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.

Corporate Governance Report



**Last Update: June 25, 2025**

**NS UNITED KAIUN KAISHA, LTD.**
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The corporate governance of NS UNITED KAIUN KAISHA, LTD. (the "Company") is described below.

# I. Basic Policy on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information

## 1. Basic Policy

(1) Based on our corporate philosophy of "Contributing to the development of society by providing trusted and high-quality marine transportation services" and our purpose of "Through marine transportation, we will work together to shape the world today and create a sustainable future", our Group strives for its sustainable growth and to improve corporate value over the medium to long term while responding to the expectations and earning the trust of shareholders, customers, and all other stakeholders. To this end, we developed corporate governance systems suited to the characteristics of our Group's operations. These systems are continuously reviewed and improved, with a focus on enhancing the efficiency, soundness, and transparency of corporate management.

(2) The basic structure of corporate governance at the Company is as follows.

a. The Board of Directors, having members who are highly knowledgeable about our Company's business and management, makes decisions on important operational execution as well as basic management policies. Further, the Company has established a company structure with an Audit & Supervisory Board, under which Audit & Supervisory Board Members with strong authority are expected to audit the performance of work carried out by directors and others from an independent standpoint, particularly through their attendance at Board of Directors' meetings. The Company believes that this system is effective for ensuring efficient and sound corporate management.

b. Among these, in ensuring sound corporate management, the members of the Audit & Supervisory Board, who have a wealth of related experience and advanced knowledge in their fields of expertise, carry out routine audits of the Company's financial status and monitor the activities of directors and executive officers to ensure that their duties are being effectively carried out, in cooperation with the Company's Financial Auditor (auditing firm), the Internal Audit Office, and corporate auditors from the Group companies, as appropriate. In addition, to increase the opportunities for the Board of Directors to make decisions from a

broader perspective and to boost management supervision, the Board of Directors includes several outside Directors with a wealth of experience and broad knowledge of corporate management and other areas of expertise.

c. In order to increase management transparency and to ensure that each stakeholder has a correct understanding of the Group's business conditions, the Company seeks to disclose financial and non-financial information in a timely, easy-to-understand, and accurate manner, in addition to information disclosure required by laws, regulations, and rules of the financial instruments exchanges.

d. In addition, in order to comply with relevant laws and regulations and ensure the reliability of the financial reports and the effectiveness and efficiency of operations, the Company has established and appropriately applies an internal control system that the Company continuously seeks to improve. In order to create a healthy and open organization, the Company focuses on dialogue both inside and outside the workplace, conducts periodic awareness surveys of all employees, and has established a compliance whistleblowing system that accepts reports not only from the Company's employees, but also from employees of group companies, thereby improving the internal control environment.

e. The Company's Board of Directors regularly inspects and reviews the structure and operation of corporate governance.

f. Please refer to each section of this report for specific initiatives and status of corporate governance at the Company.

## Reasons for Non-compliance with the Principles of the Corporate Governance Code

The Company implements all the principles of the Corporate Governance Code.

## Disclosure Based on each Principle of the Corporate Governance Code Updated

Principle 1-4 Cross-Shareholdings

1. Policy on cross-shareholdings

The Company holds shares in business partners that contribute to the facilitation of business activities in each business segment and for which the maintenance and strengthening of stable business relationships is considered to contribute to the expansion of the Company's revenue and enhancement of its corporate value over the medium to long term, for the purpose of maintaining and strengthening business relationships. The Board of Directors and the Board of Executive Officers review the appropriateness of holding each stock on a regular basis every fiscal year, based on a comprehensive assessment of the business benefits and risks, including the transaction status with the business partner, dividend yield, and impact on the Company's revenue, from the perspective of the acquisition history, current business relationship, economic rationality, and other factors.

As a result, based on the market environment, business strategy, and other factors, the Company decides to dispose of stocks that are deemed no longer significant to hold by selling them as appropriate.

In addition, if a company which holds the Company's shares as strategic shareholdings informs the Company of its plan to sell the Company's shares, the Company will take no action to prevent such a sale by, for example, suggesting a reduction in transactions with said company or other restrictions on transactions with said company.

2. Exercise of voting rights

The Company makes a comprehensive judgment of approval or disapproval of each agenda item, taking into consideration the following points: Complies with the Company's shareholding policy; contributes to the enhancement of the medium to long term corporate value of the company concerned.

Principle 1-7 Related Party Transactions

The Company has established Regulations of the Board of Directors as well as discussion standards based on its operating by laws, and requires the Board of Directors to resolve any transactions between a director and the Company. In addition, the Regulations of the Board of Directors clearly stipulate that directors who might have a conflict of interest in transactions between major shareholders and the Company, as special interested parties, shall not be allowed to vote on such resolutions and shall be excluded from the number of directors in attendance. Furthermore, in the event that any such resolution is passed, a statement to that effect is recorded in the minutes of the Board of Directors meeting.

Transactions between the Company and Audit & Supervisory Board Members or other related parties are also processed appropriately according to the materiality and nature of the transactions in accordance with laws and regulations, after an investigation is carried out into the details of each transaction.

Supplementary Principle 2-4-1 Ensuring diversity in the appointment of core human resources

(1) Policies on ensuring diversity in the appointment of core human resources

Our Management Philosophy contains a statement calling on us to "Nurture employees and mobilize their abilities to develop a dynamic Group that employees can take pride in" and one part of its Corporate Code of Conduct is to "Create a safe, healthy, and pleasant working environment with due respect for the individuality and diversity of employees." Based on such philosophies, the Company regards its employees as important stakeholders and seeks to create a corporate culture that utilizes the strengths of each and every employee with diverse personalities, experiences, and abilities by promoting and treating them fairly based on fair evaluations, without making distinction by gender, nationality, educational background, or time of employment, thereby promoting diversity and inclusion initiatives.

(2) Voluntary and measurable goals for ensuring diversity, and their status

◆Promotion of women to middle management positions

In hiring new graduates, the Company strives to recruit a certain number of women to increase the depth of its pool of candidates for middle management positions.

Based on the various systems and environments that have been established up to this point in time, the Company has set a goal to have at least one, and aiming for two or more, women in middle management positions by fiscal 2025, and at least three, and aiming for five or more, by fiscal 2030, to achieve the promotion of women to leadership positions by providing support to women employees to allow them to continue to demonstrate their abilities throughout their careers.

◆Promotion of foreign nationals to middle management positions

The Company does not hire on the basis of nationality, but it is a policy of the Company to promote and treat foreign nationals in the same manner as Japanese employees.

◆Promotion of midcareer hires to middle management positions

The Company hires as needed according to the needs of the workplace and the composition of the workforce, and treats midcareer hires according to their abilities and based on appropriate evaluations. As of June 2025, midcareer hires accounted for approximately 26% of the Company's middle management positions.

(3) Policies for human resource development and internal environment development to ensure diversity, and the status of their implementation

Policies for human resource development and internal environment development to ensure diversity, and the status of their implementation are disclosed on the Company's website and in the integrated report (NS UNITED REPORT).

Personnel Development / Promoting the Active Participation of Women:
https://www.nsuship.co.jp/en/sustainability/social/efforts.html
Employee diversity: https://www.nsuship.co.jp/en/sustainability/social/data.html

Integrated Report: https://www.nsuship.co.jp/en/ir/library/nsu_reports.html

Principle 2-6 Roles of Corporate Pension Funds as Asset Owners

The Company has introduced a defined benefit corporate pension plan and has selected and appointed multiple pension fund management trustees, entrusting each with the management of pension assets in a manner that ensures an appropriate asset allocation in line with the portfolio determined by the Company, which is reviewed and examined on an annual basis. In addition, the Company has formulated and manages the Basic Policy for Management of Pension Assets for its defined benefit corporate pension plan, which describes this policy.

The Company receives quarterly reports from each of the above pension fund management trustees and reports the contents of these reports to the Board of Executive Officers as appropriate.

In managing the aforementioned assets, several related departments jointly manage the assets, and the staff members in charge make efforts to acquire knowledge by participating in external training courses, etc.

Principle 3-1 Full Disclosure

(1) Corporate philosophy, business strategies and business plans

◆Corporate philosophy

The Group's basic philosophy is to contribute to the development of society by providing trusted and high-quality marine transportation services. In order to achieve this goal, the following management philosophy has been established.

1. Increase the corporate value of the Group as a whole by practicing sound management that is trustworthy and reliable.
2. Strive to ensure the safe navigation of vessels at all times and continue training to improve the operational skills of crews on

vessels in order to take a role in protecting the global environment including the seas.

3. Vigorously pursue further progress through reform while effectively responding to customer needs.

4. Nurture employees and mobilize their abilities to develop a dynamic Group that employees can take pride in.

◆Business strategies and business plans

The Company has formulated a medium-term business plan, "FORWARD 2030 II Challenge for innovation and further growth with U." Based on the financial foundation established through the implementation of the key strategies of the previous medium-term business plan, the Company will launch its growth strategy. Through the implementation of the medium-term business plan, the Company will take a new step toward sustainable growth and maximization of corporate value. For more details, please refer to the Company's website.

https://www.nsuship.co.jp/en/ir/management/plan.html

(2) Basic policy on corporate governance

Please refer to "I.1 Basic Policy" in this report.

(3) Policies and procedures for compensation of directors

a. Policies in determining compensation

Please refer to the "Disclosure of Policy on Determining Compensation Amounts and Calculation Methods" in "II.1 Organizational Composition and Operation" of this report.

b. Procedures in determining compensation

The issue of compensation, etc. for directors of the Company is resolved by the Board of Directors based on reports and recommendations of the Nomination and Compensation Advisory Committee, which is composed of six directors, including all four outside directors and two internal directors and chaired by an independent outside director.

