

# Sustainability Report 2024

Mitsui Group Holdings Co., Ltd.  
Sustainability Report 2024



# VISION

# Now and Always – Mitsui Group produces a sustainable, more fulfilling lifestyle

For 138 years since our founding and 98 years since our incorporation we have addressed various social challenges through our businesses, working as a Lifestyle Producer to deliver what our customers desire and help realize more fulfilling lifestyles.

Mitsui Group remains committed to supporting every customer in leading a more fulfilling lifestyle and to realizing a sustainable society. With a continued focus on resources and the environment for the sake of the Earth, we will continue our journey as a Lifestyle Producer.

## Carbon Neutrality by 2050

Roll out next-generation energy systems

Establish a cooperative framework among stakeholders in the supply chain

Introduction

VISION

# VISION

## Safe and Stable Supply of Energy

Ensuring a reliable energy supply  
Strengthening energy resilience against disaster and supply constraints

## Human Capital Management

Maximize the value of every employee to enhance corporate value

## Coexistence and Shared Prosperity with Local Communities

Strengthening engagement with local communities  
Expanding services to meet diversifying needs  
Creating added value to enrich everyday life



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# Mitsuroko Group's Philosophy System



**忍而和齊家上策  
勤与儉創業良図**

Everyone connected to Mitsuroko is part of one family, and for that family to prosper, we must choose the right path – even if it is difficult and challenging.

Patience and harmony are the keys to a well-ordered family. Diligence and frugality are the foundation of successful enterprise.

**As a Lifestyle Producer, we consistently conduct our business with integrity and from the customer's perspective.**

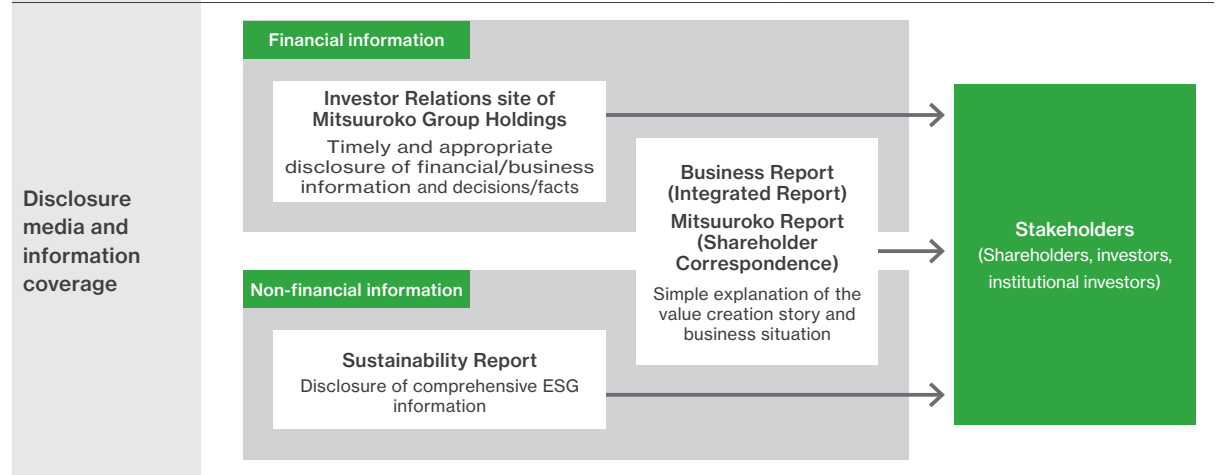
**Every Day, Special!**

- 1 Comply with laws, regulations, and other social norms, and conduct fair and sound corporate activities
- 2 Provide safe and high-quality products and services
- 3 Respect the personality and individuality of employees and foster a comfortable and fulfilling work environment
- 4 Respect the positions of stakeholders
- 5 Contribute to the preservation of the global environment and the creation of a prosperous and livable society

# Editing Policy

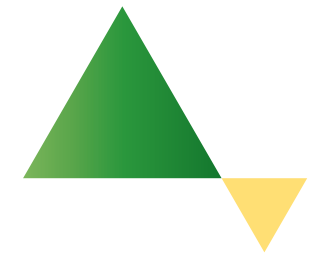
This document has been prepared with a focus on clearly communicating the specific topics, perspectives, and initiatives of Mitsuroko Group regarding Environment, Social, and Governance (ESG). In editing this report, we referred to international reporting guidelines such as GRI (Global Reporting Initiative) Standards, the Ministry of the Environment's "Environmental Reporting Guidelines (2018 Edition)," as well as the evaluation criteria of major ESG rating agencies. Furthermore, the Company continuously enhances the ESG-related information that we consider important each year.

<b>Reporting scope</b>	The scope of this report covers a total of 48 companies*, including Mitsuroko Group Holdings Co., Ltd., major operating companies, subsidiaries, and affiliates. When the reporting scope differs, it is clearly specified. <small>* 41 consolidated subsidiaries and 7 equity method associates (as of December 31, 2024)</small>
<b>Reporting period</b>	Reporting period is FY2023 (from April 2023 to March 2024). However, some information in and after April 2024 is also included.
<b>Guidelines referenced</b>	<ul style="list-style-type: none"> <li>• GRI Sustainability Reporting Standards</li> <li>• GRI Standards Table</li> </ul> <a href="https://www.mitsuroko.com/sustainability/gri/">https://www.mitsuroko.com/sustainability/gri/</a> (in Japanese) <ul style="list-style-type: none"> <li>• "Environmental Reporting Guidelines (2018)" by the Ministry of the Environment</li> <li>• Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)</li> </ul>
<b>Report reliability</b>	Some environmental information in this report has been assured by third party institutions to ensure objective reliability.
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# CEO Message



and grows through various learning experiences, our human capital will be strengthened, enabling us to create a happier company. For me, the core of sustainability management is the unwavering commitment to continuous investment in human capital, starting with employee education, for future benefits. If we can further embed the concept of sustainability within the company, each employee will think more deeply about what actions lead to sustainability, engage with existing and new businesses with an eye to the future, and make optimal decisions autonomously on the front lines. When a company becomes a happy workplace, employees naturally want their own children to join as well. To ensure the company thrives for another 100 years and beyond, I'm hoping every employee uses the standard: "Would I want my own child, or my relative, or my close friend to work here?" If I reach retirement in five years, but if my child were to join as a new graduate, they would work together here for about 40 years. Making the workplace better from this medium- to long-term perspective will lead us into the next 100 years.

## Valuing face-to-face local business while leveraging the advantages of being a listed company

Our main business is in the core energy industry, where there's little variation in product content or quality. We serve the daily lives of people in each community, operating on the same field as local companies. As a listed company with diverse businesses nationwide, we leverage our strengths to provide value-added products and services – such as our network reach and pricing – that local companies cannot, making us the preferred choice for customers. However, since we operate close to our customers' daily lives, we cannot afford to be arrogant, or we will lose their trust. We must see things from our customers' perspective and

remain humble; otherwise, we risk losing them. That is why we value integrating into and coexisting with local communities. Our Group maintains the stance of "always being here," "listening to your voices," and "providing reassurance through face-to-face interaction." Like the picture book "Swimmy," a large school of small fish comes together to form a large group company. The efficiency gained through scale is reflected in employee treatment, so we can offer a more comfortable working environment than other local companies.

While work style diversification has been promoted in recent years, we have long offered diverse work style options, as we operate both nationwide and within local communities. For example, we have accommodated requests such as "I want to work in Saitama because I live there," "I want to move to Kansai," or "I want to transfer around the country." We also have a "hometown personnel" system, allowing employees to return to Tohoku upon reaching a certain position or to Nagoya at age 50. We offer a wide range of job types – sales, administration, logistics, and more – providing a foundation that accommodates diverse talents. Different work styles bring different values. While sharing our management philosophy and goals, we aim to build an attractive organization that embraces and includes diverse work styles.

## Launching internal awareness activities to achieve planetary health

I recently learned from the news that the 2023 catch of Japanese flying squid has dropped to just 3% of its peak. This is due not only to overfishing, but also to drastic changes in their habitat due to sea temperatures from global warming, resulting in eggs not hatching or juveniles not surviving. This is clearly a negative impact on the food

chain caused by humans – a form of ecosystem destruction. The world population, which was 3 billion in 1960, surpassed 8 billion in 2022. It is projected to reach 9 billion around 2037 and 10 billion around 2058. Such a rapid increase in population is indubitably having a negative impact on the health of the planet. At this rate, humanity may have to relocate to Mars in 100 years.

The key theme I would like to focus on here is "planetary health." This concept explores the mechanism by which the health of the planet and human health mutually influence each other. We are an operating company, but I believe we should take the lead in such initiatives. I want to make our company one where every employee can speak about what planetary health means. The first step is to make "what do you know about planetary health?" a common topic in every day conversation – at lunch, after-work gathering, or casual chats around the watercooler. As awareness of "planetary health" spreads, all divisions will begin to balance both planetary and human health in their business activities. As the saying goes, "good causes bring good results" – positive actions create a positive cycle. Conversely, "bad causes bring bad results" – negative actions trigger negative chains, resulting in a vicious cycle. I believe this is the fundamental principle of planetary health. If balance is lost anywhere on the Earth, it can spread like a domino effect. Currently these negative effects have spread throughout the entire planet. We need to stop the domino effect at an early stage, and start a chain of positive actions. In the past, a TV commercial encouraged people to "do one good deed a day." If each of us takes even one positive action daily, the Earth will gradually move toward better health.

In 2002, when I first spoke in front of our employees, my message was simple: "Don't step over litter." I remember saying that while many people pick up litter when others are watching, I want to be the kind of person who picks it up

even when no one is looking. Hearing terms like SDGs and ESG often brings to mind large-scale themes like forest preservation, marine pollution prevention, water resource conservation, and biodiversity conservation, but it's also important to focus on simple, everyday actions we can take and sustain without stress. In the past, cigarette butts and discarded chewing gum were common sights on the roads, but now they are rarely seen. Garbage sorting, which was introduced at one point, has now become a routine practice that people continue effortlessly. I believe the quickest path to planetary health is to start with small good actions, make them routine, and eventually build circular economies and sustainable business models.

Since our company mainly handles fossil fuels like coal, oil, and gas, the good actions we can take right now are to avoid waste, use resources fully, and choose low-carbon options whenever possible. Working with relevant organizations and partners to collect and reuse iron from gas cylinders, we can help establish a recycling-oriented business model. In the food division, this means producing, transporting, and preparing food in environmentally friendly ways and working to eliminate food waste.

Looking ahead, I hope we can also pursue businesses that directly improve the global environment from a new perspective, such as soil improvement using beneficial microorganisms. Going forward, our policy is to accelerate, not slow down, investments that benefit planetary health. One example is the cultivation of coffee beans. We have developed Smart Greenhouses equipped with the latest remote monitoring and control systems. By using LPG as an energy source, these greenhouses help reduce CO<sub>2</sub> emissions by moving away from heavy oil. This initiative brings not only environmental benefits but also social impacts. Many greenhouse farms are family-run and face challenges such as labor shortages and succession issues. Improving operation efficiency is also urgent, so by

supporting both existing and new farmers, we aim to support agriculture and foster coexistence with local communities.

## Establishing a Sustainability Committee to further advance sustainability management

In FY2024, we established the Sustainability Committee as part of our efforts to strengthen the structure for promoting sustainability management. Even a snowman begins with a core about the size of a fist. At first, rolling the snowball doesn't make it much bigger, but once it reaches a certain size, it quickly grows larger. The Sustainability Committee serves as the core that gets our sustainability management "snowball" rolling. Just as with the "One Hundred Sacks of Rice" story, human resources development is indispensable in order to thoroughly instill the reasons for pursuing sustainability management and planetary health among employees and group members nationwide. We are willing to invest whatever is necessary to align everyone's mindset. I encourage everyone to make full use of tools like e-learning to see how much we can maximize the capabilities of our entire workforce. I expect the Sustainability Committee to focus on this area for the time being, while working in tandem with our businesses as two wheels driving concrete progress.

## Why we focus on KENKO Investment for Health among the six materiality items

Our Group practices sustainability management based on six materiality items: 1) Contribution to the environment, 2) Contribution to local communities, 3) Thorough compliance, 4) Enhancement of safety and disaster response measures, 5)

KENKO Investment for Health, and 6) Promotion of diversity. Contributions to the environment and local communities are addressed at the company and division level. For compliance, we maintain effective and appropriate internal controls, and uphold our legal compliance system through a variety of initiatives. Regarding safety and disaster response, we continuously implement measures based on the premise that natural disasters are inevitable in Japan. To promote diversity, we foster a corporate culture that embraces diversity as a strength, creating an organization that is not constrained by factors such as employment type, nationality, gender, age, religion, or career stage – whether new graduate or mid-career.

Among these six materiality items, I am currently placing particular emphasis on KENKO Investment for Health. Even if there is only one employee in a given area, that employee represents and embodies our company's reputation. If an employee appears unhealthy, it leaves a poor impression on customers. For this reason, I want all employees to maintain both mental and physical health, so that people will say "That's Mitsuuroko quality." Until now, we have promoted basic measures like health checkups, quitting smoking, and walking, but I hope to offer more personalized, tailored health support for each individual employee. I want to create an environment where anyone who joins Mitsuuroko Group and receives an employee number can feel completely secure – about their health and welfare. We aim to create a system where the company supports anyone who has health concerns until their concerns are resolved, so everyone can work here with peace of mind. We set quantitative targets (KPIs) for each of the six materiality items to manage progress and evaluate activities. If any of these are fully achieved or firmly established, we can consolidate or update them as needed. As new challenges arise, we will regularly review our materiality items, continue creating new value with

## CEO Message

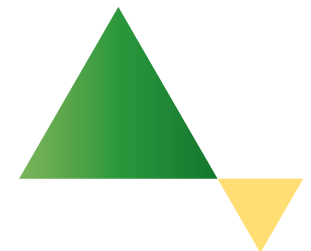
diverse stakeholders, and contribute to the building of a sustainable society.

### Enhancing stakeholder engagement through participatory initiatives

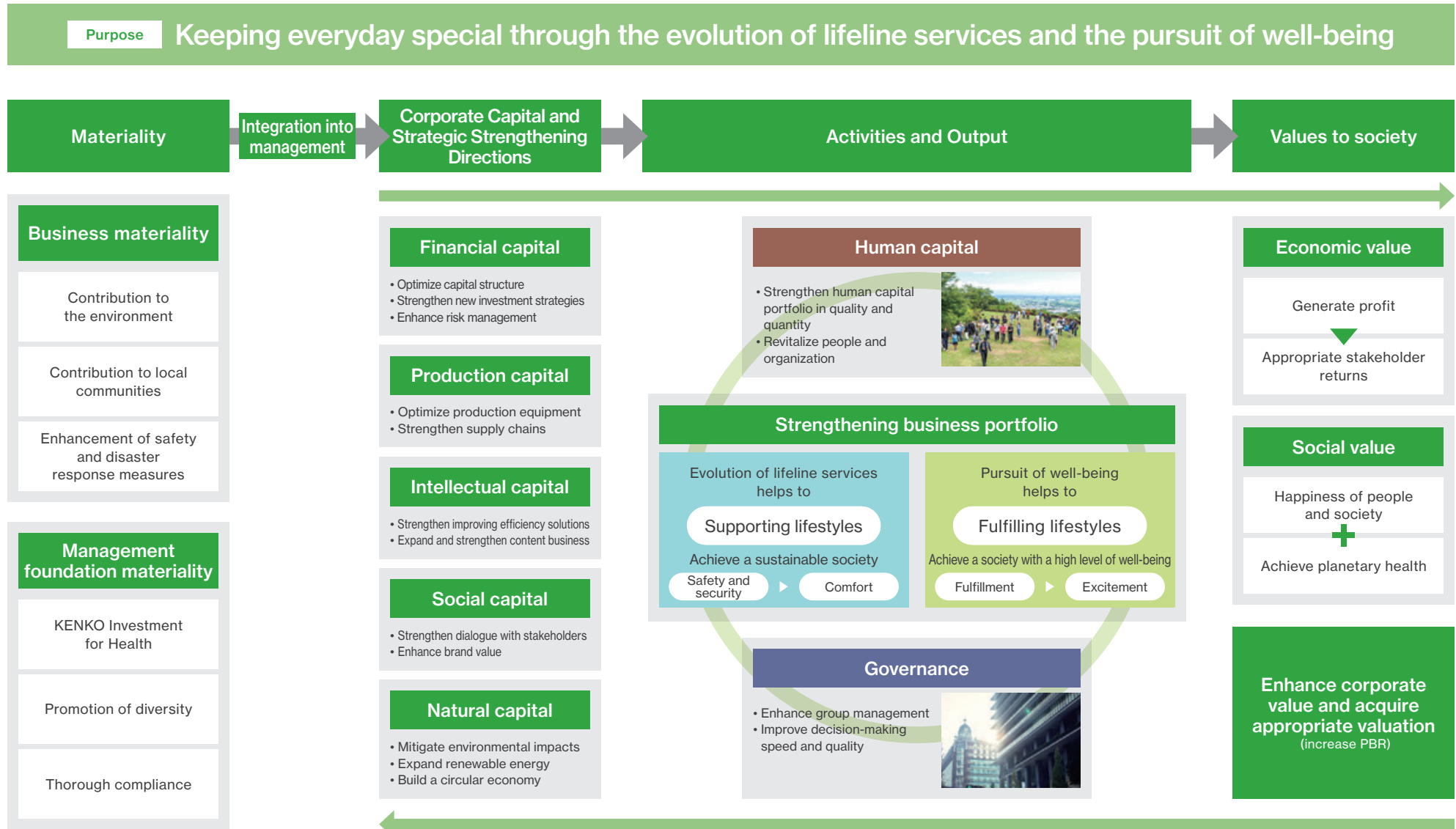
Our Group has been selected as a constituent of the FTSE Blossom Japan Sector Relative Index, an ESG index. I believe that most investors base their evaluations and decisions on the information we disclose, so we will continue to focus on providing comprehensive and transparent disclosures.

To strengthen engagement with stakeholders, we plan to offer participatory programs and events. For example, we will increase opportunities for stakeholders to experience our business first-hand – such as tours of our coffee farms or Mitsuuroko Foods factories – so they can gain a deeper understanding of our Group. Although still in the planning stage, we hope to start by working with our business partners to plant trees with high carbon absorption capabilities. Like personal bottles of shochu or whiskey at bars, we plan to attach name tags with company names to each planted tree, measure annual CO<sub>2</sub> reduction with monitoring devices, and publicly share each company's contributions.

Both sustainability management and planetary health require someone to take the first step – without action, they cannot be realized. Furthermore, both good and bad actions are contagious – a single person's action can influence the behavior of all 8 billion people worldwide. Our Group will promote sustainability management, beginning with the Sustainability Committee, and will launch initiatives focused on planetary health. As a Lifestyle Producer, we will continue to help realize an environmentally friendly and sustainable society.



# Value Creation Process



# Key Management Capital

## Driving Group's Growth and New Value Creation through the Integration of Management Capital

### Production Capital

Playing a role as part of the community's lifeline and supporting the lives of our customers

Mitsuroko Group's production capital comprises essential foundations that support our business activities, including energy supply infrastructure, logistics networks, and production sites for the bottled water business. By further enhancing productivity, we continue to play a vital role in supporting regional lifelines.

### Social capital

Good relationships with all stakeholders, including business partners, local communities, shareholders, investors, and employees

Mitsuroko Group leverages the diverse networks and trust it has built with stakeholders over many years to contribute to the realization of a sustainable society, while further strengthening collaboration with local communities.

### Financial Capital

A solid financial foundation and disciplined capital allocation, including investment and M&A, to drive value creation

Mitsuroko Group's financial capital supports long-term growth through stable revenue structures and diverse funding sources. This enables us to invest in businesses, pursue new growth areas, and strengthen and expand our business portfolio.

### Intellectual Capital

Contributing to a sustainable society and creating new businesses

Mitsuroko Group's competitive advantage lies in the expertise and technological innovation it has developed in the fields of energy supply and lifestyle infrastructure. By further enhancing operational efficiency and advancing digital transformation, we create new solutions that meet the evolving needs of our customers.

### Natural Capital

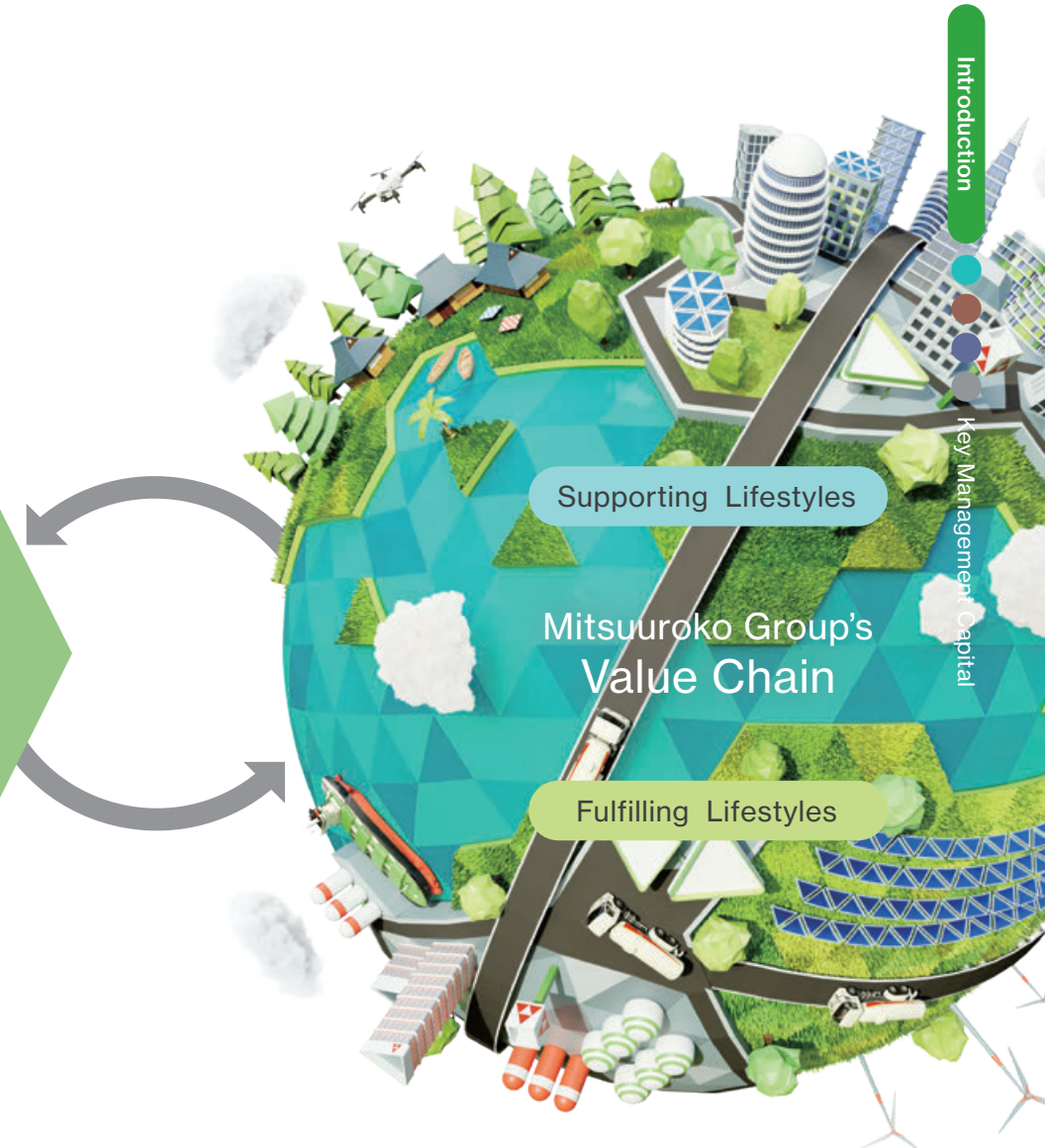
Contributing to a sustainable society and the conservation of nature through our business activities

To address climate change, Mitsuroko Group actively promotes the supply of sustainable energy and achieving carbon neutrality. We work to reduce environmental impact by expanding the use of renewable energy and introducing energy-saving technologies.

### Human Capital

A diverse workforce that delivers better services to customers in an increasingly diverse society

Mitsuroko Group's business growth is driven by the growth and performance of each and every employee. We promote DE&I (Diversity, Equity & Inclusion), foster an environment in which diverse talent can thrive, and support continuous upskilling and reskilling to enable employees to further develop their capabilities.





### **For the next 100 years – long-term vision (direction of evolution)**

In 2026, Mitsuuroko Group marks its 100th anniversary since establishment. While maintaining energy-related businesses rooted in our founding as our core, we have become a diversified corporate group operating in the Power & Electricity Business, Foods Business, Living & Wellness Business, and Overseas Business.

I believe these businesses are the embodiment of our ongoing endeavors to create value based on our management philosophy, “A Lifestyle Producer,” and our desire to support the diverse lifestyles of many people in various situations.

As we face the “next 100 years,” our basic stance of identifying and providing exactly what society needs, with the highest quality, will remain unchanged. What sets Mitsuuroko Group apart is our commitment to “keeping everyday special through the evolution of lifeline services and the pursuit of well-being.”

The current businesses can be broadly grouped as

## **Message from the Chairperson of the Sustainability Committee**

# **Mitsuuroko Group’s evolution into a company that creates new social value**

Senior Managing Officer and CSO

**Terufumi Shimizu**

“businesses that support everyday life” and “businesses that enrich everyday life.” Going forward, I believe the former should evolve from ensuring safety and security to delivering comfort, while the latter should evolve from fulfilling daily needs to inspiring and delighting people.

I believe that this direction of evolution will lead Mitsuuroko Group to create new value.

### **Toward deeper sustainability management – contribution to planetary health**

Mitsuuroko Group has identified six materiality items, determined initiatives for each business area, set numerical targets, and continues to work toward solving key issues.

These activities must realize both social value and economic value, and as a Group engaged in a wide range of social infrastructure businesses, we see this an area where we can truly leverage our unique strengths.

Furthermore, our activities to address each materiality must be balanced and not conflict with one another. To guide this, we are newly introducing “contribution to planetary health” as a core principle.

Planetary health is a concept based on the notion that the health of the global environment and human health are interdependent. Currently, various countries and organizations are working to implement this concept into society.

Within our Group as well, I believe this concept should always be considered as a guideline when putting our management philosophy, “A Lifestyle Producer,” into practice. Moreover, it will serve as a major direction as we advance our Group’s sustainability management into a new phase.

The Sustainability Committee has formed the Planetary Health Project as a foundation to embed the concept of planetary health within our Group and support the initial stages of its implementation in society.

## Message from the Chairperson of the Sustainability Committee

### Planetary health project – proof of concept

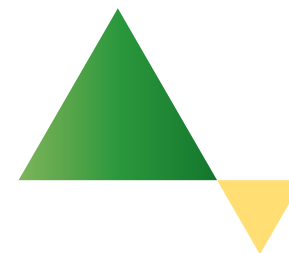
As the first initiative of the Planetary Health Project, we are conducting a proof of concept in Fujioka City, Gunma – closely associated with our founder – to explore methods for achieving both “planetary health” and “human health,” and to verify their effectiveness. This activity is being carried out with the cooperation of external companies that have focused on planetary health, as well as strong support from the teachers and students at agricultural high schools in Fujioka City. This initiative truly embodies collaboration among

industry, academia, and government, and serves as a model for accelerating the social implementation of planetary health that our project aims to achieve. We intend to expand such efforts to various regions in the future.

The materiality selected by our Group will be appropriately updated according to the progress of issue resolution and changes in the external environment, and the measures we take will continue to diversify.

In this situation, as a Lifestyle Producer that provides new value to society, we will continue to expand initiatives to realize planetary health and remain committed to building a sustainable society where people can continue to enjoy healthy fulfilling lifestyles.

## Planetary Health Project



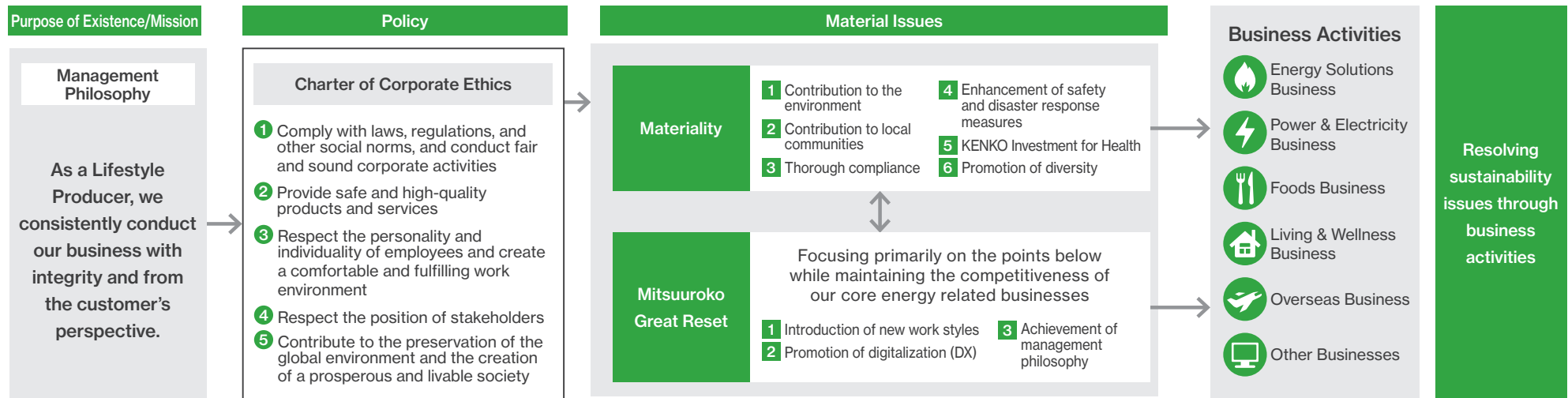
# Sustainability Promotion Framework

## Sustainability management promotion

Mitsuuoko Group upholds the management philosophy: "As a Lifestyle Producer, we consistently conduct our business with integrity and from the customer's perspective." We aim to enhance lifestyle-related services centered on energy.

Beyond continually expanding new services from the consumer's perspective, we will continue contributing to global environmental conservation by utilizing renewable energy and promoting the installation of energy-saving housing equipment.

For energy products in particular, we will keep strengthening safety measures to ensure "safety and security" remain our top priority, while emphasizing compliance in our business activities and fulfilling our corporate social responsibility.



## Materiality

To continue creating new value with our diverse stakeholders as well as to contribute to more fulfilling lifestyles and the prosperity of society, Mitsuuoko Group has identified six material issues (materiality) prioritized from among all social issues, taking into consideration the business of the Company within its long-term vision.



# Sustainability Promotion Framework

## “Mitsuroko Great Reset”

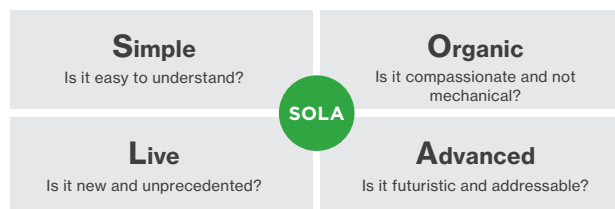
Up to now, Mitsuroko Group has continued to take up challenges without fear of failure while sensing changes in society and our customers' needs and changing ourselves as we look ahead to the future.

Our mission is to build on our efforts to fulfill lifestyles, bring joy to our customers, and bring smiles to people's faces in order to pave the way for the future, and we believe that this mission is achievable.

We operate amidst persistent and unprecedented changes with respect to the social landscape and business environment. Under these circumstances, we are called on to become a truly environmentally adaptive enterprise to ensure that we continue to achieve sustainable business growth going forward.

## Keyword: “SOLA”

SOLA is an acronym for Simple, Organic, Live, and Advanced. While adding a new perspective to SOLA, we will work to improve the self-purification capabilities of our businesses, organizations, and thinking with the aim of revitalization and sustainable growth to transform Mitsuroko Group into a stronger, more appealing company starting with these four concepts.



We are determined to reassess and revamp every aspect of our operations to achieve our vision of Mitsuroko Group, which we established by making Mitsuroko Great Reset the focus of our basic policy and action plan, under which we seek to persistently furnish people worldwide with value distinctive to Mitsuroko Group while adhering to our management philosophy.

### 1 Introduction of new work styles

We will introduce new work styles that improve employee health, employee and workplace safety, communication, productivity, and functionality while also fully reflecting the concept of “newness.”

### 2 Promotion of digitalization (digital transformation [DX])

Through digitalization or digital transformation (DX) that is not an extension of past customs or the old way of doing things, we will manage and save time, streamline, and accelerate office work, and upgrade our operations to realize new work styles through DX and improved customer satisfaction.

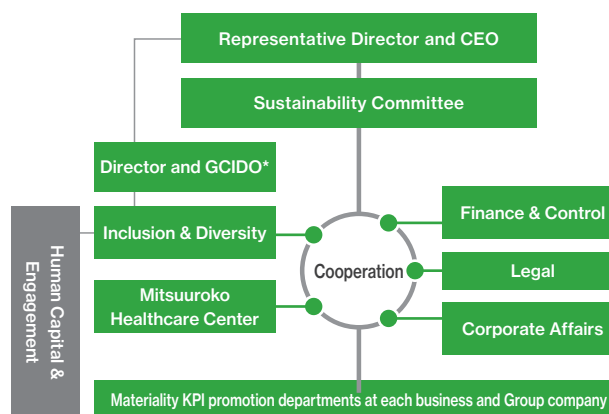
### 3 Achievement of management philosophy

**As a Lifestyle Producer, we consistently conduct our business with integrity and from the customer's perspective.**

A Lifestyle Producer

Every Day, Special !

## Sustainability promotion framework



\* Global Chief Inclusion, Diversity Officer

## Internal sustainability training

Sustainability training (introduction to ESG) via e-learning is provided for full-time Group employees to acquire knowledge on ESG and foster literacy.

# Identification and Review of Materiality

Mitsui Group considers “contributing to the creation of a sustainable society” to be one of its key management strategies. From a long-term ESG perspective on the Group’s businesses, we have identified six materiality items by evaluating a wide range of social issues to determine which ones management should prioritize. By setting quantitative targets and target years for each materiality item and aiming to achieve them, we continue to create new value with our diverse stakeholders and contribute to the creation of a sustainable society.

## Materiality Identification and Review Process

<p>≡ STEP 1 ≡ <b>Identify social issues to be considered</b></p>	<p>Extract social issues from the Sustainable Development Goals (SDGs) targets and from the “Global Risks” in The Global Risks Report 2021*, then comprehensively review them to identify the social issues that should be considered.</p> <p><small>* A report published at the World Economic Forum’s Annual Meeting (also known as the Davos Forum). This report presents the “Global Risks” – risks with a high likelihood of occurrence and significant negative impact over the next ten years – based on survey responses from stakeholders in governments, businesses, and civil society worldwide.</small></p>
<p>≡ STEP 2 ≡ <b>Evaluate importance to stakeholders</b></p>	<p>Evaluate the importance of social issues to stakeholders based on the significance assigned by ESG rating agencies and the social issues prioritized by client companies.</p>
<p>≡ STEP 3 ≡ <b>Evaluate importance to the Group</b></p>	<p>Assess the importance of social issues by examining the opportunities and risks they pose to the entire Group and to individual business.</p>
<p>≡ STEP 4 ≡ <b>Identify Group materiality</b></p>	<p>After conducting a two-axes evaluation of “importance to stakeholders” and “importance to the Group,” discuss and determine the priorities at the Board of Directors meeting and identify six materiality items.</p> <div data-bbox="1218 1129 2074 1318"> <p><b>Issues recognized but not designated as priority materiality items</b></p> <ul style="list-style-type: none"> <li>• Promotion of innovation</li> <li>• Promotion of business activities with sustainability in mind</li> <li>• Prevention of pollution by hazardous chemicals</li> <li>• Efficient use of sustainable natural resources</li> <li>• Improvement of energy efficiency</li> <li>• Development of diverse human resources</li> </ul> </div>
<p>≡ STEP 5 ≡ <b>Set and review KPIs for materiality</b></p>	<p>For the identified materiality items, set KPIs along with their target values and target years, manage progress, evaluate activities, and regularly report the results to the Board of Directors as well as disclose them in the Sustainability Report.</p>

# Identification and Review of Materiality

## Materiality of Mitsuuroko Group



**1** Contribution to the environment

Mitsuuroko Group recognizes that it benefits from the Earth's resources essential to its business activities and acknowledges its responsibility to help preserve and improve the global environment. Mitsuuroko Group exists to contribute to a better society through its daily operations and prioritizes proactive initiatives to address social challenges. To tackle the global challenge of climate change, Mitsuuroko Group is committed to reducing CO<sub>2</sub> emissions from its operations and from customers' use of its products and services, while enhancing energy efficiency, with the goal of achieving carbon neutrality by FY2050.



**2** Contribution to local communities

Mitsuuroko Group's business has long been supported by a wide range of stakeholders. Among them, local communities are an essential part of our foundation. Mitsuuroko Group has built lasting trust with local communities not only through business ties but also by engaging in activities such as community cleanups, charity initiatives, and sports events. As a responsible corporate citizen, Mitsuuroko Group is committed to doing everything it can – no matter how small – to contribute to local communities and achieve mutual growth and prosperity.



**3** Thorough compliance

Mitsuuroko Group's management philosophy emphasizes conducting business with integrity and a customer-first approach, while strongly advocating legal compliance in all management and operational activities. We uphold a robust legal compliance framework by maintaining effective internal controls and implementing measures such as comprehensive compliance training, creating original videos on misconduct cases, and requiring employees to carry compliance cards. Looking ahead, we remain committed to ethical and transparent management, guided by strong corporate social responsibility principles.



**4** Enhancement of safety and disaster response measures

Safety is a fundamental priority across all businesses promoted by Mitsuuroko Group. As energy-related products form the core of our operations and are essential to everyday life, Mitsuuroko Group's mission is to contribute to society by ensuring a stable energy supply and delivering safe, reliable, and timely logistics services. Drawing on lessons from the Great East Japan Earthquake and the growing impact of large-scale natural disasters – such as typhoons, floods, and heat waves – Mitsuuroko Group recognizes the critical importance of disaster preparedness and is committed to strengthening prevention measures, support systems, and business continuity plans (BCP).



**5** KENKO Investment for Health

Mitsuuroko Group believes its human resources are its greatest asset and views employee health management – essential to future growth – as a key management priority. Guided by the "Mitsuuroko Group Healthcare Declaration," we respect the diverse life stages of each employee and support their proactive, self-directed health management through various initiatives and information sharing. As a leader in KENKO Investment for Health, Mitsuuroko Group will continue to strengthen initiatives that promote physical and mental well-being, prevent illness, and encourage work styles aligned with the new normal, including measures to address infectious diseases.



**6** Promotion of diversity

Mitsuuroko Group has grown as an "environmentally adaptive enterprise," responding to the needs of the times and embracing a philosophy of continuous evolution. Looking ahead, we aim not only to adapt to change but to proactively shape and create new, better environments that drive sustainable growth. It is therefore essential that Mitsuuroko Group fosters a corporate culture that embraces diversity as a strength, creating an organization that is not constrained by factors such as employment type, nationality, gender, age, religion, or career stage – whether new graduate or mid-career. Mitsuuroko Group aspires to shape a new era by being "an enterprise that creates favorable cycle" and "seeking continuous change."

