

# mitsui e&s

# Integrated Report

# 2025

Year ended March 31, 2025



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## Corporate Value

# With the goal of facilitating the evolution and sustainability of society, we focus on engineering and services. Our name, "E&S," embodies this commitment.

For over a century, we have supported maritime logistics through our technologies, products, and services, contributing to the realization of a sustainable society. To achieve this, we are committed to marketing and driving innovation in the areas of technology, products and services to advance both society and the value that we provide. Furthermore, we focus on the well-being of our people, who are foundation enabling us to achieve our vision. These aspirations are embodied in E&S-Engineering & Services for Evolution & Sustainability.



### MARKETING

In maintaining and servicing products, we provide digital services that use monitoring to enable the visualization and analysis of information. By leveraging data, we uncover issues related to social challenges and derive solutions that contribute to the realization of a sustainable society.



### INNOVATION

Through marketing-driven insights, we will address challenges by advancing our products and services through green and digital innovation. By offering solutions such as decarbonization related products and remote and automated technologies, we aim to deliver products that solve the issues that our customers and society face.



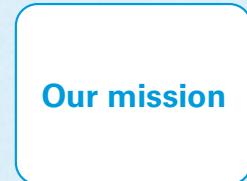
### WELL-BEING

Diversity and generational change are essential to the sustainment of evolution amid the various environmental changes. To foster a corporate culture that continuously embraces challenges, we promote the appointment of diverse and talented people and implement development programs.

## Management Concept

# Engineering & Services for Evolution & Sustainability

In 2022, we redefined the MITSUI E&S Group's Strategic Goals (Company Philosophy, Vision, Management Policy, Standards of Conduct), in accordance with the quick shift to a sustainable society, environmental change and the transformation of the Group. All employees share a new the meaning of the MITSUI E&S Group's existence and work together to move forward.



### Our mission

**We build trust and contribute to society through our engineering and services**

Implement resolute management in core business domains



### Vision in 2030

**In the marine domain, we create a carbon-free society and resolve challenges induced by depopulation**



### Management Policy

**Create new value together with customers** ▶ Business development

Conduct business through needs-oriented marketing and innovation in relevant technologies

**Seek a sound financial structure and steady profit** ▶ Finance & Corporate Planning

Manage and operate our group through the timely evaluation of marginal profit and fixed costs

**Accelerate the resolution of sustainability issues** ▶ Personnel and general affairs

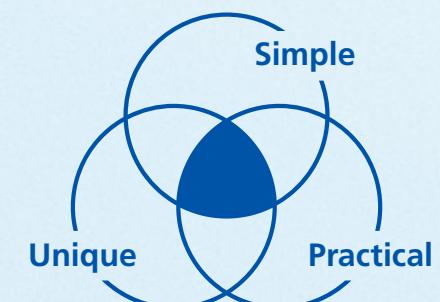
Address climate change, population decline and diversity in consideration of employees' health and safety



### Standards of Conduct

**Endeavor to provide simple, unique and practical products and services**

We always focus on customer-centric products and services that fulfill three kinds of value, develop healthy businesses and bring them into the world to serve society



## The History of MITSUI E&S

# The Journey of the MITSUI E&S Group

In April 1, 2023, the MITSUI E&S Group ceased to be a pure holding company and made a fresh start as a business holding company named MITSUI E&S. We will bring our operations and management closer together to achieve sustainable growth.

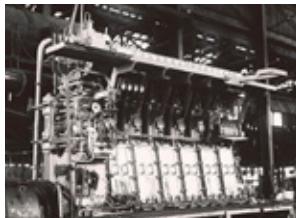
**1917-**

**The Founding of  
Mitsui Shipbuilding &  
Engineering Co., Ltd.**



In 1917, Teijiro Kawamura, who was the General Manager of the Ship Division of former Mitsui & Co. at the time, was acutely aware of the need to have a shipyard and a repair factory and submitted a petition to the president. The MITSUI E&S Group commenced from his passion.

**1928** Diesel Engine No.1  
manufactured



**1960-**

**Evolving into a  
comprehensive heavy  
engineering company**



Since the 1960s, we have expanded into the land sector, including iron structures such as bridges, and construction and mining equipment. While promoting technical partnerships, we expanded our business domains to include container cranes, rotary machinery, plant construction, etc., and we grew into a comprehensive heavy engineering company.

**1967** Completed Japan's first  
container crane



**2018-**

**Change to  
MITSUI E&S Group**



One year after celebrating its 100th anniversary in 2017, the Group shifted to a holding company structure in 2018. At the same time the company name was changed to Mitsui E&S Holdings, marking a new step forward for the new MITSUI E&S Group.

**2019** Formulate and implement of MITSUI E&S Group Business Revival Plan

**2021** Transfer of Naval Ship Business



**2022** Substantial withdrawal from the merchant marine business



**2023-**

**MITSUI E&S Co., Ltd.  
Begins**



We will cease to be a pure holding company and transition to a business holding company. Mitsui E&S Machinery, which will play a central role in our future growth strategy, and Mitsui E&S Business Service, which will handle corporate operations, will be merged into Mitsui E&S, and we will promote our growth strategy and improve management efficiency under a new structure as the newly born MITSUI E&S.

**2024-**

### MITSUI E&S Rolling Vision



### World's First Test Operation of Large-bore Low-Speed Ammonia dual fuel engine



### World's First commercial operations of Hydrogen Fuel Cell Zero Emission RTG Crane



## Business Overview | Core Businesses and Growth Areas

# Under a favorable market environment, we aim for further growth, focusing on the Marine Propulsion Systems business and the Logistics Systems business.

### Market Environment

In the Marine Propulsion Systems business, we anticipate demand that will be driven by the transition to next-generation fuels, whose goal is the reduction of GHG emissions in international shipping, and also by the replacement of aging vessels. Domestic shipyards, our key customers, have secured sufficient work, and their order books are filled for the next three years. This lead us to believe that the favorable market environment will continue. In the Logistics Systems business, we maintain a strong competitive position in the U.S., and demand for new installations, expansions, and the replacement of aging facilities in Asia and Japan remains robust. In the New Business Development businesses, to establish a new third core pillar, we are moving forward with entering new markets for our mainstay industrial machinery and developing new digital businesses, and we are aiming to expand operations in maintenance and service fields.

### New Business Development

We will introduce products into the supply chain market for new fuels such as SAF and hydrogen, and create and expand new digital businesses for resolving issues of a society with shrinking population.

- Industrial machinery (compressors, gas turbines, blowers, process equipment)
- After-sales service for various equipment

FY 2024 Results

- Net Sales: JPY40 billion
- Operating Income: JPY6.8 billion



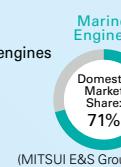
### Marine Propulsion Systems

Focusing on large marine engines with the top domestic market share, we provide peripheral equipment (including fuel supply systems) and after-sales services. We are developing ammonia-dual fuel engines that emit no CO<sub>2</sub>.

- Marin Engines
- Fuel supply systems and peripheral equipment for dual-fuel engines
- After-sales service for various engines and equipment

FY 2024 Results

- Net Sales: JPY135.5 billion
- Operating Income: JPY7.5 billion



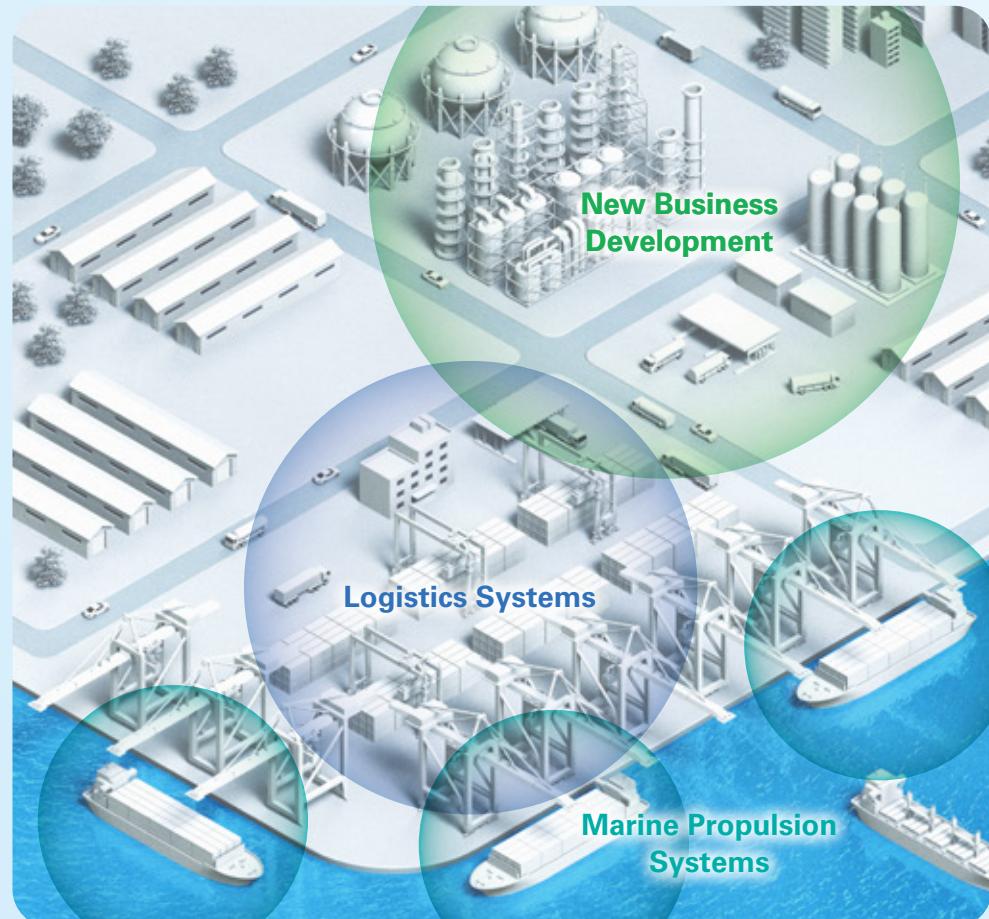
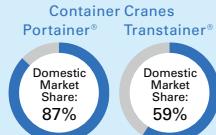
### Logistics Systems

No.1 share of Container Cranes for container terminals in Japan. Aiming to expand into the global crane market, including Southeast Asia and the United States.

- Container Cranes
- Industrial Cranes
- CTMS(Container Terminal Management Systems)
- After-Sales Service for Various Cranes

FY 2024 Results

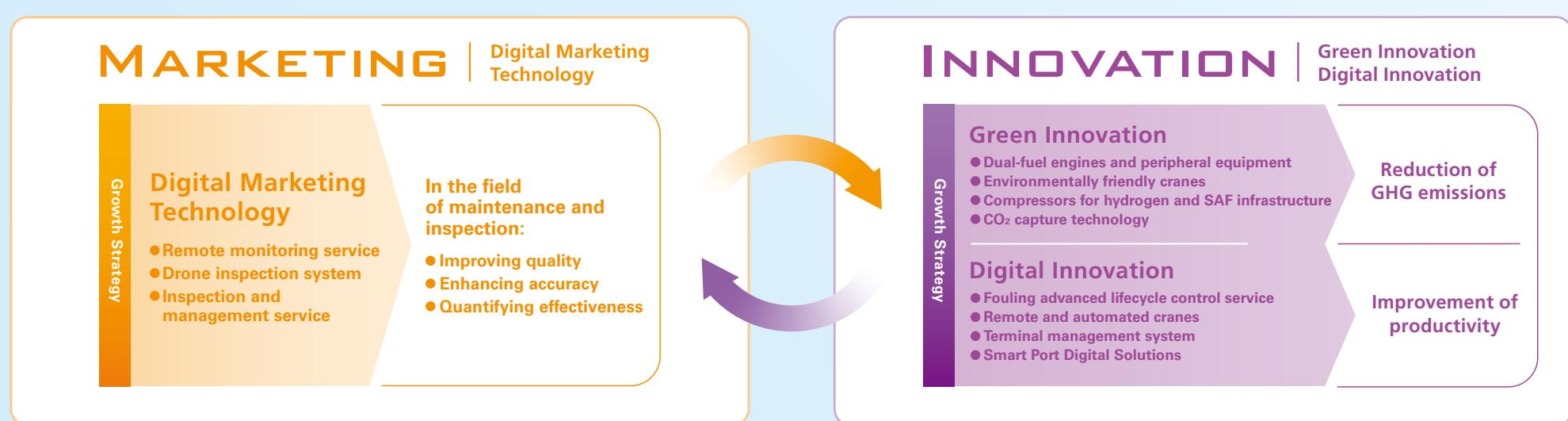
- Net Sales: JPY62.8 billion
- Operating Income: JPY6.0 billion



## Business Overview | Growth Strategy (Green & Digital Strategy)

# Providing engineering and services that are consistently era-leading through marketing and innovation.

Achieving a decarbonized society and addressing the challenges of a shrinking population. In our core businesses,—large marine engines and port cranes, an area where we hold an overwhelming share of the domestic market, we have begun to provide products and services with the goal of solving these two major challenges that our customers face. Furthermore, to ensure sustainable corporate growth and contribute to a sustainable society, we strive to identify specific issues that society and our customers face in the maintenance and service fields, pursue root causes, and provide solutions. In our growth business areas, we are entering the clean energy supply chain, focusing on industrial machinery products, and advancing product development leveraging digital technologies to contribute to the reduction of labor, the improvement of efficiency, and decarbonization, thereby addressing social challenges.



### TOPICS Strategic Initiatives and Case Studies

#### Digital Marketing

##### Provision of Inspection Services

In the use of drones for maintenance and inspection of equipment at height such as port cranes and factory production cranes, we provide "Drone Snap" application which enables efficient inspections in a short time without regardless operator skills by automated flights which routes and shootings are created by Drone Snap in advance. Additionally, we provide "CREWS," a solution that provides digitalization and optimization of routine work such as periodical inspections, reporting, and various applications, thereby improving efficiency and reducing workload.



#### Green Innovation

##### Development of Ammonia-dual Fuel Engines

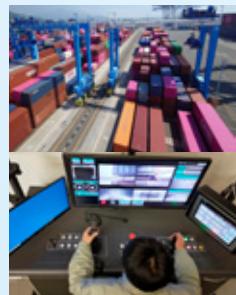
In international shipping, reducing greenhouse gas (GHG) emissions from vessels has become an urgent issue, and ammonia is attracting attention as a next-generation fuel aiming for CO<sub>2</sub> emissions. The practical application of ammonia-dual fuel engines is expected to be a major step toward realizing a decarbonized society in the maritime industry. As a leading company in marine propulsion systems, we are working on the development of ammonia-dual fuel engines and related systems, including peripheral equipment such as fuel supply systems.



#### Digital Innovation

##### Development of Remote and Automated Cranes

Commercial operation of remote-controlled Transtainers has begun at Yokohama Port and Shimizu Port. With installing new remote-controlled Transtainers, conversion works are also underway to retrofit existing manually operated Transtainers into remote operation. Furthermore, we have received an order for remote-controlled Transtainers for Kobe Port and have started the design process. We are also applying this technology to cranes for steel plants, providing remote-controlled crane solutions.



## Top Message

To achieve sustainable growth,  
we will strive to become a company  
needed by customers and society  
through marketing and innovation.

President & CEO, Representative Director

Takeyuki Takahashi

Improvement in financial results and shift in corporate culture,  
I sense a positive response from using the rolling method.

mitsui e&s group announced a new mid-term business plan, "mitsui e&s rolling vision 2024" (rv2024) in august 2024. in a dramatically changing society, we experience huge shifts in our business environment over the fixed three-year period of a traditional mid-term business plan. this led to us adopting a rolling method, which involves reviewing our vision for the next three years annually. in fy2024, the first fiscal year of rv2024, we succeeded in producing results that surpassed our numerical targets for all indicators, including net sales and the operating income ratio, making a positive start towards achievement of our vision.

In initiatives on the finance front, we completed the acquisition and cancellation of all class A preferred shares in july 2024 and also converted some short-term borrowings to long-term borrowings, including significantly reducing interest-bearing debt. as a result, we succeeded in considerably reducing financial costs, put ourselves back in a very healthy financial position.



## Top Message

On the human resources front, we more or less completed revisions to our personnel system in FY2024. Initiated under Mid-Term Business Plan 2023, these revisions are aimed at organizational culture reform and employee awareness reform. The framework for selective training to develop next-generation business leaders, scheduled to start from FY2025, is also in place, and we are at the stage of putting finishing touches on personnel system reforms. I feel that with the adoption of the rolling method, employees have become more sensitive to changes in the external environment surrounding each business and a mindset of constantly monitoring external developments and trying to adapt accordingly is also starting to become more deeply rooted. This is a major change, and I think it is a result of the Rolling Vision.

I think we can say the Group has at last stabilized after a bout of severe turbulence. We now have to try transitioning from this level flight into a climb. This means continuing to grow sustainably. I believe this is our mission from FY2025.

### Driving growth through marketing and innovation

Under Rolling Vision 2025, we aim to achieve sustainable growth through further growth of core businesses and the expansion of new businesses. We have newly articulated the three words "Marketing," "Innovation" and "Well-being" to describe the approach we will value in our pursuit of growth.

Since becoming President, I have occasionally mentioned and stressed the vital importance of a "market-oriented approach." A "market-oriented approach" means accurately grasping customers' issues and expectations, which at the same time helps understand how to pick up on social issues. Currently, our use of monitoring and sensing technologies in our products gives us access to all kinds of information through the operating status of products. We will leverage our technological resources to offer solutions to customer problems and social issues identified based on this information. This is what we define as "innovation."

I believe this means moving beyond conventional technological development to combine business models and new schemes with technologies and crystallizing this into value, which we then provide to customers and society. Marketing and innovation are essential and vital for each other, and they demonstrate true value precisely when they work in tandem.

Another pillar that is extremely important as a foundation for growth is "Well-being." An environment in which individual employees are in good physical and mental health, giving them a positive attitude toward challenge, is precisely what generates creativity and productivity. I believe that it is organizations with happier employees who experience job satisfaction and take pride in their work that bring out the full potential of marketing and innovation and lead to sustainable improvement in corporate value.

We previously had a strong product-oriented mindset, believing that provided we made good products, they would sell. I intend to firmly entrench this new approach within the Company and realize a future where continued employee growth and corporate growth go hand in hand.

### Strengthening the foundations of our two core businesses for sustainable growth

Strengthening our core marine engine and port crane businesses to form a strong base is our first mission for achieving sustainable growth. Currently, the net sales of our marine propulsion systems business, which handles marine engines, are over 100 billion yen, while the logistics systems business, which handles port cranes, has net sales of around 60 billion yen. We aim to increase total sales of the two businesses combined to 200 billion yen. Amid the global trend toward decarbonization, the marine engine market is seeing a shift toward dual fuel engines that are compatible with new environmentally friendly fuels such as LNG, methanol and ammonia. To use these new fuels, new fuel supply facilities will be required. By independently developing such engine peripheral systems, we will expand the scope of the marine propulsion systems business through the development of new overseas markets and enhancement of our product lineup. Expanding business to include peripheral areas, while keeping engines as our core product, is a key strategy for strengthening the foundations of the marine propulsion systems business.

Our share of the overseas market for port cranes is less than 20%, and there is still considerable room for growth. Inquiries from the United States are continuing to grow, and we plan to increase productivity at our Oita Works to meet this demand. At the same time, we are building a local production scheme in Southeast Asia, which is a key market for us,

through the establishment of a production base in Vietnam, where demand is increasing at a particularly fast pace. By developing a supply structure that can meet strong demand, we will achieve steady business growth and strengthen the foundations of the logistics systems business.

### Creating a third pivotal business through new services focused on "soft" aspects

To achieve further growth, we need to build a new growth pillar, with our two core businesses as foundations, as quickly as possible. We have sown various seeds to achieve this goal, and these seeds are finally starting to produce shoots.

The drone inspection and maintenance service, which we launched on a small scale from FY2024, has already led to a number of orders. Initially, this was a solution developed for the inspection of port cranes, but there has also been a great deal of interest from business operators in other areas such as amusement parks and petrochemical plants. Application for the detection of signs of natural catastrophes such as landslides due to heavy rainfall is also being considered and the market is steadily expanding.

Launched in April 2025, our "FALCONs" service for hull fouling management is also currently in the validation stage, with several projects already off the ground. Likewise, in the area of port digital solutions, real-world projects are underway, and we are seriously nurturing each service as a burgeoning business.

Additionally, in a new initiative, we are developing a "proactive support" solution. Through the machinery we have delivered, we can obtain various types of data showing the status of this machinery, such as temperature and vibration data. We intend to offer a service that uses this data to gain an understanding of early fault signs and the optimal timing for parts replacement, and to make "proactive" proposals on the basis that machinery is likely to break down soon or parts will need replacing in a couple of months and so it is better to take action early. We intend to start offering the service for reciprocating compressors and then roll it out for all our products, including engines and cranes, and someday expand provision to compressors and turbines manufactured by other companies.

Until now, we were a company that specialized in providing "hard" aspects, but the initia-

tives highlighted here are all solutions that lean more toward "soft" aspects. By providing these solutions as recurring business, that is, services with customer engagement that continues after the point of sale, we intend to radically change our business model itself.

### Striving to become an innovative company that is indispensable to society

Our mission, "We build trust and contribute to society through our engineering and services" means being a company that continually solves customer problems and social issues. I think that, put another way, this means being a company that constantly generates innovation. To create new value, "diverse perspectives" combining various technologies and ideas are essential. We are, therefore, putting effort into securing and developing human resources with diverse backgrounds. When hiring, we actively hire mid-career professionals to incorporate the perspectives of human resources with different experiences. We also offer opportunities for employees to gain a wide range of experience through training and human resource development measures to encourage a broader perspective.

In addition, we also launched the "Best Idea Project (BIP)," an initiative where we call on employees to submit new business proposals. We are ready to actually invest in and commercialize outstanding ideas and accept any serious business plans that take factors such as the market, customers and funding into consideration. I myself look through all the proposals and give my assessment and comments. This initiative will be maintained going forward to create new businesses and also to cultivate an innovative culture within the company.

I believe that striving to become an innovative company will help us become a company that is indispensable to society.

Moving forward, I will continue accelerating initiatives to convince all stakeholders, including our shareholders, that MITSUI E&S is a company needed by society.

Please look forward to more from MITSUI E&S in the future.



# SECTION 01

## MITSUI E&S's Vision

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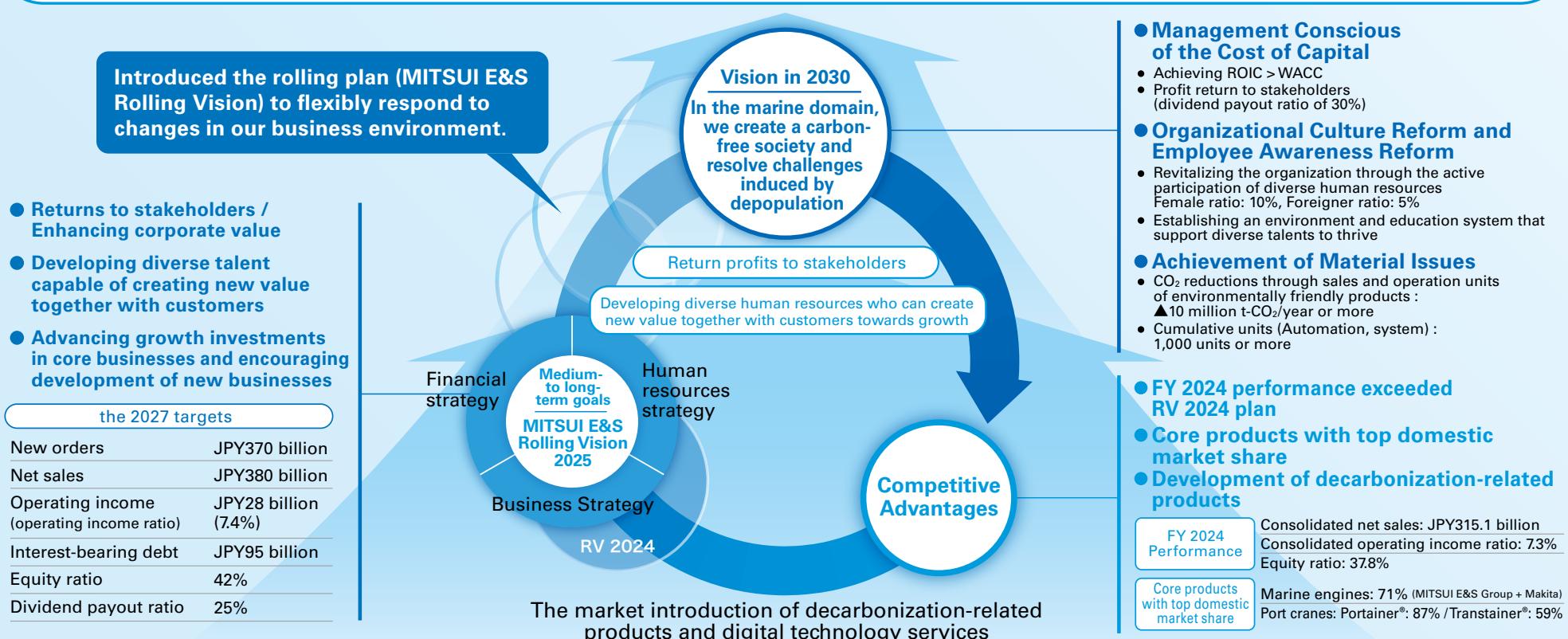
## Value Creation Process

# Contributing to solving social issues through the provision of engineering and services, while aiming for sustainable growth and enhanced shareholder returns.

