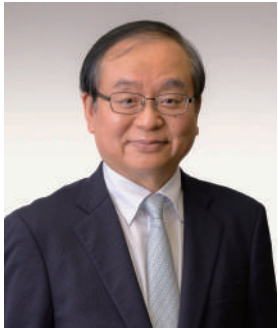
Tetsuya Shoji
Outside Director
(Independent Director)
Corporate Advisor of NTT
Communications Corporation



Kazuko Kimura
Outside Director
(Independent Director)
Professor Emerita of National University
Corporation Kanazawa University

Note: Independent Director: A director designated as an independent officer based on the regulations of Tokyo Stock Exchange, Inc. and reported to the Tokyo Stock Exchange.

Audit & Supervisory Board Members



Yasushi Saito

Senior Audit & Supervisory
Board Member
(Full-time)



Masanao Yamato

Outside Audit & Supervisory
Board Member
(Full-time)
(Independent Auditor)



Takao Sato

Outside Audit & Supervisory
Board Member
(Independent Auditor)
Certified Public Accountant



Yusaku Kurahashi

Outside Audit & Supervisory
Board Member
(Independent Auditor)
Lawyer



Jiro Kodaka

Audit & Supervisory
Board Member
(Full-time Corporate Auditor
(Audit & Supervisory Board Member)
of Ryoso Transportation Co., Ltd.)

Executive Officers



Takashi Mukai

Managing Executive Officer
In charge of Technical and
Real Estate Businesses



Misao Kawamura

Managing Executive Officer
In charge of Harbor Transportation
Business



Manabu Kusuyama

Executive Officer
General Manager of the Information
Systems Division

Chikara Kurimata

Executive Officer
Chairman of Project Hermes
Holding Company*

Takero Shimizu

Executive Officer
General Manager of Warehousing &
Distribution Business Division



Eiichi Kato

Managing Executive Officer
In charge of Warehousing &
Distribution Business

Note: Independent Auditor: A auditor designated as an independent officer based on the regulations of Tokyo Stock Exchange, Inc. and reported to the Tokyo Stock Exchange.

*Project Hermes Holding Company is the holding company for the Cavalier Logistics Group, which was acquired as of October 2, 2023.

Risk Management

The Group has established Group Risk Management Regulations as well as a Group Risk Management Committee to maintain and improve the effectiveness of the Risk Management System across the Group in an effort to identify business risks in all directions and prepare for emergencies during times of normalcy. In the event that risk occurs, we have also established a Response Headquarters in accordance with our Basic Manual for Crisis Management to minimize losses and return to normal operations as quickly as possible through concentrated company-wide support and measures.

Basic Risk Management Policy

The basic policy behind the Group's risk management is to identify, analyze, and evaluate risks that could hinder achievement of our corporate philosophy in a timely and appropriate manner as well as minimize the frequency and impact of negative risks by creating, implementing, monitoring, and reviewing risk response plans to maintain the effectiveness of the risk management system based on the basic objectives and action guidelines outlined below.