# Materiality & KPIs

## Group-wide KPIs, targets, and progress against materiality

Materiality	Mitsuroko Group indicators				FY2022 performance	FY2023 performance	FY2024 performance (up to the end of February)
	KPI	Quantitative target	Target year				
1 Contribution to the environment	1 Reduction of Scope 3 (customer) <sup>*3</sup> CO <sub>2</sub> emissions Contribution to improved energy efficiency	Customers' CO <sub>2</sub> emissions reduction rate			-5.4% <sup>*6</sup>	-3.7% <sup>*6</sup>	— * Aggregated in FY2025
	2 Reduction of Scopes 1 and 2 (the Company) <sup>*1,2</sup> CO <sub>2</sub> emissions Contribution to improved energy efficiency	The Company's CO <sub>2</sub> emissions reduction rate	Carbon neutral <sup>*4</sup>	FY2050	+47.4% <sup>*6</sup>	-6.8% <sup>*6</sup>	— * Aggregated in FY2025
2 Contribution to local communities	Increase the number of locations with the Christel Vie Ensemble Foundation donation boxes	Increase from 11 locations (the number of locations in 2021)			Decrease of 1 location (total of 8 locations) * Due to closing of a store	Increase of 3 locations (total of 11 locations)	Decrease of 2 locations (total of 9 locations) * Due to closing of stores
	Contribution to local communities and society (community cleanups, etc.)	—	Each year		Cancelled * Due to prioritizing prevention of the spread of COVID-19	2	2
3 Thorough compliance	Number of IT compliance training sessions	Once a year (for all employees)			1	1	2
	Number of harassment training sessions	Once a year (for all employees)	Each year		1	1	1
	Number of training sessions on human rights	Once a year (for all employees)			1	1	1
4 Enhancement of safety and disaster response measures	Number of drills conducted in relation to confirmation of safety	Twice a year (for all employees)	Each year		2	2	2

\* The "—" symbol indicates a qualitative target.  
\*1 Scope 1: Direct emissions caused by the business operator itself

\*2 Scope 2: Indirect emissions caused by the use of electricity, and heat and steam supplied by other companies  
\*3 Scope 3: Indirect emissions other than Scopes 1 and 2 (upstream and downstream of supply chain)

\*4 Carbon neutral: Virtually zero emissions, calculated by subtracting the amount absorbed by plants, etc. from CO<sub>2</sub> emissions

\*5 For training related to "Promotion of diversity," we plan to change the theme of training on a yearly basis.  
\*6 Changes from the previous fiscal year in CO<sub>2</sub> emissions (See pages 35-36 for information on the calculation standard of CO<sub>2</sub> emissions)

# Materiality & KPIs

Materiality	Mitsuuroko Group indicators			FY2024 performance (as of the end of February 2025)		
	KPIs	Quantitative target	Target year	FY2022 performance	FY2023 performance	
5 KENKO Investment for Health	participation in regular health check-ups	Continue 100% (all employees)	Each year	100%	100%	100%
	Rate of taking thorough examinations	90% (ratio to all employees)		88.7%	100%	100%
	Rate of maintaining proper weight	80% (ratio to all employees)		52.9%	58.9%	62.2%
	Rate of undergoing stress checks	100% (ratio to all employees)	FY2023	100%	100%	100%
	Rate of smoker	18% (ratio to all employees)		31.5%	32.0%	30.6%
	Rate of regular exercise	40% (ratio to all employees)		27.1%	24.4%	29.8%
6 Promotion of diversity* <sup>5</sup>	Rate of parental leave taken	Continue 100% of female employees 35% of male employees	Each year, FY2025	100% of female employees 16.1% of male employees	100% of female employees 50% of male employees	– * Aggregated in FY2025
	Percentage of female employees	33%		27.4%	28.2%	29.7% * As of September 30, 2024
	Percentage of female managers	11%	FY2027	6.9%	9.0%	10.9% * As of September 30, 2024
	Number of diversity training sessions	Once a year (for all employees)		1	1	1
	Number of career seminars sessions	Once a year (for female employees in their late 20s)	FY2024	2 * Seminars were held in November for young male and female employees (26-28 years old) and for young female employees (29-33 years old) in December.	2 * Seminars were held in July for young male and female employees (26 years old) and for young female employees (29 years old) in September.	2 * Seminars were held in September and November for young male and female employees (26 years old), and once every month from October for young female employees (28 and 29 years old)
	Number of maternity leave and parental leave training sessions	Once a year (for managers)		1	1 * Held for all employees	1 * Held for managers

\* The "–" symbol indicates a qualitative target.  
\*1 Scope 1: Direct emissions caused by the business operator itself

\*2 Scope 2: Indirect emissions caused by the use of electricity, and heat and steam supplied by other companies  
\*3 Scope 3: Indirect emissions other than Scopes 1 and 2 (upstream and downstream of supply chain)

\*4 Carbon neutral: Virtually zero emissions, calculated by subtracting the amount absorbed by plants, etc. from CO<sub>2</sub> emissions

\*5 For training related to "6 Promotion of diversity," we plan to change the theme of training on a yearly basis.  
\*6 Changes from the previous fiscal year in CO<sub>2</sub> emissions (See pages 35-36 for information on the calculation standard of CO<sub>2</sub> emissions)

# Carbon Neutral

## Topic

### Full-scale entry into the supply-demand adjustment market using grid storage battery systems

Mitsuuroko Green Energy Co., Ltd. owns grid storage batteries in Tahara-shi, Aichi, and Sendai-shi, Miyagi, as part of efforts toward promoting the widespread uptake of renewable energy as a main power source and to stabilize the power grid.



At the storage station in Tahara-shi, storage batteries are installed by utilizing the interconnection lines that became available for connection following the removal of deteriorated existing wind turbines, and the station is playing a role in the expansion of renewable energy by converting operations to sites where replacement is not possible.

## Mitsuuroko Group's contribution to the environment

Mitsuuroko Group is aware that it receives various benefits from the Earth, including the resources necessary for its business activities, and that it is its responsibility to persevere and improve the global environment. The purpose of Mitsuuroko Group's existence is to build a better society through its daily business activities, and it places utmost importance on making proactive efforts to solve social issues. As measures to address climate change, which is a common challenge facing the world, Mitsuuroko Group is working to reduce the CO<sub>2</sub> emissions from its business activities and those from its customers' use of products and services, as well as contribute to the improvement of energy efficiency, aiming to achieve carbon neutrality by FY2050.

## The Company's CO<sub>2</sub> emissions reduction rate

FY2050 target

**Carbon neutral**

## Customer's CO<sub>2</sub> emissions reduction rate

FY2050 target

**Carbon neutral**

\* Carbon neutral: Virtually zero emissions, calculated by subtracting the amount absorbed by plants, etc. from CO<sub>2</sub> emissions

# Human Capital Management

## Maximize the value of every employee to enhance corporate value

Understanding that human resources are our greatest asset, Mitsuuroko Group considers the health management of employees, who are the source of its future growth as an important management priority. Based on the “Mitsuuroko Group Healthcare Declaration,” it respects the fact that each individual faces a variety of life stages, and supports employees in autonomously and proactively managing their health through a variety of initiatives and information dissemination. As a leading company in KENKO Investment for Health, it will continue to provide support and engage in even more comprehensive initiatives through physical and mental health promotion to prevent illnesses, and promote work styles aligned with the new normal, including those that address the COVID-19 pandemic.

Percentage of female managers

FY2027 target

**11%**

participation in regular health check-ups

Yearly target

**Continue 100%**  
(all employees)

Diversity, Equity & Inclusion → [P69](#)



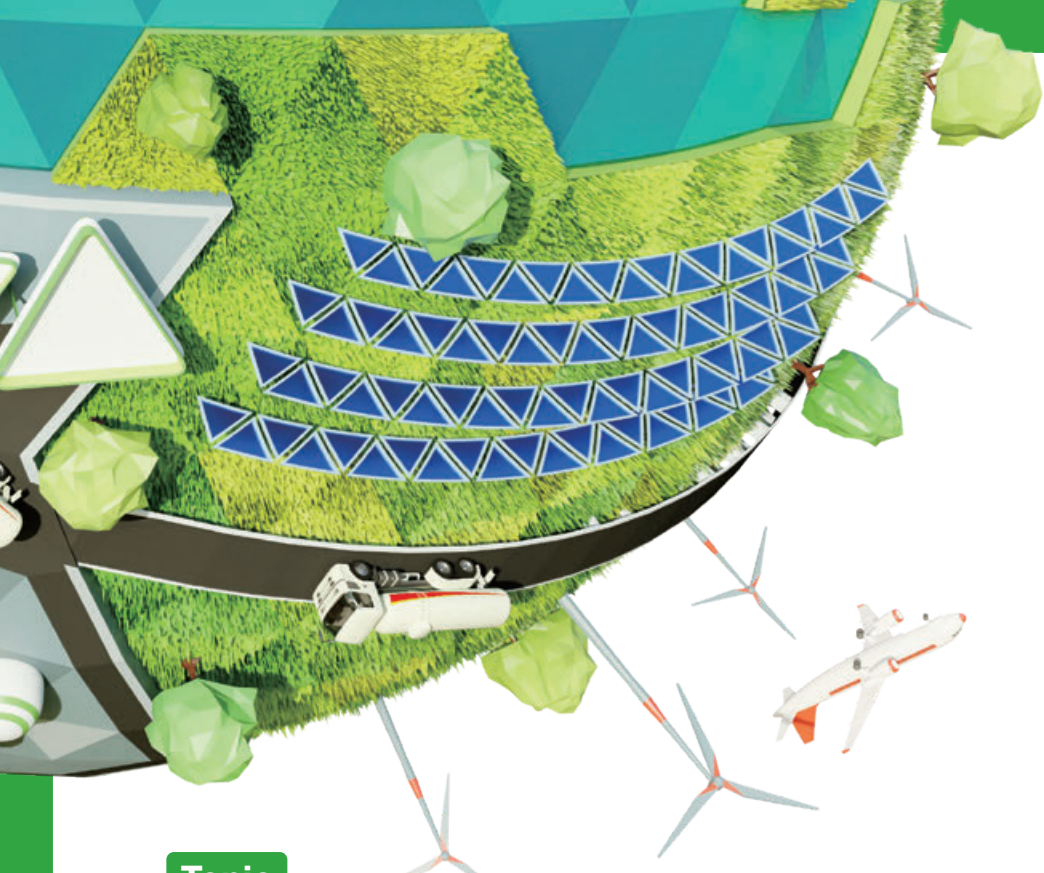
### Topic

## Promotion of diversity

Mitsuuroko Group has grown as an “environmentally adaptive enterprise,” engaging in what the times demand, and has embraced the philosophy of evolving with the times. Moving forward, it should not merely adapt to the



environment reactively, but proactively propose and create new and better environments to achieve sustainable growth. It is therefore essential that Mitsuuroko Group fosters a corporate culture that embraces diversity as a strength, creating an organization that is not constrained by factors such as employment type, nationality, gender, age, religion, or career stage – whether new graduate or mid-career. Mitsuuroko Group aspires to shape a new era by being “an enterprise that creates favorable cycle” and “seeking continuous change.”



2024 Highlights

# Safe and Stable Supply of Energy

## Ensuring a reliable energy supply

Safety is an indispensable element in the nature of all businesses Mitsui Group promotes. With its mainstay energy-related products directly rooted in our lifelines, Mitsui Group's mission is to contribute to society through the stable supply of energy as well as safe, reliable, and prompt logistics services. Considering the experience and lessons of the Great East Japan Earthquake and the impact of the increasing number of large-scale natural disasters in recent years, such as typhoons, floods, and heat waves, it recognizes the necessity and importance of disaster prevention and is committed to enhancing disaster prevention measures, support systems, and other measures including BCP.

### Topic

## National Mitsui Association "Mirai Project" started

In times of VUCA (Volatility, Uncertainty, Complexity, Ambiguity), uncertainty and volatility in particular pose a significant impact on business, which makes (1) Risk management, (2) Understanding IT technology and (3) Networking so crucial. To respond to such changes throughout the business environment and the times, our Energy Solutions Business will run a project with National Mitsui Association companies to develop a future business model together.

Under the catchphrase "Connecting Now for a Connected Future" via the National Mitsui Association, Energy Solutions Business will launch the "Mirai Project" to respond to

future changes occurring throughout the business environment, while addressing issues we are currently facing, such as carbon neutrality and correcting LPG business practices.

- Study all the possible changes in the business environment and their impact on existing business models from multiple angles, and examine how we need to transform ourselves for the future.
- Develop individual action plans encompassing lectures by various experts, introduction of the latest technologies, case studies and group discussions.
- Examine commercial products with potential for the future.



Stable Supply of Energy/Electricity → [P55](#)

# Coexistence and Shared Prosperity with Local Communities

## Contribution to local communities

The business operation of Mitsuuroko Group has been supported by many stakeholders until now. Among these stakeholders, local communities play an indispensable role. Mitsuuroko Group has traditionally fostered trust with local communities not only through business relationships but also by participating in community cleanups, charity initiatives, and sports events. Mitsuuroko Group aims to coexist and prosper together with these local communities by undertaking initiatives it can and should pursue as a responsible corporate citizen, no matter how small they may be.

### Topic

## Contribution to society through sports

We launched Mitsuuroko Women's Basketball Team in 2012, established the Swim Team in May 2021, and entered an affiliate contract with swimmer Katsuhiro Matsumoto in April 2022. In September 2023, we employed a swimmer as the first athlete employee of Mitsuuroko Group – two swimmers are currently working as athlete employees. The Company continues to make great strides based on the philosophy of contributing to the revitalization of the local community and promoting greater interaction through sports. Each member participates in competitions while working as an employee, fostering responsibility and attitude as a member of society, and working together with a

high level of awareness. Having active players around stimulates the employees who work with them, and for the players, having supportive people around them helps to foster a sense of unity among the employees, and the workplace is full of vitality. We have also entered affiliate contracts with professional golfers Shiho Kawasaki, Yuting Seki, Momoka Miura, Eimi Koga, and Airi Saito, as well as Yumi Sasahara from January 2024, and we will support these athletes as they pursue their dreams and contribute to the development of sports culture. We will continue to proactively engage in social contribution activities through sports in order to enhance the corporate value of the entire Mitsuuroko Group.



# Stakeholder Engagement

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## Basic approach

Guided by Mitsuuroko Group's Charter of Corporate Ethics, the Company conducts fair and sound corporate activities and seeks to contribute to the preservation of the global environment and the creation of a prosperous and livable society while respecting the positions of various stakeholders and maintaining positive relations with them. The Company constantly promotes reforms of its corporate governance practices to enable swift decision making, strengthen management supervision, and ensure transparency in our corporate activities. It also works to improve value for all stakeholders connected to Mitsuuroko Group by reforming the management structure and enhancing internal control systems.

## Promotion system

The Company has established Finance & Control and a team within it that is in charge of IR. The Director who serves as the Head of Finance & Control also serves as the Director in charge of IR and is responsible for IR. To ensure that many stakeholders understand the unique way in which the Group creates value, the Company proactively discloses information to shareholders through publications such as the Business Report (Integrated Report), Mitsuuroko Report (Shareholder Correspondence), and Sustainability Report, which contain not only financial information but also information on our business strategies and non-financial information. In addition, members of the IR team engage in dialogue with shareholders, holding individual meetings whenever possible upon request. Opinions and concerns raised by shareholders in the dialogue are then reported through the Head of Finance & Control to senior management and the Board of Directors. The Company also thoroughly ensures that no insider information is leaked when engaging in dialogue with shareholders.

## Dialogue with shareholders and investors

### Timely and appropriate disclosure of information

To ensure sound and highly transparent management and gain the understanding and trust of shareholders and investors, the Company places importance on proactively disclosing information in a manner that is “timely, fair, and consistent.” Via the Company's website and the Timely Disclosure Network (TDnet) of the Tokyo Stock Exchange, etc., the Company works proactively to make timely disclosures that include financial information and other information related to the Group. The Company also publicly discloses the “Management Policy and Strategy of Mitsuuroko Group” and “The Financial Strategy of Mitsuuroko Group” in the Business Report (Integrated Report), which is published every year. Mitsuuroko Group focuses efforts on publishing various reports, which represent important IR communication tools. In FY2024, it issued the Business Report (Integrated Report) once per year, the Mitsuuroko Report (Shareholder Correspondence) twice per year, and the Sustainability Report once per year. These publications, including past editions, can be accessed via the IR Library page on the Company's website.

### Initiatives for overseas investors

Since we are promoting the expansion of our global business, we expect the proportion of overseas investors in our Company to increase. Therefore, in the 113th Ordinary General Meeting of Shareholders held in June 2022, we introduced the electronic voting system platform. In addition, the Company is working to ensure our convocation notices and IR pages on the website are also available in English.

# Stakeholder Engagement

## Communication with employees

### Building good labor relations

The Company and unions build sound and positive relations based on mutual understanding and trust. The Company openly exchanges opinions on various management issues and labor conditions through regular labor-management consultations. The Company also provides an environment where staff who are non-union members, such as contract employees, part-time employees, or temporary staff can work with confidence, and it has entered into minimum wage agreements. Further, the Company respects the rights of workers at its overseas facilities, taking into consideration the legal and regulatory systems of the respective areas.

### Communication between the President and employees

The President visits each of the Company's departments and the workplaces of subsidiaries, exchanging opinions and ideas with on-site leaders. Along with posting messages from the President on the intranet, the Company also works to increase understanding throughout the Group through means such as publishing articles that explain the vision in the Business Report.

## Communication methods and means

Stakeholders	Main response	Examples of communication methods, means, and activities
Customers	Development and provision of safe and secure products and services	<ul style="list-style-type: none"> <li>Quality maintenance and improvement activities run primarily by the quality assurance department of each operating company</li> <li>Protection of personal information through stringent information security management</li> <li>Provision of value to remain close to our customers' lives through the Group business websites</li> <li>Daily business activities</li> <li>Provision of opportunities for participating in exhibitions and seminars</li> <li>Suggestions of environmentally friendly products and services</li> </ul>
	Creation of opportunities for customers to provide feedback on products and services	
	Co-creation and innovation in creating value for society	
Shareholders/ Investors	Disclosure of information on financial condition, explanation of status of business activities and plans of the Group	<ul style="list-style-type: none"> <li>General Meeting of Shareholders</li> <li>Business Report (Integrated Report), Mitsuuroko Report (Shareholder Correspondence), and Sustainability Report</li> <li>Disclosure of IR information on the corporate site</li> <li>Responding to surveys by ESG rating providers</li> </ul>
	Support for active participation of diverse human resources	
Employees	Sharing of various information within the Group	<ul style="list-style-type: none"> <li>Formulation of diversity, equity &amp; inclusion promotion policy</li> <li>Introduction of work-from-home system, support of telecommuting</li> <li>Enhancement of various types of training and career support</li> <li>Communication of the message from the President</li> <li>Communication and sharing of information via the intranet and groupware</li> <li>Publication of web company newsletters</li> <li>Various surveys of employees</li> <li>Opinion exchange through labor-management consultations</li> <li>Development of safety promotion system</li> <li>Stress checks</li> <li>Healthcare support, establishment of contact point for counselling</li> <li>Compliance hotline</li> </ul>
	Labor-management partnerships	
	Provision of occupational health and safety information, mental health measures	
Business partners	Establishment of relationships of trust and maintenance of sound and positive relations	<ul style="list-style-type: none"> <li>Declaration of Partnership Building</li> </ul>
Government authorities and local governments	Disaster prevention initiatives	<ul style="list-style-type: none"> <li>Participation in regional disaster prevention and fire fighting activities</li> <li>Acceptance of practical training from various organizations and schools</li> <li>Cooperation in surveys, including government statistical surveys</li> </ul>
	Provision of information to solve social issues and promote administrative policy	
Society and local communities	Understanding opinions and requests	<ul style="list-style-type: none"> <li>Establishment of inquiries and addressing concerns</li> <li>Activities to protect and nurture the forests around the water collection sites</li> <li>Support of basketball and swimming team activities, and professional affiliated athletes</li> <li>Participation in activities, exchange, and events with local communities</li> <li>Cleanup activities</li> <li>Fundraising activities for the Christel Vie Ensemble Foundation (Christel Foundation)</li> </ul>
	Protection activities of regional environments	
	Contribution to society through sports	
	Local community exchange	

### Communication with industry associations

Association	Main position served by officers of the Company, etc.
KEIDANREN (Japan Business Federation)	Member of the Policy Board
Japan L.P. Gas Sales Association	Director
Liquefied Petroleum Gas Center	Director
Japan Soft Drink Association	Director
The Mineral Water Association of Japan	Auditor

# External Recognition

## Selected as a constituent stock in the FTSE Blossom Japan Sector Relative Index

The Company has been selected as a constituent stock in the FTSE Blossom Japan Sector Relative Index, an ESG index. The FTSE Blossom Japan Sector Relative Index is a global ESG investment index developed by FTSE Russell, a subsidiary of the London Stock Exchange Group. This index draws on the performance of Japanese companies demonstrating relatively positive environmental, social and governance (ESG) practices in each sector, and is widely used for the creation and evaluation of sustainable investment funds and other financial products.



**FTSE Blossom  
Japan Sector  
Relative Index**

## Obtained certification as a KENKO Investment for Health Outstanding Organization 2025 (White 500)

In March 2025, for the sixth consecutive year, the Japan Health Council, in collaboration with the Ministry of Economy, Trade and Industry, recognized us as a “KENKO Investment for Health Outstanding Organization (White 500),” which honors companies and corporations that practice excellent KENKO Investment for Health.

Based on the “Mitsuuroko Group Charter of Corporate Ethics” and the “Mitsuuroko Group Healthcare Declaration,” the Group considers the support of the autonomous and proactive health management of employees as a management issue and is working to promote KENKO Investment for Health.



## Obtained certification as Sports Yell Company 2025

The Group was certified as a “Sports Yell Company” by the Japan Sports Agency for being a company that proactively took measures for athletics in order to enhance the health of all employees. (received Bronze Certification for the fifth consecutive year)

The Company supports the Sports Yell Company initiative and is actively cultivating a workplace culture that embraces sports, including continuing to host the “Online Walking Contest” in FY2024, where employees at our facilities in Japan competed by counting their steps using a smartphone app.



## Received a five-star rating from the Energy Conservation Communication Ranking System

For the third consecutive year from FY2022, Mitsuuroko Green Energy Co., Ltd. received the highest rating of five stars with a perfect score of 145 points as a retail electricity provider in the 2024 evaluation results of the “Energy Conservation Communication Ranking System” conducted by the Ministry of Economy, Trade and Industry and the Agency for Natural Resources and Energy. The purpose of this system is to evaluate and publicize the level of information and services provided by each provider for general consumers regarding energy efficiency and conservation and the status of their

efforts, so that general consumers can use the evaluation results as reference information when selecting an electricity or gas company, and to encourage further energy efficiency and conservation efforts based on the information provided for it.

Mitsuuroko Green Energy is actively working to provide useful information on energy efficiency and conservation to customers, share information on environmental issues and initiatives related to decarbonization through webinars and social media, and expand the use of demand response services to encourage power-saving.



**省エネコミュニケーション  
ランキング制度**



## External Recognition

### Registered as a Nagano SDGs-Promoting Company

The Nagano Office of Mitsuuroko Creative Solutions Co., Ltd. was registered as one of Nagano Prefecture's 17th Round of SDGs-Promoting Company Registrations

in July 2023. This was achieved through our understanding of this program as well as the public declaration of our specific efforts toward SDGs goals

#### Focused initiatives

##### 1 Promotion of women's participation and advancement in the workplace

Promotion of appointment of female managers, capacity building through various training

##### Benchmarks toward 2030

Percentage of female managers: 30%

##### 2 Comfortable working environments

Next-generation certification (Platinum Kurumin)  
Certification based on the Act on Promotion of Women's Participation and Advancement in the Workplace (Platinum Eruboshi)

##### Benchmarks toward 2030

Acquisition of Platinum Kurumin certification (Achieved)  
Acquisition of Platinum Eruboshi certification

##### 3 Contribution to CO<sub>2</sub> emissions reduction of service vehicles

Provision of automated meter reading services

##### Benchmarks toward 2030

CO<sub>2</sub> reduction effect through registration of a million facilities: 1,000 tons

#### Management policy toward SDGs

Mitsuuroko Group's management philosophy states that "as a Lifestyle Producer, we consistently conduct our business with integrity and from the customer's perspective," and the vision of Mitsuuroko Creative Solutions Co., Ltd. states that "we aim to create an environment where each one of us can grow while experiencing satisfaction, inspiration, and happiness." These goals are aligned with the SDGs, and we will contribute to achieving them by continually putting ourselves in the positions of various stakeholders, taking action, and embracing challenges.



Nagano Office, Mitsuuroko Creative Solutions Co., Ltd.  
<https://nagano-sdgs.com/company/2023/profile/>

### Received Yokohama Health Management Certification 2024 Class AA

Mitsuuroko Sports Co., Ltd. received Class AA certification under Yokohama Health Management Certification 2024, a program by the City of Yokohama to certify business sites that are engaged in health-focused management. The certification was based on the following criteria: develop a health-focused management promotion system, understand employee health issues, and implement initiatives in line with health issues.



### Received the highest rank of Platinum certification as a "Company Practicing Diverse Workstyles"

In June 2022, Mitsuuroko Creative Solutions Co., Ltd., as a company that has implemented diverse working styles in Saitama Prefecture, received the highest ranking of Platinum certification under the "Company Practicing Diverse Workstyles" certification system promoted by Saitama Prefecture.

We will continue to strive to create an environment in which each and every employee can work with vigor and satisfaction.





# E Environment

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At Mitsuuroko Group, we are developing a variety of businesses to realize a low-carbon society.  
By expanding our mainstay Energy Solutions Business and the Power & Electricity Business, which could become our next pillar, we will contribute to the realization of a low-carbon society.  
We believe that this is the role we can play as a corporate citizen.  
Mitsuuroko Group will continue to help each and every customer lead more fulfilling lifestyles while maintaining close stewardship of natural resources and the environment, for the sake of future generations and the Earth.

- Environmental Management → [P29](#)
- Environmental Risk Management → [P30](#)
- Climate Change Initiatives → [P31](#)
- Environmental Impact of the Value Chain → [P35](#)
- Response to Climate Change → [P37](#)
- Prevention of Environmental Pollution → [P47](#)
- Advancing Resource Circularity → [P48](#)
- Water Security → [P51](#)
- Biodiversity Conservation → [P52](#)

## Main target management indicators (KPIs)

Materiality	KPI	Quantitative target	Target year
Contribution to the environment	The Company's CO <sub>2</sub> emissions reduction rate	Carbon neutral*	FY2050 target
Contribution to the environment	Customers' CO <sub>2</sub> emissions reduction rate	Carbon neutral*	FY2050 target

\* Carbon neutral: Virtually zero emissions, calculated by subtracting the amount absorbed by plants, etc. from CO<sub>2</sub> emissions



# Environmental Management

## Basic approach

As a corporate group that is responsible for the supply of energy, Mitsuuroko Group works to appropriately identify the impact that its business activities have on climate change and natural capital. Furthermore, along with “environmental preservation” as set forth in the Charter of Corporate Ethics, the Group is working together on initiatives to realize a sustainable society.

### Charter of Corporate Ethics (extract)

#### Contribute to the preservation of the global environment and the creation of a prosperous and livable society

Mitsuuroko Group recognizes that it receives various benefits from the Earth, including the resources necessary for its business activities, and that it is the Group's responsibility to preserve and improve the global environment.

## Environmental policies

### 1 Compliance of environmental laws and regulations

Fulfill our social responsibility by complying with environmental laws, ordinances, and agreements.

### 2 Response to climate change

Reduce greenhouse gas emissions, promote the efficient and sustainable use of energy, and strive to develop and provide products and services that contribute to climate change mitigation and adaptation.

### 3 Prevention of environmental pollution

Strive to prevent and reduce the impact of environmental pollution from chemical substances and oil, reduce emissions of air pollutants, and reduce and properly dispose of toxic waste and wastewater.

### 4 Advancing resource circularity

Strive for sustainable use of resources (fossil fuels, minerals, food, plastics, plants and animals, etc.) in the supply chain of our business activities and products.

### 5 Conservation and effective use of water resources

Strive to reduce water consumption through efficient water usage and recycling, and to properly dispose water.

### 6 Biodiversity conservation

Recognize the benefits of ecosystem services, minimize their impact on biodiversity, and contribute to their conservation.

### 7 Disclosure of information and communication

Make active efforts to disclose information on the environment and promote communication with society.



# Environmental Risk Management

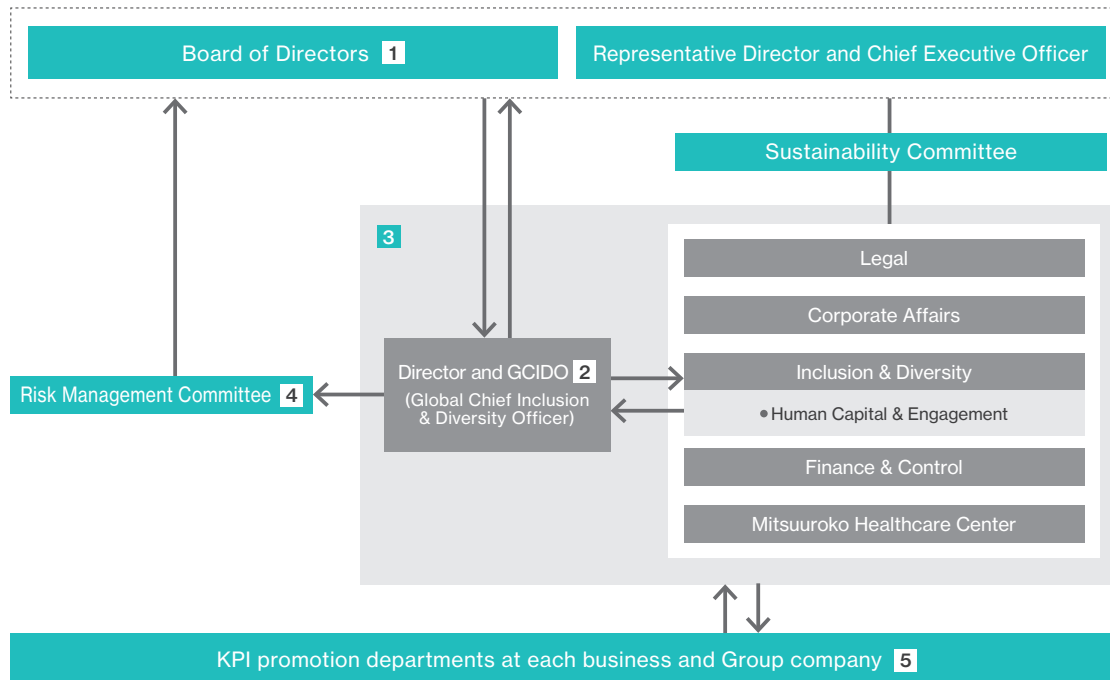
## Environment-related governance and risk management system

The Company recognizes the preservation of the global environment as an important management issue, determines policies for addressing environmental issues, and oversees their status. Specifically, the Director and GCIDO reports periodically (at least once a year) to the Board of Directors on the Group's risks

and opportunities related to environmental issues as well as their status. Based on these reports, the Board of Directors determines policies and targets (KPIs) for addressing environmental issues. Additionally, during the Board of Directors' regular monthly meetings, the Director and GCIDO provides updates on the progress

of initiatives aimed at addressing climate change policies and meeting Key Performance Indicators (KPIs). These updates are included as a vital component of the corporate governance report, and the Board of Directors oversees them accordingly.

## Environment-related governance and risk management system



Roles	
1	The Board of Directors identifies material issues concerning risks and opportunities related to the environment, determines the policies and targets (KPIs) for addressing them, and supervises them.
2	The GCIDO reports to the Board of Directors on risks and opportunities, their status, and progress of KPIs. If new risks or events that may impact the achievement of KPIs are discovered, they are reported to the Risk Management Committee.
3	The GCIDO works together with Legal, Corporate Affairs, Inclusion & Diversity, Finance & Control, and the Mitsuuoko Healthcare Center to extract and evaluate risks and opportunities, and monitor progress of KPIs.
4	The Risk Management Committee evaluates and analyzes such risks and events, and reports to the Board of Directors.
5	The KPI promotion departments at each business and Group company report on the status of initiatives and progress of KPIs via corporate governance reports to the Board of Directors.

# Climate Change Initiatives

## Basic approach

In terms of climate change initiatives, as an entity responsible for stable supply in regions, Mitsuuroko Group aims to harness its comprehensive power embedded in these regions to maintain and improve supply infrastructure, ensuring supply is also available during emergencies, while implementing various initiatives that align with the diversification of customer needs and desire for choices. All of Mitsuuroko Group is engaging in climate change initiatives to achieve a sustainable society through reducing CO<sub>2</sub> emissions, promoting renewable energy, and reducing fuel consumption. For customers who are focused on reducing CO<sub>2</sub>, we offer environmentally friendly electricity plans that stipulate the use of renewable energy. In addition, we utilize monitoring information from remote automatic meter readings, and provide a delivery operation streamlining solution that proposes the optimal delivery plans.

## TCFD

### Mitsuuroko Group's climate change initiatives

Mitsuuroko Group considers the TCFD recommendations an effective framework for disclosing information and engaging in dialogue with stakeholders in regard to climate change issues. We announce our endorsement of the TCFD recommendations, and in accordance with the recommendations, we disclose information on the impact of climate change on the Group's business activities and the measures we are taking in response. The Company also participates in the TCFD Consortium\*, which discusses initiatives for information disclosure on climate change response in accordance with the TCFD recommendations.



\* The TCFD Consortium:  
A consortium established in May 2019 and led by the private sector to discuss effective disclosure of information by companies in response to climate change and measures to link the disclosed information to appropriate investment decisions by financial institutions and other parties. The Ministry of Economy, Trade and Industry, the Financial Services Agency, and the Ministry of the Environment participate as observers.

### Governance and risk management

The Company recognizes climate change as an important management issue, and the Board of Directors determines policies for addressing climate change and oversees their implementation under the environment-related governance and risk management system. Specifically, the Director and GCIDO works together with Legal, Corporate Affairs, Inclusion & Diversity, Finance & Control, and the Mitsuuroko Healthcare Center to analyze materiality, extract and evaluate climate change-related risks and opportunities, and identify material issues concerning such risks. In addition, the Director and GCIDO reports periodically (at least once a year) to the Board of Directors on the Group's risks and opportunities related to climate change as well as their status. Based on these reports, the Board of Directors determines policies and targets (KPIs) for addressing climate change. For KPIs that are established, each department in charge of KPI promotion reports on the progress in a corporate governance report that is submitted monthly to Finance

& Control, and Inclusion & Diversity and Finance & Control monitor the progress. At regular monthly meetings of the Board of Directors, the Director and GCIDO reports on the status of initiatives based on the policies and targets (KPIs) progress as one of the items in a corporate governance report, and the Board of Directors supervises accordingly. If new risks or events that may impact the achievement of KPIs are discovered, each department reports them to the Director and GCIDO. The Director and GCIDO then report these matters to the Risk Management Committee, which is chaired by the Representative Director. The Risk Management Committee evaluates and analyzes such risks and events, reporting them to the Board of Directors. Based on these reports, the Board of Directors identifies new material issues, then determines policies and targets (KPIs), and supervises them accordingly.

## Climate Change Initiatives

### Strategy

The Group assumes climate change to have a significant impact on its Energy Solutions Business and Power & Electricity Business. For these businesses, we have begun analyzing the below 2°C scenario, which is associated with high transition risks, and the 4°C scenario, which is associated with high physical risks. With FY2050 as the target, we are examining the opportunities and risks that may arise under these scenarios as well as response measures. The below 2°C scenario assumes that the climate will not change significantly compared to its current state due to the tightening of environmental restrictions. The 4°C scenario assumes that decarbonization and carbon reduction efforts fail to advance, leading to an increase in physical risks such as those due to natural disasters. Going forward, we will evaluate the impacts under each scenario and conduct scenario analysis for other businesses, taking the results into account in the formulation of our management plans.

### Indicators and targets

The Group's GHG emissions in FY2023 were approximately 5.44 million t-CO<sub>2</sub>eq. 99.1% of the emissions were Scope 3, of which 50.8% was attributed to customer gas, electricity, and product usage and 38.2% was attributed to related procurement operations. Scope 1 and Scope 2 emissions were attributed to the business activities' vehicle operation (gas delivery vehicles and company cars) and gas and electricity usage within the Company.

### Breakdown by Scope

		Greenhouse gas (GHG) emissions	Percentage	CO <sub>2</sub> emissions reduction target
Scope 1	Gas delivery vehicles and company cars	★ 27,982t-CO <sub>2</sub>	0.5%	Carbon neutrality by FY2050
Scope 2	The Company's electricity usage	★ 21,239t-CO <sub>2</sub>	0.4%	
Scope 3	Energy procurement and customer usage	★ 5,392,937t-CO <sub>2</sub> eq	99.1%	

★ marked indicators are independently assured by KPMG AZSA Sustainability Co., Ltd. For Scope 3 emissions, the Company's category 1 (★575,004 t-CO<sub>2</sub>eq), category 3 (★2,059,946 t-CO<sub>2</sub>eq), category 4 (★18,677 t-CO<sub>2</sub>eq), and category 11 (★2,739,311 t-CO<sub>2</sub>eq) emissions have each been assured as well as the total of these four categories. (See pages 35–36 for information on the calculation standard)

To reduce Mitsuuroko Group's direct CO<sub>2</sub> emissions (Scope 1 and Scope 2), the Group is automating remotely obtained data meter readings for LPG and working to streamline delivery operations (reduction of truck operating time and travel distance), eliminate complicated deliveries, and promote eco-driving activities. We are also changing to electric vehicles (EVs) for company cars and increasing the amount of renewable energy and environmentally friendly energy sources we handle. In addition, to contribute to the reduction of CO<sub>2</sub> emissions in our supply chain (Scope 3), we are expanding our meter readings service and delivery operation streamlining services powered by SmartOWL<sup>®</sup>, transitioning to high-efficiency equipment (ECO FEEL, fuel conversion systems, ECO-JOZU, ECO ONE), and promoting the Mitsuuroko Green Plan.



## Climate Change Initiatives

### FY2023 initiatives to reduce CO<sub>2</sub> emissions

In the Energy Solutions Business, we have promoted the expansion of our meter readings service and delivery operation streamlining service powered by SmartOWL®, and are transitioning to high-efficiency equipment for our existing customers. We are also improving fuel efficiency during deliveries by eliminating complicated deliveries, and shortening travel distances and reducing fuel consumption through eco-driving activities.

In the Power & Electricity Business, we are expanding the provision of the Mitsuuroko Green Plan.

In the Foods Business, we are promoting the use of label-less PET bottles, plastic-free products (paper straws and wooden muddlers), and recycled products made from preforms (raw materials of PET bottles).

In the Living & Wellness Business, we have worked continuously to expand renewable energy electricity contracts in common areas of owned properties and switched to energy-saving equipment and water-saving facilities. Moreover, our employees acquired real estate assessor qualifications for CASBEE (Comprehensive Assessment System for Built Environment Efficiency), a method for evaluating and rating the environmental performance of buildings. EAS café is also promoting a plastic-free service, replacing 100% of drinking straws and cups with paper ones and 50% of cutlery with wooden ones. We are also working on reducing food mileage\*, and offer products purchased from local stores in Yokohama-shi or vegetables hydroponically grown in the stores.

