Translation

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

May 12, 2025

Company name: Kamigumi Co., Ltd
Representative: Yoshihiro Fukai, President & Representative Director
Stock code: 9364; TSE Prime Market
Inquiries: Takashi Iwashita, General Manager of Public Relations Department
(Tel. +81-78-271-5110)

Notice regarding Establishment of our Company's Purpose, Long-Term Vision 2035, and Medium-Term Management Plan 2030

At the Board of Directors meeting held today, Kamigumi Co., Ltd. (the "Company") approved our Company's Purpose, Long-Term Vision 2035, and Medium-Term Management Plan 2030, as outlined below.

See the attached documents for more information.

1. Company's Purpose

Understand, connect, and become a new driving force

Since its foundation in 1867, the Company has contributed to social sustainability and growth through integrated logistics activities based primarily at the ports and harbors connecting Japan to the world and people to one another.

The Company has articulated the Company's Purpose as part of efforts to remain a company essential to society, even amid conditions of dramatic change and uncertainty. By clarifying its hallmark values and enhancing corporate value through the united efforts of its employees, the Company is seeking to contribute to a more prosperous society.

2. Long-Term Vision 2035 (FY2035)

Recognizing reforms based on a long-term perspective as central to sustaining business, the Company has established its Long-Term Vision 2035 based on the Company's Purpose.

In striving to realize its ideal vision for 2035—Be an integrated logistics provider that designs the future of logistics in Japan and the world—the Company has set the financial goals of ¥450,000 million in consolidated net sales.

3. Medium-Term Management Plan 2030 (FY2026 through FY2030)

Having set the goal of realizing Long-Term Vision 2035, the Company has established its new Medium-Term Management Plan 2030 for the five-year period through the fiscal year ending March 2030.

Based on the following the six basic principles, this plan will enhance the Company's growth potential and returns on capital, drawing on the cash-generating capabilities of our core businesses to promote structural reforms and active investments in growth businesses.

Basic Principles of the Medium-Term Management Plan

(1) Increase the market shares and resilience of domestic core businesses
(2) Establish global businesses as a revenue base
(3) Expand businesses to address new logistics needs
(4) Shift to a business management model that supports portfolio management
(5) Implement total optimization of HR management throughout the company
(6) Promote DX to enhance operational efficiency, and offer a wider range of elevated value

Numerical goals

(1) Financial goals (FY2030)

Net sales	¥350,000 million
Operating profit	¥38,000 million
EBITDA	¥55,000 million
ROE	8.0%

(2) Fund procurement/Main purposes of use (five-year total amount)

Debt financing	Approx. ¥170,000 million
Fixed asset investment, financing, etc.	Approx. ¥240,000 million
Investment in human resources	Approx. ¥25,000 million

(3) Shareholder returns (five-year average /total amount)

Consolidated payout ratio	Approx. 70%
Acquisition of treasury stock	Approx. ¥65,000 million
Cross-held shares	Down by 30%
Equity ratio	Approx. 60%

Long-Term Vision 2035

Medium-Term Management Plan 2030

May 2025

Kamigumi Co., Ltd.

KAMIGUMI

Contents

Message from Management

Our Wishes for This Management Plan

Since its foundation, Kamigumi has leveraged its on-site capabilities and extensive assets to establish a strong position in ports and harbors, which support our society.

However, our goals for net sales in our previous Medium-Term Management Plan were not achieved.

We recognize that aggressive investments for upgrading aging assets, acquiring new assets, reinforcing human capital, and improving working conditions are important issues that remain to be addressed as we seek to strengthen our revenue base and establish our next growth businesses.

All of Kamigumi's businesses form the basis of society and people's lives.

Ensuring the continuity of these businesses will not be possible without reforms with a long-term perspective. Based on this recognition, we established Purpose and Long-Term Vision 2035.

To achieve the goals of Long-Term Vision 2035, we have positioned the next five years as a period for structural reforms and aggressive investments in growth businesses.

We will work with unwavering determination to do the following:

(1) Build growth-leading businesses through aggressive investments
(2) Strengthen the capability to generate sustainable cash flows
(3) Strengthen the foundation supporting the growth potential and return on capital

We will focus more on enhancing return on capital and will continue to offer aggressive shareholder returns, on the condition that we have enough investment capabilities to achieve future growth.

With the spirit of "No growth without investment" in mind, we will use our strengths of a strong financial base and cash generation capabilities to the maximum extent to carry out reforms and achieve a positive cycle of growth.

President & Representative Director

Yoshihiro Fukai

1 Purpose

Purpose

Understand, connect, and become a new driving force

Since our foundation in 1867, we have engaged in business activities centered on ports and harbors, which connect Japan and its people with the rest of the world. Through our business, we have supported logistics and contributed to the maintenance and development of society.
In any period, our role should be to recognize the importance of understanding the needs of our customers and society and to establish connections in a way that contributes to realizing an affluent society.

In an ever-changing society, we will continue to fulfill this role by constantly taking on challenges with our customers and working together to make changes to become a new driving force for social development.

Three Words That Are Central to Our Purpose

Purpose

Understand, connect, and become a new driving force

1 2 3

word 1

Understand

We are proud to say we have sought to thoroughly **understand** our customers, and this has allowed us to contribute to society. “**Understanding**” customers is central to our company providing value to customers, and we will place importance on this going forward.

word 2

Connect

Since our foundation, we have conducted business activities centered on ports and harbors, which are joints that **connect** customers with each other and with producers and consumers in other countries. They form an indispensable part of our social infrastructure, so this word represents our determination to continue to offer the value of “**connection,**” especially through logistics, and to contribute to realizing an affluent society.

word 3

Become a new driving force

As society and customer needs change over time, we need to play our part in society by consistently taking on challenges and seeking reforms. This phrase represents our wish to constantly be a “**new driving force**” that supports customers’ changes by continually evolving ourselves and sometimes realizing social development with them.

2 Long-Term Vision 2035

A Look Back on the Previous Medium-Term Management Plan

We almost reached our numerical goals,
but our **net sales goal was not attained, meaning we have growth potential issues**.
The establishment of overseas offices and the exploration of new businesses showed progress,
but **delays in investment** hindered growth.

		Goals	Results
Business performance goals	Net sales	¥310 billion	¥279 billion ✕
	Operating profit	¥33 billion	¥33 billion ○
	Recurring profit	¥35 billion	¥36 billion ○
Management indicators	ROE	6.5% or more	7.0% ○
	Equity ratio	80.0% or less	78.0% ○
Return of profits	Consolidated payout ratio	40.0%	50.4% ○
	Acquisition of treasury stock (cumulative)	¥30 billion in total	¥47 billion in total ○
	Total payout ratio	90.0%	112.9% ○

Key Strategies	Outcomes and Issues
1 Strengthening Core Businesses	• To address logistics needs, aging warehouses were upgraded, and new warehouses and facilities were built. • The planned investment of 72 billion yen set out in the revised Medium-Term Management Plan failed to be achieved, with the actual investment amounting to 47 billion yen. This meant there were unresolved issues, such as profit-focused organizational evaluations and a branch-centered organizational structure.
2 Strengthening Profitability of Overseas Businesses	• In mainly Southeast Asia, Southwest Asia, and North America, the establishment of bases, capital participation, and other preparations for business expansions showed steady progress. • Meanwhile, issues remained with intensive investment and customer expansion in key areas for topline growth.
3 Exploration of New Businesses	• A new division was set up to strengthen logistics related to new energy sources. • The go-ahead was given to enter the businesses of grid storage batteries and hydrogen stations.
4 Initiatives to Secure and Develop Human Resources	• With the introduction of a new HR system, a foundation began to be established for HR management to acquire and retain human resources and strengthen the development of core human resources. • The hiring and development of human resources is still incomplete, requiring further efforts in the future.
5 Strengthening Business through DX	• With the creation of the Digital-Transformation Promotion Section, our company was certified as a DX business operator by the Ministry of Economy, Trade and Industry. • Mechanization and automation of on-site work was encouraged to create surplus capacity. • To prepare for the decline in the nation's working population, it is imperative to further increase the efficiency of both on-site work and administrative work.

How We Perceive Evaluations of Us by the Capital Market

Our stock price has recently been hovering below the industry average, with the PBR staying below 1.0.