Basic objectives of risk management

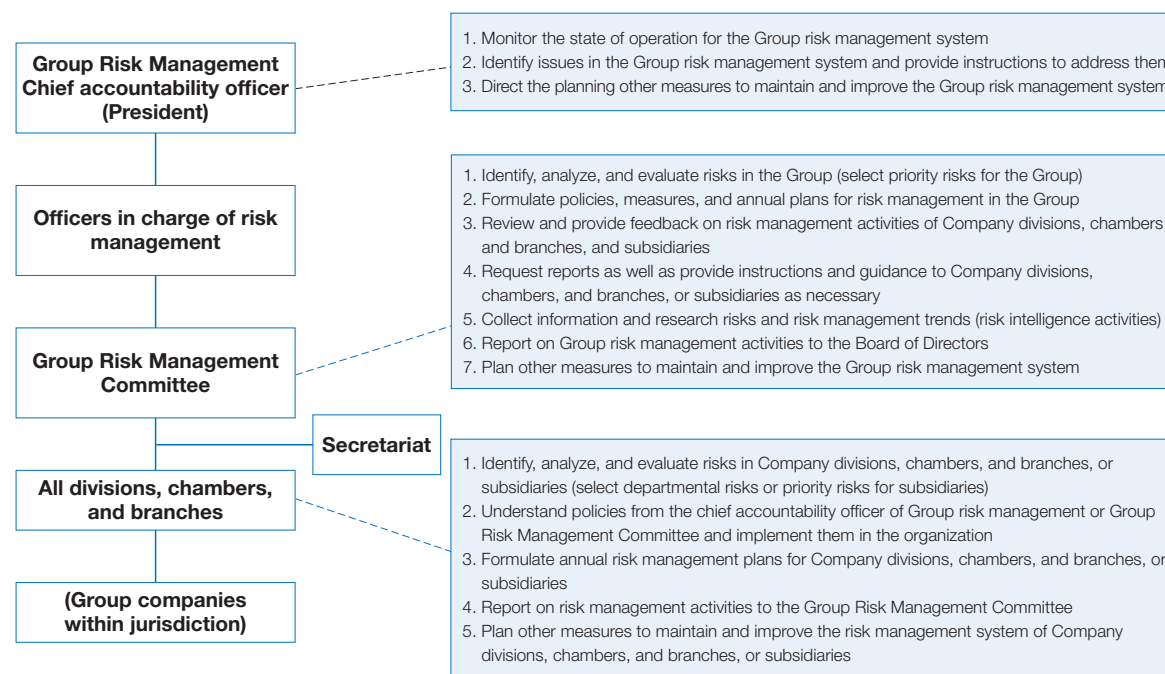
- Improve corporate value
- Ensure stable business continuity
- Maintain and improve relationships of trust with all stakeholders

Risk Management Action Guidelines

- We will establish a risk management system integrated with the business plan to create an environment that supports appropriate risk-taking and accurate risk control across the Group.
- We will raise risk awareness through officer and employee education and training to foster a culture of healthy risk-taking throughout the Group.
- We will strengthen risk intelligence activities and conduct appropriate risk assessments to identify priority risks, including emerging risks.
- We will select a department to be in charge of all risks in the Group, develop a risk response plan, and implement the PDCA cycle of management.
- We will regularly verify and inspect the effectiveness of our risk management system in order to maintain and improve it.

Risk Management System Chart

The Risk Management Committee will change to the Group Risk Management Committee and shift to a system to identify risks not only from natural disasters but from all directions and prepare for emergencies during times of normalcy. The status and decisions of the Group Risk Management Committee will be reported to the Board of Directors twice a year.