The name of our company, "E&S," stands for "Engineering & Services for Evolution & Sustainability." By focusing on engineering and services aimed at societal evolution and sustainability, we strive to continuously enhance the corporate value of our group.

### Our mission

### We build trust and contribute to society through our engineering and services



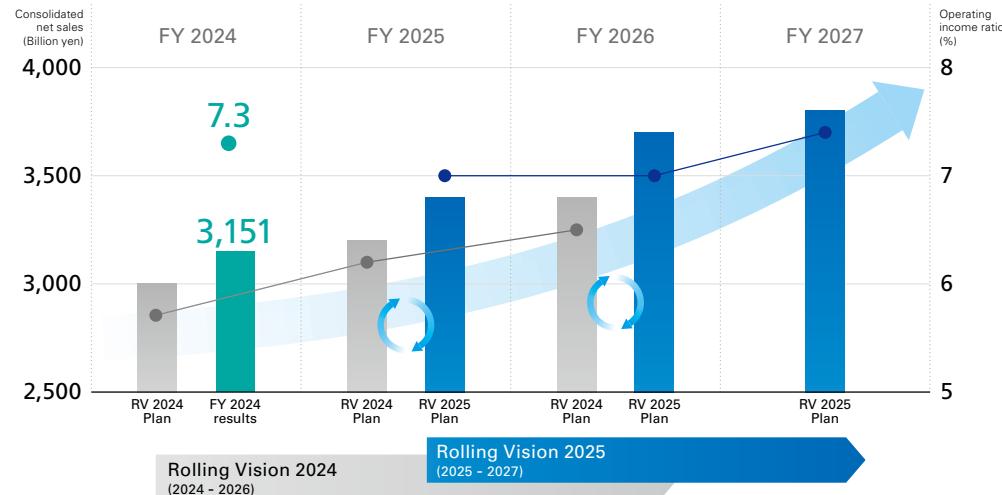
Endeavor to provide simple, unique and practical products and services

## MITSUI E&S Rolling Vision 2025

# Flexibly Responding to Changes in our Business Environment

## We update our targets for the next three years on a rolling basis every year.

Consolidated net sales    RV 2024 Plan    FY 2024 results    RV 2025 Plan  
 Operating income ratio    RV 2024 Plan    FY 2024 results    RV 2025 Plan



### Quantitative Targets

		FY 2024	FY 2027
Performance trends (consolidated)	Net sales	3,151 Billion yen (3,000 Billion yen)	3,800 Billion yen
	Operating income ratio	7.3% (5.7%)	7.4%
	Equity ratio	37.8% (37%)	42%
Performance indicators	ROIC *1	9.9% ( 6 % )	9%
	WACC *2	7.0% ( - )	-
	ROE	25.1% (24%)	11%
	Dividend payout ratio	5.2% ( 5 % )	25%

(\*1) ROIC=(Operating income - Total taxes) ÷ (Shareholders' equity + Interest-bearing debt (average at the end of the current and previous periods))

(\*2) WACC is calculated based on the stock price at the end of March 2025 (1,644 yen)

### Vision in 2030

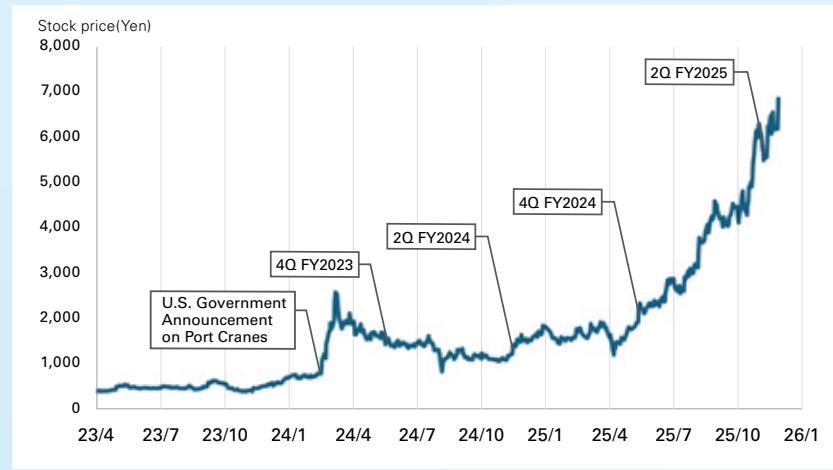
In the marine domain, we create a carbon-free society and resolve challenges induced by depopulation

- Cost of Equity and Cost of Debt Conscious Management
- Organizational Culture Reform and Employee Awareness Reform
- Achievement of Material Issues

### Stock Price and External Credit Ratings

With the recovery of business performance and the strengthening of our financial base, our stock price is on a steady upward trend, and we have received a long-term external rating of "A" for the first time. We will continue to achieve sustainable profit growth and target sustained enhancement of corporate value, while appropriately disclosing our progress to earn even greater trust from all stakeholders.

### Stock price trend



\*From Apr.1 2023 to Nov.30 2025

### Obtained Long-Term Issuer Rating of A-

In July 2025, we received a long-term issuer rating of "BBB+ (rating outlook:stable)," an upgrade of two notches, from Japan Credit Rating Agency, Ltd. (JCR). Furthermore, in December 2025, we received a new issuer rating of "A- (positive)" from Rating and Investment Information, Inc. (R&I). Both ratings comprehensively evaluated our strong earnings base, supported by the competitiveness of our core businesses — Marine Propulsion Systems and Logistics Systems — and the profit contribution of after-sales services; significant progress in improving our financial base; and our continued management that emphasizes financial discipline.

# Material Issues

Japan relies on maritime transport for over 99% (by weight) of its trade volume, and ships and ports occupy a crucial part of social infrastructure. Our core products, marine propulsion systems and port logistics systems, which hold a high market share domestically, contribute to addressing social issues in the maritime logistics field through environmentally friendly products, automation, and systemization.

## Material Issues 01

## Material Issues 02

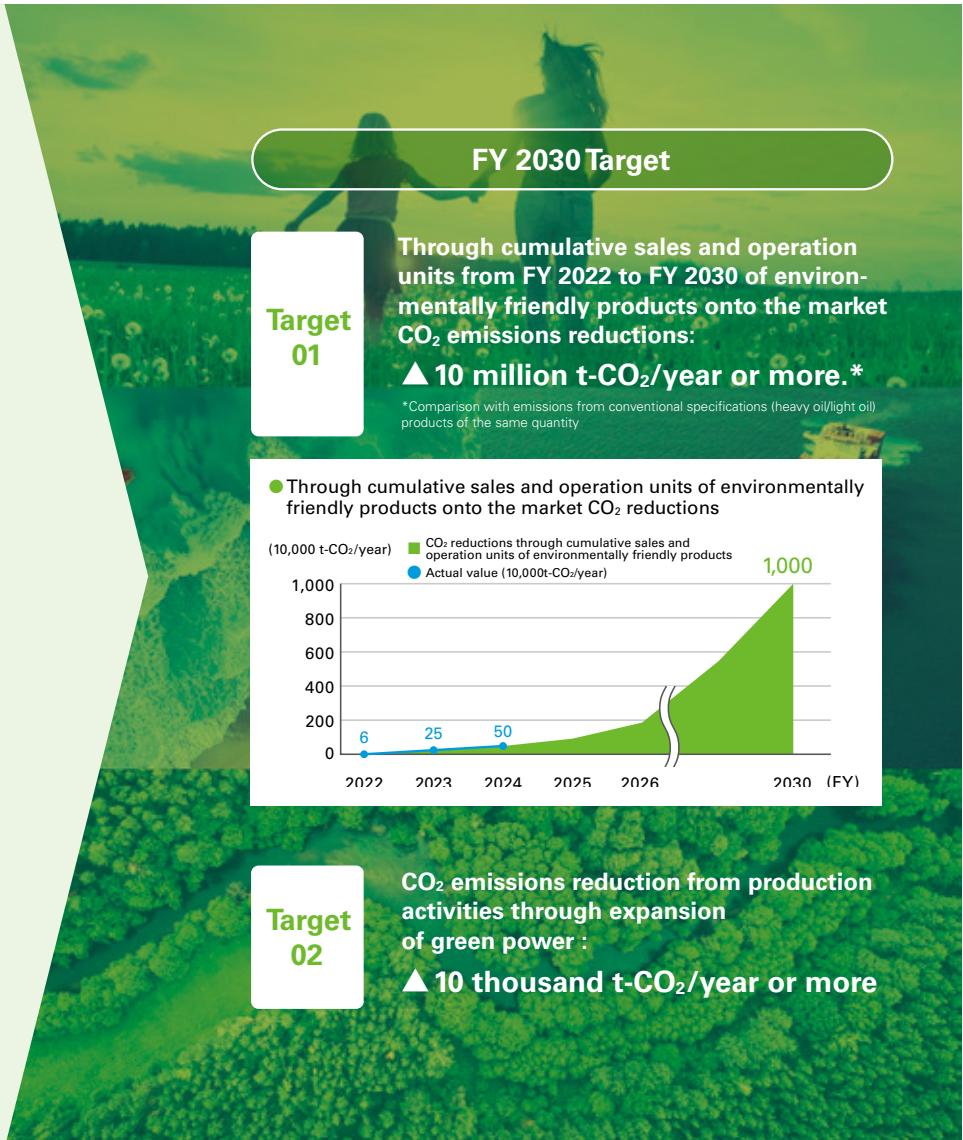
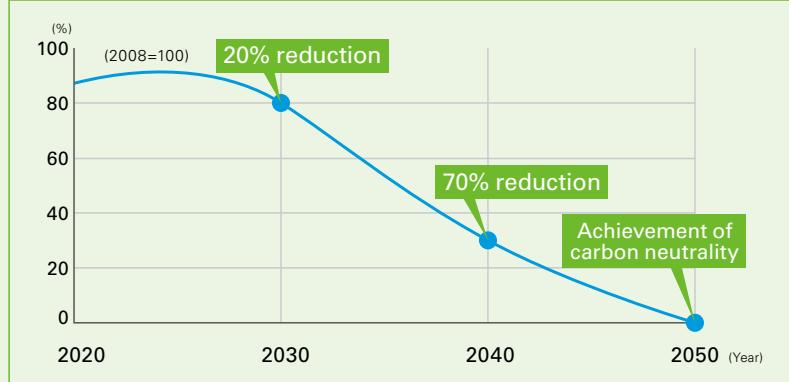
### Creating a decarbonized society



#### Social Background

In the global trend towards decarbonization, the International Maritime Organization (IMO), a United Nations agency, officially decided in July 2023 to set the goal of reducing greenhouse gas (GHG) emissions from international shipping to "net zero by around 2050." Also domestically, the Ministry of Land, Infrastructure, Transport and Tourism is promoting the formation of Carbon Neutral Ports (CNP) to contribute to the realization of a decarbonized society by considering decarbonization in ports. MITSUI E&S aims to achieve carbon neutrality as early as around 2050, and will continue to promote technological development and capital investment.

#### GHG emissions from international shipping and reduction targets



# Material Issues

## Material Issues

01

## Material Issues

02

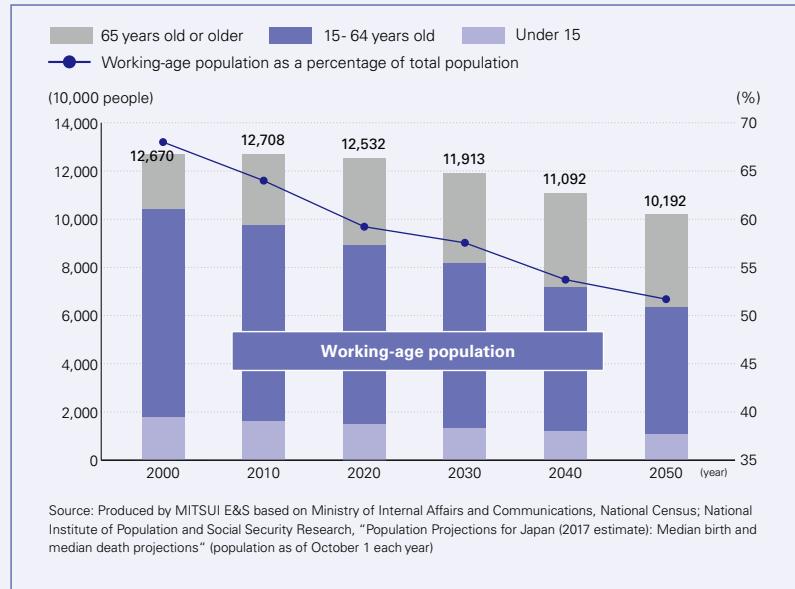
### Resolving issues of a society with a shrinking population



#### Social Background

Japan's total population is projected to drop below 100 million in the 2050s, with the working-age population set to drop to around 50% of the total population in the future. For this reason, to maintain production activities it will be necessary to promote the active participation of women, elderly people, and foreigner in society, further utilize artificial intelligence (AI), robotics and similar technologies, and pursue initiatives to automate tasks.

#### ● Change in Population Composition



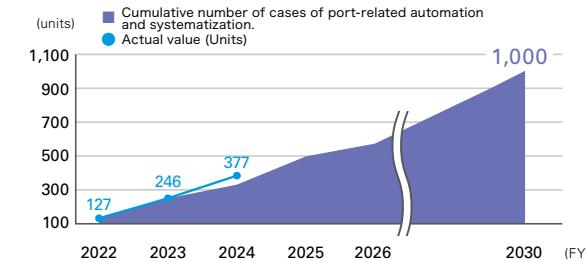
FY 2030 Target

Cumulative sales and operation units of port-related products automation and systematization from 2022 to 2030:  
1,000 units or more

Various systems such as remote control Transtainer®, remote control Portainer®, CTMS\*, etc.

\* Container Terminal Management System

#### ● Cumulative sales and operation units of portrelated products automation and systematization



## Message from Vice President

# Developing High Resolution Plans and Investing in Growth and Development, rebuilding Strength to become a Company with Future Dreams

Executive Vice President, Representative Director  
Assistant to the President, CFO\*<sup>1</sup>, CIO\*<sup>2</sup>,  
and in charge of Corporate Divisions.\*<sup>3</sup>

Taketsune Matsumura

\*1 CFO : Chief Financial Officer

\*2 CIO : Chief Information Officer

\*3 Corporate Divisions : Corporate Planning Dept., Accounting Dept., Finance Dept., HR & General Affairs Dept., and Legal Sect.



### A company-wide culture of envisioning the next three years in fine detail is taking root

Under the conventional approach of setting fixed targets for each three-year period, our mid-term management plans tended to become abstract. Meanwhile, our annual short-term plans required detailed target setting but did not fit our business well, as many of our products require lead times of two to three years. Furthermore, in today's rapidly changing economic environment, goals set three years ago can easily become outdated. Recognizing these challenges, we shifted to a rolling mid-term management plan updated every year. This allows us to track concrete, granular figures for the next one, two, and three years. This approach draws on the experience we gained when formulating the Business

Revival Plan in 2019. At that time, we thoroughly projected our P/L, B/S, and cash flow for 2025 and mapped out step-by-step actions backed by realistic numbers. In fact, the company's current position—having successfully completed the Business Revival Plan—closely resembles what we envisioned back then.

"Rolling Vision 2024," which carried forward this approach, has fostered a culture across the organization of envisioning the next three years with the clarity of a high-resolution color photograph. Moreover, because the very first year after shifting to the rolling approach showed positive momentum, we were able to raise the bar and update our targets, creating a constant sense of growth. I am also pleased that we achieved our emphasis on maintaining ROIC (Return on Invested Capital) above WACC (Weighted Average Cost of Capital).

## Message from Vice President

### Allocating 75% of cash flow to growth and development and 25% to shareholder returns and financial strength

In formulating “Rolling Vision 2025,” we thoroughly checked the consistency of all figures. When numbers changed at the end of the first year, we reviewed all other elements based on those figures to maintain coherence and prevent our outlook from becoming blurred. Wherever inconsistencies arose, we revised the plan repeatedly to ensure alignment. A key focus this time was to present a concrete picture of our growth stages. As financing options from financial institutions have become more flexible, we no longer need to retain excessive cash internally. We believe that what shareholders now expect is a clear demonstration of how we will reliably expand our core business through growth investments. Therefore, in “Rolling Vision 2025,” we disclosed a policy to allocate cash flow over the next three years in a 75%/25% balance—75% to growth and development investments, and 25% to shareholder returns and strengthening our financial base.

Investment directions for our core businesses include global expansion of engine-related equipment and cranes. In the marine propulsion systems business, we are investing in the development of ammonia-fueled marine engines and fuel supply systems. In the logistics systems business, we are progressing with investments in crane-transport vessel ownership/utilization and increased production capacity. We will gradually enhance shareholder returns as well. To support long-term shareholding, we implemented both a dividend increase and our first interim dividend in 32 years. We hope shareholders will experience growth together with us.

### Developing individuals and building a resilient organization with a talent strategy to foster a workplace where diverse and energetic people

We will continue the job rotation program for employees in their 5th to 10th year of service, adjusting timing flexibly to account for life events. The key is not simply changing one’s workplace but gaining experience in entirely different job functions. Taking on unfamiliar responsibilities enhances an individual’s ability to think and adapt. For host departments, preparing to welcome employees with no prior experience strengthens their ability to integrate mid-ca-

reer hires and foreign employees—improving organizational resilience. Thus, the rotation system enhances adaptability for both individuals and the organization. We are also promoting workforce diversity. The ratio of mid-career hires is rising, and talented people with experience in other industries are beginning to play active roles. We have also strengthened the recruitment of new graduates from overseas, and in FY2024, over 30% of our new employees came from abroad, gradually increasing the company’s international diversity. Regarding gender and nationality diversity, I believe many capable employees still have not been given sufficiently appropriate roles or positions. Therefore, our selective training programs for developing future management will continue to promote outstanding talent regardless of gender or nationality.

From a governance standpoint, we have begun reforming our Nomination and Compensation Committee. With an outside director serving as chair, we are advancing reforms including the development of future executive candidates and the review of outdated executive compensation systems.

### A sense of fulfillment in contributing to customers and society Employee well-being is an essential part of our evolution

Through after-sales services such as maintenance, we analyze on-site data to identify issues faced by customers and society. This is the “marketing” that our company aims for—and is an area where we already excel. Based on these insights, we develop and deliver products and services that solve these issues, visualize how effectively we solve them, and share and celebrate progress with stakeholders. This cycle of “marketing” and “innovation” is driven by people. Employee “well-being” is therefore essential to sustaining the company’s evolution, alongside creating a comfortable work environment. Equally important is building a style of work that allows us to empathize with customers and society—saying, “We’re glad we could solve this problem together.” By regularly assessing fulfillment and motivation through our engagement survey program, we are committed to building a culture where employees enjoy their work and embrace challenges—advancing our human capital management. We will continue to execute our high-resolution plans, strengthen our capabilities, and aim to become a company that can speak confidently of its global ambitions.

# SECTION 02

## FUNCTIONAL STRATEGIES

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## Financial Strategy

### Initiatives for FY 2024

## Stabilizing the Management Base and Achieving Positive Cash Flow

### Increase in Equity Ratio and Improvement in Current Ratio

In FY 2024, in addition to steady performance in our three core segments—"New Business Development," "Marine Propulsion Systems," and "Logistics Systems"—we recorded net income of JPY39.1 billion, partly due to gains from the sale of shares in affiliated companies. As a result, equity increased by JPY27.8 billion on the end of FY 2023 to JPY169.8 billion.

Furthermore, a portion of the funds from these share sales was allocated to the repayment of short-term borrowings in line with our financial strategy, reducing interest-bearing debt by approx. JPY64 billion compared to the end of FY 2023. Consequently, total assets decreased to JPY449.2 billion, while the equity ratio rose from 30.4% at the end of FY 2023 to 37.8%.

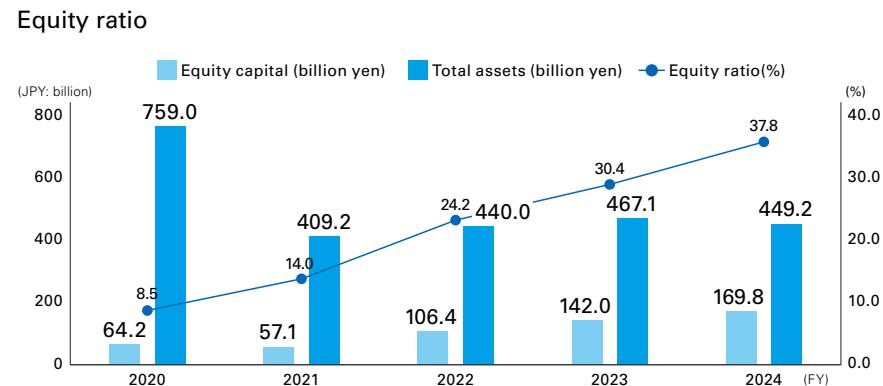
In addition, by refinancing a portion of short-term borrowings into long-term borrowings, the current ratio improved significantly from 79.6% at the end of FY 2023 to 119.4%, resulting in a steady enhancement of financial soundness.

### Positive Operating Cash Flow

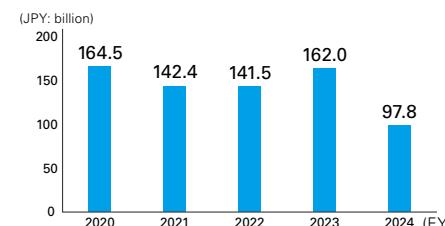
Driven by strong orders in our core businesses—Marine Propulsion Systems and Logistics Systems—, operating cash flow for FY 2024 turned positive at JPY14.9 billion, marking the first time we have achieved a positive result since completing our business revitalization plan in FY 2022.

Improving our profitability of main business by measures such as reforming the earnings structure and reducing financial costs by significantly cutting interest-bearing debt, we have restored soundness not only on a profit basis but also on a cash basis.

Looking ahead to the growth phase, we will continue to enhance our ability to generate funds by steadily increasing profits and strive to improve corporate value.



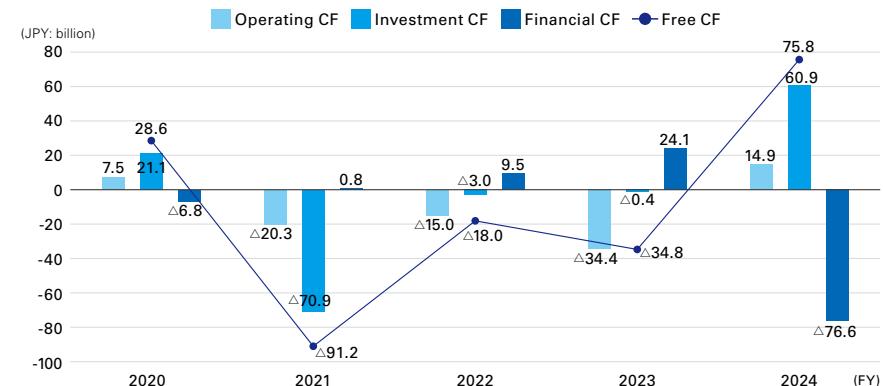
### Trends in interest-bearing debt



### Current ratio

	FY2023	2Q of FY2024	4Q of FY2024
Total current assets	223.2	223.8	239.6
Total current liabilities	280.4	193.0	200.8
Current ratio	80%	116%	119%

### Cash flow



## Financial Strategy

### MITSUI E&S Rolling Vision 2025

# Management Conscious of the Cost of Capital

## Numerical Targets

Last year, the Group formulated Rolling Vision 2024 as a medium-term business plan designed to flexibly respond to changes in the business environment and depict a path of continuous growth. In FY 2024, thanks to steady progress in core business projects and improvements in non-operating income and expenses, we achieved results that exceeded the planned figures of Rolling Vision 2024.