(4) Policies and procedures in the nomination of candidates for directors and Audit & Supervisory Board Members

The nomination of candidates for directors and Audit & Supervisory Board Members and the appointment of senior management are decided by the Board of Directors after receiving reports from the Nomination and Compensation Advisory Committee, the majority of which are composed of outside directors, taking into consideration not only the experience, insight, and expertise of each individual, but also the overall size of the Board of Directors and Audit & Supervisory Board and the balance of candidates comprising those bodies (including the number of outside directors and outside Audit & Supervisory Board Members) to create the most appropriate structure for enabling each person to properly fulfill his/her role and responsibilities and accurately address management issues of the Group's business operations.

The issue of dismissal of senior management is deliberated by the Board of Directors based on a report from the Nomination and Compensation Advisory Committee in the event of misconduct or serious violations of laws and regulations in the execution of duties.

(5) Reasons for individual appointment/dismissal, and nomination of directors and Audit & Supervisory Board Members

A career summary of each of the candidates for director and Audit & Supervisory Board Member is provided in the most recent Notice of Convocation of the General Meeting of Shareholders and the Annual Securities Report. In addition, reasons for appointment/dismissal, nomination, etc. are disclosed on the Company's website and in the Reference Documents for the Annual General Meeting of Shareholders, etc.

Supplementary Principle 3-1-3 Initiatives on sustainability, etc.

(1) The Company's initiatives on sustainability

Our group has adopted "Through Marine Transportation, We Will Work Together to Shape the World Today and Create a Sustainable Future." as its purpose. Based on our Basic Sustainability Policy, we have identified the following materialities as important management issues related to sustainability that we and our stakeholders should address as priorities: "Giving top priority to ensuring safe navigation," "Enhancing activities for environmental conservation and climate change," "Improving customer satisfaction by raising marine transportation service quality," "Human resource development, Personnel evaluation, D & I, Human rights", "Technology, Innovation and DX" and "Sound corporate governance, BCP" and are continuously working to resolve these issues.

In addition, in March 2024, we formulated our Medium-Term Management Plan "FORWARD 2030 II Challenge for innovation and further growth with U" (2024 to 2027) and set out our vision to become an indispensable part of clean and sustainable marine transportation as our goal for 2030. In the Medium-Term Management Plan, in addition to establishing the Environmental Roadmap toward Net 0 GHG by 2050, we have identified 4 initiatives related to sustainability as initiatives that support our business strategy. We are working to promote sustainability through the implementation of the Medium-Term Management Plan.

In addition, we have established the following policies and guidelines in each field, and we have endorsed the United Nations Global Compact since March 2023.

Please refer to the Company's website for more information on the Company's initiatives for sustainability.

Sustainability Basic Policy:

https://www.nsuship.co.jp/en/sustainability/manage/policy.html

Environmental Policy:

https://www.nsuship.co.jp/en/sustainability/environment/policy.html

United Nations Global Compact / NS United Kaiun Group Human Rights Policy:

https://www.nsuship.co.jp/en/sustainability/social/humanrights.html

Basic Anti-Corruption Policy

https://www.nsuship.co.jp/en/sustainability/governance/compliance.html

NS United Kaiun Group Supplier Procurement Guidelines

https://www.nsuship.co.jp/en/sustainability/manage/Procurement.html

(2) Specific measures such as investments in human capital

The Group believes that it is important to contribute to the realization of a sustainable society by developing human resources capable of responding to changes in the business environment by utilizing diverse personalities and proactively investing in human resources. In addition to the existing efforts to develop human resources, the Company aims to create a company where employees are motivated to work and an organization that is filled with vitality through the development of human resources systems and measures to reform work styles.

(3) Impact of climate change-related risks and earning opportunities on the Company's business activities and profits

The Company recognizes that addressing environmental issues, including climate change, is one of the most important management issues. With that, in July 2021, the Company announced its endorsement of the TCFD (Recommendations by the Task Force on Climate-related Financial Disclosures). In conducting scenario analysis for the future regarding climate change, the Company recognizes that there are risks such as increased business costs due to policies and regulations that would be introduced to reduce GHG emissions, fuel conversion, introduction of new technologies, etc., reduced demand for fossil fuels, obsolescence of existing vessels, or loss of business opportunities due to delays in responding to such issues.

Details are disclosed on the Company's website.

Disclosure based on TCFD recommendations:
https://www.nsuship.co.jp/en/sustainability/environment/tcfd.html

Supplementary Principle 4-1-1 Summary of scope and content of matters delegated to management by the Board of Directors

The Company stipulates matters to be decided by resolution of the Board of Directors in the Regulations of the Board of Directors and the operating bylaws of the Board of Directors, and decides on matters stipulated in the Companies Act and other laws and regulations as well as other important matters equivalent thereto by resolution of the Board of Directors.
In addition, the Company has introduced the Executive Officer System for the purpose of improving management efficiency and clarifying responsibilities by speeding up decision-making, and stipulates matters to be discussed and decided by the Board of Executive Officers in the Regulations of the Board of Executive Officers.

Principle 4-9 Independence Standards and Qualification for Independent Directors

Regarding the independence of outside directors, our company selects individuals who meet the independence standards set by the Tokyo Stock Exchange as well as our own criteria for determining the independence of outside directors. These individuals are chosen based on their extensive experience and high level of insight, enabling them to contribute to discussions at the Board of Directors meetings. This information is disclosed on our company's website as follows.

Independence Criteria for Outside Directors and Auditors
https://www.nsuship.co.jp/en/sustainability/governance/policy.html

Supplementary Principle 4-10-1 Establishment of a voluntary advisory committee for nomination, compensation, etc.

In order to strengthen the independence, objectivity, and accountability of the Board of Directors in its functions related to the nomination and compensation of directors, etc., the Company has established the Nomination and Compensation Advisory Committee under the Board of Directors, the majority of whose members are independent outside directors. Members of the Committee are appointed by a resolution of the Board of Directors. The chairperson of the Committee is selected by a resolution of the Committee from among the members who are independent outside directors.

The Nomination and Compensation Advisory Committee shall, in response to consultations from the Board of Directors, etc., deliberate and report to the Board of Directors on the following matters.

(1) Matters related to the appointment and dismissal of directors

(2) Matters related to the selection and dismissal of representative directors

(3) Matters related to the compensation of directors

(4) Matters related to succession planning (including training)

(5) Matters related to the effectiveness and operation of the Board of Directors

In its deliberations, the Committee shall take into careful consideration the perspectives of diversity including gender, etc. and skills.

For details on the Nomination and Compensation Advisory Committee's approach to independence, authority, roles, etc., please refer to the supplementary explanation regarding "Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairman (Chairperson)" in "II. 1. Organizational Composition and Operation" in this report.

Supplementary Principle 4-11-1 Balance between knowledge, experience and skills, and diversity of the Board of Directors

The view on the balance among knowledge, experience and skills of the Board of Directors as a whole, as well as the policies and procedures for nominating directors, are as described in Principle 3-1 (4). The Board of Directors also prepares a matrix listing the principal skills, careers, and expertise of each director, and determines candidates for directors, taking into consideration the combination of number and areas of expertise appropriate for the Company's organizational structure. For internal directors, based on the results of deliberations by the Nomination and Compensation Advisory Committee, established as a voluntary advisory body, the Board of Directors nominates directors with expertise in sales, finance and accounting, risk management, etc., to ensure a balance of knowledge, experience, and skills. Outside directors are nominated taking into consideration diversity, including their experience and their fields of specialty.

The Skill Matrix is disclosed in the following Notice of the 99th Ordinary General Meeting of Shareholders (page 16).

https://www.nsuship.co.jp/en/ir/library/general_meeting/main/07/teaserItems3/00/linkList/0/link/Notice%20of%20the%2099th%20Ordinary%20General%20Meeting%20of%20Shareholders.pdf

Supplementary Principle 4-11-2 Status of concurrent positions outside the Company of directors and Audit & Supervisory Board

Members

In determining candidates for directors and Audit & Supervisory Board Members, the Company confirms that each candidate is in a position to appropriately fulfill his/her roles and responsibilities, including the status of concurrent positions held at other listed companies. The Company discloses the status of concurrent positions outside the Company in the Business Report in the most recent Notice of Convocation of the General Meeting of Shareholders, the Reference Documents for the General Meeting of Shareholders, and other documents. Please also refer to the Annual Securities Report posted on the Company's website as part of investor and IR information.

Supplementary Principle 4-11-3 Analysis and evaluation of the effectiveness of the Board of Directors and their results

Every year since fiscal 2015, the Company has conducted a questionnaire administered to all directors and Audit & Supervisory Board Members in order to evaluate the effectiveness of the Board of Directors.

In fiscal 2023, the following issues were indicated, management of the progress of the new medium-term business plan, further initiatives and materialization of DX, business operations in the transition period toward decarbonization, and the need to deepen discussions on vessel investment were pointed out. We have made certain improvements in the management of directors' deliberations, such as preparing concise materials, sharing information in advance, and providing necessary materials.

In fiscal 2024, as a new initiative, we conducted a questionnaire survey by a third-party advisors. As a result, we confirmed that the effectiveness of our company Board of Directors as a whole, including the composition, roles, and management of the Board of Directors, has been generally ensured.

In addition, as strengths, directors with diverse knowledge have been elected, and explanations of materials in advance have contributed to smooth discussion. In general, the governance system has been further enhanced compared to the previous fiscal year.