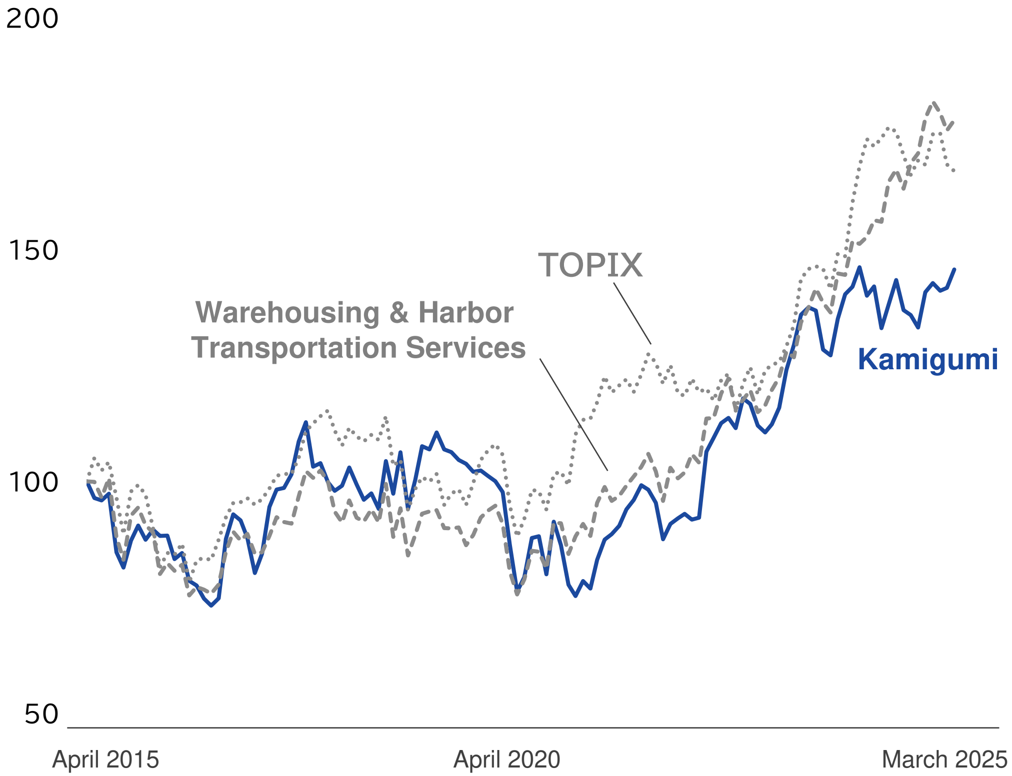
We recognize that **our growth potential is not meeting market expectations**.

The movement of stock price indices*1

(From April 2015 to March 2025)

A comparison of stock price movements starting from April 2015 shows that **the rate of increase of our stock price has stayed below the TOPIX and the Warehousing and Harbor Transportation Service index in recent years.**

*1 Index data sets the closing price at the end of April 2015 as 100.

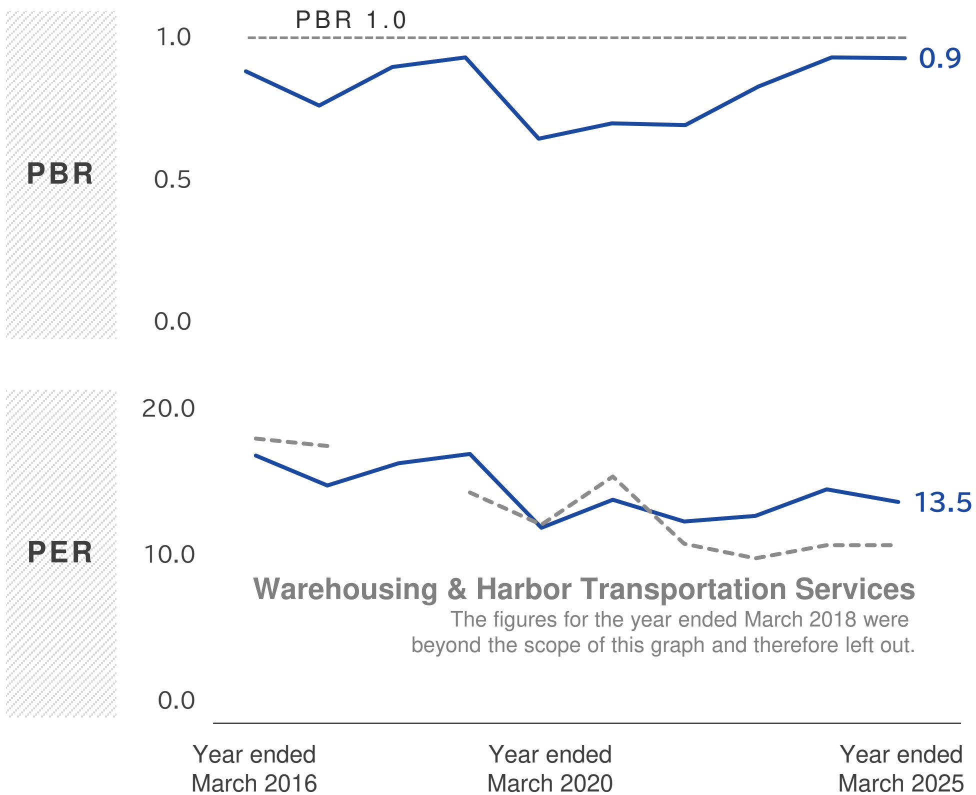


Source: Based on data disclosed by the Tokyo Stock Exchange

The movement of management indices

(From the fiscal year ended March 2016 to the fiscal year ended March 2025)

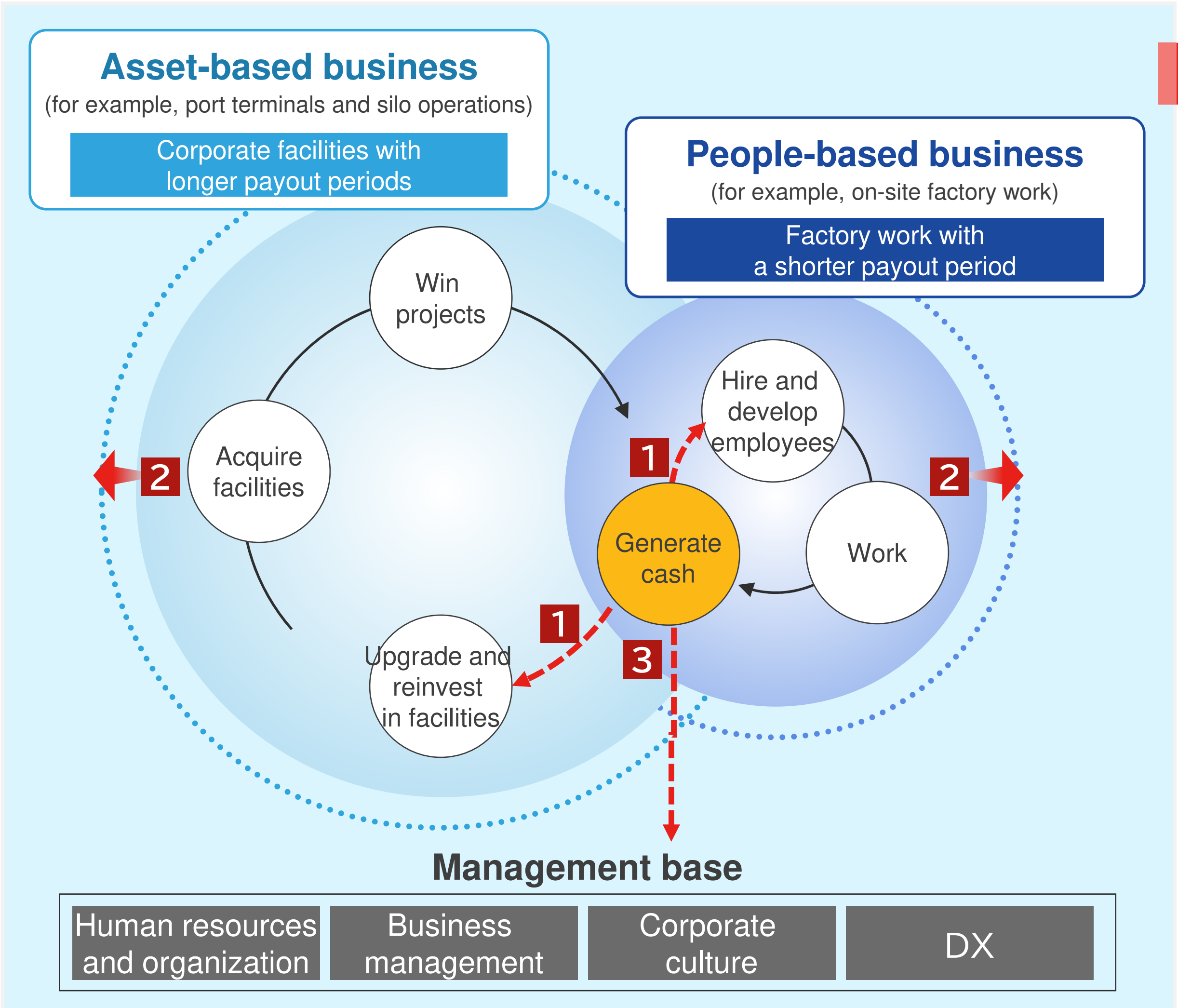
The PER is currently at the same level as the industry average, but **the PBR remains below 1.0.**



Issue to Be Addressed to Achieve Growth

Our businesses are mostly asset-based, with longer payout periods.