Based on the performance in FY 2024 and the current business environment, we have established Rolling Vision 2025 to ensure sustainable growth toward achieving our vision for 2030. Under this plan, we focus on further growth of our core businesses and expansion of new businesses, while making necessary business investments. From a management perspective that remains conscious of both the cost of equity and the cost of debt, we will continue to aim for a return on invested capital (ROIC) that exceeds the weighted average cost of capital (WACC). In addition, as part of strengthening shareholder returns, we have set a dividend payout ratio of 25% for FY 2027 and will further strive to enhance corporate value.

## Progress of Business Strategy and Focus Areas

### Marine Propulsion Systems Business

In February 2025, we began test operations of the world's first large low-speed dual-fuel engine and fuel supply system capable of running on ammonia. Various tests are being conducted to enhance safety and reliability, and we aim to introduce these engines and fuel supply systems to the market to promote the adoption of zero-emission vessels. Through these efforts, we will continue to contribute sustainably to the realization of a decarbonized society in the maritime logistics sector as a marine propulsion system supplier.

### Logistics Systems Business

In November 2024, we secured a major project in Vietnam and received an order for eight near-zero-emission rubber-tired gantry cranes for the Port of Long Beach in the United States, maintaining strong overseas order performance. Additionally, in April 2025, we began operating the crane transport vessel "YAMATO." By effectively utilizing this transport vessel and expanding production capacity, we will strengthen the global market development of our crane business.

### New Business Development

In growth businesses that promote new products and services in adjacent areas of our core operations, we received an order in October 2024 for Japan's first high-pressure, high-flow reciprocating compressor for offshore hydrogen stations. We will continue to focus on developing new products and services with decarbonization in mind. Furthermore, we are working to expand business in maintenance services through advanced digital technologies, including hull fouling management services, drone-based inspection services for port cranes, and operational efficiency improvements for port terminals.

## Rolling Vision 2025 Numerical Targets (@May 2025)

(The numbers in brackets are RV2024)

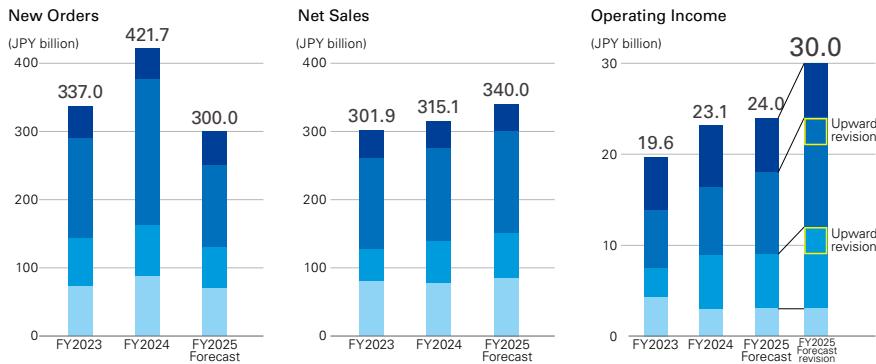
		FY 2024	FY 2025	FY 2026	FY 2027
Performance trends (consolidated)	Net sales	315.1 billion yen (300.0 billion yen)	340.0 billion yen (320.0 billion yen)	370.0 billion yen (340.0 billion yen)	380.0 billion yen
	Operating income ratio	7.3% (5.7%)	7.0% (6.2%)	7.0% (6.5%)	7.4%
	Equity ratio	37.8% (37%)	39% (39%)	40% (40%)	42%
Performance indicators	ROIC *1	9.9% (6%)	9% (8%)	9% (8%)	9%
	WACC *2	7.0% (-)	- (-)	- (-)	-
	ROE	25.1% (24%)	11% (10%)	11% (10%)	11%
	Dividend payout ratio	5.2% (5%)	15% (15%)	20% (20%)	25%

(\*1) ROIC=(Operating income – Total taxes) ÷ (Shareholders' equity + Interest-bearing debt (average at the end of the current and previous periods))

(\*2) WACC is calculated based on the stock price at the end of March 2025 (JPY1,644)

## Performance Trends of the Three Core Business Divisions

■ New Business Development ■ Marine Propulsion Systems ■ Logistics Systems ■ Peripheral Businesses Others



## Focus Areas of the Three Core Business Divisions

Core Businesses	Marine Propulsion Systems	Development of ammonia-fired engines and peripheral equipment	Contributing to the realization of a carbon-neutral society through the development of new fuel engines and peripheral equipment
		Enhancement of dual-fuel engine facilities	Strengthening the supply system by investing in commissioning-related equipment
		Strengthening the parts-related business	Strengthen the maintenance and inspection-service business by investing in parts production facilities and utilizing overseas subsidiaries
New Businesses	Logistics Systems	Ownership and utilization of a crane-transport vessel	Contributing to the global expansion of our cranes, including the U.S. and Southeast Asia, and improving transportation efficiency
		Expansion of crane production capacity	Expand and strengthen the maintenance and inspection-service business of industrial machinery products
New Businesses	New Business Development	Expand the maintenance and inspection-service business	Development of new services such as Drone Inspection Service, Hull Fouling Control, Digital Solutions for Marine terminal, etc.
		Creation of businesses as the third pillar	Development of new services such as Drone Inspection Service, Hull Fouling Control, Digital Solutions for Marine terminal, etc.

# Financial Strategy

## Cash Flow Allocation

**While enhancing the soundness of our financial position, we will invest in growth for sustainable growth and promote returns to shareholders.**

We will advance cash allocation that contributes to sustainable growth and the improvement of corporate value. Approx. 75% of cash will be allocated to investments to grow our business, such as investments to strengthen core businesses and expand into global markets, as well as to develop businesses, including the expansion and reinforcement of maintenance services. In addition, we will allocate resources to talent development activities and investments in human capital.

Furthermore, while strengthening our financial foundation, we will also provide returns to shareholders to encourage long-term investment. In addition, taking account of market conditions and our financial position, we will conduct rolling reviews each fiscal year and reassess our cash allocation.



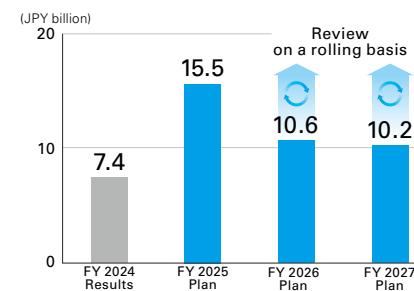
## Capital Investment and R&D Plan

**We will invest in facilities and research and development to strengthen our production system and expand our business.**

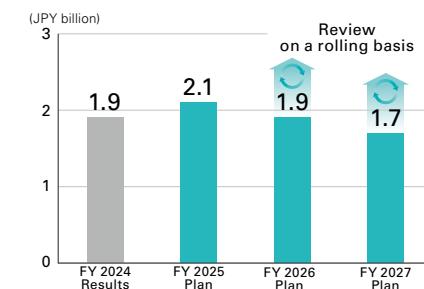
The MITSUI E&S Group actively promotes research and development aimed at enhancing product competitiveness and expanding business, with a focus on our core businesses: Marine Propulsion Systems and Logistics Systems. In terms of capital investment, we are implementing measures such as increasing facilities for dual-fuel engines, expanding component production equipment, boosting crane production capacity, and updating existing facilities.

In the Marine Propulsion Systems field, we are working on development toward the commercialization of ammonia-fueled engines and fuel supply systems. In the Logistics Systems field, we are developing functions for remote automation technology for cranes. In the New Business Development field, we are advancing technologies that contribute to labor-saving and efficiency through the digitalization of port operations.

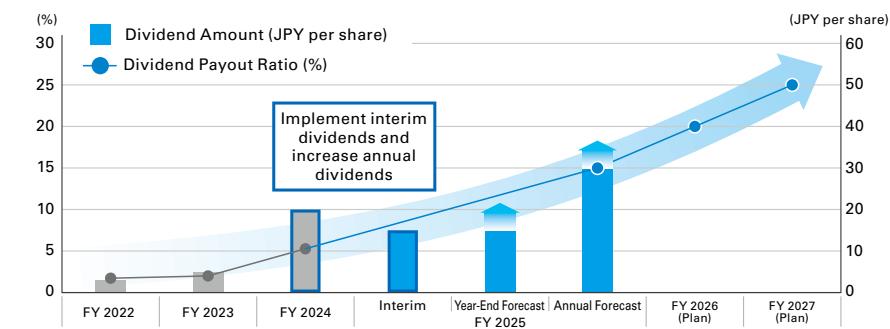
### Capital Investment Plan (Consolidated)



### Research and Development Investment Plan (Consolidated)



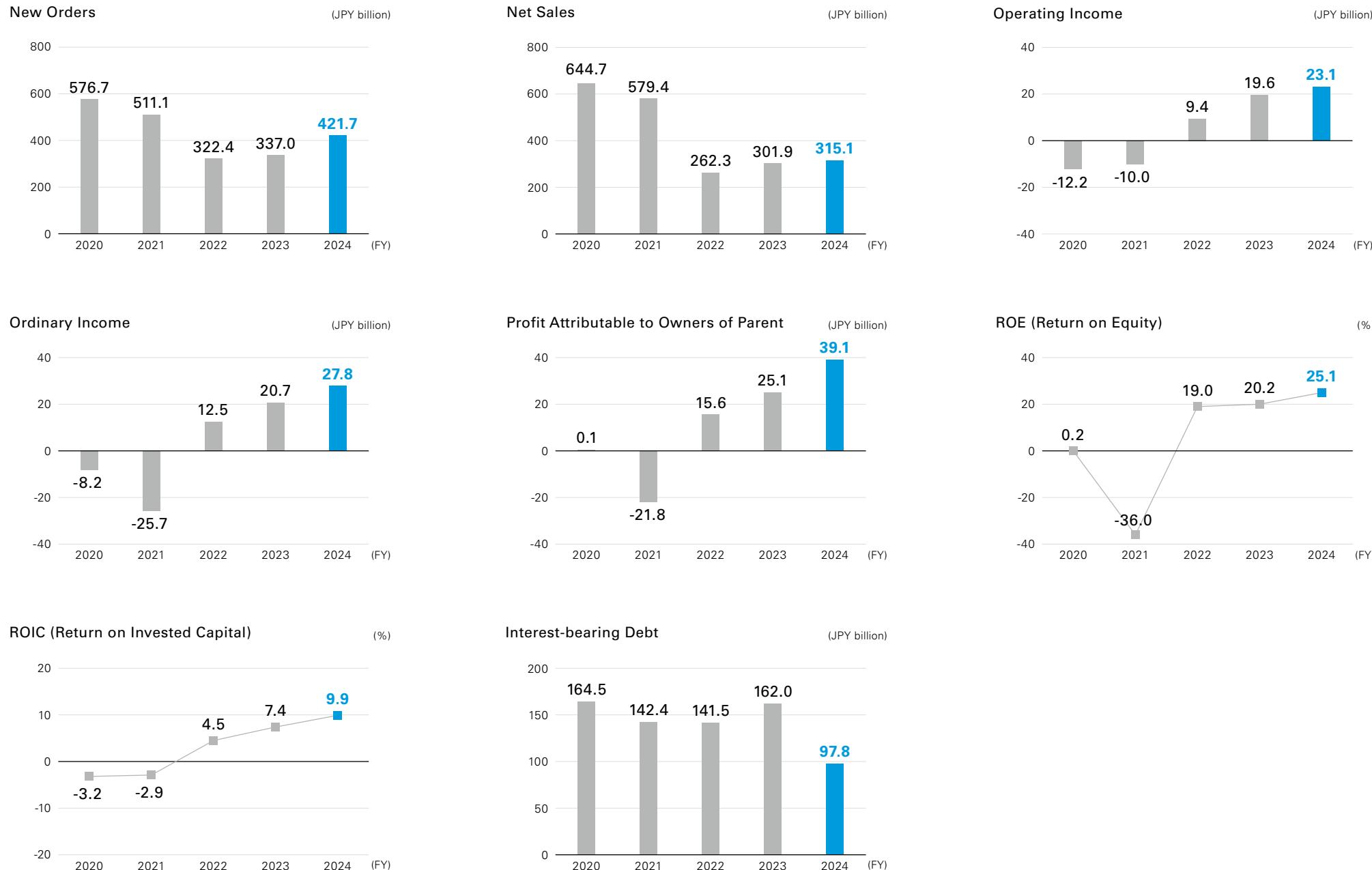
## Transition of Dividend Payout Ratio



## Dividend Policy

Our basic policy for profit distribution is to enhance returns to shareholders while comprehensively evaluating capital expenditures and investments in research and development for business development, and the strengthening of our financial base through the enhancement of shareholders' equity. Under this policy, we paid an interim dividend for the first time in 32 years during FY 2025. Regarding the year-end dividend, the amount is currently "to be determined" with an increase in mind from the initial annual dividend forecast of 30 yen per share in line with the upward revision of the financial results forecast for FY 2025. Going forward, we will implement our growth strategy aiming for increasing dividends gradually and continuously, and will enhance corporate value.

## Financial Highlights



ROIC (through FY 2023) = (Operating income + Interest income + Dividend income) ÷ (Shareholders' equity + Interest-bearing debt (average at the end of the current and previous periods))  
 ROIC (for FY 2024 and beyond) = (Operating income - Total taxes) ÷ (Shareholders' equity + Interest-bearing debt (average at the end of the current and previous periods))

## Human Resources Strategy

# Fostering Diverse Workforce that Drives Innovation with Customers, Cultivating a Dynamic Work Culture, and Aiming for Sustainable Growth through Adaptability to Environmental Changes

To achieve evolution and sustainability during this period of transformation, we recognize that it is essential to have mechanisms within the organization that promote diversity and generational change. Going forward, we will also enhance employee well-being and pursue human capital management that fosters a culture where employees enjoy working and embrace challenges.

### The Human Resources and Organizational Culture We Aspire To

#### Organizational Culture

- A sense of organizational unity, and a perspective of comprehensive optimization across the organization
- Reform-oriented approach based on an absolute evaluation with the future vision as a goal
- Emphasis on capturing detailed customer needs and on swiftly responding to them



#### Ideal Talent Profile

- Go beyond the existing framework to identify and address latent customer needs
- Continuously acquire new knowledge and experience that contribute to the company's growth
- Have a broad interest in social trends and appropriately recognize changes in the business environment



### Overview of the Human Resources Strategy

#### External Environment

- In a society with a shrinking population, the fluidity and diversity of human resources will continue to advance
- Significant and rapid changes in the management and business environment will continue
- Employees with diverse values and skills will coexist

#### Internal Environment

Achieving sustainable growth while adapting flexibly to environmental changes

#### Strategy 1

Promoting Diversity in Human Resources

#### Strategy 2

Responding to Workforce Fluidity

#### Strategy 3

Investing in Human Resources and Work Environment

## Strategy 1: Promoting Diversity in Human Resources

As part of the functional strategy vision under Rolling Vision 2025, we have set forth the goals of “Revitalizing the organization through the active contribution of diverse talent” and “Creating an environment and educational system that enables diverse talent to thrive.”

### Indicators and Current Status of Internal Workforce Diversity

To measure the diversity of our internal workforce, we have set indicators for the proportion of female and foreign nationals in the following categories: number of managers, total number of employees, and number of new technical graduate hired. Although we have not set quantitative targets, we are actively working to strengthen mid-career recruitment and expand initiatives that leverage talent of those from non-technical backgrounds.

		Female Employee Ratio (MITSUI E&S only) (%)			
		FY2024	FY 2025 (Actual)	FY 2026 (Plan)	FY 2027 (Plan)
Management positions		3.2	3.9 (4.0)	4.0	4.2
Overall employees		7.4	7.7 (8.0)	8.0	8.6
Hiring ratio	New graduate technical positions	7.4	13 (7)	13	13
	Mid-Career hire	16.9	10	10	10

		Foreign Employee Ratio (MITSUI E&S only) (%)			
		FY2024	FY 2025 (Actual)	FY 2026 (Plan)	FY 2027 (Plan)
Management positions		0.3	0.6 (0.6)	0.8	0.8
Overall employees		1.9	3.2 (3.2)	3.5	4.0
Hiring ratio	New graduate technical positions	29.6	3 (29)	7	7
	Mid-Career hire	1.4	3	5	5

### Initiatives for Diversity

To expand opportunities for employees to succeed regardless of nationality or gender, MITSUI E&S Co.,Ltd. (the Company) promotes the exchange and sharing of views through initiatives such as roundtable discussions with outside directors which help improve motivation and create a rewarding and supportive work environment.

#### ① Dialogue Between Female Outside Directors and Employees

As part of our initiatives to support the active participation of female employees, we hold roundtable discussions between female outside directors and all female employees of the Company. These sessions provide opportunities to exchange opinions on topics such as career development, work styles, and balancing work and family life. Through the voices of individual employees, these discussions serve as a valuable opportunity for directors to hear perspectives on “how women can thrive within the Company.”



#### ② Dialogue Between Foreign Outside Directors and Employees

As part of our efforts to promote diversity and expand opportunities for engagement, we held a roundtable discussion between foreign outside directors and employees. Members with diverse backgrounds shared perspectives on the Company's strengths and culture, respect for diversity, and the company's commitment to supporting individual challenges. Through the voices of each foreign national employee, this dialogue became a valuable opportunity to envision the future of the Company.



### Initiative

#### Initiative 1: Further Strengthening of Career (Mid-Career) Recruitment

- To increase the number of mid-career hires, we have expanded the planned recruitment numbers from the initial planning stage.
- We have redefined mid-career recruitment has been changed from the traditional approach of “replacing retirees” and “hiring individuals with specific skills and experience” to “acquiring talent essential for the Company’s revitalization and growth.”
- In each fiscal year’s recruitment plan, we have raised the proportion of mid-career hires and will continue to systematically and consistently promote an increase in the proportion of mid-career employees within the Company.

#### Initiative 2: Expanding the Utilization of Humanities Graduates

- We have revised our approach from the traditional belief that “technical positions must be filled exclusively with science or engineering graduates.” By carefully reviewing the knowledge, experience, and skills required for each technical role and thoroughly examining the academic background and interests of humanities applicants, we are enabling effective matching of humanities applicants to technical positions.
- Furthermore, recruitment under this initiative has commenced as part of activities for the new graduate hiring in FY 2026.

#### Initiative 3: Continuous Expansion of Talent Acceptance from Overseas Subsidiaries

- Since November 2023, we have begun accepting employees and are gradually expanding the number of departments and employees involved.
- We are enhancing support measures, applying the same evaluation system as for regular employees, and promoting development from a medium- to long-term perspective.
- We are providing Japanese language courses and opportunities to take the Japanese Language Proficiency Test (JLPT), along with financial assistance on related expenses. Additionally, we offer opportunities to learn about Japanese culture, daily life rules, and customs to support living in Japan.

Transition of Acceptance Results

End of FY 2023	2 departments 4 people
End of FY 2024	2 departments 19 people
End of First Half FY 2025	8 departments 29 people

## Strategy 2: Responding to Workforce Fluidity

### Vision

- Maintain the delivery of value with our distinct identity and consistency.
- Build an organization resilient to workforce fluidity.

### Initiative

#### Initiative 1: Review of the Training Framework in Line with the Human Resource Development Policy

##### Human Resource Development Policy

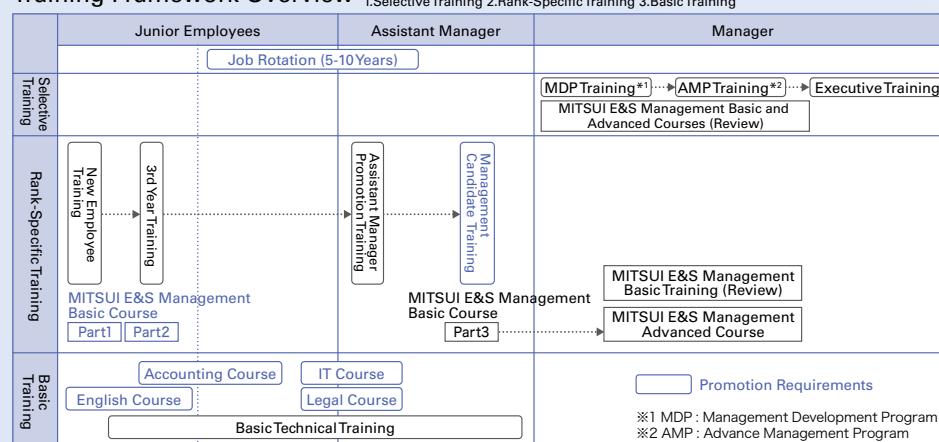
- Clearly communicate and share the Company's purpose, values, and systems with employees.
- Support the development of a high-level perspective across management and business operations, a broad outlook based on diverse experience that is not limited to a single field of expertise, and the acquisition of fundamental business literacy.
- Develop the capabilities of all employees, from new hires to management, to perform effectively.

##### New Training Framework

- Organize and create educational materials outlining the Company's core purpose, values, and systems that employees should be aware of.
- Plan selective training programs for the development of future management talent.
- Define skills requirement and restructure training programs for each rank.
- Launch in-house management courses designed to develop talent with both specialized expertise and managerial perspective.
- Provide learning opportunities for essential business literacy (English, accounting, IT, legal affairs). (Start from July 2025 onward.)

#### Training Framework Overview

Three Pillars of Our Training Framework:  
1. Selective Training 2. Rank-Specific Training 3. Basic Training



##### Pick up Selective Training

- This is a training program aimed at developing executive leaders within the MITSUI E&S Group. Through selective training, we create a pool of potential executive candidates and foster their awareness and willingness to take on challenges as future leaders. Additionally, the program aims to broaden and elevate participant's perspectives, acquire methods for conducting discussions that lead to higher-level solutions, and master the ability to move between abstract and concrete thinking.

##### Pick up MITSUI E&S Management Basic and Advanced Courses

- We developed and launched two in-house management training programs.
- One is the Basic Management Course, which aims to help participants learn the purpose and values that shape the Company's identity, as well as the fundamentals of being a working professional and the structure of our corporate management.
- The other is the Advanced Management Course, which aims to developed understanding of standard management concepts and frameworks.

#### Initiative 2: Improvement of the Job Rotation System

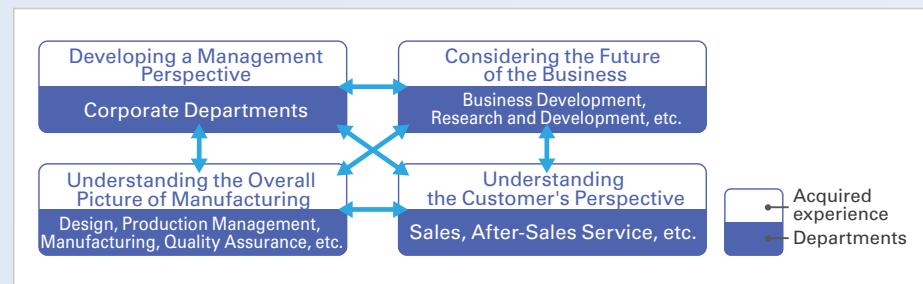
##### Purpose

- To provide opportunities to broaden perspectives and expand viewpoints through experience in other departments, we are implementing a rotation program for employees in their 5th to 10th year after joining as new graduates.
- Providing employees with opportunities to gain the following types of experience through this rotation.