On the other hand, as issues, the following were identified: further expansion of discussions on medium- to long-term management strategies and risk management, follow-up on matters resolved and reported at the Board of Directors, lack of opportunities for outside officers to deepen their understanding of the industry and further expansion of opportunities for understanding the company, and continuing and further strengthening supervision of internal controls and the whistle-blowing system.

The Company will strive to further improve the effectiveness of the Board of Directors by continuously working to improve the identified issues.

Supplementary Principle 4-14-2 Training policy for directors and Audit & Supervisory Board Members

The Company provides opportunities for persons who assume the office of director or Audit & Supervisory Board Member, including executive officers, to obtain the necessary knowledge of various laws and regulations such as the Companies Act and labor laws, as well as various areas such as financial accounting, business analysis, taxation, and internal control. For each area of responsibility, such persons attend seminars and international conferences organized by industry associations and others, as necessary. In addition, Audit & Supervisory Board Members participate in training sessions organized by the Japan Audit & Supervisory Board Members Association as necessary to learn and update the knowledge required for operational and accounting audits.

Principle 5-1 Policy for Constructive Dialogue with Shareholders

The Company discloses management and financial information to shareholders/investors in a timely and accurate manner, based on ensuring transparency, fairness, and continuity. The Investor Relations Committee has been established as a system for responding to requests for interviews from shareholders/investors, and for domestic and foreign institutional investors, opportunities are provided for individual dialogue as much as possible upon request, with the director in charge of General Affairs Group playing a central role in explaining the management situation.

When responding to interviews, the Company is conscious of bilateral communication and proactively asks for advice that contributes to improving the Company's corporate value. The content of these interviews mainly covers the external environment, management strategy, and business performance, as well as initiatives on ESG such as the environment, human resources, and governance, providing the opportunity to exchange opinions. The Company shares valuable opinions received from such interviews with management and IR-related departments as necessary, and uses them to improve management.

In IR interviews, the director in charge of General Affairs Group responds appropriately to insider information (undisclosed material facts) in accordance with the "Rules regarding control of inside information and insider trading," which are internal regulations.

At the General Meeting of Shareholders, the Company endeavors to provide information in a proactive manner and to conduct a thorough question-and-answer session. The Company will continue to make every effort to provide shareholders with a deeper understanding of the Company's situation through the disclosure of supplemental materials for quarterly financial results, etc., and to have opportunities to receive opinions and answer questions by using advance questions, etc., at the General Meeting of Shareholders.

In addition, the Company has established a contact form on the website through which it can receive comments, requests, questions, etc. from stakeholders. The Company uses the contact information received to enhance future services.

Principle 5-2 Establishing and Disclosing Business Strategies and Business Plans

In March 2024, the Company formulated and announced its four-year medium-term business plan "FORWARD 2030 Ⅱ Challenge for innovation and further growth with U" starting from fiscal 2024, and presented its key strategies and financial targets. In this plan, the Company announced its growth story toward achieving the "2030 Vision."

https://www.nsuship.co.jp/en/ir/management/plan/pdf/plan2024_2027.pdf

Supplementary Principle 5-2-1 Disclosure of policy regarding business portfolio and status of portfolio review

In the medium-term business plan "FORWARD 2030 II," the Company has indicated the expansion of new growth business areas and the deepening of existing core business areas as the basic policy of its business portfolio. Based on changes in the business environment and the progress of business strategies, the Company will review the business portfolio as appropriate and disclose its status through the supplementary materials to the financial statements, the NS UNITED REPORT, etc. Please refer to the Company's website for details.

Financial Results:

https://www.nsuship.co.jp/en/ir/library/brief.html

NS UNITED REPORT:

https://www.nsuship.co.jp/en/ir/library/nsu_reports.html

## Action to Implement Management That Is Conscious of Cost of Capital and Stock Price

| | |
|---|---|
| Content of Disclosure | Disclosure of Initiatives (Initial) |
| Availability of English Disclosure | Available |

Explanation of Actions

The Company's policy of initiatives for action to implement management that is conscious of cost of capital and stock price is to expand growth business areas and aims at enhancing profit stability and achieving medium- and long-term profit growth. The Company will steadily implement business and growth strategies and enhance corporate value through measures such as ensuring a level of ROE that exceeds the cost of shareholders' equity. For details, please refer to pages 17-19 of the materials in the "Medium-Term Business Plan (FY 2024-2027) " on the Company's website.
https://www.nsuship.co.jp/en/ir/management/plan.html

## 2. Capital Structure

| | |
|---|---|
| Foreign Shareholding Ratio | Less than 20% |

## Status of Major Shareholders Updated

| Shareholder name | Number of Shares held | Shareholding ratio (%) |
|---|---|---|
| NIPPON STEEL CORPORATION | 7,861,280 | 33.36 |
| Nippon Yusen Kabushiki Kaisha | 4,324,725 | 18.35 |
| The Master Trust Bank of Japan, Ltd. (trust account) | 1, 803,400 | 7.65 |
| Hsin Chien Marine Co., Ltd. | 504,840 | 2.14 |
| Custody Bank of Japan, Ltd. (trust account) | 488,200 | 2.07 |
| Mizuho Bank, Ltd. | 400,000 | 1.70 |
| STATE STREET BANK AND TRUST COMPANY 505223 | 275,147 | 1.17 |
| THE BANK OF NEW YORK MELLON 140044 | 236,715 | 1.00 |
| DFA INTL SMALL CAP VALUE PORTFOLIO | 228,500 | 0.97 |
| BNYM AS AGT/CLTS 10 PERCENT | 211,800 | 0.90 |

| | |
|---|---|
| Name of Controlling Shareholder, if applicable (excluding Parent Companies) | ―― |
| Name of Parent Company, if applicable | None |

Supplementary Explanation Updated

The “Status of Major Shareholders” is as of March 31, 2025.

In addition to the above, the Company owns 405,034 shares of treasury shares.

The above percentages are calculated excluding treasury shares.

## 3. Corporate Attributes

| | |
|---|---|
| Listed Stock Exchange and Market Segment | Tokyo Prime Market |
| Fiscal Year-End | March |
| Business Sector | Marine Transportation |
| Number of Employees (Consolidated) as of the End of the Previous Fiscal Year | 500 or more but fewer than 1,000 |
| Net Sales (Consolidated) for the Previous Fiscal Year | ¥100 billion or more but less than ¥1 trillion |
| Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year | 50 or more but fewer than 100 |

## 4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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## 5. Other Special Circumstances that May have a Material Impact on Corporate Governance Updated

There are no special circumstances that have a significant impact on the corporate governance of the Company.

Our company is an equity-method affiliate of NIPPON STEEL CORPORATION and Nippon Yusen Kabushiki Kaisha, both of which are listed on the Prime Market of the Tokyo Stock Exchange. Our relationship with both companies in our company and our views on ensuring independence from both companies are as follows.

Views and policies on group management at other related companies, etc.

NIPPON STEEL CORPORATION, our largest shareholder, holds 33.49% of the voting rights of the Company (including indirect holdings) mainly for the purpose of contributing to its consolidated profits, and the Company is an equity-method affiliate of said company. For the Company, said company is a major shipper of the Group’s international and coastal transportation services, mainly providing transportation services for steel raw materials and steel products.

There are no contracts or policies from the company's group that restrict its business operations.

Nippon Yusen Kabushiki Kaisha, the Company’s major shareholder, holds 18.59% of voting rights of the Company (including indirect holdings) based on its comprehensive consideration of contribution to the consolidated profits of said company, relationship with important customers, and other factors, and the Company is an equity-method affiliate of said company.

There are no contracts or policies from the company's group that restrict its business operations.

The shareholding ratio of both companies is as described in “2. Capital Structure” and they do not fall under the category of controlling shareholders due to the ratio of their voting rights.

Views, measures, etc. on securing independence from other related companies, etc. necessary from the viewpoint of protecting minority shareholders

Based on its own corporate philosophy and management policies and plans, the company makes its own management decisions and executes operations under its own responsibility as a listed company, ensuring management independence.

The terms and conditions for the Group’s transportation services of steel raw materials and steel products rendered to NIPPON STEEL CORPORATION are determined in the same manner as those for general transactions. The aforesaid company has dispatched one part-time Audit & Supervisory Board Member to the Company for the purpose of conducting appropriate risk management, and the Audit & Supervisory Board Member was elected at the Company’s General Meeting of Shareholders. However, there is no agreement with said company that requires its approval or involves governance, and said company holds less than a majority of the voting rights of the Company, therefore, the Company believes that the Company’s independence is secured and the risk of a conflict of interest is a small concern.

The terms and conditions for the Group’s transactions related to marine transportation with Nippon Yusen Kabushiki Kaisha are determined in the same manner as those for general transactions. The aforesaid company has dispatched one part-time Audit & Supervisory Board Member to the Company for the purpose of conducting appropriate risk management, and the Audit & Supervisory Board Member was elected at the Company’s General Meeting of Shareholders. However, there is no agreement with said company that requires its approval or involves governance, and said company holds less than a majority of the voting rights of the Company, and with that, the Company believes the Company’s independence is secure and the risk of a conflict of interest is a small concern.

As an advisory body to the Board of Directors regarding the nomination and compensation of directors, the Nomination and Compensation Advisory Committee, consisting of a majority of independent officers has been established. The Company ensures the independence of management as a listed company by deliberating on the election and dismissal of directors at the committee, and passing resolutions to the Board of Directors, which consists of more than one-third of independent outside directors.