To achieve future growth and a higher return on capital, **long-term, aggressive investment** is an issue.



Issue Although the core businesses established with past investments generate stable cash flows, **long-term investments remain stagnant.**

1 Investments in **facility upgrades/human resources**

Efforts to maintain, upgrade, and improve assets, as well as to hire and develop employees, have stagnated.

2 Investments to **expand business areas**

Efforts to leverage existing businesses to explore new functions and areas and to develop new businesses have stagnated.

3 Investments to **reinforce the management base**

Information infrastructure, organization/human resources, and other growth-supporting aspects of the management base have not been adequately established.

External Environmental Changes That Can Affect Our Business

The declining domestic population, among other factors,

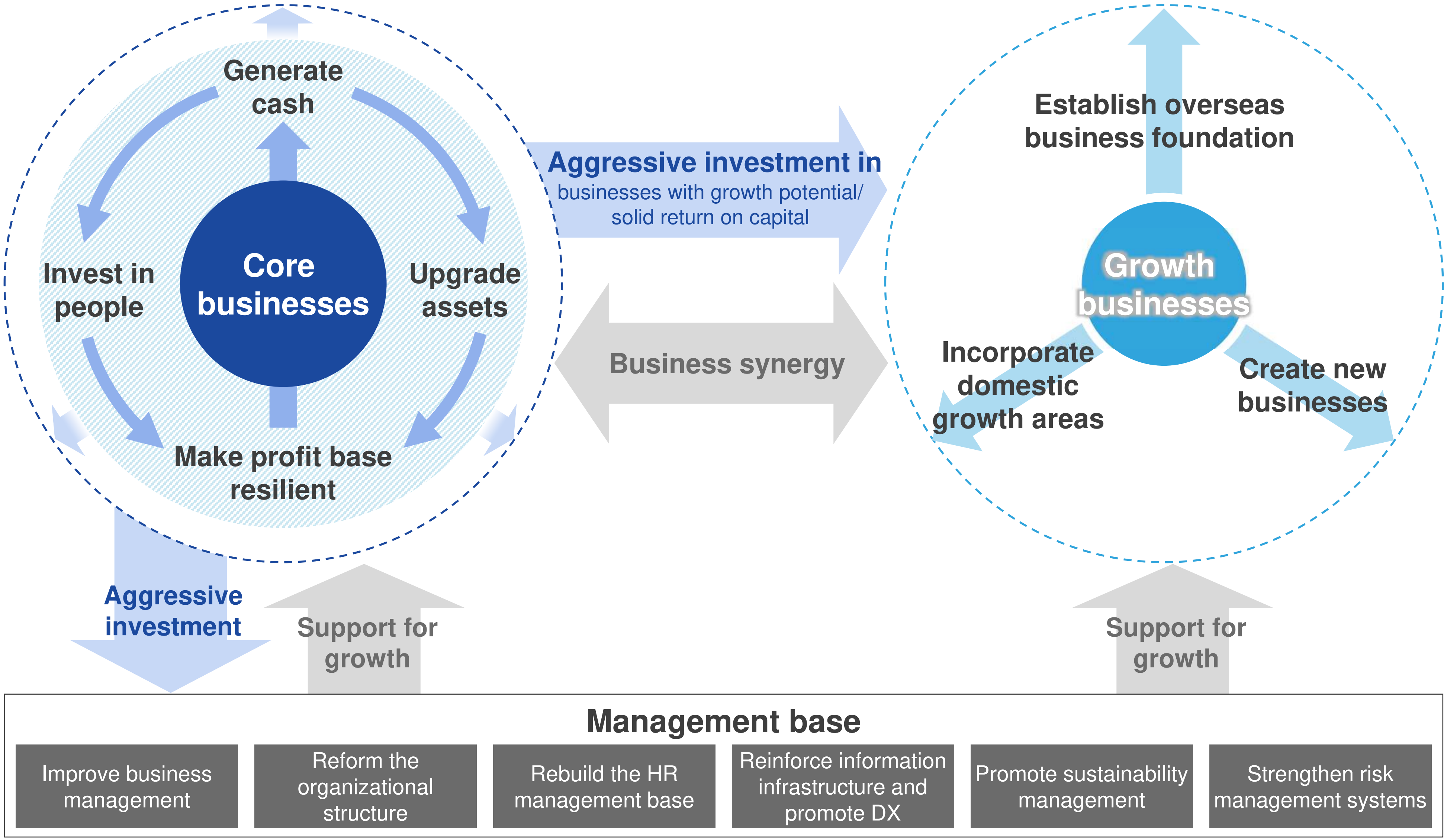
may reduce the cash generation capabilities of our core businesses in the future.

To address this risk, it is necessary to **keep them profitable and establish growth businesses at the same time**.

External environmental changes that can affect our business		Threats	Opportunities
	Domestic	**A further decline in the population** ● may reduce port cargo volumes, particularly in import industries	
	Domestic	**A severe shortage of labor** ● may surface in the logistics and harbor transport sectors	
	Domestic	**Changes in shippers' needs along with changes in the industrial structure** ● may lead to the rise of new services by start-ups and emerging companies	● Growing needs for outsourcing and higher efficiency of logistics functions at shippers ● New cargo and logistics needs, including those for new energy materials ● Further efforts to reduce environmental impacts on supply chains
	Overseas		**Growth of the Global South** ● Further infrastructure development and increases in the distribution of goods in the Global South ● Demand for advanced logistics functions such as the cold chain
	Overseas	**Rise of geopolitical risks across the world** ● Sluggish trade due to the US reciprocal tariff policy ● Lower cargo volumes due to a review of the sources of imports	● Changes in manufacturers' production bases leading to increases in tripartite trade among relevant countries and the distribution of goods in third countries ● Further efforts to strengthen defense capabilities and the emerging demand for the distribution of defense equipment
Direction of efforts		**Increase the productivity and resilience of domestic core businesses in the face of a shrinking market**	**Strengthen the overseas businesses as growth-leading businesses and incorporate domestic growth areas**

Our Growth Strategy

Take a long-term view, and invest aggressively in businesses with growth potential and solid return on capital to **achieve a positive cycle of growth**.



Positioning of Long-Term Vision 2035 and Medium-Term Management Plan 2030

A review of the materialities to ensure consistency with the growth strategy provided the basis for **Long-Term Vision 2035 and Medium-Term Management Plan 2030**.

Purpose

Understand, connect, and become a new driving force

Growth strategy | Create a positive cycle of growth

With the cash from core businesses, invest aggressively in business and management bases.

- Increase the resilience of core businesses to strengthen the capability to generate sustainable cash flows
- Establish and expand growth-leading businesses through aggressive investments
- Strengthen the management base underpinning growth

Sustainability strategy | Create sustainable value

Address six key issues (revised materialities) considering stakeholders' expectations

1. Promote businesses that will help resolve social challenges
2. Contribute to achieving carbon neutrality (CN)
3. Ensure the safety and quality of services
4. Improve corporate governance
5. Adapt to human capital management
6. Promote DX

An ideal vision to be achieved over the long term — **Long-Term Vision 2035**

Efforts to be made over the next five years — **Medium-Term Management Plan 2030**

Purpose

Understand, connect, and become a new driving force

Growth strategy	Sustainability strategy
Create a positive cycle of growth through long-term, aggressive investments	Create sustainable value based on the revised materialities

Long-Term Vision 2035

Be an integrated logistics provider that designs the future of logistics in Japan and the world

A company that takes the lead in resolving logistics issues in ports and harbors

by maintaining and enhancing assets and building inter-industry cooperation

A company that can help resolve logistics issues facing customers worldwide

by expanding businesses overseas

A company that contributes to the development of supply chains

by quickly responding to changes in society and industry

The Roadmap Toward Long-Term Vision 2035

Medium-Term Management Plan 2030 aims to **enhance the growth potential and return on capital** by using the cash generation capabilities of core businesses to promote **structural reforms** and **aggressive investments in growth businesses**.