■ Main Risks and Countermeasures

Risks	Risk explanations and countermeasures
Changes in the business environment	The Group's primary businesses are the Logistics Business with the Warehousing and Distribution Business at its core, and the Real Estate Business, which focuses on the leasing of buildings, and while the Group strives for stable growth through planned capital investment and the provision of sophisticated services, the Logistics Business is influenced by fluctuations in the business landscape, including economic fluctuations in Japan and abroad as well as the streamlining of logistics and restructuring at client companies, while the Real Estate Business is influenced by fluctuations in supply and demand as well as market trends in the rental office market.
Damage to business assets (warehouses, rental buildings, etc.) caused by natural disasters	While we take necessary measures for business assets such as warehouses and rental buildings, including earthquake resistance and seismic isolation measures for buildings, external insurance coverage, daily inspections and maintenance, creation and updating of manuals for crisis response in the event of natural disasters, and regular training, there is a risk of serious damage that cannot be fully covered by insurance in the event of a large-scale natural disaster such as an earthquake, typhoon, heavy rainfall, flood, tsunami, or volcanic eruption, which could affect the financial position and operating results of the Group.
Reduction in market value and profitability of business assets (land, buildings, etc.)	The Group may apply impairment accounting to avoid carrying forward losses into the future and reflect the possibility of recovery in cases where the amount of investment cannot be expected to be recovered due to a decline in the fair value of land, buildings, goodwill, and customer-related assets, or a decrease in profitability as a result of applying the Accounting Standard for Impairment of Fixed Assets.
Fair value fluctuations of investment securities	The Group's investment securities as of the end of FY2023 stood at ¥213,470 million, consisting mainly of shares in its business partners, primarily for the purpose of maintaining and strengthening business relationships; however, the application of the Accounting Standard for Financial Instruments means we are affected by fluctuations in market prices, such as share prices. The Company recognizes an impairment loss on available-for-sale securities without a market price if their fair value falls significantly below the acquisition cost, taking into consideration the possibility of recovery, and to provide for losses resulting from a decline in the substantial value of stocks without a market price, we record as an allowance for investment loss, taking into account the possibility of recovery if total net assets of the issuing company fall below the book value.
Compliance risk and human rights issues	<p>The Group has formulated a Code of Conduct that stipulates compliance with laws and regulations and the exclusion of antisocial forces as the social norms for employees in executing their duties and is working to instill awareness of compliance based on corporate ethics in every employee and ensure thorough compliance with laws, regulations, and various rules through employee self-checks on the status of compliance with the Code of Conduct, as well as by thoroughly promoting training on compliance. Furthermore, the Internal Control and Compliance Committee has been established to verify and enhance the state of internal control functions and stance toward compliance. In conjunction with this, to fulfill our responsibility to respect human rights, which is a prerequisite for realizing our corporate philosophy, we have established the Mitsubishi Logistics Group Human Rights Policy and are promoting respect for human rights initiatives.</p> <p>However, even with such measures in place, compliance risks and human rights violation risks cannot be completely eliminated, and in the event of a situation arising that violates laws and regulations or causes a human rights issue, the resultant administrative sanctions, such as surcharges, criminal sanctions, requests from business partners, etc. for compensation for damages, and loss of credibility could affect the financial position and operating results of the Group.</p>

Risks	Risk explanations and countermeasures
Country risk in overseas business development	Overseas, the Company has a total of 24 subsidiaries in North America, China and Asia, and Europe (6 in North America, 15 in China and Asia, and 3 in Europe), which are engaged in warehousing and distribution business and International Transportation Business. In overseas business development, we endeavor to practice management activities in accordance with local laws and regulations and business customs, etc., and in the event that the investee acquires non-current assets such as warehouse facilities, we also endeavor to understand the degree of country risk and take out overseas investment insurance as needed.
Exchange rate fluctuations	In preparing the Group's consolidated financial statements, the financial statements of overseas consolidated subsidiaries are converted into yen, and as the Company and some of its consolidated subsidiaries have foreign currency-denominated receivables and payables, fluctuations in exchange rates could affect the financial position and operating results of the Group.
Tightening of regulations on environmental conservation, etc.	Recognizing the importance of environmental issues, the Group is promoting environmental measures as a key theme in its Initiatives for ESG Management and the SDGs as well as business activities that take the global environment into consideration in addition to establishing the Environmental Policy and the Environmental Voluntary Plan. Specifically, in addition to working on energy-saving measures for warehouses and real estate rental facilities by building Disaster-Resistant and Eco-Friendly Warehouses and Disaster-Resistant and Eco-Friendly Office Buildings, we are working to introduce equipment and facilities as well as develop services in collaboration with customers and subcontractors to help lower environmental impact. We also disclose climate change-related information recommended in TCFD proposals and disclose transition risks and physical risks. However, going forward, in the event that the tightening of related laws and regulations and other regulations necessitates new capital investment, an increase in funds or cost burden could affect the financial position and operating results of the Group.
Information security risks	<p>The Group handles business partners' confidential information and customers' personal information in its business activities to promote business and improve efficiency using a variety of information technologies.</p> <p>In the management of information asset management networks, we focus on stable operations and security measures, take necessary steps such as appropriate server management and information backup, and work to reduce security risks by conducting information security education on targeted attacks.</p>
Risks from infectious diseases	Due to a regional outbreak of an emerging or re-emerging infectious disease, including COVID-19, or a global pandemic, the Logistics Business may experience sluggish cargo movements and the Real Estate Business may face an increased vacancy rate due to tenants moving out, which could significantly affect the business activities and business results of the Group.