## II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

### 1. Organizational Composition and Operation

| | |
|---|---|
| Corporate Governance System | Company with Audit & Supervisory Board |

**Directors**

| | |
|---|---|
| Number of Directors Stipulated in Articles of Incorporation | 10 |
| Directors' Term of Office Stipulated in Articles of Incorporation | 1 year |

| | |
|---|---|
| Chairperson of the Board | President |
| Number of Directors Updated | 9 |
| Election of Outside Directors | Elected |
| Number of Outside Directors Updated | 4 |
| Number of Independent Directors Updated | 4 |

## Outside Directors' Relationship with the Company (1) Updated

| Name | Attributes | Relationship with the Company* | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | a | b | c | d | e | f | g | h | i | j | k |
| Setsu Onishi | From another company | | | | | | | | △ | | | |
| Masako Yoshida | From another company | | | | | | | | △ | | | |
| Keisuke Takegahara | From another company | | | | | | | | △ | | | |
| Riyo Kano | Attorney at law | | | | | | | | | | | |

*Categories for "Relationship with the Company".
("○" indicates the director presently falls or has recently fallen under the category; "△" indicates the director fell under the category in the past; "●" indicates a close relative of the director presently falls or has recently fallen under the category; and "▲" indicates a close relative of the director fell under the category in the past.)

a. Person who executes business for the Company or its subsidiary
b. Person who executes business for or a non-executive director of the Company's parent company
c. Person who executes business for a fellow subsidiary
d. Person/entity for which the Company is a major client or a person who executes business for said person/entity
e. Major client of the Company or a person who executes business for said client
f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to compensation as a director/Audit and Supervisory Board Member
g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
i. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
j. Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
k. Other

## Outside Directors' Relationship with the Company (2) Updated

| Name | Designation as Independent Director | Supplementary Explanation of the Relationship | Reasons for Appointment |
|---|---|---|---|
| Setsu Onishi | ○ | Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.), from which Mr. Osamu Onishi, Outside Director, is a business partner of our company. However, it has been approximately 15 years since he retired from his position as an Person who executes business of said bank, approximately 14 years since he retired from his position as a Person who executes | Setsu Onishi has extensive knowledge and experience and high level of insight cultivated through his long career, including his participation in management at Mizuho Financial Group, Inc., and its group companies, etc.<br><br>Our Company has determined that he is an appropriate person for the position as he is |

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| | | business of the Mizuho Financial Group, Inc., and approximately 9 years since he retired from his position as a Person who executes business of IBJ Leasing Co., Ltd. (currently Mizuho Leasing Company, Limited), an affiliate company of the Mizuho Financial Group, Inc.<br><br>In addition, the Company also conducts transactions with several financial institutions other than Mizuho Bank, Ltd. and the amount borrowed from said bank is not outstanding compared to that from other banks, meaning that our Company is not dependent on any specific bank. Therefore, our Company has determined that thesituation will not influence his neutral judgment as an outside director. | expected to fulfill an appropriate role to ensure fair and proper decision-making such as by continuously providing highly effective supervision and advice on our Company's management from an expert perspective particularly well versed in corporate accounting and overall management and by utilizing his insight and has therefore appointed him as an outside Director.<br><br>In addition, our Company has also been designated as an independent director as he meets the independence criteria of the Tokyo Stock Exchange and the Company's external directors and is deemed not to pose a risk of conflict of interest with general shareholders. |
| Masako Yoshida | ○ | Tokio Marine & Nichido Fire Insurance Co., Ltd., for which she served, is a business partner of our Company.<br><br>However, our Company conducts transactions with several other insurance companies than said insurance company, and the amount of transactions, which is less than 1% of the amount of all of our Company's cost and expenses, with said insurance company is not outstanding compared to that with other companies, meaning our Company is not dependent on any specific company.<br><br>Therefore, our Company has determined that the situation does not influence her neutral judgment as an outside director. | Masako Yoshida has extensive knowledge and experience cultivated through her long career since joining Tokio Marine & Fire Insurance Co., Ltd. (currently Tokio Marine & Nichido Fire Insurance Co., Ltd.), including involvement in management at the company.<br><br>Our Company has determined that she is an appropriate person for the position, as she is expected to fulfill an appropriate role to ensure fair and proper decision-making such as by providing highly effective supervision and advice on our Company's management from an expert perspective particularly well versed in overall corporate management and by utilizing her insight and has therefore appointed her as an outside Director. |

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| | | | In addition, our Company has also been designated as an independent director as she meets the independence criteria of the Tokyo Stock Exchange and the Company's external directors and is deemed not to pose a risk of conflict of interest with general shareholders. |
| Keisuke Takegahara | ○ | The Development Bank of Japan Inc. is a business partner of the Company. However, it has been approximately 4 years since he retired from his position as an executive officer of said bank. In addition, our Company conducts transactions with several financial institutions other than the said bank and the amount borrowed from said bank is not outstanding compared to that of other banks. Therefore, our Company has determined that the situation does not influence his neutral judgment as an outside Director. | Keisuke Takegahara has extensive knowledge and experience in environmental policy and finance cultivated through his long career at Development Bank of Japan Inc. and is currently a professor at the National Graduate Institute for Policy Studies.<br><br>Although he has never been directly involved in corporate management other than serving as an outside director, our Company has determined that he is an appropriate person for the position, as he is expected to fulfill an appropriate role to ensure fair and proper decision-making such as by providing highly effective supervision and advice on our Company’s management from an expert perspective particularly well versed in sustainability initiatives and by utilizing his insight and has therefore appointed his as an outside Director.<br><br>In addition, our Company has also been designated as an independent director as he meets the independence criteria of the Tokyo Stock Exchange and the Company's external directors and is deemed not to pose a risk of conflict of interest with general shareholders. |
| Riyo Kano | ○ | - | Riyo Kano has knowledge and experience |

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| | | | cultivated through her long career as an attorney-at-law at Tanabe & Partners. Currently, she serves as Outside Director of Yamanashi Chuo Bank, Ltd.<br><br>Although she has never been directly involved in corporate management other than serving as an outside director, our Company has determined that she is an appropriate person for the position, as she is expected to fulfill an appropriate role to ensure fair and proper decision-making such as by continuously providing highly effective supervision and advice on our Company's management from an expert perspective particularly well versed in corporate governance and by utilizing her insight and has therefore appointed her as an outside Director.<br><br>In addition, our Company has also been designated as an independent director as she meets the independence criteria of the Tokyo Stock Exchange and the Company's external directors and is deemed not to pose a risk of conflict of interest with general shareholders. |

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| Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Compensation Committee | Established |

Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairman (Chairperson) Updated

| | Committee's Name | All Members | Full-time Members | Inside Directors | Outside Directors | Outside Experts | Other | Committee Chairman (Chairperson) |
|---|---|---|---|---|---|---|---|---|
| Voluntarily Established Committee Equivalent to Nomination | Nomination and Compensation Advisory | 6 | 0 | 2 | 4 | 0 | 0 | Outside Director |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Committee | Committee | | | | | | | |
| Voluntarily Established Committee Equivalent to Compensation Committee | Nomination and Compensation Advisory Committee | 6 | 0 | 2 | 4 | 0 | 0 | Outside Director |

Supplementary Explanation

The Nomination and Compensation Advisory Committee has been established under the Board of Directors as its advisory body for the purpose of strengthening the independence, objectivity and accountability of the Board of Directors' functions related to the nomination and compensation of directors.

## Audit & Supervisory Board Member

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| Establishment of Audit & Supervisory Board | Established |
| Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation | 4 |
| Number of Audit & Supervisory Board Members | 4 |

Cooperation among Audit & Supervisory Board Members, Financial Auditor and Internal Audit Office

The Company's Audit & Supervisory Board Members deepen cooperation with the financial auditor mainly through regular meetings with the financial auditor to understand the status of audits, where the financial auditor explains the audit plan for each fiscal year and reports the audit results at the end of each fiscal year, as well as by requesting that the financial auditor report and provide information as necessary, and accompanying the financial auditor on onsite audits, as necessary.

As for internal audits, the Company established the Internal Audit Regulations in December 2004 and appointed a general manager and three other members to the Internal Audit Office. The Internal Audit Office has the authority to audit the appropriateness of the execution of all operations of the Company under the direction and orders of the President and Representative Director. Audit & Supervisory Board Members and the Internal Audit Office work together to strengthen corporate governance by engaging in discussions, as necessary.

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| Appointment of Outside Audit & Supervisory Board Members | Appointed |
| Number of Outside Audit & Supervisory Board Members | 3 |
| Number of Independent Audit & Supervisory Board Members | 1 |

Outside Audit & Supervisory Board Members' Relationship with the Company (1) Updated

| Name | Attributes | Relationship with the Company* | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | a | b | c | d | e | f | g | h | i | j | k | l | m |
| Soichi Miyazawa | From another company | | | | | | | ○ | | ○ | ○ | | | |
| Shohei Yamamoto | From another company | | | | | | | | | △ | △ | | | |
| Tomomi Mohri | From another company | | | | | | | ○ | | ○ | | | | |

*Categories for “Relationship with the Company”.
(“○” indicates the director presently falls or has recently fallen under the category; “△” indicates the director fell under the category in the past; “●” indicates a close relative of the director presently falls or has recently fallen under the category; and “▲” indicates a close relative of the director fell under the category in the past.)

a. Person who executes business for the Company or its subsidiary
b. A non-executive director or an accounting advisor of the Company or its subsidiaries
c. Person who executes business for or a non-executive director of the Company's parent company
d. An Audit and Supervisory Board Member of a parent company of the Company
e. Person who executes business for a fellow subsidiary
f. Person/entity for which the Company is a major client or a person who executes business for said person/entity
g. Major client of the Company or a person who executes business for said client
h. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to compensation as a director/Audit and Supervisory Board Member
i. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
j. Person who executes business for a client of the Company (excluding persons categorized as any of f, g, or h above) (applies to the auditor him/herself only)
k. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to the director/auditor him/herself only)
l. Person who executes business for an entity receiving donations from the Company (applies to the person him/herself only)
m. Other