In FY2024, we will continue to implement and expand the above initiatives in each business.

\* This thinking focuses on the impact on the global environment of CO<sub>2</sub> emitted from the transportation of food.



## Climate Change Initiatives

### Climate-related opportunities and risks, and their response measures

Scenario	Category	Classifications of factors	Opportunity/Risk	Risks and opportunities	Direction of response and measures
Below 2°C	Transition risk	Administrative policies and laws	Risk	Tightening of fossil fuel regulations and operating cost increases due to carbon taxes (Estimated cost increase: approx. ¥1,600 million/year*) ( Carbon tax (for developed countries including Japan) is projected to rise to US\$135/t-CO <sub>2</sub> by 2030 and US\$200/t-CO <sub>2</sub> by 2050*2 )	<ul style="list-style-type: none"> <li>Carbon neutrality by FY2050</li> <li>Participate in TSE's Carbon Credit Market</li> <li>Automate remotely obtained data meter readings for LPG</li> <li>Reduce truck operating time and travel distance by streamlining delivery operations</li> <li>Promote eco-driving activities</li> <li>Change to EVs for all company cars by around 2030</li> <li>Increase amount of renewable energy and environmentally friendly energy sources handled</li> </ul>
			Opportunities	Increase sales in the Power & Electricity Business due to increased demand for renewable energy ( Renewable energy is expected to comprise 58% of Japan's energy mix by 2050*2 )	<ul style="list-style-type: none"> <li>Spread natural renewable energy and promote the installation of energy-saving housing equipment</li> <li>Sell natural renewable energy not dependent on traditional fossil fuels and other new energy equipment such as storage batteries, and provide services such as the "Mitsuuroko Green Plan"</li> </ul>
		Risk	Decrease in sales for LPG and petroleum products ( Petroleum demand in Japan is expected to fall by 78% by 2050 compared to 2022*2 )		
		Market and technology	Opportunities	Reduction of future in-house power generation costs if the Company establishes plants that take advantage of developments in renewable energy production technologies ( Solar power generation costs are expected to drop by 50% by 2050 compared to 2022*2 )	<ul style="list-style-type: none"> <li>Establish own plants that utilize the newest developments in renewable energy production technologies and increase amount of renewable energy sources handled</li> <li>Utilize PPA model*3 and increase solar power generation</li> <li>Focus on popularizing EVs and promote the development of 100% renewable energy EV charging infrastructure</li> <li>Expand the installation of storage batteries and strengthen ability to adjust electricity supply and demand</li> <li>Focus on transitioning from FIT system to FIP system*4 and launch renewable energy aggregation business</li> </ul>
			Risk	Increase in costs to meet the rising expectations of investors and the market in respect to corporate climate change initiatives (Financing costs and communication costs)	<ul style="list-style-type: none"> <li>Actively work to meet the changing expectations of investors and the market</li> <li>Proactively engage in ESG-related initiatives and enhance relevant information disclosures</li> <li>Focus on sales of new energy equipment, including high-efficiency water heaters, distributed demand appliance ENE-FARM, solar power and storage batteries, to contribute to reducing customers' CO<sub>2</sub> emissions</li> </ul>
		4°C	Physical risk	Acute	Risk

\*1 The cost increase for business operations due to the impact of carbon tax is calculated as below:

2050 Carbon tax of US\$200/t-CO<sub>2</sub> is based on the International Energy Agency's publication, "World Energy Outlook 2023":

Mitsuuroko Group's CO<sub>2</sub> emissions (t) in 2023 × US\$200/t-CO<sub>2</sub> × exchange rate (¥/\$)

\*2 Each estimation is based on the calculations in "World Energy Outlook 2023."

\*3 PPA model: A business model in which business operators install, manage, and maintain solar power systems on the roofs of consumers' offices free of charge. Consumers then purchase the electricity that is generated. PPA stands for Power Purchase Agreement

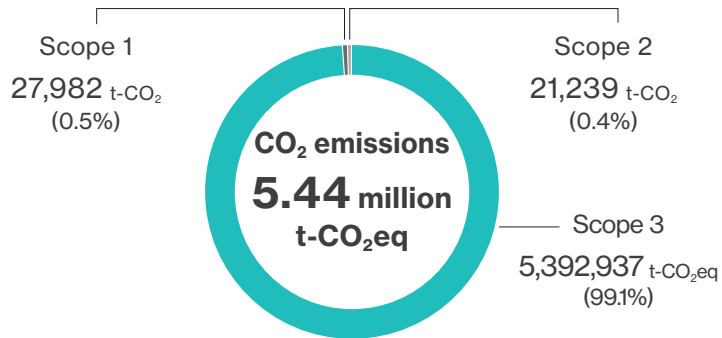
\*4 FIT: A system where power companies purchase electricity from renewable energy sources at a fixed price for a fixed period of time. FIT stands for Feed in Tariff  
FIP: A system where power generation business operators that produce electricity from renewable energy sources and sell it in wholesale markets or through over-the-counter trading are granted a premium equivalent to the difference in the standard price (FIP price) and the market price. FIP stands for Feed in Premium

# Environmental Impact of the Value Chain

The Group's GHG emissions in FY2023 were approximately 5.44 million t-CO<sub>2</sub>eq.

99.1% of the emissions were Scope 3, of which 50.8% was attributed to customer gas, electricity, and product usage and 38.2% was attributed to related procurement operations.

Scope 1 and Scope 2 emissions were attributed to the business activities' vehicle operation (gas delivery vehicles and company cars) and gas and electricity usage within the Company.



Suppliers

## Input of resources and energy

### Main raw materials and fuels

LPG	300,068 t
Gasoline	242,975 kL
Heating oil	327,646 kL
Diesel fuel	94,174 kL



Business activities

### Main raw materials and fuels

LPG	1,981 t
Gasoline	960 kL
Heavy oil	4,669 kL
Heating oil	149 kL
Diesel fuel	794 kL
Piped gas (City gas)	2,216 thousand Nm <sup>3</sup>
Electricity	53,431 thousand kWh
Warm water	1,746 GJ
Cold water	5,915 GJ
Steam for industrial use	1,115 GJ



Customers

## Environmental Impact of the Value Chain

### External emissions

#### Greenhouse gas emissions

Scope 3	Category 1	★ 575,004 t-CO <sub>2</sub> eq
	Category 3	★ 2,059,946 t-CO <sub>2</sub> eq
	Category 4	★ 18,677 t-CO <sub>2</sub> eq

### Initiatives

- Reducing CO<sub>2</sub> emissions from LPG delivery with the delivery operation streamlining solution powered by SmartOWL®
- Promoting the Mitsuuroko Green Plan
- Eliminating mineral water PET bottle labels and eliminating plastic from restaurants

#### Greenhouse gas emissions

Scope 1	★ 27,982 t-CO <sub>2</sub>
Scope 2	★ 21,239 t-CO <sub>2</sub>

- Improving delivery efficiency with SmartOWL®

#### Waste volume

Industrial waste	Generated volume	12,694 t
	Recycled volume	3,994 t
	Final disposal volume	8,700 t
Toxic waste	Generated volume	1 t
	Recycled volume	-
	Final disposal volume	1 t

- Switching sales vehicles to fuel-efficient vehicles (including EVs), eliminating complicated deliveries, and promoting eco-driving

- Promoting the Mitsuuroko Green Plan

- Expanding use of renewable energy in common areas of owned properties

#### Greenhouse gas emissions

Scope 3	Category 11	★ 2,739,311 t-CO <sub>2</sub> eq
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- Promoting sales of high-efficiency water heaters

★ marked indicators are independently assured by KPMG AZSA Sustainability Co., Ltd. The Company has received independent assurance report since FY2020. For more information, please refer to the Sustainability Report of previous year. The basis for the calculations is as follows:

The boundary covers Mitsuuroko Group Holdings Co., Ltd. and its consolidated subsidiaries. Carl's Jr. Japan, Inc., which was excluded from the scope of consolidation of Mitsuuroko Group Holdings Co., Ltd. in July 2024, is not included in the calculation of CO<sub>2</sub> emissions. Scope 1 and 2 emissions include only CO<sub>2</sub> emissions, while scope 3 emissions include GHG emissions other than CO<sub>2</sub>. GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials. Scope 1: CO<sub>2</sub> emission factor of fuel and the unit calorific value are based on the coefficients specified in the Act on Promotion of Global Warming Countermeasures. Scope 2: CO<sub>2</sub> emission factors of electricity are based on the adjusted emission factors by each of specific electric utility business operators for Japan and the specific emission factors published by power companies for overseas.

Scope 3: Each emissions intensity is referenced from the Act on Promotion of Global Warming Countermeasures; the Ministry of the Environment's "Database on Emissions Unit Values for Accounting of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain"; and the Inventory Database for Environmental Analysis version 3.1 (IDEAv3.1) for calculating supply chain greenhouse gas emissions, published by the Sustainable Management Promotion Organization.

Category 1: Calculated by multiplying the amount (physical quantity) of petroleum-derived fuel and piped gas (City gas) procured for sales by the emission intensity for each fuel type specified in IDEAv3.1.

Category 3: GHG emissions derived from the extraction, production, and transportation of fossil fuels used in the production of electricity for sales purposes and the production of energy purchased for in-house use. Emissions from "electricity for sales purposes" are calculated by multiplying the amount of electricity sold by the basic emission factor of Mitsuuroko Group conducting retail electricity business and the emission intensity database figure. Emissions from "in-house electricity consumption" are calculated by multiplying the amount of electricity used for in-house consumption by the emission intensity database figure. Emissions from "in-house fuel consumption" are calculated by multiplying the amount of fuel used for in-house consumption by the fuel emission intensities specified in IDEAv3.1 for each fuel type.

Category 4: Upstream transportation emissions are calculated by multiplying the transportation volume (t-km), which is the product of the cargo weight and the distance transported, by the IDEAv3.1 emission intensity for each transportation type. For shipping and transportation, fuel consumption is multiplied by the emission intensity from the Ministry of the Environment database.

Category 11: Calculated by multiplying the sold volume (physical quantity) of petroleum-derived fuel and piped gas (City gas) by their respective fuel-specific calorific values and CO<sub>2</sub> emission factors.



# Response to Climate Change

## Controlling customer CO<sub>2</sub> emissions

### Promotion of high-efficiency gas equipment

We seek to contribute to the reduction of CO<sub>2</sub> emissions and the prevention of global warming through the promotion of high-efficiency gas equipment, proposing and selling efficient products with high added value. Aiming to meet our customers' diverse needs and preferences, these products include latent heat recovery-type high efficiency water heaters for domestic use called "ECO-JOZU," which reduce CO<sub>2</sub> emissions by approximately 16% compared to conventional heaters, as well as "ECO ONE," a hybrid hot water and heating system that combines a heat pump water heater with "ECO-JOZU," achieving an approximately 40% reduction in CO<sub>2</sub> emissions.



Hybrid hot water and heating system "ECO ONE"

### Promotion of residential-use fuel cell "ENE-FARM"

For the promotion of the new energy solutions business, we are working to improve energy efficiency through a local power production and consumption approach centered on the best mix of energy. We are currently focusing on the low energy efficiency in terms of transmission loss and waste heat loss, promoting the rollout of "ENE-FARM," a distributed power generation system installed in each consumption area. "ENE-FARM" is an LPG-based system, and we are concentrating on popularizing it among new general households by partnering with home construction companies. Through these efforts, we will continue to promote the spread of distributed energy systems.



Residential-use fuel cell "ENE-FARM"

### Expanding sales of solar power generation systems

Solar power is a carbon-free source of energy that does not emit greenhouse gases. Consumers do not need to pay consumption charges and can reduce the amount of electricity they purchase from power companies by using the power generated for their own household. Unused energy can then be sold to power companies. It is also highly economic, as once installed, power can continue to be generated as long as there is sunlight. Since Japan often faces natural disasters such as earthquakes, typhoons, and severe rainstorms, solar represents an effective source of emergency power in the event of power outages. We will also promote the spread of energy creation and storage systems through the installation of storage batteries together with solar power generation systems.



## Response to Climate Change

### Expanding the energy solutions business

We save energy at a wide range of facilities including plants, commercial facilities, and hospitals through the selection and maintenance of cogeneration systems and the proposal of energy-saving equipment. We also work to realize comprehensive energy management centered on electricity, thermal, measurement, control, power storage, and power generation. In addition to reducing running costs with our energy solutions, we are expanding business that helps the global environment. Committed to the achievement of a sustainable society, we provide solutions for the future.

### Development of renewable energy sources

Renewable energy is an important form of domestic energy that does not emit greenhouse gases and can be produced within Japan. It harnesses the natural environment and is also a vital power source for the development and maintenance of society. We will facilitate the smooth operation of our existing power plants and develop new renewable energy sources, particularly solar power plants.

### Provision of the Mitsuuroko Green Plan

Since the “Paris Agreement” was adopted in December 2015, the awareness of consumers and investors toward climate change has increased rapidly, and corporate efforts toward reducing greenhouse gas emissions are

being viewed as important. By providing the “Mitsuuroko Green Plan” to customers who are working to reduce their CO<sub>2</sub> emissions, we will contribute to a low-carbon society and meet the needs of our customers.

#### What is the Mitsuuroko Green Plan...

The Mitsuuroko Green Plan uses renewable energy supplied by Mitsuuroko Green Energy Co., Ltd., as well as non-fossil certificates. It offers a low environment load menu tailored for customers' needs in two main options.

\* It not only reduces electricity charges, but also enables customers to reduce their CO<sub>2</sub> emission factors.  
\* The plan is available Japan-wide excluding Okinawa and some remote islands.

#### Benefits of the Mitsuuroko Green Plan

- Lead improvement of corporate image.
- Compared to our ordinary menu items, customers can report lower emission factors in the System for Greenhouse Gas Emissions Calculation, Reporting, and Disclosure based on the Act on Promotion of Global Warming Countermeasures (Global Warming Countermeasures Act).
- Customers can report lower emissions in a CDP report, which is noticed by corporate investors.
- Customers using our extra-high-voltage power service or high-voltage power service can view the balance between costs, emission factors, and renewable energy introduction ratio, and select a plan. Customers using our low voltage power service can choose between the Maru Maru Sai Ene (100% renewable energy) plan and the Maru Maru Datsu Tanso (CO<sub>2</sub>-free) plan.

#### 1 Renewable Energy Ratio Plan



#### 2 CO<sub>2</sub> Emission Reduction Plan



#### Key examples

Mitsuuroko Green Energy Co., Ltd. began offering the Mitsuuroko Green Plan to two new facilities owned by NANBU BJIN Co. LTD. (Headquarters: Ninohe-shi, Iwate; President: Kosuke Kuji) from October 2024. Electricity used at the facilities will be supplied from virtually 100% renewable energy sources\*1 by combining renewable energy-derived “environmental value” mainly generated in Iwate Prefecture with electricity designated by our company, thereby achieving zero CO<sub>2</sub> emissions and local production for local consumption\*2 of renewable energy-derived environmental value within Iwate Prefecture.

\*1 Includes FIT electricity. Part of the cost of procuring FIT electricity is covered by a surcharge paid by electricity users, including customers other than the Company's.

\*2 If “environmental value” (non-FIT non-fossil certificates with renewable energy designation) generated from renewable energy within Iwate Prefecture cannot be sourced, it will be supplemented with “environmental value” (non-FIT non-fossil certificates with renewable energy designation) generated from renewable energy within the Tohoku region.

## Response to Climate Change

### Initiatives of operating companies

#### Participation in TSE's Carbon Credit\* Market

From December 2022, Mitsuuroko Vessel Co., Ltd. has participated in the Carbon Credit Market demonstration project, which the Tokyo Stock Exchange was conducting. The Company has also been participating in the Carbon Credit Market that was commercially opened on October 11, 2023.

\* Carbon credit is a system to trade the reduced emission of greenhouse gas such as CO<sub>2</sub>. It is expected to realize steady reduction of CO<sub>2</sub> emissions and economic rationality as outlined in the Government's "Basic Policy for the Realization of GX" to realize carbon neutrality by 2050.

The Tokyo Stock Exchange officially opened the Carbon Credit Market on October 11, 2023, making use of the knowledge gained from the Technical Demonstration Project for Carbon Credit Market commissioned by the Ministry of Economy, Trade and Industry and implemented in fiscal 2022 as well as the experience in the market operation.



#### Improving LPG operation efficiency with SmartOWL®

In the LPG business, we are contributing to the realization of a low-carbon society by eliminating waste and by reviewing the existing workflow. The SmartOWL® service is a solution that collects and analyzes LPG meter information to automate and save labor for LPG operations such as meter reading and container delivery, which were previously performed manually. For the series of business models and unique logic that link information collected by LPWA to delivery efficiency improvement, we have obtained four patents and are expanding the service to enable more LPG companies to use it.



#### Complementing labor shortages and reducing environmental impact by improving delivery efficiency

In order to use LPG, it is essential to deliver LPG containers to the consumers' homes by truck, and by streamlining this delivery operation, the distance traveled by trucks can be shortened, thereby reducing CO<sub>2</sub> emissions. Mitsuuroko Creative Solutions Co., Ltd. has been providing the SmartOWL® delivery operation streamlining solution, which incorporates the four patented technologies and know-how described in the "Service overview" on page 40, to LPG companies since October 2021.

A comparison of the number of deliveries made by group companies in the year before and after the introduction of the system shows that the average number of deliveries per delivery location for containers decreased from 6.6 times per location to 4.6 times per location, a reduction of delivery operations of around 2 times per location, and the improved delivery efficiency has complemented the shortage of labor and contributed to a reduction in CO<sub>2</sub> emitted during delivery.

#### Annual CO<sub>2</sub> reduction for 100,000 delivery locations for containers (theoretical value)

Amount of CO <sub>2</sub> emissions reduced	Approximately <b>234,400 kg</b> (1.172 kg × 2 times × 100,000 deliveries)
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- Distance traveled per delivery ..... 4.7km
- CO<sub>2</sub> emissions per liter of diesel fuel ..... 2.58kg-CO<sub>2</sub>/L
- Fuel efficiency of 2-ton trucks ..... 10.35km/L

From the above, CO<sub>2</sub> emissions per delivery is 1.172 kg  
 Amount of CO<sub>2</sub> emissions reduced = 1.172 kg × Number of deliveries reduced

## Response to Climate Change

### Effects of improving delivery efficiency

An LPWA-based demonstration test reduced  
 - Delivery operation time by approximately 30%  
 - Travel distance by approximately 20%

**Shorter travel distance = lower CO<sub>2</sub> emissions**



\* A comparison and analysis of the conventional delivery method, in which the next delivery date is determined based on a prediction of the amount of gas remaining based on regular monthly meter readings, and a new delivery method based on actual results, in which the amount of gas remaining in the LPG container is monitored daily using the LPWA and the next replacement date is determined.

### Service overview



**This service is equipped with four patented technologies to provide the most efficient container replacement date.**

Patent number  
 No. 6364571  
 No. 6744472  
 No. 6757454  
 No. 6803488

This service, which shortens delivery operation time, contributes to CO<sub>2</sub> emissions reduction by reducing truck operating time and travel distance, and serves as a complement to labor shortages. In doing so, it will help solve social issues and promote ESG, and is proposed as a strength of the Group, which continues to provide "more fulfilling lifestyles" through energy supply.

LPG companies using the service will be able to enjoy the benefits of increased efficiency without having to make major changes to their delivery operations environment.

### Reducing environmental impact by automating meter reading

In the past, it was necessary to visit consumers' homes to read the gas meter in order to ascertain the volume of LPG sold. Due to the nature of LPG service areas, cars are primarily used for transportation during meter reading. The LPG Meter Information Provision Service, which has been offered by Mitsuroko Creative Solutions Co., Ltd. since April 2019, allows users to remotely read guideline readings, eliminating the need to drive for meter reading, resulting in a reduction in CO<sub>2</sub> emissions.

#### CO<sub>2</sub> emissions reduction effects of Mitsuroko Group (Scope 1)

Number of automatic meter readings from April 2019, when the service began, to October 2024 **2,327,112**

Amount of CO<sub>2</sub> emissions reduced **Approximately 207,811 kg**

#### Customers' CO<sub>2</sub> emissions reduction effects

Number of automatic meter readings from April 2019, when the service began, to October 2024 **2,639,558**

Amount of CO<sub>2</sub> emissions reduced **Approximately 235,449 kg**

- Distance traveled per meter reading (actual results from randomly selected MV retailers) ..... 500m
  - CO<sub>2</sub> emissions per liter of gasoline ..... 2.32kg-CO<sub>2</sub>/L
  - Fuel efficiency of meter reading vehicles ..... 13km/L
- From the above, CO<sub>2</sub> emissions per meter reading is 0.0892 kg  
 Amount of CO<sub>2</sub> emissions reduced = 0.0892 kg × Number of meter readings

## Response to Climate Change

### Wind power generation business

In wind power generation, a turbine is turned by the force of wind, and this rotational motion is then transferred to a generator to create electricity. It is a comparatively efficient method of power generation where 40% of wind's energy can be converted to electricity. With its long coastlines, Japan has many locations suitable for harnessing stable wind power (average wind speed of 6 m/second or more), making it a promising country for wind turbines.

			Total output
March 2007	Azuchi Oshima Wind Power Station	Oshima-mura, Hirado-shi, Nagasaki	32,000kW
January 2008	Kamisu Wind Power Station	Yanagawa, Kamisu-shi, Ibaraki	10,000kW



### Mega solar business

Although mega solar plants adopt the same mechanism as residential solar power systems, they are not installed on the roofs of houses. They are installed in large areas of vacant land and have large-scale generation capacity making them suitable for industrial use. The Suigo-Itako Solar Power Plant in Ibaraki (power output of approximately 14,500 kW) and the Futtsu Solar Power Plant in Chiba (power output of approximately 40,000 kW), which are participating in the business, reduce environmental impact by providing clean electricity that do not use fossil fuels, and achieve a sustainable energy supply.

			Total output
February 2014	Suigo-Itako Solar Power Plant	Maekawa, Itako-shi, Ibaraki	14,500kW
July 2014	Futtsu Solar Power Plant	Shimokenzaku, Kato, Futtsu-shi, Chiba	40,000kW



### Solar power plants with output under two megawatts

Mitsuburoko Group is working to expand the use of solar power generation systems and fuel cells to promote the spread of renewable energy. We also have solar power plants that are of a smaller scale than the mega solar plants described above (less than 2 megawatts). We currently operate these plants in 19 locations, and the total output in FY2023 was 6,996 thousand kWh.



## Response to Climate Change

### Biomass power generation business

Biomass is an organic resource (excluding fossil fuel) produced by organisms from the inorganic compounds of water and CO<sub>2</sub> using solar energy. It is a sustainable and renewable energy source that only requires life and solar energy. Within biomass, it is the category of “woody biomass,” which comes from wood such as thinned wood and construction wood waste. Since CO<sub>2</sub> generated by burning woody biomass is absorbed from the atmosphere by trees in the process of photosynthesis that drives their growth, there is virtually no increase in atmospheric CO<sub>2</sub>. This is called “carbon neutral.”

Total output			
January 2006	Mitsuuroko Iwakuni Power Plant	Iwakuni-shi, Yamaguchi	Japan's first wood chip combustion 10,000 kW power plant

We provide electricity produced at the Mitsuuroko Iwakuni Power Plant to the customers of our power and electricity sales business.



### Grid energy storage stations that will contribute to spreading renewable energy as the main form of power and the stability of power grid

Mitsuuroko Green Energy Co., Ltd. owns grid storage batteries in Tahara-shi, Aichi and Sendai-shi, Miyagi. At the storage station in Tahara-shi, storage batteries are installed by utilizing the interconnection lines that became available for connection following the removal of deteriorated existing wind turbines, and the station is playing a role in the expansion of renewable energy by converting operations to the site where replacement is not possible.

The use of renewable energy power generation facilities for the realization of carbon neutrality by 2050 has seen demand for expansion. However, there are difficulties in power generation prediction and control due to the fact that facilities such as those for solar and wind power are affected by the seasons and the climate. To solve these challenges, it is essential to secure “adjustment capability” to control unstable power generation. At these power storage stations, the storage batteries can be used as “adjustment capability,” and the charge or discharge control of the storage batteries can then be used to compensate for the shortfall in the power generation plan of the renewable energy power source, thereby contributing to the stabilization of the power grid<sup>\*1</sup>. In addition, these storage stations can also be used to control distributed energy resources and other such applications.

As an aggregator<sup>\*2</sup>, Mitsuuroko Green Energy will operate the storage stations using its own in-house system<sup>\*3</sup>, and contribute to the further adoption of renewable energy and the stabilization of the power grid by entering markets such as the supply-demand adjustment market and the capacity market.

<sup>\*1</sup> A system that integrates power generation, substation, power transmission, and distribution to supply power to consumers' power receiving equipment.

<sup>\*2</sup> A business operator that effectively manages energy by bundling the electricity demand of consumers and distributed power sources (storage batteries and in-house power generation equipment).

<sup>\*3</sup> Press Release on December 6, 2021 "A business alliance agreement has been entered into with Nippon Koei Co., Ltd. to develop and demonstrate the next-generation integrated power system utilizing off-grid energy resources" [https://www.mitsuurokogreenenergy.com/news/pdf/release\\_211206.pdf](https://www.mitsuurokogreenenergy.com/news/pdf/release_211206.pdf)

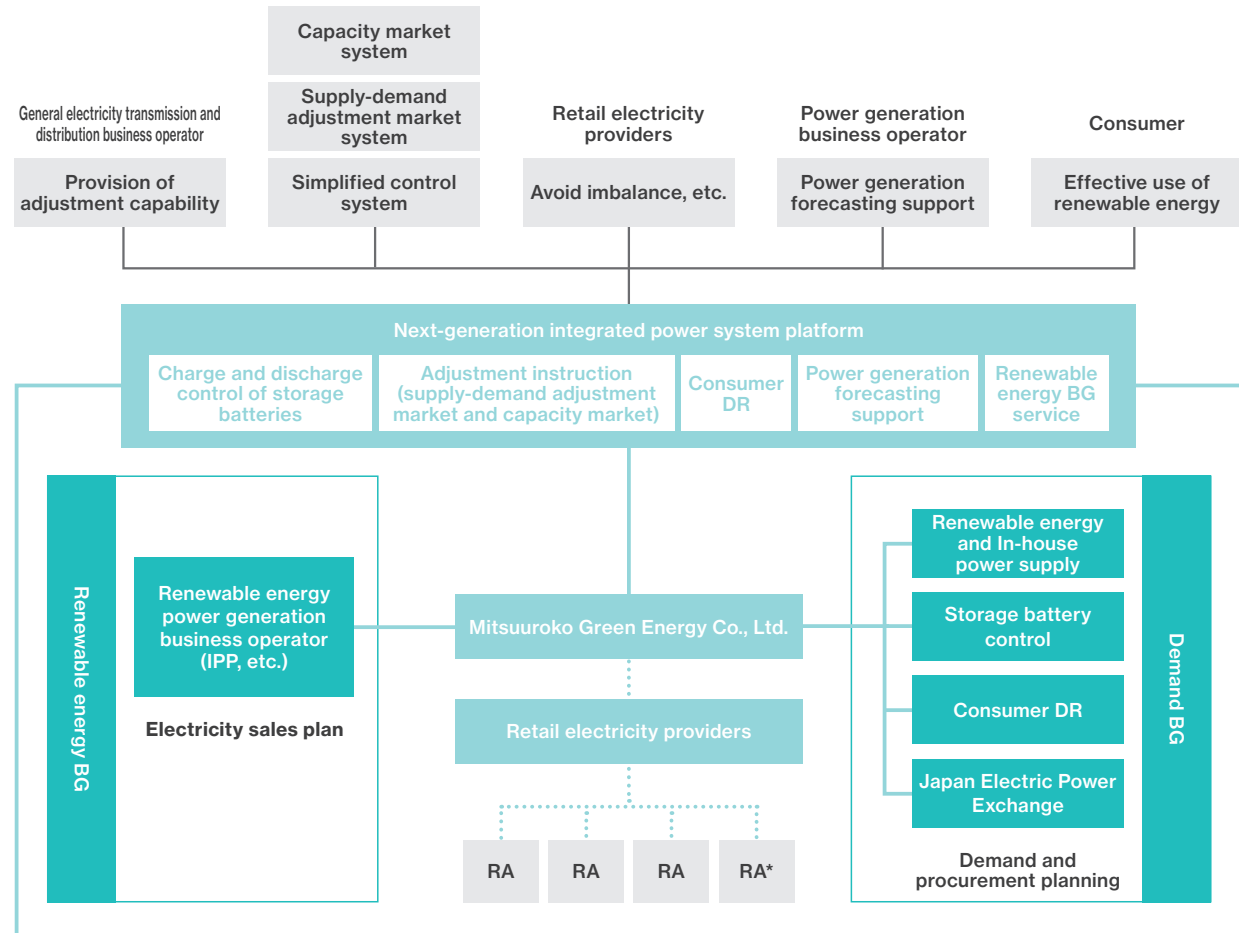


		Business entity (including operation)	Output/Capacity
September 2023	Mitsuuroko Tahara Power Storage Station	Mutsure-cho, Tahara-shi, Aichi Due to the age of the wind farm owned by the Company, the wind farm was removed and the existing grid frame was used (equipment modification) to install this power storage station.	Mitsuuroko Green Energy Co., Ltd. 1,500kW/ 6,140kWh
December 2023	Mitsuuroko Sendai Power Storage Station	Miyagino-ku, Sendai-shi, Miyagi	Mitsuuroko Green Energy Co., Ltd. 1,534kW/ 6,140kWh

## Response to Climate Change

### Initiative for participating in renewable energy aggregation business

To participate in renewable energy aggregation business, Mitsuuroko Green Energy Co., Ltd., has entered into a business tie-up with Nippon Koei Co., Ltd. to develop and demonstrate Integrated Power Control Central (IPoCC), a next-generation integrated power system that utilizes distributed energy resources such as storage batteries. Based on the business tie-ups, we developed “IPoCC” and provided power generation forecasting and renewable energy supply-demand adjustment services for renewable energy power generation facilities, such as solar and wind power, which fluctuate substantially. It supports the supply-demand adjustment market which is phased in from FY2021, and the capacity market, which started in FY2024. Mitsuuroko Green Energy Co., Ltd. and Nippon Koei Co., Ltd. have labeled IPoCC as “epoch-making.” The two companies aim to establish it as next-generation standard in power control systems. In addition to developing and testing it, they are focusing on external sales and the expansion of aggregation energy business. Through these efforts, they will contribute to the popularization of renewable energy and the realization of a decarbonized society.



\* Resource aggregator: Business operator that enters into direct service contracts with consumers and controls resources.

## Response to Climate Change

### Received a five-star rating from the Energy Conservation Communication Ranking System

For the third consecutive year from FY2022, Mitsuuroko Green Energy Co., Ltd. received the highest rating of five stars with a perfect score of 145 points as a retail electricity provider in the 2024 evaluation results of the “Energy Conservation Communication Ranking System” conducted by the Ministry of Economy, Trade and Industry and the Agency for Natural Resources and Energy.

The purpose of this system is to evaluate and publicize the level of information and services provided by each provider for general consumers regarding energy efficiency and conservation as well as the status of their efforts, so that general consumers can use the evaluation results as reference information when selecting an electricity or gas company, and to

encourage further energy efficiency and conservation efforts based on the information provided. Mitsuuroko Green Energy is actively working to provide useful information on energy efficiency and conservation to customers, share information on environmental issues and initiatives related to decarbonization through webinars and social media, and expand the use of demand response services to encourage power-saving.



### Improvement and expansion of demand response service\* functions for the next-generation integrated power system IPoCC

Since July 2021, Mitsuuroko Green Energy Co., Ltd. has been providing Demand Response (DR) services to its customers using our extra-high-voltage power service or high-voltage power service. In July 2022, we began offering additional DR services to general households. The supply-demand situation for electricity has remained difficult at certain times due to recent sharp rises in fuel prices, the shutdown of thermal power plants, and the heat waves in the summer. In light of this, we continue to operate the DR service of the next-generation integrated power control system, IPoCC, which has been improved since last year with the aim of further enhancing the service. The service is constantly improving and evolving to meet customer needs.

Added functions

- Early delivery of DR implementation result reports
- Long-term DR activation

\* Demand response (DR) is a system that enables clients to adjust their electricity consumption in response to price signals or incentive payments, helping reduce usage during periods of high wholesale prices or grid stress. By flexibly increasing or decreasing demand, DR helps balance electricity supply and demand. As weather-dependent renewable energy becomes more prevalent, DR provides an effective mechanism for managing fluctuations in power generation.

### Collaboration in electric vehicle charging business

On October 31, 2023, in forming a capital and business tie-up with Yourstand Co., Ltd. for collaboration in the electric vehicle (EV) charging business, Mitsuuroko Green Energy Co., Ltd. entered into a basic agreement and an investment agreement for a third-party allocation of shares to the Company.

This capital and business tie-up will contribute to the rollout of EV charging infrastructure in Japan by combining Yourstand's extensive track record and expertise in EV charging equipment sales and installation with the Group's customer base and nationwide sales network. By combining Yourstand's EV charging management system with the Group's unique electricity menu offering, we intend to contribute to leveling the balance between electricity supply and demand in society as a whole.



## Response to Climate Change

### Continuing our ‘Yamaguchi Buchi Eco-Denki’ offering powered by local hydropower

Mitsuuroko Green Energy Co., Ltd. started accepting applications on February 1, 2024 for Yamaguchi Buchi Eco-denki,<sup>\*1</sup> a new electricity menu for corporations in Yamaguchi Prefecture that promotes local production for local consumption by utilizing electricity from a hydroelectric power plant owned by the Public Enterprise Bureau of Yamaguchi Prefectural Government, and has been supplying electricity since April.



<sup>\*1</sup> Yamaguchi Buchi Eco-denki flyer, application guidelines Leaflet  
[https://mitsuurokogreenenergy.jp/pdf/yamaguchi\\_0240125.pdf](https://mitsuurokogreenenergy.jp/pdf/yamaguchi_0240125.pdf)  
 Application guidelines  
[https://mitsuurokogreenenergy.jp/pdf/yamaguchi-youkou\\_20240125.pdf](https://mitsuurokogreenenergy.jp/pdf/yamaguchi-youkou_20240125.pdf)

#### Advantages of joining Yamaguchi Buchi Eco-denki

- 1 Renewable electricity sourced from nine hydroelectric plants in Yamaguchi Prefecture, enabling local production and local consumption.
- 2 100% renewable and CO<sub>2</sub>-free electricity supplied through local hydropower and non-fossil certificates, with backup from our Mitsuuroko Iwakuni Power Plant<sup>\*2</sup> and non-fossil certificates if needed.
- 3 Tailor-made pricing for extra-high- and high-voltage facilities, with the potential to lower renewable electricity costs (see guidelines for low-voltage facilities<sup>\*1</sup>).
- 4 Enhanced external visibility through use of the Yamaguchi Buchi Eco-Denki logo and official certification<sup>\*3</sup>.

<sup>\*2</sup> Mitsuuroko Iwakuni Power Plant  
<https://www.mitsuurokogreenenergy.com/company/plant/iwakuni.html>  
<sup>\*3</sup> A separate application must be submitted to the Yamaguchi Prefecture Environmental Life Department. Please refer to the link below.  
<https://www.pref.yamaguchi.lg.jp/site/saienedenyrokuriyouziguosyo/>

### Announcement of the offering of the EV Sumatoku Plan, a limited menu for electric vehicle (EV) owners

Mitsuuroko Green Energy Co., Ltd. started offering the EV Sumatoku Plan for electric vehicle (EV) owners on February 6, 2024, and expanded its service area nationwide (excluding Okinawa Prefecture and some remote islands) from November 1, 2024.

This plan is an electricity plan that allows customers to save money by adjusting the time when they charge their EVs and use other home appliances. The service is characterized by a “recharge time” between 11:00 a.m. and 1:00 p.m. every day, regardless of weekdays or holidays, which offers even more economical rates. By shifting the use of electricity from the evening peak hours to daytime hours, we intend to help level the

supply and demand of electricity in society as a whole by reducing the amount of electricity demand in the evenings, when electricity demand tends to be tighter.

#### Outline of EV Sumatoku Plan

Application opens	November 1, 2024
Supported areas	Nationwide (excluding Okinawa Prefecture and some remote islands)
Sumatoku Plan price list	<a href="https://mitsuurokogreenenergy.jp/ev/">https://mitsuurokogreenenergy.jp/ev/</a>
Target	Individuals and corporations that own EVs*

\* A copy of the EV's vehicle inspection certificate must be attached to the application.

### Other climate change initiatives

#### 1 Baking bread using domestic wheat

Mitsuuroko Provisions Co., Ltd.'s bakery business, “Azabujuban Mont-Thabor,” focuses on selling frozen bread that uses domestically produced wheat. (The ratio of bread made with domestic wheat varies from store to store.) Using domestically produced wheat as raw material shortens the transportation distance. It also uses raw materials milled with a stone mill and offers customers products baked in-store. These products are made with meticulous attention to the environment, health, and superb taste (aroma), and are gaining strong support from customers as a new value.



## Response to Climate Change

### 2 Installation of solar panels on the roofs of the company's facilities

General Storage Company Pte. Ltd. (GSC), the Company's overseas subsidiary, has set forth "a green and caring tomorrow with self-storage" as its ESG vision. GSC's self-storage brand, Lock+Store, has signed an 18-year purchase agreement with Union Solar Pte Ltd, a solar power generation business operator, to realize this mission. The solar panels installed on the roof (completed in January 2023) of the self-storage operated by GSC in Chai Chee, Singapore, will have a maximum output of approximately 487.3 kWp, which is expected to reduce the use of fossil fuel-based energy by approximately 30% when used on-site at the facility.



### 3 Use of vacant space for vegetable gardens

Lock+Store has partnered with SG Gardens, a local horticultural company, to utilize vacant space at the GSC facility in Chai Chee, Singapore, for vegetable gardens. The harvest from the vegetable garden will be donated to charities that support low-income families or sold to restaurants.



Edible hibiscus



Edible marigold

# Prevention of Environmental Pollution

## Basic approach

Mitsuroko Group believes that one of its corporate responsibilities is to reduce the emission of pollutants in its business activities. As such, we are working to prevent and reduce the impact of environmental pollution by chemical substances and oil, reduce emissions of air pollutants, and reduce and properly dispose of toxic wastes and wastewater.

## Initiatives for prevention of environmental pollution

### Management of chemicals and contaminants

Since our operations have little relevance to emissions of air pollutants such as VOCs, NOx, and SOx, we do not perform measurements for these. Waste, including hazardous waste, is properly disposed of through specialized waste disposal companies in accordance with laws, regulations, and other rules. In FY2023, following on from FY2022, there were no penalties or fines related to environmental laws and regulations (Air Pollution Control Act, Water Pollution Prevention Act, Soil Contamination Countermeasures Act, Waste Management and Public Cleansing Act, etc.) due to outflows or excess emissions of environmental pollutants.

### Response to soil contamination

In the event that pollution is detected at LPG filling stations and gasoline service stations, while we report such incidents to the relevant government agencies and actively disclose information to the public, such as through explanations to residents within the vicinity or press releases, we work to control soil contamination. In accordance with the state of the pollution, we employ measures such as excavation, removal, and paving to prevent contamination from spreading or entering ground water.