Compliance

Initiatives for Maintaining and Strengthening the Compliance System

■ Confirming the appropriateness of operations via internal control

The Board of Directors of the Company resolved the Basic Policy on the Improvement of an Internal Control System to ensure the appropriate execution of duties by officers and regular employees and the appropriateness of corporate affairs.

Furthermore, the Company improves the systems necessary for ensuring the credibility of financial reporting and prepares and submits the Internal Control Report regarding the evaluation of the effectiveness of internal control relating to financial reporting in accordance with the Financial Instruments and Exchange Act.

■ Disseminating the awareness of compliance

The Group endeavors to instill in every employee awareness of compliance based on corporate ethics and conducts an employee self-check (Code of Conduct questionnaire) on the status of compliance with the Code of Conduct, which was formulated as the social norms for employees in executing their duties, as well as a compliance awareness survey covering anti-bribery and other anti-corruption policies.

The self-check on the status of compliance not only targets the Company and Japanese Group companies but overseas Group companies as well using English texts.

We also aim to disseminate compliance awareness, including that of anti-bribery and other anticorruption policies, and establish good working environments by using various training opportunities.

■ Confirming operational processes via internal audit

The internal audit of the Company is performed mainly by the Audit Division in accordance with internal audit regulations and an internal audit plan and is supported by branch auditors and audit assistants positioned at the head office and respective branches. The purpose of the internal audit is to precisely grasp the status of corporate affairs and financial position so that it can be used to prevent fraud or errors, improve management, increase efficiency, and otherwise streamline management. Since April 2022, internal audits have been under the direct control of the President, and the Audit Division reports the results of audits regarding the Company and affiliated companies to the President. The Audit Division also supports follow-up checks on any issues noted in the audit results and reports the results to the President.

The Audit Division also maintains close partnership with the Audit & Supervisory Board Members and provides them with internal audit information to cooperate in audits by the Audit & Supervisory Board Members.

■ Holding Internal Control and Compliance Committee meetings

In September 2006, we established the CSR and Compliance Committee and promoted CSR activities within the Group, but in FY2021, matters relating to CSR were transferred to the Sustainability Committee while matters relating to compliance were transferred to the Internal Control and Compliance Committee, thereby further strengthening these initiatives.

At the Internal Control and Compliance Committee meeting held annually, we discuss the content of the Internal Control Report, the compliance improvements

based on self-checks of the Code of Conduct compliance status, as well as the trends related to whistleblowing and the Company's response and future initiatives.

Branch general managers who are close to manufacturing sites also participate in meetings of the Internal Control and Compliance Committee, which helps maintain and strengthen the compliance system through various responses.

Internal Reporting System

The Group has established Corporate Ethics Helplines both internally and externally (through a third-party organization) to ensure early detection, prevent, and stop recurrence of violations or potential violations of laws, regulations, and corporate rules. Both helplines handle cases against bribery and other corruption, ensuring confidentiality and anonymity.

We also verify awareness of our internal reporting system and encourage its use through an annual Code of Conduct survey conducted every December for Group officers and employees.

In FY2023, the Corporate Ethics Helpline received and handled 22 whistleblowing cases. We conduct necessary investigations for all reports and take appropriate measures that lead to correction.



Initiatives for Improving Compliance Awareness

■ CSR & Compliance Handbook

The Group has published the CSR & Compliance Handbook (booklet and online versions) that all officers and employees within the Company and Japanese Group companies may reference at any time.