Outside Audit & Supervisory Board Members' Relationship with the Company (2) Updated

| Name | Designation as Independent Audit & Supervisory Board Member | Supplementary Explanation of the Relationship | Reasons for Appointment |
|---|---|---|---|
| Soichi Miyazawa | | Soichi Miyazawa, Outside Audit & Supervisory Board Member, was an executive of Nippon Steel Stainless Corporation until March 2025.<br><br>In April 2025, Nippon Steel Stainless Corporation was merged into Nippon Steel Corporation, the top number one major shareholder with 33.36% of shares in our company and a major business partner accounting for 40% of our company's sales.<br><br>In addition, Soichi Miyazawa served as | Soichi Miyazawa held key positions at Nippon Steel Stainless Corporation (currently NIPPON STEEL CORPORATION) and subsequently served as Director and Managing Executive Officer at the same company.<br><br>Based on his extensive knowledge and insight cultivated through his long career, our Company has determined that he is an appropriate person to supervise management decisions and business execution by the Directors of our company and has therefore appointed him as an |

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| | | Advisor to our company from April 1, 2025 to June 25 of the same year, but he was not engaged in the business of our company as an employee, and the amount of advisory fees paid to him by our company based on the advisory contract was insignificant. Therefore, our Company has determined that there is no risk of affecting his neutral judgment as Outside Audit & Supervisory Board Member. | outside Audit & Supervisory Board Member regardless of his independence. |
| Shohei Yamamoto | ○ | Shohei Yamamoto, an Outside Audit & Supervisory Board Member, was an executive of Nippon Yusen Kabushiki Kaisha, which is the second largest and largest major shareholder, holding 18.35% of our company shares and business partner of the Company.<br><br>Although our company has transactions related to chartering agreements with the Company, the amount of transactions with the Company is less than 1% of the amount of transactions with other companies, and approximately four years have passed since Mr. Yamamoto retired from his position as a Person who executes business of the company, our Company has determined that there is no risk of affecting his neutral judgment as Outside Audit & Supervisory Board Member. | Shohei Yamamoto held key positions in finance and corporate planning-related operations and served as Managing Executive Officer at Nippon Yusen Kabushiki Kaisha. and subsequently served as Managing Executive Officer at the same company.<br><br>Based on his extensive knowledge and insight cultivated through his long career, our Company has determined that he is an appropriate person to supervise management decisions and business execution by the Directors of our Company and has therefore appointed him as an outside Audit & Supervisory Board Member.<br><br>In addition, our Company has designated him as an independent officer because he meets the independence standards for outside officers of the Tokyo Stock Exchange and our company and is deemed to have no risk of conflict of interest with general shareholders. |
| Tomomi Mohri | | Tomohito Mohri, Outside Audit & Supervisory Board Member, is General Manager of Raw Materials Business | Since joining Nippon Steel Corporation (currently NIPPON STEEL CORPORATION), Tomomi Mohri has |

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| | | Planning Department of Nippon Steel Corporation, which is the top number one major shareholder holding 33.36% of shares in our company and a major customer accounting for 40% of our company's net sales. | served in key positions.<br><br>Although he has never been directly involved in corporate management other than serving as an outside officer, based on his extensive knowledge and insight cultivated through his long career, our Company has determined that he is an appropriate person to supervise management decisions and business execution by the Directors of our Company, and has therefore appointed him as an outside Audit & Supervisory Board Member regardless of his independence. |

## Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

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|---|---|
| Number of Independent Directors and Independent Audit and Supervisory Board Members Updated | 5 |

| Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members |
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## Incentives

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| Implementation Status of Measures related to Incentives Granted to Directors | Other |

| Supplementary Explanation for Applicable Items |
|---|

Compensation of directors at the Company consists of fixed compensation, performance-based bonuses (executive bonuses) that reflect the Company's performance in a single fiscal year, and performance-based stock purchase compensation that reflects the enhancement of corporate value over the medium to long term. Performance-based compensation, which consists of performance-based executive bonuses and share-purchase compensation, is designed to account for a maximum of roughly 40% of total compensation, with that ratio being the same for all executive positions.

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| Persons Eligible for Stock Options | |

| Supplementary Explanation for Applicable Items |
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## Director Remuneration

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| Status of Disclosure of Individual Director's Compensation | No Disclosure for any Directors |

Supplementary Explanation for Applicable Items

The total amount of compensation for directors is disclosed in the annual securities report, etc.

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|---|---|
| Policy on Determining Compensation Amounts and Calculation Methods Updated | Established |

Disclosure of Policy on Determining Compensation Amounts and Calculation Methods

At a meeting of the Board of Directors held on February 26, 2021, the Company resolved a policy for determining the details of compensation, etc. of individual Directors and at a meeting of the Board of Directors held on March 27, 2025, the Company resolved to partially revise this policy, which has been in effect to date. Prior to the resolution by the Board of Directors, the Board of Directors consulted the Nomination and Compensation Advisory Committee on the details of the matters to be resolved and received its advice.

Regarding compensation, etc. of individual Directors for the fiscal year under review, the Board of Directors confirmed that the method of determining the details of compensation, etc. and the determined details of compensation, etc. are consistent with the determination policy resolved by the Board of Directors and that the opinion submitted by the Nomination and Compensation Advisory Committee is respected, and believes that the details of compensation, etc. of individual Directors are in line with such determination policy.

The policy for determining the details of compensation, etc. of individual Directors is as described below.

a. Basic approach for compensation of Directors

I. Objectives and basic approach

(1) To contribute to medium-to long-term enhancement of corporate value

(2) To meet the fiduciary responsibility for shareholders

(3) To help secure human resources.

II. Basic principles of the compensation determination policy

(1) Compensation for Directors is designed to ensure consistency with management strategies so that it functions sufficiently as a sound incentive to enhance corporate value.

Specifically, the compensation consists of fixed compensation and performance-based compensation that appropriately reflects the short-term financial results as well as the progress of management over the medium- to long- term.

(2) In order to emphasize the shareholder perspective, compensation to be paid in cash and share purchase compensation (compensation paid in cash for Directors to contribute to the Directors' shareholding association and purchase shares through this shareholding association) shall be combined

(3) Fixed compensation shall be the same amount for the same position, and the consistency with the general standard shall be taken into consideration in determining the amount.

(4) The Nomination and Compensation Advisory Committee shall be utilized to ensure fairness and transparency in determining the compensation structure and specific levels for each year.

(5) Consideration shall be given to the balance with employees' compensation and industry trends.

b. Policy on fixed compensation

Fixed compensation shall be paid in cash each month, with a standard amount established based on the Director's position, taking into consideration the capabilities and responsibilities required of Directors in the shipping industry as well as the consistency with the general standard and the difference from employees' compensation.

Outside Directors responsible for supervisory functions shall only receive fixed compensation in light of their duties.

c. Policy on performance-based compensation

I. Performance-based executive bonuses:

In order to provide incentives for maintaining and improving the earnings power, bonuses linked to dividends per share and evaluations reflecting safe navigation performance for each term shall be paid in cash at certain times each year as compensation linked to short-term performance. This is based on dividend policies and the assumption of paying a certain percentage or more of special allowances (bonuses) to employees. However, an amount exceeding a certain amount of performance-based executive bonuses shall be paid as share purchase compensation.

II. Share purchase compensation:

Share purchase compensation linked to the degree of achievement of the medium-term business plan and the amount of increase in corporate value (stock value) shall be paid in cash in equal monthly installments over the term of office as compensation linked to medium- and long-term performance. Specifically, it will be calculated based on the degree of achievement of performance indicators targeted by the medium-term business plan, such as operating income and return on equity (ROE), as well as overall evaluation that reflects the Company's market capitalization and ESG indicators, etc. Directors provide amounts equivalent to the share purchase compensation they receive to the Directors' shareholding association and purchase stocks through this shareholding association. When a new mediumterm business plan is formulated, the calculation method, such as that for target performance indicators, etc. shall be reviewed.

d. Policy on the composition of compensation, etc.

The ratios of fixed compensation, performance-based bonuses and share purchase compensation shall be set to appropriately reflect short-term performance and progress toward medium- and long-term management targets as incentives for enhancing corporate value, based on the general standard and structure of compensation of the shipping industry and companies in related industries and business categories. Performance-based compensation, which consists of performance-based executive bonuses and share purchase compensation, is designed to account for a maximum of roughly 40% of total compensation.

e. Policy on timing and conditions for granting compensation, etc.

This policy concerning fixed compensation is described in b. above and that concerning performance-based executive bonuses and share purchase compensation is described in c. above.

f. Matters concerning delegation of authority to determine compensation, etc.

Since the Company determines the amount of compensation of individual Directors and the policy on the payment method in b, c, and d above and the specific calculation method is stipulated in the internal regulations for executive compensation, no matters are delegated to Directors or other third parties.

g. Method of determining the details

Compensation, etc. of Directors shall be finally determined by resolution of the Board of Directors, based on the opinion and advice of the Nomination and Compensation Advisory Committee. The scope of discretion shall be within the scope of the resolution of the General Meeting of Shareholders.

h. Other important matters related to the determination of individual directors' compensation

In the event of inappropriate accounting, including corrections to financial statements, or if a director commits a serious legal violation or misconduct, the Board of Directors may, based on the system, request the return of all or part of the performance-linked compensation received by the director.