# Advancing Resource Circularity

## Basic approach

Mitsui Group promotes the 3Rs (Reduce, Reuse, Recycle) throughout the Group. We are strengthening our commitment to resource circularity in our various business activities.

## 3R promotion initiatives

### “Eco Nico Time” to reduce food waste

Azabujuban Mont-Thabor believes that, “as lovers of bread and the earth, we cannot waste the bread we have made with our own hands so easily.” This is why any bread that was previously discarded daily due to being non-standard (minor aesthetic imperfections or browning) despite having no quality issue, or any bread that did not sell, is sold at a reasonable price through a limited-time service named “Eco Nico Time.” This initiative will help reduce food waste and environmental impact, as well as provide an opportunity to try Azabujuban Mont-Thabor’s bread at a discount.



### Vending machine for frozen non-standard breads

In April 2022, Mont-Thabor Kugenuma Kaigan Store (Fujisawa-shi, Kanagawa) introduced its first frozen bread vending machine, with the aim of providing the delightful experience of enjoying homemade bread, readily available as a convenient and eco-friendly snack. Frozen bread and frozen dough made of 100% domestically produced wheat are available for purchase 24 hours a day. We will also contribute to the reduction of food waste and environmental impact by offering non-standard bread.



## Advancing resource circularity

### “Sustainable Real Estate Management” initiatives to reduce furniture waste

MITSUUROKO Co., Ltd. is working with Social Interior Inc., a furniture subscription service and off-price market provider, on sustainable real estate management that reduces furniture waste.

#### Procurement of furniture for designing space in real estate business through subscription

By not owning the furniture needed for income-producing properties, and by utilizing the subscription service offered by Social Interior Inc. to promote the collection and secondary use of furniture when it is no longer needed in the future, we aim to make effective use of resources.



#### Reducing the hassle of owning furniture needed by property users, collecting unwanted furniture, and reusing it

We will progressively make the Subslife furniture subscription service of Social Interior Inc. available to tenants and users of rental apartments, office buildings, and commercial facilities operated by MITSUUROKO Co., Ltd. at discounted prices.

This reduces the users' initial setup fees, the hassle of ownership, and the burden of arranging for disposal when no longer needed. At the end of the subscription period, Social Interior Inc. will collect the furniture and promote its secondary use in its off-price market, Subslife Off Price.



### Bowling pin and sauna stone reuse art exhibition

As part of the Rain-Bowling Project\*, a sustainable activity using discarded bowling pins, Mitsuuroko Sports Co., Ltd. held the “Craft Art Exhibition Created with Bowling Pins and Sauna Stones” at three locations within Hamabowl EAS (1st Floor Entrance, 4th Floor SPA EAS, 8th Floor Hamabowl) from March to June 2024, to showcase craft art created using discarded materials. The works in this exhibition were created by students and faculty of the craft course at Yokohama University of Art & Design, marking the second time it has been held since FY2022.

We also registered our participation in the 8th Yokohama Triennale as a support program, and during the event period, we held a temporary exhibition at the JR Yokohama Tower, a facility connected directly to the West Exit of JR Yokohama Station. As an industry-academia-government collaborative initiative, we were able to showcase a new style of SDG-oriented art to the local community.

We will continue exploring various avenues of reuse and pursuing our challenge of achieving zero waste.

\* A project exploring various methods of reuse, such as using discarded bowling pins (approximately 500 per year) from Hamabowl and sauna stones discarded at Yokohama Tennen Onsen SPA EAS for creating original children's games and utilizing them for art.



## Advancing resource circularity

### EAS café promoting elimination of plastic and local production for local consumption toward becoming a sustainable cafe

The EAS café, directly managed by SPA EAS, promotes the elimination of plastic.

In FY2022, we eliminated all conventional plastic cups. We switched from providing paper cups to serving drinks in reusable tumblers from FY2024.

In addition, in purchasing ingredients, vegetables are procured from local stores in Yokohama-shi, and only the necessary amount is harvested through hydroponic cultivation using the plant cellar within the EAS café, thereby reducing food mileage and food waste.

We will continue providing sustainable options linked to reducing our environmental impact, and operate our facilities with an awareness of our contribution to the local community.

### Flower installation: Smile Flower Bath installation

SPA EAS: Yokohama Tennen Onsen supports the Smile Flower Project, an initiative to save flowers that would otherwise be discarded as non-standard products or wasted due to the shrinking market caused by the pandemic. At the entrance, flower baths (*hanachozu*) are created and displayed according to the season, welcoming guests in a festive manner.

In addition, events aimed at raising awareness of the project included a popularity contest for flower art and a stamp collecting game, creating a cycle that links the smiles of employees, flower farmers, and customers through the flower decoration initiative.

We will continue to strive to recycle resources and enhance the value of facilities with ideas that capture current trends.



# Water Security

## Basic approach

Mitsuo Group considers water security to be an important management issue and is taking actions such as water stress and risk studies, and water hazards and water management. At the same time, in accordance with our environmental policy, we work to conserve and make effective use of water resources through efficient use of water, reduction of water consumption through recycling, and appropriate treatment of water.

## Initiatives for water security

### Implementation of water stress/risk studies

Using the WRI Aqueduct, an international indicator, we comprehensively analyzed and evaluated current and future risks (water demand, water source security, water damage, etc.). As a result, we confirmed that there is no significant water stress or risk in the Group's main facilities as of now.

### Water consumption, water discharge, and water quality control

In order to use water resources sustainably, we monitor water consumption and strive to save water, and also implement appropriate wastewater management. In FY2023, following on from FY2022, there were no violations of standards and regulations pertaining to water discharge.

### Situation of water resources utilization

In FY2023, Group-wide use of domestic freshwater resources (water supply and wells) totaled 3,162 thousand m<sup>3</sup>, and the amount discharged to underground and rivers (excluding sewage) was 754 thousand m<sup>3</sup>.

## Response to water hazards

While LPG is a form of distributed energy that is easy to install and restore even during natural disasters such as torrential downpours and storm surges, it is possible for filling stations to be damaged and for its transportation to be delayed or slowed. In preparation for emergencies, we have implemented disaster prevention measures at facilities such as filling stations and have also formulated a business continuity plan (BCP). The LPG supply network is rationally designed to ensure a steady supply of LPG to every corner of the country in times of peace and even in times of disaster. In addition, Mitsuo Group

Administration Center (Saitama-shi, Saitama), a shared services division that consolidates the operations of the Group companies, has two offices; one in Nagano and the other in Saitama. We take this approach in order to avoid the risk of interruption in our operations when struck by disaster, etc. due to centralization, and to ensure the continuation of operations in the event of an emergency. We have established a system that allows us to shift to pre-determined operations in an emergency by activating the BCP program if it becomes impossible to carry out operations in Saitama-shi.

## Initiatives to reduce water usage

### Preserving water resources through the use of business cards made primarily from limestone

From the viewpoint of conserving forests and water resources, the Group has adopted the use of business cards made with "LIMEX," a material derived primarily from limestone. Limestone exists in abundance throughout the world and is a mineral resource which Japan is completely self-sufficient which can be obtained at a low cost. By adopting limestone as the main material for our business cards, we are contributing to the preservation of forests and water resources, which are essential for the production of paper. This initiative saves 10 liters of water per card box of business cards (100 cards). When converted to the number of business cards used by the Group, this equates to 22,000–24,000 liters of water preserved in a year.



\* "LIMEX" is a registered trademark of TBM Co., Ltd.

### Water-saving initiatives

In the wellness business, we are working to reduce bathing water used at “Yokohama Tennen Onsen SPA EAS” through the use of a recovery tank (water supply and natural spring water) timer control and water-saving devices installed in all shower heads. We are also reducing other water used at the facility through measures such as the introduction of water-saving toilets, and employees are also making efforts to save water. We are also promoting the introduction of water-saving showers and toilets in rental apartments owned by our real estate business.



## Biodiversity Conservation

### Basic approach

Mitsuuroko Group recognizes the importance of nature’s bounty, and in order to continue to enjoy it in the future, the Group has adopted “biodiversity conservation” as one of its environmental policies. Based on this, we strive to understand and improve the impact of our business activities on biodiversity, promote sustainable use, and engage in biodiversity conservation in cooperation with local communities.

### Initiatives in business activities

#### Activities to protect and nurture the forests around water collection sites

To contribute to the local community by beautifying the environment, Mitsuuroko Group employees, their families, and other relevant parties participate in cleanup activities in Mitsuuroko’s Forest Narusawa, a mountain forest near the Narusawa Plant in Yamanashi Prefecture, and along Mitsuuroko’s Path, a walking path near the Gifu Yoro Plant in Gifu Prefecture, where mineral water is produced by Mitsuuroko Beverage Co., Ltd.

In 2023, we also launched a project to plant hydrangea seedlings in the famous hydrangea corridor on Mitsuuroko’s Path. We will further contribute to regional development by working with local governments on projects to promote tourism in the region.



#### Endorsed the Keidanren Declaration for Biodiversity and Guideline

We endorsed the Keidanren Declaration for Biodiversity and Guideline in March 2024. Our efforts are in line with this declaration and guideline, and we will continue to promote initiatives that contribute to the conservation of biodiversity.





# S Social

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Since its founding, Mitsuuroko Group has operated with the belief that human resources are the source of growth and our greatest asset.

To ensure stable and reliable services, we strive to co-exist with local communities and work on everything we can and should do, no matter how small, to help build a safe and secure society.

Through these efforts, we aim to contribute to a brighter future, a beautiful planet, and the sustainable development of an affluent society.

Stable Supply of Energy/Electricity ➔ [P55](#)

Safety Assurance and  
Quality Control for Customers ➔ [P57](#)

Disaster Prevention Measures ➔ [P59](#)

Development of  
New Businesses and Services ➔ [P61](#)

Respect for Human Rights ➔ [P63](#)

KENKO Investment for Health ➔ [P65](#)

Occupational Health and Safety ➔ [P67](#)

Diversity, Equity & Inclusion ➔ [P69](#)

Human Capital Development ➔ [P72](#)

Local Communities ➔ [P73](#)

## Main target management indicators (KPIs)

Materiality	KPI	Quantitative target	Target year
Contribution to local communities	Increase the number of locations with the Christel Vie Ensemble Foundation donation boxes	Increase from 11 locations (the number of locations in 2021)	Yearly target
Contribution to local communities	Contribution to local communities and society (community cleanups, etc.)	– (The “–” symbol indicates a qualitative target.)	Yearly target
Enhancement of safety and disaster response measures	Number of drills conducted in relation to confirmation of safety	Twice a year (for all employees)	Yearly target
KENKO Investment for Health	Continue 100%	participation in regular health check-ups (all employees)	Yearly target
KENKO Investment for Health	Rate of taking thorough examinations	100% (ratio to all employees)	FY2024 target
KENKO Investment for Health	Rate of maintaining proper weight	65% (ratio to all employees)	FY2024 target
KENKO Investment for Health	Rate of undergoing stress checks	100% (ratio to all employees)	FY2024 target
KENKO Investment for Health	Rate of smoker	27% (ratio to all employees)	FY2024 target
KENKO Investment for Health	Rate of regular exercise	30% (ratio to all employees)	FY2024 target
Promotion of diversity	Rate of parental leave taken	Continue to provide 100% of female employees, 35% of male employees	FY2025/Yearly target
Promotion of diversity	Ratio of female employees	33%	FY2027 target
Promotion of diversity	Percentage of female managers	11%	FY2027 target
Promotion of diversity	Number of diversity training sessions	Once a year for all employees	FY2024 target
Promotion of diversity	Number of career seminars sessions	Once a year for female employees in their late 20s Once a year for male and female employees aged 26 years old	FY2024 target
Promotion of diversity	Number of maternity leave and parental leave training sessions	Once a year for managers	FY2024 target

# Stable Supply of Energy/Electricity

## Basic approach

Mitsui Group is striving to build an energy supply chain that is sustainable under any changes in conditions irrespective of normal times or emergencies and provide our safe and secure services that are closely related to regions.

### Stable procurement of LPG and petroleum products

LPG is imported from overseas, and the Group has entered a yearly procurement agreement with import companies. The Group stably procures LPG that meets Japanese Industrial Standards and simultaneously stores approximately 90 days worth of gas at the import company and government, and approximately 60 days worth of gas at the warehouse in order to respond to geopolitical risks.

Also, the Group has entered into agreements with multiple import companies regarding petroleum products. The Group secures petroleum products of quality, proactively imports heating oil that fulfills standards of certifying associations in Japan and overseas, and maintains a structure that prevents obstacles in fuel supply. In addition, the Group stores fuel at our own bases.

### Stable supply of LPG and petroleum products

Within our logistics infrastructure, we transport LPG from the port hub of the import company to our filling stations under an exclusive contract with a transportation company and deliver from our filling stations to our customers.

We are striving to provide a stable supply of petroleum products to our customers by entering into charter agreements with petroleum transportation companies.



### Stable supply of electricity

Amid significant changes in the energy landscape, including reforms to electricity and gas systems, the Group recognizes that ensuring a safe and stable supply of electricity is more critical than ever.

To achieve this, securing reliable power sources is essential. We are building an optimized power portfolio that combines in-house generation with contracted purchases from independent power plants. This approach includes a mix of long-term and short-term power agreements to maintain a stable supply of electricity. At the same time, we leverage various market mechanisms – such as forward contracts, futures, and the baseload market – to further enhance supply stability. In addition to renewable energy, we also consider LNG and coal-fired power, as well as transactions in Japan's wholesale electricity market, as part of our efforts to achieve the best possible energy mix.

### Cooperation with related business operators

We strive to execute regular information exchange and strengthen relationships with power generation business operators and power companies. We have also implemented a system to simplify procedures of construction companies in order to ensure construction proceeds smoothly in the event that customers change their electricity facilities.

Upon procuring wood biomass that will become fuel in biomass power generation, we have established a system of long-term stable procurement with management by a skilled forestry-related business operator that is also a supplier.

At the same time, we are strengthening relationships with partners who sell electricity and are making proposals for sales menus such as the green menu (carbon-free menu).

### Transportation security management

The Group has established logistics companies in Tohoku, Kanto, Chubu, and Kansai regions. The holding company Logitri Holdings Co., Ltd. owns each of them as the Logitri Group, which realizes stable supply of energy through safe, secure, and prompt logistics services.

We also hold a delivery skills contest to spread awareness of security, ensure the implementation of reliable inspection services as an accredited security organization, and to further improve the quality of delivery operations. The contest comprises tasks actually involved in transportation. Everything from vehicle driving, customer interaction, careful stock taking, speedy and careful delivery and installation of compressed gas cylinders is subject to judging. Within these processes, the most important task is confirmation. Confirmation and reconfirmation by pointing cover all aspects from the vehicle surroundings to sources of heat and obstacles around where the cylinders are installed, truck elevators, the transportation route, smells around the cylinders, and detailed parts.

Under the slogan of “Taking up the challenge to achieve zero accidents in all areas with the highest priority on safety and security,” the entire Logitri Group is working hard to achieve no accidents and traffic violations, and to ensure safe driving and reliable delivery operations every day.

## Stable Supply of Energy/Electricity

### Transportation safety management safety basic policy

Slogan

**Taking up the challenge to achieve zero accidents in all areas with the highest priority on safety and security**

- 1 Contribute to society by taking up the challenge of eliminating accidents and disasters
- 2 Safety is prioritized in all operations
- 3 No trust without safety

#### Safety measures

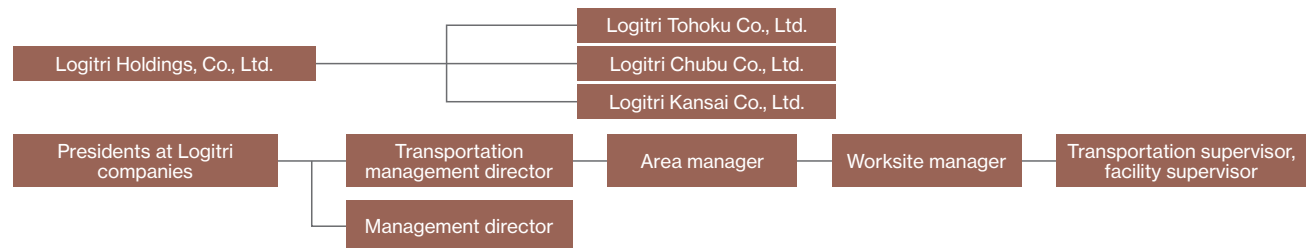
Important safety measures	Details of implemented measures
1 Maintain safety at existing facilities	Implement risk assessment
2 Spread awareness of transportation safety management	1) Secure certified personnel according to law (Transportation supervisors, construction supervisors, C-grade chemical managers, health and safety promoters, workplace accident prevention supervisors) 2) Educate on transportation safety management system 3) Implement internal audits 4) Hold open safety conferences
3 Promote workplace voluntary activities	1) Implement safety measure meetings (training on accident examples) 2) Implement near miss activities (implement as risk detection training) 3) Implement operation of 5S (sort, set in order, shine, standardize, sustain)
4 Secure safe operations	1) Effectively utilize drive recorders 2) Implement accompanying guidance 3) Educate drivers 4) Implement delivery skills contest with nationwide worksite participation
5 Uniformization of container exchange work	1) Implement accompanying guidance 2) Educate drivers
6 Implement health checkups	Implement regular diagnoses and follow-up checkups
7 Implement aptitude diagnoses	Implement general, initial, age, and specified diagnoses for all drivers (implement again in 2 years)
8 Publish and share information	1) Update websites 2) Utilize internal postings
9 Implement emergency response training	1) Develop manual 2) Implement training
10 No accidents and traffic violations awards	1) Acquire driver record certification (3 years) 2) Award at safety meetings
11 Initiatives for environmental contribution business	Participate in Tokyo Trucking Association's "Green and eco-friendly projects" and introduce awards system

#### Targets / achievement status

Targets for this year	Achievement status
1 Reduce vehicle accidents Zero severe accidents Reduce other vehicle accidents by 50% or less compared to previous year	Establish safe driving through introduction of drive recorders
2 Thorough implementation of transportation safety management system Educate employees to spread awareness to all employees	Spread awareness through internal audits and training
3 Acquire and renew G Mark (excellent safety workplace)	Acquired transportation business accreditation at all 38 worksites Tohoku region: 10, Chubu region: 5, Kansai region: 2
4 Implement traffic safety measures meetings 1) Research actual accidents and prevent reoccurrence 2) Report details of meetings to headquarters	Conduct analysis and report to headquarters at safety measures meetings
5 Implement near miss activities 1) Utilize driver reports and drive recorder videos 2) Utilize in accident prediction training	Promote near miss activities
6 Share information Prepare internal postings (organizational charts, annual targets, posters)	Spread awareness by posting annual targets, etc.
7 Implement risk management 1) Improve internal and external facilities (Risk assessment) 2) Develop and spread awareness of crisis management measures and prevention measures	Extract issue areas and implement countermeasures
8 Implement IT inspection system	Implement at some worksites

### Organizational system to secure transportation safety

Logitri Holdings Co., Ltd. views transportation safety management as an important mission, acknowledges it as an important area where top management should be directly involved, and has established a management structure in order to issue prompt and clear directives.



# Safety Assurance and Quality Control for Customers

## Basic approach

### Energy

Mitsuo Group makes efforts to secure safety under a basic policy that there are “no sales without security,” and strives to achieve an ideal balance with what our customers seek, factoring in the impact of various changes. We established the Mitsuo Vessel Advanced Security 2030 (MVAS2030) initiative to achieve the goal of maintaining security quality 24 hours a day, 365 days a year by 2030. As laws and regulations are revised over time, we will constantly transmit and support the newest information on how to strengthen safety systems, heighten awareness of disaster prevention, and advance voluntary safety measures.

### Electricity

In each power plant, we are continuing efforts to achieve no accidents and disasters at all sites by implementing and confirming site patrols by safety promoters, crisis detection actions, pointing / calling, compliance of laws and

regulations, voluntary safety / security audits, and 5S activities.

### Foods

Mitsuo Group performs product design from customer perspectives and sufficiently confirms the safety of the products and production process to deliver safe, secure, and delicious products to customers. In each Group plant, we take efforts for ongoing improvement of issues extracted and regular internal audits based on proprietary food security audit standards in addition to our daily quality control.

### Real estate

In addition to development and leasing of residential homes, office buildings, and commercial facilities, Mitsuo Group offers proposals to expand the range of people’s lifestyles and aim for harmony between regions through business.

We pay close attention not only to the quality of buildings, but also the quality of services provided to customers as we take ongoing efforts to improve customer satisfaction.

### Wellness

We pursue Customer Delight and have established the 4S (Safety, Smile, Special, and Surprise) as important indicators in the Wellness Business.

- Safety: Safety is prioritized in all things.
- Smile: Facilities where customers and staff naturally smile.
- Special: Giving hospitality to special people.
- Surprise: Small joys one after another can move the hearts of customers and employees alike and create sharing of touching moments.

## Structure for safety assurance and quality control

### Energy

The Group positions safety as its most important mission as an energy solutions business operator, acknowledges it as an important area where top management should be directly involved, and has established a management structure. In order to ensure safety, we have given direct authority of the security and logistics management department to the President of Mitsuo Vessel Co., Ltd., who will issue prompt and clear directives. We are efficiently managing 29 filling stations and 77 retail stores and have centralized response to customer inquiries and messages at specialized call centers. The SmartOWL® service enables the collection and analysis of information, such as gas meter readings and safety information, and streamlines LPG operations.

### Electricity

Regarding supply and demand of electricity, we have constructed a system that enables cooperation with power transmission companies to boost the security of electricity supply. In the power generation business, we have staff working by shifts at plants 24/7 as well as remote monitoring from headquarters. Through this, we have constructed a system capable of constant monitoring of power plants as we take efforts to secure the safety of our power generation business.

### Foods

The company formed hazard controls (HACCP) teams at each plant in the bottled water business division. Completed products were removed by lot, voluntarily inspected for micro-organisms, and shipped if they

pass the examination. We are striving for quality maintenance and management, such as implementing regular inspections of water sources and products by external public institutions. In inspections, inspectors with proper training, knowledge, and skills use specialized equipment for chemical analysis, micro-organism analysis, and foreign substance analysis. The company rigorously selects “ingredients that have a clear distribution path” and implements “safe and secure management of owned kitchens” in the operation of restaurants, in-facility stores, cafeterias, DELICATERIA, voluntary chain stores, fresh bakeries and cafés, and more, all run under the Foods Business. In product development, use external “eyes” to perform “food product examination that pursue safety” and make daily improvement to aim for these HACCP management quality standards.

## Safety Assurance and Quality Control for Customers

### Real estate

The Company has constructed a structure for delivering “safety and security” to customers based on the planning and operation of businesses.

In terms of planning, the Company prepares an annual plan of laws and regulation inspections and a yearly repair plan and conducts regular checks to ensure these plans are properly implemented. At the same time, in terms of operations, the company not only performs regular equipment inspection and corrective work, does patrol inspections, reports, installs security cameras, and implements regular cleaning through a management company, but it also introduces, updates, and eliminates specialized and shared equipment, such as LED lighting, as necessary. We have formed a system to confirm the status of damage during natural disasters such as earthquakes or flooding through a management company. The Company is striving to prevent damage by implementing water gates and water sealing plates on properties with a relatively high risk of flooding.

### Wellness

The Company has constructed a structure that can respond to various situations in order to ensure customer safety. During morning meetings, employees learn to use AED and CPR to prepare for emergencies.

In addition, a first aid skills training course is held once a year at Hamabowl, thus establishing a system to provide first aid in the event of an injury or illness at the sports facility.

In addition to training of hot springs facilities, Company employees and tenant store employees gather twice a year and confirm the evacuation path during emergencies.

At Yokohama Tennen Onsen SPA EAS, the Company changes the hot springs water each day, performs water quality testing as measures for preventing Legionnaires’ disease four times per year (two mandatory tests and two voluntary tests), and uses mild materials to create an environment where customers feel comfortable using the facilities with confidence. Also, the Company has implemented an IoT system for hot spring facilities that can count in real-time the number of users in each location through a stereo camera installed in key areas in the facility (a hot-stone spa, break areas, co-working spaces, etc.). Customers can check on the status of crowding in the facility by using the specialized app, which allows for comfortable use while avoiding crowds, and also serves as a measure for preventing the spread of COVID-19.

## Initiatives for safety assurance / quality control

### Energy

**Development of strict internal standards (Mitsuuroko Standards) that go beyond laws and regulations**  
 Since the standards set forth in the Act on the Securing of Safety and the Optimization of Transaction of Liquefied Petroleum Gas, such as safety regulations and proper transactions related to sales, are minimum standards, employees of Mitsuuroko Group observe voluntary standards (Mitsuuroko Standards) so that safety is not compromised due to these standards. For example, based on the frequency of legal inspections (at least once every four years) established in the Act on the Securing of Safety and the Optimization of Transaction of Liquefied Petroleum Gas, we perform advanced management two months before. We strive to ensure safety and do not exceed legal deadlines in case of emergencies in accordance with customer circumstances. In addition, only qualified LNG technicians, who are nationally certified for LPG, will be able to perform the statutory inspections, with the SmartOWL\* service providing on-site response within 24 hours for alert notifications.

### Mitsuuroko Safety Investigator (MSI) System

The MSI System was established to improve the safety level of Group employees and to ensure compliance with Mitsuuroko Standards. New employees who have passed the LNG technician certification test take part in classroom and practical training, and those who have acquired in-house qualifications are assigned to safety work.

### Thorough expiry management for provided equipment

Mitsuuroko Group performs manufacturer guarantee expiry management on all provided equipment, including adjusters, high / low pressure hoses, alarm devices, etc., in addition to expiry management for gas meters as established in laws. Through this, the Company aims to eliminate equipment malfunction due to deterioration over time.

### Measures to eliminate carbon monoxide poisoning accidents

When using gas equipment that has deteriorated over time and does not have a safety device (incomplete combustion prevention device), there is a risk of carbon monoxide poisoning due to incomplete combustion of the LPG. The Group strives to eliminate carbon monoxide poisoning accidents by regularly spreading safety awareness and promoting replacement of equipment for customers who use gas equipment that does not have a safety device. Also, the Group is taking measures for safety management by promoting installation of operational ventilation alarm devices for commercial kitchens, etc.

### Real estate

#### Measures for customer satisfaction

The Group is proactively introducing measures to provide properties with added value that will satisfy many customers. For both new and existing properties, these include Wi-Fi connectivity, ports for micromobility devices in the rental apartment grounds, a call center that can respond to tenant requests 24 hours a day, measures to prevent illegal entry of suspicious persons through elevators that only stop on certain floors and have a hands-free system, introduction of energy-saving products, such as air conditioning equipment that limits energy output, water-saving toilets, and intercommunication systems used in conjunction with smartphones. Common areas at some properties have also been renovated with a library, co-working space and theater room installed for use by residents. In our commercial facilities, we aim to be more closely connected to the community through sponsorship and participation in local events and publication in local magazines. The Group collects the opinions of tenants and customers by proactively establishing information sharing and communication opportunities with tenants, such as monthly store manager meetings where the representatives of in-facility stores gather. Through this, the Group is taking efforts to create facilities that are easy to use. We introduce various measures to reflect the voices of customers into business activities and are striving to improve customer satisfaction levels as we proceed with quality improvements from a customer point of view.

### Foods

#### Acquisition of a food safety management standard

In the bottled water business division, we have acquired JFS-B certification, a food safety management standard, in our Yamanakako Plant, Narusawa Plant, and Gifu Yoro Plant. The Ihara Factory and Okitsu Factory of Shizuoka Mitsuuroko Foods Co., Ltd. have acquired FSSC (international standard on food safety management system), and both plants produce and sell products with the focus on providing safe products to our customers.

\* JFS certification is a food safety management standard from Japan that is aligned to international standards and centers on the three axes of food safety management system (FSM), hazard controls (HACCP), and Good Manufacturing Practice. It was developed by the Japan Food Safety Management Association (JFSM), which was established under the guidance of the Ministry of Agriculture, Forestry and Fisheries.

\* The FSSC standard stands for Food Safety System Certification and is a system standard for food safety developed by the Foundation FSSC22000. The standard is approved as one of the food safety certification schemes by the Global Food Safety Initiative (GFSI), a non-profit organization led by the food retail industry.

#### Selection of business partners and initiatives

In the selection of business partners, the Group makes decisions through proper and fair procedures, based on the JFS-B certification related to food safety, in order to meet stakeholder expectations and contribute to society in terms of the procurement of raw materials, in addition to quality, cost, and deadlines. The Company will continue to develop a relationship of trust so that we can gain the understanding and cooperation of business partners.

### Wellness

#### COVID-19 measures

At SPA EAS and Hamabowl, we disinfected the facilities and applied anti-bacterial / anti-viral glass coating in January 2021. This glass coating has cleared the SIAA standards (safety of antibacterial processed products) and is highly safe. Also, at SPA EAS, we introduced IoT for customers to remain safe and avoid crowded areas by visualizing the crowding in each area.

#### Water quality control initiatives

We have also changed the chlorine control methods for water supply and natural spring water during daily inspections to control the chlorine concentration to better match the water quality. This enables us to provide safe and secure baths by controlling the chlorine concentration at a more appropriate level.

#### Accredited as a health promotion facility utilizing hot springs

On November 29, 2023, SPA EAS was accredited as a health promotion facility utilizing hot springs by the Ministry of Health, Labour and Welfare. Under the supervision of physicians, we offer health enhancement through hot spring bathing and unique exercise programs. This accreditation is the first of its kind in Yokohama.

\* What is a health promotion facility utilizing hot springs?

The Ministry of Health, Labour and Welfare has established the Regulations for Accreditation of Health Promotion Facilities to accredit facilities with appropriate content for promoting the health of the public and to promote the popularization of such accreditation.

Among them, facilities that have a health promotion program that focuses on the use of hot springs and that can safely and appropriately conduct such programs are accredited as health promotion facilities utilizing hot springs.



# Disaster Prevention Measures

## Basic approach

Mitsuiroko Group has constructed an emergency dispatch system that operates 24 hours a day, 365 days a year to prepare against unexpected trouble, such as gas leaks. We have established a strong security structure to prepare for any situation in order to ensure the safety of customers.

To strengthen resilience and respond to electricity supply constraints and natural disasters that have grown wider in scope and more intense recently, the Group reinforced the supply infrastructure, including self-defense capabilities, and strengthened the link with business operators for quick restoration. The Group is further strengthening structure-building and supply-demand adjustment function to secure stable supply of energy in times of disaster.

### Disaster-resilient LPG

LPG can be carried by filling canisters. It is known as a “distributed energy that can be used independently” and inspected and repaired on an individual basis in times of disaster.

Mitsuiroko Group is strengthening disaster response measures and established a strong system to minimize the impact of disaster on customer lives.

### Storm and flood measures

The Group is strengthening the below measures to prevent leakage of LPG containers through storm and floods.

- 1 Install disaster prevention nets to prevent leakage from platforms and secure lashing belts at LPG filling stations.
- 2 For LPG containers installed in customers' homes, we check for flood risks using hazard maps and register this as customer information. We secure double canister chains and promote the attachment of tension-type high-pressure hoses as disaster canister leakage prevention.

### Introduction of safety confirmation system (emergency call system)

Mitsuiroko Group has introduced a safety confirmation system (emergency call system) at all business companies, not just in the Energy Solutions Business and Power & Electricity Business. The Group has constructed a system that can confirm the safety of employees by PC, smartphone, etc., speedily confirm the safety of employees or their family members, and quickly take action for customer response and business continuity.

### Earthquake countermeasures

LPG is known as an energy that is resistant to earthquakes. However, the Group promotes the installation and attachment of safety equipment, including microcomputer meters, to prepare for unexpected circumstances. We have established an emergency dispatch system that operates 24 hours a day, 365 days a year through a call center.

### Development and application of business continuity plan (BCP)

Mitsuiroko Group has developed a BCP and disaster response manual to prepare against large-scale disasters and the recent spread of COVID-19. The Group regularly checks the communications system and important facilities, conducts accident response training and dispatch training, and maintains a constant awareness to respond smoothly to emergencies.

- Confirmation of safety and grasping damage status
- Installation of emergency response headquarters in times of disaster
- Disaster manual (action flow)
- Support system and transportation of supplies to the affected areas
- Implement business continuation strategy based on the degree of impact on business

### Implement disaster prevention drills

All Group companies conduct disaster prevention drills (group training or safety confirmation drills) at least once a year, remain highly aware of disaster prevention practices, and ensure that they can communicate and take action without issue in times of disaster.

## Disaster Prevention Measures

### Disaster prevention measures at power plants

Mitsuuroko Green Energy owns wind power plants, biomass power plants, and solar power plants. Therefore, it has established emergency response standards and prepared a disaster response manual for the objective of forming a response organization that can respond promptly and properly when natural disasters, fires, and explosions occur at power plants.

Under the basic policy, in case of a disaster, all Company employees come together to contribute to local communities, preserve company assets, prevent secondary disasters, quickly restore equipment, and prevent reoccurrence of disasters as well as prioritize saving human lives.

In the following cases, the Company shall adopt an extremely strict system, such as establishing an emergency response organization automatically during disasters,

regardless of the status of damage. In addition, the chief officer can establish an emergency response organization when deemed necessary to attend to the response.

- An earthquake with an intensity of lower 6 or stronger (on the Japanese scale of 7) hits areas where power plants are located.
- Alarm declaration based on large-scale earthquake countermeasure special mechanism and warning related to Tokai earthquakes issued

Also, the security management office manages the emergency countermeasure headquarters and local countermeasures headquarters to prepare against emergencies. This office regularly holds disaster prevention drills for cases of severe disasters at power plants with headquarters. Specifically, the office holds “alarm training” and “disaster prevention drills” at least once per year, heightens awareness of disaster prevention among employees, and takes efforts for education.

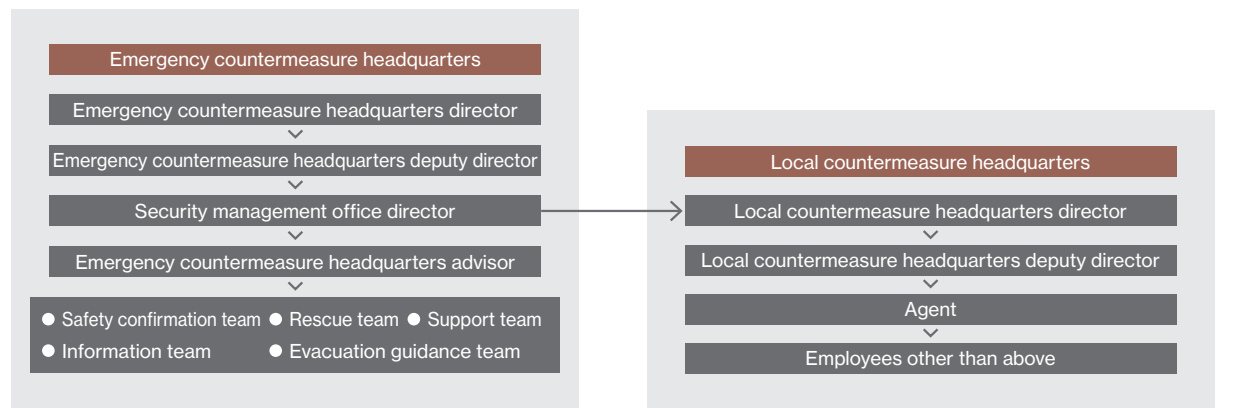
### Nagano Office

#### BCP measures

Mitsuuroko Creative Solutions Co., Ltd. opened the Nagano Office of Mitsuuroko Administration Center in Nagano-shi, Nagano, in July 2022, as an addition to the Mitsuuroko Administration Center in Saitama-shi, Saitama, which is the shared services division of Mitsuuroko Group. While we continue to upgrade our operations and make them efficient by centralizing the operations that have been dispersed throughout the Group companies, through the opening of the Nagano Office, we have established a system that avoids the risk of interruption in our operations due to centralization when struck by disaster, etc., so that operations can continue in the event of an emergency. We have established a system that allows us to shift to pre-determined operations in an emergency by activating the BCP program if it becomes impossible to carry out operations in Saitama-shi, Saitama.



#### Emergency response system



# Development of New Businesses and Services

## Basic approach

Mitsuuroko Group exists as a sustainable company that continues to provide customers with “more fulfilling lifestyles.” We are constantly developing new businesses and services to continue to deliver more fulfilling lifestyles and improve customer satisfaction.

## Content Business

MITSUUROKO Co., Ltd. has been engaged in the content development business, including video productions, as a new business since 2020. We have focused on the fact that intellectual property such as video content is an asset that brings us continuous value through video distribution services. As such, we work on the content business and expect it to contribute to the sustainable enhancement of corporate value.

In these video contents we also work on creating Group synergies through placement of our products and services such as Group’s restaurants, hot springs, and rental apartments as locations, and through sales of DVDs and original merchandise exclusively on Mitsuuroko Avenue website, the Group’s e-commerce sales site.

By using cast members who are popular among young people, we attract target audiences who may not be familiar with the Group to become customers of our content business, thereby enhancing the Group’s name recognition and market presence.

### Kono Doga wa Saisei Dekimasen (This Video Is Not Available)

Kono Doga wa Saisei Dekimasen (This Video Is Not Available) is a drama series that has been produced since 2022 as completely original content from Mitsuuroko. The comedy duo Kagaya portray horror video producers who solve the mysteries behind horror videos submitted by viewers and others. Two seasons of the TV drama and one movie have currently been produced, with the 2024 movie adaptation achieving significant success, including being ranked as the highest-grossing film in Japan in the mini theater category with 30 theaters or less.



©2024 Kono Doga wa Saisei Dekimasen (This Video Is Not Available): THE MOVIE Production Partnership

### Hakko Danshi

Hakko Danshi is a TV show series led by Mitsuuroko in cooperation with Television Kanagawa and others, which has been in production since 2022 and is currently in its third season. This travel documentary in which two young actors, Toshiki Tateishi and Eito Konishi, visit the producers of fermented foods in various regions of Japan to discover the charm of traditional Japanese fermentation processes. The program has gained popularity, attracting approximately 4,000 people at the launch events held before each series is aired.



©2024 Hakko Danshi 3 Production Partnership

## Development of New Businesses and Services

### Lifestyle Planning Department Revitalizing Rural Communities through Agricultural Promotion

In April 2024, we launched a coffee cultivation project using Smart Greenhouses in Fujioka-shi, Gunma, connecting local government, citizens, businesses, and farms in Japan and overseas. Climate change is reducing the amount of land suitable for cultivating coffee and other subtropical plants, while global economic growth is expected to cause long-term supply-demand constraints. The coffee cultivation project aims to promote agriculture, create new specialty products, and localize crops that are highly dependent on imports.

Building on the coffee cultivation business, we aim to expand our agricultural functions and resources, create synergies with our existing energy businesses, and pursue next-generation food and energy supply chains – such as farm-based solar power generation and the use of agricultural and livestock waste as fuel – while scaling up farming operations and diversifying crop varieties.



# Respect for Human Rights

## Basic approach

In the “Charter of Corporate Ethics,” Mitsuuroko Group has established the rule to respect the personality and individuality of employees and create a comfortable and fulfilling work environment, uphold human rights, and acted without discrimination.

In recent years, through various activities, there has been a spreading awareness of human rights that view “humans as human.” There is an increased understanding of the need to respect human rights as much as possible.