Medium-Term Management Plan 2030 → **Medium-Term Management Plan 2035** → **Long-Term Vision 2035**

Structural reforms and aggressive investments in growth businesses

Acceleration of growth

Growth businesses

Overseas logistics, forwarding, energy, etc.

Build growth-leading businesses through aggressive investments

- Establish global businesses as a revenue base
- Expand businesses to address new logistics needs

Core businesses

Harbor transport, warehouse/silo storage on-site factory work, etc.

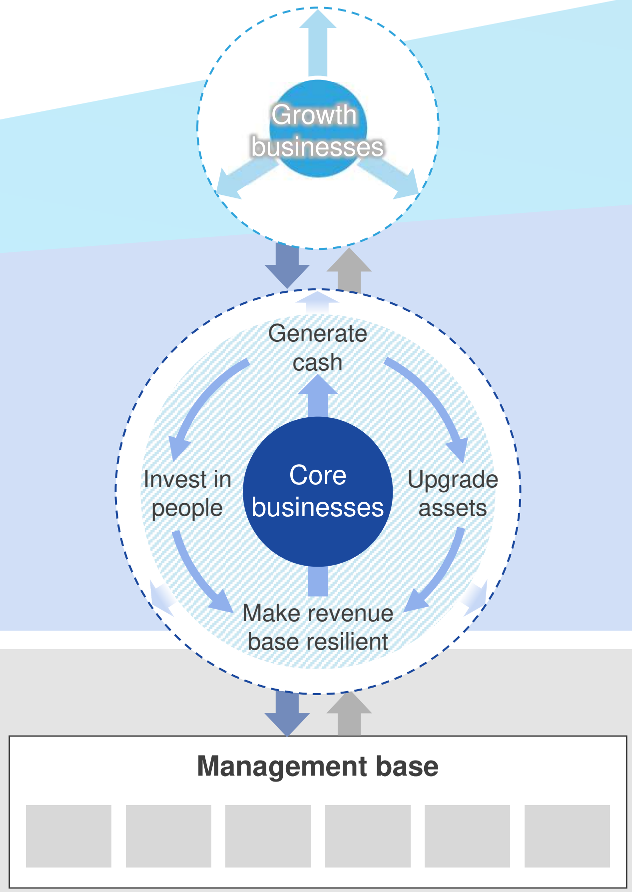
Strengthen the capability to generate sustainable cash flows

- Increase the market shares and resilience of the domestic core businesses

Management base

Strengthen the foundation supporting the growth potential and return on capital

- Shift to a business management model that supports portfolio management
- Implement optimization of HR management throughout the company
- Promote DX to enhance operational efficiency, and offer a wider range of elevated value



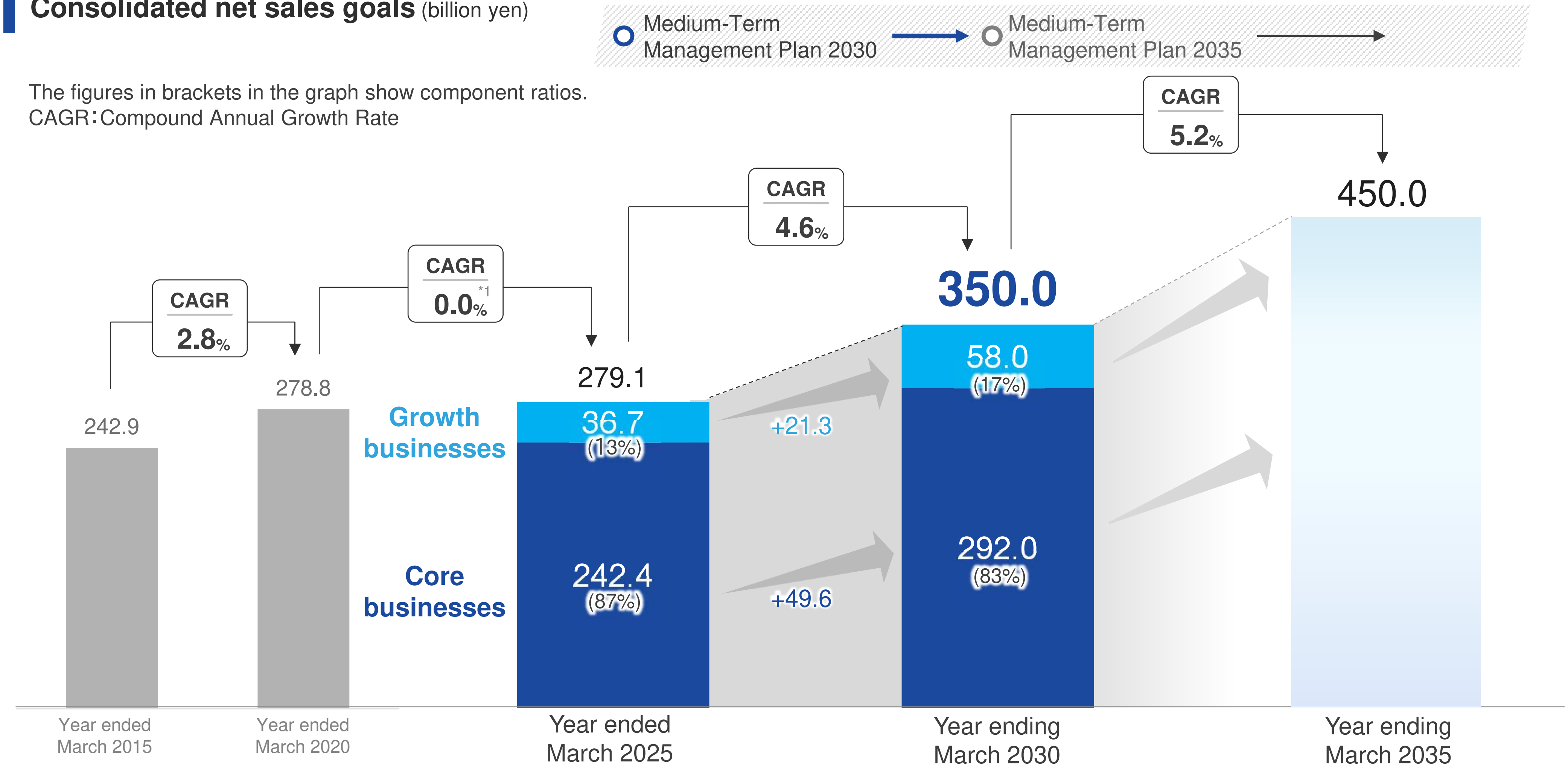
Growth in Net Sales

Strengthen core businesses to **achieve consolidated net sales of 350 billion yen** in the final year of Medium-Term Management Plan 2030.

Toward 2035, strive to expand net sales from growth businesses to achieve **consolidated net sales of 450 billion yen**.

Consolidated net sales goals (billion yen)

The figures in brackets in the graph show component ratios.
CAGR: Compound Annual Growth Rate



*1. Since the "Accounting Standard for Revenue Recognition," (ASBJ Statement No. 29,March 31, 2020) had not yet been applied in the fiscal year ended March 2020, the figure cannot be directly compared with that for the fiscal year ended March 2025.

3 Medium-Term Management Plan 2030

Basic Principles of the Medium-Term Management Plan

This Medium-Term Management Plan sets out **six basic principles** to guide the implementation of projects.