### Support System for Outside Directors (and Outside Audit & Supervisory Board Members)

As a support system for outside directors, the Company provides sufficient advance explanations of major agenda items when the Board of Directors meetings are held on the status of business execution to share information on overall management. In addition, Audit & Supervisory Board Members, including outside Audit & Supervisory Board Members, conduct their own audits in cooperation with the financial auditor and the Internal Audit Office, and full-time Audit & Supervisory Board Members communicate and share information with part-time Audit & Supervisory Board Members as appropriate.

## 2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Compensation Decisions (Overview of Current Corporate Governance System) Updated

(1) The function of business execution is as follows.

The Board of Directors is a decision-making body for matters stipulated by laws and regulations and the Articles of Incorporation, as well as for critical management issues defined in the discussion standards in the Regulations of Board of Directors. Furthermore, it is the body that supervises the status of business execution. The Board of Directors meets once per month, in principle, and is chaired by the President and Representative Director.

In accordance with the basic policy decided by the Board of Directors, the Board of Executive Officers, as a rule, meets weekly to deliberate and decide on important matters related to business execution and management and to coordinate in advance the matters to be discussed by the Board of Directors. The Board of Executive Officers consists of 16 executive officers appointed by the Board of Directors and is chaired by the President Executive Officer.

(2) As for the function of auditing, a system is established in which Audit & Supervisory Board Members, the financial auditor,

and the Internal Audit Office mutually cooperate with each other to conduct audits.

Audit & Supervisory Board Members include three outside Audit & Supervisory Board Members as stipulated in Article 2, item 16 of the Companies Act. The accounting audit is entrusted to Ernst & Young ShinNihon LLC. The Internal Audit Office, which reports directly to the Representative Director, has a general manager and three other members.

(3) The Board of Directors decides on the nomination of candidates and determination of compensation for directors.

### 3. Reasons for Adoption of Current Corporate Governance System Updated

As a company with Audit & Supervisory Board Members (an Audit & Supervisory Board), the Company secures the enhancement of monitoring and supervisory functions and the transparency and soundness of management by ensuring the fully functional monitoring of management by Audit & Supervisory Board Members.

The Audit & Supervisory Board, which consists of four auditors (including three outside auditors) and two full-time auditors (including one outside auditors), has been established, and the Audit & Supervisory Board Members conduct audits of the execution of duties by directors from an independent standpoint in cooperation with the Financial Auditor and the Internal Audit Office. In addition, the Board of Directors, of which more than one-third consists of independent outside directors, and the establishment of the Nomination and Compensation Advisory Committee, of which a majority of members are outside directors, strengthens the independence, objectivity, and accountability of the Board of Directors' functions.

## III. Implementation of Measures for Shareholders and Other Stakeholders

### 1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights Updated

| | Supplementary Explanation |
|---|---|
| Early Posting of Notice of the General Meeting of Shareholders | The Company starts electric provision and sends convocation notices of the Ordinary General Meeting of Shareholders earlier than the legally required date and, in addition to sending them to shareholders, it also sends a hard copy of the documents including the agenda and business report to those shareholders who request it to enable shareholders to exercise their voting rights smoothly. (The electronic provision for 2025 commenced on May 28, the convocation notice and documents to be delivered were sent on June 4, and the Ordinary General Meeting of Shareholders held on June 25.) |
| Scheduling of the General Meeting of Shareholders on a Non-Peak Day | The Company holds the Ordinary General Meeting of Shareholders on a non-peak day (the Ordinary General Meeting of Shareholders in 2025 will be held on June 25 and the peak day is on June 26). |
| Electronic Exercise of Voting Rights | Since the Ordinary General Meeting of Shareholders held in June 2021, the Company has made it possible to exercise voting rights via the internet. |
| Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights | Since the Ordinary General Meeting of Shareholders held in June 2021, the Company has participated in the platform for the electronic exercise of voting rights for institutional investors. |

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| Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English | English translations of the convocation notices are prepared and published on the Company's English website, the websites of listed securities exchanges, and the website of the platform for the electronic exercise of voting rights for institutional investors. |

## 2. Status of IR-related Activities

| | Supplementary Explanation | Explanation by a representative director or a representative executive officer |
|---|---|---|
| Online Disclosure of IR Information | The Company posts the annual securities report, financial results, public notice of settlement of accounts, NS UNITED REPORT, business reports, and other important timely disclosure information on the website in an effort to provide timely and accurate IR information to shareholders and investors. | |
| Establishment of Department and/or Placement of a Manager in Charge of IR | The Company has established the Investor Relations Committee, consisting of directors in charge of related groups within the Company, and has formulated a policy for public relations activities. The director in charge of General Affairs Group is responsible for disclosure contents, and the person in charge of individual contact is as follows.<br>・ Matters related to settlement of accounts: Group Manager of Finance and Accounting Group<br>・ Matters related to business policy, forecast of business performance, marketing overview, marine affairs, and affiliated companies: Group Manager of Project Group<br>・ Matters other than the above: Group Manager of General Affairs Group | |

## 3. Status of Measures to Ensure Due Respect for Stakeholders Updated

| | Supplementary Explanation |
|---|---|
| Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders | As stated in the "Group Corporate Philosophy," the Company aims to contribute to the development of society by providing trusted, reliable, and high-quality marine transportation services that meet the expectations of shareholders and customers, and by ensuring safety management based on international standards, and to play a role in preserving the global environment, including the oceans, which are the common property of all humankind. |

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| | To realize the Group Corporate Philosophy, the Company has also established the Code of Conduct, and to fulfill the principles outlined therein, in January 2023, the Company formulated the “NS United Kaiun Group Human Rights Policy” based on the recognition that respect for human rights as stated in the Code of Conduct is a social responsibility that the Company must fulfill. In addition, for the purpose of complying with anti-corruption laws and regulations applicable in the countries and regions where the Company conducts business activities and of practicing behavior compatible with social ethics, the Company formulated the “Basic Anti-Corruption Policy.” In March 2025, aiming for further enhancement of human rights, the Company revised the "NS United Kaiun Group Human Rights Policy" based on advice from external experts and established the "Supplier Guidelines" to request our suppliers to engage in sincere and ethical business activities. |
| Implementation of Environmental Preservation Activities and CSR Activities, etc. | ・Initiatives on sustainability<br>In October 2021, the Company summarized the ideal relationship between the Company and society, and based on discussions among employees and at the Board of Directors, established the Group’s Purpose, “Through marine transportation, we will work together to shape the world today and create a sustainable future.”<br>The Company has identified the following six priority sustainability issues (Materiality) as sustainability-related priority management issues that should be prioritized for the Company and its stakeholders; (1) Giving top priority to ensuring safe navigation, (2) Enhancing activities for environmental conservation and climate change, (3) Increasing customer satisfaction by raising transportation service quality, (4) Human resources development, personnel evaluation, D&I, human rights, (5) Technology, Innovation, DX, and (6) Sound corporate governance, BCP, and formulated the Basic Sustainability Policy as a basic strategy to implement these issues. The Company is continuously working to resolve these issues.<br>In March 2023, the Company participated in the United Nations Global Compact, which sets forth 10 principles in the four areas of human rights, labor, environment, and anti-corruption, as advocated by the United Nations.<br>In March 2024, in the Medium-Term Business Plan “FORWARD 2030 Ⅱ Challenge for innovation and further growth with U,” the Company set the targets of “reducing annual GHG emissions by 25% by 2030 compared to 2019 level” and “achieving carbon neutrality by 2050.” In order to realize these targets, the Company has set forth four initiatives on sustainability as initiatives to support business strategies such as I. Human capital strategy, II. Sustainable |

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| | shipping strategy, III. Governance enhancement, and IV. Digital transformation (DX) strategy.<br>To further improve the effectiveness of each initiative, in June 2024 the Sustainability Committee, which is chaired by the President Executive Officer and includes all executive officers as members, was established to develop the existing ESG Committee.<br>The Committee will increase the number of meetings and will specialize in overall sustainability matters, including human rights, climate change, biodiversity, and non-financial information disclosure, and will report and make recommendations to the Board of Directors.<br><br>・Promotion of environmental conservation<br>As described above under "Initiatives on sustainability," the Company has identified the promotion of environmental conservation as one of its management issues.<br>IMO has revised its GHG reduction strategy in 2023. In line with the IMO's revised strategy, the Group will set medium- and long-term targets and promote GHG emission reductions.<br>In the Medium-Term Business Plan "FORWARD 2030 II: Challenge for innovation and further growth with U" announced in March 2024, the Company set a medium-term target to reduce annual GHG emissions to 1.5 million tons by 2030, a reduction of 25% from the 2019 level. The Company will proceed with the investment plan to achieve the target.<br>The Company will continue its efforts to reduce GHG emissions by thoroughly operating vessels at reduced speeds and devising ship allocation, etc. In addition, the Company will actively continue to make efforts to realize and build next-generation fuel vessels such as ammonia and consider and install fuel-saving equipment, such as the already announced construction of methanol dual-fuel vessels and installation of wind assisted propulsion systems.<br>The Company's response to environmental conservation etc., is communicated to domestic and foreign stakeholders through the NS UNITED REPORT (the integrated report of the Group). |
| Formulation of Policies, etc. on Provision of Information to Stakeholders | The Company strives to provide timely and accurate IR information by disclosing important corporate information to shareholders and investors in a timely manner through the Tokyo Stock Exchange website, the news media, and the Company's website. In addition, as for information for institutional investors outside Japan, the Company conducts individual meetings whenever possible upon request and provides bilateral communication by explaining the |

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| | management situation in response to questions. |

# IV. Matters Concerning the Internal Control System

## 1. Basic Policy on Internal Control System and Status of Development

Based on the "NS United Kaiun Group Corporate Philosophy," the Company aims to become a company trusted by society while continuously improving its corporate value. In addition, in order to comply with relevant laws and regulations and to ensure the reliability of its financial reporting and the effectiveness and efficiency of its operations, the Company has established and appropriately operated an internal control system as described below, and will strive to continuously improve that system from the viewpoint of further strengthening corporate governance.