Under these circumstances, Mitsuuroko Group believes that it is important to perform business activities in accordance with international codes regarding human rights to prevent any sort of human rights issues in the relationship with all stakeholders, including not only employees, but also business partners and customers, as we aim to further enhance corporate value.

## Mitsuuroko Group Human Rights Policy

Based on the management philosophy of “As a Lifestyle Producer, we consistently conduct our business with integrity and from the customer’s perspective” and the Charter of Corporate Ethics, the Group is taking efforts

to realize environmentally friendly lifestyles that are gentle on humans and the Earth by providing new value for society and consumer needs. We have established the “Mitsuuroko Group Human

Rights Policy” to respect the human rights of all people directly or indirectly related to all processes in our business activities. We will continue our efforts to respect the human rights of various stakeholders.

### Mitsuuroko Group Human Rights Policy

#### 1 Basic principles

Mitsuuroko Group promotes initiatives that comply with the United Nations’ “Guiding Principles on Business and Human Rights,” and seeks to maximize the respect for international human rights codes, including the OECD’s “Guidelines for Multinational Enterprises,” the ILO’s “Declaration of Principles concerning Multinational Enterprises and Social Policy,” and the United Nations’ “International Bill of Human Rights.” Along with complying with the laws and regulations of countries and regions where the Company performs business activities, we also strive to respect international human rights codes when there are contrasts between them and the laws and regulations of the country/region.

#### 2 Application scope

This policy applies to all officers and employees of Mitsuuroko Group. Mitsuuroko Group also requests that all stakeholders respect and refrain from violating the human rights of others.

#### 3 Respect for human rights in business activities

Mitsuuroko Group strives to avoid or mitigate the negative impact on human rights for all stakeholders related to Mitsuuroko Group in all processes of business activities. The Group aims to construct a value chain that can fulfill the responsibility to respect human rights established in this policy.

#### 4 Human rights due diligence

Mitsuuroko Group identifies the impact of its business activities on stakeholder human rights and strives to prevent and mitigate issues by continuing the construction and operation of human rights due diligence systems.

#### 5 Aid

Mitsuuroko Group takes steps to aid and correct negative impact or the possibility of negative impact on human rights of stakeholders in its business activities.

#### 6 Disclosure of information

Mitsuuroko Group discloses information through its website, including the progress status of its own human rights respect initiatives and their results.

#### 7 Dialogue and consultation

In the development of this policy, Mitsuuroko Group utilizes expert knowledge related to human rights from independent, external institutions and earnestly holds dialogues and consults with related stakeholders.

#### 8 Education / training

Mitsuuroko Group performs appropriate education and training of officers and employees, incorporates this policy in all business activities, and effectively executes it.

#### 9 Important themes related to human rights in Mitsuuroko Group

Mitsuuroko Group has established important themes related to human rights below and aims to realize a work environment that feels worthwhile and respects human rights.

##### 1 Prohibition of discrimination / harassment

Mitsuuroko Group does not accept any sort of discrimination or harassment on the basis of race, ethnicity, tribe, nationality, religion, beliefs, origin, gender, age, disabilities, or sexual orientation, etc.

##### 2 Prohibition of child labor / forced labor

Mitsuuroko Group prohibits child labor, forced labor, human trafficking, and other improper labor practices.

##### 3 Respect for basic rights of labor

Mitsuuroko Group respects the basic rights of labor of employees, including the freedom of association, rights to unionize, and rights of collective bargaining.

##### 4 Promotion of diversity and inclusion

Mitsuuroko Group respects each employee as an individual and strives to establish a work environment where employees can do their best to maximize their capabilities and utilize their differences.

##### 5 Initiatives to ensure safe work environments and promote KENKO Investment for Health

Mitsuuroko Group aims to ensure a pleasant, safe, and hygienic workplace environment and to create a workplace where each and every employee can work energetically and vigorously in order to lead a healthy and cheerful life both mentally and physically.

##### 6 Support for work-life balance

Mitsuuroko Group strives to support the realization of work-life balance for each employee.

## Respect for Human Rights

### Initiatives on human rights due diligence

Based on its human rights policy, the Group has established a system for human rights due diligence (hereinafter “human rights DD”).

#### 1 Formulation of Human Rights Policy

In 2021, Mitsuuroko Group formulated and published its Human Rights Policy, which consists of nine provisions. It also stipulates 6 priority themes.

#### 2 Direction of initiatives regarding human rights DD

Based on its human rights policy, Mitsuuroko Group is currently considering ways to establish a human rights DD system. Specifically, we are considering the following methods.

##### 1 Scoping (risk identification)

In the business activities of Mitsuuroko Group, there are a wide variety of human rights risks that may arise due to the many stakeholders. To this end, we will work with personnel with expertise both inside and outside the Company to determine the scope of human rights issues to be investigated, including the type of issue, country and region, and product, taking into consideration a variety of factors.

##### 2 Data collection

We will gather information necessary for risk analysis, from both quantitative and qualitative perspectives, through engagement with stakeholders in an appropriate manner. We will prioritize gathering information through dialogue with rights holders.

##### 3 Risk analysis

Based on the data collected in 2 above, we will analyze how we are or can be influencing rights holders. In doing so, we will also consider the types (implementation, facilitation, and involvement) that identify how we are involved with negative human rights impacts, and explore ways to address them according to their impact, leading to 4 in the next section.

##### 4 Monitoring (risk prevention/mitigation/correction)

There are multiple options for corrective measures, depending on the intensity of the negative impact on human rights and the type of our involvement. We will consider what corrective measures are appropriate for rights holders, and will review the appropriateness of those measures after the fact.

##### 5 Communication (reporting)

The status of human rights DD implementation will be reported regularly to the Board of Directors and disclosed on the official website and in the Sustainability Report.

#### 3 Implementation in FY2024

No cases of human rights DD were implemented in FY2024. Although we have not yet established a specific system, we are conscious of human rights risks in our business activities and check for events that may have a negative impact on human rights through initiatives to deepen understanding of human rights, based on our human rights policy, such as human rights training and compliance activities at each company of the Group. We are also working to identify risks in individual businesses through interviews with experts and internal audits. In the future, we will establish and operate a specific human rights DD system based on the identified risks.



# KENKO Investment for Health

## Basic approach

Acknowledging that human capital are our greatest asset, Mitsuuroko Group considers the health management of employees, who are the source of our future growth, as an important health issue.

The Group respects that individual employees are active in facing diverse life stages by age or gender, and aims to create workplaces that encourages proactive engagement of their own health, and supports our employees through various health promotion initiatives and by sharing relevant information.

We will continue implementing measures that contribute to prevention and early response, such as preventing diseases that pose serious health risks like lifestyle-related diseases and ensuring early detection and quick response to mental health issues, as part of our commitment to KENKO Investment for Health.

### Mitsuuroko Group Healthcare Declaration

“We, Mitsuuroko Group, aim to create a workplace where each and every employee can work energetically and vigorously by working on health promotion in order to lead a healthy and cheerful life both mentally and physically.”

### Mitsuuroko Group Health Promotion Declaration

Mitsuuroko Group aspires to contribute to people’s lives as a Lifestyle Producer by supplying stable energy, food and drink and real estate services.

In order to realize this, it is essential for each and every employee to be healthy, physically and mentally.

Mitsuuroko Group continues to create a workplace environment where each employee can work in good health and promote initiatives that contribute to the health of employees.

Indicators	Actual			Preliminary FY2024	Target FY2025
	FY2021	FY2022	FY2023		
Rate of taking regular medical check-ups	100.0%	100.0%	100.0%	100.0%	100.0%
Rate of taking thorough examinations	74.4%	88.7%	100.0%	100.0%	90.0%
Rate of maintaining proper weight	62.9%	52.9%	58.9%	62.2%	68.0%
Rate of undergoing stress checks	100.0%	100.0%	100.0%	100.0%	100.0%
Rate of smoker	32.8%	31.5%	32.0%	30.6%	24.0%
Rate of regular exercise	24.8%	27.1%	24.4%	29.8%	33.0%

## Initiatives for KENKO Investment for Health

### Achieve and maintain 100% rate of taking medical examinations

The Group views ensuring that 100% of employees receive general medical examinations and take post-checkup measures as a key foundation for KENKO Investment for Health initiatives, and prevents the severity of lifestyle-related diseases and supports health promotion.

### Comprehensive measures to prevent passive smoking

From April 1, 2020, the Group has implemented a total ban on smoking during working hours at all worksites, and from October 1, 2021, it has implemented a total ban on smoking on its premises and eliminated smoking areas on the grounds. Furthermore, starting from October 2021, we designated the 22nd of every month as a “No Smoking Day (all-day),” and this is observed regardless of whether the day is a workday or holiday, with all Group employees refraining from smoking entirely – we are moving ahead with this as part of our No Smoking Week initiative.

### Awareness of women’s health

The Group runs seminars for female employees every year on the themes of female health, life events, and careers. We will continue working to ensure that knowledge and understanding are disseminated throughout the entire Group, including by promoting an accurate understanding of health management specific to women, not only among female employees but also with male employees (particularly male managers).

### Consultation hotline for mental health issues

The Group has developed a system in place for employees who feel mentally unwell to be interviewed by in-house medical professionals (occupational health nurses or industrial physicians), and out of consideration for employees feeling reluctant to seek consultations within the company, from August 2024, we have focused on creating a more accessible environment for consultations by renewing the support services we provide, including setting up a consultation hotline staffed by externally contracted medical professionals to address mental and physical health concerns.

### Implementation of self-care and line care training for mental health

Training on the theme of mental health self-care is provided for new Group employees every April, and training sessions are held focusing on line care for employees who have been newly promoted to management positions during that fiscal year, teaching them the organizational response to mental health issues among their subordinates. We will continue to provide training on the proper knowledge and appropriate action regarding mental health to employees in various positions.

### Holding an “Online Walking Contest” with a smartphone app

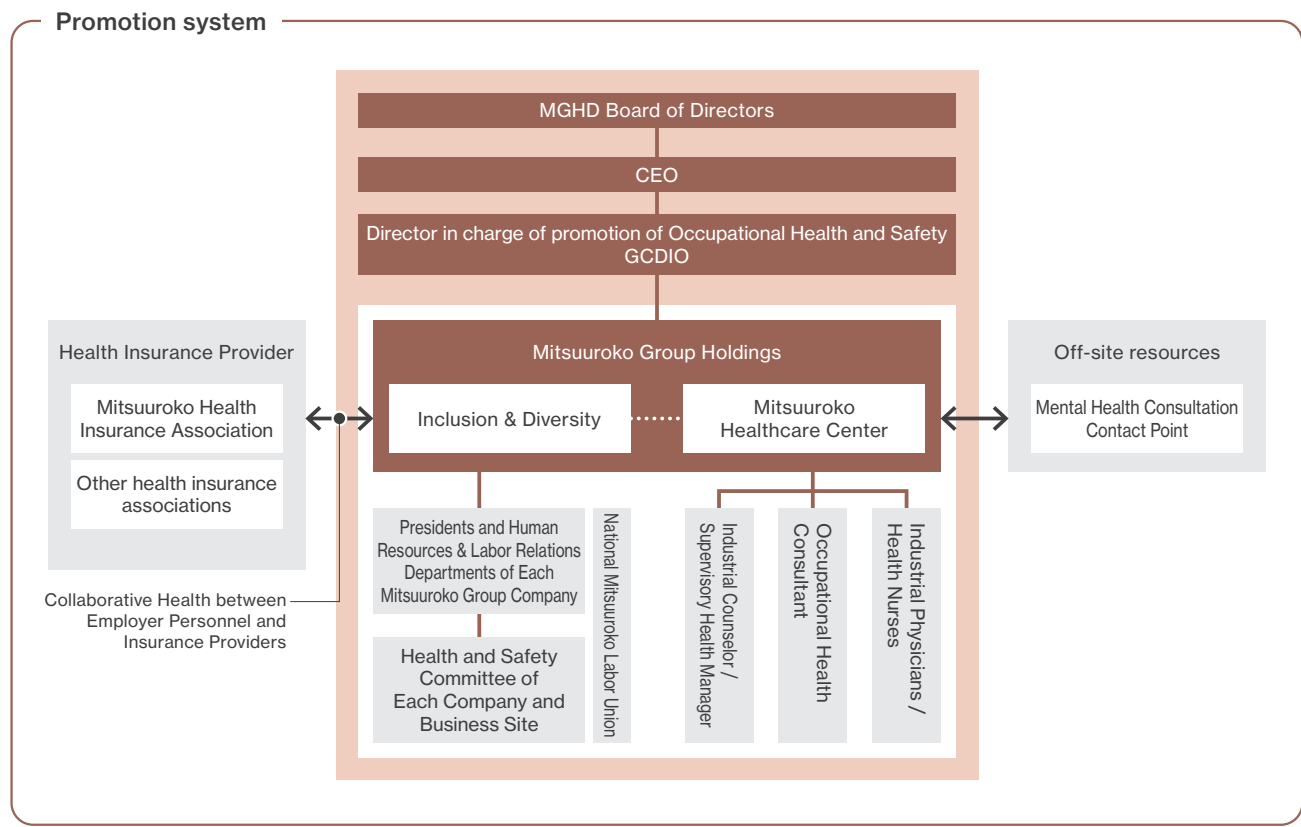
The group holds an “Online Walking Contest” every year in early summer, where employees working at group companies around Japan compete to see who can record the highest number of steps walked using a dedicated smartphone app – 227 volunteers took part in FY2024. Looking ahead, in addition to walking events, we will also continue to organize various events for building exercise habits, and by further cultivating an atmosphere where employees are able to comfortably engage in physical activity at work, we will boost the awareness of employees toward managing their health in a proactive manner through easily accessible exercise.



# Occupational Health and Safety

## New exclusive operations at the Mitsuuroko Healthcare Center (MHC)

Mitsuuroko Group has decided to return to the core tenets of occupational health and safety, and strengthen initiatives to protect the health and safety of its employees. Specifically, we have redefined the role of the Mitsuuroko Healthcare Center (MHC). Under the guidance of MGDH occupational physicians, specialist staff will now focus on ensuring all employees within the Group can work safely and healthy by continuously analyzing individual health checkup results, conducting risk assessments of workplace environments at each company and prefecture, and making improvements as required.

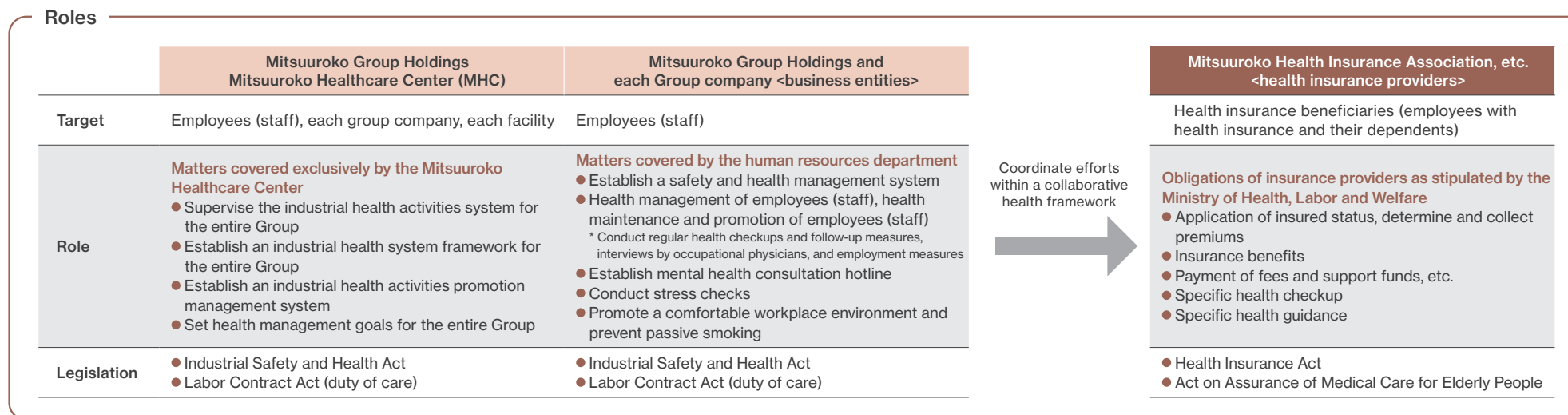


### Strengthening KENKO Investment for Health

Accordingly, the KENKO Investment for Health, that we have been advancing, will now be promoted collaboratively by the human resources departments of all Group companies, including Mitsuuroko Group Holdings. While some subsidiaries already fulfill this role, many Group companies will be newly taking on the challenge of implementing KENKO Investment for Health. Looking ahead, Mitsuuroko Group Holdings departments will support Group companies' efforts by providing education on the necessary knowledge and skills.

## Occupational Health and Safety

### Roles of the Mitsuuroko Healthcare Center (MHC), Each Company's Human Resources Department, and Health Insurance Associations



#### Occupational health and safety promoted by MHC

Occupational health and safety promoted by MHC goes beyond simply ensuring workplace safety; it involves continuously maintaining employees' health and providing an environment where work can be performed safely. This includes conducting medical examinations, ensuring workplace safety, and implementing preventive measures before health issues affect job performance.

#### Role of MHC's Occupational Health and Safety Team

The Occupational Health and Safety Team is responsible for promoting occupational health and safety throughout our Group.

The Occupational Health and Safety Team is comprised mainly of specialized staff, including industrial physicians, occupational health nurses, and health managers, and operates with the support of external occupational health consultants. Specifically, the team formulates appropriate policies and guidelines based on government regulations and industry best practices, and supports each Group company in complying with them.

#### MHC, employers (human resources departments) and health insurance associations create synergies through their respective initiatives

KENKO Investment for Health, promoted mainly by employers (human resources departments) to encourage employees'

voluntary health management and wellness promotion, and "specific health guidance" provided by health insurance associations to encourage behavioral changes among employees at increased risk of lifestyle-related diseases to prevent serious illness, are initiatives that can only be advanced by each respective organization. MHC's Occupational Health and Safety Team also focuses on operations unique to MHC, such as analyzing health checkup data from the entire group, conducting follow-up interviews with industrial physicians based on that data, and supporting workplace safety improvements through on-site visits and consultations at each business locations. MHC, employers (human resources departments) and health insurance associations all leverage their specialist expertise to ensure that their respective initiatives contribute to better health for every employee working across Japan.

# Diversity, Equity & Inclusion

## Basic approach

In order to provide good services to our customers as a Lifestyle Producer in a diverse society, we are promoting diversity, equity & inclusion at Mitsuuroko Group because we believe that it is essential to be a company where diverse employees can fully demonstrate their abilities and work with vigor.

## Diversity promotion system

A DE&I promotion system has been developed to foster a corporate culture that embraces diversity as a strength, creating an organization that is not constrained by factors such as employment type, nationality, gender, age, religion, or career stage – whether new graduate or mid-career.

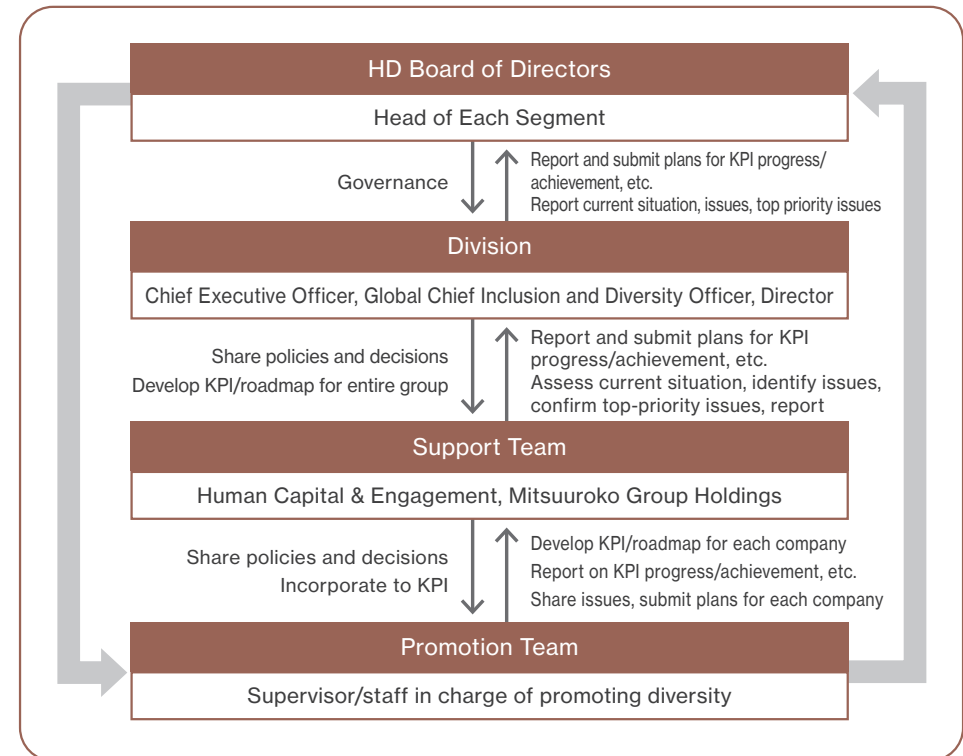
The Diversity Promotion Committee, comprising supervisors and staff in charge of promoting diversity at each Group company, collaborates with the Diversity Headquarters Committee that comprise directors, to advance initiatives such as women's participation and advancement, paternity leave taken by male employees, employment of persons with disabilities, hiring of foreign nationals, and the active participation of senior and younger employees.

**HD Board of Directors**  
 Coordination between each department  
 Strengthen governance of initiatives

**Division**  
 Regular meeting held once every quarter  
 Policy decisions and KPI progress checks  
 → Submit to the Board of Directors

**Diversity Promotion Committee**  
 Regular meeting held once every quarter  
 Report current status, share vision,  
 implement measures, review

## Diversity promotion system



## Diversity, Equity & Inclusion

### 1 Promotion of women's participation and advancement in the workplace

#### Target

The Group made efforts to promote women's activities as we aimed for the numerical targets announced on November 12, 2014. We once again established targets as follows on September 17, 2021.

#### Percentage of female employees<sup>\*1,2</sup>

Target as of March 2027 **33%**

The percentage of female employees as of September 2024 was 29.7%. The percentage of female employees as of September 2014 was 25%, so this figure clearly increased in the past ten years. The Group will further increase this to 33% by March 2027.

#### Percentage of female managers<sup>\*1,3</sup>

Target as of March 2027 **11%**

The percentage of female managers as of September 2024 was 10.9%. The percentage of female managers as of September 2014 was 4.2%, so this figure clearly increased in the past ten years. The Group will further increase this to 11% by March 2027.

\*1 The calculation of this percentage is based on a figure that excludes contract employees, part-time employees, and officers.

\*2 Excludes Logitri Tohoku Co., Ltd., Logitri Chubu Co., Ltd., and Logitri Kansai Co., Ltd., which have limitations on female employment due to operations that require carrying heavy loads as an LPG delivery company.  
Eligible employees as of September 30, 2024: 1,620

\*3 Calculated as (female managers / total manager positions in consolidated Group (excluding Logitri Tohoku Co., Ltd., Logitri Chubu Co., Ltd., and Logitri Kansai Co., Ltd.)) × 100

#### Approaches for promotion

From FY2024, we have conducted career training for female employees in their late 20s to consider the relation between their careers and private lives, and future career plans, while assuming life events that may occur in the future. Trainees provided feedback, such as "The course provided me with an opportunity to seriously think about balancing work and private life" and "I would like to think about

my career on a routine basis to lead a fulfilling life." Additionally, we run a "Life Support Holidays" system, which provides special paid holidays that can be used not only for childcare, sick/injured childcare, and nursing care, but also for medical treatment and hospital visits (cancer, designated intractable diseases, fertility treatment, etc.), self-development, menstrual and menopausal periods, and other poor health conditions. It is unnecessary to report the purpose of use to take the holidays. These special paid holidays can be taken by both men and women and are intended to ensure that all employees, including female employees, can work more comfortably.

### 2 Promotion of male employees to take paternity leave

#### Targets

#### Rate of paternity leave taken by male employees

FY2023 target **20%**

FY2025 target **35%**

FY2027 target **50%**

FY2023 actual **50%**

In February 2023, we set a target rate of paternity leave taken by male employees, and while the target for FY2023 was 20%, the actual rate reached 50%. These results far exceeded the goals we had set. We will continue to create an environment where men as well as women are able to balance work and childcare, by encouraging male employees to actively take part in childcare and household duties drawing on their paternity leave in a company where anyone can work in a lively manner.

\*1 The calculation of this rate is based on a figure of full-time employees, contract employees, and part-time employees.

\*2 Parental leave includes holidays for the purpose of childcare.

\*3 Calculated as (male employees who took paternity leave in the fiscal year / male employees whose partners gave birth in the fiscal year) × 100

\*4 If parental leave is taken in multiple blocks for the same child, it is counted as one child. If the parental leave is taken across two fiscal years, it is included in the fiscal year when the parental leave started; if the parental leave is divided into multiple fiscal years, only the first parental leave taken is included in the calculation.

#### Approaches for promotion

In order to give employees an idea of what it is like for men to take paternity leave, we published details of an interview with a male employee who has actually taken paternity leave in the company newsletter. We also feature interviews between staff in charge of human resources and males who will be taking childcare leave, spreading awareness that the Company is actively promoting males taking childcare leave. We also run a "special paid holidays for the purpose of childcare" (10 days) system, which both men and women can take. Furthermore, the Handbook for Supporting Balancing Work with Childcare and Nursing Care has been posted on the company portal site so that both men and women can learn about parental and caregiver leave when necessary.

### 3 Diverse work styles

The Group aims to establish an environment where employees of differing backgrounds are able to maximize their abilities by realizing diverse work styles that enables employees to have a flexible workstyle depending on the format of the business. The Group also hopes that employees will be able to live and work in the way they feel fits them the best.

### 4 Human capital development

The Group as a whole provides training for employees at every rank and at each company to acquire skills necessary for each business. Rank-based training clearly outlines the roles and skills required of each rank, and separates the covered ranks into more detailed levels, and expands eligible participants. We are also increasing face-to-face training and conducting interactive discussions as part of initiatives for providing practical training. From new employee training for new hires to life-planning training for employees in their mid-50s, the goal is creating a company where a wide range of age groups can contribute and work together.

## Diversity, Equity & Inclusion

### Initiatives to achieve work-life integration

At Mitsuuroko Group, we believe in the importance of integrating work and life (work-life integration) in order to create a synergistic relationship between work and family life and to enhance both public and private life. To achieve this goal, we have established various systems to allow employees to choose diverse ways of working.

#### Main systems, benefits, and initiatives related to work-life integration

System name	Overview of systems
Working hour shift system/varying work schedule system	Either working hour shift system or working hour varying work schedule system will be adopted as required by the nature and conditions of operations at each office and workplace. <ul style="list-style-type: none"> <li>Working hour shift system → Two-shift or three-shift system</li> <li>Working hour varying work schedule system → Adjustable in 30-minute increments</li> </ul>
Parental leave system	Available until the child reaches the age of one (Under special circumstances, this could be extended to a maximum of the age of two. It can be obtained in blocks up to twice.)
Paternity leave system	Can be taken separately from parental leave for up to four weeks within eight weeks of the birth of a child (can be taken in blocks up to twice)
Caregiver leave system	As a general rule, it is available for a total of 93 days for each person requiring nursing care.
Sick/injured childcare leave system	Available until the child reaches the start of elementary school
Family care leave system	Available for up to five days per year for one eligible family member and up to ten days per year for two or more eligible family members
Shorter working hours for childcare	Available until the child completes the sixth grade of elementary school. Can be shortened in 30-minute increments for maximum of 1.5 hours per day
Shorter working hours for nursing care	Available for a period of three years from the start of use. Can be shortened in 30-minute increments for maximum of 1.5 hours per day
Refresh leave system	A leave period of one consecutive month is granted. Available to those who have been employed for 20 years in the fiscal year with the base date set as April 1 of each year.
Expired paid annual leave reserve system	Can accumulate up to 30 days of expired paid leave. Can be used for leave for personal injury or illness of employees, nursing care leave, volunteer activities, and leave to prepare for retirement, etc.
Special paid holidays for the purpose of childcare	Up to ten days of special paid holidays per child until the day before the child turns two years old (leave may not be taken in blocks)
Life Support Holiday System	Up to five days of special paid holidays per year. Can be used not only for childcare, sick/injured childcare, and nursing care, but also for medical treatment and hospital visits (cancer, designated intractable diseases, fertility treatment, etc.), self-development, menstrual and menopausal periods, and other poor health conditions.
System for leave of absence for spouse or partner relocating outside Japan, etc.	Can take up to five years of leave of absence to accompany spouses and partners who are staying abroad for six months or more for work or study, such as overseas transfers and overseas study.
System for leave of absence for spouse or partner relocating within Japan	Can take up to five years of leave of absence to accompany spouses and partners who are relocating within Japan.
Hourly paid leave system	Paid vacation days available in hourly units (to be exercised five days per year, up to 40 hours)
Telecommuting system	Determined on a company-wide or workplace-specific basis. Can work from home, satellite offices, mobile work, or other locations outside of the office
Leisure time support system (Yoka Cinema)	Subsidy for movie tickets once a year (including family/pair)

### Handbook for Supporting Balancing Work with Childcare/Nursing Care

In response to the low birth rate, aging society, and increasing number of dual-income families, the Group has created a Handbook for Supporting Balancing Work with Childcare/Nursing Care as part of our efforts to support employees who balance work and childcare/nursing care. This handbook is developed to help employees who are engaged in childcare/nursing care to understand the internal and external systems related to childcare/nursing care and the process from leave to return to work, and to visualize how they can utilize the Company's systems in their daily childcare/nursing care and work, so that they can balance childcare/nursing care and work according to their individual circumstances.



### Platinum Kurumin certification as a company supporting childcare within the Group

As a company that supports childcare within the Group, Mitsuuroko Creative Solutions Co., Ltd. received Platinum Kurumin certification by the Minister of Health, Labour and Welfare in July 2024 for meeting the high certification standards, including male employees taking paternity leave and female employees who gave birth continuing to work for over one year. We will continue establishing systems that develop diverse work styles, achieve a work-life balance, and support childcare, as well as cultivating a workplace environment that provides a sense of fulfillment.



# Human Capital Development

## Basic approach

As a Lifestyle Producer, Mitsuuroko Group promotes skill development and training for each employee in order to provide better services to customers. The Group has established an environment to maximize those abilities.

## Evaluation system

The Group examines multi-faceted criteria to support employee skill development, promote utilization of skills, accurately grasp the degree of achievement of duties, perform on-the-job training, give fair and accurate evaluations, support challenges and fair promotions to higher positions, and contribute to a fair treatment system in promotion, transfer, positioning, education, etc. through all skills.

### 1 Target management

Each employee sets their own targets twice a year. The Group has adopted a "target management" system to evaluate the achievement/contribution to those targets and provide proper benefits.

The Group performs multi-sided evaluations, including performance evaluations that assess the achievement of performance targets and important topics as well as achievement of duties that target sharing of organizational targets, operational status evaluations that assess the appropriateness of internal controls, and evaluations of individual contributions in each department and contribution and achievement of operations improvement targets.

### 2 Competency evaluation

In order to develop employees, the Group has adopted "competency evaluations" to grasp and realize actions expected in operational achievements once a year, and evaluate the degree of action and skill usage.

## Training system

The Group has taken efforts to establish an employee capabilities improvement program that aims to improve the skills and motivation of employees.

Contents	Objective	Frequency of implementation
New employee training	Training to develop the skills, knowledge, and mindset needed in working through learning Mitsuuroko Group's management philosophy, business details, and basic business manners	Once a year
Marketing training	Training for new employees on the basics of marketing	Once a year
IT literacy training	Training for new employees for enhancing their ability to properly understand and utilize IT knowledge (IT literacy)	Once a year
IT literacy training II	Training for 3rd year employees to review their IT literacy training and learn how to utilize AI	Once a year
KENKO Investment for Health seminar (quitting smoking, mental healthcare)	Seminar for new employees for helping them to understand health issues and productivity improvement with KENKO Investment for Health, and to foster a healthy corporate culture	Once a year
Career training for junior employees	Training for junior employees aimed at building independent and autonomous career design	Once a year
Mid-career employee training	Training for mid-career employees aged 27 to 32, available only for those seeking participation, and designed to boost their motivation to build up their careers in a proactive manner, and to clarify action guidelines for demonstrating leadership	Once a year
New chief training	Team-building training with a broader perspective and considering total optimization	Once a year
New management training	Training to improve leadership, team management, and coaching skills	Once a year
Occupational health and safety/KENKO Investment for Health training	Training for newly appointed managers to help understand their role in KENKO Investment for Health	Once a year
Section manager training	Training program for section managers up to their third year to acquire logical thinking and problem-solving skills	Once a year
Management skills improvement training	Training for Group company directors, general managers of departments and deputy general managers of departments to improve their imagination and execution capabilities required for cultivating senior management and expanding business	Once a year
Mental healthcare training	Training for all managers for understanding the importance of mental healthcare and preventing mental health issues	Once a year
Life planning training	Training for those aged 55 years old, aimed at creating opportunities to think about both life and career aspects in the future after retirement	Once a year

Contents	Objective	Frequency of implementation
Harassment prevention training	Training for all officers and employees of the Group to reaffirm basic knowledge of harassment and how to respond to it, with the aim of preventing harassment	Once a year
IT compliance training	Education related to information security and personal information protection aimed at boosting awareness of security threats among each Group officer and employee	Once a year
Maternity leave and parental leave training	Training with the aim of encouraging all employees to take parental leave through accurate understanding of parental leave	Once a year
Human rights training	Training aimed at recognizing that people are individuals before they are members of an organization, that people have rights as human beings (human rights), and that it is necessary to respect human rights in the development of business activities	Once a year
Incubation system	Foster a corporate culture where employees can freely take up challenges and expand opportunities for discovery of new businesses	As needed
MBA acquisition support		
Law school support	Support system for acquisition of specialized and advanced knowledge and improvement of skills of employees	Applications received: Once a year
Correspondence university support		
Energy company office worker training	Training for acquiring the steps required for making improvements and enhancing operational efficiency while engaging with others	Once a year
Energy company evaluator training	Training for setting appropriate goals for subordinates and conducting fair and persuasive evaluations to enhance their motivation and support their growth	Once a year
Energy company external training participation	Training for acquiring specialist knowledge and skills focused on the energy sector to enhance individual capabilities	Once a year
Power company electricity workshop training	Training aimed at acquiring fundamental knowledge of the Power & Electricity Business	Once a year
Power company power plant training	Training for acquiring fundamental technical knowledge related to the operation and maintenance of power plants	Once a year
Power company leadership training	Training aimed at clarifying the leadership qualities required within companies and developing action plans	Once a year

# Local Communities

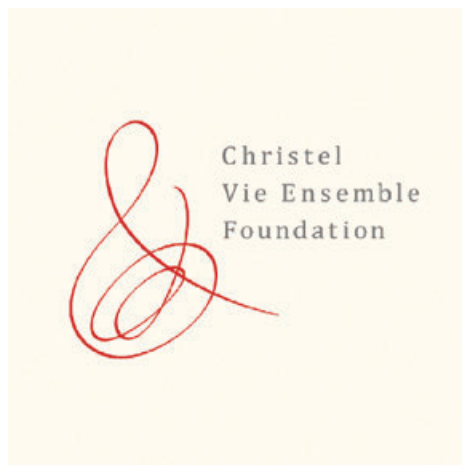
## Basic approach

We at Mitsuuroko Group believe that contributing to society through our core business is the role we should play, and we have been supported by many stakeholders, including local communities and society, in the course of our business.

As a corporate citizen in the local communities, we will do our best to contribute, even in small ways.

### Fundraising activities for the Christel Vie Ensemble Foundation (Christel Foundation)

We sympathize with the activities of the “Christel Foundation,” which is working to improve animal welfare, eliminate the killing of cats and dogs, and conserve biodiversity, and we support their fundraising activities. Donation boxes are placed in cafeterias and convenience stores operated by Mitsuuroko Provisions Co., Ltd. Mitsuuroko Group will continue to support the activities of the Christel Foundation in order to save as many lives as possible.



### Activities to protect and nurture the forests around water collection sites

As part of activities to beautify the environment and recharge water sources in the forests around Narusawa-mura in Yamanashi (“Mitsuuroko’s Forest Narusawa”), where the Narusawa Plant of Mitsuuroko Beverage Co., Ltd. draws water, and in the promenade (“Mitsuuroko’s Path”) in Nannou-cho, Kaizu-shi, Gifu, where the Gifu Yoro Plant of Mitsuuroko Beverage Co., Ltd. draws water, Group employees, their families, and other concerned parties are engaged in volunteer forest maintenance activities.



## Local Communities

### Revitalization of local communities (National Mitsuuroko Association)

Member stores of the “National Mitsuuroko Association” are responsible for sales of our products and have contact with approximately 800,000 households across Japan. The “National Mitsuuroko Association,” as an organization that provides excitement and peace of mind, flexibly responds to the diverse needs of customers and establishes strong ties with the local residents. In addition, the organization strives to build a business foundation where the strengths of each member store can be fully demonstrated and where they can always take up challenges. The association is currently composed of about 1,800 companies, and they are indispensable partners in the provision of our services.



#### 全国ミツウロコ会



##### Sales support

We support sales of our priority products (electricity, internet, Cosmos Berry's)



##### Block meetings and study sessions

Members can participate in new product study sessions with handled manufacturer representatives and information exchange meetings that make use of the nationwide network, enabling sales activities based on constantly fresh and important information.



##### EMC

As a response measure for disasters, which frequently occur, we provide “emergency calls,” a service to confirm the safety of employees in the event of an earthquake. We also act as a middleman to provide the accompanying emergency backpacks.



##### Mediation of supplies

We will create Information magazines related to lifestyle that can be distributed to customers of member stores, and act as a middleman to provide member stores original gifts, etc. They can also participate in paper exhibitions through flyers.

### Action plan for FY2024

#### National Mitsuuroko Association “Mirai Project” started

To respond to changes throughout the business environment and the times, we will run a project for developing a business model for the future.

- Study all the possible changes in the business environment and their impact on existing business models from multiple angles, and examine how we need to reform ourselves into the future
- Develop individual action plans encompassing lectures by various experts, introduction of the latest technologies, case studies and group discussions
- Examine commercial products with potential for the future.

#### Actively implementing to “Kurashi GX” and supporting sales of “renewable energy”

We are actively working to achieve GX as an energy provider.

- Promote the introduction of energy-efficient equipment/facilities on the consumer side
- Energy-saving proposals such as installation of high-efficiency water heaters, retrofitting with insulated windows, GHP, LED lighting, etc.
- Sales support for solar power generation equipment and storage batteries

#### Responding to corrections with LPG business practices and raising awareness of compliance with various related laws and regulations

The National Mitsuuroko Association will disseminate the latest information on revisions to the Act on the Securing of Safety and the Optimization of Transaction of Liquefied Petroleum Gas for correcting LPG business practices, and promote proper transactions and rate transparency in an active manner.