##### Implementation Results

FY 2023	25% of the target group
FY 2024	20% of the target group
FY 2025	Planned transfers for approx. 20% of the target group

##### Examples of experiences gained through the Job Rotation System



## Strategy 3: Investing in Human Resources and Work Environment

We define well-being as "a state in which employees feel a sense of fulfillment in both their work and daily lives, and actively contribute to the harmonious advancement and sustainability of society." Through the implementation of engagement surveys, we are able to regularly assess employees' sense of fulfillment and motivation to contribute. We aim to further promote employee well-being by enhancing necessary support measures as well as improving work and living environments.

### Initiative

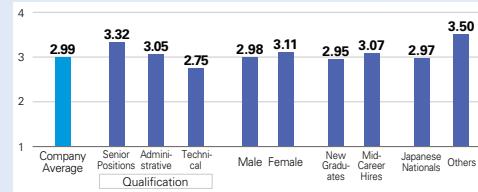
#### Initiative 1: Implementation of the Company-Developed Engagement Survey in September 2025

With the aim of contributing to the harmonious advancement and sustainability of society and the MITSUI E&S Group, we will conduct engagement surveys to regularly assess employees' understanding of our management plans and human resources and training systems, as well as their sense of fulfillment at work and motivation to contribute to society.

##### Engagement Survey Result

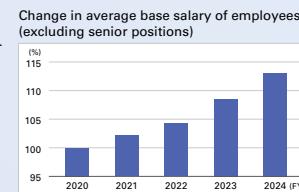
Respondents were asked to choose one of the following four options to measure engagement, and the weighted average of the raw scores was used as the engagement score.:

- 4: Strongly agree
- 3: Somewhat agree
- 2: Somewhat disagree
- 1: Strongly disagree



#### Initiative 2: Improving Employment Terms and Working Conditions

- As a result of continuously implementing salary increases and wage improvements, the average basic salary over the past five years has gradually increased. (This includes some fluctuations due to changes in personnel composition.)
- In line with the implementation of the new personnel system on April 1, 2023, the wage system was revised to raise salary levels for younger employees in general positions and for organizational managers.
- In conjunction with the increase in the mandatory retirement age effective April 1, 2024, the salary levels for employees aged 60 and above were raised compared to the previous continuous employment system. Additionally, a new team leader allowance has been established for team leaders among skilled employees.
- From April 1, 2025, we implemented our first-ever wage increase that exceeds labor union demands, raising the salary levels for management positions, and significantly increasing starting salaries based on educational background.



#### Initiative 3: Creating a Supportive Work Environment

In creating a supportive work environment, we set quantitative targets under the General Employer Action Plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children and the Act on Promotion of Women's Participation and Advancement in the Workplace, and continue to implement initiatives through both the introduction of various systems and improvements in their operation.

##### ① Childbirth and Childcare Support

- We are also actively promoting paternity leave, and in the FY 2024, we achieved a 95.8% paternity leave uptake rate.
- From April, 2025, we introduced a new 'Life Support Leave' to cover medical consultations and examinations related to infertility treatment.
- From October 2025, we introduced 'Childcare Work-Life Balance Support Leave' as a new childcare support measure.

Various Support Systems	<input type="checkbox"/> Life Support Leave <input type="checkbox"/> Paternity Leave (leave when a spouse gives birth) <input type="checkbox"/> Childcare Leave	<input type="checkbox"/> Shortened Working Hours for Childcare (flex-time system also applicable) <input type="checkbox"/> Nursing Leave (leave to care for sick or injured child) <input type="checkbox"/> Childcare Work-Life Balance Support Leave
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##### ② Caregiving Support

Caregiving Support Program	<input type="checkbox"/> Caregiving Leave <input type="checkbox"/> Shortened Working Hours for Caregiving (flex-time system also applicable) <input type="checkbox"/> Nursing Leave
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##### ③ Housing Support

We plan to enhance support measures tailored to individual lifestyles and invest in these initiatives.

Renewal and Review of Single Employee Dormitories and Company Housing
Introduction of a Rent Subsidy Program
Utilization of Existing Programs;
• Employee Asset-Building Savings Program
• Home Loan Interest Subsidy System
• Rented Dormitories and Company Housing (at some branches and offices)

##### ④ Senior Participation Support

Raising the Retirement Age to 65 effective April 1, 2024
From the age of 60 onward, we have clearly defined new roles that leverage employees' extensive knowledge and experience, focusing on mentoring younger generations to accelerate their development as early contributors, as well as providing support, guidance, and assistance in driving the organization's mission.

##### ⑤ Other Work, Leave, and Holiday Systems

We have established systems related to work, leave, and holidays to enable employees to make effective use of their limited time and achieve a well-balanced and productive work style.

##### Work and Leave Policies

Telecommuting system	Employees who can work outside the company can work from home or at a place designated by the company if necessary.
Flexible Working Hours System	Employees determine working hours by themselves to perform their work efficiently
Setting Long-Term Holidays	Setting consecutive holidays of 5 days or more during Golden Week, summer, and the year-end/New Year period
Annual Leave	All employees are eligible for 22 days of annual leave per year from the first year of employment
Leave for Refreshment	Up to two consecutive weeks of special leave and assistance payments for every 10 years of employment
Memorial Leave	Promote planned use of at least 5 days of leave per year
Promotion of Annual Leave Utilization	Encouraging the taking of at least one day off per month, setting designated days for annual leave utilization
Half-day Leave	Employee can take half-day leave instead of full one day in using annual leave
Hourly annual leave	Up to 2 days of annual leave can be taken in units of 1 hour
Accumulated Annual Leave	Accumulated expired annual leave can be used as paid leave for newly designated purposes such as follow-up medical examinations, comprehensive health check-ups, and participation in school events.

##### General Employer Action Plan: Goals and Initiatives (Example from MITSUI E&S)

Based on the Act on Advancement of Measures to Support Raising Next-Generation Children, we have formulated a General Employer Action Plan to help employees balance work and childcare. The goals and details of these initiatives are published on the Company Website.

## Message from Director

# Growing in the global market by generating company-wide synergy across divisions as one company

Director  
Assistant to President,  
and in charge of Marine Propulsion Systems Div. and Logistics Systems Div.

Ichiro Tanaka



### Boosting production facilities to meet increased order intake for dual-fuel engines

In fiscal 2024, our three main business segments performed steadily, resulting in profit growth that surpassed our initial forecasts. We believe this performance has been positively received by our stakeholders. Moving forward, we will continue to drive sustainable growth by focusing on our two core businesses. By leveraging "Green" and "Digital technology" as key drivers, we aim to realize our corporate vision: "Creating a decarbonized society" and "Resolving issues of a society with a shrinking population."

In the marine propulsion systems business, one of our core business, we are receiving a high volume of inquiries for engines with LNG and methanol, which offer lower CO<sub>2</sub> emissions, driven by the global decarbonization trend. The proportion of dual fuel engines manufactured at our factories has been increasing year by year. To meet diverse customer needs,

we have equipped our facilities to handle all kinds of fuel supply systems and anticipate continued growth in demand. Furthermore, we are currently working toward the commercialization of ammonia-fueled engines. In February 2024, we successfully conducted the world's first ammonia-fueled commercial engine test at our Tamano Works.

The shipbuilding industry is gaining significant attention from the perspective of economic security. The Japanese maritime industry has set a target to double the domestic shipbuilding volume by 2035. To capture this demand, our major mission is to enhance productivity and secure sufficient production capacity in our factories. Since Mitsui E&S DU joined our group in April 2023, we have established a double license structure featuring both Everlence (formerly MAN Energy Solutions) and WinGD. By integrating the operations of the Tamano Works and the MITSUI E&S DU's Aioi Works, we are building a flexible production system for both licensed engines. We aim to maximize productivity, expand production capacity, and ensure a stable supply to the market.

## Message from Director

We are also expanding into new markets. Dual-fuel engines involve more sophisticated fuel supply systems compared to conventional heavy fuel oil engines. We own TGE Marine Gas Engineering GmbH (TGE), a Germany subsidiary with superior technology in gas handling systems for LNG and other liquefied gases. By leveraging synergies with TGE, we offer integrated engine and supply system packages, while expanding these systems in global markets.

### Driving worldwide market expansion for port cranes through establishing a global manufacturing structure and superior environmental performance

The other core business, the logistics systems business, will accelerate its expansion into the global market, targeting the United States and Southeast Asia, where demand is increasing. In Southeast Asia, one of our main markets, we will particularly focus on Vietnam, where significant demand is expected.

Enhancing production capacity is an urgent priority for this division as well as marine propulsion systems division. While utilizing our Oita factory as a "mother factory" to drive productivity, we are establishing a local production structure in Vietnam to effectively meet regional demand. In April 2025, we acquired the crane carrier "YAMATO" dedicated to the specialized transportation of MITSUI E&S's port crane products. This has long been a dream of ours, and it now enables us to implement stable and flexible transportation schedules.

Addressing decarbonization is an essential challenge—not only for environmental perspective but also for maintaining the competitiveness of ports. We have been early adopters of environmental initiatives, providing clean cargo handling equipment such as hybrid and electric cranes. In May 2024, in collaboration with our U.S. subsidiary PACECO Corp., we launched the world's first commercial operation of a hydrogen fuel cell-powered Rubber-Tyred Gantry crane (RTG) at the Port of Los Angeles. This is a joint demonstration project with the New Energy and Industrial Technology Development Organization (NEDO), and we have already achieved better-than-expected fuel efficiency results in actual cargo handling operations. Furthermore, in Japan, we have conducted operational demonstration at the Ports of Tokyo and Yokohama to retro-fit existing Transtainers with hydrogen fuel cell power

packs, and at the Port of Kobe using hydrogen engine generators. Having moved past the demonstration phase, we believe we are finally entering the stage of full-scale commercialization.

### Driving Global Growth: New Customer Services through Digital Innovation and Cross-Divisional Synergy

After-sales service is one of our key strengths that sustains our core business. We often receive feedback that "MITSUI E&S products can be used with peace of mind." Going forward, we will evolve this into a more proactive and customized service by leveraging digital technology to monitor the operation and performance status of delivered products. By utilizing this data, we aim to provide maintenance at the most appropriate timing and offer services that stop accidents from happening, ensuring we provide services that suit customer's every need. Furthermore, this data and information are being utilized to develop new solutions. Data allows us to identify customer requirements and challenges. One new solution developed through such a marketing perspective is our hull fouling management service FALCONs. This service identifies the optimal timing and location for cleaning hull fouling, leading to improved fuel consumption of a ship. Through repeated dialogue with customers regarding their concerns about hull fouling, we developed this solution by integrating it with our in-house engine monitoring service. In the logistics systems business, we offer Container Terminal Management Systems (CTMS), which control operations such as the loading and unloading of containers at ports. We are further expanding this service and have begun demonstrations of digital solutions that utilize Artificial Intelligence (AI) to optimize terminal operations.

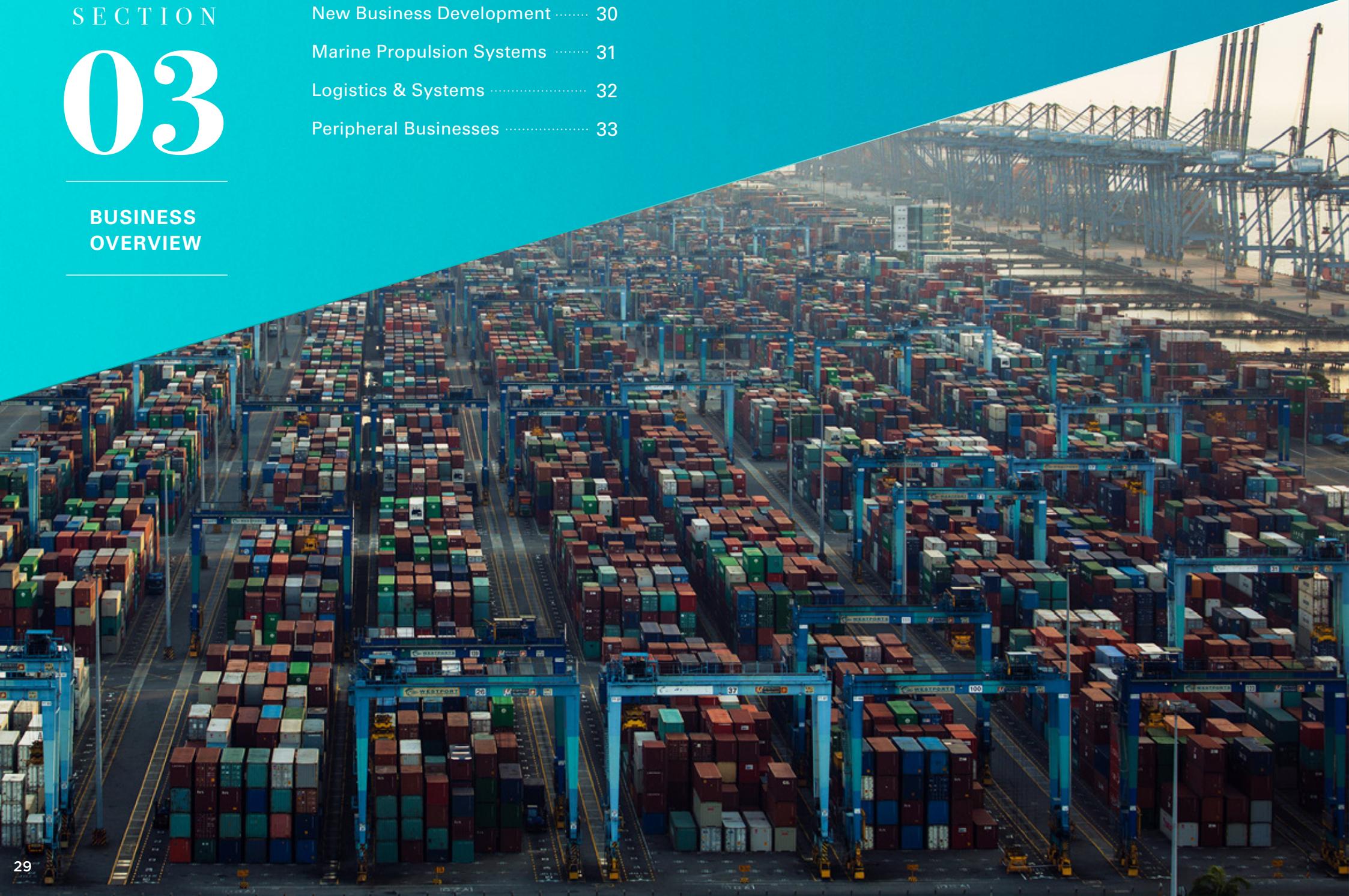
For our company to achieve sustainable growth, expanding our business into the global market is essential. In our marine business, which has primarily focused on the domestic market until now, we are considering a full-scale entry into the global market, including the sale of systems and components. We believe that the extensive knowledge and experience of our Logistic Systems business, which is already operating in global markets, will be highly valuable in this endeavor.

While strengthening each individual business, we are also working to enhance synergies across business boundaries and are committed to providing new services and solutions.

# SECTION 03

## BUSINESS OVERVIEW

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# New Business Development



## Main products and services

- Industrial Machinery
  - Compressors
  - Gas Turbines
  - Blowers
  - Process Equipment
- After-Sales Services for Various Equipment
- New Digital Solution
  - Inspection Management System
  - Drone auto flight routes creation application
  - Fouling Advanced Lifecycle Control Service

## Business Activities

We are expanding into growth businesses (new markets and new ventures) that follow our core businesses. Leveraging our experience in the industrial machinery sector, we aim to supply products to markets focused on energy transition and reducing dependence on fossil fuels, such as hydrogen supply facilities and SAF (Sustainable Aviation Fuel) production and create new digital businesses in the marine field, additionally, increase the added value of industrial machinery products using digital technology and strengthen and expand our maintenance business.

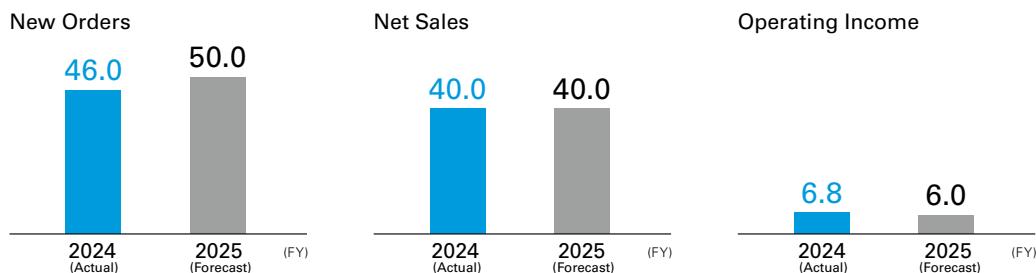
## Overview of FY 2024

Due to received an order our first order for Japan's First Offshore Hydrogen Station and as well as steady orders in the after-sales service business, the new orders were JPY46.0 billion almost unchanged as the previous fiscal year.

Net sales remained flat at JPY40 billion, thanks to steady progress on ongoing construction projects and solid performance in the after-sales service business.

Operating income profit increased by JPY0.9 billion to JPY6.8 billion compared to the previous period, due to improvements in the profitability of industrial machinery products.

## Performance (JPY billion)



## Topics 01

### Received Order for High-Pressure, High-Flow Hydrogen Compressor

We have begun sales of a high-pressure, high-flow hydrogen compressor that we have been developing for the hydrogen supply chain market, and have received an order our first order for Japan's First Offshore Hydrogen Station. This compressor features a long-life, optimized design that enables stable hydrogen compression, high reliability and durability, maximum flow rate approx. 100kg/h, and is capable of compressing up to a pressure of 50 MPa. Furthermore, its high-pressure, high-flow capacity allows it to take up less space than existing compressors at the same flow rate, making it suitable for a wide range of applications, from hydrogen transportation to supply processes. We will continue to contribute to the realization of a circular and decarbonized society by supplying our products to hydrogen stations, hydrogen production facilities, and SAF production plants.



## Topics 02

### Launch of Fouling Control Service "FALCONs"

Following a one-year "Joint Hull Fouling Management Trial" with a domestic launch customer, we have started providing a new fouling management service, MITSUI E&S Fouling Control Service "FALCONs," which we have developed. "FALCONs" integrates "propulsion performance analysis," based on engine operating data and vessel operation data, and "hull fouling assessment," based on AI evaluation of underwater inspection result. It enables to quantify the measurement and predict the propulsion performance degradation caused by fouling and improvement through cleaning, and it enables to provide "recommendations for optimal cleaning timing and area" as well as "quantification of fuel-saving and CO<sub>2</sub> reduction effects by cleaning."



From now on, we aim to expand the fouling management value chain by integrating data with our marine engine monitoring systems/services (such as CMAXS LC-A), and collaborating with cleaning service providers, paint manufacturers, and robotic cleaning companies. Through these efforts, we will contribute to solving challenges in the marine sector by providing highly reliable services that address issues such as "realizing a decarbonized society" and "responding to a shrinking population."

# Marine Propulsion Systems



## Main products and services

- Marine Engines
- Fuel Supply Systems and Peripheral Equipment for Dual-Fuel Engines
- After-Sales Services for Various Engines and Equipment

## Business Activities

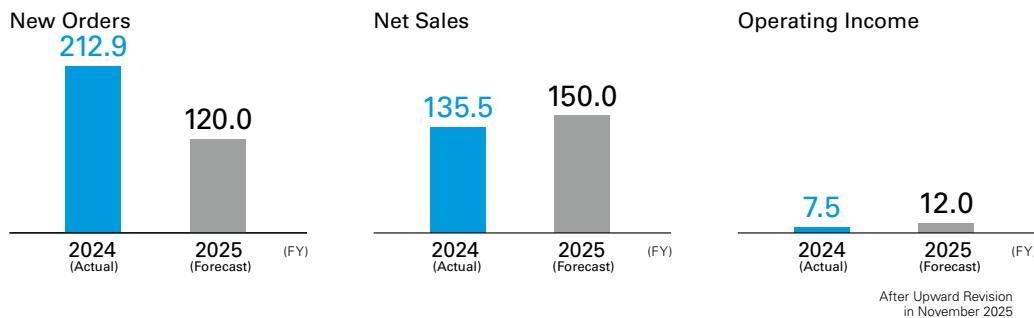
Since we signed a license agreement with Burmeister & Wain (currently Everlence) in 1926, we have achieved cumulative production of 120 million horsepower by 2024. Additionally, with the establishment of Mitsui E&S DU in 2023, we acquired the WinGD brand, boasting a 71%\* domestic market share in 2024. To meet the growing demand for new fuel engines, we are expanding our production facilities. We also aim to be a total supplier of marine propulsion systems by developing ammonia and hydrogen dual fuel engines, providing peripheral equipment for new fuels, and supplying remote monitoring systems.

\*MITSUI E&S Group (MITSUI E&S, Misui E&S DU) + sublicensee including Makita. Reporting period: January to December 2024

## Overview of FY 2024

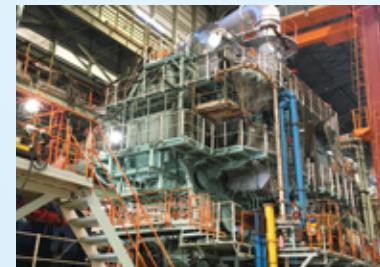
The new orders increased by JPY65.3 billion compared to the previous term, reaching JPY212.9 billion, due to an increase in projects for large engines. Net sales remained steady at JPY135.5 billion, similar to the previous term (previous term: JPY134.0 billion), and operating income rose by JPY1 billion to JPY7.5 billion, thanks to the strong performance of the after-sales service business. In FY 2024, orders for methanol dual fuel engine increased, and we delivered a methanol dual fuel engine for the first time since 2015. In addition to Everlence-licensed engines, demand for WinGD-licensed methanol dual fuel engines is also growing and we are expanding test operation facilities at the Tamano plant to enable test runs of engines from both licenses. Regarding ammonia-dual fuel engines, we began test operations using ammonia fuel for the world's first large low-speed two-stroke engine commercial unit in February 2025.

## Performance (JPY billion)



## Topics 01 Expansion of Dual-Fuel Engine Production

As international shipping faces increasing demands to reduce GHG emissions, we have been proactively working on fuels with low environmental impact. In addition to LNG and methanol, we are advancing efforts toward implementing ammonia-dual fuel engines as a next-generation fuel aiming for zero CO<sub>2</sub> emissions.



Fuel Type	First Unit	Cumulative Orders
LNG	2015	66
Methanol	2015	33
Ethane	2016	3
LPG	2020	6

(as of end of June 2025)

## Topics 02 Strengthening the Dual-Fuel Engine Production System

With accelerating efforts toward carbon neutrality, demand for dual-fuel engines is increasing. To meet this demand, we have been upgrading our production facilities since 2023. Furthermore, through integrated operations of our Tamano Factory and Mitsui E&S DU Aioi Factory, we are building a flexible production system for both Everlence and WinGD licensed engines at both factories, ensuring a stable supply of high-quality engines tailored to customer needs.



In 2025, with support from the "Zero-Emission Ship Construction Promotion Project," a collaborative initiative between the Ministry of the Environment and the Ministry of Land, Infrastructure, Transport and Tourism, we will also work to enhance production capacity for ammonia-dual fuel propulsion systems.

# Logistics & Systems



## Main products and services

- Container Cranes
- Industrial Cranes
- CTMS (Container Terminal Management System)
- After-Sales Services for Various Cranes

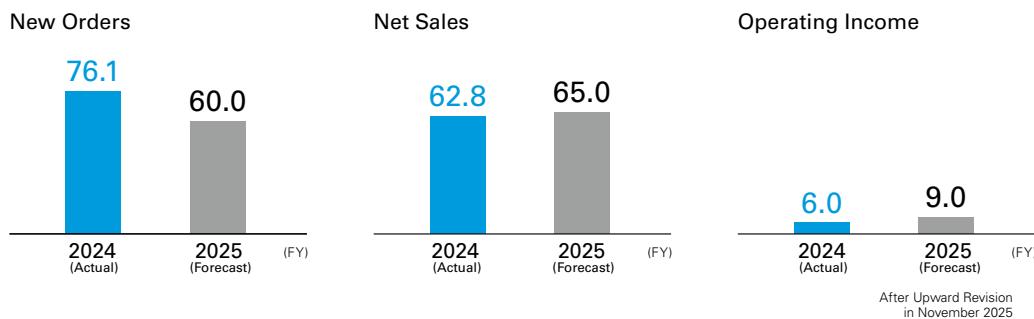
## Business Activities

We hold the top domestic market share for port cranes and support terminal operations with Terminal Operation Systems and Remote Monitoring Systems, covering the entire lifecycle of port operations. We are also developing hydrogen-powered cranes and remote and automated cranes to contribute to decarbonization in ports. Additionally, we are expanding our business into various fields, including industrial cranes and the application of drone inspection systems for infrastructure facilities.