This handbook also includes anti-bribery and other anticorruption policies and is available for viewing by all employees to instill awareness.

Additionally, we check the employee awareness level of our anti-corruption policies through the Code of Conduct survey administered to all Group employees.

Excerpts from the Compliance Handbook

1. We shall comply with laws, ordinances, and rules that enable us to honestly and fairly carry out business activities without deviating from social norms.
(Examples of specific considerations)
- (1) We shall continuously update traditional internal and external business practices from the standpoint of legal compliance, while striving to obtain an understanding of the relevant laws and regulations, including the Warehousing Business Act, the Port Transport Business Act, and the Labor Standards Act of Japan.
 - (2) We shall enforce compliance with Company rules such as the Rules on Preventing Internal Trading, Accounting Rules, and Implementation Guidelines for Warehousing and Storage Operations.
 - (3) We shall not engage in any discriminatory practices against subcontractors or peer companies, or participate in any form of collusion whatsoever among companies or industry groups. We shall exercise our own judgment when responding to any administrative guidance of the supervising authorities.
 - (4) We shall keep gifts and business entertainment to the absolute minimum necessary in light of generally accepted social standards. In cases where we are considered to be a related party with a vested interest pursuant to the National Public Service Ethics Code, we shall not present gifts to civil servants or deemed civil servants, regardless of whether these items are considered to be condolence gifts, farewell gifts or the like. Furthermore, we shall not present foreign civil servants with gifts for the purpose of obtaining illegitimate profits, etc.
 - (5) We shall step up efforts to tighten information security management in step with advances in digital technologies, while prohibiting the personal use of communication methods via PCs, mobile phones and other devices.
 - (6) We shall endeavor to properly manage and safeguard personal information and customer information.
 - (7) If Company personnel discover any evidence of a breach of corporate ethics and believe that the information may not be duly reported to top management via their direct supervisors, they should report this information to the Corporate Ethics Help Line (Whistleblower and Consultation Mechanism/reports may be submitted anonymously). The mechanism shall report this information to top management while strictly protecting the confidentiality of the informant.
We shall not subject the informant to any disadvantageous treatment on account of his or her reporting and other related reasons.

■ Compliance awareness survey

We provide Web-based surveys on awareness targeting the Company and domestic Group companies based on the CSR & Compliance Handbook and the Integrated Report to improve compliance awareness.

By asking questions about familiar issues, every employee thinks about what to do and comes up with an answer, which leads to the development of compliance awareness.

■ Review session and training on compliance with the Subcontract Act and the prevention of insider trading

In March 2024, we conducted a review session on the Act Against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (the Subcontract Act) for employees of the Company and domestic Group companies. The session was attended by a total of 2,332 employees who handled tasks associated with the Act at each business division, and the participants studied the Act's purpose, scope of application, obligations, prohibited matters, etc., based on questions provided online. In February 2024, newly appointed managers, new hires, and mid-level employees who have been with the Company for about ten years (94 employees in total) received training on insider trading prevention and checked their level of understanding using an e-learning program.

Initiatives for communication with stakeholders

■ Dialogue with shareholders and enhanced information disclosure

1. Based on opinions received through dialogues with shareholders and investors, discussions were held at the Board of Directors and compiled into Initiatives to Enhance Corporate Value in April 2024.

• FY2023 results

Investor dialogues: 78 (up +33 from the previous fiscal year)

Shareholder dialogues: 14 (up +2 from the previous fiscal year)

• Major themes and shareholder concerns

Cross-shareholdings, strategic investments, capital policy, governance, sustainability, human capital (including promotion of female empowerment)

2. We will enhance the IR page on our website with different management indicators and data to provide more comprehensive disclosure information.
3. A specialized department will be established to increase opportunities for dialogue with shareholders and investors as a way of strengthening our IR/SR efforts.
4. We plan to announce the next management plan by April 2025. We will inform shareholders and investors broadly through briefings and video streaming by the representative director and president.