- Provide accurate information and promote appropriate transactions in an active manner to correct LPG business practices
- Content analysis and studies of measures for rate transparency
- Risk assessment initiatives as part of various related laws and regulations

## Local Communities

### Contribution to society through sports

We launched Mitsuroko Women's Basketball Team in 2012, established the Swim Team in May 2021, and entered an affiliate contract with swimmer Katsuhiro Matsumoto in April 2022. In September 2023, we employed a swimmer as the first athlete employee of Mitsuroko Group – two swimmers are currently working as athlete employees. The Company continues to make great strides based on the philosophy of contributing to the revitalization of the local community and greater interaction through sports more than ever before. Each member participates in competitions while working as an employee, fostering responsibility and attitude as a member of society, and working together with a high level of awareness. Having active players around stimulates the employees who work with them, and for the players, having supportive people around them helps to foster a sense of unity among the employees, and the workplace is full of vitality. We have also entered affiliate contracts with professional golfers Shiho Kawasaki, Yuting Seki, Momoka Miura, Eimi Koga, and Airi Saito, as well as Yumi Sasahara starting from January 2024, and we will support these athletes as they pursue their dreams and contribute to the development of sports culture. We will continue to proactively engage in social contribution activities through sports in order to enhance the corporate value of the entire Mitsuroko Group.



### Supporting the activities of the girls golf program “USLPGA-USGA Girls Golf Japan,” overseen by USLPGA and USGA

The Group endorses the goals of the Girls Golf academy overseen by the United States Ladies Professional Golf Association (USLPGA) and the United States Golf Association (USGA) for the development of youth golfers and female golfers, and supports the activities of “USLPGA-USGA Girls Golf Japan.”

The program not only teaches golfing skills, but also life skills as a woman and a global citizen. Through this sponsorship, we hope that the participating children will be able to enhance each other's skills and develop an international mindset, and that the program will serve as a catalyst for their future global activities in a variety of fields.



### Launched the Vision Training® service for boosting concentration and enhancing academic and athletic abilities efficiently

Mitsuroko Sports launched the Vision Training® service for children at its EIGHT ANGLE sports studio in Jiyugaoka, Tokyo, starting from April 2024.

Vision Training® is a training program for developing visual capabilities that boosts learning, improves physical performance, and contributes to mental stability. A training method with a history spanning more than 80 years in Western countries and widely utilized in Japan, from professional athletes to developmental support settings, Vision Training® is also drawing attention for its role in supporting learning.



## Local Communities

### Supporting the promotion of sports activities for the disabled: The 29th Hamapic (Yokohama sports festival for the disabled)

Following on from last year, in April 2024, Hamabowl provided its facility as the bowling competition venue and cooperated in the operation of the 29th Hamapic, organized by the City of Yokohama and the Foundation for Yokohama Rehabilitation Services. This competition also serves as the event for the selection of Yokohama City's representative competitors for the 23rd Japan Para Sports Games (held in Saga Prefecture), with competitors selected from this competition subsequently undergoing intensive training sessions at Hamabowl before advancing to the national stage.



### Hamabowl: Held the “Learn with Ramichan and Bowling Tournament”

Hamabowl hosted a charity bowling competition in September 2024, featuring former YOKOHAMA DeNA BAYSTARS manager Alex Ramirez as a guest. The competition called on members of VAMOS TOGETHER, a non-profit organization founded by Mr. Ramirez, and is being held with the aim of creating a “bowling competition where people with disabilities and able-bodied individuals can take part together.” Over 60 participants joined in the event, and together with Mr. Ramirez, we had a fun-filled bowling tournament overflowing with smiles.



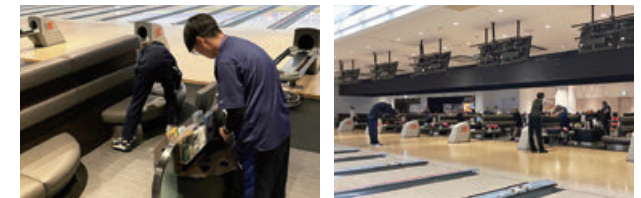
### Hamabowl: Held the fourth health bowling class

At Hamabowl, we held the fourth health bowling classes from October 2024. While there was only space for 108 participants across five classes, which was less than last year, we received 185 applications, exceeding the number received the previous year. By the end of the classes, over 40 participants expressed interest in continuing, and we are committed to promoting community health activities in our pursuit to revitalize the sport of bowling.



### Hosted work experience learning for Yokohama Municipal Okano Junior High School

Hamabowl hosted work experience learning at the bowling alley in December 2024, following a request from Yokohama Municipal Okano Junior High School. Based on the school's educational philosophy, we provided students with a diverse range of work experience to enhance their understanding of careers, teach them the importance of civility and greetings as members of society, and demonstrate the joy of bowling.



## Local Communities

### Promoting recycling of electronic waste (Singapore)

We take part in the recycling program run by ALBA E-Waste Smart Recycling Pte Ltd. Collection box is installed at GSC's "Lock+Store Chai Chee" facility in Chai Chee, and we collect discarded electronic devices from customers to promote the proper disposal of electronic waste as part of our customer service. With our participation in this program, GSC is helping to achieve a cleaner, more environmentally friendly, and more sustainable future.



### Marathon participation and donations (Malaysia)

GSC employees took part in the Corporate Challenge of the Standard Chartered Marathon Malaysia. The Corporate Challenge is an initiative to raise funds for the marathon's partner charities, and this time GSC donated to Kechara Soup Kitchen Society, which supports the homeless and underprivileged with meals.

### Introduction of a donation program for social contribution activities through eGift

Since FY2023, we have introduced a program that enables shareholders to choose to donate the equivalent value of their shareholder benefits as an eGift to social contribution activities instead of receiving the benefit.

#### Shareholder Benefit eGift Course Details

##### Christel Vie Ensemble Foundation

Donations for activities to improve animal welfare for dogs and cats, fundamentally solve the issue of euthanasia, and conserve biodiversity

##### Children's Future Support Fund

Donations to support groups nationwide, such as learning support organizations, children's cafeterias, and children's homes



### Reducing waste cardboard (Singapore)

We entered a partnership with Vibrant Recycle, a company specializing in recycling paper, metal, clothing, and electronic waste, and are actively working to reduce waste cardboard generated from moving, decluttering, and business activities. Waste cardboard collected at GSC's "Lock+Store Chai Chee" facility in Chai Chee is properly shredded and recycled by Vibrant Recycle, thereby minimizing the impact on the environment.



## Local Communities

### Holding fundraising event and sales of charity goods (Hong Kong)

To support Hong Kong Dog Rescue, an organization established to save dogs in need from the Animal Management Centre of the Hong Kong Government's Agriculture, Fisheries and Conservation Department (AFCD), we held a fundraising event and sold limited-edition dog-shaped keychains that double as eco-bags. These proceeds are used to support food, shelter and medical care for dogs in need, in accordance with Hong Kong Dog Rescue's mission as a "No Kill Organization."



### Hosted a visit study by Nagasaki Prefectural Seiryō High School

In collaboration with the NPO School Support Center (Musashimurayama-shi, Tokyo), Mitsuuroko Green Energy Co., Ltd. hosted a company visit study program on December 2, 2024, following last year's initiative. The company visit study program is designed to encourage students to think about their future careers by visiting various companies and learning about business structures, job roles, and the reward of work. This time, four second-year students from Nagasaki Prefectural Seiryō High School visited the headquarters of Mitsuuroko Green Energy Co., Ltd. The students were interested in renewable energy, had studied renewable electricity in advance, and we were able to answer their prepared questions in a friendly atmosphere. They commented that their understanding of renewable energy had deepened. Mitsuuroko Group will continue to promote various initiatives to increase interest in the potential and appeal of renewable energy among the next generation of children.





# G Governance

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Mitsui Group is committed to sustainable growth and enhancing corporate value for all stakeholders. Our fundamental approach to corporate governance is to establish an optimized management structure and ensure sound and appropriate business operations.

We will continue advancing governance reforms to accelerate decision-making, strengthen management oversight, and enhance transparency in corporate conduct. At the same time, we are reinforcing risk management and promoting stronger compliance across the organization.

Corporate Governance → [P81](#)

Risk Management → [P85](#)

Compliance → [P87](#)

Cybersecurity → [P93](#)

Personal Information Protection → [P94](#)

Appropriate Information Disclosure → [P95](#)

Supply Chain Management → [P96](#)

GRI Standards Table → [P97](#)

### Main target management indicators (KPIs)

Materiality	KPI	Quantitative target	Target year
Thorough compliance	Number of IT compliance training sessions	Once a year (for all employees)	Yearly target
Thorough compliance	Number of harassment training sessions	Once a year (for all employees)	Yearly target
Thorough compliance	Number of training sessions on human rights	Once a year (for all employees)	Yearly target

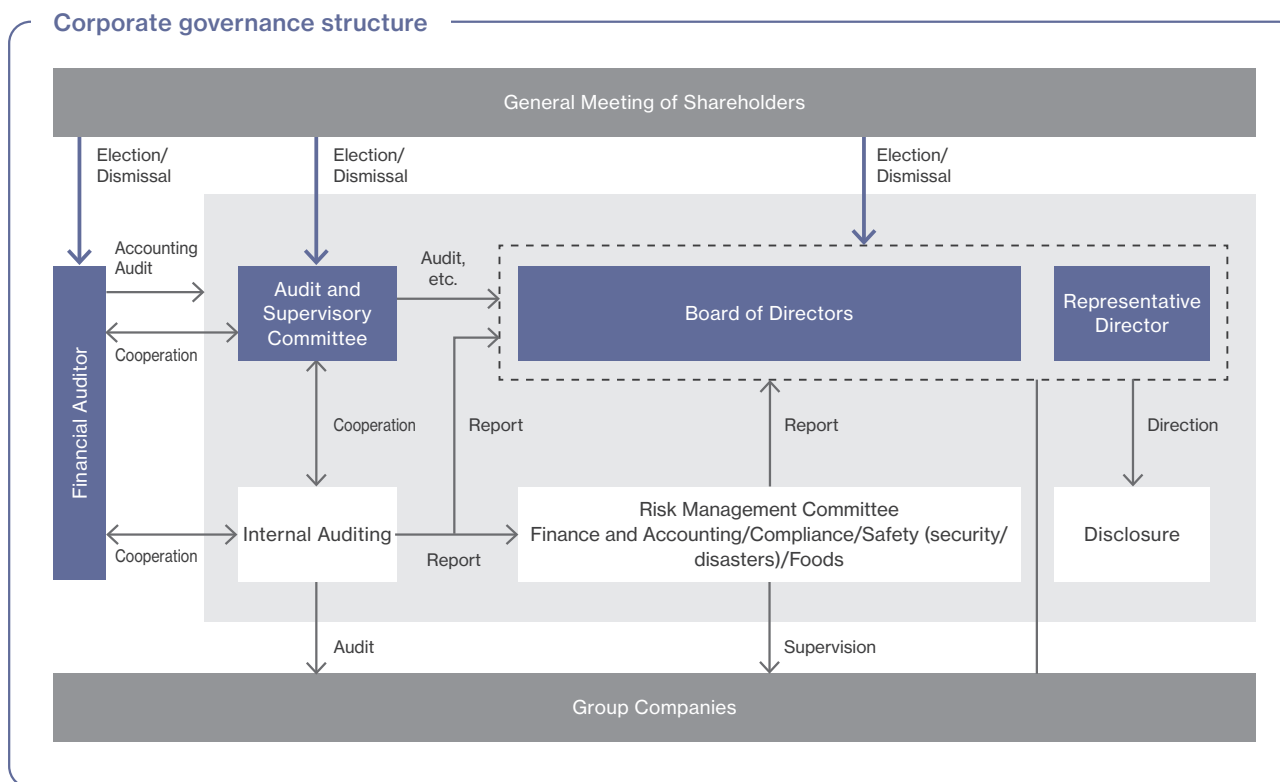
# Corporate Governance

## Basic approach

Mitsui Group's basic approach on corporate governance is based on the Companies Act, its Enforcement Regulations, the Financial Instruments and Exchange Act, other relevant laws and regulations, and the codes of corporate conduct of financial instruments exchanges. Our objective is to establish a structure that ensures the integrity of our operations, strict compliance with laws and ethical standards, and transparent, good-faith management towards customers, business partners, shareholders, and other stakeholders – ultimately fulfilling our social mission through business activities.

## Corporate governance structure

Since June 2015, Mitsui Group has operated as a company with an Audit and Supervisory Committee, comprising a Board of Directors, an Audit and Supervisory Committee, and a Financial Auditor. By granting voting rights on the Board of Directors to Audit and Supervisory Committee Members, the Company has enhanced the effectiveness of auditing and supervision and further strengthened the supervisory function of the Board of Directors. Further, the participation of five External Directors – including three Audit and Supervisory Committee Members – reinforces oversight of business execution and ensures the appropriateness and transparency of decision-making processes. The Board of Directors meets at least once a month to share management issues and enable prompt action toward resolution. We also strive to build a more advanced governance system by appointing diverse Directors, including a foreign national and medical professional, and by leveraging technologies such as AI and IoT to incorporate multifaceted perspectives. Additionally, we appoint Directors responsible for each business segment, granting them authority and accountability for establishing a compliance and risk management system within their respective Group companies. These efforts are overseen by the Head of Finance & Control to ensure consistency across the Group.



## Corporate Governance

### Areas where Directors are expected to excel in

The Company is committed to sustainable growth and enhancing corporate value for all stakeholders. Our fundamental approach to corporate governance is to establish an optimized management structure and ensure appropriate

business operations. We have composed a balanced Board of Directors by electing diverse human resources based on their knowledge, experience, and capabilities as we aim to accelerate decision-making, strengthen the supervisory function of

management, and secure the transparency of company actions. The Company expects that each Director will excel particularly in the following fields and skills.

Name	Position and responsibilities	Area or skill expected to excel in							
		Corporate management/ Management strategy	Financial accounting/ Capital policy	Human resources/ Personnel development	Legal/ Risk management	Auditing	Internal controls/ Governance	Overseas	Society/ Environment
Kohei Tajima	Representative Director, President and Chief Executive Officer General management, Sustainability	●	●	●	●		●	●	●
Kazuhiro Kojima	Director, Assistant to the President (Group Functions) Corporate Secretary, Finance & Control, Legal, Corporate Affairs, Other Businesses (operational and system support)	●	●		●	●	●	●	●
Takashi Matsumoto	Director, Assistant to the President (Group Synergy), Energy Solutions Business	●		●	●		●	●	●
Manabu Sakanishi	Director, Power & Electricity Business	●		●	●		●	●	●
Jun Kawakami	Director, Other Businesses (leasing)	●		●			●		●
Motoyasu Omori	Director, Foods Business, Quality Assurance, Internal Auditing	●		●	●	●	●		●
Goh Wee Meng	Director, Chief Technology Officer, Chief Information Officer, Global Chief Inclusion & Diversity Officer, Global Planning, ICT Planning (planning, maintenance, promotion of information infrastructure), and Inclusion & Diversity	●		●			●	●	●
Kaori Matsui	Director <b>External</b> <b>Independent</b>	●	●			●	●		●
Yoshiyuki Kawano	Director <b>External</b> <b>Independent</b> , physician	●	●			●	●		●
Hideo Sugahara	Director <b>External</b> <b>Independent</b> , Audit and Supervisory Committee Member, tax accountant	●	●		●	●	●		●
Kei Tajima	Director <b>External</b> , Audit and Supervisory Committee Member	●	●		●	●	●		●
Norio Shiohara	Director <b>External</b> , Audit and Supervisory Committee Member	●	●		●	●	●		●

\* The above table does not display all of their expertise.

### Remuneration, etc. for Directors

#### Policy on determining the remuneration, etc. for Directors

At the Board of Directors meeting held on January 20, 2021, the Company passed a resolution for a policy on determining the remuneration, etc. for each individual Director (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter). In addition, the Board of Directors confirmed that both the method of determining remuneration, etc. and the amounts determined for each individual Director for the current fiscal year are consistent with this policy and are therefore judged to be in line with the policy. The contents of the policy on determining the remuneration, etc. for each individual Director are as follows.

#### 1 Basic policy

The Company's basic policy is to determine Directors' remuneration at a level that is fair and appropriate, reflecting their roles and responsibilities and taking into account the Company's business performance. Specifically, for Executive Directors, remuneration consists of basic remuneration and performance-based stock compensation through the "Board Benefit Trust (BBT)." For External Directors, remuneration consists solely of basic remuneration, in light of their supervisory role.

#### 2 Policy on determining basic remuneration (cash remuneration)

Basic remuneration for the Company's Directors is paid as a fixed monthly amount, and is determined comprehensively based on: position and responsibilities of each Director, market levels at other companies, the Company's business performance, and employee salary levels.

**3 Policy on determining performance-based and non-cash remuneration.**

At the 107th Ordinary General Meeting of Shareholders held on June 28, 2016, the Company approved the introduction of the Board Benefit Trust (BBT) as a performance-based stock remuneration plan for Directors (excluding External Directors and Directors who are Audit and Supervisory Committee Members; hereinafter referred to as "Eligible Directors"). The trust established under this plan is referred to as the "Trust". Under this system, Eligible Directors are granted points each fiscal year based on their position, achievement of business performance targets (profit before income taxes on the consolidated statement of income), and other factors, in accordance with the Board Benefit Trust Regulations (the maximum total number of points granted to Eligible Directors

**4 Policy on determining the proportion of basic (cash), performance-based, and non-cash components within individual Director's remuneration packages**

Executive Directors receive basic remuneration and performance-based stock remuneration (BBT, classified as non-cash remuneration). The Company does not set a fixed proportion among basic, performance-based and non-cash components because the performance-based stock remuneration (BBT) plan was introduced as a replacement for retirement benefits and its amount is determined based on position and performance achievement under the BBT Regulations as noted in above item 3. Basic remuneration remains the primary component of compensation for Executive Directors. Remuneration for External Directors consists solely of basic remuneration, as described in item 1 above.

per fiscal year is 100,000 points). Points are converted into shares of the Company's common stock at a rate of one share per point (subject to reasonable adjustment in the event of stock split, allotment, or consolidations). Upon retirement, the total points accumulated during tenure are multiplied by a predetermined coefficient based on the reason for retirement to calculate the defined number of points ("defined number of points"). Eligible Directors who meet the beneficiary requirements under the Board Benefit Trust Regulations will receive shares of the Company corresponding to this "defined number of points" from the Trust after completing the prescribed confirmation procedures; in certain cases, a portion may be paid in cash

**5 Determination of remuneration, etc. for individual Directors**

The amount of basic remuneration for individual Directors is delegated to the Representative Director and President based on a resolution of the Board of Directors. This authority includes setting payment standards according to positions, responsibilities, etc., and determining individual amounts based on those standards. To ensure proper exercise of this authority, the Representative Director consults with and obtains input from independent External Directors before finalizing the standards. Performance-based stock remuneration (BBT) for individual Executive Directors is determined in accordance with the Board Benefit Trust Regulations.

\*1 The total remuneration, etc. above includes the provisions of ¥53 million for share awards recorded in the current fiscal year.  
 \*2 The index used for performance-based remuneration is profit before income taxes as stated in the consolidated statement of income. This metric was chosen to ensure that all Directors remain mindful of the cost of capital, align their interests with shareholders', and promote management focused on the sustainable enhancement of Mitsuuroko Group's corporate value. The target for the current fiscal year was ¥12,000 million, while the actual result was ¥12,874 million. The target profit before income taxes for the fiscal year ending March 31, 2025 is ¥12,200 million.  
 \*3 Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) was approved at the 114th Ordinary General Meeting of Shareholders held on June 16, 2023, with an annual cap of ¥400 million (excluding employee salaries). At the conclusion of that General Meeting of Shareholders, the number of Directors was nine (including two External Directors). Separately, a Board Benefit Trust (BBT) was established as a performance-based stock remuneration framework for Directors other than External Directors at the 107th Ordinary General Meeting of Shareholders held on June 28, 2016. At the conclusion of that General Meeting of Shareholders, the number of applicable Directors (excluding External Directors and Directors who are Audit and Supervisory Committee Members) was

equivalent to the market value of the shares. The amount of remuneration, etc. is calculated by multiplying the total points granted by the book value per share of the Company's stock held in the Trust at the time of grant (adjusted as necessary for stock splits, allotment, or consolidation). Cash payment may be made if deemed appropriate under the Board Benefit Trust Regulations.

**Total amount of remuneration, etc. for FY2023**

Officer category	Total remuneration, etc. (millions of yen)	Total remuneration, etc. by type (millions of yen)		Number of Eligible Directors
		Basic remuneration	Performance-based stock remuneration	
Total number of Directors (excluding Audit and Supervisory Committee Members)	345	292	53	10
(External Directors)	(16)	(16)	–	(2)
Directors who are Audit and Supervisory Committee Members	24	24	–	3
(External Directors)	(24)	(24)	–	(3)
<b>Total</b>	<b>369</b>	<b>316</b>	<b>53</b>	<b>13</b>
(External Directors)	(40)	(40)	–	(5)

seven. The conditions for allocating performance-based stock remuneration are outlined in "Policy on determining the remuneration, etc. for Directors."  
 \*4 Remuneration for Directors who are Audit and Supervisory Committee Members was approved at the 106th Ordinary General Meeting of Shareholders held on June 26, 2015, with an annual cap of ¥100 million. At the conclusion of that Meeting the number of such applicable Directors was three.  
 \*5 The Board of Directors has resolved to delegate authority to determine individual remuneration for each Director to Representative Director and President Kohei Tajima, based on the rationale that this role is best positioned to evaluate each Director's responsibilities while considering overall Group performance, as stated in "5. Determination of remuneration, etc. for individual Directors" on page 83. The total amount of performance-based stock remuneration is determined annually based on the Company performance in accordance with prescribed rules, and subsequently reported to the Board of Directors.  
 \*6 The remuneration, etc. for Directors (excluding those who are Audit and Supervisory Committee Members) includes payments made during the term of one Director who retired at the conclusion of the 114th Ordinary General Meeting of Shareholders held on June 16, 2023.

## Strategic shareholdings

### 1 Policy on strategic shareholdings

The Company's policy is to hold shares that contribute to enhancing corporate value over the medium to long term, taking into comprehensive assessment of their importance to our business strategy, relationships with business partners, and other factors. Each year, the Board of Directors examines the rationale for acquiring and holding each individual holding and their profitability based on the cost of capital, etc., thus regularly verifying the appropriateness of holding these holdings. We regularly verify the appropriateness of retaining these holdings and plan to sell those deemed no longer rational to hold.

### Evaluation of the effectiveness of the Board of Directors

The Company conducts self-evaluations of the effectiveness of the Board of Directors in the form of questionnaires given to Directors. The Company endeavors to ensure objectivity by seeking advice from attorneys and other experts as appropriate in relation to the preparation of this questionnaire and the analysis of evaluation results.

#### Evaluation method

Target	All 12 Directors
Method	Questionnaire format
Evaluation	5-point evaluation + free comments
Evaluation items	1. Composition and operation of the Board of Directors 2. Management and business strategies 3. Corporate ethics and risk management 4. Dialogue with shareholders

### 2 Standards for exercising voting rights for cross-shareholding

The Company exercises voting rights appropriately, making approval or disapproval decisions based on a comprehensive assessment of corporate governance structure, the medium- to long-term enhancement of investee corporate value, and the impact on the Company. If necessary, we discuss proposal content with investees.

#### Summary of evaluation results for FY2023

According to the results of the questionnaire, the Board of Directors of the Company in FY2023 was evaluated to be effective. The Company will work to improve the recognized issues in the future.

Particularly appreciated points	The Board of Directors operates effectively in an atmosphere that encourages candid and open-minded discussion.
	An environment in which External Directors feel comfortable expressing constructive opinions, and do so when necessary.
	The composition of the Board of Directors ensures the knowledge, ability, experience, and diversity necessary to fulfill its roles and responsibilities.
	Its agenda items contain sufficient content for deliberation in light of the level of importance of the matters to be discussed.
Recognized issues	Strategic shareholdings of listed company shares are appropriately verified based on cost of capital and other standards.
	It has been confirmed that the management is effectively utilizing resources to strategically and systematically review the business portfolio of the entire group, including subsidiaries, and to make capital and personnel investments, considering capital costs and risk-return over the medium to long term.
	More consideration should be given to the content and volume of materials used at meetings of the Board of Directors and the timing of distribution of materials and explanations provided in advance of meetings.
	An appropriate system should be established to promote constructive dialogue with shareholders.

### Status of the risk management system

Mitsuuroko Group has established the "Risk Management Committee" as a subordinate body of the Board of Directors to ensure the early detection and resolution of various problems related to legal compliance and to develop the systems required to implement and supervise internal control over legal management and compliance with laws, regulations, and social norms (compliance) in the midst of a risk environment that is becoming increasingly diverse and complex as our business portfolio evolves.

In addition, the Group has established a reporting system to ensure that compliance-related information is accurately and promptly reported to the department in charge of compliance, and it will constantly develop, improve, and appropriately operate the Compliance Hotline so that all Group employees can use it properly to communicate information without employees or outsiders receiving disadvantageous treatment because of such a report. The Risk Management Committee evaluates risks, recognizes issues, and implements operational improvements based on the recognition of issues with regard to events that may affect the achievement of the objectives set for each business process by the general managers of each division regarding all operations of Mitsuuroko Group, and it formulates an internal control implementation plan with the approval of the Board of Directors. In addition, it supervises the progress of the plan, and in cooperation with the Audit and Supervisory Committee and the Internal Auditing Department, it determines policies for the design and improvement of the overall internal control system.

Regarding issues related to the development and operation of internal control over financial reporting, the Head of the Finance & Control performs cross-group review and coordination, and reports to the Board of Directors on the annual plan for internal control over financial reporting and its results in light of changes in the environment.

In addition, the Company has established the "Food Quality Control Committee" to manage risks related to food quality, laws, and regulations, and to manage risks related to safety in cooperation with each department.

# Risk Management

## Basic approach

Mitsui Group has established risk management rules and is developing and operating a risk management system for all of its businesses. The Group will ensure the continuity and stable development of its business through risk management practices.

We also place the highest priority on ensuring the quality and safety of our products and services, and strive in good faith to eliminate or reduce obstacles to the interests of our customers, business partners, shareholders, investors, local communities, and other stakeholders, as well as those of all officers and employees of the Group.

We are aware of our responsibility as a supplier of products and services that are widely used throughout society, and we consider it our social mission to stably supply such products and services. In the spirit of compliance, we will adhere to various laws and regulations, the Charter of Corporate Ethics, and other codes of conduct and rules, and each of us will autonomously consider what is ethically correct conduct and act according to our value judgment.

### Promotion system and process of risk management

For the purpose of promoting compliance and risk management, the Group has set up a “Risk Management Committee” to supervise the risk management of the entire Group, and Finance & Control promotes and manages these across the Group. The Group has appointed an “Internal Control Manager,” “Internal Control Promoter,” and “Internal Control Promotion Committee Member” for each department to disseminate information related to compliance in each department, and to serve as a consultation contact point for employees on-site.

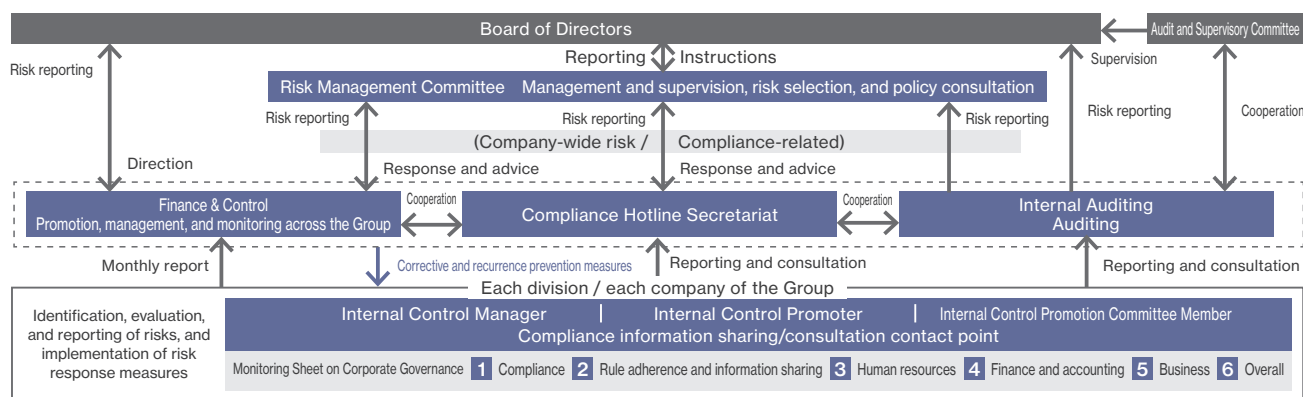
Regarding the risk management process, Finance & Control promotes and manages risk across the entire Group, and reports monthly to the Board of Directors risks reported by the Group to prevent problems before they occur. With regard to detected risks, if a Company-wide response is deemed necessary, taking into consideration the monetary impact and importance of the risk, the Risk Management Committee discusses the response, and the Board of Directors makes a final decision on the matter and considers and implements specific measures to address it.

### Monitoring

Through the Monitoring Sheet on Corporate Governance, Finance & Control visualizes the risks that should be focused on and their priorities by accurately identifying risks for the entire Group and selecting risks that need to be addressed in a focused manner. It manages the risks related to matters such as compliance, rule adherence and information sharing, human resources, finance and

accounting, and business, and reports monthly to our Board of Directors to prevent problems before they occur. Throughout the year, the Company monitors risks, mainly those of particular importance, and when necessary, related departments and Internal Auditing conduct investigations to take corrective measures and prevent recurrence.

### Risk management promotion system



**Main business risks**

Risks that may affect the Group's stock price, financial position, and business performance include those on the right. Recognizing the possibility of these risks, the Group strives to avoid their occurrence and to respond to them when they do occur.

Risks	Relevant businesses	Degree of impact	Risk description
1. Demand trend	Energy Solutions Business	Large	Demand for petroleum products (heating oil) and LPG, the Group's core products, generally increases when temperatures are cooler. As such weather conditions can cause net sales to fluctuate and affect the Group's business performance.
2. Product procurement	Energy Solutions Business / Power & Electricity Business	Large	The cost of sales of petroleum products, LPG, and electricity, the Group's core products, may fluctuate due to changes in crude oil prices and CP of LPG, trends in foreign exchange rates, and wholesale electricity market prices through electricity supply crunch caused by inclement weather and international conditions, etc., which may affect the Group's business performance. To mitigate these risks, attempts are made to hedge transactions using futures and other instruments and to diversify procurement sources as necessary, but these risks cannot be completely avoided.
3. Sales strategy	Energy Solutions Business / Power & Electricity Business	Medium	The Group's core businesses are the Energy Solutions Business, which sells household energy such as petroleum products, LPG and related equipment, and the Power & Electricity Business, which generates renewable energy such as wind power generation and biomass power generation and conducts electricity retail for general households. Competition among competitors for customers is intensifying due to greater freedom of choice in energy and maximum price curtailment, among other factors, and a decrease in the number of customers and drop in sales prices due to these factors may affect the Group's profitability.
4. Disasters etc.	Energy Solutions Business / Power & Electricity Business	Very large	Each of the Group's business sites includes petroleum product and LPG storage facilities, power plants, and other facilities. Although the Company conducts periodic inspections in accordance with laws and regulations, inspects facilities through a voluntary safety system, and makes periodic repairs, a major earthquake or other disaster could cause a leakage accident or damage to assets.
5. Investments etc.	All businesses	Medium	In order to strengthen its management base, the Group establishes subsidiaries or affiliated companies in Japan and overseas, and enters into capital tie-ups with external parties. With regard to investments, etc., we make decisions after giving due consideration to investment risks, etc., and periodically check the possibility of recovering the investment value. However, if the financial conditions and business performance of the investee deteriorate due to changes in the business environment or unforeseeable circumstances, and the possibility of recovering the investment decreases, or the stock price falls below a certain level, we may incur a partial or total loss on our investment, which may affect our financial condition and business performance of the Group.
6. Non-current assets	All businesses	Medium	The Group owns a number of business fixed assets, all of which are essential to the conduct of its business and are recognized as generating sufficient cash flow in the past and present. Although we regularly check the possibility of recovering the value of our investments, future trends in land prices and changes in the Group's earnings situation may affect our financial position and business performance of the Group.
7. Laws and regulations	All businesses	Medium	There are a wide variety of laws and regulations that the Group must comply with in the course of its business operations. The Energy Solutions Business and Power & Electricity Business are subject to the High Pressure Gas Safety Act, the Fire Service Act, and the Electricity Business Act, etc., while the Foods Business is subject to various regulations under food-related laws and quality inspections by external public organizations. Furthermore, in the future, we may be subject to various legal restrictions, such as the introduction of greenhouse gas emission regulations and carbon taxes, amid the global demand for stronger CO <sub>2</sub> emissions reduction efforts and decarbonization. Violations of laws and regulations applicable to the Group may hinder the continuation of our business activities due to penalties, compensation for damages, or damage to the Group's reputation, etc. In addition, significant capital investment may be required in the future in the event of major revisions or tightening of regulations, or the establishment of regulations that are currently unforeseeable.
8. Overseas Business	Overseas Business	Large	The Group conducts overseas business in Asia, and in addition to foreign exchange risks, we are subject to risks inherent in overseas business in general, such as unforeseen circumstances arising from political, economic, and social conditions in each country, and changes in various laws and regulations, which may hinder the continuation of our business and affect our financial position and business performance.

# Compliance

## Basic approach

Mitsuroko Group has declared that it would give consideration to the global environment, comply with relevant laws and regulations, and enhance security management.

We have also advocated the need for ethics by stating in our corporate philosophy that “we consistently conduct our business with integrity.”

In the future, we will continue to contribute to the sustainable development of society as a Lifestyle Producer by striving for sincere management and business activities based on high ethical standards, always from the perspective of corporate social responsibility, as well as activities that take into consideration environmental conservation and resource saving.

## Mitsuroko Group Code of Conduct

The Group has established the Charter of Corporate Ethics as a code of conduct to be observed by the Company and its officers and employees in the course of the various corporate activities of the Group companies.

The officers and employees of each Group company take the initiative in practicing the normative behaviors

set forth in the Charter of Corporate Ethics as their important role and are making utmost efforts to ensure that they are firmly established within the Group. In addition, in the event of a conflict with this Charter of Ethics, officers and employees take responsibility for resolving the problem, investigating the cause, and improving operations to prevent recurrence.

### Charter of Corporate Ethics

- 1 Comply with laws, regulations, and other social norms and conduct fair and sound corporate activities**  
Mitsuroko Group will conduct its corporate activities in accordance with laws and regulations, social norms, and social good sense.  
In addition, Mitsuroko Group will not associate with any individuals or groups that may adversely affect social order or the sound activities of the Company.
- 2 Provide safe and high-quality products and services**  
We will develop safe and high-quality products and services based on our rich experience and knowledge and provide them to consumers and business partners.
- 3 Respect the personality and individuality of employees and foster a comfortable and fulfilling work environment**  
Mitsuroko Group will value the initiative and creativity of each and every employee and foster a corporate culture in which they are fully utilized in its corporate activities.  
Mitsuroko Group will protect workplace safety and the health of its employees, respect human rights, and ensure a healthy work environment free from discrimination.
- 4 Respect the positions of stakeholders**  
Mitsuroko Group will strive to maintain sound and positive relationships with a wide range of society, including customers, business partners, employees, and shareholders.
- 5 Contribute to the preservation of the global environment and the creation of a prosperous and livable society**  
Mitsuroko Group will be aware that it receives various benefits from the Earth, including the resources necessary for its business activities, and that it is the Group's responsibility to preserve the global environment in a better state.

## Compliance Handbook

The Group publishes the Compliance Handbook, a combination of the Code of Conduct Casebook, which explains the code of conduct in an easy-to-understand manner, and the Charter of Corporate Ethics. In order to enhance the understanding of the Charter of Corporate Ethics, we have sought to make it easier to comprehend the necessary actions needed to be taken by officers and employees by giving specific examples from everyday life in understandable ways. For this reason, 50 of the 100 cases in the handbook have been converted into easy-to-read manga cartoons.



### Compliance reporting system

For the purpose of preventing and early detection of organizational or individual violations of laws and regulations, as well as fraudulent activities, we have established a “Compliance Hotline,” which includes Legal, Internal Auditing within the Company, and an outside law firm.

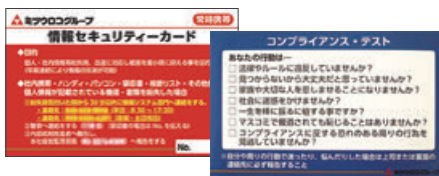
In response to reports and consultations on violations from the Company employees, business partners, etc., we protect the informants, investigate the facts responsibly, and take corrective and recurrence prevention measures, as necessary.

The information on where to report to the Compliance Hotline is posted on the information security card that is carried by all employees at all times and is known and shared by all employees.

We have also established a system for receiving reports from business partners and freelance workers, based on the New Freelance Act that was enacted in November 2024.

### Issuance of information security cards

For the purpose of responding quickly and minimizing damage in the event of loss of personal or internal information, we have issued an “information security card” that describes how to respond in the event of loss of documents or business equipment containing personal information, etc., as well as compliance-related matters, and we have all employees of the Group, including subcontractors, carry this with them at all times.



### Compliance training

The Group regularly conducts compliance training by rank and theme.

Content of training	Target	Frequency of implementation
IT compliance training	All officers and employees	Once a year
Group management compliance training	Management	Once a year
Training for supervising officers	Supervising officers	Twice a year
Group company accounting training	Accounting managers	Twice a year

Content of training	Target	Frequency of implementation
New management training	Newly appointed managers	Once a year
Training for managers in charge of safety	Managers in charge of safety	Once a year
Group new employee training	New employees	Once a year

### Implementation of education on compliance and harassment

We have produced an educational DVD on compliance based on case studies, and together with the DVD on harassment, we are conducting education on compliance by having all officers and employees of the Group watch it during the compliance small group activities that we have been conducting on a regular basis. In addition, in order to continuously educate all employees of Mitsuuroko Group about compliance and to strengthen their awareness of compliance, we regularly distribute a “Compliance Newsletter” on the company intranet every week, featuring news of public interest and familiar examples.



## Prevention of bribery

Based on our management philosophy and the “Charter of Corporate Ethics,” Mitsuuroko Group promotes sincere corporate activities based on high ethical standards, always from the perspective of corporate social responsibility. The Group aims to conduct measures to prevent bribery in its corporate activities by establishing and spreading awareness of the Charter of Corporate Ethics, employment rules, Compliance Rules, and risk management rules, etc. We have enacted

### Appropriate disclosure of information in compliance with laws and regulations, and our voluntary standards

Head of Legal shall be responsible for managing prevention of bribery. The Presidents of each Group company are also responsible for making their officers and employees comply with this basic policy. Regarding approval of entertaining, gift-giving, and donations in Overseas Business, and approval of agreements and confirmation of due diligence results related to hiring third parties, each department, the President of each company, and the finance and accounting department and the legal affairs department of Mitsuuroko Group shall confirm.

When we become aware of a violation of this basic policy or suspicion thereof, we will report it immediately to the manager in charge of legal affairs, the manager of the Internal Auditing, or the compliance hotline in or outside the Company. We have spread awareness of this reporting structure.

The Company performs regular self-inspections of the status of compliance with this basic policy and the Internal Auditing executes controls and prevents risks beforehand by regularly conducting audits related to the compliance and operation of this basic policy.