## Overview of FY 2024

The new orders recorded a continued influx of large projects both domestically and overseas, including in Asian countries and the United States, amounting to JPY76.1 billion, an increase of JPY5.5 billion compared to the previous period, which marked a record high. Net sales increased by JPY15.1 billion to JPY62.8 billion due to the smooth progress of large-scale construction projects, and operating income rose by JPY2.9 billion to JPY6 billion due to increased revenue and improved profitability of large-scale projects compared to the previous period. As a result, both new orders, net sales, and operating income all reached record highs.

## Performance (JPY billion)



## Topics 01 Expanding Orders in Southeast Asia

Demand for port cranes in the Asian region continues to remain strong. Among these, we have received an order for 22 units of cranes for PAP (Phuoc An Port), one of Vietnam's largest logistics hubs. The cumulative number of orders for this port has now reached 56 units. Additionally, in Vietnam, we hold the top market share over the past 10 years, with more than 170 cranes delivered. To meet this growing demand, we are establishing a local crane production system. MITSUI E&S Co., Ltd. is promoting the global expansion of the port logistics business and contributing to the development of port infrastructure in Southeast Asia, including Vietnam, as well as other regions.



## Topics 02 Ownership of Crane Transport Vessel "YAMATO"

To ensure stability and flexibility in the maritime transportation capacity of port cranes for overseas markets, we have acquired the modular vessel "YAMATO." We are advancing our expansion in the global market of port cranes including the United States and Southeast Asia, where demand for such cranes is increasing, and has recognized the need to own transport vessels for some time, and now we have acquired "YAMATO." By strengthening the foundation of this business through improved stability in maritime transportation capacity of port cranes, we will continue to contribute to container terminal operations for customers both domestically and internationally.



## Peripheral Businesses



### Main products and services

- Gas-related Engineering
- Land-based Power Plants
- System Development and System-related Equipment
- Steel Structures
- Mechanical and Electrical Equipment Maintenance
- IT Solutions

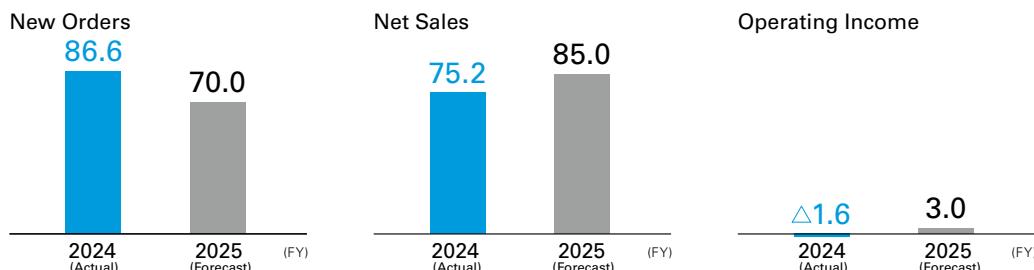
## Business Activities

We provide products and services across various fields through our domestic and international engineering projects and IT solutions. Additionally, we aim to expand our business areas by collaborating with our core businesses.

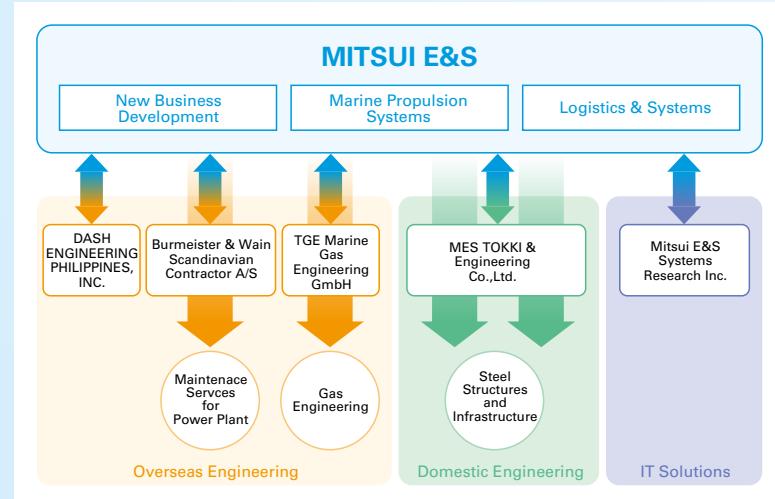
## Overview of FY 2024

New Orders amounted to JPY86.6 billion, an increase of JPY14.9 billion year on year, driven by the steady acquisition of planned projects. Net Sales totaled JPY75.2 billion, remaining at a level comparable to the previous fiscal year (JPY74.1 billion). Operating Income (Loss) declined from a profit of JPY2.4 billion in the previous fiscal year to an operating loss of JPY1.6 billion, primarily due to the impact of increased estimated future costs associated with long-term construction contracts at overseas subsidiaries.

## Performance (JPY billion)



### Leveraging Each Company's Strengths and Collaborating with Core Businesses



### Topics 01 TGE Marine Gas Engineering GmbH

TGE Marine Gas Engineering GmbH, a global leader in marine gas handling systems engineering, is accelerating efforts to realize a sustainable maritime industry. In September 2025, TGE Marine celebrated its 45th anniversary by hosting an event at its headquarters, Bonn Germany, welcoming over 130 stakeholders from across the global shipping industry. The overall themes of the day, which also featured heavily in discussions, focused on critical topics such as the adoption of next-generation fuels and pathways to achieving net-zero, as well as reiterating the importance of industry-wide collaboration. Our group remains committed to contributing to a cleaner and more sustainable future through innovative technologies and services, including early solutions for ammonia-fueled vessels.



# SECTION 04

## GOVERNANCE

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# Corporate Governance

## Basic Views

mitsui e&s co., ltd. (the company) has formulated "our mission", "vision in 2030", "management policy" and "standards of conduct" of the company and its subsidiaries (the "company group") with the rapid transition to a sustainable society and changes in the business environment.

Based on them, the company has established a framework for transparent, fair, prompt, and decisive decision-making, and are committed to continuous enhancement of corporate governance.

In enhancing corporate governance, the following principles shall be followed

- (1) Ensure the substantive rights and equality of shareholders
- (2) Work with shareholders and other stakeholders in an appropriate manner
- (3) Ensure appropriate and proactive disclosure and transparency of corporate information
- (4) Clarify the roles and responsibilities of the Board of Directors and the Audit and Supervisory Committee
- (5) Engage in dialogue with shareholders to contribute to sustainable growth and medium-to long-term enhancement of corporate value.

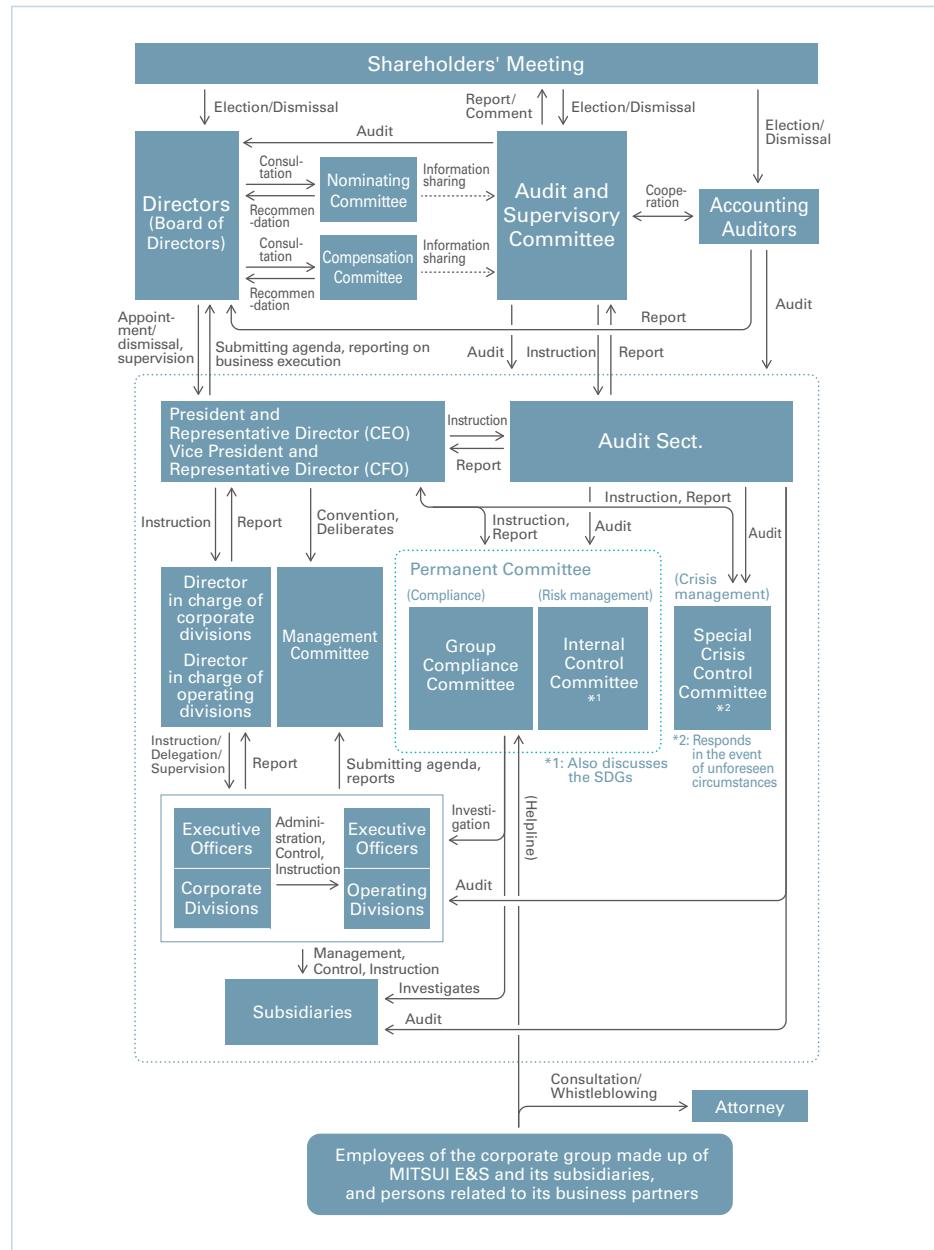
## Corporate Governance System

At the Ordinary General Meeting of Shareholders held on June 28, 2023, the company transitioned to a company with an Audit and Supervisory Committee, based on the judgment that a governance system in which experienced outside directors monitor the execution of director duties from a management perspective will enhance the effectiveness of our auditing function and contribute to the sustainable enhancement of our group's corporate value in accordance with our corporate philosophy. Additionally, we have introduced an executive officer system to strengthen the important decision-making and supervisory functions of the Board of Directors and to improve the efficiency of business execution. Executive officers are appointed by the Board of Directors and delegate authority over business execution. Under the supervision of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), executive officers carry out their assigned duties based on the instructions of the Director in charge of the Corporate Division and the Director in charge of the Business Division.

## Board of Directors and Committee Composition

		Board of Directors	Audit and Supervisory Committee	Nomination Committee	Compensation Committee	Male	Female
Composition	Internal						
	Outside						
Ratio of Outside Directors	42.9%	75.0%	60.0%	60.0%			
Ratio of Female Directors	28.6%	50.0%	40.0%	40.0%			
Committee Chairperson	President, Representative Director	Internal Director	Outside Director	Outside Director			

## Systems of Corporate Governance and Internal Control



# Officers

(As of June 26, 2025)



**Takeyuki Takahashi**

President,  
Representative Director  
CEO, CCO<sup>\*1</sup>, and in charge  
of General Control, Audit Sect.,  
Procurement Dept., and  
New Business Development Div.  
Nomination Committee Member  
Compensation Committee Member

Term of office for directors: 5 years



**Taketsune Matsumura**

Vice President,  
Representative Director  
CFO<sup>\*2</sup>, CIO<sup>\*3</sup>, Assistant to President,  
in charge of Corporate Services Div.<sup>\*4</sup>  
Nomination Committee Member  
Compensation Committee Member  
Doctorate (Ph.D.) in Environmental  
Studies from the University of Tokyo

Term of office for directors: 5 years



**Ichiro Tanaka**

Director,  
Assistant to President,  
and in charge of Marine  
Propulsion Systems Div.,  
and Logistics Systems Div.

Term of office for directors: 2 years



**Yuichi Shiomi**

Director,  
Full-time Audit and Supervisory  
Committee Member

Director (Audit and Supervisory  
Committee Member)  
Term of office for directors: 2 years



**Koichi Kawasaki**

Director<sup>\*5</sup>,  
Audit and Supervisory Committee  
Member  
Nomination Committee Chair  
Compensation Committee Member

Director (Audit and Supervisory  
Committee Member)  
Term of office for directors: 2 years



**Mie Miwa**

Director<sup>\*5</sup>,  
Audit and Supervisory Committee  
Member  
Nomination Committee Member  
Compensation Committee Member

Director (Audit and Supervisory  
Committee Member)  
Term of office for directors: 1 year



**Wong Lai Yong**

Director<sup>\*5</sup>,  
Audit and Supervisory Committee  
Member  
Nomination Committee Member  
Compensation Committee Chair  
Doctorate (Ph.D.) in Business  
Administration from Yokohama  
National University

Director  
Term of office for directors: 1 year

## Skills and areas of expertise specifically expected from respective Directors

In selecting and determining candidates for Directors, we are striving to ensure a certain number of Internal Directors familiar with the business and management control of the Company Group. At the same time, with a view to meeting the demand of the era of diversity, we are working to ensure a balance between knowledge, experience and capability, as well as diversity within the Board of Directors as a whole, by inviting Outside Directors with abundant experience in other industries. We classify the skills and areas of expertise specifically expected from Directors into the following eight categories:

(1) Corporate management (2) International experience (3) Finance/M&A (4) Legal affairs/Auditing (5) Marketing (6) Technologies/IT (7) Human resource development (8) Climate/Environment.

The table below visualizes, in a skill matrix, the areas in which each of the Directors is expected to be particularly skilled and to have specialized in. The relevant skills of each Director is evaluated, comprehensively considering factors such as their management experience, hands-on experience, expertise, and official qualifications.

Name	Corporate management	International experience	Finance/M&A	Legal affairs/Auditing	Marketing	Technologies/IT	Human resource development	Climate and Environment	Qualifications held
Takeyuki Takahashi	●	●		●	●		●		
Taketsune Matsumura	●	●	●			●	●	●	Doctorate (Ph.D.) in Environmental
Ichiro Tanaka	●	●			●	●		●	
Yuichi Shiomi	●			●	●				
Koichi Kawasaki	●	●				●	●		
Mie Miwa	●	●		●	●		●		
Wong Lai Yong	●	●					●	●	Doctorate (Ph.D.) in Business

The above does not show all of the knowledge possessed by the Directors or Corporate Auditors.

## Executive Officer

Noriyuki Murata	CISO <sup>*6</sup> , General Manager of Corporate Planning Dept.
Koichi Watanabe	General Manager of Finance Dept.
Kazuo Hayashi	General Manager of Accounting Dept.
Masaharu Kawasaki	General Manager of HR & General Affairs Dept.
Ritsuko Senbon	General Manager of Legal Sect.
Masaki Fujihara	General Manager of New Business Development Div.
Akihiro Akaeda	General Manager of Logistics Systems Div.
Keiji Otsuka	General Manager of Oita Factory Logistics Systems Div., Oita General office.
Yusuke Sakimoto	General Manager of Marine Propulsion Systems Div.
Takeshi Iizuka	General Manager of Tamano Factory Marine Propulsion Systems Div., Tamano General office.
Teruyuki Yamashita	General Manager of Procurement Dept.

\*1 CCO: Chief Compliance Officer

\*2 CFO : Chief Financial Officer

\*3 CIO : Chief Information Officer

\*4 Corporate Services Div.: Corporate Planning Dept., Accounting Dept., Finance Dept., HR & General Affairs Dept., and Legal Sect.

\*5 Outside Director

\*6 CISO:Chief Information Security Officer

## Message from Outside Director



### Strengthening Our Management Foundation and Moving Toward the Next Stage of Growth

Audit and Supervisory Committee Member

**Mie Miwa**

#### Transition to a company with an audit and supervisory committee, and “effectiveness of the Board of Directors” under the new structure

Following our transition to a company with an Audit and Supervisory Committee, our governance structure—including the Nomination and Compensation Committee, has become more compact yet highly integrated, enhancing the effectiveness of the Board of Directors. The participation of directors with diverse experience and expertise has activated multifaceted discussions, leading to management's decisions with improved quality and speed.

Coordination with the accounting auditor and sharing of audit information across internal group divisions have also progressed, enabling the Audit and Supervisory Committee to perform its oversight function appropriately.

Under the “MITSUI E&S Rolling Vision,” launched in FY2024, we achieved our initial targets in the first year. As we now take on the more ambitious FY2025 targets, our performance in the first half significantly exceeded expectations. The Board will continue to strengthen its monitoring to support steady progress and healthy ambition.

## MITSUI E&S Group's Corporate Governance

Our Group positions the enhancement of our governance structure as a critical management priority—one that forms the foundation for sustainable corporate value creation. We are committed to establishing a highly reliable management framework by ensuring management transparency, implementing robust risk management, and building mechanisms that enable medium- to long-term decision-making.

While leveraging our strengths, we aim to transform changes in the business environment into growth opportunities and improve profitability. At the same time, we are shifting toward management practices that consider both capital and debt costs, allowing us to make decisions with greater emphasis on capital efficiency.

We are also dedicated to strengthening human capital, the source of corporate value. This includes developing systems that enable employees to experience personal growth and fulfillment, expanding opportunities for direct dialogue with management, and cultivating a corporate culture that embraces diversity. As an outside director, I will continue to support the incorporation of external perspectives into the organization and help reinforce our governance structure to drive sustainable growth.

#### Expectations for MITSUI E&S Group in the future

As the foundations of our management structure are steadily reinforced, our Group is entering a new phase of growth. Amid the transformation of the shipbuilding industry driven by the global energy transition, our marine engine business is advancing the development and implementation of next-generation technologies that support decarbonization. Meanwhile, demand in the U.S. and Asian markets is growing for our logistics systems business—creating a significant opportunity to increase the growth potential of our core businesses.

We will also boldly pursue new growth areas—particularly in the marine domain and its surrounding fields—and cultivate a “third pillar” to strengthen our business portfolio. Achieving this will require the development and recruitment of talent with specialized expertise, as well as organizational agility and a willingness to take on challenges.

Toward achieving our 2030 Vision, I expect each employee to act without fear of change, thereby contributing to higher corporate value. Building on our strengthened management foundation, I strongly hope that our Group will continue to enhance its presence and meet the expectations of our shareholders as we move into the next stage.

# Organizational Composition and Operation

## Organizational Composition and Operation

Corporate Governance System

Company with an Audit and Supervisory Committee

### Directors

Number of Directors stipulated in Articles of Incorporation	15
Term of Office of Directors (excluding Audit and Supervisory Committee Members) stipulated in Articles of Incorporation	1 year
Term of Office of Directors (Audit and Supervisory Committee Members) stipulated in Articles of Incorporation	2 year
Chairperson of the Board	President
Number of Directors	7
Election of Outside Directors	Elected
Number of Outside Directors	3
Number of Independent Directors	3

The Company designates all Outside Directors, as Independent Directors. Such appointments comply with "Independence Criteria for Outside Directors" disclosed in the Company Website. In addition, the number of concurrent positions held by the directors as officers of other listed companies is kept within a reasonable range and is disclosed annually in business reports, etc.

## Corporate Governance and Internal Control Systems

### Risk Management

The Company systematically ascertains and assesses a variety of risks related to its overall management activities, practices total risk management to conduct business operations within appropriate risk-bearing limits, and promotes initiatives that span the MITSUI E&S Group under the Internal Control Committee, which is chaired by the corporate officer responsible for the Corporate Planning Dept. Against risks related to business operations, risk checks are performed by the related departments of the Company based on internal regulations. In accordance with the Company's approval criteria, in each division of the Company and its major subsidiary conducts independent risk checks. Additionally, with regard to information security risks, working under the direction of the Chief Information Security Officer (CISO) the IT Control Sect. of the Corporate Planning Dept. plays a central role in formulating security policies, obtaining the latest information in coordination with outside organizations, monitoring networks and IT equipment, countering external attacks, and implementing specific measures including education and training. Also note that in the event of unforeseen circumstances, a swift response is initiated by the Special Crisis Control Committee, which is chaired by the Representative Director or a director responsible for the matter at hand.

### Actions to achieve cost of capital and stock price conscious management

Since 2019, the Company has been working to reform and improve its business structure. In order to switch to business management that pays attention not only to operating income margin but also on business management that takes into account cost of equity and stock prices, with the goal of achieving Return on Invested Capital (ROIC) that exceeds Weighted Average Cost of Capital (WACC), while paying attention to Return on Equity (ROE) and Price-to-Book Ratio (PBR).

The most recent figures for these indicate ROIC > WACC, and the Company is striving to maintain these figures permanently while improving our corporate value.

### Policy on Constructive Dialogue with Shareholders

The Company recognizes that the understanding and support of shareholders is essential for achieving sustainable growth and enhancing corporate value over the medium to long term, and that it is necessary to build long-term relationships of trust through constructive dialogue with shareholders and investors.

The CFO oversees the dialogue with shareholders and investors and, as necessary, discusses appropriate methods with the officers in charge of the relevant divisions, outside directors, and Audit and Supervisory Committee members. Specifically, the Company will clearly publish its philosophy, business performance, and business details on our Website, hold regular financial results briefings for securities analysts and institutional investors, and hold business briefings for individual investors as appropriate.

## Organizational Composition and Operation

### Board of Directors

#### Key Resolutions related to Corporate Governance

- Setting of management indicators and targets conscious of capital costs and stock prices
- Formulation of MITSUI E&S Rolling Vision
- Change in the number of members of the Compensation Committee, appointment of members to the Nomination and Compensation Committees, and designation of the Chairperson.

#### Evaluation of the Effectiveness of the Board of Directors

As part of efforts to improve corporate governance, the Company has conducted an annual evaluation of the effectiveness of the Board of Directors since FY 2015.

For FY 2024, in order to conduct flexible analysis and evaluation with a focus on issue identification, the Company changed from using an external evaluation agency to an in-house system, and implemented the following with the participation of all directors. Going forward, the Company plans to use an external evaluation agency at regular intervals to incorporate objective evaluations.

- Discussion and finalization of questionnaire content
- Collection and analysis of questionnaire responses to identify issues
- Analysis and evaluation of the effectiveness of the Board of Directors as a whole, followed by a resolution by the Board of Directors

##### 1. Results of Analysis and Evaluation of the Overall Effectiveness of the Board of Directors in FY 2024

The Company believes that Board of Director's meetings are generally well-run, and that the effectiveness of the Board of Directors as a whole has been continuously ensured. In particular, since the Ordinary General Meeting of Shareholders in June last year, the Company believes that the Board of Directors has engaged in more free and open discussions thanks to its diverse but small number of select members, and that holding Board of Directors meetings at business sites has been effective to a certain extent.

Compared to last year, the Company believes that there has been overall improvement through discussions of the "quarterly business activity policy" and the "MITSUI E&S Rolling Vision," including the issue of "improving business-related proposal materials." On the other hand, the Company has recognized that further improvement is needed with regard to "discussions regarding the basic policy and measures to improve sustainability."

##### 2. Issues in Analyzing and Evaluating the Overall Effectiveness of the Board of Directors in FY 2024

Based on the results of this analysis and evaluation, the Company has identified new issues that require attention. The Company will continue to work on improvements to further enhance the effectiveness of the Board of Directors, based on the following issues.