1. System for ensuring that the execution of duties by directors and employees of the Company complies with laws and regulations and the Articles of Incorporation

The Board of Directors shall make decisions and receive reports on important management issues in accordance with the Regulations of the Board of Directors and other regulations.

Based on decisions made by the Board of Directors, the directors who execute business operations ("executive directors") shall execute their duties in accordance with their respective work assignments, supervise the execution of duties by employees, and report on the status of their execution of duties to the Board of Directors.

The Company shall establish and maintain an internal control system based on self-directed internal control. The general manager of each division shall comply with and enforce laws, regulations, and rules, strive to prevent violations of laws and regulations in the course of business, and promptly report to the director in charge of General Affairs Group upon recognizing any actions or facts that could cause a violation of laws and regulations.

The Internal Control and Compliance Committee shall confirm the status of the establishment and operation of the internal control system of the Company as a whole, and understand and evaluate the status of compliance with laws, regulations, and rules in each division. In addition, the committee shall establish and enhance a system of education for employees, including the holding of periodic seminars and the preparation and distribution of manuals to ensure compliance with laws, regulations, and rules, and shall adopt necessary measures to prevent the violation of laws, regulations, and rules, etc. The committee shall report on these matters to the Board of Directors promptly after the meeting of the Internal Control and Compliance Committee. Furthermore, the committee shall establish and operate a whistleblowing system to obtain reports on risks related to the execution of business operations.

Employees shall be obligated to comply with laws, regulations, and rules, and to execute their duties properly. Employees who violate laws and regulations shall be subject to disciplinary action in accordance with the employment regulations.

As for internal audits, the Internal Audit Office has been established to examine and evaluate the status of execution of the Company's internal control under the direction and orders of the President and Representative Director, and report the results to the President and Representative Director.

The Internal Audit Office also reports directly to the Board of Directors and the Audit & Supervisory Board.

2. System for preserving and managing information concerning the execution of duties by the Company's directors

The Company shall properly preserve various types of information related to the execution of duties, including the minutes of the

Board of Directors meetings, after clarifying who is responsible for managing such information and establishing confidentiality categories, in accordance with the regulations concerning information management. In addition to the methods stipulated by laws and regulations, the Company shall strive to disclose important corporate information, such as business plans and financial information, in a timely and accurate manner.

3. Regulations and other systems for managing the risk of loss of the Company

The general manager of each division shall identify and evaluate business risks in the division, and execute duties based on the authority and responsibility stipulated in the internal rules. With respect to all risks related to safety and health, environment and disaster prevention, information management, quality control, and reliability of financial reporting, the division in charge shall establish rules and regulations, notify each division of these matters, and understand and evaluate the status of risk management through monitoring, etc., and provide guidance and advice.

When an accident, disaster, compliance problem, etc. that seriously affects management occurs, the executive directors shall immediately establish an "emergency head office," etc., and take necessary actions to minimize the damage, impact, etc.

4. System for ensuring the efficient execution of duties by the Company's directors

Important individual executive matters such as business plans, business strategies, capital investments, and investments and loans shall be discussed at the Board of Executive Officers, etc., and then the Board of Directors shall decide on the execution of such matters.

Execution of matters based on decisions made by the Board of Directors shall be carried out by each executive director, each executive officer, and the general manager of each division, etc.

5. System for ensuring proper operations within the Group consisting of the Company and its subsidiaries

The Company and each group company shall conduct unified group management based on the "NS United Kaiun Group Corporate Philosophy," and shall ensure that all employees are familiar with and thoroughly understand the policies, etc., of the business operations.

Group companies shall establish and maintain internal control systems, share information with the Company, and enhance measures related to internal control. The Internal Control and Compliance Committee shall confirm the status of internal control at each group company and provide support for improvement, as necessary.

The Internal Control and Compliance Committee shall understand and evaluate the status of internal control for the entire Group, and shall provide guidance and advice to each division and group company. The specific structure based on this system shall be as follows.

(i) System for reporting to the Company on matters pertaining to the execution of duties by directors, etc. of group companies

The Company shall request reports from and provide advice to each Group company on important matters concerning the consolidated management of the Company or the management of each group company, including business plans, important business policies, and financial results of each group company.

(ii) Regulations and other systems for managing the risk of loss of group companies

The Company shall request reports from and provide advice to each Group company regarding the status of risk management at each group company.

(iii) System for ensuring the efficient execution of duties by directors, etc. of group companies

The Company shall provide support for the management of each group company.

(iv) System for ensuring that the execution of duties by directors and employees of group companies complies with laws and regulations and the Articles of Incorporation

The Company shall request reports from and provide necessary support and advice to each group company concerning the status of compliance with laws and regulations and the establishment and operation of internal controls at each group company. In addition, the Company shall request reports from each group company on any acts or facts that may constitute a violation of laws and regulations, and promptly report such acts or facts to the Internal Control and Compliance Committee, etc.

6. Matters concerning audits by Audit & Supervisory Board Members

Directors, executive officers, general managers of divisions, and other employees of the Company shall report the status of the execution of their duties and any important matters, including facts that have a significant impact on management, to Audit & Supervisory Board Members or the Audit & Supervisory Board directly or through the relevant divisions of the Company in a timely and appropriate manner, and shall report important management matters such as the operation status of the internal control system at meetings of the Board of Directors, the Internal Control and Compliance Committee, etc., and share information with Audit & Supervisory Board Members

Directors, corporate auditors, employees, etc. of group companies shall report the status of execution of duties at each group company and any important matters, including facts that have a significant impact on management, to Audit & Supervisory Board Members or the Audit & Supervisory Board of the Company directly or through the relevant divisions of the Company in a timely and appropriate manner. The Company shall not treat any person who makes these reports in a disadvantageous manner by reason of such reports, in accordance with the internal rules and regulations.

The division in charge of internal control shall cooperate with Audit & Supervisory Board Members by exchanging opinions on the status of operation of the internal control system, etc., on a regular basis or as necessary. In addition, the division in charge of internal control shall report to Audit & Supervisory Board Members on the status of operation of the whistleblowing system.

The Company shall appoint employees to assist the duties of Audit & Supervisory Board Members (concurrently serving as employees). When the employees provide such assistance, the Company shall ensure that they are independent from directors.

The Company shall accept reimbursement requests from Audit & Supervisory Board Members for expenses deemed necessary for the execution of their duties, in accordance with laws, regulations, and internal rules.

7. System for ensuring the appropriateness of financial reporting

Directors, executive officers, general managers of divisions and other employees of the Company shall understand the importance of providing reliable financial information to the public, and shall execute their daily duties in accordance with laws, regulations, and internal rules such as the basic financial reporting policy and internal control regulations concerning financial reporting.

The Company’s directors shall be responsible for the disclosure of Annual Securities Reports and other important financial information following resolutions by the Board of Directors.

The Internal Audit Office shall confirm the appropriateness and effectiveness of internal controls through monitoring the status of execution and management of business operations, and shall report the results to the President.

Such reports of results are directly reported to the Board of Directors and the Audit & Supervisory Board when disclosing Annual Securities Reports and other important financial information.

### 2. Basic Policy on Measures for Eliminating Anti-Social Forces and Status of Development

The Company shall take a firm stand against anti-social forces and groups that threaten the order and safety of civic life, as well as all anti-social activities, and shall not engage in any transactions with associated companies, groups, or individuals. The Company has adopted this as its Corporate Philosophy, and has made that matter known to all officers and employees of the Group. Furthermore, when the Company makes the contract with business partners, the Company makes the clause to eliminate anti-social forces and groups in the contract. In addition, the Company has established a system to deal with such threats in an organized manner, and has made efforts to collect information in close cooperation with law enforcement and attorneys.

## V. Other

### 1. Adoption of Anti-Takeover Measures

| | |
|---|---|
| Adoption of Anti-Takeover Measures | Not Adopted |

| Supplementary Explanation for Applicable Items |
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### 2. Other Matters Concerning the Corporate Governance System

1. Organization for decisions on dividends from surplus, etc.

The Company provides in the Articles of Incorporation that the Board of Directors may decide matters stipulated in each item of Article 459, paragraph 1 of the Companies Act, including matters concerning dividends from surplus and acquisition of treasury stock, by resolution of the Board of Directors, except as otherwise provided by laws and regulations, in order to return profits to shareholders in a flexible manner and to enable the execution of a flexible capital policy in response to changes in the business environment by authorizing the Board of Directors to determine dividends from surplus, acquisition of treasury stock, and other matters.

2. Interim dividends

In order to distribute profits to shareholders in a functional manner, the Company's Articles of Incorporation provide that the Company may, by resolution of the Board of Directors, pay dividends from surplus (interim dividends) as stipulated in Article 454, paragraph 5 of the Companies Act to shareholders recorded in the final register of shareholders as of September 30 of each year.

3. Overview of timely disclosure system

(1) Basic policy on timely disclosure

The Company has adopted "proactive and fair disclosure of corporate information" as part of the Group's Corporate Code of

Conduct. In addition, in compliance with the Financial Instruments and Exchange Law and the timely disclosure rules stipulated by the Tokyo Stock Exchange, the Company shall provide shareholders and investors with information on important management matters affecting investment decisions based on the principles of transparency, fairness, and continuity in a timely manner, and shall actively disclose information deemed appropriate for understanding the Company.