Consolidated results briefings may be viewed on the IR Information page of our website.
<https://www.mitsubishi-logistics.co.jp/english/ir/>

Contribution to Local Communities and International Society

The Company upholds contribution to the realization of an affluent and sustainable society as part of its corporate philosophy, and based on the recognition that the sustainable development of local and international communities leads to our own sustainable growth, we believe it is necessary to understand our relationship with society beyond just the areas where our offices are located in order to contribute to the development of local and international communities. Under this belief, we center our activities on local communities and the environment and provide support involving community building, educate future generations, preserve ecosystems, and offer donations as a means of investment and support that connects to the sustainable development of local communities and international society.

Contribution to Education

Dispatching lecturers to Kobe University

On June 21, 2024, the manager of the International Transportation Business Section 1 at the Kobe Branch gave a lecture on “International Logistics” at the Faculty of Ocean Science and Technology, Kobe University.

We have been sending lecturers to this university every year since 2021 as part of our efforts toward community contribution.

The lecture was part of the Introduction to Maritime Practice-1 course, aimed at providing useful information for students to envision their future careers in the maritime industry.

While previous lectures were held online due to the COVID-19 pandemic, this year's lecture was conducted in person, with nearly 200 students attending.

The lecturer explained the basics of international logistics and also described the Company's digital transformation initiatives in international logistics, including our proprietary greenhouse gas (GHG) calculation system “Emission Monitoring Cargo Route Finder.”

During the post-lecture Q&A, students asked such questions

as “What differences did you notice between Japan and other countries during your international assignments?” and “Has there been any change in cargo composition before and after the COVID-19 pandemic?”



Joint course between industry and academia with Aoyama Gakuin University

We have partnered with Professor Horie for a seminar at the School of Global Studies and Collaboration at Aoyama Gakuin University, which aims to give students a deeper understanding of business through analyzing companies and visits to actual workplaces. We conducted tours of the Oi Sales Office in the Tokyo Branch in September 2023 and the Bangna Warehouse in Mitsubishi Logistics Thailand in October, where students provided suggestions for improvement for our warehouse operations from the perspective of sustainability.

Many students commented that this was a good opportunity to gain knowledge about our operations and the logistics industry and that it was a valuable experience. Four students are scheduled to participate in this program in the 2024 academic year.



Field trip for local elementary school students

On February 9, 2024, as part of our local community contribution activities, we welcomed 27 fifth-grade students from Sakamoto Elementary School in Chuo Ward, Tokyo, to our head office as part of a field trip.

Fifth graders learn about trade and logistics in their social studies classes, so employees explained the work done at container terminals operated by the Company as well as the

different types of containers.

The children asked many questions about ports and ships, such as “How do you climb up to the operator's cabin on a gantry crane?” and “How are open-top containers loaded?” each of which was answered based on real experience. After the learning session, students shared their impressions, saying it was “fun” and “informative” to learn about real-world operations not covered in textbooks.



Contribution to the Protection of Eco-Systems

Forest conservation activities

To address the global environment from the perspective of protecting biodiversity, we participated in a reforestation partnership program led by Kanagawa Prefecture and initiated related activities in April 2011.

In October 2023, 23 officers and employees participated.

The participants were divided into two groups, and the tree thinning work group engaged in felling, branch removal, and log cutting work in the area around Tanzawa Lake in Kanagawa Prefecture. Thinning the densely crowded trees promotes tree growth and allows light into the dark forest, thereby spurring undergrowth to thrive and prevent landslides.

Under the guidance of instructors, participants engaged in nature observations to deepen their understanding of the environment, namely through walks in the Yadoriki watershed forest to view the lush nature, for an activity that is also helping to foster an awareness of the environmental action raised by the Company.