Long-Term Vision 2035

Be an integrated logistics provider that designs the future of logistics in Japan and the world

- **A company that takes the lead in resolving logistics issues facing ports and harbors** by maintaining and enhancing assets and building inter-industry cooperation
- **A company that can help resolve logistics issues facing customers worldwide** by expanding businesses overseas
- **A company that contributes to the development of supply chains** by quickly responding to changes in society and industry

The six basic principles of the Medium-Term Management Plan

Core businesses

1. Increase the market shares and resilience of domestic core businesses

Growth businesses

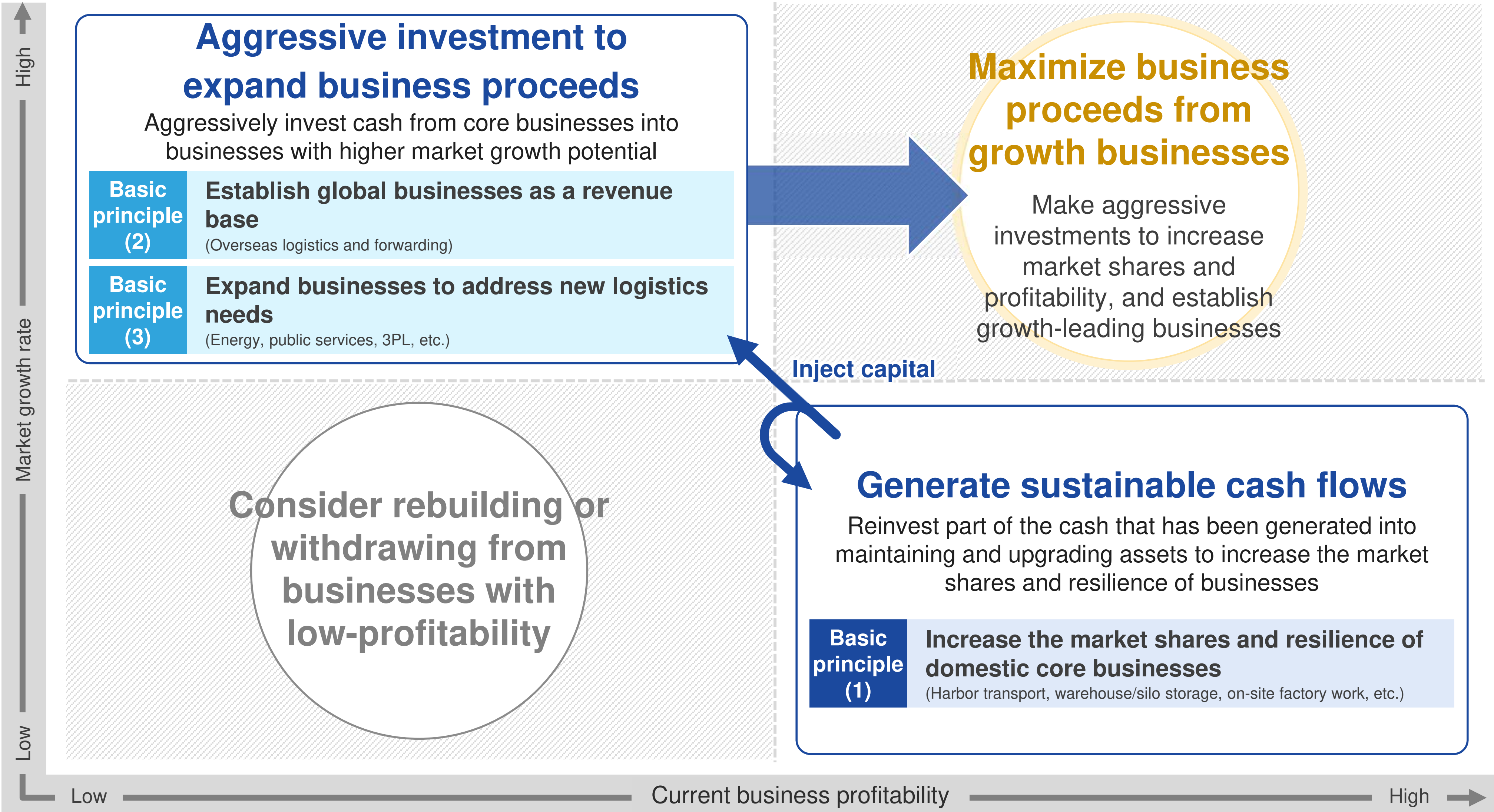
2. Establish global businesses as a revenue base
3. Expand businesses to address new logistics needs

Management base

4. Shift to a business management model that supports portfolio management
5. Implement total optimization of HR management throughout the company
6. Promote DX to enhance operational efficiency, and offer a wider range of elevated value

Positioning Businesses in the Medium-Term Management Plan

Aggressively invest cash generated from domestic core businesses **into growth businesses** to **build a business structure that will lead future growth**.



Numerical Goals to Be Achieved by the Year Ending March 2030

Make aggressive investments to **increase net sales and enhance operating profit and ROE.**
Improve return on capital by **offering shareholder returns, and use debt financing aggressively.**

Financial goals (by the year ending March 2030)

Net sales	Operating profit	EBITDA	ROE
¥350 billion	¥38 billion	¥55 billion	8.0 %

Fund procurement/Main purposes of use
(five-year total amount)

- Flexibly use debt financing to make an investment of 240 billion yen.
- Promote investment in human capital (to increase human resources, improve treatment, etc.)

Debt financing	Approx. ¥170 billion
Investment, finance, or acquisition of fixed assets	Approx. ¥240 billion in total
Investment in HR	Approx. ¥25 billion

Shareholder returns
(five-year average/total amount)

- Enhance return on capital by offering aggressive shareholder returns.
- It is expected that this will bring the equity ratio to around 60%.
- Continue to reduce cross-held shares.

Consolidated payout ratio	Approx. 70%
Acquisition of treasury stock	Approx. ¥65 billion
Cross-held shares	Down by 30% (from the end of March 2025)

Principles for ROE Indicators

ROE can be improved by **enhancing financial leverage** through the reduction of equity and expanding the debt financing.
Although the profit ratio for the current year is expected to fall, we will **seek to increase net sales** to pave the way for sustainable improvement of ROE.