(2) Internal system for understanding, managing, and disclosing timely disclosure information

(i) Information related to decisions

The General Affairs Group shall obtain information on decisions that should be disclosed in light of the standards stipulated in the timely disclosure rules from the relevant divisions in advance, and shall disclose such information promptly after the necessary approvals have been obtained according to the details of the matter.

(ii) Information on facts which occurred

As for facts which occurred, the department in charge of the matter that recognizes the occurrence reports it to members of the Investor Relations Committee without delay, and the information is disclosed through the General Affairs Group in accordance with the timely disclosure rules. Disclosure is also made after reporting to the Board of Executive Officers and the Board of Directors, as necessary. In the event of a marine accident or other emergency, the officer of the department in charge shall report to the President, and the General Affairs Group shall disclose the information through the emergency head office.

(iii) Earnings information

As for earnings information, the Finance and Accounting Group prepares financial figures, which are audited by the financial auditor, and promptly discloses the information after approval by the Board of Executive Officers for settlement of accounts and by the Board of Directors.

(3) Initiatives to prevent insider trading

The Company has established regulations concerning inside information management and insider trading controls, and in addition to striving to properly manage information in accordance with these regulations, the Company regularly conducts educational activities for employees.

(4) Timely disclosure monitoring system

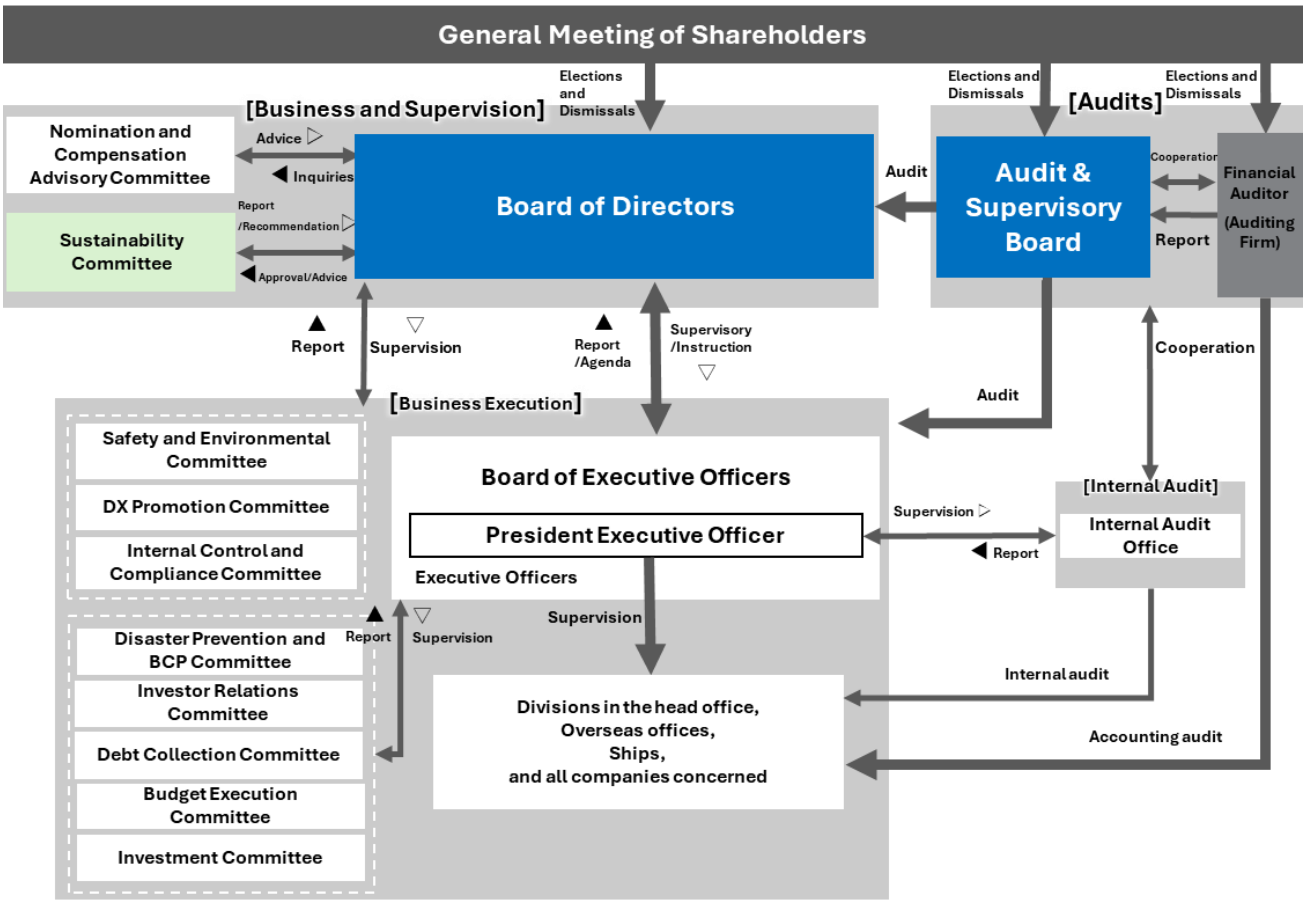
The Investor Relations Committee, chaired by the officer in charge of General Affairs Group and composed of group managers of the General Affairs Group, the Finance and Accounting Group, and the Project Group, as well as the executive officers in charge, is responsible for reporting on the status of timely disclosure.

Please see Attachment 2 Overview of Timely Disclosure System (schematic diagram).

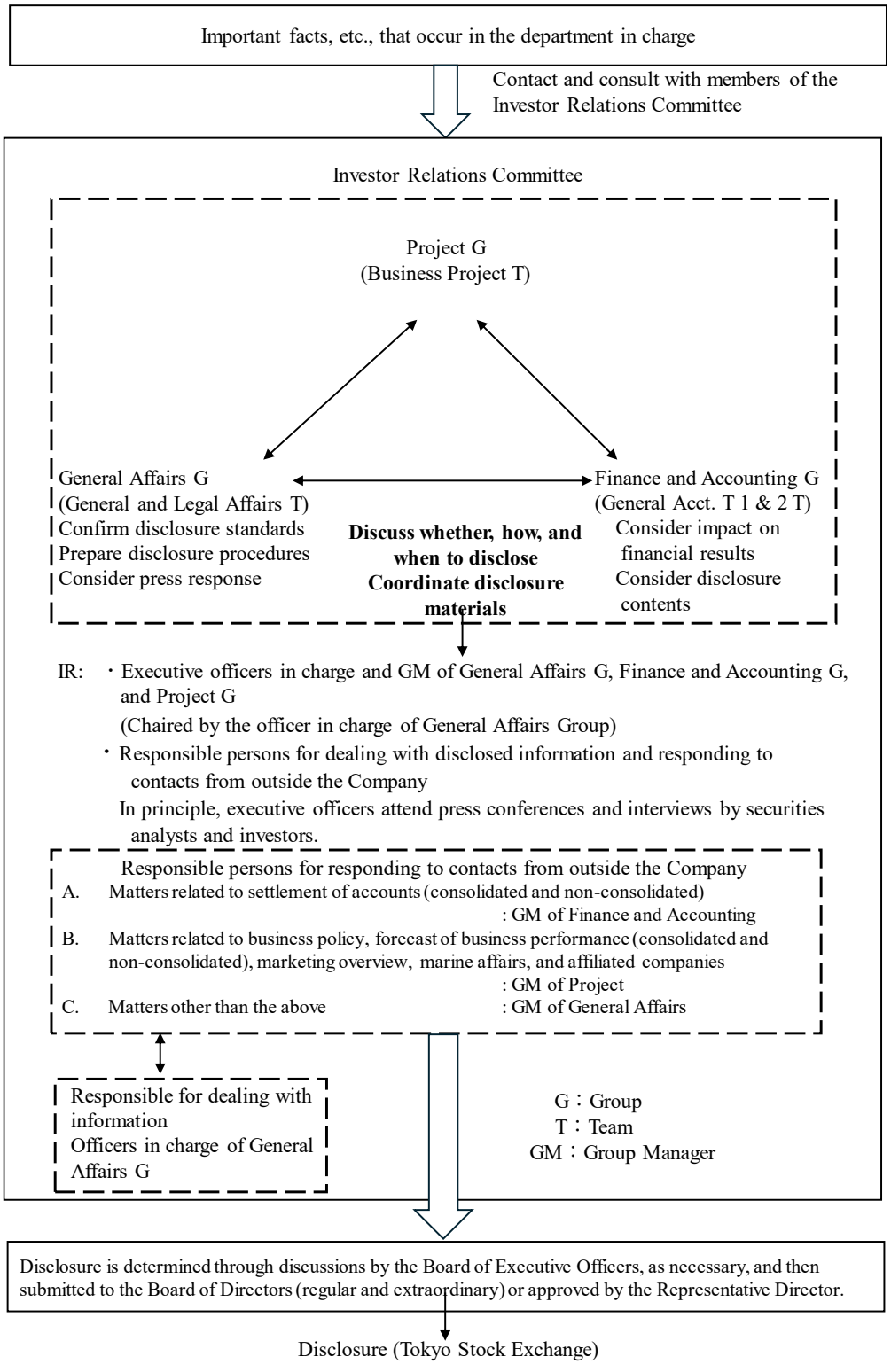
END

Schematic Diagram

(Attachment 1)



# Overview of Timely Disclosure System
# (Schematic diagram) (Attachment 2)

Company: NS UNITED KAIUN KAISHA, LTD. (Securities code: 9110, Tokyo Prime)

The status of the internal system of the Company for timely disclosure of corporate information is as follows.