Contribution to Local Communities

Cooperative activities between Yokohama Bay Quarter and Kanagawa University

The Kanagawa University HOP STEP BEER project for growing hops is an SDGs initiative intended to tackle environmental issues, such as the emerging heat island effect in the Minato Mirai area as it undergoes urban development, that specifically seeks to create and share opportunities for agricultural experiences in the city center using a mobile app, generate excitement through events, and establish points of contact between the campus and local communities, and was launched on a trial basis in FY2021 at the Minato Mirai Campus.

Since FY2022, employees at Yokohama Dia Building Management Corporation (the Yokohama Bay Quarter management company) have participated in this project. We have also engaged in other cooperative activities with Kanagawa University, including having its students from the Arts Club create wall art along the Yokohama Bay Quarter stairwells once per year since 2015.



Let's Create a Giant Earth

Yokohama Bay Quarter hosted an event called "Let's Create a Giant Earth" in July 2024, in which we worked with visitors to create a piece of art. We organized this event in hopes that it would inspire participants to consider recycling and the global environment through the process of creating art. The event was joined by nearly 30 parent-child groups, with the children using alcohol ink and markers to color round parts made from repurposed acrylic panels and face shields previously used as infection prevention measures during the COVID-19 pandemic, then combining these to create an artwork of Earth nearly two meters in diameter. Some participants said they would use this experience as part of their summer science project.



Participation in community cleanups

Operating bases of the Company and Group companies nationwide also participated in local volunteer cleanup activities. The head office conducts cleanup activities twice a month in parks as part of our Street Cleaning Day program, with 335 employees participating in FY2023. We contribute to the local communities by continuing to participate in these cleanup activities.



Social contribution activities of Mitsubishi Logistics Thailand Co., Ltd.

Mitsubishi Logistics Thailand Co., Ltd. plans CSR activities each year, and the FY2023 activities were joined by 120 employees in five groups. One such project carried out on October 28, 2023, was the "Colorful school, Bright futures Project." Children's homes in Bangkok run primarily on donations. The facility was in poor condition, with noticeable deterioration and fading on building walls, creating a difficult learning environment, so 30 members of company staff worked primarily to paint the building. They also donated school supplies and provided meals. Though this activity had been suspended due to the COVID-19 pandemic, it resumed last year, with many participants expressing hope for its continuation in the coming year.



Repairing an elementary school

Support for a Public Interest Incorporated Foundation Support for the activities of the Dia Foundation for Research on Ageing Societies

The Dia Foundation for Research on Ageing Societies is engaged in activities aimed at contributing to solving issues faced by aging societies, in fields such as insurance, medical care, and welfare, through investigation and research into these issues.

Interest is growing in social participation by the elderly in the context of a declining birthrate and aging population.

The Company is collaborating with the Dia Foundation for Research on Ageing Societies in the utilization of diverse human resources, including the elderly to help realize an affluent and sustainable society.

Contribution to Solutions for Social Issues

Donations for the Noto Peninsula Earthquake

We donated ¥2 million in charity through the Japanese Red Cross Society to help with damage caused by the 2024 Noto Peninsula Earthquake.

Donations to the Japanese Foundation for Cancer Research

Since FY2011, we have endorsed the Japanese Foundation for Cancer Research's Basic Philosophy of aiming to improve the well-being of people everywhere by achieving better cancer control, and in FY2023 donated ¥1 million. We will continue to support the Foundation to realize its desire for a future free of cancer.

Community Investments (FY2023)

Donation recipient	Details	Donation amount
Japanese Red Cross Society	Charity donation for the 2024 Noto Peninsula Earthquake	¥2 million
Japanese Foundation for Cancer Research	Donations for cancer research	¥1 million
Kanagawa Prefecture	Donations for the partnership program of reforestation of Kanagawa Prefecture	¥0.6 million

Note: Donation details and amounts are excerpted from the General Affairs Division / Sustainability Promotion Team

Social Contribution Activities (FY2023)

Activity details	Number of participants
Forest conservation activities	23
Cleanup activities (head office)	335
Social contribution activities of Mitsubishi Logistics Thailand Co., Ltd.	Around 120