Invigorating Discussions at Board of Directors Meetings

The Board of Directors discusses basic policies, makes decisions, and monitors business execution to encourage the improvement of the Company's medium- to long-term corporate value. Furthermore, the Board of Directors takes the following into consideration when managing meetings to achieve constructive discussions and exchange of opinions, including meetings with independent outside directors.

- The annual schedule of Board of Directors meetings as well as anticipated agenda items shall be decided in advance, and this information shall be provided to directors and Audit & Supervisory Board members to allow attendees to prepare in advance.
- Agenda items and related materials shall be sent to directors well in advance of the meeting date, and explanation shall be provided in advance as needed.
- The number of issues to be deliberated and the frequency of meetings shall be appropriately set to allow sufficient time for deliberations.
- Meetings comprising attendees of the Board of Directors shall be held for the purpose of exchanging ideas, thereby encouraging lively debate.

Main Topics Discussed at Board of Directors Meetings in FY2026/3

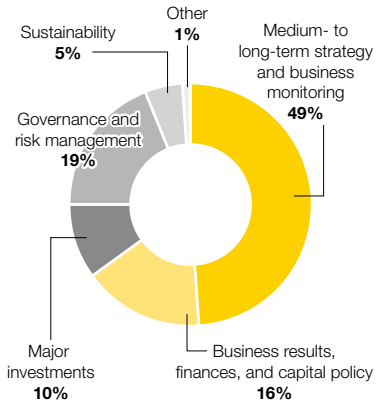
Medium- to long-term strategy and business monitoring
- Verification of progress on the medium-term management plan and review of strategy
- Periodic monitoring of key businesses
- Monitoring of new businesses and post-merger integration

Business results, finances, and capital policy
- Review of the rationale for cross-shareholdings and reduction of holdings
- Real estate strategy and asset liquidation based on balance sheet management
- Shareholder returns (share repurchases and dividends)

Major investments
- Development of digital infrastructure
- Approval of leases for major facilities and investment plans

Governance and risk management
- Resolutions on the next management structure and key personnel
- Evaluation of the Board of Directors' effectiveness
- Sharing the status of dialogue with shareholders and investors and their feedback
- Evaluation of cybersecurity measures and internal controls

Breakdown of Agenda Items



Audit & Supervisory Board

Audit & Supervisory Board

The members of the Audit & Supervisory Board hold roles and responsibilities that include auditing the execution of duties carried out by directors, selection and dismissal of the independent auditor, and execution of authority related to auditor compensation. They make appropriate judgments from an independent, objective perspective based on their fiduciary duty to shareholders.

1. The members of the Audit & Supervisory Board shall exercise their authority actively and assertively to sufficiently fulfill their role and responsibilities, including operational audits, accounting audits, and other functions, and they shall appropriately state their opinions at Board of Directors meetings and to members of senior management.
2. The full-time Audit & Supervisory Board members shall attend Board of Directors meetings and other important meetings related to the execution of business, express reasonable opinions, hold effective Audit & Supervisory Board meetings, and ensure that information is shared and that members work together in a coordinated manner.
3. The Audit & Supervisory Board shall regularly hold information exchange meetings for the purpose of sharing information with outside directors, thereby ensuring more robust information gathering and encouraging collaboration.

Provision of Information for Directors and Audit & Supervisory Board Members

For directors and Audit & Supervisory Board members to effectively fulfill their roles and responsibilities, the Company continuously provides opportunities for them to deepen their understanding of management strategies and enhance discussions at Board of Directors meetings.

Facilities visited during FY2026/3 included a logistics center handling large-scale projects in the Contract Logistics Business, which the Company has designated as a growth domain, and a site with distribution processing capabilities. Participants went beyond merely inspecting facilities and operations, engaging in direct dialogue with site managers and front-line employees to gain an in-depth understanding of the effectiveness of investments in the growth domain, the progress and challenges of related initiatives, and potential risks. Directors and Audit & Supervisory Board members will use these activities as the basis for providing more effective oversight and advice to drive growth strategies and enhance corporate value.





Activities in October 2025 included visits to Nakano Shokai's logistics center and Yamato Transport's integrated business solution hubs, as well as a roundtable discussion with heads of business units and site managers.