

# 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 1139 2080 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	Mitsui 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.  
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