- Promote discussions within the Board of Directors regarding basic policies and improvement measures for sustainability.
  - Reflect basic policies, growth businesses, and human capital strategies in management strategies.
  - Promote new human resource strategies that take into account the advancement of women, diversity, and work-style reforms.
  - Activating discussions on sustainability issues within the Internal Control Committee
- The Company will deepen the Board of Directors' involvement in the formulation and implementation of succession plans for the CEO and other key executives.
- Stimulating discussion on succession.

### Audit and Supervisory Committee

#### Matters on Independence of the Staff to assist with the duties of the Audit and Supervisory Committee from Executive Directors.

The Company has established the Office of Audit and Supervisory Committee, which has full-time employees to assist the Audit and Supervisory Committee.

The employees of the Office of Audit and Supervisory Committee are assigned to assist the Audit and Supervisory Committee in its audits, etc., under the direction of the Audit and Supervisory Committee.

The personnel transfer and performance evaluation, etc. of the employees of Office of Audit and Supervisory Committee are discussed with the Audit and Supervisory Committee in advance to

ensure their independence from the executive directors and to ensure the effectiveness of their instructions.

### Strengthening Monitoring

From the perspective of improving the management efficiency and diversity of the Board of Directors and the independence of outside directors, after the total number of directors was reduced by one and the Company established the Board of Directors consisting of seven members strengthening the independence and diversity of outside directors belonging to the Audit and Supervisory Committee. (June, 2025)

The Company placed great importance on the presence of outside directors belonging to the Audit and Supervisory Committee with strong authority such as voting rights of the Board of Directors in order to supervise the management. From the perspective of strengthening the independence and diversity of the above outside directors, Dr. Wong Lai Yong was newly appointed as an outside director belonging to the Audit and Supervisory Committee.

As a result, the four directors of the Audit and Supervisory Committee now constitute the majority of the Board of Directors and three of these Audit and Supervisory Committee members are outside directors.

The Company believes that this structure will enable the Board of Directors to make more strategic and agile decisions while continuing to exercise sufficient supervisory functions.

### Voluntary Established Committees

#### Status of Voluntarily Established Committees, Attributes of Members constituting each Committee and the Committee Chairpersons

The Company has established voluntary committees, the majority of whose members are outside directors, as advisory bodies to the Board of Directors. As of the time of publication of this Integrated Report, the composition of each committee is as follows:

Advisory Bodies	Nomination Committee	Compensation Committee
Role	<ul style="list-style-type: none"> <li>To enhance the independence, objectivity and accountability of the Board of Directors by having outside directors participate in the director nomination process and the next management talent development plan</li> </ul>	<ul style="list-style-type: none"> <li>To enhance the independence, objectivity by having outside directors of the Board of Directors by having outside directors participate in the determination of director compensation</li> <li>To have management responsible or the compensation system and to ensure effectively as an incentive to promote medium- to long-term</li> </ul>
Fiscal year ending March 2025 Contents of deliberation	Selection of executive candidates and deliberations on proposals for appointment of executives	Discussion on level of monthly compensation under the current compensation system and the level of profit-linked compensation based on performance figures for FY 2024

Regarding the composition of the Compensation Committee, after the Ordinary General Meeting of Shareholders on June 26, 2025, one member has been added in light of the correlation with the matters to be discussed at the Nomination Committee. So that, the Compensation Committee consists of five members, including three independent outside directors and two internal directors, the same as the Nomination Committee.

In FY 2025, both the Nomination Committee and the Compensation Committee will meet more frequently to discuss the process for developing the next generation of management talent, as well as the remuneration system and levels aimed at improving corporate value over the medium to long term in light of changes in the business environment.

## Organizational Composition and Operation

### Compensation for Directors

#### Matters on the Director's Compensation Amounts and the Policy on determining the Calculation Method.

At the Board of Directors meeting held on March 25, 2021, the Board made a resolution on the policy for determining the content of individual compensation for Directors. Subsequently, the Company established a voluntary Compensation Committee and transitioned to a company with an Audit and Supervisory Committee, leading to partial revisions of the policy content through successive board resolutions. The Board of Directors has confirmed that the method for determining the content of individual compensation for Directors (excluding directors who are Audit and Supervisory Committee members) for the current fiscal year, and the content of the determined compensation, are consistent with the policy resolved by the Board of Directors. The Board also confirmed that the recommendations from the Compensation Committee have been respected, and judged that the decisions are in line with the policy.

#### Basic Policy

The basic policy is that compensation for the Company's Directors shall be a compensation system linked to shareholder returns to fully function as an incentive for the sustained enhancement of the corporate value and shall be set at an appropriate level in light of the job responsibilities of individual Directors when determining compensation for them. Specifically, compensation for full-time Directors consists of monthly compensation as fixed compensation, and performance-linked compensation (stock price-linked and profit-linked compensation). Outside Directors responsible for supervisory functions shall be paid only monthly compensation in light of their responsibilities.

#### Total compensation, etc., for each classification of executives, and total compensation, etc., by compensation type and the number of eligible executives (FY 2024 results)

Executive classification	Total compensation, etc. (JPY million)	Total compensation, etc. (JPY million)		Number of eligible executives (persons)
		Fixed compensation	Profit-linked compensation	
Director (excluding Audit and Supervisory Committee Member)	165	115	49	5
including Outside Directors	(10)	(10)	(-)	(2)
Director (Audit and Supervisory Committee Member)	51	51	-	4
including Outside Directors	(27)	(27)	-	(3)
Total	216	167	49	9
including Outside Directors	(37)	(37)	(-)	(5)

#### (Notes)

1.The amounts includes the compensation for one Director (excluding Directors who are Audit and Supervisory Committee members, hereinafter referred to as "Directors" within this note) who were the Outside Director and retired at the conclusion of the 121st Annual General Meeting of Shareholders held on June 26, 2024.

2.The total amount of the compensation for Directors does not include salaries for Directors who also serve as employees.

3.The maximum amount of remuneration for Directors was resolved at the 120th Annual General Meeting of Shareholders held on June 28, 2023, to be within JPY320 million per year (excluding salaries for employees). The number of Directors at the conclusion of this shareholders' meeting was four (including one Outside Director). The maximum amount of compensation for Directors who are Audit and Supervisory Committee members was resolved at the 121st Annual General Meeting of Shareholders held on June 26, 2024, to be JPY63 million per year. The number of Directors who are Audit and Supervisory Committee members at the conclusion of this shareholders' meeting was four (including three Outside Directors).

4.Stock-linked compensation for Directors in office is not included in the above amounts. Outside Directors are not eligible for stock-linked compensation.

5.The Board of Directors has delegated the decision on the amount of monthly compensation for each Director to President and Representative Director Takeyuki Takahashi. The reason for this delegation is that the President and Representative Director is deemed suitable to evaluate the performance of each Director while considering the overall situation of the Company. The Compensation Committee confirms the appropriateness of the decisions made under this delegation in advance.

6.In addition to the above, JPY16 million in stock-linked compensation was paid to two Directors who retired during their term of office.

# Compliance

We position compliance as one of our most important management issues. All of our executives and employees are aware of the social responsibilities of the corporation and act in accordance with the Compliance Policy which was formulated with the goal of ensuring a compliance-based perspective in all situations in our business activities. In this way, we live up to the expectations and demands of many different stakeholders.

## Compliance Policy and Compliance Guidebook

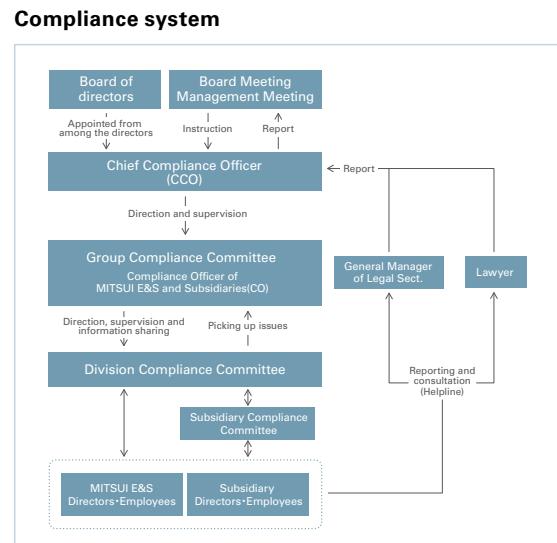
We have established the "COMPLIANCE POLICY" and "COMPLIANCE GUIDEBOOK" as rules to be followed by all of our group members. As a minimum code of conduct to be followed in corporate activities, the following nine categories of precautions are provided so that each and every one of us can reflect on our daily activities.

1.Fair Dealing	6.Social Contact
2.Export Transactions	7.Misuse of Corporate Authority and Embezzlement
3.Entertaining, Gifts, and Donations	8.Work Environment
4.Handling of Information	9.Environment Protection
5.Accounting & Tax	

Copies of the "CORPORATE COMPLIANCE DECLARATION," "COMPLIANCE POLICY," and guidance to the "Help Line" (whistleblowing system) are distributed to all of the group members and regular compliance training are held for directors, officers and employees to ensure effective operations of the compliance system.

## MITSUI E&S Group Compliance System

We establish our group compliance system in accordance with the "Group Compliance Management Regulations". Based on the regulations, the Group Compliance Committee, consisting of the Chief Compliance Officer (CCO) appointed with the approval of the Board of Directors, and the Compliance Officers (CO) of MITSUI E&S and its subsidiaries, oversees the implementation and operation of the compliance system. In addition, the Compliance Secretariat conducts monitoring and in-house training on the system.



## Initiatives for encouraging compliance

### Compliance with the Compliance Policy

Copies of the Compliance Policy are distributed to all executives and employees of the Company and its domestic subsidiaries. Further, guidebooks and case studies informative to daily business operations are available to each of our employees at any time. The English version of the Compliance Policy is distributed to our overseas subsidiaries. Depending on the local situation, we take reports from the presidents of the overseas subsidiaries about their compliance systems and implementation of compliance.

### Helpline (internal whistleblowing system)

In order to detect legal violations and other compliance issues at an early stage, we have established the "Help Line" (internal whistleblowing system) so that all executives and employees of the Company and its subsidiaries, as well as their business partners, may directly seek advice or report any issue. Based on our rules regarding the system for reporting compliance issues in accordance with the Whistleblower Protection Act of Japan, we take appropriate actions in the event of any reports.

### Compliance training

We conduct compliance training for employees. In this way, we continue education and awareness-raising activities for the executives and employees of the Company and its subsidiaries.

### Number of employees who participated in compliance training

FY2020	FY2021	FY2022	FY2023	FY2024
2,016	4,040	5,357	5,953	5,885

# SECTION 05

## SUSTAINABILITY

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The MITSUI E&S Group defined its mission as “We build trust and contribute to society through our engineering and services.” To achieve our company mission, we engage in ongoing communication with various stakeholders, strive to foster understanding and trust toward the Group through appropriate information disclosures, and help to shape a sustainable society.

### Global Environment



- Addressing Climate Change  
(Information Disclosure Based on the TCFD Recommendations)
- Environmental Conservation

### Business Partners & Customers



- Supply Chain Management
- Quality Control

### Employees



- Initiatives for Human Rights
- Safety and Hygiene
- Health Management

### Shareholders & Investors



- Sustainable growth
- Enhanced shareholder returns



MITSUI E&S Group

# Addressing Climate Change (Information Disclosure Based on the TCFD Recommendations)

The MITSUI E&S Group recognizes that climate change is an important sustainability issue that needs to be solved. One of the characteristics of our core business is that the greenhouse gas (GHG) emissions from the operation of our products are higher than the GHG emissions from the manufacturing of our products. In light of this reality, we identify the issue of climate change as one of our material issues, and endeavor to contribute to the realization of a decarbonized society by including climate change in our business issues and focusing on the development of products to help reduce CO<sub>2</sub> emissions.

## 1. Strategy

We conducted a scenario analysis of risks and opportunities related to climate change, set material issues directly related to the business and management foundations of the MITSUI E&S Group, and incorporated those issues into our business strategy.

	The 2 °C scenario	The 4 °C scenario
Analysis Results	<ul style="list-style-type: none"> <li>Risks: Increased manufacturing costs due to the introduction of carbon taxes and CO<sub>2</sub> emission regulations.</li> <li>Opportunities: Expansion in demand for nonfossil fuel products driven by the promotion of low-carbon initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>Risks: Intensification of extreme weather events due to the lack of promotion of policies such as CO<sub>2</sub> emission regulations.</li> <li>Opportunities: Our company becoming an alternative supplier to avoid or quickly recover from damage caused by extreme weather events.</li> </ul>
Impact	The increase in profits from opportunities outweighs the increase in risks.	The physical risk impact on production sites is significant.
Recommended Actions	<ul style="list-style-type: none"> <li>Develop and market products that use non-fossil fuels.</li> <li>Reduce the use of fossil fuels and electricity in factories, and cut CO<sub>2</sub> emissions by using green power.</li> </ul>	<ul style="list-style-type: none"> <li>Construct seawalls to prevent damage from typhoons and storm surges.</li> <li>Establish and strengthen safety standards in production activities.</li> </ul>



### 2°C Scenario Analysis Results

➡ Setting the Materiality issue "Creating of a Decarbonized Society" and Incorporating it into Business Strategy



Material issues	Initiatives
Creating a decarbonized society	<ul style="list-style-type: none"> <li>Development and Sale of Marine Engines: Focus on engines that use green fuels such as LNG, methanol, ammonia, and hydrogen.</li> <li>Development and Sale of Zero-Emission Transtainers®: Utilize hydrogen fuel cells to create zero-emission transport solutions.</li> </ul>
Marine Engines	<ul style="list-style-type: none"> <li>CO<sub>2</sub> reduction rate by fuel type*</li> </ul>

CO<sub>2</sub> reduction rate by fuel type\*

\*Compared to heavy oil

- Methanol/LNG: 5% to 24% reduction
- Ammonia/Hydrogen: 95% reduction

## 2. Indicators and targets

Material issues	Creating a decarbonized society
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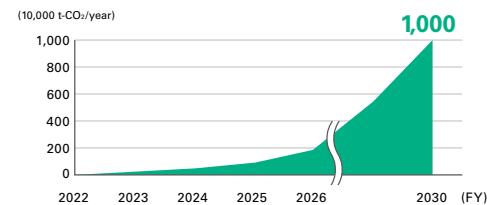
### Target 1

Through cumulative sales and operation units from FY 2022 to FY 2030 of environmentally friendly products onto the market CO<sub>2</sub> reductions

▲10 million t-CO<sub>2</sub>/year or more.\*

\*1 Comparison with emissions from conventional specifications (heavy oil/light oil) products of the same quantity

- Through cumulative sales and operation units of environmentally friendly products onto the market CO<sub>2</sub> reductions



### Target 2

CO<sub>2</sub> emissions reductions from production activities through expansion of green power :

▲10 thousand t-CO<sub>2</sub>/year or more.

### Current Progress

In pursuit of our goals, we are advancing the development of new fuel engines and enhancing our production systems for marine engines. Additionally, we have developed and launched world's first hydrogen fuel cell zero emission port cranes.

#### (1) World's First large-bore low-speed Ammonia Dual Fuel Engine and Fuel Supply System Commercial Test Run Begins

The world's first commercial large-bore low-speed Ammonia dual fuel engine and fuel supply system, currently under development at the Tamano factory has begun ammonia-fuel test run. Ammonia is attracting attention as a fuel capable of achieving zero CO<sub>2</sub> emissions. The practical application of an engine powered by ammonia will mark a major step toward realizing a decarbonized society.



Ammonia supply facilities

#### (2) Receive Order for Eight (8) Paceco-Mitsui Near Zero Emission Hybrid Transtainer Cranes to the Port of Long Beach, California

Order Receptiuon for Eight (8) Paceco-Mitsui Near Zero Emission Hybrid Transtainer (Rubber Tired Gantry Cranes) to the Port of Long Beach, California in anticipation of future conversion to zero-emission cranes.

The Ports of Los Angeles and Long Beach in California have set a Clean Air Action Plan to achieve zero emissions for all cargo handling equipment by 2030. Our company will contribute by supplying zero-emission cranes.



Zero Emission Transtainer®

## Addressing Climate Change (Information Disclosure Based on the TCFD Recommendations)

### 3. Governance

We position SDGs risks, including climate change, as one of our business risks and strive to prevent these risks from materializing. The "Internal Control Committee," chaired by the executive officer in charge of the Corporate Planning Department, monitors management-related risks, including issues related to climate change. If there are significant matters, they are reported to the Board of Directors for discussion.



### 4. Risk Management

The Internal Control Committee mentioned above follows the steps below to follow up on the MITSUI E&S Group's efforts regarding materiality.

Short- and mid-term			Long term
1) Grasp of actual condition (annual CO <sub>2</sub> emissions reduction survey)	Matters to follow up on	Follow up method	
	Progress in the development of low-carbon products	Comparison with the development schedule for the period of mid- and long-term plan	1) Reconduct scenario analysis
	Reduction of the CO <sub>2</sub> emissions of the MITSUI E&S Group's products	Confirmed with data calculated from production horsepower, number of products sold, and fuel efficiency at the time of measurement during internal factory trial operation	2) Check if material issues need to be revised
2) Evaluation	Evaluate any deviation from fiscal year targets		
3) Management	If any deficiencies are identified, notify the our operating divisions, our corporate divisions (Corporate Planning Dept. or HR & General Affairs Dept.) and the operating companies to formulate an improvement plan		

### Topics Initiatives Toward Emission Reduction/Calculation

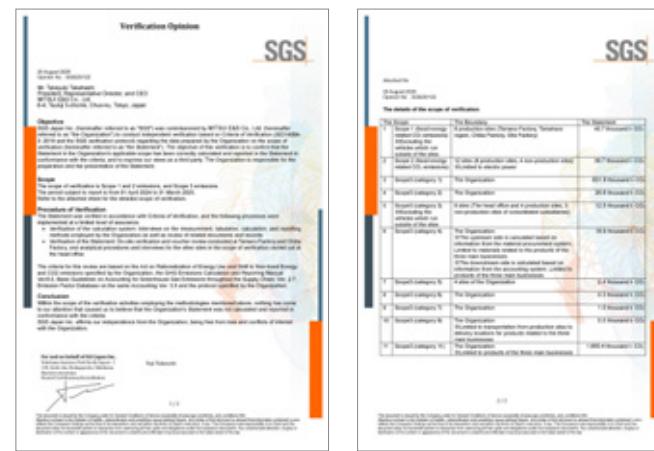
#### 1. Selection as "Zero Emission Ship Construction Promotion Project"

Our "Plan to Increase Production Capacity of Ammonia-Fueled Propulsion System" is selected as one of the subsidized projects under the Ministry of the Environment's and Ministry of Land, Infrastructure, Transport and Tourism's public "Zero Emission Ship Construction Promotion Project" on August 21, 2025. By utilizing this subsidy program, MITSUI E&S will accelerate the production of ammonia fueled products, engine and fuel supply system, and achieve IMO's target "Net-zero GHG emissions from international shipping by or around, i.e. close to 2050" as early as possible.



#### 2. Expansion of the coverage verified by the third-party on Green House Gas emissions

The MITSUI E&S Group has "Verification Opinion" to enhance the reliability of its data on greenhouse gas emissions and energy usage. This year, the coverage of verification of Scope 1/2 has expanded to subsidiaries in Tamano and Chiba Works for the result of FY 2024.



## Greenhouse gas-related Data

The MITSUI E&S Group has started calculating Scope 3 emissions since the annual data of FY 2023. In addition, to ensure the accuracy of the calculated figures, we have obtained third-party certification for Scope 1, 2, and 3 of FY 2023 results. Here, we present the CO<sub>2</sub> emissions and energy usage for FY 2024 as well as historical data.

### CO<sub>2</sub> emissions of our company (standalone) for FY 2024

Categories	Emission Categories	FY 2023 Emissions (thousand t-CO <sub>2</sub> )	FY 2024 Emissions (thousand t-CO <sub>2</sub> )	FY 2024 Emissions (Estimated values based on previous year's coverage)
Scope1	Direct Emissions: From fuel consumption within the company.* <sup>1</sup>	41.6	43.7	(41.3)
Scope2	Indirect Emissions: From electricity consumption within the company.* <sup>1</sup> * <sup>2</sup>	34.8	39.7	(33.6)
Scope3	GHG emissions from the supply chain. 1.Emissions from the production of procured goods* <sup>3</sup> 2.Emissions from the introduction of capital goods 3.Emissions from the production of fuel and energy * <sup>1</sup> * <sup>2</sup> * <sup>4</sup> 4.Emissions from upstream transportation and distribution * <sup>5</sup> 5.Emissions from waste treatment from business activities 6.Emissions from employee business travel 7.Emissions from employee commuting 9.Emissions from downstream transportation and distribution * <sup>6</sup> 11.Emissions from the use of sold products	2,205.6 752.0 18.6 4.5 1.2 1.6 0.3 1.0 16.9 1,409.5	2,544.1 831.8 26.8 12.5 18.9 2.4 0.3 1.0 0.0 1,650.4	(768.1) (4.6) (1.3) (17.6)

For details on the scope of statement, please refer to our website.

Definitions of Scope 1, 2, and 3

Scope 1: Direct GHG emissions from fuel consumption in the production process.

Scope 2: Indirect GHG emissions from the consumption of electricity and other energy sources in the production process.

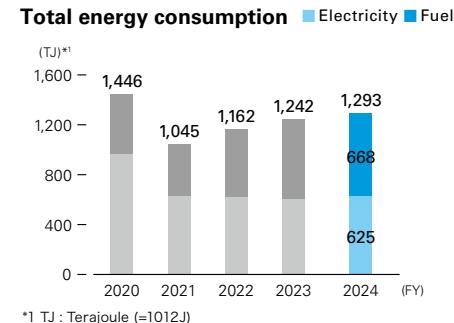
Scope 3: GHG emissions from the supply chain.

#### Certification Scope for FY 2024 and Changes from the Previous Year

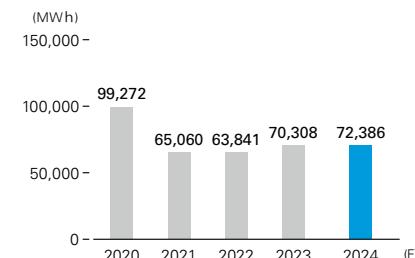
	FY 2023	FY 2024
*1: Production Sites	Only 4 sites — Tamano, Tamahara, Oita, Chiba	In addition to the 4 sites (Tamano, Tamahara, Oita, Chiba), 4 more sites were added: MES TOKKI & Engineering Co., Ltd. (Tamano, Tamahara, Chiba) and Mitsui Meehanite Metal Co., Ltd. (Tamano), totaling 8 sites
*2: Non-Production Sites	Headquarters and 3 sites within the same building — Mitsui E&S Engineering Co., Ltd., Mitsui E&S Systems Research Inc., and Mitsui E&S DU Co., Ltd. (total 4 sites)	Same as last
*3	Only materials and equipment	Includes materials, equipment, and services
*4	Emissions only from electricity generation	Emissions from both electricity and fuel generation
*5	Only emissions from upstream transportation	Includes downstream emissions arranged by our side based on comments from the certification body
*6	Aggregated downstream transportation of products from each business	Based on certification body comments, emissions from downstream transportation arranged by the company were transferred to Category 4. As a result, there are no other applicable items, and emissions are zero tons.

### Energy consumption and CO<sub>2</sub> emission

Despite implementing energy-saving welding machines, LED lighting, and green power at our headquarters, the total energy consumption for FY 2024 increased by approx. 4.2% compared to the previous year. This increase is attributed to the longer test run times of environmentally friendly engines compared to conventional engines (heavy oil-only engines), even though the production of marine diesel engines decreased from the previous year. But, CO<sub>2</sub> emission decreased by approx. 2.7% compared to the previous fiscal year due to the increased use of hydrogen and ammonia, which are non-fossil fuels, and the increase in the non-fossil electricity ratio among electric power companies.



### Purchased electricity



# Environmental Conservation

In 1999, the MITSUI E&S Group established the Environment Charter consisting of the Global Environment Philosophy and the Global Environmental Action Guidelines, and it has positioned the environment as an important part of the management of its business. Mid-Term Business Plan, MITSUI E&S Rolling Vision 2025, specifies the creating a decarbonized society as a material issue as we accelerate efforts to conserve the global environment.