If by chance a violation of this basic policy is discovered, the Company will proceed in accordance with company regulations and cooperate with investigations by supervising departments.

and announced the Mitsuuroko Group Basic Policy on Prevention of Bribery, and has promoted efforts to prevent bribery across the Group with a mindset of fair play, and realize further enhancement of corporate value by fulfilling our corporate social responsibility in order to gain the trust of stakeholders and the general public.

### Education and spreading understanding

The Company has been aiming for education and spreading understanding of the prohibition on bribery in compliance training and internal materials. Because there are different restrictions on overseas transactions from those in Japan, the Company shall thoroughly spread awareness of the prohibition of bribery in and outside Japan and further expand the scope of training. Also, the Internal Auditing shall make efforts to execute controls and extract risks beforehand through regular audits.

## Mitsuuroko Group Basic Policy on Prevention of Bribery

### 1 Basic policy

Mitsuuroko Group promotes business activities based on its Charter of Corporate Ethics and management philosophy of “As a Lifestyle Producer, we consistently conduct our business with integrity and from the customer’s perspective.” In accordance with laws and regulations and their intentions, we prohibit the entertaining or gift-giving to public officials, etc. We aim to conduct measures for the prevention of bribery by establishing and spreading awareness of the Charter of Corporate Ethics, employment rules, Compliance Rules, and risk management rules, etc. The Group enacted a basic policy related to prevention of bribery overseas and in Japan as it conducts global business. We understand that it is the duty of each Mitsuuroko Group company, officer, and employee to comply with this basic policy. As such, we make the following declaration.

In accordance with our Basic Policy on Prevention of Bribery, we shall comply with the laws applied in each country and region and not engage in bribery of foreign officials.

By clarifying the policies that are the foundation of this basic policy, we promote efforts to prevent bribery across all of Mitsuuroko Group with a mindset of fair play, and aim to realize further enhancement of corporate value by fulfilling our corporate social responsibility in order to gain the trust of stakeholders and the general public.

**2 Compliance of applied laws and regulations**

We understand that corruption and bribery are unacceptable and comply with Japanese Penal Code, the Unfair Competition Prevention Act, the National Public Service Ethics Act, and the National Public Service Ethics Code.

We also comply with the laws, regulations, and restrictions applied in each country and region where we conduct corporate activities and do not bribe foreign public officials, etc.

1. Japan: Unfair Competition Prevention Act (Article 18), Penal Code (Articles 197 and 197-4)
2. US: Foreign Corrupt Practices Act (FCPA)
3. UK: UK Bribery Act 2010
4. Other similar laws based on or related to treaties for the prevention of bribery of foreign officials in international trade

**3 Prohibited actions**

**(1) Prohibition of bribery**

In corporate activities, the Company shall not offer, promise, or grant a bribe to anyone, whether they be a private citizen or a public official, either in or outside Japan, directly or through a third party, such as a proxy, consultant, or associate under contract. The Company shall not perform any action that may be suspected of bribery from society.

Bribery refers to the granting and receipt of items of monetary value, or other improper interests, or the promise, demand, request, or approval thereof.

(Notes) In the cases of charitable business, political contributions, and donations for sponsored activities, actions are also prohibited if they are in fact equivalent to bribery or improper granting of interests. Also, officers and employees are prohibited from instructing, suggesting, or supporting bribery of a third party such as an agent, advisor, consultant, or subcontractor hired in order to collect and analyze information, secure orders for Mitsuuroko Group, or otherwise request cooperation for the purpose of promoting business, or to request services for which Mitsuuroko Group has received orders.

**(2) Prohibition of accepting bribes**

The Company shall constantly maintain a stance of loyalty and fairness and shall not request, promise, or receive bribes from business partners either in or outside of Japan by using our business position. Also, the Company shall not perform any action that may be suspected of accepting bribes from society.

**4 Review and management of payment records**

In order to prove that we do not engage in bribery, we review all payments to third parties within a logical degree of detail, record transactions accurately and surely in accounting books, and preserve these records internally for a set period.

In all circumstances, off-balance-sheet transactions are strictly prohibited.

**5 Education**

The Company performs training related to compliance that includes education of this basic policy and regular case studies for officers and employees in order to comply with the prohibition of bribery.

**6 Compliance system, reporting, and internal reporting system**

The responsibility of preventing bribery, including the execution and review of this basic policy, lies with the Head of Legal. The Presidents of each Group company are also responsible for making their officers and employees comply with this basic policy.

Also, when we become aware of a violation of this basic policy or suspicion thereof, we will report it immediately to the manager in charge of legal affairs, the manager of the Internal Auditing, or the hotline in or outside the Company.

Mitsuuroko Group has established and spread awareness of a reporting and consultation hotline with an external attorney in order to quickly identify and correct compliance issues, including bribery. Violations to this basic policy will be subject to punishment in accordance with various regulations.

**7 Cooperation with monitoring and investigations by supervising departments**

Cooperation with monitoring and investigations by supervising departments We perform regular self-inspections of the status of compliance with this basic policy and cooperate with investigations of supervising departments in each country and region.

We will perform reviews as needed of this basic policy and compliance procedures.

**8 Audit**

The Internal Auditing performs appropriate audits related to compliance and operation of this basic policy, extracts risks and issues related to prevention of bribery, executes controls, and prevents risks beforehand.

**Tax policy**

Mitsuo Group has always complied with the tax laws applicable in each country and region it operates in and pays appropriate taxes. However, to increase awareness of tax compliance and tax transparency throughout the

entire Group and further enhance tax governance, we have formulated the "Mitsuo Group Tax Policy." As we expand our business globally, going forward, we will fulfill our corporate social responsibility and further enhance

our corporate value through adhering to this Tax Policy, complying with the tax laws applied in each country and region, and paying appropriate taxes.

**Mitsuo Group Tax Policy**

**1 Basic policy**

Mitsuo Group promotes business activities based on its Charter of Corporate Ethics and management philosophy of "As a Lifestyle Producer, we consistently conduct our business with integrity and from the customer's perspective."

We recognize that transactions that lack legitimate business purposes or economic rationality hinder tax transparency and may damage the Group's business and brand value as well as the interests of stakeholders, including local communities and business partners. As we expand our business globally, we will fulfill our corporate social responsibility and further enhance our corporate value through adhering to this Tax Policy, complying with the tax laws applied in each country and region, and paying appropriate taxes.

**2 Tax compliance**

We will always report income and pay taxes in compliance with the laws and regulations applicable in each country and international standards such as the Action Plan on Base Erosion and Profit Shifting (BEPS). In addition, we will not engage in tax evasions or opaque tax administration that hinders the sound development of the world economy.

**3 Tax governance and human capital development**

The Group CFO is responsible for the development and maintenance of the tax governance of the entire Group as well as the development of human resources responsible for the enhancement of tax governance. We have formed a system for managing tax risks globally, assigning employees with expertise in matters concerning taxation to Finance & Control (F&C). We have also put a framework in place for addressing the Group's tax-related concerns in which the F&C and each Group company work together and the issues are reported to the Group CFO and resolved. Whenever tax-related matters of significant importance arise, the CFO reports them to the Board of Directors.

In addition, the F&C gathers the most up-to-date information concerning taxation through means such as participation in training sponsored by external specialists. It then conducts workshops for the accounting (tax) departments of each Group company based on the advice they have received from the external experts, educating employees on tax compliance as necessary. In this way, we foster and strengthen the human resources who handle the Group's tax matters, ensuring the appropriateness of tax governance.

**4 Response to transfer pricing taxation**

For international transactions within the Group, we comply with the tax laws of each country and the Organization for Economic Co-operation and Development (OECD) Transfer Pricing Guidelines, ensuring transfer pricing transactions are carried out appropriately and in accordance with the arm's length principle. In addition, to avoid double taxation, we enter into an advance pricing agreement with tax authorities, working to reduce tax risk.

**5 Response to anti-tax haven rules**

We will not use tax havens for the purpose of tax avoidance without economic rationality. If, in light of the taxation systems of each country, anti-tax haven rules apply to schemes necessary for our business operations, we will report on such matters and pay taxes appropriately.

**6 Minimizing tax risk**

If deemed necessary due to uncertainties or other concerns regarding the interpretation of laws and regulations, we will receive advice from external experts such as tax consultants and legal advisors wherever necessary, and we will work to minimize tax risk through making appropriate judgments after adequate research, evaluation, and consideration of the various choices. Furthermore, we will confirm important tax-related issues with tax authorities in advance to clarify the handling of taxation.

**7 Tax cost optimization (tax planning)**

Through strengthening governance as outlined above and utilizing means such as preferential tax systems and tax exemptions that are recognized under the laws and regulations of each country within the scope of normal business activities, we will optimize tax costs and enhance our corporate value.

**8 Relations with tax authorities**

We will form and maintain transparent, sound, and positive relations with tax authorities by responding to their requests in an appropriate, honest, and timely manner, and obtaining advance rulings as necessary.

## Anti-corruption

### **Relationship between compliance and risk**

In conducting business, there are various risks as mentioned above.

The matter is not as simple as it's safe if the risk does not materialize, but rather we should identify these risks, prepare the counter measures and put them into practices so we can operate and develop our business better.

However, failure to identify risks or to act against the procedures established to avoid or minimize risks may lead us to noncompliance and corruption in business activities.

We do not engage in noncompliant behavior to avoid risk; we engage in compliance to avoid risk and continue our business.

Risks that can be avoided through compliance include (1) financial misconduct (embezzlement, fraud, etc.), (2) harassment, (3) workplace accidents, and (4) acts in violation of laws and regulations.

### **Risk management system / Risk assessment**

We have established a risk management system based on our Risk Management Rules, and identify risks through monitoring and internal control operations. In addition, we have established internal and external compliance hotlines to encourage employees to report incidents that they may be uncomfortable discussing with their supervisors or the company, thereby helping to identify risks at an early stage. We also strive to detect risks by closely monitoring industrial safety and employee health and mental health at the new Mitsuuroko Healthcare Center, which opened in October 2023.

Any risks discovered are ultimately reported to the Risk Management Committee and the Board of Directors in an effort to mitigate such risks.

### **Guarantee of fairness / Prohibition of illegal activities (Prevention of corruption)**

In conducting our business, we are committed to promoting corporate activities with integrity and preventing corruption in accordance with our management philosophy and Charter of Corporate Ethics.

For example, having a relationship with a particular political group may lead to interest-driven business practices, and there is a risk that we may not be able to realize the "more fulfilling lifestyles" to all of our customers. In addition, the attempt to profit from bribery (in particular, giving a bribe) is widely regarded as a criminal act in Japan and abroad, and profiting from such criminal acts is never permissible. Furthermore, any attempt to gain an unfair advantage by taking tax measures that violate tax obligations (Article 30 of the Constitution of Japan) will not only lead to disregard for the law in Japan, but may also render the company untrustworthy in its overseas business activities.

As a company, we will promote our business activities with integrity by prohibiting the support of any particular political parties through endorsements or donations, and by establishing the Basic Policy on Prevention of Bribery and Tax Policy and applying them to our domestic and overseas business activities.

### **Disciplinary actions**

Even with risk mitigation and anti-corruption measures in place as described above, violations may still occur. In such cases, the Risk Management Committee plays a central role, and the Compliance Hotline Secretariat, the Internal Auditing, and Finance & Control collaborate to verify the facts and conduct other investigations. Based on the facts identified there, the Risk Management Committee will take the necessary disciplinary action.

While some cases may result in severe penalties that include termination of employment, it also serves to deter employees from committing violations by making them aware that they will ultimately be disciplined in accordance with internal rules.

# Cybersecurity

## Basic approach

As an infrastructure business operator that supplies energy and services related to everyday lifestyles, Mitsuuroko Group considers cybersecurity an important issue in the fulfillment of our social responsibility and has positioned it as one of its key management issues.

Under the leadership of management, we ensure security in our customer service information systems, protect the information assets that have been entrusted to us, and promote stable supply of energy and security.

While transactions via the Internet and smartphones have increased with the rapid development of digital technology in recent years, cyber risk is also growing due to the advancement and sophistication of cyber attacks.

In light of changes in the environment such as the recent use of digital technology and increased threat of cyber attacks, we are working to strengthen cybersecurity measures within our various operations and businesses, such as the Energy Solutions, Power & Electricity, Foods, and Living & Wellness businesses.

### Information security targets

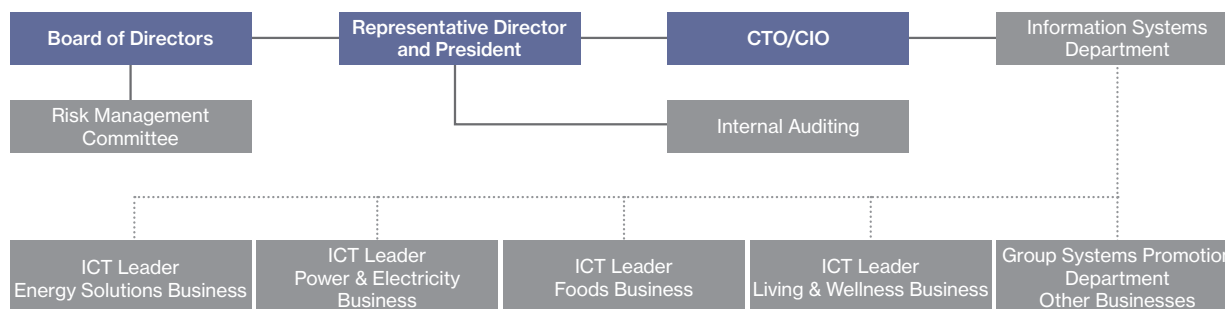
To reduce cyber risk, we maintain defense in depth and detection measures, actively developing human resources in security measures and sharing information with other companies to improve our knowledge and expertise through working with external organizations that handle cybersecurity, as well as analyzing and responding to new cyber attack methods. We will constantly endeavor to reinforce our approach to cybersecurity to provide safer and more secure services to our customers.

### Cybersecurity response system

We have established the Risk Management Committee as a subordinate body of the Board of Directors as well as the Information Systems Department under the CTO / CIO. Through this framework, we manage the information security governance of the entire Group. The Risk Management Committee and the Board of Directors receive reports on the status of the Group's security measures on a regular basis. Aiming to prevent cybersecurity incidents and minimize the damage or impact if they occur, each department and the subsidiaries that support the Group's business work together to build an information security promotion system and ensure cybersecurity.

### Strengthen practices to ensure cybersecurity

As initiatives to ensure cybersecurity, we secure the budget and human resources for technical countermeasures such as those for preventing the unauthorized access of systems. In addition, since IT measures alone are not sufficient to counter increasingly sophisticated cyber attacks, we conduct periodic e-learning training (once a year) and unannounced drills on countermeasures against targeted e-mails for the Group's officers and employees, including contract employees and the employees of business partners, working to strengthen the information security of the entire organization.



### Strengthening the sharing of information with Group companies

To make sure that our security policy is applied to all Group companies, we monitor the status of security measures at each Group while ensuring security tools and operations meet a certain standard, working to strengthen governance and improve security across the entire Group.

# Personal Information Protection

## Basic approach

Mitsuroko Group deeply acknowledges the importance of privacy with respect to our customers' personal information. When handling personal information for our operations, all officers and employees comply with relevant laws and regulations as well as the internal rules that Mitsuroko Group has established. We thereby ensure that we respect our customers, meet their expectations, and build trust. In addition, we pay special consideration when handling the personal information of children and obtain their parents' consent in the process.

## Privacy policy

Mitsuroko Group Holdings Co., Ltd. and each Mitsuroko Group company handles the personal information of customers as outlined below.

### 1 Purpose of use

Each Mitsuroko Group company acquires and uses the personal information of customers only for purposes such as publishing it on official websites or reasons which we notify our customers about. Each Mitsuroko Group company will not acquire or use personal information for purposes other than the above without the consent of the customer.

### 2 Provision of personal information to third parties

Each Mitsuroko Group company will not entrust or provide the personal information of customers to third parties, except upon the customers' consent or when we are legally obligated to do so following a request from judicial or governmental authorities. Even after customers give their consent, we ensure confidentiality agreements are in place to protect personal information in the event that we disclose, entrust, or provide personal information to third parties, and we do our utmost to protect the personal information of our customers.

### 3 Shared use of personal information

Regarding the following personal information, each Mitsuroko Group company may share the information below for the purposes described in "1 Purpose of use" or for the purposes of use outlined below.

- ① Basic customer information including name, age, gender, address, phone number, and contract number
- ② The details and usage status of services and products provided by each Mitsuroko Group company to customers, and the status of transactions
- ③ Results of various surveys conducted by each Mitsuroko Group company
- ④ Details of inquiries from customers

The responsibility of managing information for shared use lies with the respective Mitsuroko Group companies that have acquired the personal information.

### Purposes of use

- For proposals and information regarding products, services, campaigns, events, etc. provided by each Mitsuroko Group company
- For surveys, research and development to improve the quality of products and services provided by each Mitsuroko Group company
- For the conducting of surveys about the products and services provided by each Mitsuroko Group company
- For proper execution of business management operations as a group, such as understanding and managing various risks

### 4 Implementation of security measures for personal information

Each Mitsuroko Group company has established internal rules and will take reasonable safety measures to protect the personal information entrusted to us by our customers from loss, destruction, unauthorized leakage to the outside, falsification, and unauthorized access. In addition, we may delete the personal information of customers when we determine that the purpose of use has been achieved and it is no longer necessary to keep the personal information.

### 5 Inquiries from customers regarding personal information

When we receive a request from a customer to disclose, correct, add or delete, or suspend the use, etc. of the customer's own personal information managed by us, we will confirm the identity of the customer before honoring these requests and taking appropriate actions promptly.

## Initiatives for protecting personal information

Each Mitsuroko Group company is conducting the following activities to ensure that the privacy policy is complied with.

- 1 We conduct educational activities and training for all officers and employees to ensure compliance with laws, regulations, and other standards concerning personal information.
- 2 We appoint a personal information supervisor who understands and complies with the matters specified in the internal rules of the Company. Their responsibilities include conducting training, implementing safety measures, and thoroughly communicating information to ensure that all of those who are engaged in the handling of personal information, including its acquisition and use, understand and comply with the internal rules.
- 3 We request the cooperation of our business partners and contractors whenever necessary for the protection of personal information.
- 4 We improve the privacy policy, internal rules, and the management of personal information protection as necessary in accordance with changes in laws, regulations, and the social environment.
- 5 We ensure this privacy policy can be accessed at all times by customers via means such as our company website and company brochures.

# Appropriate Information Disclosure

## Basic approach

As a company conducting business with a mission to benefit society, we consider the timely and appropriate provision of information to all our stakeholders as a matter of importance.

To enable customers to use the Group's products and services safely, securely, and comfortably, we proactively and appropriately disseminate company information as well as information on the safety and use of our products and services.

## Appropriate information disclosure

### Mitsuroko Group website

To gain the understanding of our customers, we promptly and appropriately share information on our website, such as company information, various information that concerns the lifestyles of customers, and information related to products and services.



### Appropriate disclosure of information in compliance with laws and regulations, and our voluntary standards

We regularly offer necessary information to our customers whenever they consider the products or services offered by the Group. In addition to complying with the Act against Unjustifiable Premiums and Misleading Representations, we have established a checklist to ensure appropriate advertising and representations of our products or services. We cooperate with the Representations Officer when producing flyers, catalogues, or pamphlets, working to thoroughly provide correct information.

In addition, we work to enable customers to use products and service safely, acting in accordance with the prescribed guidelines on methods for appropriate provision of information established by the Ministry of Economy, Trade and Industry in conjunction with the full liberalization of the electricity and gas retail market.

### Overview of the timely disclosure system

#### 1 Policy on timely disclosure

The Company's basic policy is to disclose necessary information to stakeholders in a timely and appropriate manner. The Company will disclose "decisions," "occurrences," and "financial information" in a timely and appropriate manner, as determined by the Board of Directors, in accordance with the provisions set forth by the Tokyo Stock Exchange.

#### 2 Timely disclosure system

##### 1 Decisions

The departments in charge of disclosure in Finance & Control (Finance & Control, Financial Planning & Analysis and Finance & IR Team) confirm in advance whether decisions made by management meetings (the Board of Directors and the Management Committee) of the Company and its subsidiaries are subject to timely disclosure. If the decision is subject to timely disclosure, then, after a management meeting makes a decision, the departments in charge of the disclosure will promptly disclose the information in accordance with the instructions of the Head of Finance & Control, who is the manager responsible for disclosure.

##### 2 Occurrences

If any events that should be disclosed in a timely manner occur at the Company and its subsidiaries, the departments in charge of disclosure in Finance & Control confirm whether the occurrence is subject to timely disclosure, after persons in charge promptly notify the Head of Finance & Control. If the occurrence is subject to timely disclosure, then, after a decision has been made concerning disclosure by a management meeting of the Company or its subsidiaries, it will be promptly disclosed by the departments in charge of disclosure in accordance with the instructions of the Head of Finance & Control.

##### 3 Financial information

After a decision has been made by a management meeting (the Board of Directors and the Management Committee) of the Company or its subsidiaries, financial information is promptly disclosed by the departments in charge of disclosure in accordance with the instructions of the Head of Finance & Control, who is the manager responsible for disclosure.

#### 3 Handling of timely disclosure information

Timely disclosure information is strictly controlled in accordance with the Company's Information Management Regulations. In addition, the Company makes thorough efforts to prevent insider trading in accordance with the Regulations for Prevention of Insider Trading.

# Supply Chain Management

## Basic approach

As a group that is close to our people's lives, supporting their daily lives through products and services, we believe that it is important to fulfill our social responsibility through working not alone but together with all of our business partners. Striving to form relationships of trust with all of our business partners, we have set out our approach to the provision of products and services and the way in which we build relations in our Charter of Corporate Ethics.

### Charter of Corporate Ethics (extract)

#### Provide safe and high-quality products and services

We will develop safe and high-quality products and services based on our rich experience and knowledge and provide them to consumers and business partners.

#### Respect the position of stakeholders

Mitsuuroko Group will strive to maintain sound and positive relationships with a wide range of society, including customers, business partners, employees, and shareholders.

### Publication of "Declaration of Partnership Building"

Guided by our "Charter of Corporate Ethics," we will promote sincere corporate activities based on high ethical standards, always from the perspective of corporate social responsibility, and thoroughly ensure transactions respect human rights by complying with "Mitsuuroko Group Human Rights Policy."

We will continue to carry out corporate activities that are fair and respect human rights, building more positive and mutually prosperous relationships with our business partners with an aim to increase the added value of the entire supply chain and realize sustainable growth.

### Declaration of Partnership Building

We declare that we will focus efforts on the following matters in order to build new partnerships by promoting collaboration and mutual prosperity with supply chain and value-creating business operators.



#### 1 Mutual prosperity throughout the supply chain, and new collaboration transcending business scales, affiliations, etc.

We will increase added value throughout the supply chain by reaching out, through our direct suppliers, to their suppliers (from "Tier N" to "Tier N+1"), and we aim to create mutual prosperity with our business partners through collaboration that goes beyond existing trade relationships and business scales, etc. From the perspective of work style reform or ensuring business continuity in times of disaster, we will support our business partners by helping them to introduce telecommuting systems, advising them on business continuity planning (BCP), or providing other forms of assistance.

While deepening collaboration among companies, we will also work to reduce CO<sub>2</sub> emissions, increase energy efficiency, and contribute to local communities. In addition, we will advance KENKO Investment for Health initiatives, which include sharing know-how, joint training, and joint health promotion events.

#### 2 Compliance with "Promotion Standards"

We will comply with the desirable trade practices set forth for main contractors and subcontractors ("Promotion Standards" prescribed in the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises), actively working to correct trade practices and business customs that obstruct the partnership building.

##### 1 Method for determining prices

We will not demand unreasonable cost reductions. When determining transaction prices, we will consult with subcontractors if requested to do so, and fully discuss prices to ensure that appropriate profit for subcontractors is included, taking into consideration factors such as rises in labor costs. When concluding agreements that include determined transaction prices, we, as the main contractor, will state and issue the terms of the contract in writing.

##### 2 Terms of payment by bill, etc.

In principle, payments will be made in cash.

##### 3 Intellectual property and know-how

We will not request our subcontractors enter unilateral nondisclosure agreements, or take advantage of our trading position to demand disclosure of know-how or transfer of intellectual property rights without compensation.

##### 4 Work style reform and relations

To enable our subcontracting business partners to carry out work style reforms, we will not place orders that have tight delivery deadlines with or make sudden changes to the specifications of jobs without compensating them appropriately. When disasters or other such events occur, we will not impose unilateral trading burdens on subcontractors, and upon the resumption of operations, we will continue business relationships to the best of our ability.

#### 3 Other matters

We will uphold our "Charter of Corporate Ethics" and the "Mitsuuroko Group Human Rights Policy," conducting business that is fair and respectful of human rights.

# GRI Standards Table

## Common standards

Items	Disclosures	Disclosure location
<b>GRI 2: General Disclosure Matters (2021)</b>		
1. Organization and reporting practice	2-1	Details of the organization <a href="#">SUSTAINABILITY REPORT 2024</a> P. 114: Company Profile <a href="#">BUSINESS REPORT 2024</a> P. 62: Company Information <a href="#">Website</a> Company Information
	2-2	Entities covered by the organization's sustainability report <a href="#">SUSTAINABILITY REPORT 2024</a> P. 4: Editing Policy, P. 114: Company Profile <a href="#">Website</a> Editing Policy/Company Profile
	2-3	Reporting duration, reporting frequency, contact <a href="#">SUSTAINABILITY REPORT 2024</a> P. 4: Editing Policy <a href="#">Website</a> Editing Policy/Company Profile
	2-4	Revisions and corrections of information –
	2-5	External assurance <a href="#">SUSTAINABILITY REPORT 2024</a> P. 113: Independent Assurance Report <a href="#">Website</a> Independent Assurance Report
2. Business activities and labor	2-6	Activities, value chain, other trading relationships Securities Report/Quarterly securities report (115th Securities Report, P. 6-7) <a href="#">SUSTAINABILITY REPORT 2024</a> P. 9: Process of Value Creation <a href="#">BUSINESS REPORT 2024</a> P. 17-18: Purpose & Corporate Value Creation <a href="#">Website</a> Philosophy/Vision/Model of Value Creation
	2-7	Employees Securities Report/Quarterly securities report (115th Securities Report, P. 12-13) <a href="#">SUSTAINABILITY REPORT 2024</a> P. 107-112: ESG Data <a href="#">BUSINESS REPORT 2024</a> P. 57: Financial data <a href="#">Website</a> ESG Data (Social data)
	2-8	Labor other than employees <a href="#">SUSTAINABILITY REPORT 2024</a> P. 110: ESG Data <a href="#">Website</a> ESG Data (Social data)
3. Governance	2-9	Governance structure and composition Securities Report/Quarterly securities report (115th Securities Report, P. 37-38) <a href="#">SUSTAINABILITY REPORT 2024</a> P. 13: Sustainability management promotion, P. 81: Corporate Governance, P112:ESG Data <a href="#">BUSINESS REPORT 2024</a> P. 52: Corporate governance <a href="#">Website</a> Corporate governance

Items	Disclosures	Disclosure location
<b>GRI 2: General Disclosure Matters (2021)</b>		
3. Governance	2-10	Nominating and selecting the highest governance body Securities Report/Quarterly securities report (115th Securities Report, P. 37-38) <a href="#">SUSTAINABILITY REPORT 2024</a> P. 81: Corporate Governance <a href="#">BUSINESS REPORT 2024</a> P. 53: Corporate governance <a href="#">Website</a> Corporate governance
	2-11	Chair of the highest governance body Securities Report/Quarterly securities report (115th Securities Report, P. 37) <a href="#">SUSTAINABILITY REPORT 2024</a> P. 81: Corporate Governance <a href="#">BUSINESS REPORT 2024</a> P. 53: Corporate governance <a href="#">Website</a> Corporate governance
	2-12	Role of highest governance body in supervision of impact management Securities Report/Quarterly securities report (115th Securities Report, P. 37) <a href="#">SUSTAINABILITY REPORT 2024</a> P. 81: Corporate Governance <a href="#">BUSINESS REPORT 2024</a> P. 53: Corporate governance <a href="#">Website</a> Corporate governance (Corporate governance report)
	2-13	Delegating responsibility of impact management <a href="#">SUSTAINABILITY REPORT 2024</a> P. 13: Sustainability management promotion, P. 30: Environmental Risk Management <a href="#">Website</a> Sustainability promotion framework <a href="#">Website</a> Environmental management (Environmental management promotion system)
	2-14	Highest governance body's role in sustainability reporting <a href="#">SUSTAINABILITY REPORT 2024</a> P. 13: Sustainability management promotion, P. 30: Environmental Risk Management <a href="#">Website</a> Sustainability promotion framework <a href="#">Website</a> Environmental management (Environmental management promotion system)
2-15	Conflicts of interest <a href="#">SUSTAINABILITY REPORT 2024</a> P. 81: Corporate Governance <a href="#">Website</a> Corporate governance	

## GRI Standards Table

### Common standards

Items	Disclosures	Disclosure location	
<b>GRI 2: General Disclosure Matters (2021)</b>			
3. Governance	2-16	Communicating critical concerns	Securities Report/Quarterly securities report (115th Securities Report, P. 38-42) <a href="#">SUSTAINABILITY REPORT 2024</a>   P. 84: Corporate Governance (Status of the risk management system), P. 85: Risk Management <a href="#">Website</a>   Corporate governance <a href="#">Website</a>   Risk management
	2-17	Collective knowledge of highest governance body	<a href="#">SUSTAINABILITY REPORT 2024</a>   P. 82: Corporate Governance (Areas where Directors are expected to excel in) <a href="#">BUSINESS REPORT 2024</a>   P. 56: Corporate governance (Areas in which Directors are expected to excel) <a href="#">Website</a>   Corporate governance (Areas where Directors are expected to excel in)
	2-18	Evaluating the highest governance body's performance	<a href="#">SUSTAINABILITY REPORT 2024</a>   P. 84: Corporate Governance (Evaluation of the effectiveness of the Board of Directors) <a href="#">BUSINESS REPORT 2024</a>   P. 47: External Directors' Roundtable Discussion, P. 54: Corporate governance (Evaluation of the effectiveness of the Board of Directors) <a href="#">Website</a>   Corporate governance (Corporate governance report)
	2-19	Remuneration policies	Securities Report/Quarterly securities report (115th Securities Report, P. 55-57) <a href="#">SUSTAINABILITY REPORT 2024</a>   P. 82-83: Corporate Governance (Remuneration, etc. for Directors) <a href="#">BUSINESS REPORT 2024</a>   P. 53: Corporate governance (Remuneration, etc. for Directors) <a href="#">Website</a>   Corporate governance (Remuneration, etc. for Directors)
	2-20	Process for determining remuneration	Securities Report/Quarterly securities report (115th Securities Report, P. 55-57) <a href="#">SUSTAINABILITY REPORT 2024</a>   P. 82-83: Corporate Governance (Remuneration, etc. for Directors) <a href="#">BUSINESS REPORT 2024</a>   P. 53: Corporate governance (Remuneration, etc. for Directors) <a href="#">Website</a>   Corporate governance (Remuneration, etc. for Directors)
	2-21	Annual total remuneration ratio	–
	4. Strategies, policies, practices	2-22	Announcement on strategies for sustainable development
2-23		Policy announcement	<a href="#">SUSTAINABILITY REPORT 2024</a>   P. 31: Climate Change Initiatives <a href="#">BUSINESS REPORT 2024</a>   P. 17: Financial Strategy, P. 21: Competitive Advantage <a href="#">Website</a>   Climate change initiatives

Items	Disclosures	Disclosure location	
<b>GRI 2: General Disclosure Matters (2021)</b>			
4. Strategies, policies, practices	2-24	Practices of policy announcement	<a href="#">SUSTAINABILITY REPORT 2024</a>   P. 31: Climate Change Initiatives <a href="#">BUSINESS REPORT 2024</a>   P. 21: Competitive Advantage <a href="#">Website</a>   Climate change initiatives
	2-25	Corrective process of negative impacts	–
	2-26	Mechanisms for seeking advice and raising concerns	<a href="#">SUSTAINABILITY REPORT 2024</a>   P. 85: Risk Management, P. 87: Compliance <a href="#">Website</a>   Risk management, Compliance
	2-27	Compliance with laws and regulations	<a href="#">SUSTAINABILITY REPORT 2024</a>   P. 85: Risk Management <a href="#">BUSINESS REPORT 2024</a>   P. 51: Compliance <a href="#">Website</a>   Compliance
	2-28	Associations with memberships	<a href="#">SUSTAINABILITY REPORT 2024</a>   P. 23: Stakeholder Engagement <a href="#">Website</a>   Stakeholder Engagement
	5. Stakeholder engagement	2-29	Approach to stakeholder engagement
2-30		Labor agreement	Securities Report/Quarterly securities report (115th Securities Report, P. 12)
<b>GRI 3: Material Topics (2021)</b>			
	3-1	Process for determining material topics	<a href="#">SUSTAINABILITY REPORT 2024</a>   P. 15: Identification and Review of Materiality <a href="#">Website</a>   Materiality
	3-2	List of material topics	<a href="#">SUSTAINABILITY REPORT 2024</a>   P. 15: Identification and Review of Materiality, P. 17: Materiality & KPIs <a href="#">BUSINESS REPORT 2024</a>   P. 38: Materiality <a href="#">Website</a>   Materiality
	3-3	Management of material topics	<a href="#">SUSTAINABILITY REPORT 2024</a>   P. 13: Sustainability management promotion <a href="#">Website</a>   Sustainability promotion framework

## GRI Standards Table

### Sector standards

Items	Disclosures	Disclosure location
<b>GRI 11: Petroleum/Gas (2021)</b>		
11-1	Greenhouse gas (GHG) emissions	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 31: Climate Change Initiatives, P. 105: ESG Data (Environmental data) <a href="#">Website</a> Climate change initiatives (TCFD), ESG Data (Environmental data)
11-2	Climate-related adaptation, resilience, and transition	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 31: Response to Climate Change, P. 55: Stable Supply of Energy/Electricity, P. 59: Disaster Prevention Measures <a href="#">Website</a> Response to climate change, Stable supply of energy/electricity, Disaster prevention measures
11-3	Emissions	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 47: Prevention of Environmental Pollution (Management of chemicals and contaminants) <a href="#">Website</a> Prevention of environmental pollution (Management of chemicals and contaminants), ESG Data (Environmental data)
11-4	Biodiversity	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 52: Biodiversity Conservation (Activities to protect and nurture the forests around water collection sites), P. 73: Local Communities (Activities to protect and nurture the forests around water collection sites) <a href="#">Website</a> Biodiversity conservation
11-5	Waste	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 47: Prevention of Environmental Pollution (Management of chemicals and contaminants), P. 106: ESG Data (Environmental data) <a href="#">Website</a> Environmental risk management (Management of chemicals and contaminants), ESG Data (Environmental data)
11-6	Water and wastewater	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 51: Water Security, P. 106: ESG Data (Environmental data) <a href="#">Website</a> Water security, ESG Data (Environmental data)
11-7	Closure and rehabilitation	–
11-8	Preservation of assets and management of critical incidents	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 85: Risk Management <a href="#">Website</a> Risk management

Items	Disclosures	Disclosure location
<b>GRI 11: Petroleum/Gas (2021)</b>		
11-9	Occupational health and safety	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 65: KENKO Investment for Health, P. 107: ESG Data (Social data) <a href="#">BUSINESS REPORT 2024</a> P. 45: KENKO Investment for Health <a href="#">Website</a> KENKO Investment for Health, ESG Data (Social data)
11-10	Employment practices	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 63: Respect for Human Rights, P. 65: KENKO Investment for Health, P. 69: Diversity, Equity & Inclusion <a href="#">Website</a> Diversity, equity & inclusion, KENKO Investment for Health
11-11	Non-discrimination and equal opportunity	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 63: Respect for Human Rights, P. 69: Diversity, Equity & Inclusion, P. 107-111: ESG Data (Social data) <a href="#">Website</a> Respect for human rights, Diversity, equity & inclusion
11-12	Forced and compulsory labor and modern slavery	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 63: Respect for Human Rights <a href="#">Website</a> Respect for human rights
11-13	Freedom of association and collective bargaining	Securities Report/Quarterly securities report (115th Securities Report, P. 12) <a href="#">SUSTAINABILITY REPORT 2024</a> P. 24: Communication with employees / Communication methods and means, P. 65: KENKO Investment for Health, P. 63: Respect for Human Rights, P. 103: ESG Data (Social data) <a href="#">BUSINESS REPORT 2024</a> P. 45: KENKO Investment for Health <a href="#">Website</a> KENKO Investment for Health, ESG Data (Social data)
11-14	Economic impacts	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 9: Process of Value Creation <a href="#">BUSINESS REPORT 2024</a> P. 17-18: Purpose & Corporate Value Creation, P. 21: Competitive Advantage

## GRI Standards Table

### Sector standards

Items	Disclosures	Disclosure location
<b>GRI 11: Petroleum/Gas (2021)</b>		
11-15	Local communities	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 23: Stakeholder Engagement, P. 73: Local Communities <a href="#">Website</a> Stakeholder Engagement, Local communities
11-16	Land and resource rights	–
11-17	Rights of indigenous peoples	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 63: Respect for Human Rights <a href="#">Website</a> Respect for human rights
11-18	Disputes and public safety	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 85: Risk Management <a href="#">Website</a> Risk management
11-19	Anti-competitive behavior	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 87-92: Compliance <a href="#">BUSINESS REPORT 2024</a> P. 51: Compliance <a href="#">Website</a> Compliance
11-20	Anti-corruption	<a href="#">SUSTAINABILITY REPORT 2024</a> P. 87-92: Compliance <a href="#">BUSINESS REPORT 2024</a> P. 51: Compliance <a href="#">Website</a> Compliance
11-21	Payment to government	–
11-22	Public policy	–

### Standards for each item

Items	Disclosures	Disclosure location
<b>Economic</b>		
<b>Economic Performance (2016)</b>	201-1	Direct economic value generated and distributed <a href="#">Securities Report/Quarterly securities report (115th Securities Report, P. 2-3, 36)</a> <a href="#">BUSINESS REPORT 2024</a> P. 57: Financial data
	201-2	Financial implications and other risks and opportunities due to climate change <a href="#">SUSTAINABILITY REPORT 2024</a> P. 31: Climate Change Initiatives (TCFD) <a href="#">Website</a> Climate change initiatives (TCFD)
	201-3	Defined benefit plan obligations and other retirement plans <a href="#">Securities Report/Quarterly securities report (115th Securities Report, P. 94-95)</a>
	201-4	Financial assistance received from public government –
<b>Market Presence (2016)</b>	202-1	Ratios of standard entry level wage by gender compared to local minimum wage –
	202-2	Proportion of senior management hired from the local community –
<b>Indirect Economic Impacts (2016)</b>	203-1	Infrastructure investments and services supported <a href="#">SUSTAINABILITY REPORT 2024</a> P. 55: Stable Supply of Energy/Electricity, P. 73: Local Communities <a href="#">Website</a> Stable supply of energy/electricity, Local communities
	203-2	Significant indirect economic impacts –
<b>Procurement Practices (2016)</b>	204-1	Proportion of spending on local suppliers –