ROE

Current net profit	Up
Equity	Down

The year ended March 2025	→	The year ending March 2030
7.0%		**8.0%**

Cost of equity

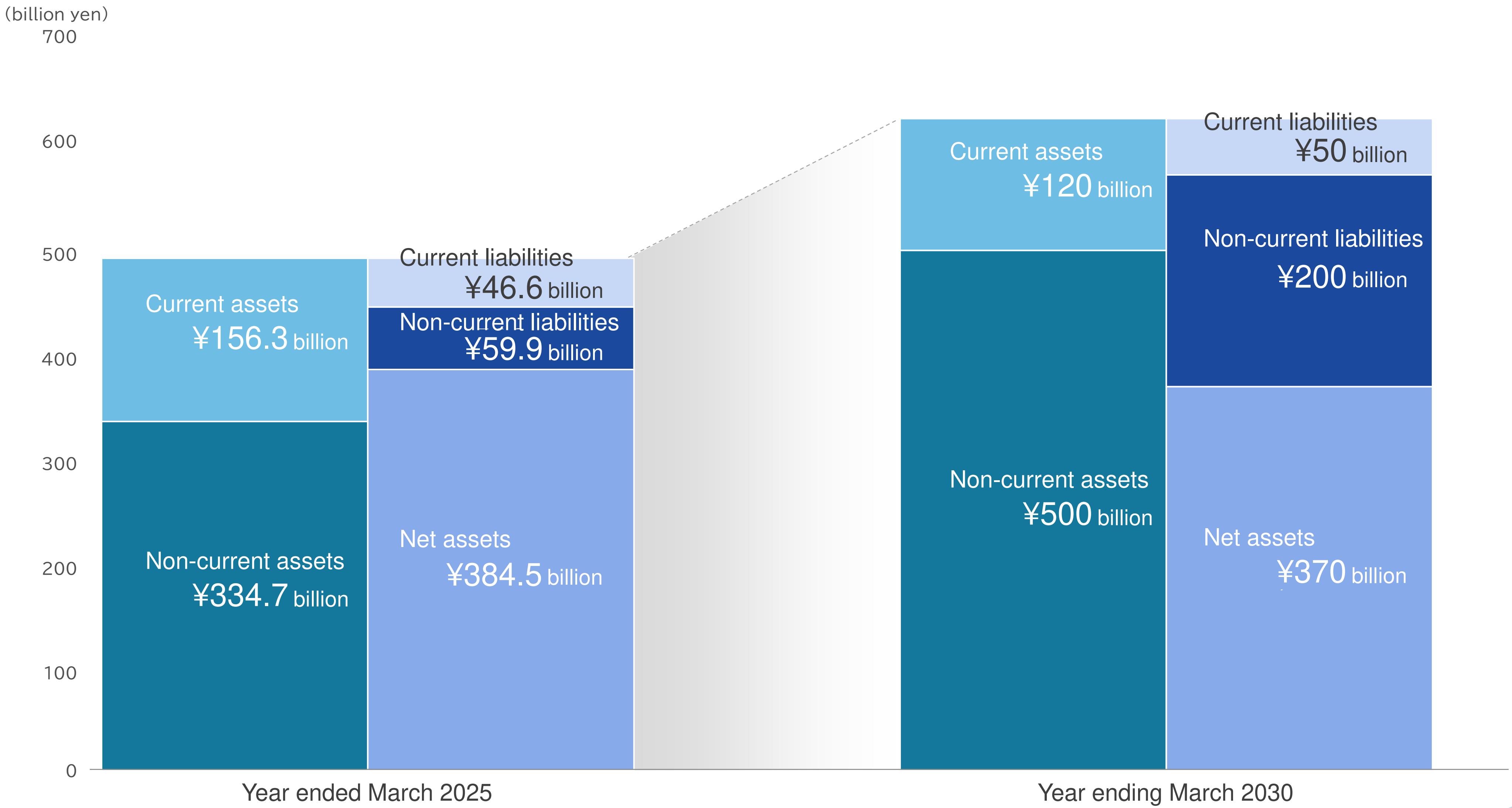
CAPM	Yield
Approx. 5%	Approx. 7%

	Changes (estimates)	Principles regarding changes shown by the indicators
Profit ratio for the year	**Down** The year ended March 2025 **9.6%** → The year ending March 2030 **Approx. 8.4%**	• Prioritize the expansion of net sales, and win projects, even if they have lower profitability than current levels. • Assure future growth by repairing aging assets, hiring workers, and improving compensation.
Total asset turnover	**Flat** The year ended March 2025 **0.57 times** → The year ending March 2030 **Approx. 0.57 times**	• Strive to increase net sales, with priority on the expansion of assets. • Encourage the use of cash and deposits in hand and the fluidization of assets with low utilization rates.
Financial leverage	**Up** The year ended March 2025 **1.3 times** → The year ending March 2030 **Approx. 1.7 times**	• Offer dividends, and acquire treasury stock to reduce equity. • Use debt financing to raise funds to increase investment.

Changes in the Consolidated Balance Sheet

Additional procurement of liabilities worth 140 billion yen is expected to increase non-current liabilities to 200 billion yen.

Offering dividends and reacquiring shares will reduce net assets by about 14 billion yen.

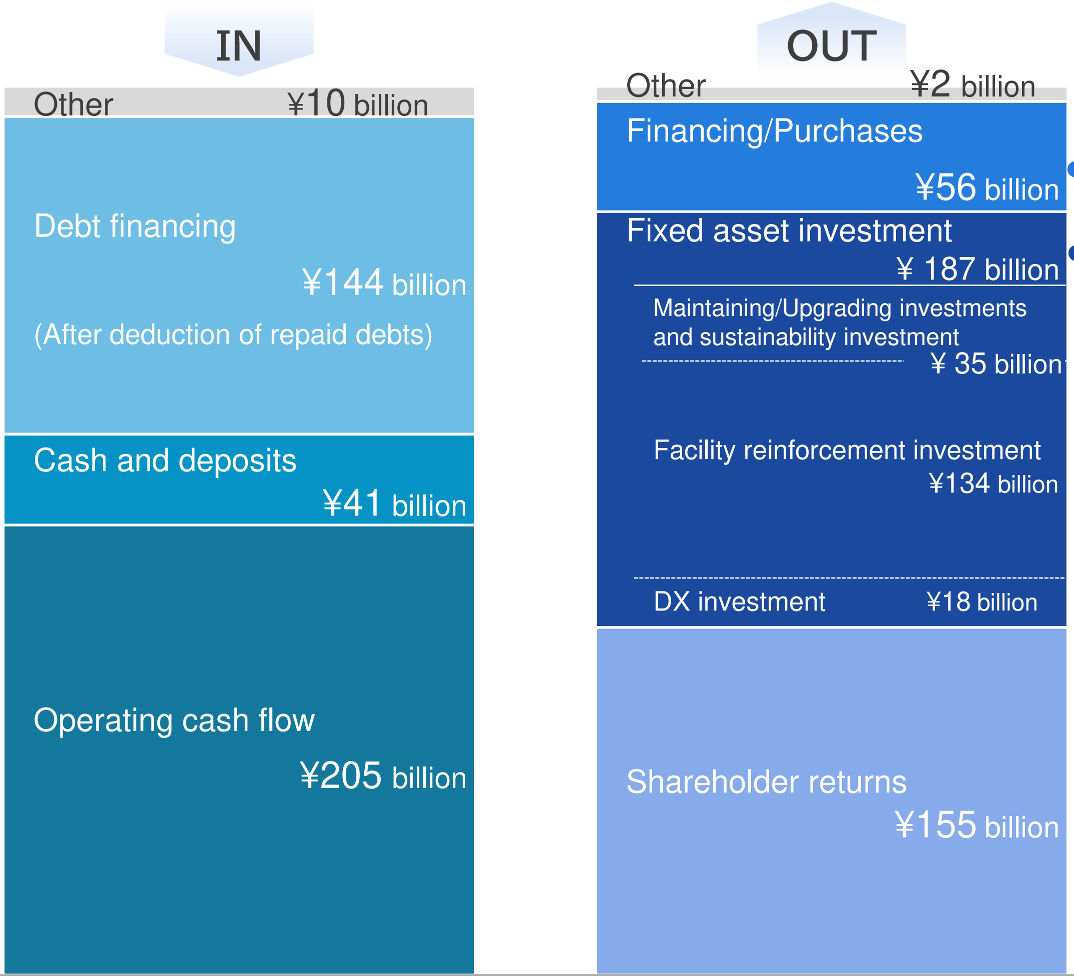


Cash Allocation

Fixed asset investments, financing projects, and purchases amounting to approximately 240 billion yen are being planned.

Of the fixed asset investments, **130 billion yen** will be allocated to **investments in facilities to achieve growth**.

From the year ending March 2026 to the year ending March 2030



Financing/Purchases[*1]

- Obtain functions to expand business and service areas
- Establish and manage a framework for start-up financing
- Acquire assets at the non-consolidated subsidiary level

Fixed asset investment

Maintaining/Upgrading investments and sustainability investment

- Upgrade aging warehouses and incidental facilities
- Rebuild office buildings, etc. to improve the working environment
- Install solar panels and introduce electric-powered forklifts and other vehicles

Facility reinforcement investment

- Acquire distribution centers, constant temperature warehouses, and dangerous goods warehouses
- Acquire bulk facilities
- Acquire and develop yards

DX investment

- Introduce labor-saving and automated equipment
- Build systems to help enhance operational efficiency

Shareholder returns

- Increase the consolidated payout ratio to around 70%
- Acquire treasury stock worth 65 billion

*1 The 56-billion-yen expense for financing and purchasing includes the cost for acquiring shares in KLKG Logistics Holdings, Co., Ltd., which took place on April 1, 2025.

Investment Plans by Basic Principles and Major Investment Projects

For each basic principle, projects are being planned and prepared.

Of the investment plans totaling 240 billion yen,

projects worth 50 billion yen are already taking shape.

Basic principle (1)

Increase the market shares and resilience of domestic core businesses

Expand businesses in services and other areas

- Build the Harumi Logistics Center in Tomakomai
- Develop a vehicle yard in Tobishima
- Build a constant temperature rice warehouse in Niigata
- Build a new warehouse in Kobe
- Obtain coastal vessels at Hanshin Port, etc.

Increase the resilience of existing businesses and assets

- Introduce remote-controlled rubber-tired gantry cranes (RTGs)
- Automate silo operations
- Introduce electric cargo handling equipment

Basic principle (2)

Establish global businesses as a revenue base

Purchase assets and finance in key areas

- Build company warehouses in Ho Chi Minh, Vietnam
- Obtain refrigerated and cold warehouses in Indonesia
- Invest in KLKG Logistics HD
- Invest in and acquire forwarders in key countries

Basic principle (3)

Expand businesses to address new logistics needs

Expand businesses in energy, public services, and 3PL

- Build Kasai Megapower Storage Plant
- Build a hydrogen station
- Build dangerous goods warehouses and dedicated automated warehouses
- Obtain warehouses inland
- Establish material handling in refrigerated and cold warehouses

Explore more promising areas

- Develop and manage a start-up investment framework, etc.