## MITSUI E&S Group Global Environmental Philosophy

The MITSUI E&S Group views protecting the global environment as one of the most important issues given to it by society. Through our corporate activities, we give care and consideration to maintaining human health and conserving the global environment, and seek to contribute to the creation of an affluent society that is in harmony with the environment.

## MITSUI E&S Group Global Environmental Action Guidelines

### 1. Complying with Environmental Regulations and Reducing Environmental Impact

The Group observes and complies with environment-related laws and agreements, etc., and creates its own voluntary standards where necessary. It also gives care and consideration to reducing the environmental impact at each stage of its business operations, from the research, development and design of its technologies and products to their production, distribution, use, and ultimate disposal as waste.

### 2. Promoting of Resource Conservation, Energy Saving and Recycling, and Reducing of Waste

The Group seeks to promote the conservation of resources, energy saving and recycling in all areas of its corporate activities, and endeavors to reduce waste output.

### 3. Contributing to Environmental Conservation through the Development of New Technologies and Products

The Group works proactively to develop technologies and products that contribute to environmental conservation, and to provide them to society.

### 4. Caring and Consideration for the Environment in Overseas Business Activities

The Group also gives sufficient care and consideration to environmental conservation in the countries where it is engaged in overseas business activities.

### 5. Promoting PR Activities and Contributing to Social Activities

In addition to engaging in proactive PR activities with regard to environmental conservation, the Group also contributes to local communities and society as a whole through the provision of appropriate technologies and information.

### 6. Raising Awareness through Environmental Education and Participating in Social Activities

The Group seeks to increase employee awareness of environmental issues such as by providing environmental education and conducting internal PR activities. Through voluntary participation in environmental conservation activities, employees endeavor to build trusting relationships with local communities and wider society.

### 7. Establishing an Environmental Administrative Organization and Building an Environmental Management System

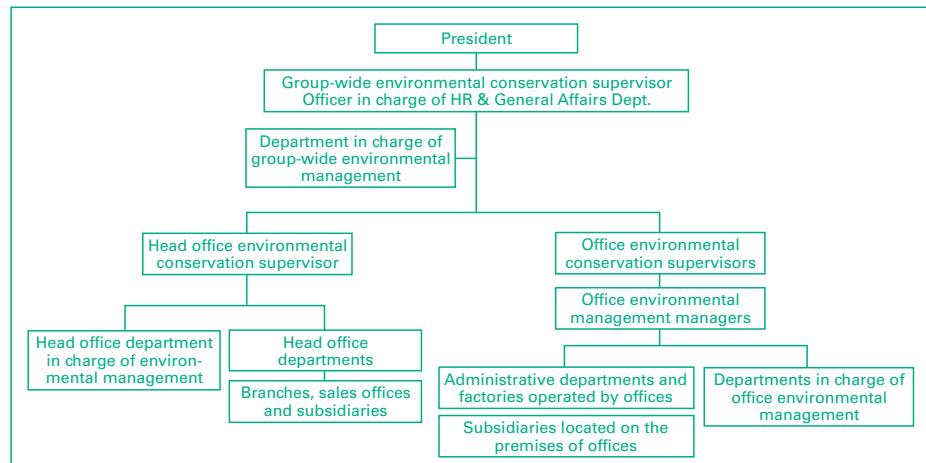
The Group endeavors to improve its environmental conservation efforts by establishing an environmental administrative organization, and by building and maintaining an environmental management system.

### 8. Coordinating and Collaborating with Affiliate Companies

The Group endeavors to instill its environmental philosophy and action guidelines at each of its affiliate companies, and promotes their comprehensive implementation, aiming to further increase the effectiveness of its environmental conservation activities.

## Environmental Management System

We are striving to manage and operate our environmental management system, with the president as the chief executive officer, aiming to become a more environmentally friendly company in all our business activities.



## Improving the Environmental Management System

MITSUI E&S Co., Ltd. acquired ISO 14001 certification at the Tamano Works in October 2000 and at the Chiba and Oita Works in September 2001. In FY 2018 ('17/4-'18/3), all works moved to the ISO 14001:2015 standard. Renewal inspections were conducted and certifications renewed at Tamano Works in August 2024 and Oita Works in July 2025. Periodic surveillance is carried out at each factory works twice a year by an external auditing body, checking the operational conditions of the systems.



Certifications renewed at Oita Works

# Business Partners & Customers

## Supply chain management

Contributing to society through engineering and services, the MITSUI E&S Group works to fulfill its social responsibility by seeking coexistence and shared prosperity based on fair, equitable and transparent transactions with partner companies in the procurement of materials and parts, with the goal of providing sustainable products and services. We will advance digitalization for the visualization of our production and procurement processes and continually improve in cooperation with our partner companies, seeking to optimize our production processes.

### Initiatives for supply chain management

#### ● Build fair and equitable trust-based relationships

MITSUI E&S Co., Ltd. has made the following declaration: As a basic principle, we fairly select business partners by providing all companies that desire to be our business partners with equal and fair opportunities for participation. Based on our thorough commitment to preventing corruption, we strive to build fair and equitable trust-based relationships with our partner companies. On April 1, 2023, we published a "Declaration of Partnership Building." Based on these principles, we are also strengthening awareness, guidance, and education for our employees.

#### ● Achieve a sustainable society

Addressing the risks of overseas supply chain today, our procurement activities are based on a global perspective. We also are engaged in green procurement that considers the reduction of environmental impact in pursuit of a sustainable society. For local production of cranes outside Japan, we are also working on developing local suppliers.

#### ● Digital strategy

We are pursuing the shift to smart factories through the construction of a digitally integrated platform that encompasses development, design, sales, procurement, manufacturing and other data. We have renewed our procurement system and commenced its operation to strengthen data collaboration with our partner companies.



## Quality control

We aim to deliver high-quality products by always thinking from the customer's perspective and acting with a sense of speed, thereby fulfilling contractual specifications with customers and complying with applicable laws and standards. Through the operation of our quality management system, we strive to improve quality throughout the manufacturing process. Guided by our corporate philosophy of earning trust and contributing to society through engineering and services, we develop and implement digital technologies such as remote monitoring systems, failure prediction through data analysis, and drone inspections. These efforts help maintain and enhance quality throughout the product lifecycle, including during use.

### Quality management system

Both Tamano Works and Oita Works have acquired ISO 9001 certification, are regularly reviewed and effectively and properly operate a quality management system.

### Quality inspection and prevention of recurrence

In the manufacturing stage, the design division leads continuing the activities to develop and establish the quality of products at an early stage. This involves, for example, the sharing of construction-related information and risks with the departments and companies involved to engage in array of verification activities beforehand. After product delivery, the after-sales service division takes the lead in the gathering of a variety of information about problems that occur after a product begins operation and the provision of feedback for upstream processes, mainly design. In this way, we implement a PDCA cycle as we strive to continually improve the quality of our products.

### Digitalization of the monitoring of product operating conditions

Our products can be equipped with systems to monitor their operating conditions. This enables users to analyze the monitoring data, predict failures before they occur, share data with our engineers and ensure they are able to quickly recover following a failure.



# Initiatives for Employees

## Initiatives for Human Rights

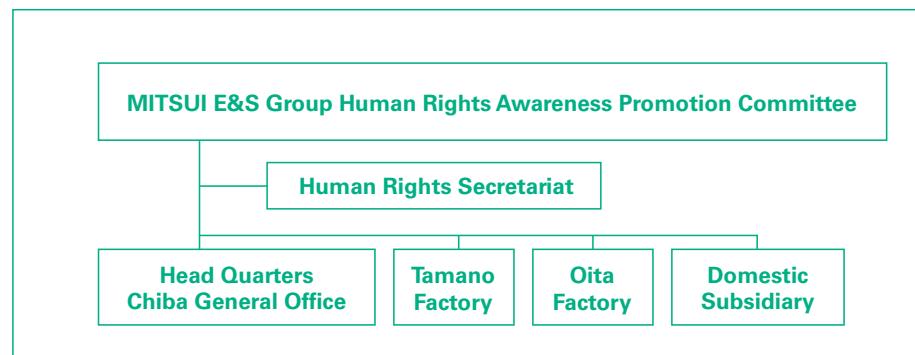
Each and every employee in the workplace is absolutely essential to the corporate activities of the MITSUI E&S Group. A work environment where human rights are respected enables employees to take satisfaction in their personal and professional life. It maximizes employees' capabilities that leads to greater productivity. Based on this idea, the MITSUI E&S Group has established its Basic Policy for the Promotion of Human Rights Awareness. In addition to training programs to increase all executives' awareness of human rights, we are committed to a range of human rights enlightenment activities at every level of the workforce. In this way, we strive to create an equal and non-discriminatory workplace environment that respects human rights.

### Basic Policy for the Promotion of Human Rights Awareness

The MITSUI E&S Group is aware of its social responsibilities as a corporate entity. To create a truly discrimination-free corporate culture, it positions the ending of discrimination against Buraku people, sexual discrimination, racial discrimination and other human rights problems as important issues and strives to solve these problems through its everyday business activities under the principle of respecting human rights.

### Organizations and systems for promoting training

Based on the Basic Policy for the Promotion Human Rights Awareness, which is formulated based on the United Nations "Guiding Principles on Business and Human Rights", the MITSUI E&S Group has established the MITSUI E&S Group Human Rights Awareness Promotion Committee to formulate policies and measures related to human rights awareness.



### Human rights awareness activities

To increase officers and employees' understanding of human rights, the MITSUI E&S Group seeks to build an equal, discrimination-free workplace environment that respects human rights by encouraging people's participation in in-house and external training programs, providing relevant information and organizing related events. In particular, with regard to training, we consider the many different forms that work takes on such as telecommuting and on-site work, and have introduced online training in addition to face-to-face training in an effort to provide employees with more opportunities to participate in training programs. We also regularly share information related to human rights, as a means of providing information, offering opportunities to think about and deepen understanding of human rights.

#### Specific Activities

- Conduct human rights training for executives and employees, including new hires
- Social topics related to human rights are posted on the intranet
- Annual internal call for human rights awareness slogan, with the excellent entries published internally.

## Initiatives for Employees

# Health, Safety and Health Management

In line with "the MES Occupational Safety and Health Management System Manual," the employer (president) announced the basic policy on occupational safety and health. Accordingly, our Company-wide Occupational Safety and Health Management Plan has been formulated and implemented. Even after we became a business holding company on April 1, 2023, the pre-existing basic policy on occupational safety and health was preserved as the principles the entire the MITSUI E&S Group should uphold. At the same time, the policy has continued to evolve to bring us closer in our efforts to prevent occupational accidents in ways that are more meticulous than ever. In addition, in line with our Health Management Declaration issued in July 2023, we are actively promoting various health measures for the workplace and employees.

## MITSUI E&S Group Plan on Health and Safety Management

### 1. Basic policy

We will achieve the followings by instilling a safety culture in each workplace and fostering human assets:

- (1) Safety first principle, for manufacturing and engineering practices as top priority to safety
- (2) Creating a comfortable workplace by proactively working on physical and mental health management

### 2. Targets

Safety Targets:

Deaths, serious injuries, or lost-worktime accidents:	0
Accident frequency rate:	0.6 or less (Goal: 5 or less accidents without lost-worktime)

Health Targets:

Work-related illnesses:	0
Non work-related injuries and illnesses:	Days off work frequency rate of 0.38% or less (Of which, mental health disorders are 0.11% or less)

### 3. High-priority issues

#### (1) Safety

##### ① Prevention of severe occupational accidents

Based on lessons learned from past cases of severe occupational accidents (especially at our own workplaces), it is the responsibility of managers to implement and disseminate risk assessment (RA) to ensure that serious accidents do not happen again.

##### ② Thoroughly implement "facility maintenance and upkeep management."

Ensure that periodic inspections are performed and that "preventive maintenance" to repair or replace equipment is thoroughly carried out. Maintain the surrounding facilities, equipment, and environment to ensure safe facility operation.

##### ③ Creating a Safe Working Environment

The health and safety manager is responsible for the workplace environment and for guiding safe work. Everyone in the workplace builds trust through good communication. Establish a safe working environment for both parties.

##### ④ Elimination of Pinching and Entanglement Accidents

For equipment and tools that pose a risk of pinching or entanglement, we will thoroughly explain their structure and implement engineering measures. We will also develop and educate on work standards that cover safety matters comprehensively, making them easy to understand even for inexperienced workers.

#### (2) Health

##### ① Promote health management

Think about health from a management perspective and understand health issues, strategically putting health management into practice.

##### ② Promote mental health care

Create a good place to work by promoting these 4 types of care: 1. Self-care, 2. Line-care, 3. Care from occupational health staff, and 4. Care from resources outside of the workplace.

##### ③ Promotion of "work-life balance" and measures to prevent overwork

Ensure the implementation of systems and measures to optimize working hours, and achieve a work-life balance by reducing mental and physical fatigue.

### 4. Events

To promote and thoroughly implement key initiatives and various safety and health activities, the following events will be held:

#### (1) Safety and Health Inspections

① Central Labor-Management Joint Safety and Health Inspection (twice a year): Inspect the status of safety and health management.

#### (2) Company Events

① Workplace Safety Awards: Award workplaces with good safety performance from the previous year.  
② Team Safety II (TS II) Movement Awards

#### (3) Cooperation with Labor Union and Government Events

① MITSUI E&S Labor Union Federation "Safety and Health Awareness Month" (February)  
② National Year-End and New Year Accident-Free Campaign and Year-End and New Year Traffic Safety Campaign (from December to January)

#### (4) Monthly Events

① National Safety Week and "Safety and Health Emphasis Month" (from July to August)  
② National Industrial Health Week and "Industrial Health Month" (October)

#### (5) Others

① Safety and Health Mottos  
② Safety and Health Slogans

## Promotion of Occupational Health and Safety Management System

The Tamano works of the Marine Propulsion Systems Division obtained OHSAS 18001 certification in November 2011 and transitioned to ISO 45001 in 2019, undergoing the migration audit and renewal process. In addition, an annual surveillance audit by an external certification body is conducted to check the operational status of the system.

## Initiatives for Employees

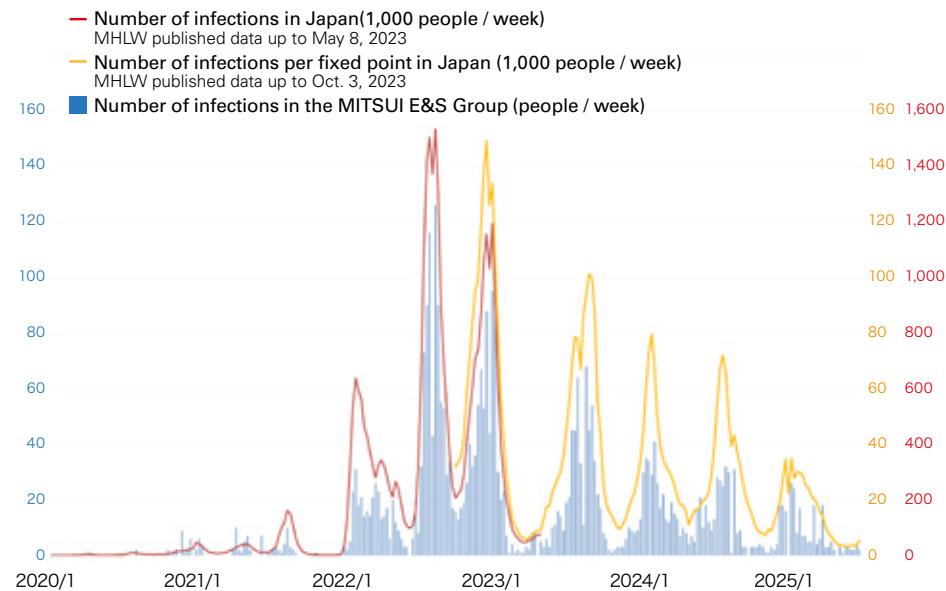
# MITSUI E&S Group Health Management Declaration

The MITSUI E&S Group accelerate the resolution of sustainability issues, climate change, population decline and diversity in consideration of employees' health and safety, based on our mission "We build trust and contribute to society through our engineering and services." We will promote efforts to maintain and improve the health of our employees so that the strengths of each individual can be the source of corporate vitality and maximized, and we will actively engage in health management to create healthy and comfortable workplaces.

## Initiatives to Deal with Infectious Diseases

As part of our COVID-19 countermeasures, even after the reclassification of the disease under Category V of the Infectious Disease Control Law, we have continued to monitor infection trends and compare them with domestic conditions to forecast future outbreaks and implement preventive measures.

### State of COVID-19 Infections in the MITSUI E&S Group



## Overseas Safety Initiatives

### Safety Measures at Overseas Factories and Sites

At the factories and local overseas construction sites of the MITSUI E&S Group subsidiaries located overseas, we have developed safety management systems in compliance with local law. In the event of a major disaster or serious accident, MITSUI E&S Co., Ltd. receives reports, takes appropriate measures after determining the cause, and works to prevent similar incidents from happening again.

### Safety Measures for Employees Traveling Overseas

(Initiatives to Ensure the Safety of Employees Stationed Overseas or on Overseas Business Trips) The MITSUI E&S Group has established overseas work approval standards based on the overseas travel advice and warning levels issued by Japan's Ministry of Foreign Affairs, and for travel to regions and countries with Level 3 and higher travel warnings in particular, approval from the corporate officer in charge is required, with the requirement that the safety of the traveling employee can be ensured. In addition, employees of the MITSUI E&S Group traveling overseas are monitored using the company's own Overseas Traveler Monitoring System, and when information is received about an emergency situation or sudden incident in an overseas destination, we confirm the safety of any employees traveling overseas in those locations and issue warnings to them, either directly or through their managers. We are also contracted with outside companies to provide medical assistance and security assistance to employees traveling overseas and have put in place systems where employees and their accompanying family members can receive expert support in terms of medical care and safety while overseas, thus fulfilling our obligations to consider the safety of our employees while they are traveling overseas.

## Health Management Initiatives

To promote health management across the entire the MITSUI E&S Group, the company (as the employer) is working together with the health insurance society to develop a variety of health promotion measures.

### Utilization of periodic health checkup results

Based on the results of periodic health checkups, the MITSUI E&S Group companies provide specific health guidance to employees at risk of any lifestyle-related diseases, and personal guidance to those individuals at high risk to prevent any increase in severity. Additionally, to enable employees to utilize their own PHR (Personal Health Record, etc.), they can check their own health data from a computer or smartphone app and view medical expense notifications and health information.

### Mental Health Measures

We are systematically implementing mental health training sessions, stress checks, the issuance of mental health newsletters, and counselor consultations. Additionally, we have introduced an Employee Assistance Program (EAP) service that provides 24-hour health, mental, and legal consultations via phone, web, fax, and in-person meetings, with strict privacy protection.

### Addressing Health Issues Specific to Women

To improve overall health literacy within the company and create a work environment where women can work comfortably, we hold seminars on women's health issues every February at the headquarters. The archive is then made available for all employees to watch.



Seminar on Women's Specific Health Issues Held at Headquarters in 2024

# SECTION 06

## DATA SECTION

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# 11-Year Financial Performance

	(FY)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Financial Results</b>												
New Orders Received		959,784	609,621	516,577	1,160,662	710,127	996,848	576,668	511,089	322,351	336,987	421,699
Net Sales		816,520	805,413	731,464	703,216	656,504	786,477	644,686	579,363	262,301	301,875	315,112
Operating Income/(loss)		13,298	11,813	8,304	(5,224)	(59,703)	(62,079)	(12,243)	(10,029)	9,376	19,630	23,130
Ordinary Income/(loss)		14,899	15,078	14,859	3,061	(50,502)	(60,457)	(8,223)	(25,742)	12,532	20,711	27,756
Net Income/(loss)*1		9,463	7,599	12,194	(10,137)	(69,599)	(86,210)	134	(21,825)	15,554	25,051	39,074
<b>Cash Flow</b>												
Operating Cash Flow		15,167	29,802	(7,843)	(3,555)	66,176	(37,213)	7,478	(20,265)	(15,043)	(34,435)	14,852
Investing Cash Flow		(32,385)	(34,599)	(28,753)	(9,046)	(130)	84,125	21,115	(70,923)	(2,999)	(354)	60,902
Free Cash Flow		(17,218)	(4,797)	(36,596)	(12,602)	66,045	46,912	28,593	(91,189)	(18,043)	(34,789)	75,754
Financing Cash Flow		(4,374)	48,216	19,401	(14,813)	(53,340)	(26,825)	(6,813)	806	9,515	24,110	(76,566)
Cash and Cash Equivalents		94,664	135,747	115,620	86,311	97,408	116,691	135,482	50,818	43,468	33,516	33,376
<b>Financial Position</b>												
Net Assets		347,305	343,853	367,608	356,837	280,239	105,355	88,480	62,949	110,686	146,510	174,154
Total Assets		1,074,563	1,094,042	1,096,735	1,029,222	999,100	840,380	759,029	409,150	439,959	467,140	449,212
Interest-bearing Debt*2		188,314	239,873	265,176	255,276	204,617	173,934	164,531	142,374	141,547	162,012	97,849
<b>Per Share Information(yen)*3</b>												
Earnings per share*4		116	94	151	(125)	(861)	(1,066)	2	(270)	177	256	385
Net Assets per share		2,929	2,905	3,098	2,959	1,974	796	794	706	1,107	1,312	1,683
Dividends per share		20	40	30	-	-	-	-	-	3	5	20
Closing price at the fiscal year end		2,050	1,680	1,720	1,730	1,044	521	557	366	417	1,915	1,644
<b>Key Financial Indicator</b>												
Shareholders' Equity to Total Assets (%)		22.0	21.5	22.8	23.2	16.0	7.7	8.5	14.0	24.2	30.4	37.8
ROE*5 (Return on Equity) (%)		4.1	3.2	5.0	(4.1)	(34.9)	(77.0)	0.2	(36.0)	19.0	20.2	25.1
ROIC*5 (Return on Invested Capital) (%)		-	-	-	-	(12.0)	(18.3)	(3.2)	(2.9)	4.5	7.4	9.9
WACC*5 (Weighted Average Cost of Capital) (%)		-	-	-	-	-	-	-	-	-	9.0	7.0
PBR*6 (Price Book-Value Ratio)		-	-	-	-	-	-	-	-	-	1.46	0.98
Dividend payout ratio (%)		-	-	-	-	-	-	-	-	-	2	5.2

\*1 Profit (loss) attributable to owners of parent

\*2 Borrowings + Bonds payable

\*3 The Company consolidated every 10 shares into 1 share with an effective date of October 1, 2017. Per Share Information for FY2016 or prior years has been calculated as if the aforementioned share consolidation had occurred at the beginning of each fiscal year.

\*4 Earnings (loss) per share (adjusted for share consolidation)

\*5 Definitions of Financial Indicators

ROE = Profit (loss) attributable to owners of parent ÷ (Shareholders' equity + Accumulated other comprehensive income (average at the end of the current and previous fiscal years))

ROIC = (Operating income - Total Tax) ÷ (Shareholders' equity + Interest-bearing debt (average at the end of the current and previous periods))

WACC = (Cost of equity × Market capitalization ratio) + (Cost of debt × Interest-bearing debt ratio)

PBR = Stock price ÷ Net assets per share

For fiscal years prior to 2023, ROIC was calculated as follows:

ROIC = (Operating income + Interest income + Dividend income) ÷ (Shareholders' equity + Interest-bearing debt (average at the end of the current and previous periods))

# Non-Financial Key Data

## ● Environmental management data

Investments and costs related to its environmental conservation efforts that MITSUI E&S spent was JPY1,139.5 million in total. The environmental conservation cost categories are based on the Environmental Conservation Cost Categories in the Environmental Accounting Guidelines 2005.

## ● Amount of waste generated and waste recycling rate

The illegal dumping of industrial waste has become a major social issue and we do everything to fulfill our responsibility as a waste generator. We rigorously control manifests and visit waste disposers regularly to conduct on-site inspections. More importantly, we are thoroughly committed to the segregated collection and recycling of waste to reduce the amount of waste. The graph to the right shows the amounts of waste we generated and our waste recycling rates over the last five years and a breakdown of waste in FY 2024. By changing our business structure, we worked to compress our production system and reduce our generation of waste. But, as a result, we increased waste generation by nearly 6% YOY. On the other hand, due to the progress in recycling metal scraps, wood scraps, and slag, the recycling rate increased by approx. 3.1%, reaching 84.9%. We will continue to strive to reduce waste generation and improve the recycling rate. Furthermore, we will continue to ensure proper waste management through strict controls.