## GRI Standards Table

### Standards for each item

Items	Disclosures	Disclosure location
<b>Economic</b>		
Anti-corruption (2016)	205-1	Operations assessed for risks related to corruption <a href="#">SUSTAINABILITY REPORT 2024</a> P. 87-92: Compliance (Prevention of bribery) <a href="#">Website</a> Compliance (Prevention of bribery)
	205-2	Communication and training about anti-corruption policies and procedures <a href="#">SUSTAINABILITY REPORT 2024</a> P. 87-92: Compliance (Prevention of bribery) <a href="#">Website</a> Compliance (Prevention of bribery)
	205-3	Confirmed incidents of corruption and actions taken –
Anti-competitive Behavior (2016)	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices –
Taxes (2019)	207-1	Approach to tax <a href="#">SUSTAINABILITY REPORT 2024</a> P. 91: Compliance (Tax policy) <a href="#">Website</a> Compliance (Tax policy)
	207-2	Tax governance, control, and risk management <a href="#">SUSTAINABILITY REPORT 2024</a> P. 91: Compliance (Tax policy) <a href="#">Website</a> Compliance (Tax policy)
	207-3	Stakeholder engagement and management of concerns related to tax <a href="#">SUSTAINABILITY REPORT 2024</a> P. 91: Compliance (Tax policy) <a href="#">Website</a> Compliance (Tax policy)
	207-4	Country-by-country reporting –

Items	Disclosures	Disclosure location
<b>Environmental</b>		
Raw Materials (2016)	301-1	Materials used by weight or volume –
	301-2	Recycled input materials used <a href="#">SUSTAINABILITY REPORT 2024</a> P. 49-50: Advancing Resource Circularity <a href="#">Website</a> Advancing resource circularity
	301-3	Reclaimed products and their packaging materials –
Energy (2016)	302-1	Energy consumption within the organization <a href="#">SUSTAINABILITY REPORT 2024</a> P. 39-40: Response to Climate Change (Initiatives of operating companies), ESG Data (Environmental data, P. 97) <a href="#">Website</a> Response to climate change (Initiatives of operating companies)
	302-2	Energy consumption outside of the organization <a href="#">SUSTAINABILITY REPORT 2024</a> P. 37-38: Response to Climate Change (Controlling customer CO <sub>2</sub> emissions) <a href="#">Website</a> Response to climate change (Controlling customer CO <sub>2</sub> emissions)
	302-3	Energy intensity –
	302-4	Reduction of energy consumption <a href="#">SUSTAINABILITY REPORT 2024</a> P. 39-40: Response to Climate Change, ESG Data (Environmental data, P. 105) <a href="#">Website</a> Response to climate change (Initiatives of operating companies), ESG Data
	302-5	Reductions in energy requirements of products and services –
Water (2018)	303-1	Interactions with water as a shared resource <a href="#">SUSTAINABILITY REPORT 2024</a> P. 51: Water Security <a href="#">Website</a> Water security
	303-2	Management of water discharge-related impacts <a href="#">SUSTAINABILITY REPORT 2024</a> P. 51: Water Security <a href="#">Website</a> Water security
	303-3	Water withdrawal –
	303-4	Water discharge <a href="#">SUSTAINABILITY REPORT 2024</a> ESG Data (Environmental data, P. 106) <a href="#">Website</a> ESG Data
	303-5	Water consumption <a href="#">SUSTAINABILITY REPORT 2024</a> ESG Data (Environmental data, P. 106) <a href="#">Website</a> ESG Data

## GRI Standards Table

### Standards for each item

Items	Disclosures	Disclosure location
<b>Environmental</b>		
<b>Biodiversity (2016)</b>	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas <a href="#">SUSTAINABILITY REPORT 2024</a> P. 52: Biodiversity Conservation (Activities to protect and nurture the forests around water collection sites), P. 73: Local Communities (Activities to protect and nurture the forests around water collection sites) <a href="#">Website</a> Biodiversity conservation
	304-2	Significant impacts of activities, products, and services on biodiversity –
	304-3	Habitats protected or restored <a href="#">SUSTAINABILITY REPORT 2024</a> P. 52: Biodiversity Conservation (Activities to protect and nurture the forests around water collection sites), P. 73: Local Communities (Activities to protect and nurture the forests around water collection sites) <a href="#">Website</a> Biodiversity conservation
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations –
<b>Emissions (2016)</b>	305-1	Direct (Scope 1) GHG emissions <a href="#">SUSTAINABILITY REPORT 2024</a> P. 31: Climate Change Initiatives, ESG Data (Environmental data, P. 105) <a href="#">Website</a> Climate change initiatives (TCFD), ESG Data
	305-2	Indirect (Scope 2) GHG emissions <a href="#">SUSTAINABILITY REPORT 2024</a> P. 31: Climate Change Initiatives, ESG Data (Environmental data, P. 105) <a href="#">Website</a> Climate change initiatives (TCFD), ESG Data
	305-3	Other indirect (Scope 3) GHG emissions <a href="#">SUSTAINABILITY REPORT 2024</a> P. 31: Climate Change Initiatives, ESG Data (Environmental data, P. 105) <a href="#">Website</a> Climate change initiatives (TCFD), ESG Data

Items	Disclosures	Disclosure location
<b>Environmental</b>		
<b>Emissions (2016)</b>	305-4	GHG emissions intensity –
	305-5	Reduction of GHG emissions <a href="#">SUSTAINABILITY REPORT 2024</a> P. 31: Climate Change Initiatives, ESG Data (Environmental data, P. 105) <a href="#">Website</a> Climate change initiatives (TCFD), ESG Data (Environmental data)
	305-6	Emissions of ozone-depleting substances (ODS) –
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions <a href="#">SUSTAINABILITY REPORT 2024</a> P. 47: Prevention of Environmental Pollution <a href="#">Website</a> Prevention of environmental pollution
<b>Waste (2020)</b>	306-1	Waste generation and significant waste-related impacts <a href="#">SUSTAINABILITY REPORT 2024</a> P. 47: Prevention of Environmental Pollution, ESG Data (Environmental data, P. 98) <a href="#">Website</a> Prevention of environmental pollution, ESG Data (Environmental data)
	306-2	Management of significant waste-related impacts <a href="#">SUSTAINABILITY REPORT 2024</a> P. 47: Prevention of Environmental Pollution, ESG Data (Environmental data, P. 98) <a href="#">Website</a> Prevention of environmental pollution, ESG Data (Environmental data)
	306-3	Waste generated <a href="#">SUSTAINABILITY REPORT 2024</a> ESG Data (Environmental data, P. 106) <a href="#">Website</a> ESG Data (Environmental data)
	306-4	Waste diverted from disposal –
	306-5	Waste directed to disposal <a href="#">SUSTAINABILITY REPORT 2024</a> ESG Data (Environmental data, P. 106) <a href="#">Website</a> ESG Data (Environmental data)
<b>Supplier Environmental Assessment (2016)</b>	308-1	New suppliers that were screened using environmental criteria –
	308-2	Negative environmental impacts in the supply chain and actions taken <a href="#">SUSTAINABILITY REPORT 2024</a> P. 35: Environmental Impact of the Value Chain <a href="#">Website</a> Environmental impact of the value chain

## GRI Standards Table

### Standards for each item

Items	Disclosures	Disclosure location
<b>Social</b>		
Employment (2016)	401-1	New employee hires and employee turnover <a href="#">SUSTAINABILITY REPORT 2024</a>   ESG Data (Social data, P. 109-110) <a href="#">Website</a>   ESG Data (Social data)
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees -
	401-3	Parental leave <a href="#">SUSTAINABILITY REPORT 2024</a>   P. 69-71: Diversity, Equity & Inclusion, ESG Data (Social data, P. 109) <a href="#">Website</a>   Diversity, equity & inclusion, ESG Data (Social data)
Labor Relations (2016)	402-1	Minimum notice periods regarding operational changes -
Occupational Health and Safety (2018)	403-1	Occupational health and safety management system <a href="#">SUSTAINABILITY REPORT 2024</a>   P. 67: Occupational Health and Safety, ESG Data (Social data, P. 111) <a href="#">Website</a>   KENKO Investment for Health, ESG Data (Social data)
	403-2	Hazard identification, risk assessment, and incident investigation <a href="#">SUSTAINABILITY REPORT 2024</a>   P. 59-60: Disaster Prevention Measures, P. 67: Occupational Health and Safety, P. 85-86: Risk Management, ESG Data (Social data, P. 111) <a href="#">BUSINESS REPORT 2024</a>   P. 43: Enhancement of safety and disaster response measures, P. 44: KENKO Investment for Health <a href="#">Website</a>   Disaster prevention measures, KENKO Investment for Health, Risk management, ESG Data (Social data)
	403-3	Occupational health services <a href="#">SUSTAINABILITY REPORT 2024</a>   P. 67: Occupational Health and Safety <a href="#">BUSINESS REPORT 2024</a>   P. 44: KENKO Investment for Health <a href="#">Website</a>   KENKO Investment for Health
	403-4	Worker participation, consultation, and communication on occupational health and safety <a href="#">SUSTAINABILITY REPORT 2024</a>   ESG Data (Social data, P. 111) <a href="#">Website</a>   ESG Data (Social data)

Items	Disclosures	Disclosure location
<b>Social</b>		
Occupational Health and Safety (2018)	403-5	Worker training on occupational health and safety <a href="#">SUSTAINABILITY REPORT 2024</a>   P. 67: Occupational Health and Safety, P. 72 <a href="#">Training system, ESG Data (Social data, P. 111)</a> <a href="#">BUSINESS REPORT 2024</a>   P. 44: KENKO Investment for Health <a href="#">Website</a>   KENKO Investment for Health, ESG Data (Social data)
	403-6	Promotion of worker health <a href="#">SUSTAINABILITY REPORT 2024</a>   P. 67: Occupational Health and Safety, ESG Data (Social data, P. 111) <a href="#">BUSINESS REPORT 2024</a>   P. 44: KENKO Investment for Health <a href="#">Website</a>   KENKO Investment for Health, ESG Data (Social data)
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships -
	403-8	Workers covered by an occupational health and safety management system <a href="#">SUSTAINABILITY REPORT 2024</a>   P. 67: Occupational Health and Safety, ESG Data (Social data, P. 107, 111) <a href="#">BUSINESS REPORT 2024</a>   P. 44: KENKO Investment for Health <a href="#">Website</a>   KENKO Investment for Health, ESG Data (Social data)
	403-9	Work-related injuries <a href="#">SUSTAINABILITY REPORT 2024</a>   ESG Data (Social data, P. 111) <a href="#">Website</a>   ESG Data (Social data)
	403-10	Work-related ill health -
Education and Training (2016)	404-1	Average hours of training per year per employee <a href="#">SUSTAINABILITY REPORT 2024</a>   ESG Data (Social data, P. 111)
	404-2	Programs for upgrading employee skills and transition assistance programs <a href="#">SUSTAINABILITY REPORT 2024</a>   P. 72: Human Capital Development <a href="#">Website</a>   Human resource development
	404-3	Proportion of employees receiving regular performance and career development reviews -

## GRI Standards Table

### Standards for each item

Items	Disclosures	Disclosure location
<b>Social</b>		
Diversity and Equal Opportunity (2016)	405-1	Diversity of governance bodies and employees <a href="#">SUSTAINABILITY REPORT 2024</a> P. 69-71: Diversity, Equity & Inclusion, ESG Data (Social data, P. 100) <a href="#">BUSINESS REPORT 2024</a> P. 44: GCIDO Message <a href="#">Website</a> Diversity, equity & inclusion, ESG Data (Social data)
	405-2	Ratio of basic salary and remuneration of women to men Securities Report/Quarterly securities report (115th Securities Report, P. 12-13)
No Discrimination (2016)	406-1	Incidents of discrimination and corrective actions taken –
Freedom of Association and Collective Bargaining (2016)	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk –
Child Labor (2016)	408-1	Operations and suppliers at significant risk for incidents of child labor –
Forced or Compulsory Labor (2016)	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor –
Security Practices (2016)	410-1	Security personnel trained in human rights policies or procedures –
Rights of Indigenous Peoples (2016)	411-1	Incidents of violations involving rights of indigenous peoples –
Human Rights Assessment (2016)	412-1	Operations that have been subject to human rights reviews or impact assessments –
	412-2	Employee training on human rights policies or procedures <a href="#">SUSTAINABILITY REPORT 2024</a> P. 23-24: Stakeholder Engagement, P. 73: Local Communities <a href="#">BUSINESS REPORT 2024</a> P. 41-42: Revitalization of local communities / Contribution to society <a href="#">Website</a> Stakeholder Engagement, Local communities
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening –

Items	Disclosures	Disclosure location
<b>Social</b>		
Local Communities (2016)	413-1	Operations with local community engagement, impact assessments, and development programs <a href="#">SUSTAINABILITY REPORT 2024</a> P. 23-24: Stakeholder Engagement, P. 73: Local Communities <a href="#">BUSINESS REPORT 2024</a> P. 41-42: Contribution to local communities <a href="#">Website</a> Stakeholder Engagement, Local communities
	413-2	Operations with significant actual and potential negative impacts on local communities –
Supplier Social Assessment (2016)	414-1	New suppliers that were screened using social criteria –
	414-2	Negative social impacts in the supply chain and actions taken –
Public Policy (2016)	415-1	Political contributions –
Customer Health and Safety (2016)	416-1	Assessments of the health and safety impacts of product and service categories <a href="#">SUSTAINABILITY REPORT 2024</a> P. 57-58: Safety Assurance and Quality Control for Customers <a href="#">Website</a> Safety assurance and quality control for customers
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services –
Marketing and Labeling (2016)	417-1	Requirements for product and service information and labeling –
	417-2	Incidents of non-compliance concerning product and service information and labeling –
	417-3	Incidents of non-compliance concerning marketing communications –
Customer Privacy (2016)	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data –
Socioeconomic Compliance (2016)	419-1	Non-compliance with laws and regulations in the social and economic area –

# ESG Data

## Environmental data

### Sales volume for renewable energy and environment related products / greenhouse gas emissions

Sales volume		FY2020	FY2021	FY2022	FY2023
Electricity sales volume by energy source	Solar power	7,045 thousand kW	7,152 thousand kW	6,956 thousand kW	6,996 thousand kW
	Wind power	55,807 thousand kW	48,889 thousand kW	56,413 thousand kW	51,827 thousand kW
	Biomass power	60,741 thousand kW	59,605 thousand kW	53,667 thousand kW	41,753 thousand kW
Product sales volume	Solar panels	1,894 kW	1,758 kW	3,583 kW	4,742kW
	Storage batteries	13,071 kWh	10,205 kWh	8,744 kWh	902 kWh
	ENE-FARM	76 units	92 units	174 units	280 units

Greenhouse gas (CO <sub>2</sub> ) emissions		FY2020	FY2021	FY2022	FY2023
Scope 1 + Scope 2	Total	25,828 t-CO <sub>2</sub>	34,021 t-CO <sub>2</sub>	50,152 t-CO <sub>2</sub>	49,221 t-CO <sub>2</sub>
	Scope 1	11,579t-CO <sub>2</sub>	17,049t-CO <sub>2</sub>	27,392t-CO <sub>2</sub>	★ 27,982t-CO <sub>2</sub>
	Scope 2	14,249t-CO <sub>2</sub>	16,972t-CO <sub>2</sub>	22,760t-CO <sub>2</sub>	★ 21,239t-CO <sub>2</sub>

Greenhouse gas (CO <sub>2</sub> ) emissions		FY2020	FY2021	FY2022	FY2023
Scope 3	Total	5,753,128t-CO <sub>2</sub> eq	5,958,716t-CO <sub>2</sub> eq	5,637,373t-CO <sub>2</sub> eq	★ 5,392,937t-CO <sub>2</sub> eq
Category 1	Purchased goods and services	638,501t-CO <sub>2</sub> eq	596,251t-CO <sub>2</sub> eq	549,816t-CO <sub>2</sub> eq	★ 575,004t-CO <sub>2</sub> eq
Category 3	Fuel and energy-related activities not included in Scopes 1 and 2	1,960,081t-CO <sub>2</sub> eq	2,415,898t-CO <sub>2</sub> eq	2,449,204t-CO <sub>2</sub> eq	★ 2,059,946t-CO <sub>2</sub> eq
Category 4	Transportation and delivery (upstream)	21,095t-CO <sub>2</sub> eq	19,676t-CO <sub>2</sub> eq	18,390t-CO <sub>2</sub> eq	★ 18,677t-CO <sub>2</sub> eq
Category 11	Use of sold products	3,133,452t-CO <sub>2</sub> eq	2,926,890t-CO <sub>2</sub> eq	2,619,963t-CO <sub>2</sub> eq	★ 2,739,311t-CO <sub>2</sub> eq

### Conversion factors, etc.

CO <sub>2</sub> emission factors		FY2020/FY2021/FY2022
Piped gas (City gas)		2.05 t-CO <sub>2</sub> /thousand Nm <sup>3</sup>
Purchased electricity	Emission factors for Japan are based on the adjusted factors by electric utility business operator, which are published in accordance with the ministerial ordinance of the Act on Promotion of Global Warming Countermeasures. For overseas, emission factors are based on the specific emission factors published by power companies (Overseas figures are included for FY2022 only).	
Thermal	Steam (excluding steam for industrial use), hot water, cold water	0.0654tCO <sub>2</sub> /GJ
	Steam for industrial use	0.0654tCO <sub>2</sub> /GJ
Other fuel	Heavy oil A	2.75tCO <sub>2</sub> /kL
	Diesel fuel	2.62tCO <sub>2</sub> /kL
	Heating oil	2.50tCO <sub>2</sub> /kL
	Gasoline	2.29tCO <sub>2</sub> /kL
	LPG	2.99tCO <sub>2</sub> /t

# ESG Data

## Environmental data

### Energy usage volume

Energy	FY2020	FY2021	FY2022	FY2023
LPG	2,248t	2,161t	2,080t	1,981t
Gasoline	956kL	1,000kL	997kL	960kL
Heavy oil	0kL	1,289kL	4,086kL	4,669kL
Diesel fuel	790kL	839kL	849kL	794kL
Heating oil	152kL	156kL	167kL	149kL
Piped gas (City gas)	93 thousand Nm <sup>3</sup>	983 thousand Nm <sup>3</sup>	2,231 thousand Nm <sup>3</sup>	2,216 thousand Nm <sup>3</sup>
Electricity	26,638 thousand kWh	36,017 thousand kWh	53,552 thousand kWh	53,431 thousand kWh
Warm water	2,420GJ	2,665GJ	1,993GJ	1,746GJ
Cold water	5,315GJ	5,541GJ	5,644GJ	5,915GJ
Steam for industrial use	907GJ	956GJ	888GJ	1,115GJ

### Other environmental data

Water consumption and water discharge volume		FY2020*1	FY2021	FY2022	FY2023
Usage volume	Water supply	–	483 thousand m <sup>3</sup>	476 thousand m <sup>3</sup>	130 thousand m <sup>3</sup>
	Well water	–	1,514 thousand m <sup>3</sup>	3,174 thousand m <sup>3</sup>	3,037 thousand m <sup>3</sup>
Water discharge volume	Sewage*2	–	–	–	–
	Underground/river*3	–	647 thousand m <sup>3</sup>	803 thousand m <sup>3</sup>	754 thousand m <sup>3</sup>

Waste volume		FY2020*1	FY2021	FY2022	FY2023
Industrial waste	Total amount	–	10,198 t	13,599 t	12,694 t
Recycling of industrial waste	Coffee grounds, tea grounds, mandarin orange grounds, used paper and cardboard, metals, etc.	–	2,398 t	3,777 t	3,994 t
Recycling rate	Recycled industrial waste/industrial waste (total volume)	–	6.8%	27.8%	31.7%
Toxic waste	Mercury waste, PCBs	–	0 t	0 t	1 t

\* marked indicators are independently assured by KPMG AZSA Sustainability Co., Ltd. The Company has received independent assurance report since FY2020. For more information, please refer to the Sustainability Report of previous year. The basis for the calculations is as follows:

The boundary covers Mitsuuroko Group Holdings Co., Ltd. and its consolidated subsidiaries. Carl's Jr. Japan, Inc., which was excluded from the scope of consolidation of Mitsuuroko Group Holdings Co., Ltd. in July 2024, is not included in the calculation of CO<sub>2</sub> emissions. Scope 1 and 2 emissions include only CO<sub>2</sub> emissions, while scope 3 emissions include GHG emissions other than CO<sub>2</sub>. GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials.

Scope 1: CO<sub>2</sub> emission factor of fuel and the unit calorific value are based on the coefficients specified in the Act on Promotion of Global Warming Countermeasures.

Scope 2: CO<sub>2</sub> emission factors of electricity are based on the adjusted emission factors by each of specific electric utility business operators for Japan and the specific emission factors published by power companies for overseas.

Scope 3: Each emissions intensity is referenced from the Act on Promotion of Global Warming Countermeasures; the Ministry of the Environment's "Database on Emissions Unit Values for Accounting of Greenhouse Gas Emissions, etc., by Organizations Throughout the Supply Chain"; and the Inventory Database for Environmental Analysis version 3.1 (IDEAv3.1) for calculating supply chain greenhouse gas emissions, published by the Sustainable Management Promotion Organization.

Category 1: Calculated by multiplying the amount (physical quantity) of petroleum-derived fuel and piped gas (City gas) procured for sales by the emission intensity for each fuel type specified in IDEAv3.1.

Category 3: GHG emissions derived from the extraction, production, and transportation of fossil fuels used in the production of electricity for sales purposes and the production of energy purchased for in-house use. Emissions from "electricity for sales purposes" are calculated by multiplying the amount of electricity sold by the basic emission factor of Mitsuuroko Group conducting retail electricity business and the emission intensity database figure. Emissions from "in-house electricity consumption" are calculated by multiplying the amount of electricity used for in-house consumption by the emission intensity database figure. Emissions from "in-house fuel consumption" are calculated by multiplying the amount of fuel used for in-house consumption by the fuel emission intensities specified in IDEAv3.1 for each fuel type.

Category 4: Upstream transportation emissions are calculated by multiplying the transportation volume (t-km), which is the product of the cargo weight and the distance transported, by the IDEAv3.1 emission intensity for each transportation type. For shipping and transportation, fuel consumption is multiplied by the emission intensity from the Ministry of the Environment database.

Category 11: Calculated by multiplying the sold volume (physical quantity) of petroleum-derived fuel and piped gas (City gas) by their respective fuel-specific calorific values and CO<sub>2</sub> emission factors.

\*1 Other environmental data results for FY2020 are not disclosed. \*2 Discharges to sewage are not disclosed (measured) by many water agencies, making it difficult to aggregate. \*3 Discharged after neutralization, reduction, dilution, etc. as required by law.

# ESG Data

## Social data

### Employee overview

			FY2020*1	FY2021*2	FY2022*3	FY2023*4
Number of employees by gender	Male	Non-consolidated	9	12	11	11
		Consolidated	1,180	1,314	1,262	1,194
	Female	Non-consolidated	8	9	9	9
		Consolidated	395	427	429	417
	Total	Non-consolidated	17	21	20	20
		Consolidated	1,575	1,741	1,691	1,611

\*1 As of March 31, 2021; \*2 As of March 31, 2022; \*3 As of March 31, 2023; \*4 As of March 31, 2024

			FY2020*1	FY2021*2	FY2022*3	FY2023*4
Number of employees by age	Less than 30 years old	Non-consolidated	2	0	0	0
		Consolidated	262	264	255	257
	30 to 39 years old	Non-consolidated	8	9	8	6
		Consolidated	352	385	381	352
	40 to 49 years old	Non-consolidated	6	6	7	9
		Consolidated	534	552	506	462
	50 to 59 years old	Non-consolidated	1	6	5	5
		Consolidated	418	522	534	537
	60 years old or over	Non-consolidated	0	0	0	0
		Consolidated	9	18	15	3
	Total	Non-consolidated	17	21	20	20
		Consolidated	1,575	1,741	1,691	1,611

\*1 As of March 31, 2021; \*2 As of March 31, 2022; \*3 As of March 31, 2023; \*4 As of March 31, 2024

# ESG Data

## Social data

### Employee overview

			FY2020*1	FY2021*2	FY2022*3	FY2023*4	
Average age by gender	Male	Non-consolidated	39	45	45	46	
		Consolidated	44	41	44	44	
	Female	Non-consolidated	39	40	41	42	
		Consolidated	37	35	38	39	
	Overall	Non-consolidated	39	43	43	45	
		Consolidated	42	39	43	43	
Average years of service by gender	Male	Non-consolidated	4	4	5	6	
		Consolidated	12	13	14	14	
	Female	Non-consolidated	7	7	8	8	
		Consolidated	9	9	9	10	
	Overall	Non-consolidated	5	5	6	7	
		Consolidated	11	12	13	13	
Total number of employees in management	Male	Non-consolidated	3	8	8	9	
		Consolidated	417	444	426	420	
	Female	Non-consolidated	5	6	7	8	
		Consolidated	26	28	31	34	
	Total	Non-consolidated	8	14	15	17	
		Consolidated	443	472	457	454	
	General manager or higher	Male	Non-consolidated	3	7	6	6
			Consolidated	83	90	88	88
		Female	Non-consolidated	2	2	2	3
			Consolidated	3	3	3	5
		Total	Non-consolidated	5	9	8	9
			Consolidated	86	93	91	93
Section manager or higher (excluding general managers)	Male	Non-consolidated	0	1	2	3	
		Consolidated	334	354	338	332	
	Female	Non-consolidated	3	4	5	5	
		Consolidated	23	25	28	29	
	Total	Non-consolidated	3	5	7	8	
		Consolidated	357	379	366	361	

\*1 As of March 31, 2021; \*2 As of March 31, 2022; \*3 As of March 31, 2023; \*4 As of March 31, 2024

# ESG Data

## Social data

### Employee overview

			FY2020	FY2021	FY2022	FY2023
Recruitment status (new graduates)	Male		17	22	21	23
	Female	Consolidated	18	15	12	12
	Total		35	37	33	35
Recruitment status (mid-career)	Male	Non-consolidated	1	4	0	1
		Consolidated	63	71	71	72
	Female	Non-consolidated	0	1	0	1
		Consolidated	18	22	27	27
	Total	Non-consolidated	1	5	0	2
		Consolidated	81	93	98	99

			FY2020*1	FY2021*2	FY2022*3	FY2023*4
Number of employees with disabilities	Number registered		16	19	20	22

\*1 As of June 1, 2021; \*2 As of June 1, 2022; \*3 As of June 1, 2023; \*4 As of June 1, 2024

				FY2020	FY2021	FY2022	FY2023
Childcare / nursing care leave system usage	Childcare leave	Male	Non-consolidated	–	0	0	1
			Consolidated	–	3	6	7
		Female	Non-consolidated	–	1	1	0
			Consolidated	–	17	16	7
	Total	Non-consolidated	2	1	1	1	
		Consolidated	23	20	22	14	
	Nursing care leave	Number of leave takers	Non-consolidated	0	0	0	0
			Consolidated	0	0	0	0

			FY2020	FY2021	FY2022	FY2023
Main system and usage data	Childcare leave	Number of leave takers	23	20	22	14
		Return rate	100%	100%	91%	100%
	Childcare work time reduction	Number of leave takers	17	23	35	25
	Nursing care leave	Number of leave takers	0	0	0	0
	Nursing care work time reduction	Number of leave takers	0	0	0	0
	Accompaniment leave system	Total number of users	2	2	2	2
	Volunteer leave	Total number of users	0	0	0	0
	Refresh leave system	Number of leave takers	15	26	18	27

# ESG Data

## Social data

### Employee overview

		FY2020	FY2021	FY2022	FY2023	
Reemployed retiree status	Total number of retired employees	36	37	40	27	
	Number of retirees reemployed	HD	0	0	0	0
		Subsidiaries, etc.	33	34	35	19
		Total	33	34	35	19

		FY2020	FY2021	FY2022	FY2023	
Turnover rate	Male	Non-consolidated	0.0%	11.1%	0.00%	8.33%
		Consolidated	7.3%	5.60%	6.20%	4.86%
	Female	Non-consolidated	0.0%	0.00%	11.1%	0.00%
		Consolidated	7.0%	10.32%	6.76%	5.53%
	Average	Non-consolidated	0.0%	5.88%	4.76%	8.33%
		Consolidated	7.3%	6.48%	6.34%	5.03%

		FY2020*1	FY2021*2	FY2022*3	FY2023*4	
Number of temporary employees and contract employees	Contract employees	Male	566	540	590	477
		Female	1,637	1,336	1,303	555
		Total	2,203	1,876	1,893	1,032
	Temporary employees	24	68	85	67	
	Total	2,227	1,944	1,977	1,099	

\*1 As of March 31, 2021; \*2 As of March 31, 2022; \*3 As of March 31, 2023; \*4 As of March 31, 2024

		FY2020	FY2021	FY2022	FY2023
Average number of paid annual leave days taken		10.2 days	11.3 days	11.7 days	12.5 days

		FY2021*1	FY2022*2	FY2023*3
Number of employees covered by collective bargaining rights (excluding management)	Number of employees**	633	628	631

\*1 As of March 31, 2022; \*2 As of March 31, 2023; \*3 As of March 31, 2024; \*4 Limited to the 14 companies that are members of the National Mitsuuroko Labor Union

# ESG Data

## Social data

### Employee overview

		FY2020	FY2021	FY2022	FY2023
Average annual training time	Average annual training time	14.0 hours	17.1 hours	21.7 hours	22.9 hours
		FY2020	FY2021	FY2022	FY2023
Average annual salary	All employees	5,210,242 yen	5,115,997 yen	5,074,574 yen	5,322,042 yen
		FY2020	FY2021	FY2022	FY2023
New graduate starting salary	Master's / Bachelor's graduate*	233,000 yen	250,000 yen	250,000 yen	250,000 yen

\* Mitsuuroko Vessel Co., Ltd. major career track

### Investment in human resource development

	FY2020	FY2021	FY2022	FY2023
Total investment in human resource development	–	52,288,144 yen	39,909,677 yen	28,509,336 yen
Invested amount in human resource development and skills development per employee	–	30,033 yen	23,601 yen	17,697 yen
Invested hours in human resource development and skills development per employee	–	17.1 hours	21.7 hours	22.9 hours

### Occupational health and safety management

	FY2020	FY2021	FY2022	FY2023
Annual average of total hours worked per employee	1,848 hours	1,872 hours	1,844 hours	1,783.8 hours
Monthly average of overtime hours worked per employee	17.7 hours	17.6 hours	15.9 hours	13.4 hours
Participation in regular health check-ups	100%	100%	100%	100%
Rate of smoker	33.4%	32.8%	31.5%	30.6%
Rate of regular exercise	25.0%	24.8%	27.1%	29.8%

### Summary of accidents and disasters

	FY2020	FY2021	FY2022	FY2023
Number of deaths due to work-related accidents	0	0	0	0
Number of severe accidents	0	0	0	0
Number of work-related accidents	15	29	19	18
Number of traffic accidents	0	1	2	1
Frequency rate of lost-worktime injuries	0.34%	2.76%	0.96%	2.78%
Severity rate	0.008%	0.013%	0.002%	0.047%

# ESG Data

## Governance data

### Composition of the Board of Directors (As of March 31, 2025)

Directors (excluding Directors who are Audit and Supervisory Committee Members)		Overall	
Total number of Directors	9	Total number of Directors (including Audit and Supervisory Committee Members)	12
Female	1	Female	1 (8%)
Foreign nationals	1	Foreign nationals	1 (8%)
External	2	External	5 (42%)
Directors who are Audit and Supervisory Committee Members		Independent External Directors	3 (25%)
Total number of Directors who are Audit and Supervisory Committee Members	3		
External	3		

### Director remuneration (FY2023)

	Total remuneration, etc. (millions of yen)	Total remuneration, etc. by type (millions of yen)		Number of applicable Directors
		Basic remuneration	Performance-based stock remuneration	
<b>Directors (excluding Directors who are Audit and Supervisory Committee Members)</b>	345	292	53	10
(External Directors)	(16)	(16)	–	(2)
<b>Directors who are Audit and Supervisory Committee Members</b>	24	24	–	3
(External Directors)	(24)	(24)	–	(3)
<b>Total</b>	369	316	53	13
(External Directors)	(40)	(40)	–	(5)

### Meetings of the Board of Directors / Audit and Supervisory Committee

	FY2019	FY2020	FY2021	FY2022	FY2023
Number of Board of Directors meetings held	12	12	13	13	13
Number of Audit and Supervisory Committee Meetings held	12	12	13	13	13

### Compliance-related consultations

Compliance consultations	FY2019	FY2020	FY2021	FY2022	FY2023
Number of consultations	17	12	17	11	13

### Meetings of the Risk Management Committee

Risk Management Committee	FY2019	FY2020	FY2021	FY2022	FY2023
Number of meetings held	1	4	3	4	5

# Independent Practitioner's Limited Assurance Report



## Independent Practitioner's Limited Assurance Report

To Representative Director, President and Chief Executive Officer of Mitsuuroko Group Holdings Co., Ltd.

### Conclusion

We have performed a limited assurance engagement on whether selected environmental performance indicators (the "subject matter information" or the "SMI") presented in Mitsuuroko Group Holdings's (the "Company") SUSTAINABILITY REPORT 2024 (the "Report") for the year ended March 31, 2024 have been prepared in accordance with the criteria (the "Criteria"), which are established by the Company and are explained in the Report. The SMI subject to the assurance engagement is indicated in the Report with the symbol "★".

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company's SMI for the year ended March 31, 2024 is not prepared, in all material respects, in accordance with the Criteria.

### Basis for Conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, and International Standard on Assurance Engagements (ISAE) 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Other information

Our conclusion on the SMI does not extend to any other information that accompanies or contains the SMI (hereafter referred to as "other information"). We have read the other information but have not performed any procedures with respect to the other information.

### Responsibilities for the SMI

Management of the Company are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation of the SMI that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the SMI and appropriately referring to or describing the criteria used; and
- preparing the SMI in accordance with the Criteria.



### Inherent limitations in preparing the SMI

As described in the Report, GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials. Hence, the selection by management of a different but acceptable measurement method, activity data, emission factors, and relevant assumptions or parameters could have resulted in materially different amounts being reported.

### Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the SMI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the management.

### Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the SMI and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- assessing the suitability of the criteria applied to prepare the SMI;
- conducting interviews with the relevant personnel of the Company to obtain an understanding of the key processes, relevant systems and controls in place over the preparation of the SMI;
- performing analytical procedures including trend analysis;
- identifying and assessing the risks of material misstatements;
- performing a site visit at HAMABOWL EAS of MITSUUROKO Co., Ltd. which was determined through our risk assessment procedures;
- performing, on a sample basis, recalculation of amounts presented as part of the SMI;
- performing other evidence gathering procedures for selected samples; and
- evaluating whether the SMI was presented in accordance with the Criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Kenichiro Sato, Engagement Partner  
KPMG AZSA Sustainability Co., Ltd.  
Tokyo Office, Japan  
March 27, 2026

# Company Profile

## Mitsuuroko Group's business areas

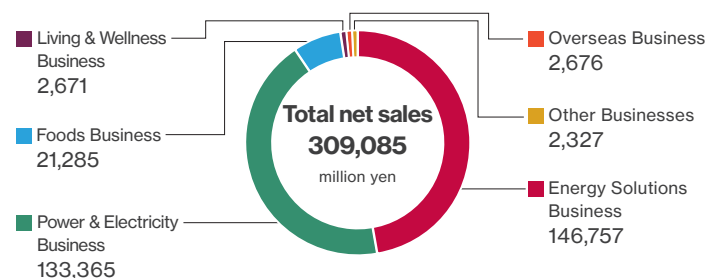
Contribute to more fulfilling lifestyles

	<b>Energy Solutions Business</b> <b>ENERGY SOLUTIONS</b>	<b>Support people's lives. Cultivate the future.</b> Responding to contemporary needs, we continue to remain close to our customers' lifestyles and bring happiness through energy. We are utilizing the Group network to provide energy and more fulfilling lifestyles.	Sales of and logistics services for LPG, piped gas (City gas) petroleum, housing equipment, remodeling, new energy equipment, and more
	<b>Power &amp; Electricity Business</b> <b>POWER &amp; ELECTRICITY</b>	<b>Next-generation energy that brings comfort and ease to everyday life.</b> We live in an age of shifting from "energy efficiency and conservation" to "energy generation." As a power generation business operator that uses diverse renewable energy sources and a retail electricity provider, we aim to "improve the global environment (reduce CO <sub>2</sub> emissions)," "improve energy self-sufficiency," and "coexist with local communities."	Wind power generation, biomass power generation, mega solar power generation, electricity wholesale to power companies, and electricity retail to general consumers
	<b>Foods Business</b> <b>FOODS</b>	<b>Exciting the future with the delicious.</b> We are providing more fulfilling lifestyles to everyone by operating a beverage business, shop & restaurant business, bakeries, and cafés.	Produce and sale of beverages, operation of restaurants, stores in facilities and cafeterias, operation of DELICATERIA (delicatessens directly under Mitsuuroko Grocery) and voluntary chain stores, operation of fresh bakeries and cafés, and more.
	<b>Living &amp; Wellness Business</b> <b>LIVING &amp; WELLNESS</b>	<b>Connecting to a future that connects everyday life.</b> In addition to development and leasing of residential homes, office buildings, and commercial facilities, we build more fulfilling lifestyles with our customers by creating new business opportunities, and aim for harmony between regions through business.	Leasing of office buildings, rental apartments, and other buildings and operations/management of commercial complexes
	<b>Overseas Business</b> <b>OVERSEAS BUSINESS</b>	<b>Delivering sustainable values to local communities.</b> The company is involved in the development of energy and social infrastructure in local communities mainly in Asia, and will continue to develop new businesses in the global market.	Investments into business and provision of support outside of Japan, self-storage businesses, etc.
	<b>Other Businesses</b> <b>OTHERS</b>	<b>Results meeting needs to accelerate business.</b> We provide total solutions for the present and future of businesses and powerfully support the streamlining of all businesses.	Leasing of general office equipment, payment collection, system development, handling of various insurance, and more

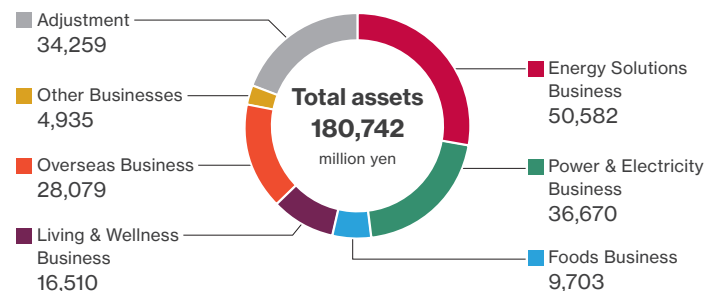
## Mitsuuroko Group Holdings Co., Ltd. company information

Company name	Mitsuuroko Group Holdings Co., Ltd.	Date established	May 10, 1926
Main business	Holding company (Group's management strategy and management)	Capital	¥7,077 million
Headquarters	3-1-1 Kyobashi, Chuo-ku, Tokyo 104-0031, Japan	Number of employees	24 / Consolidated: 1,784 (as of September 30, 2024)
		Group companies	Consolidated subsidiaries: 41 companies (33 domestic companies, 8 overseas companies) Entities accounted for using equity method: 7 companies (7 domestic companies) (as of December 31, 2024)

### Net sales by segment (As of March 31, 2024)



### Assets by segment (As of March 31, 2024)





**Mitsuuroko Group Holdings Co., Ltd.**

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ちびまる子ちゃん

Chibi Maruko-Chan

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