Basic principles (4) – (6)

Strengthen the management base

Strengthen business management

- Establish data infrastructure
- Build a KPI monitoring framework

Increase human capital/ Improve working conditions

- Introduce a talent management system
- Rebuild the Tokyo Head Office

Promote DX

- Digitize approvals, applications, and other processes
- Build a trade platform

Key Projects for Each Basic Principle

The six basic principles of the Medium-Term Management Plan

Core businesses

1 Increase the market shares and resilience of domestic core businesses

- Introduce account management
- Expand businesses in both services and other areas
- Increase the resilience of existing businesses and assets

Growth businesses

2 Establish global businesses as a revenue base

- Purchase assets and finance in key areas (North America and Southeast and Southwest Asia)
- Strengthen forwarding services aligned with core businesses

3 Expand businesses to address new logistics needs

- Use our strengths to expand businesses in energy, public services, and 3PL
- Explore more promising areas

Management base

4 Shift to a business management model that supports portfolio management

- Strengthen the allocation of management resources, with a focus on growth potential and return on capital
- Implement an organizational structure that is supported by the business pillars

5 Implement total optimization of HR management throughout the company

- Realize the growth strategy by focusing on the recruitment and development of human resources on a company-wide, long-term basis
- Respond to changing working styles by improving working conditions and visualizing experiences and skills

6 Promote DX to enhance operational efficiency, and offer a wider range of elevated value

- Promote data-driven management and DX for on-site, sales, and office work
- Develop a DX promotion structure, and recruit and develop DX specialists

Linkage with materialities

Basic Principle (1)
Increase the Market Shares and Resilience of Domestic Core Businesses

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Introduce account management, and expand its use during the term of this plan.

Leverage account management to **interact more deeply with existing customers.**

Account management

As a customer service center, designate **account managers** to offer customers **the best suggestions and services** on a company-wide basis

Understand the needs of individual customers

×

Offer the best services across the organization

×

Capture corporate/industry trends in asset building

Services we offer: New / Existing
Business areas: Existing / New

Incorporate incidental services

In particular, target existing customers, and incorporate incidental operations and services

- Offer incidental operations (building new workshops, etc.)
- Partner with or acquire companies with special technologies

Widen the scope of services and business areas

Make existing businesses and assets resilient

Maintain, upgrade, and reinforce assets to interact more deeply with customers, and capture lost opportunities

- Improve assets (building new multi-temperature zone warehouses, etc.)
- Upgrade, integrate, or reorganize aging assets
- Address sustainability issues

Expand our business into new areas

Focus on inland areas in function reinforcement

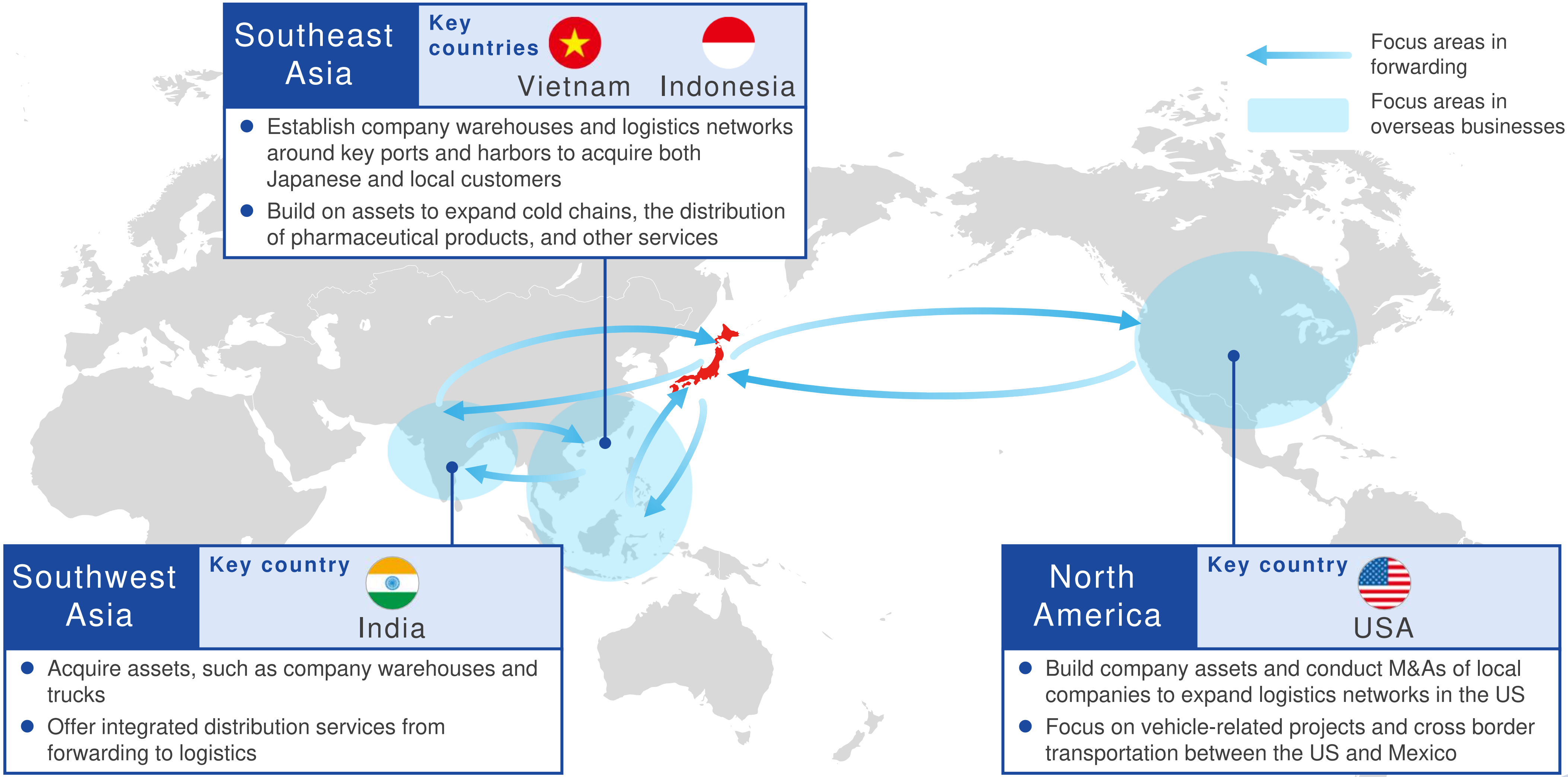
Support customers for the entire value chain

- Strengthen inland transport and storage capabilities
- Expand the food, port, and terminal businesses in Hokkaido

Basic Principle (2)
Establish Global Businesses as a Revenue Base

North America, Southeast Asia, and Southwest Asia will be the focus for expanding businesses through purchasing assets and financing.

With forwarding, make **price-competitive proposals in relation to core businesses** to increase market shares.



Basic Principle (3)
Expand Businesses to Address New Logistics Needs

For business expansion, we will use the strengths we have developed.

Some of the promising areas are energy, public services, and 3PL.

Strengths we have developed

Assets and logistics networks centered around ports and harbors	Technological capabilities cultivated at sites	Project transportation for heavy cargo	Integrated logistics services and customer proposals

Energy

Considering energy policy trends, strengthen businesses related to new energy sources, such as storage batteries, wind power, and nuclear power

Specific details

- Expand the storage battery business (transportation and electricity transactions)
- Offer services in offshore wind power generation, and win projects for heavy cargo transportation
- Capture projects for the decommissioning of nuclear reactors

Public services

Leverage our solid assets and achievements to strengthen the transportation business for defense and social infrastructure projects

Specific details

- Win projects for defense, such as transporting goods for domestic and international drills
- Win projects to transport heavy cargo for social infrastructure, such as bridges

3PL

Establish relevant assets, and seek to win new projects from existing customers to strengthen the 3PL business

Specific details

- Obtain and develop company warehouses and logistics networks inland
- Offer a multi-tenancy 3PL service for small- and medium-sized businesses
- Engage in the dangerous goods transportation business

Basic Principle (4)
Shift to a Business Management Model That Supports Portfolio Management

Ensure **the allocation of management resources based on their growth potential and return on capital,** and **shift to an organizational structure** that is supported by the business pillars.