## ● Water consumption

The graph shows our consumption of water over the last five years. We use drinking water and industrial water. We worked to conserve water throughout FY 2024, but, as a result, our total consumption of clean water and industrial water increased by nearly 1% compared with the previous fiscal year.

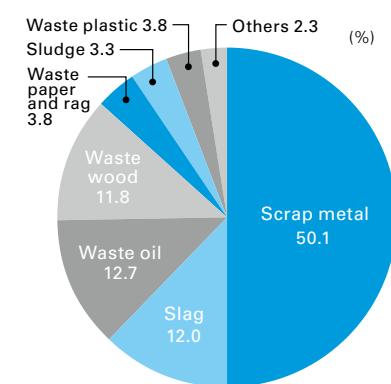
## ● Aggregation of CO<sub>2</sub> Emissions by Major Group Companies

The MITSUI E&S Group aggregates CO<sub>2</sub> emissions from the company and domestic subsidiaries engaged in manufacturing operations. For FY 2024, Scope 1 (direct emissions from energy consumption), Scope 2 (indirect emissions from electricity consumption), and Scope 3 (emissions from the supply chain) are shown in the table on the right. In addition, the trend of Scope 1 and Scope 2 emissions, for which data has been collected for some time, is shown in the graph on the right.

### Environmental Conservation cost (= sum of investment and cost: JPY 1,139.5 million)

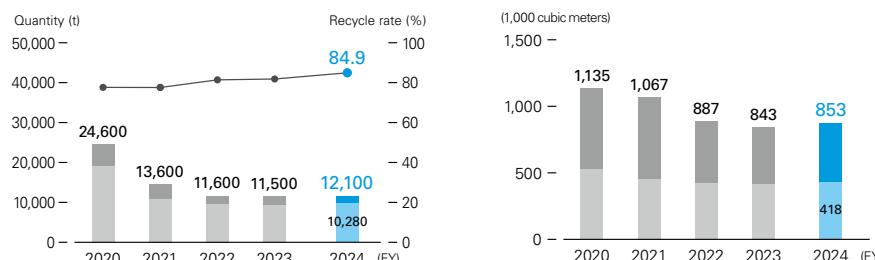
Categories corresponding to business activities	Invest-ment	Cost	Major initiatives and effects
1. Business Area Cost			
(1) Pollution prevention cost	113.6	98.0	Exhaust gas measures, Wastewater treatment, Soil contamination countermeasures, Noise countermeasures, etc.
(2) Global environmental conservation cost	4.0	3.2	Substitution to energy-saving equipment
(3) Resource circulation cost	-	322.8	Waste treatment, Recycle
2. Upstream /downstream cost	-	0.0	Green purchasing
3. Administration cost	-	71.5	Environmental management system implementation, Factory greening, Integrated reports, Environmental education
4. Research & development cost	13.2	511.4	Development of various environmentally friendly products
5. Social activity cost	-	1.9	Road cleaning, Activities of the Environmental Conservation Association, Green donation, Seminar sponsorship, etc.
6. Environmental remediation cost	0.0	-	
Total	130.7	1008.8	

### Breakdown of waste (FY 2024)



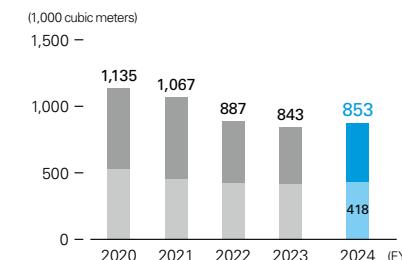
### Total waste amount and recycle rate

■ Recycled amount ■ Disposed amount



### Water consumption

■ Drinking water ■ Industrial water

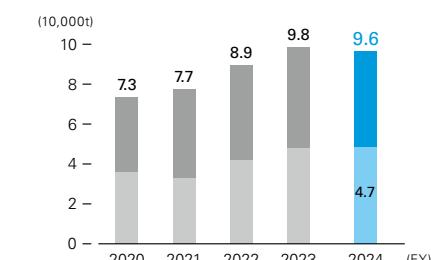


### Total CO<sub>2</sub> Emissions of Major Group Companies in FY 2024 (Unit: Thousand tons of CO<sub>2</sub>)

Categories	Emission Categories (Scope 3 Categories)	Total
Scope 1	Direct Emissions: From fuel consumption within the company.	47.3
Scope 2	Indirect Emissions: From electricity consumption within the company.	49.6
Scope 3	1.Emissions from the production of procured goods	958.6
	2.Emissions from the introduction of capital goods	30.7
	3.Emissions from the production of fuel and energy	16.2
	4.Emissions from upstream transportation and distribution	24.8
	5.Emissions from waste treatment from business activities	0.4
	6.Emissions from employee business travel	0.2
	7.Emissions from employee commuting	0.7
	9.Emissions from downstream transportation and distribution	1.9
	11.Emissions from the use of sold products	2,623.7
		3,657.3

### CO<sub>2</sub> emissions\*<sup>1</sup> Scope 1 and 2 in the Machinery Business\*<sup>2</sup>

■ Scope1 ■ Scope2



\*1 CO<sub>2</sub> emissions were calculated by following the Guidelines for Calculating Corporate Greenhouse Gases Emissions issued by the Ministry of the Environment.

CO<sub>2</sub> emissions from electric power were calculated by using the adjusted CO<sub>2</sub> emission coefficient for designated electric enterprises that was also published by the Ministry of the Environment.

\*2 Emissions from each business site related to the machinery business of the Company and major domestic group companies.

Scope1:Direct emissions from combustion of fuel, etc. Scope2: Indirect emissions from use of electricity, etc.

## Non-Financial Key Data

### Human capital

#### Ratio of male employees to female employees and average years of service (FY)

		2021	2022	2023	2024	2023	2025
Number of employees	Employees	3,044	2,346	2,188	2,292	2,369	
Male	Employees	2,848	2,178	2,042	2,123	2,169	
Percentage of male employees	%	93.6	92.8	93.3	92.6	92.0	
Average years of service for men	Years	14.2	14.5	13.5	15.3	15.5	
Female	Employees	196	168	146	169	190	
Percentages of female employees	%	6.4	7.2	6.7	7.4	8.0	
Average years of service for female	Years	12.3	12.8	10.8	12.4	12.5	

\*Figures as of April 1 of each year

#### Ratio of males and females by age (FY)

		Unit	2021	2022	2023	2024	2025
Under 30		Employees	853	598	563	549	576
	Male	Employees	790 (92.6%)	547 (91.5%)	513 (91.1%)	495 (90.2%)	514 (89.2%)
	Female	Employees	63 (7.4%)	51 (8.5%)	50 (8.9%)	54 (9.8%)	62 (10.8%)
30 - 39		Employees	1,036	774	724	727	700
	Male	Employees	996 (96.1%)	742 (95.9%)	700 (96.7%)	702 (96.6%)	667 (95.3%)
	Female	Employees	40 (3.9%)	32 (4.1%)	24 (3.3%)	25 (3.4%)	33 (4.7%)
40 - 49		Employees	727	572	505	476	491
	Male	Employees	674 (92.7%)	525 (91.8%)	469 (92.9%)	439 (92.2%)	457 (93.1%)
	Female	Employees	53 (7.3%)	47 (8.2%)	36 (7.1%)	37 (7.8%)	34 (6.9%)
50 - 59		Employees	428	402	396	430	491
	Male	Employees	388 (90.7%)	364 (90.5%)	360 (90.9%)	395 (91.9%)	450 (91.6%)
	Female	Employees	40 (9.3%)	38 (9.5%)	36 (9.1%)	35 (8.1%)	41 (8.4%)
60 - 65		Employees	-	-	-	110	111
	Male	Employees	-	-	-	92 (83.6%)	91 (82.0%)
	Female	Employees	-	-	-	18 (16.4%)	20 (18.0%)

\*Figures as of April 1 of each year

#### Number of new graduate hires (FY)

	Unit	2021	2022	2023	2024	2025
Number of new graduate hires	Employees	69	48	60	58	61
	Including female new hires	6 (8.7%)	3 (6.3%)	7 (11.7%)	9 (15.5%)	6 (9.8%)
Number of administrative staff / engineer hires* <sup>1</sup>	Employees	42	33	41	37	32
	Including female hires	5 (11.9%)	1 (3.0%)	7 (17.1%)	9 (24.3%)	6 (18.8%)
	Including foreign nationals hires	7 (16.7%)	7 (21.2%)	2 (4.9%)	1 (2.7%)	10.0 (31.3%)
Number of skilled workers recruits	Employees	27	15	19	21	29
	Including female hires	1	0	0	0	0

\*The scope of data coverage prior to FY 2022 includes Mitsui E&S Machinery and Mitsui E&S Business Services

#### \*1Number of administrative staff / engineer hires (FY)

	Unit	2020	2021	2022	2023	2024
Number of administrative staff recruits	Employees	20	9	2	9	7
	Including female hires	9 (45.0%)	4 (44.4%)	0 (0.0%)	4 (44.4%)	5 (71.4%)
Number of engineer recruits	Employees	50	33	31	32	30
	Including female hires	3 (6.0%)	1 (3.0%)	1 (3.2%)	3 (9.4%)	4 (13.3%)

\*The scope of data coverage prior to FY 2022 includes Mitsui E&S Machinery and Mitsui E&S Business Services

#### Number and ratio of employees with disabilities

	Unit	2021	2022	2023	2024	2025
Number of workers used to calculate the statutory number of employment of people with disabilities	Employees	3,297.5	2,519	2,319	2,321	2,423.5
Number of employees	Employees	75	51	41	55	57
Employment ratio	%	2.27	2.02	1.77	2.37	2.35

\*Figures as of June 1 of each year

## Non-Financial Key Data

### Number of mid-career hires

	Unit	2020	2021	2022	2023	2024
Male	Employees	38	20	38	61	59
Female	Employees	9	4	4	6	12
Total	Employees	47	24	42	67	71

\* The scope of data coverage prior to FY 2022 includes Mitsui E&S Holdings, Mitsui E&S Machinery and Mitsui E&S Business Services

### Monthly average overtime hours

	Unit	2020	2021	2022	2023	2024
Monthly average overtime hours	Hours	21.6	21.0	22.1	28.0	24.4

\*Except managerial-level employees

### Average number of used annual general leave

	Unit	2020	2021	2022	2023	2024
Average number of used annual general leave	Days	19.2	18.2	20.0	19.4	18.9

\*Except managerial-level employees

### Frequency rate of lost-worktime accidents

		2020	2021	2022	2023	2024
MITSUI E&S Group		0.3	0.15	0.28	0.08	0.48
Manufacturers* <sup>1</sup>		1.21	1.31	1.25	1.29	1.30
The Shipbuilders' Association of Japan* <sup>2</sup>		1.13	0.80	0.75	1.06	1.16

\*1 Occupational accident statistics of Japan Advanced Information Center of Safety and Health \*2 Statistic data from The Shipbuilders' Association of Japan

### Number of employees taking childcare leave

	Unit	2020	2021	2022	2023	2024
Male	Employees	5	14	25	74	70
Female	Employees	8	19	4	8	3
Male acquisition rate	%	-	-	-	94.8	95.8

### Number of employees taking caregiving leave and volunteering leave

	Unit	2020	2021	2022	2023	2024
Male	Employees	2	3	3	0	1
Female	Employees	2	1	0	0	0

[Scope of Data Coverage for Human Capital Metrics]

● FY 2023 onward (MITSUI E&S Co., Ltd.)

Following the business integration implemented in April 2023, the scope of data coverage includes three companies: Mitsui E&S Holdings, Mitsui E&S Machinery, and Mitsui E&S Business Services.

● FY 2022 and earlier (Mitsui E&S Holdings Co., Ltd.)

The scope of data coverage includes five companies: Mitsui E&S Holdings, Mitsui E&S Shipbuilding, Mitsui E&S Machinery, Mitsui E&S Engineering, and Mitsui E&S Business Services.

### Total number of training session attendees and duration of session

		Unit	2020	2021	2022	2023	2024
Introductory training for new employees	Number of attendees	Employees	225	141	101	119	110
	Duration	Hours	9,544	3,736	2,832	3,636	3,234
3rd Year Training	Number of attendees	Employees	53	41	49	27	25
	Duration	Hours	1,272	656	784	648	581
Assistant Manager Promotion Training	Number of attendees	Employees		103	62	46	
	Duration	Hours	Not applicable	1,648	1,240	1,104	Not applicable
Management Candidate Training	Number of attendees	Employees	52	53	45	46	
	Duration	Hours	1,664	1,696	1,440	1,656	Not applicable
Selective Training	Number of attendees	Employees	-	10	-	-	
	Duration	Hours	-	1,040	-	-	Not applicable
MITSUI E&S management advanced course	Number of attendees	Employees	-	-	-	-	241
	Duration	Hours	-	-	-	-	775

### Technical training

		Unit	2020	2021	2022	2023	2024
Lecture-type technical training	Number of attendees	Employees	151	234	127	129	204
	Number of courses	Courses	12	17	14	16	16
e-learning (technical and skill improvement courses)	Number of attendees	Employees	177	135	85	96	58

### Gender Wage Gap \*<sup>1</sup> \*<sup>2</sup>

	Unit	2020	2021	2022	2023	2024
All Workers	%	-	-	-	82.7	79.8
	%	-	-	-	82.9	82.3
	%	-	-	-	61.0	65.9

The scope of data coverage prior to FY 2022 includes Mitsui E&S Holdings, Mitsui E&S Machinery and Mitsui E&S Business Services

\*1. Calculated based on the provisions of The Act. on Promotion of Women's Participation and Advancement in the Workplace

\*2. 'Gender Wage Gap' indicates the ratio of women's wages to men's wages.

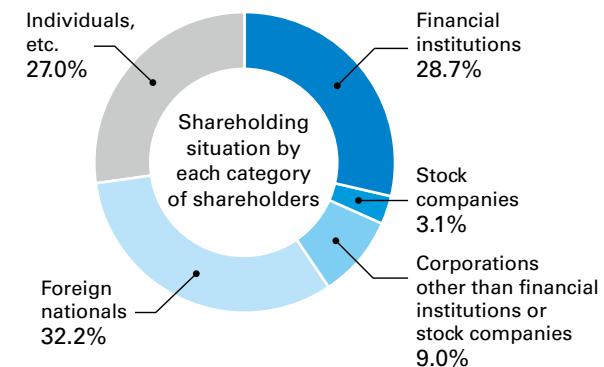
The primary factor contributing to the wage gap is the difference in the number of employees by grade level; the wage standards are the same regardless of gender.

# Stock and Bonds

(As of September 30, 2025)

## Shareholding situation by each category of shareholders

	Number of shareholders	Number of Shares Held	Shareholding Ratio (%)
Financial institutions	39	29,620,199	28.7
Stock companies	67	3,183,590	3.1
Corporations other than financial institutions or stock companies	461	9,229,790	9.0
Foreign nationals	547	33,194,801	32.2
Individuals, etc.	59,910	27,870,337	27.0



## Major 10 shareholders

Name	Number of Shares' Held (Thousand Shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	15,239	15.10
Custody Bank of Japan, Ltd. (Trust Account)	7,847	7.77
IMABARI SHIPBUILDING CO., LTD.	3,864	3.83
IMITSUI & CO., LTD.	2,550	2.52
BNYM AS AGT/CLTS 10 PERCENT	2,273	2.25
J.P. MORGAN BANK LUXEMBOURG S.A. 384513	2,213	2.19
STATE STREET BANK AND TRUST COMPANY 50522	2,101	2.08
BOFAS INC SEGREGATION ACCOUNT	1,650	1.63
TAIJU LIFE INSURANCE COMPANY LIMITED	1,600	1.58
MSIP CLIENT SECURITIES	1,476	1.46

Notes:  
 1. The Company owns 2,202,982 shares of treasury stock which is excluded from the major shareholders listed above. The treasury stock includes 400 shares that are not actually owned by the Company, although they are in the name of the Company on the shareholder registry.  
 2. The shareholding ratio is calculated excluding treasury stock.

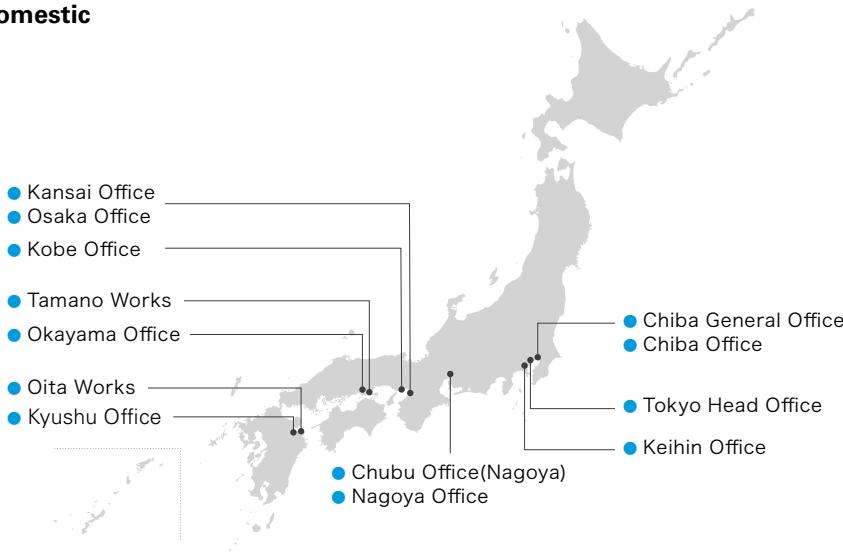
# Company Profile

(As of September 30, 2025)

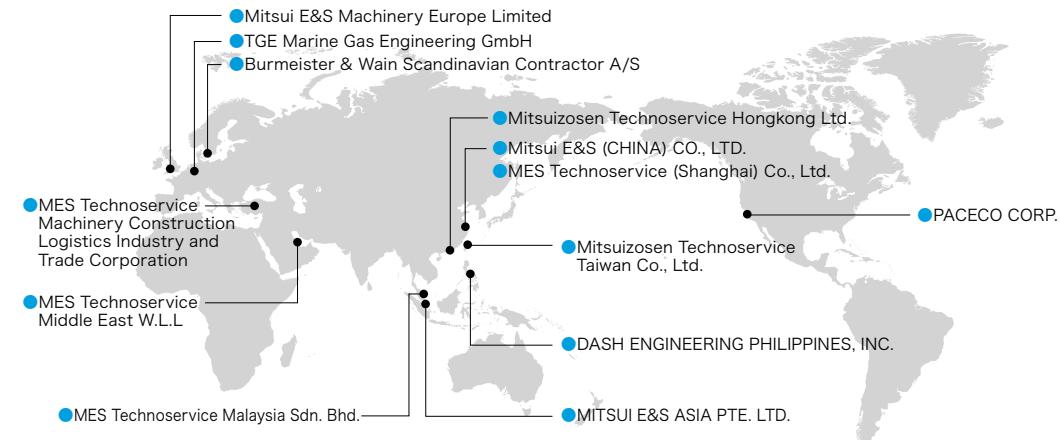
Company Name	MITSUI E&S Co., Ltd.
Head Office Location	6-4, Tsukiji 5-Chome, Chuo-ku, Tokyo 104-8439, Japan
Founded in	November 14, 1917
Established in	July 31, 1937
Capital	¥8,846 million
Employees	5,966 (Consolidated) (As of March 31, 2025)

Number of shares authorized to be issued	150,000,000 Shares
Number of outstanding shares	103,098,717 Shares
Number of shareholders	61,024

## Domestic



## Overseas



## Major group company

### Domestic

Mitsui E&S Power Systems Co., Ltd.	AZUMA MACHINERY CO., LTD.
Mitsui E&S Technical Research Co., Ltd.	SANZO MANUFACTURING & CONSTRUCTION CO. LTD.
KAJI TECHNOLOGY CORPORATION	MES TOKKI & ENGINEERING CO., LTD.
MITSUI MEEHANITE METAL CO., LTD.	Mitsui E&S Systems Research Inc.
Mitsui E&S DU Co., Ltd.	Mitsui E&S Engineering Co., Ltd.

### Overseas

MES Technoservice Middle East W.L.L.	Mitsui E&S Machinery Europe Limited
MES Technoservice Machinery Construction Logistics Industry and Trade Corporation	PACECO CORP.
Mitsuizen Technoservice Hongkong Ltd.	MES Technoservice Malaysia Sdn. Bhd.
MITSUI E&S ASIA PTE. LTD.	DASH ENGINEERING PHILIPPINES, INC.
Mitsuizen Technoservice Taiwan Co., Ltd.	Mitsui E&S (CHINA) CO., LTD.
MES Technoservice (Shanghai) Co., Ltd.	TGE Marine Gas Engineering GmbH
	Burmeister & Wain Scandinavian Contractor A/S

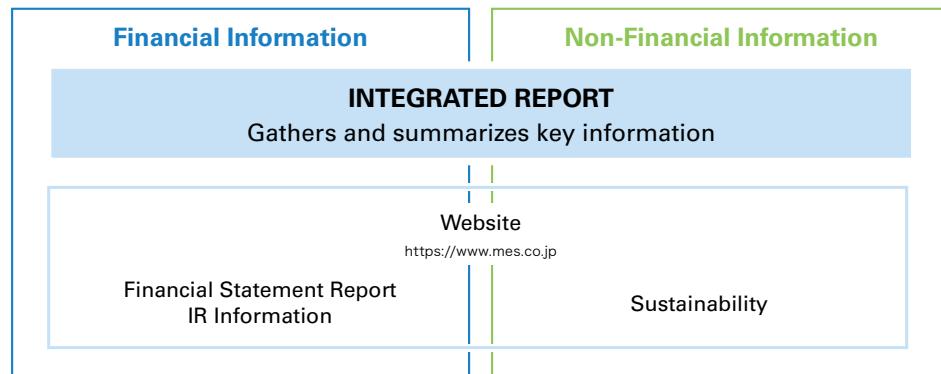
## Editorial Policy

We started creating the "MITSUI E&S Group Integrated Report" (the report) from 2019 ('19/4 - '20/3), aiming to provide our stakeholders with a deeper understanding of our business model and the process of realizing long-term sustainable corporate value improvement. The report focuses on information that has a significant impact on corporate value. A wide range of IR information and ESG-related information is disclosed comprehensively on our website, aiming for further improvement so that various stakeholders in Japan and overseas can understand our unique business model.

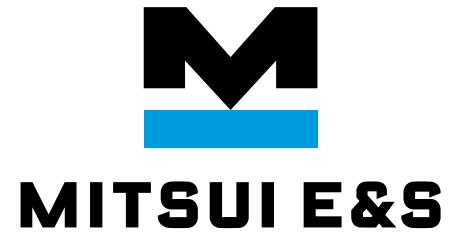
### SUSTAINABLE GOALS

The MITSUI E&S Group agrees with the SDGs (Sustainable Development Goals), an international goal set by the United Nations to solve global issues.

### Positioning of "MITSUI E&S Group Integrated Report"



Scope	MITSUI E&S Co., Ltd. and major companies of the MITSUI E&S Group However, the applicable scope of reporting is specified on a case-by-case basis if it differs from the above.
Period	This report covers the period from April 2024 to March 2025. (However, some sections include information for April 2025 and thereafter.)
Reporting frequency	Once a year in principle
Publication date	February 2026
Reference Guidelines	<ul style="list-style-type: none"> <li>• "Sustainability Reporting Standards issued" Global Reporting Initiative (GRI)</li> <li>• "International Integrated Reporting Framework" IFRS Foundation</li> <li>• "Guidance for Collaborative Value Creation" METI of Japan</li> </ul>
Inquiries	<p>MITSUI E&amp;S Co., Ltd. Public Relations Sect, Corporate Planning Dept Contact form  <a href="https://www.mes.co.jp/contact.html">https://www.mes.co.jp/contact.html</a></p>
Disclaimers	This report contains plans and forecasts that were current as of the date of publication, as well as descriptions about our future business activities based on our management plans. Please note that this information is based on the currently available information, and the actual contents of our business activities may differ from the contents of this report due to future circumstances or the environment, or due to unanticipated events that may occur after the publication of this report.



Engineering & Services for Evolution & Sustainability