Proceed with **establishing a foundation** to support business management.

The objectives of a review of business management

Capture business opportunities
in core businesses

Allocate resources aggressively
to growth-leading businesses

Generate resources
as funds for growth

Ensure the allocation of resources based on their growth potential and return on capital

- Use ROIC and other management indicators to evaluate the return on capital for each business category
- Quantify business growth potential when allocating management resources

Sales growth rate

Development business
Inject capital aggressively to create new revenue sources.

Key businesses
Inject more capital to increase revenue.

Rebuilding business
Consider ways to achieve regrowth and greater efficiency. If it is difficult, consider scaling down or withdrawing.

Mature businesses
Expand services, and improve added value to find room for further growth.

Return on capital

Shift to an organizational structure that is supported by the business pillars

- Set up an organization that plans and implements strategies for individual businesses, mainly domestic core businesses
- Introduce an area-based system to integrate and increase the efficiency of common branch operations and functions

	Area	Area	Area	Area
Grain/feed business				
Fruit and vegetable business				
Rice business				
Port and harbor transportation business				
⋮				

Develop the foundation to support business management

Basic Principle (5)
Implement Total Optimization of HR Management Throughout the Company

Given the growing demand for human resources that are capable of achieving business growth, focus on **recruitment and human development on a company-wide, long-term basis.**

To enable employees to show their full potential, **seek to improve working conditions, and visualize their experiences and skills.**

Organizational issues that we may face in the future

- Difficulty recruiting due to labor shortages
- Higher job separation rate due to increasing mobility of employment
- Shortage of executive candidates who will lead Kamigumi in the future
- Shortage of specialists who will lead business growth

| Purpose of efforts |

Rebuilding the foundation of HR management to reflect the growth strategy

Measure 1: Strengthen recruitment and staffing on a company-wide, long-term basis

To implement recruitment and staffing based on HR portfolios, improve the structure of the HR department

- Set clear human resources portfolios
- Strengthen the head office's support functions for branches

Measure 2: Rebuild the HR development system based on strategies

Establish a flow of training executives, employees familiar with individual businesses, and corporate human resources

- Set clear career paths
- Redesign the training system

Measure 4: Visualize organizations and human resources based on data

Visualize employees' experiences and skills for use in recruitment, staffing, and HR development

- Build a human resources database
- Conduct evaluations of measures based on data

Measure 3: Develop an environment that responds to changing working styles

Improve employment systems that reflect changes in employees' lifestyle

- Review job categories and work systems
- Improve working conditions

Basic Principle (6)
Promote DX to Enhance Operational Efficiency, and Offer a Wider Range of Elevated Value

Enhance operational efficiency and offer a diverse range of values
by **promoting DX using the four pillars.**
Accelerate efforts by **establishing a promotion framework,**
and **focus on the recruitment and training of DX specialists.**

	Data collection and foundation development	Business process improvement	Improve business decision-making, and offer a diverse range of values
1 **Data-driven management** Track individual KPIs necessary for business decisions Enable quick and efficient business decisions	Real-time management of information on business management	Use AI and other technologies to increase the efficiency of business data analysis	Business decision-making based on data and business portfolio management
2 **Sales operation DX** Improve data-based value proposals, sales efficiency, and customer experiences (CX)	Visualize and manage information on sales and procurement	Digitize the sales process and achieve greater efficiency and optimization of procurement operations	Use data to improve sales and proposals
3 **On-site operation DX** Encourage on-site use of cutting-edge technology to improve productivity and reduce costs	Use terminal and warehouse systems to integrate and manage on-site data	Use digital technology to reduce the load on terminal, silo, warehouse and other on-site operations	
4 **Office operation DX** Standardize back-office operations; improve operational quality; and reduce costs	Manage various data	Reduce redundant operations, and digitize and automate back-office operations	

Establish a promotion framework
Recruit and train DX specialists

- Build a DX promotion framework at the division level
- Develop and introduce basic curricula for the training of DX specialists, and provide basic education on DX on a company-wide basis

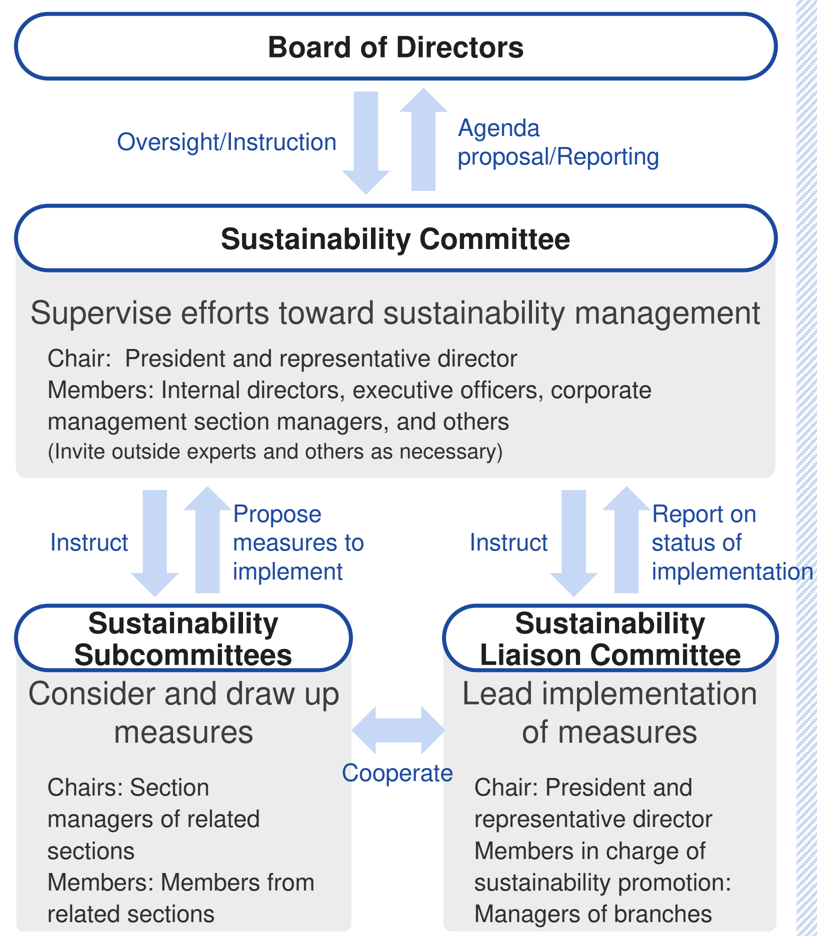
Linkage with Materialities

Materialities that were revised in view of the recent changes in our business environment will be **reflected in the basic principles and implemented.**

The status of implementing the materialities will be **monitored by the Sustainability Committee.**

Revised materialities	Align with the basic principles
① Promote businesses that can help resolve social issues	**Basic principle (1) Increase the market shares and resilience of domestic core businesses** ● Respond to transportation needs from customers working toward decarbonization **Basic principle (3) Expand businesses to address new logistics needs** ● Operate and expand the scale of energy-related businesses (offshore wind power generation, battery storage business, etc.)
② Contribute to achieving carbon neutrality (CN)	**Basic principle (1) Increase the market shares and resilience of domestic core businesses** ● Encourage environmental investment (warehouse LEDs, installation of solar panels, etc.) ● Respond to modal shifts
③ Assure the safety and quality of services	**Basic principle (1) Increase the market shares and resilience of domestic core businesses** ● Establish a safety management system, and work to prevent accidents **Basic principle (6) Promote DX to enhance operational efficiency, and offer a wider range of elevated value** ● Promote mechanization and automation to improve the safety of on-site operations
④ Improve governance	**Basic principle (4) Shift to a business management model that supports portfolio management** ● Use business portfolio management to strengthen business decisions by focusing on the return on capital
⑤ Promote human capital management	**Basic principle (5) Implement total optimization of HR management throughout the company** ● Proactively recruit employees ● Develop career paths and development systems aligned with organizational structural reforms
⑥ Promote DX	**Basic principle (6) Promote DX to enhance operational efficiency, and offer a wider range of elevated value** ● Increase the efficiency of back-office operations and sales office work ● Promote mechanization and automation to increase efficiency

Promotion organizational chart



Understand, connect, and become a new driving force

KAMIGUMI